Leveling the Playing Field: The Berkeley Soda Tax

Laura: Welcome to Just Food, a podcast about cultivating justice and health. This is a series is brought to you by the Berkeley Food Institute, at the University of California, Berkeley. I’m your host Laura Klivans, and I’m here with Graelyn Brashear.

Graelyn: And I’ve got a recipe to share. Actually, I’m going to let Mayumi share it. She’s 17, a recent Berkeley High grad, and this is her and her friend Maya.

Mayumi: Can I say it? It’s so good.

Maya: So good.

Mayumi: It’s like, any type of kale you want, any type of kale. And then the dressing is parmesan cheese, olive oil, lemon juice, salt pepper and garlic.

Graelyn: Mayumi wasn’t always so excited about salad.

Mayumi: A lot of times after school when I came home I would usually be pretty hungry so I’d want to make a snack, but then I would be too lazy to, so I’d pull out some chips and salsa.

Laura: So what convinced her?

Graelyn: Well, to understand that, we have to back up...to here:

CITY COUNCIL RECORDING: The Berkeley City Council is called to order. Clerk will please call the roll. Council member Mayo?

Graelyn: To here. This is the very beginning of a meeting of the Berkeley City Council back on July 1st of 2014. And they’re trying to do something that no other city in the country has managed to do up until this point, which is pass a special tax on soda and other sugary beverages: One extra penny for every fluid ounce of any drink with added sugar. And there was a lot of heated debate about this.

CITY COUNCIL RECORDING: Whenever we talk about disincentivizing the consumption of sugary sweetened beverages, it’s like we’re touching the third rail...As a teenager and a member of our community, I just want to say how important I believe this tax is in promoting healthy habits of my peers...And many of my customers are low-income so a soda tax will put a tremendous burden on my customers, and my small business...I have seen the disproportionate impact that soda consumption has on our youth, and particularly our youth of color...But I would ask again that you reconsider the impact on business today. Thank you very much.
Graelyn: But Berkeley did put this measure on the ballot, and in November of 2014, it became the first city in the country to impose a soda tax.

Laura: So what does Mayumi’s salad have to do with a soda tax?

Graelyn: Well that is what this story is about. And it starts with sugar.

Kristine Madsen: We’re primed evolutionarily to like sweet things. Those things in nature that are often poison are bitter tasting. So sweet is good and sweet is associated with calories so...from a get the most energy you can it makes sense for our bodies to like that. I’m Kristine Madsen and I’m an associate professor at the University of Berkeley in the School of Public Health.

Graelyn: Dr. Madsen was trained as a pediatrician, and for years, she worked in UCSF’s child obesity clinic. And she saw what is now a growing consensus among doctors and nutrition experts: That there was one culprit that was affecting the health of her young patients that loomed larger than everything else. And that was sugar. This thing we’re primed to love? In large quantities, it is bad for us.

Kristine: The single item that has been shown repeatedly to actually cause obesity and to be linked strongly to diabetes and bad cardiovascular outcomes—heart attacks, stroke, high blood pressure...it’s sugar sweetened beverages.

Graelyn: Madsen said it was hard to see this growing crisis as a doctor. She could only treat one person at a time.

Kristine: It became clear that I was suggesting to families that they changed their, you know, their behaviors. But I was working with a lot of low-income families, and I knew that I wasn't changing the environment they were going back to. So nothing in their environment was changing. There wasn't suddenly more opportunities for physical activity. They didn't suddenly spring up with, you know, farmers markets in their neighborhood. And I began to feel like I was really missing a root cause by not working on the environment.

Graelyn: That led to a career shift, and now she’s on the faculty of Berkeley’s School of Public Health. And now, working on the environment, as she puts it, is her job: She tackles the large-scale factors that affect the health of whole populations. Madsen advocated for Berkeley’s soda tax. She says it’s not a new idea: We slap extra taxes on things that are bad for people’s health all the time—like alcohol and cigarettes, for example. But rolling out a tax on something as widely consumed as sugary drinks felt like government overreach to a lot of people.

Kristine: But that position, that I don't want the government interfering because I want to be free to make choices, you know, it acts like there's a vacuum otherwise: If the government is
not interfering, then it's really all up to me and I am making choices without any other influence.

Graelyn: But, Dr. Madsen says, no one makes decisions in a vacuum. We’re also influenced by the billions of advertising dollars the soda industry spends to market their products.

Kristine: And all we want to do is level the playing field.

Graelyn: Berkeley’s tax aimed to do that in two ways.

Kristine: If you increase the price and it hit someone's pocketbook, they're absolutely less likely to buy it. Another important piece of taxation is that it does create revenues

Graelyn: Those revenues can then be spent on programs and initiatives that can steer people toward better nutrition choices of all kinds, and push back against the power of that industry advertising.

