

## Information to consumers' key in fighting Obesity

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There is growing concern in Europe over obesity and its effect on the health of Europeans and Europe's already stressed health budgets. Some Commission figures suggest that within the next 5 to 10 years one-third of the population will be obese or troublingly overweight, approximately the same as the U.S. This leaves policymakers terrified of the potentially spiralling costs to treat the overweight, and seeking tangible solutions to stop the negative trend.

There are strong indications that these concerns are well-founded. A recent paper, co-authored by Dr. Michael Kunze of the Medical University of Vienna and published by the European Enterprise Institute, suggests a steady linear increase of the obesity rate in industrialised countries. If this trend is correct and continues this portends higher costs for the European health care systems and increase the insurance premiums, in addition to negative impacts on human health and economic performance, as the treatment of diseases related to the overweight would crowd-out other expenditures.

The overweight problem therefore raises policy questions for preventing Europeans from becoming obese. Some suggestions brought forward by popular movies such as "Supersize Me" and anti-McDonalds activists argue for government limitation of certain foodstuffs, portions and further regulating what's on people's plates.

This is an unfortunate development as obesity fundamentally is a lifestyle issue and therefore only can be tackled by the person who is affected by the problem.

Speaking at a European Enterprise Institute lunch discussion in Brussels, Dr. Kunze posits that the issue is not forbidding people to have chocolate but to teach them to balance their intakes with energy output. In other words, consumers in the industrialised world need to adapt their way of life, to balance caloric and carbohydrate intake with, for example, more physical activity.

But surely, someone will argue, we (all too often meaning the state) must do something about the problem?

Let's return basics. Putting aside for now the reality that many among the overweight have medical explanations, a major part of becoming overweight is often explained by the over-consumption of calories. Today's prosperous populations consume more calories than individuals often make use of. There are two approaches to this matter: reduce intake or increase activity. Suggestions such as fat and sugar taxes, restrictions

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on advertisement for high-caloric foodstuffs are all measures aiming at reducing intake through regulation.

As with other tax's, however, they also make the supposedly condemnable activity a virtuous contributor to the public purse that government, ultimately, needs to maintain. The proponents of such policies must ask themselves however, if these measures effectively stimulate consumers to reduce their caloric intake? This seems unlikely for two reasons. First, consumers act according to their individual preferences and, second, reducing availability only makes something more attractive.

Drawing experiences from a country that for a long time has regulated against consuming alcohol, Swedes know that if people wish to go for a drink after work, no monopoly or levy will prevent them from doing so. It will merely reallocate disposable income.

If there is an individual preference for a Twix bar at work no sugar tax will prevent consumption. If individual consumers want to avoid filling themselves with chocolate or French fries this is because they want to do so. Consumption patterns depend on rational choices and are governed by conscience.

Consciousness, therefore, of the benefits of balancing intake with exercise will also guide a citizenry to health. Government regulation merely increases the price of whatever it targets, from wine to petrol to candy, reallocating resources but modifying behaviour very little.

There are no short cuts to solving the problem of overweight. The appropriate policy strategy must include a coherent and long-term approach. Only then will be able to change behaviours and favour more healthy consumption patterns. This requires not further taxation and regulation, but increased awareness of what causes one to become overweight. Consumer awareness will prompt increased demand for low-calorie products, which the market will even further provide.

Like all policy issues this one does not lend itself well to easy solutions. Past experiences shows us that negative trends are only reversed through joint efforts by industry, authorities, schools, media and consumers. This means educational initiatives highlighting alternatives and promoting a balanced, healthy lifestyle.

This goes beyond Super size Me and actually includes a nice burger now and then.

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