

FOOD POLITICS

REVIEW

WHAT IS AN EXAMPLE OF "MORAL HAZARD"?

1. Driving recklessly without any auto insurance
2. Using tobacco products despite knowing they are harmful
3. Lying about your health history to your doctor
4. Driving recklessly after purchasing auto insurance

Moral Hazard

One party engages in "risky" actions at least in part due to the knowledge that some other party bears the cost of those risks. This typically arises when one or both of the parties possesses incomplete information about the other ("information asymmetry").

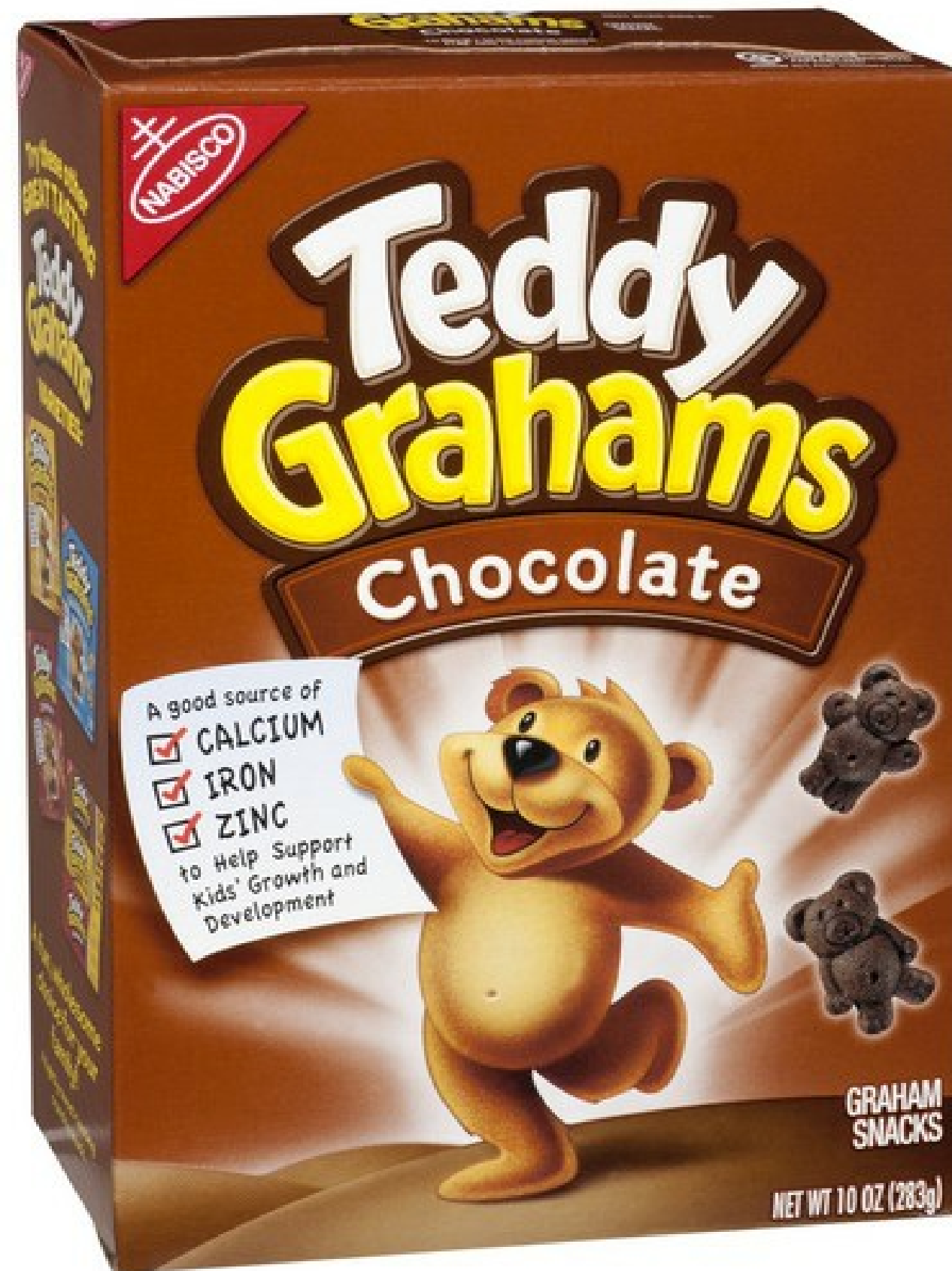
THE PRIMARY AIM OF LARGE FOOD COMPANIES IS

1. Promote public health
2. Increase public knowledge of nutrition
3. Maximize profit and shareholder return on investment
4. Reduce consumption of processed foods

- Food industry profit depends on (i) lowering costs; (ii) increasing demand
 - Increasing demand requires either (i) increased processing; (ii) increased consumption

"Functional Foods"

foods that possess features other than those of normal nutrients that are supposed to improve health



INFLUENCING POLICY

Lobbying

any *legal* attempt by individuals or groups to influence government policy or action (i.e. no bribery or coercive threats)

- Two primary means of influence
 1. "Revolving door" of lobbyists & policy makers
 2. Direct spending
 - PACs and "hard" money
 - "Soft money" contributed to state & national political organizations

IF A NUTRITIONAL EXPERT'S CLAIMS ARE BASED ON RESEARCH THAT DEPENDED ON FOOD INDUSTRY FUNDS, WOULD YOU BE:

1. More inclined to believe the claims
2. Less inclined to believe the claims
3. Neither more nor less inclined

INDUSTRY STRATEGIES

- Blame personal responsibility
- Dispute the science
- Defend self-regulation
- Fund oppositional research
- Co-opt professional organizations
- Attack critics
- Lobby against public health measures
- File lawsuits


The Nanny

You only thought you lived in the land of the free.



Bye Bye Venti

Nanny Bloomberg has taken his strange obsession with what you eat one step further. He now wants to make it illegal to serve "sugary drinks" bigger than 16 oz. What's next? Limits on the width of a pizza slice, size of a hamburger or amount of cream cheese on your bagel?



New Yorkers need a Mayor, not a Nanny.

Find out more at ConsumerFreedom.com

OBESITY

- 34% increase in obesity rates since 1980
- Nestle's 3-pronged argument to prevent obesity
 1. Eat less
 2. Eat better
 3. Move more

FOOD INDUSTRY INTERESTS ALIGN WITH THOSE OF PUBLIC HEALTH IN FIGHTING OBESITY

1. True
2. False

