Does Soda Tax Work?

The total number of cities in the United States that have voted to place a tax on beverages with added sugar like soda, sports drinks, and energy drinks grew from two cities (Philadelphia and Berkeley, CA) to six cities (San Francisco, Oakland, Albany, CA, and Boulder, CO) and one county (Cook County, which contains most of the city of Chicago). Relatively new to the United States, these "soda taxes" will or have also taken effect in France, Hungary, Ireland, Mexico, Norway, South Africa, and the United Kingdom. Much like tobacco taxes, the goal is to make the consumption of a key culprit (added sugars), which is associated with the rise of diabetes and other diseases, a less attractive choice. The effects of refined sugars on public health and healthcare costs are becoming one of the most important issues the world must face. But are taxes on sugary beverages the way to address it?

Do They Even Work?

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Short answer: probably. Of all of the local governments that have passed a tax on beverages with added sugar, there is only one that has any actual data: Berkeley. That measure was passed in 2014, and it took effect in January of 2015. With Berkeley as the sample size, the numbers are promising. For minority and low-income residents in Berkeley (the population most likely to drink sugary drinks), consumption fell 21 percent once the tax was implemented. But those numbers are not the entire story.

While the increase in the price of soda likely deterred many regular customers, that wasn't the only way the Berkeley community achieved its positive results. The first objective

of the campaign is to raise awareness. The tax has been earmarked for community programs specifically designed to promote health education and diet awareness, like the Berkeley YMCA's Diabetes Prevention and Reduce Obesity campaign and the Unified school districts gardening and nutritional education programs. As the Berkeley tax is applied to beverage distributors, not consumers, it's possible the increased awareness campaigns are doing as much, if not more than the actual tax.

In looking at the results of the Berkeley sugary beverage tax, it's easy to see why it's succeeding. The tax raises awareness of the issue and the education delivers resources and strategies to make better choices. A small, progressively minded, and wealthy community like Berkeley has the infrastructure to implement this program. But the tax itself is not without issues.

Why It's Problematic



What's the biggest issue with a soda tax? The people enforcing it – if you can call government people. There are two hurdles to worry about that combine and amplify one other. Reason one? Any time things are taxed, governments begin to expect and rely on that money. The second question is whether the government agency that is regulating this tax and other similar taxes actually knows anything about health.

Seriously…Does It Work?

Short answer: yes. Long answer: yes. But we don't know if it does work without the education. Education makes a difference.

The low-income populations (or people likely to have less access to quality health education) are responsible for a large percentage of sugary beverage consumption. Replacing unhealthy choices with better alternatives will always create a more lasting impact on habits than merely raising the price of soda ever could. One way or the other, the world is waking up to the truth about sugar.

Sources:

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- *Berkeley soda tax revenue to fund cooking, gardening programs in local schools* – The Daily Californian