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Let them drink Coke [1]

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A campaign group ? you know, one of those bodies that sounds official but isn't, and is stuffed full of folk on the public payroll ? wants to put a 20p tax on bottles of fizzy drinks. It's to combat obesity, they say.

No, it's about micro-managing our lives, which 'experts' always believe we are unable to manage for ourselves.

The average person gets about 2% of their calories from fizzy drinks. Sure, some people drink a lot more. But will a 20p tax dissuade them? No, it is just a stealth tax at a time when we are over-taxed already. People have strong favourites in soft drinks, and studies show that the tax needs to be a lot higher to make people switch. Even then, they just switch to other sugary but untaxed drinks.

Proponents say the tax would raise £1bn that could be spent on diet education for children. I doubt if any of the money would actually get to that destination. Just think about it:

Presumably some soft drinks will be hit, some not (as there are low-calorie alternatives on the same shelves). The Department of Health will want to set up a quango to decide which should be taxed. Then shopkeepers, who are struggling enough at the moment, would have to separate taxed from untaxed drinks and account for the tax. Then send it to the Revenue, which has to account for it and then send it on to the Treasury, which has to earmark it and send it to the Health and Education departments. They will each need a bureaucracy to decide how to spend it, and another bureaucracy to run the programmes, and a third monitoring bureaucracy to make sure that the money is spent properly. All the tax will really buy is £1bn-worth of bureaucracy.

If we really want to help our children, a better way might be to get bureaucracy out of our hair and pay down the national debt, which saddles every newborn with a £17,600 bill.

Denmark introduced a 'fat tax' a year ago but it was so unpopular that they have now scrapped it. It was supposed to hit things like crisps and chips, but actually was applied to meat, yoghourt, even gourmet cheeses. North German supermarkets did a roaring trade as Danes shopped abroad to escape the tax. Specialist businesses selling meat or cheese were badly hit.

And as our report The Wages of Sin Taxes [3] notes, a tax on soft drinks hits poor families the hardest. Groceries, food and drink, is a much larger part of their budget. But it would not make a scrap of difference to the middle-class campaigners who are advocating it.

It's soda today, what's it going to be tomorrow? Chocolate? Cake? Cheese? Bread? Milk? Spare us, please, to get on with our own lives.

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