LIBERTY & SOCIAL DEMOCRACY
OVERCOMING THE CHALLENGES OF MODERN LIVING
PROGRESSIVE AUSTRALIA CONFERENCE
AUSTRALIAN TECHNOLOGY PARK 3 NOVEMBER 2013

ACKNOWLEDGEMENTS

I’d like to begin by acknowledging the traditional owners of the land on which we meet, the Gadigal People of the Eora Nation, and pay my respects to their elders past and present.

I’d also like to acknowledge:

* Tanya Plibersek M.P., Deputy Leader, Shadow Minister for Foreign Affairs
* Jenny McAllister, ALP President
* Friends

INTRODUCTION

* By way of a quick introduction, I trained, and briefly practiced as a doctor before moving into health information technology as a career.
* From about half way through my six year medical degree, I held an unease with how and what we learned as medical students, and the focus of health care on treatment over prevention.
* It wasn’t until I was introduced to the concept of the social determinants of health during an interview on Radio National’s Health Report, that thinks truly started to gel.
* I asked my then dean, an eminent public health physician, why we weren’t being taught social determinants, and he replied that it was because there was nothing that could be done to change them.
* It was at that moment that I set out thinking about health care in a different way.
* Buoyed by the exuberance surrounding the emergence of the internet, I completed my internship, got registered as a doctor, but then embarked on a career in eHealth, with a view to driving in the democratisation of health care.
* My work experiences to date, both in Australia and overseas, have reinforced how entangled health care, policy and politics are.
* So while working overseas, when an opportunity came up to work in the office of the then federal Health Minister, Tanya Plibersek, I returned home and took up the chance to get up close and at times personal with politics.
* It’s been more than a decade since I left clinical medicine, and after that time, I still harbour the same unease about our health system, and especially its capacity to properly address some of the major health challenges we’re facing.
* And in particular chronic disease.
* But I sense a growing frustration with government inaction on this issue, and an eagerness in the community to address these health concerns head on.
* I am inspired and invigorated by the social, clinical and political opportunity that lies before the progressive movement in taking it on.
* I believe that for us to do this properly, we will need to start a conversation with the community that effectively explains the challenges, the solutions and the benefits of action.
* So today, I want to introduce some of the social democratic aspects of chronic disease and then continue the discussion later around potential responses.

THE FRAME

* In cultures around the world, the significance and centrality of food manifests in many and varied ways
* In our own culture, food and drink dominate our airwaves, conversations and billboards
* The Australian food and grocery sector reflects this significance:
	+ It turns over $111 billion per year – 2/3rds that of mining
	+ Employs 300,000 people, half of them in rural and remote areas – 60% more than mining
* Australian food suppliers have a international reputation for safety and quality
	+ It currently exports $24 billion per year but this is expected to rise as the Australian economy shifts from the mining boom to the dining boom
* But as with many things, too much of a good thing can hurt, and hurt it does.

[SLIDE - IHME]

* Using very clever actuarial analyses, the Gates Foundation funded **Institute for Health Metrics & Evaluation** finds that dietary risks account for the greatest burden of illness in both Australia, but also globally.
* Physical inactivity ranks 5th behind smoking, high blood pressure and high BMI
* That’s significant, because it addresses the common claim that these health risks are due mainly to inactivity, when diet is far more significant.
* The bottom line is that if you want to address chronic disease, diet is where you need to start.
* In Australia, the latest ABS statistics are not encouraging:
* 63% of adults and 25% of Australian children overweight and obese

[SLIDE – CREDIT SUISSE FIG 2]

* We’re not doing that well in comparison to other countries

[SLIDE – NHPA SLIDE]

* Most significantly for us progressive types, these risks and illnesses impact disproportionately on the less privileged in our community
	+ The Western NSW Medicare Local was the most overweight and obese
	+ Then Townsville-Mackay
	+ Rural SA
	+ Gippsland in VIC and
	+ Goldfields-Midwest in WA
* Across Australia, just under 100,000 people are being diagnosed with Type 2 diabetes each year - that’s 270 Australians a day
* And even with excellent medical treatment, they face the prospect of heart disease, kidney disease, stroke and vascular disease
* Lateral Economics has calculated the direct and indirect costs of obesity at $120 billion a year – 8% of GDP

A PAUSE

* So what’s going on here?
* What’s a sensible response?
* And what’s any of it got to do with liberty and social democracy?

WHAT’S GOING ON?

