

FOOD POLICY

FOOD ECONOMICS

- "Inelasticity" of demand
- Constant threat of commodification

THE GOAL OF THE FOOD INDUSTRY

- Generate profit for investors/owners/shareholders

THE MISALIGNMENT OF INTERESTS

- Food industry generates profit only by either (i) lowering costs; (ii) increasing demand
 - Push to lower costs encourages features of IFS
 - Increasing demand requires either (i) increased processing of food; (ii) increased consumption

FOOD PRODUCTION & MORAL HAZARD

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. Typically arises when one or both of the parties possesses incomplete information about the other ("information asymmetry").

- Does the food industry engage in practices that generate risks borne primarily by food consumers & government?

INFLUENCING POLICY

Lobbying

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

1. Promoting the views of special-interest groups
2. Attempting to influence government laws, rules, or policies that might affect those groups
3. Communicating with government officials or their representatives about laws, rules, or policies of interest.

- 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

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

LITIGATION & PRICE FIXING

Price fixing

agreement between participants on the same side in a market to (i) buy or sell a product, service, or commodity only at a fixed price, or (ii) maintain market conditions such that the price is maintained at a given level by controlling supply and demand