Now, there are still debates going on across the country about whether this is a good idea. People say, what about the impact on retailers, who could take a hit if people could just cross into another town to buy cheaper soda? And does a penny more per ounce really change people’s soda buying habits? Well, in Berkeley, the first city to try this, we’re finally getting some data back.

A study conducted by the Public Health Institute in Oakland examined 15 and a half million transactions at grocery stores and smaller retailers in Berkeley and in surrounding towns. Sugary drink sales in Berkeley dropped nearly 10 percent after the tax, and purchases of healthier drinks, like milk and water went up.

All of this, and people’s overall grocery bills didn’t go up. And retailers didn’t see their sales decline.

Kristine: The beverage industry you know originally was saying, “Oh this isn't this isn't going to work. It probably won't even get passed through to the consumer, and the consumer’s not going to be affected by this small tax.” Well, we now have data from Berkeley from Mexico and from France as well. All of which data are very similar the results are very similar and very compelling. So now they're saying well this isn't going to have any impact on health. Well, I guarantee you, if we're really reducing consumption by 10 to 20 percent. You know, if sugar-sweetened beverage consumption were to go down by 10 to 20 percent, we would see enormous health effects. We will.

Graelyn: So the tax seems to be working. But there’s another chapter of this story, because the soda tax is generating over a hundred grand a month—so far, it’s brought in about three and a half million dollars. That money is helping fund all kinds of initiatives. Some of it went to a
A billboard campaign to encourage people to drink water instead of soda. But it’s also funding bigger, broader healthy eating efforts that go way beyond drink choices.

About half the revenues have been going to the city’s public schools for a cooking and gardening program. And grants have gone to local organizations for nutrition education programs, like the Berkeley YMCA, and the nonprofit Healthy Black Families.

And the Ecology Center, which is where I met Mayumi and Maya. The Ecology Center got about a hundred thousand dollars this year to expand its Youth Environmental Academy, which offers paid internships to young people in Berkeley.

Giuliana Blasi directs the Ecology Center’s Youth Program. She’s showing me around on one of the last days of their summer.

Giuliana: We talk in here about holistic health and how health is not just nutrition, it’s not just your body it’s also your mental and your social life and yeah, and how you’re doing as a human being in the world.

Graelyn: The 11 youth in their 2017 summer program are mostly from minority and low-income backgrounds, and they spent their months off of school learning about nutrition and working on ways to improve community health.

Mayumi: You can eat off campus for lunch, so we’ve come up with 15 to 20 restaurants that we thought are the healthiest choices to grab lunch.

Graelyn: That’s Mayumi again. She and Maya are showing me a very slick pamphlet, with really useful information—how far a walk each of these restaurants is from school, how much lunch will cost there, whether they have vegetarian options.

Mayumi: And also, at the end of each restaurant, we have in parentheses H2O, which is that there’s water that’s available for free at the restaurant.

Graelyn: All through the summer, Maya and Mayumi and the other academy students did direct outreach, too, manning booths at farmer’s markets to hand out free water and give demonstrations on just how much sugar was in those Arizona iced teas. They told me it’s more than you get in a can of Coke. This summer has changed their relationship with food. Yeah, they drink way less soda, but it’s more than that. Mayumi isn’t the only one who’s into kale now. This is Maya.

Maya: Having really great access to healthy, organic, local food and being able to take that home, it’s actually inspired me to start cooking, which my parents were shocked about.
Graelyn: The Ecology Center just got awarded a two-year grant from the city to keep up this work with city youth, and they’ve got big plans.

Giuliana: The end goal of this initiative on Ecology Center is we want to change the food culture amongst teens in Berkeley and at Berkeley High within the next 10 years. So we look at this as a 10-year project, and so now to get an additional two years of support from the soda tax is really key.

Graelyn: And this is part of why public health experts like Kristine Madsen say Berkeley’s soda tax is a real success story so far, one that other towns are going to look at and consider imitating. A few million dollars may not seem like a big portion of a city budget, but it can make a real difference to programs like this one, which are aiming to do exactly what Madsen felt she couldn’t do when she was a doctor treating diabetic kids: Change behavior, one afternoon snack at a time.

Kristine: You are now leveling that playing field right in people's decision making. And so you can influence someone just as much as industry with their billions of dollars can. That has a huge effect.

Laura: You’ve been listening to Just Food, a podcast about cultivating justice and health. This is a production of the Berkeley Food Institute. Check out food.berkeley.edu to see photos of the Ecology Center youth at work this summer. This episode was produced by Graelyn Brashear and Lacy Jane Roberts. The music was composed by Roy Baril and Podington Bear. I’m Laura Klivans. Thanks for listening.