* It’s been a big week for food and nutrition
* We had Halloween, where in the US its estimated that $2.4 billion was spent on related confectionary in the two weeks leading up to festivities
* Halloween is becoming more popular in Australia, and its believed that this is mainly being driven by industry marketing activities
* We also had the Australian Food & Grocery Council annual meeting in Canberra, replete with a National Press Club address

[SLIDE – DAWSON QUOTE]

* Gary Dawson, their CEO, provided this insight into his industry:

*"Food and grocery companies live or die by their ability to understand consumers and respond quickly to changing consumer preference and expectations."*

* Embedded in this statement is what I believe to be the root cause of this global affliction.
* And I’m not alone, with growing consensus amongst doctors, researchers and policy makers that the key driver for chronic disease is the industry’s ingenuity in getting us to eat more food, and thereby generate more profit.
* There’s no moral dimension to the analysis.
* The food industry profits from selling food.
* The more food it sells, the more profit it makes.
* To illustrate, the US food industry currently produces and distributes about 3700 calories per person per day, over a thousand more than the recommended intake of 2500-2700 calories per day.

HOW DOES INDUSTRY GET US TO EAT SO MUCH?

MARKETING

* As we’d all be aware, industry markets their products heavily.
* In Australia in 2009 alone, the industry spent over half a billion dollars on marketing – dwarfing the ALP’s election campaign budget by a couple of orders of magnitude.
* Industry appropriates religious festivals like Easter and Halloween
* Heavy marketing to children, be it during children’s television viewing or in prime time, is also used to drive revenue by inciting pester power.

FOOD OPTIMISATION

* But as Gary Dawson referenced, industry also carefully optimises the characteristics of the processed food it sells.
* From Pulitzer Prize winning author Michael Moss's book Salt Sugar Fat: "In the process of product optimization, food engineers alter a litany of variables with the sole intent of finding the most perfect version of a product. Ordinary consumers are paid to spend hours sitting in rooms where they touch, feel, sip, smell, swirl and taste whatever product is in question. Their opinions are dumped into a computer, and the data sifted and sorted through a statistical method called conjoint analysis, which determines which features will be most attractive to consumers."
* The sort of things they are looking for include:
	+ The Bliss Point – the best predictor of cravability
	+ Mouth Feel
	+ Break Point – the ideal pressure intensity for a chip to be bitten before it breaks
	+ Vanishing Caloric Density – the term describing the how when something melts in your mouth, our brains don’t count the contained calories, thereby keeping us eating
	+ Rapid Absorption – starches (like bread, rice, corn) are absorbed by the body quicker than sugar, resulting in a blood glucose spike, which creates an insulin spike, which then leads to low blood sugars and then more craving.
* So what doesn’t fill you makes you fatter
* Calories consumed in liquid form are also overlooked by the brain and metabolism, thereby allowing consumers to just keep on drinking
* Given the levels they are consumed at, this puts soft drinks and the high levels of sugar they contain squarely in the frame as a cause for our current ills.

[SLIDE: Figure 26 CREDIT SUISSE REPORT]

* Sadly, Australia is in the top five countries for sugar consumption, much of this coming from soft drink, averaging at a staggering 35-40 teaspoons per person per day.
* By contrast, China consumes only 7 teaspoons per person per day
* Of note to progressives, consumption is starting to drop, particularly amongst highly educated segments of the community.

[SLIDE: Figure 29,30,31 CREDIT SUISSE REPORT]

* But note that replacing soft drink with offerings like fruit juice don’t help, given how much sugar fruit juices typically contains

[SLIDE: FIGURE 39 CREDIT SUISSE REPORT]

* As summarised by a former food industry executive in “Salt, Sugar, Fat”:

“What do MBA’s learn about how to succeed in marketing? Discover what consumers want to buy and give it to them with both barrels. Sell more, keep your job! How do marketers often translate these ‘rules’ into action on food? Our limbic brains love sugar, fat, salt. . . . So formulate products to deliver these. Perhaps add low-cost ingredients to boost profit margins. Then ‘supersize’ to sell more. . . . And advertise/promote to lock in ‘heavy users.’"

INFLUENCING

* Industry also uses its significant resources to influence public and professional opinion through sponsorship of professional bodies, funding of research and direct lobbying of entities such as the US Dept of Agriculture and Australia’s own NHMRC.

[SLIDE: FOOD PYRAMID]

* It’s said that the original food pyramid was the product of a marketing effort representing the various food producers, rather than being informed by any nutritional insights.

SO HOW DOES THIS RELATE TO LIBERTY?

