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Cursed rhetoric

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Cursed rhetoric! If only they would stop calling our beneficent interventions "Nanny State", we'd be able to get on with the important project of improving peoples' lives by making their choices for them. Or so argue Crampton (no relation), Hoek and Beaglehole [henceforth CHB].[1] A paternalist by any other name would seem less meddlesome? Hardly.

Advances in public health have been one of the great triumphs of the last two centuries. The burden of mortality and morbidity has been greatly alleviated in no small part due to constructive government involvement in provision of basic public health services: sewerage, clean water, and subsidisation of basic health services like immunisation. These are the kinds of public health interventions advocated as positive rights by Amartya Sen in *Development as Freedom*.

It's consequently interesting that CHB cite Sen in support of rather more intrusive interventions: Sen's thoughtful work on the place of liberalism within welfare economics and on the importance of building individual capacity for enjoyment of freedom is far more easily squared with income transfers and public education than with bans on advertising.[2] But this is hardly the place to argue about what Sen really meant.

Rather, I wish to rebut two points made by CHB and defend an alternative position. Economic theory is not so fragile as to collapse in the presence of any minor market failure. Advertising is not as pernicious to the public interest, nor non-governmental organisations (NGOs) as beneficent, as CHB would have it. And, finally, individuals can rationally choose enjoyment or other objectives over health; if that's the case, then we cannot call people irrational simply for choosing a well-seasoned fatty steak over mung beans.

Let's begin with CHB's case against efficient markets. They argue that because models of perfect markets require a set of conditions not found in the real world, extensive and comprehensive government intervention in individual health choices is necessary. You could just as reasonably argue that because Earth has an atmosphere, we needn't worry about falling off of cliffs: theories of gravitational acceleration of 9.8 metres per second squared are derived for a vacuum and so do not here apply.

The conditions under which markets can be shown to maximise efficiency—the benchmark case against which market failure is measured—are sufficient rather than necessary. We can be at an optimum even if the conditions fail.[3] Under those idealised conditions, it is impossible to make any person better off without simultaneously making someone else worse off.

Where the idealised conditions fail, we have some guidance about policies that *may* improve outcomes, but do not necessarily do so. The market failure is necessary but not sufficient for policy to meliorate outcomes. Proving a particular failure does not

give us *carte blanche* to implement any intervention we like; rather, it tells us where an intervention might be targeted. And it also tells us when intervention isn't warranted.

As case in point, consider the potential for market failure caused by imperfect information about calorie counts. If consumers are mistaken about true calorie counts, they might eat more or less than they would under conditions of full information. Perhaps. Let's leave aside for the moment the ease with which any consumer could investigate calorie counts at most fast food restaurants simply by checking their websites—if he actually cared. But experiments making calorie counts really salient at point of fast food purchase show no effect on purchases.[4]

The rather mixed evidence on the effects of information provision suggests to me that there was no real information market failure. If your reaction to the evidence is "well, let's try a different intervention then and claim a different market failure as justification", you're no longer making the case based on market failure; you're just being paternalistic. Public health activists have been abusing market failure theory to give a sciency flavour to what is actually just paternalism.[5]

Let's now consider the pernicious role of advertising and corporate influence. If the CHB contention is true—that we're all just pawns to advertising – why is it that newspapers and television are having such a hard time making a profit on advertising? If advertising were as influential as folks think, ad-funded free-to-air radio and television would be a goldmine. But it isn't, so it isn't. People sensibly discount claims made by advertisers, recognising that they have something of an interest in the message being conveyed. But if we're going to think about misleading messages sent by interested advocates, let's look also to our public agents.

The New Zealand Drug Foundation (NZDF), despite the weight of the epidemiological literature,[6] insists that there is little to no health benefit from moderate drinking. The concerns raised by NZDF in its *Mythbusters* article[7] may have been relevant 15 years ago but have been entirely addressed and dismissed by the subsequent literature. Correcting for all of the problems around former drinkers being included among non-drinkers and that moderate drinkers may have healthier lifestyles, low levels of regular alcohol consumption remain associated with a substantial reduction in overall mortality risk—the so-called J-curve.

