

Discouraging Harmful Ingredients Fiscal Policy

ISSUE

The United States spends more than any country on our healthcare system, yet we have one of the unhealthiest populations of the developed countries. In 2022, the United States had the highest number of obese adults and one of the highest [obesity](#) percentages in the world. Additionally, we had the third-highest number of adults with [heart disease](#). In the same year, the United States spent [\\$12,318](#) on healthcare per person. That put us at spending approximately 40% more than Germany- our runner-up in healthcare spending. Not to mention, we also spent the greatest percentage of our gross domestic product, [nearly 18%](#), on healthcare. One would think that with how much of our resources we dedicate to our citizens' health, we would have a healthy population, yet we do not. Clearly, the health issues in our country are not centered around not spending enough. The root of the problem is the poor health of our citizens which is largely due to our average diet. Corporations in the United States regularly use dozens of ingredients in our food products that are banned in other countries around the world. Turning away from these ingredients may negatively impact many food manufacturers and their production process, but it is necessary for our country's health and a feasible solution that's already been implemented around the world.

POLICY SOLUTION

Policy solutions must look to lower the astronomical amount of [money](#) spent on healthcare in the United States. The most feasible solution to this problem is to lower the amount of healthcare needed in America by improving the health of our citizens. Health begins with [diet](#), so it is imperative that we improve what Americans are consuming on a daily basis. Ingredients such as [red 40](#), [yellow 5](#), and [potassium bromate](#) are banned in many countries in Europe and Asia but are still being used heavily in the United States. Banning ingredients like these and switching to healthier alternatives would positively impact how much we are spending on our healthcare. Because better ingredients are typically more expensive, it is necessary to provide incentives to businesses to use those better ingredients without passing the increased price onto consumers, who may not be able to afford more expensive options.

In light of this, we propose these policies to reduce the number of harmful ingredients in U.S. consumer foods, thereby increasing the overall health of Americans and reducing the healthcare spending of this country:

- Implement a 10% [excise tax](#) on products that contain red 40, yellow 5, and/or potassium bromate to make the products more expensive to discourage both the production and consumption of these products.
- Implement a tax credit of \$10,000 to the companies that stop use of these ingredients altogether to help cover the costs associated with changing production processes.