* These observations persuade me that the food industry has applied advanced and powerful food science, engineering and psychological methods to usurp our body’s normal means of regulating itself.
* And through this, it has taken away our health, and with it our liberty, in pursuit of market success.

AND SOCIAL DEMOCRACY?

[SLIDE – ABBOTT AT CADBURY]

* The processed food industry is tightly aligned and supportive of conservative politics, both here and internationally.
* This leaves progressives as the only group willing and able to provide a response to this significant threat to the public's health.
* The differential impacts on underprivileged communities only makes this cause more urgent.

WHERE TO FROM HERE

* Our PBS commenced on a limited basis in 1948
* Medicare started almost 30 years ago in 1984
* Together, they gave Australia a universal system that provided access to health care and the management of threats such as infectious disease.
* But these institutions are getting old and unsustainable.
* And they haven’t responded to the rise of chronic disease.
* Australia’s multi-jurisdictional nightmare only exacerbates matters.
* Our health system must evolve into a learning, wellness system if it is to properly address these new challenges, and it is the progressive movement that must take responsibility for driving this change.
* It is possible that these suggestions seem as radical and unlikely as the PBS and Medicare seemed when they were first propose.
* If it’s to succeed, we need to engage ourselves and the community with strong, authentic narratives that explain and engage.
* I am hopeful that some of you may be interested in collaborating to move this next wave of health policy along.
* And that this evolution might in some small way begin today in this room.
* Thanks for being here to listen.

INDIVIDUAL RESPONSE

* Working out what individuals can do is a whole other presentation, but Michael Pollan’s advice seems sensible:
* Eat food, not too much, mostly plants.
* Also consider intermittent fasting, as it seems to be emerging as a successful (if not lucrative) response to our obesegenic environment.

MARKET RESPONSE

* The early signs of a market response are becoming apparent.
* In Australia, diet soft drinks now occupy 3 of the top 4 slots, driven by consumers
* Natural, low calorie sweetners are coming on to the market and are considered integral to the future of the soft drink business.
* A large potato chip manufacturer are working on a designer sodium

[SLIDE – HEALTHY FOOD STALL]

* I noticed some healthy food stalls walking down Macquarie Street on Friday.
* Medibank & Coles are collaborating to triple loyalty points when you buy healthy food

[SLIDE – FOODSWITCH]

* A phone app has been developed which gives you customised insights into supermarket food and recommends healthier alternatives if they’re available

[SLIDE – RUPERT WITH HIS JAWBONE UP]

* Sophisticated self-tracking devices are becoming popular.

[SLIDE – US SESAME STREET LICENSING]

* In the US, Sesame Street has been made available for free licensing to promote consumption of fruit and vegetables,

POLICY RESPONSE

* Tobacco took 70 years to get on top of, but it did happen, and there have been other public health successes such as seat belts, guns and hard hats.
* But the reaction of regulators around the world has been limited to incremental taxes (mostly on soft drinks), stricter guidelines on labeling, bans on distribution of a few sugary products in public buildings and schools, limits on the size of drink packages, small changes in the official dietary guidelines and some educational advertisement.

TAXES

[SLIDE – MEXICO SODA TAX]

* Mexico is contemplating a big soda tax.
* These taxes are regressive, but intentionally so – they differentially protect the underprivileged
* Taxes are most likely to be effective when applied to foods with close, untaxed, healthier alternatives available.
* Subsidies are most effective when applied to fruit and vegetables. Both become stronger measures at higher rates (20%–40%).
* If they are designed well (such that healthier foods avoid the tax), taxes can create upstream incentives for food industry reformulation.
* New skills and strategies and strong political leadership will be needed to bring the food and health industries together in fruitful relationships. The agenda should include banning the use of industrial transfats, progressive lowering of added salt and intelligible food labelling.
* These things may not be blockbusters but, as shown with the control of tobacco, progress is achieved in these complex environments by many small efforts.
* The necessary policy work is tough — intellectually and politically — and the muscle power and spiritual clout of a patron saint of public health diplomacy would be warmly appreciated.

MANDATED SALT REDUCTION

* Most dietary salt comes from processed foods
* A 5% reduction in salt levels results in 1000 lives saved per year
* If completed over a year, a 5% salt reduction is imperceptible to consumers and costs industry nothing to achieve
* Finland has succeeded in retuding its per capital salt intake by one third over 10 years, resulting in a 75-80% drop in deaths from strokes and heart disease
* This would cost between $10-20 million to implement
* And then you have master works of advertising like this from Coke Mexico:

[SLIDE - CHAIRS ADVERTISEMENT]