

Preface

Americans' growing obesity is self-evident on any street corner in any city in the country. The extra poundage Americans are packing is apparent in the growing percentage of people with overhanging guts and ballooning buttocks, as well as in the number who are turning to three-wheeled electric scooters for mobility around their homes and in stores for a sad reason: they can no longer carry their own weight for more than a few yards. In no small way—no, in very *BIG* and surprising ways—America has become the home of heavies!

Americans' expanding waists are increasing the amounts of fuel required to travel both by car and plane, decreasing fuel efficiency, and increasing the emissions of CO² and potentially speeding up the natural long-term global warming trend (if human activity does in fact consequentially affect climate change). A mountain of scholarly studies have documented without doubt that the fattening of America is undercutting worker productivity, lowering wages, and impairing the country's international competitiveness. Excess weight and obesity are increasing both medical and health insurance costs, expanding the number of Americans who can no longer afford private health insurance, truncating many Americans' life expectancy, and offsetting the benefits of tremendous advancements in medical technologies and treatments. Paramedic firms are reinforcing their ambulances and gurneys, enabling their "bariatric rescue squads" to handle a decidedly modern peak-load problem, patients who weight more than half a ton. And this is just a partial list of the effects of overweight.

The many "fatoids" (or facts about fat) and economic arguments presented in this book—with added insights from evolutionary biology, neurobiology, psychology, nutrition, and medicine—lead inextricably to a coming "fat war" to be fought over the regulation and taxation of the food industry and the control of what and how much people are permitted to eat and where. The arsenal for this emerging fat policy war springs from arguments used successfully to control smoking beginning in the 1960s, which can be applied with equal force to eating (or, rather, over-eating):

- Fat parents can beget fat children, who can spawn a new generation of fat adults.
- Fat is a “contagious disease” (which suggests a form of “second-hand fat”) since fat people tend to congregate in groups and encourage those around them to gain weight.
- Fat can kill and is killing Americans at an increasing rate even as death from smoking has been on the decline.
- And people’s excess pounds increase the costs imposed on trim people through lower wages, less room on planes, and increased taxes imposed to cover the health-care costs of heavy people (often through government medical-care subsidies).

The fat war will inevitably spawn policy and legal debates over whether the country’s laws against discrimination should be extended to cover heavy people. Studies have piled up on the extent to which workers’ excess weight can undercut their job opportunities and their wages. Some retail firms and paramedic services have added surcharges for obese customers where their weight affects the costs of delivering their products and services. Associations set up to defend heavy people have already begun campaigns to declare obesity to be a disease and to require businesses and government agencies alike to accommodate the needs of heavy Americans under the nation’s Americans with Disabilities Act, or face the prospects of court-ordered damages. And the legal threats to businesses and public agencies are real. Weight discrimination and disability lawsuits are on the rise.

The recently passed national health insurance program will likely intensify the fat war primarily because national health insurance can encourage weight gain as Americans’ pass their costs of overeating on to others through higher premiums on health insurance policies and through higher taxes. And because weight gain has real effects on fuel consumption, controls on people’s weight will be pressed for many of the same reasons environmentalists advocate suppression of greenhouse gases.

Packing on the Pounds

***HEAVY!** The Surprising Reasons America Is the Land of the Free—And the Home of the Fat* documents the fattening of the country through the past century (with emphasis on the last fifty years) with both conventional measures (expanding obesity rates) and unconventional measures (increasing sizes of dinner plates and coffins and added cremation times). Beyond the well-reported “fat facts” on the health problems related to weight gain, this book examines the unusual and unheralded causes and consequences of America’s weight problems—including some unexpected and counterintuitive, even weird, economic arguments.

The country’s weight problems stem from the triumph of modern economic forces, which now move at the speed of the Internet, over ancient evolutionary forces, which always have moved at a tectonic pace. Modern humans’ genes and

proclivities to eat were shaped long ago when food was scarce and hard to obtain, but people now have an abundance of opportunities to consume cheap calories through sugared and fatty foods. During the past century, Americans' income and wealth have dramatically increased with concomitant declines in the price of calories, especially calories from fatty foods, which are everywhere available in a growing array of foods. The prices of fat-laden foods (French fries) have fallen *relative* to calorie-free foods (carrots), but this book also focuses on a hidden force behind the decline in the *full* price of calorie-laden foods—the decline in the labor cost of meals. For many Americans, the time they spend eating meals is often greater than the time they spend preparing them.

The growth in people's girths also can be traced to an expansion in world trade brought on by a long-term downward trend in trade protectionism and the growth in capital and labor mobility across national borders, which has been aggravated by the computer and telecommunications revolutions and the downfall of communism and expansion of market economies. In an important but unheralded regard, America has become the home of so many heavy people because the country has always been the "land of the free." Now, free markets have broken out all over the world with ever more intense competition in markets that are now global in scope, causing Americans to pack on pounds with escalating efficiency. In other words, the country's weight problems are at least partially a result of the triumph of free-market economics, which the late Milton Friedman and the late Ronald Reagan fervently advocated during the last quarter of the twentieth century, over all the other "isms" that stressed government control of markets.

