

Should Sugar in Beverages be Taxed to Improve Public Health?

Jeremy Novak argues that taxing sugar will improve public health and reduce obesity, but Lauren Elizabeth Palmer* believes that such a tax will unduly burden lower income individuals and have detrimental effects*



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YES A tax on fructose corn syrup in soft drinks should be initiated by our government. A “sin tax” is a tax placed on so-called “sinful” items like cigarettes, cigars, and alcohol. A tax on the sugar in soft drinks would help raise awareness of the seriousness of American obesity and increase the funding for healthcare reform programs.

A sugar tax on soft drinks would likely be noticeable to the average consumer. John Sicher, the publisher of *Beverage Digest*, has stated that the average two-liter bottle of soda costs about \$1.35.⁶ If one version of the tax was passed, this price would increase by about 50%. The price of a 12-can case of soda would rise by about 44%.⁶

But, is the extra price for sodas and other soft drinks not worth a reduction in obesity? The answer to this question is yes.

In the 1960s, 24.3% of American adults were overweight.⁵ This

percentage has increased in recent decades, with men being an average of 17 lbs heavier now than they were in the 1970s and women being an average of 19 lbs heavier.⁵ Soft drinks and other sugar-filled beverages are among the numerous causes of this problem. Due to their inexpensive price, soft drinks account for approximately 7% of all the calories ingested in the United States.⁵

Taxing the sugar present in such soft drinks would be a good start in decreasing the number of overweight Americans. By instituting this tax, our government would raise awareness about the severity of our battle against obesity. Americans may not wish to spend the extra money to enjoy their favorite sugar-filled beverage, and instead switch to healthier alternatives. An American who switches from a typical soda with 1 gram of sugar per ounce to another healthier beverage will consume approximately 174 fewer calories a day.³

NO Is soda bad for you? A study recently released by the *New England Journal of Medicine* shows that there is a correlation between soda consumption and obesity rates.¹ Americans consume roughly 125-150 calories a day in the form of sugary or sweetened beverages.¹ The excess weight Americans are putting on as a result of this intake is leading to heart disease, diabetes and even some forms of cancer.² So yes, soda does seem to be bad for you. Should we do something to decrease rates of obesity and consumption of sweetened beverages in this country? This seems an obvious and responsible conclusion so the next natural question is – what can we do? Some think they have found an answer in the form of taxing sweetened beverages. Unfortunately, taxation is not the solution both because taxing sweetened beverages would ultimately be ineffective and because such a tax would unfairly

target lower income individuals.

Proponents of the tax cite the dangers and high health costs of obesity and refer to the success of cigarette taxes. There seems to be little evidence, however, that taxing soda will significantly decrease obesity rates or even lead to weight loss among Americans. Those individuals with the highest rates of obesity will not be greatly affected by cutting out only 125-150 of their calories. Based on a 10% tax, the average person would lose about 2 pounds a year.¹ Does this number seem significant enough to halt or even slow the obesity epidemic? This tax would not include diet beverages which would encourage their use and not necessarily lead to decreases in weight as consumers may see the consumption of a diet drink as an excuse to consume other, caloric foods.³ The frequent use of artificially sweetened drinks also leads people to have cravings for higher sugar foods which in turn contribute to increased weight gain.³ One of the reasons why cigarette excise taxes are so effective at reducing the smoking

Creating this tax would also bolster our nation's health-care system. One version of the tax would add three cents per twelve ounce serving of beverage, and the accumulation of these tax dollars would be approximately \$24 billion in four years.¹ This money could be utilized in a variety of government health care reform programs in order to heighten our nation's awareness to and development of an appropriate response to the obesity crisis.

Some advocates against the implementation of this tax argue that a sin tax will not educate the American youth that sugary beverages unhealthy.¹ However, it is the parents who go to stores and buy their children these drinks. If the prices are too high, parents will not buy the drinks. It does not matter if children realize that these drinks

are bad for their health; what matters is the parents realize that they should not be buying these beverages for their children.

Medical studies have shown clear connections between the consumption of beverages with high sugar or fructose corn syrup levels and health conditions such as obesity, diabetes, heart disease, and dental decay.⁴ Women who drink two or more cans of soda per day double their risk of showing early signs of kidney disease, and men have an increased risk of gout and joint pain.² It has also been hypothesized that consumption of these beverages may contribute to the development of diabetes, especially in children.² The medical cost for treatment of obesity-related diseases is estimated at \$147 billion, or approximately 9.1% of U.S. health

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rate is because tax increases target price-sensitive youth.⁴ While this is a successful mechanism for tobacco use, it is a mute point for soda use among many consumers, especially those of lower socio-economic status. While cigarette use does not typically start until adolescent, soda consumption tends to begin in young children, far before an age of price awareness. It is more typical for parent's to give soda to their children before children are old enough to go out and buy it themselves. Given this circumstance, adolescents who are old enough to be considered price-sensitive youth may already be addicts and thus more willing to purchase sweetened beverages regardless of price.

Of course efficacy is not the only consideration when it comes to any policy decisions, we must also ask if

there would be any negative repercussions of this decisions and if it is ethical. With the tax on sweetened beverages one cannot help but notice that a tax on soda will be a tax on the poor. It is known that the primary consumers of soda are poor, nonwhite individuals.^{5,6} Is this the population we want

“There seems to be little evidence, however, that taxing soda will significantly decrease obesity”

to tax? Advocates of the tax indicate that the revenue will go to health care thus if lower income individuals contribute greatest to this revenue, they also benefit the most as they constitute the majority of the uninsured. Thus the soda tax would be an ineffective end to obesity, but a very effective means for taxing the poor to pay for health-care. Simply taxing our food and drink seems to neglect an important aspect of healthy living- education. Taxation is an attempt to tell people what to do. It does not explain why and it doesn't

care expenditures.³ A tax on soft drinks would lower the number of individuals with these health conditions. Dr. David Ludwig, associate professor of pediatrics at Harvard Medical School and director of the Optimal Weight for Life Program at Children's Hospital Boston, also believes that a tax on the sugar in these beverages should be implemented. He has stated with respect to this issue, “What better way to accomplish both lowering health care costs through obesity prevention and funding expansion of health insurance coverage than to add a tax to unhealthy foods?”⁴

If Americans wish to consume soft drinks, then they should have to pay the price, both literally and figuratively. There is no doubt about the benefit a sin tax on sugary beverages would have on the health of American citizens. A tax on sugary beverages would reduce the number of people drinking them, thus contributing to an overall healthier American population.

empower people to learn to make their own healthy decisions. Education is a vital part of nutrition and has shown to be a particularly effective tool in lower income individuals.⁷

The question remains why we would particularly want to tax soda and sweetened beverages. This may not necessarily be a very effective mechanism for decreasing obesity rates. Taxation of soda is disproportionately burdensome to lower income individuals and neglects attempts to educate and thus empower. We should be giving people the means to make healthy decisions and the enable them to choose for themselves instead of limiting the amount of money in their pocket and control in their hands.

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References for Opposing Viewpoints are available in full-text online.