The alcohol industry is prohibited from advertising this well established finding, and our publicly funded NGOs—both the NZDF and the Ministry of Health—do their best job of obfuscation. The Ministry of Health's *Nutrition Guidelines for Older People* is particularly egregious:[8] it cites an article as calling the J-curve into question due to methodological issues and uncontrolled confounding when in fact that article shows that the J-curve finding is very robust to those critiques.

The Ministry of Health cites an important part of the epidemiological literature in support of an argument that the article in fact disproves. This is academic dishonesty of the worst sort. I advised the Ministry of it in correspondence, I've blogged on it; the dishonest citation remains there today. I worry that people discount too heavily claims made by industry while not using enough skepticism in weighing claims made by public agents.

When the market failure claims are shown false, all that really remains is paternalism. Public health activists want you to be healthier, whether you want that or not. Why should they then be surprised if those who do not particularly appreciate their ministrations label the interventions "Nanny state"? It's accurate. A nanny helps to guide children who haven't yet learned to make their own choices; a nanny state infantilises us all by seeking to do the same.

There is a categorical difference between public health interventions that protect my health against others' actions and those that seek to protect me against myself. I can, and do, rationally choose to consume more fat and salt than CHB might want for me. I like it and it's none of their business.

If health is all that matters, can I force (tax, nudge, encourage, subsidise, regulate) CHB to consume their one drink per day too? It's for their health after all.

Competing interests: See http://offsettingbehaviour.blogspot.com/2010/12/pecuniary-interest.html

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2. Sen A. Choice, Welfare and Measurement. Harvard University Press; 1982.
3. Alex Tabarrok explains things in layman's terms at Marginal Revolution: "The First Fundamental Theorem of Welfare Economics", 13 August 2007, permalink at http://www.marginalrevolution.com/marginalrevolution/2007/08/the-first-funda.html—for somewhat more technical exposition, see: Cowen T, Crampton E. Market Failure or Success: The New Debate, Edward Elgar Publishers; 2002—and Cowen T, Public Goods & Market Failures: A Critical Examination, Transaction Publishers; 1992.
4. Finkelstein EA, Strombotne KL, Chan NL, Krieger J. Mandatory Menu Labeling in One Fast-Food Chain in King County, Washington. American Journal of Preventative Medicine 2011;40:2(February):122-127—see also Elbel B, Kersh R, Brescoll VL, Dixon LB. Calorie labeling and food choices: a first look at the effects on low-income people in New York City. Health Aff (Millwood). 2009 Nov-Dec;28(6):w1110-21. Epub 2009 Oct 6. (Note that in this latter case, labeling correlated with an increase in caloric intake. Perhaps people had erred by thinking fast food fattier than it really was.)
5. Crampton E. Public health and the new paternalism. Policy. 2009;25(3):36-40.
6. Rimm EB, Moats C. Alcohol and Coronary Heart Disease: Drinking Patterns and Mediators of Effects. Annals of Epidemiology 2007;17(5):S3-S7—see also Di Castelnuovo A, Costanzo S, Bagnardi V, et al. Alcohol dosing and total mortality in men and women: an updated meta-analysis of 34 prospective studies. Arch Intern Med. 2006 Dec 11-25;166(22):2437-45. (I summarise the literature at http://offsettingbehaviour.blogspot.com/2010/03/moderate-drinking-and-health.html).
7. "Is drinking in moderation good for my heart?" New Zealand Drug Foundation: Mythbusters. 18 February 2010. Available at http://www.drugfoundation.org.nz/mythbusters/is-drinking-in-moderation-good-for-my-heart
8. "Food and Nutrition Guidelines for Healthy Older People". New Zealand Ministry of Health, 2010. http://www.moh.govt.nz/moh.nsf/pagesmh/10240/$File/food-nutrition-guidelines-healthy-older-people.pdf See page 104, and contrast with Rimm and Moats 2007, cited and

linked above. The discrepancy is discussed here:
http://offsettingbehaviour.blogspot.com/2010/08/j-curve-science-versus-politics.html