

[Why a fat tax would be a terrible idea](#) [1]

Written by [Chris Snowdon](#) [2] | Wednesday 16 May 2012



When we scheduled the release of [The Wages of Sin Taxes](#) [3] for 15th May, we did not guess that it would be sandwiched between the announcement of a 50p minimum price for alcohol in Scotland (Monday) and a new campaign for sin taxes on food and soft drinks (today). Writing in the *British Medical Journal*, two academics have just called for price hikes on sugar-sweetened beverages and 'junk food' as a way of dealing with Britain's alleged obesity epidemic.

Obesity rates, like drinking rates, have not actually risen for ten years, but the same decade saw the medical profession gain an uncanny grip on the nation's political process and they are in no mood to relinquish it. Taking a break from hassling smokers and drinkers, the mandarins of public health have taken the 'next logical step' and moved on to the general population.

'Economists generally agree,' they write, 'that government intervention, including taxation, is justified when the market fails to provide the optimum amount of a good for society's wellbeing.' Even if this dubious statement were true, there has never been a time when the market offered more choice in what we eat than drink than today. And, contrary to popular belief, it is much cheaper for a family to subsist on fresh fruit and vegetables than it is to eat out at McDonalds three times a day. For the spokespeople of public health, the problem is not that there is a lack of options, but that we plebs are not choosing the right ones.

Defining junk food is notoriously difficult. As Rob Lyons explains in his excellent book *Panic on a Plate*, a portion of McDonalds fries contains a quarter of an adult's recommended intake of Vitamin C, while middle class favourites like olive oil, parmesan and pasta are rather fattening. A tax on 'sugar sweetened beverages' will presumably leave apple juice and smoothies untouched, despite the fact that fruit juices are often sweeter and more calorific than Coca-Cola.

Whichever foods and drinks fall under the spotlight, it is unlikely that the new sin taxes will do anything except make the poor slightly poorer and George Osborne slightly chirpier. The record of fat taxes and soda taxes abroad is dismal. When academics assessed the effect of soda taxes in the USA, they found no evidence of a reduction in childhood obesity and concluded that "soft drink taxes are ineffective as an 'obesity' tax." Last year, a study claimed that a 10 per cent tax on sugar-sweetened beverages would lead to a 7.5 ml reduction in daily consumption, but this equates to just three calories a day. Since adult males require 2,500 calories per day to maintain a healthy weight, the impact on obesity rates would be somewhere below negligible.

Perhaps recognising this, the authors of the BMJ article insist that these taxes would have to be set at at least 20 per cent (in addition to the 20 per cent VAT). Such a rate would hit us all in the pocket, but it would

still have an imperceptible effect on British waistlines. A 2007 study found that even a 100 per cent tax on ?unhealthy foods? would reduce average body mass index (BMI) by less than one per cent (a reduction in BMI of just 0.2 points).

Although there is ample evidence that sin taxes of this kind do not work, we run the risk of accepting the medical establishment?s terms of debate by even discussing it. The real argument against this kind of state interference is that what we eat and drink is simply no one?s business but our own. As I show in [The Wages of Sin Taxes](#)^[3], the claim that obesity is an economic time-bomb which forces the slim to pay for the sins of the fat is fallacious. Without that justification, the meddlers are exposed as the ugliest brand of paternalists. It is time to call these taxes what they are - fines for living in a way that displeases the British Medical Association. But since it is clear that these doctors won?t be happy until they can issue us with ration books, perhaps it time to remind these public servants who their masters are.

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[3]

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[5] <http://disqus.com>