Given economic forces, Americans should now be expected to be heavier on average than they were decades ago, even if their goal were solely to maximize their life expectancy. Fat can kill, but so can stress—brought on by efforts to curb excess pounds. Americans must balance the life-saving benefits of fewer pounds on their backsides against the life-threatening stress that can come with efforts to achieve idealized weight goals set decades ago when the economic temptations to eat were not as pressing. Because of lower prices of calories, weight loss simply takes more fortitude than it did a generation or more ago. Obviously, many Americans today have settled for new and higher optimum weight levels, while others have simply lost control of their weights.

Moreover, **HEAVY!** explains how the growth in obesity among the young and old can beget growth in kind: When more and more people are gaining weight, the social and economic costs of extra pounds decline relatively, which undercut people's incentives to avoid packing on more pounds. As friends, clothing designers, restaurants, and employers accommodate people's growing girths, they aggravate the country's weight problems. In no small way, the country's obesity problem is a true "tragedy of the commons" and shares many economic building blocks with global warming. Greater weight translates into greater emissions of greenhouse gases and broader and sooner melting of the Arctic and Antarctic ice shelves. The fate of polar bears *could* be tied to people's growing girths (although the effects of human activities on global warming remains hotly contested by a minority of atmospheric scientists). The real, or just perceived, ties among people's

weights, greenhouse gases, and global warming effects will fuel the coming fat policy war, no matter how consequential the effects of human activity are on climate change.

The country's coming fat war and policy debates also have undertones in class inequalities. In the not-too-distant past, excess poundage rose with income and wealth. After all, wealthy people could afford to pay for more calories. Indeed, at one time, extra pounds were a not-so-subtle form of "conspicuous consumption" (with the pun intended). Now, the correlation between income and wealth, on the one hand, and extra poundage, on the other, has been reversed. The battle of the bulge is clearly being lost with more conspicuous effects among lower-income and minority groups who have been sucked into buying low-price, high-calorie food and who are not able to afford what higher-income groups can buy: memberships in fancy gymnasiums (often aided by trainers) and trips to lifestyle-altering "fat farms."

Clearly, food is for many people an addictive good that the "rich" can afford to try knowing that they have the wherewithal to buy their way out of their addictions (through a host of not-always-cheap weight-reduction strategies). The "poor" have no such luxury, which is one unheralded reason the poor can see their economic lot spiral downward in a "cycle of fat"—with their extra weight undercutting their incomes and their lower incomes undercutting their best weight-reduction intentions by inducing them to buy cheaper and fattier foods for themselves and their children.

Paying by the Pound

In a significant way, Americans are paying by the pound, both privately and publicly. But the American battle of the bulge raises the ominous prospect of a new social and economic divide in the country between thin and fat Americans. Many of the economic arguments used to control smoking are arguments that have been, and will continue to be used, to control people's eating in various ways, which means there will likely be growing political tensions between thin and fat Americans; however, the outcomes of these political battles are less certain than in the case of smoking because the number of fat Americans continues to grow.

HEAVY! identifies public policies (especially farm and educational food subsidies) that have aggravated the country's obesity problems, and suggests reforms. But readers should be forewarned that a key solution to slowing down the growth in the country's excess tonnage, if not reversing the growth, is an old-fashioned one: ensure that overweight and obese Americans shoulder the full economic burden of their excess poundage. Our biological propensities to eat, and overeat, make it all the more necessary for individuals to pay the full costs of their overeating. Such "tough love" has a clear goal—weight reduction for the good of overweight and obese Americans as well as for the national economy.

Most overweight people know the underworked rule for losing weight: expend more calories daily than are consumed. This book offers suggestions for effective dieting based on economic arguments for weight gain developed in the book and also critically examines incentive systems that some companies have instituted to effectively pay workers to control their weight, with the aim of controlling health insurance costs.

As I finalize this book, I am also drawing to a close my forty-five-year career as an economics and management professor and am plotting a second career in non-academic writing and business ventures. I feel fortunate to have spent the last twenty years teaching only MBA students in the Merage School of Business at the University of California, Irvine. As all professors know, teaching is the best means of learning. I have been inspired by my students, especially the fully employed and executive MBA students who have juggled their coursework with their careers and family obligations, who have been dedicated to learning, and who have challenged me to make microeconomics relevant to them as they seek to rise to substantial management positions within their organizations or create and build companies of their own. I have also been able to test out my economic arguments captured in my many books, including this one, in my classes and have used my students' reactions to refine and improve my arguments. My MBA students at the Merage Business School have been a joy to teach, which is why I get great pleasure in dedicating this book to them.

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HEAVY!

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