



## Historical Analysis of Structural Racism and Sugary Drinks

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### 1. Background

This issue brief examines the role of structural racism in how the beverage industry interacts with and impacts sugary drink consumption in communities of color. Structural racism refers to “the normalization and legitimization of an array of dynamics—historical, cultural, institutional and interpersonal—that routinely advantage White people while producing cumulative and chronic adverse outcomes for people of color.(1)” Structural racism impacts the way communities of color access goods, services, and opportunities in the United States. Because of structural racism, people of color are more likely to live below the federal poverty line and live in food deserts with limited access to healthy food and beverages,(2, 3) which is associated with increased consumption of sugary drinks.(4)

The American Heart Association (AHA) defines sugary drinks as any nonalcoholic beverages, carbonated or noncarbonated, sold for human consumption that contains any added sugars. They are the leading source of added sugar in the American diet and nearly 25% of all added sugar consumed by the United States (US) population ages 2 and older comes from sugary drinks.(5) Almost two-thirds (61%) of children and half (50%) of all adults consume sugary drinks on a given day. This rate is higher among Black (65.5%) and Hispanic (76.9%) children, with similar rates for adolescents and young adults.(6)

The beverage industry primarily targets communities of color through investment into these communities and predatory marketing. This targeting has impacted how communities of color perceive and consume sugary drinks. High sugary drink consumption is associated with weight gain and an increased risk of chronic diseases.(7, 8) Communities of color disproportionately experience higher rates of chronic diseases, such as type 2 diabetes and heart disease, that are associated with sugary drinks.(9) It is estimated that 50,000 deaths are associated with high sugary drink consumption each year.(10) Of that, 40,000 deaths are attributed to heart problems and 10,000 deaths are attributed to type 2 diabetes. Harvard researchers found that each additional serving of sugary drinks per day increases the risk of dying from heart disease by 10%.(11)

In communities of color, the health impact of sugary drinks is particularly acute and diet-related chronic diseases are more prevalent. For this reason, it is important to look

at the role structural racism plays in the beverage industry's interactions with communities of color.

### *The beverage industry's engagement with communities of color*

For decades, the beverage industry has invested their financial and social capital into nonprofit organizations representing communities of color. From the American Civil Rights movement to the modern-day fight for marriage equality, beverage companies have built brand strength and loyalty over the years by appealing to and identifying with the struggles and aspirations of key segments of the population.

The beverage industry's connection with communities of color is deeply entrenched given their involvement in numerous social justice issues that matter to these communities. One recent example is voter's rights. The Coca-Cola Company came out strongly in favor of the bi-partisan efforts to reauthorize the Voting Rights Act and encouraged everyone to protect the foundational right to vote. Their actions motivated other private sector partners, provided positive corporate visibility, and broadened its appeal on a timely issue.

Investment through their corporate and philanthropic efforts have focused on areas that address the social determinants of health including agriculture, education, healthcare, housing, and community development. Recently, the PepsiCo Foundation invested \$71 million to address food insecurity in more than 1,000 communities in over 60 countries that were most affected by the pandemic. The Foundation also catalyzed an additional \$59 million from other donors and engaged its employees across 40 countries to deliver 145 million nutritious meals to at-risk populations.(12) These investments combined with marketing dollars targeting communities of color are a challenge to advocacy groups that are implementing health promoting policies targeting commercial determinants of health such as sugary drinks. Leadership at these beverage companies argue that their relationships are focused on their company's commitment to diversity and inclusion and that their financial support to community groups are independent of any positions they may hold on regulating the industry.

As sugar sweetened beverage taxes have been proposed and considered by legislatures across the country, advocates for higher prices have argued that these organizations have been largely silenced due to the financial support they receive and, in some cases, have sided with industry. In 2012, the New York State NAACP and the Hispanic Federation filed an amicus brief on behalf of the beverage companies for the lawsuit filed against New York City's cap on sodas larger than 16 ounces.(13) The brief argued that the soda cap discriminated against citizens and small-business owners in Black and Hispanic communities.

Public health organizations have cast a spotlight on the industry's deceptive strategies and worked to raise awareness among the populations impacted. These

actions have not resulted in community organizations completely refusing financial support from big soda or big food. From the perspective of communities of color, access to and attention from these companies has represented opportunity, inclusion, and an investment in their futures.

Scholars have argued that the conversation with communities impacted by industry investment need to be reframed by defining opportunity and inclusion; by encouraging organizations representing these communities to become more assertive in their relationships with beverage companies and by being more upfront about promoting healthier products. One thing advocacy organizations have done over time is to fight for increased funding for public education about the health risks associated with sugary drinks to build up community interest and knowledge.

### **2. Factors affecting perception of sugary drinks**

#### *Targeted marketing to Black and Hispanic youths*

For decades, the tobacco industry (i.e., RJ Reynolds and Phillip Morris) has used its marketing tactics to lure children into consuming their products.(14) In the 1960s, the tobacco industry began purchasing food companies and developing sugary drink products using flavors and colors they had previously developed for use in tobacco products.(15) Products such as Kool-Aid, Tang, Hawaiian Punch and Capri-Sun are examples of the drinks which are developed and marketed disproportionality to children of color by RJ Reynolds and Phillip Morris. Tobacco executives directly transfer marketing expertise, personnel, and resources from their cigarette to their food and beverage enterprises. These companies use marketing tactics previously used to sell tobacco products, such as creating and developing brand characters and creating easy to consume, individually packaged drinks like juice boxes and twist top bottles that did not require adult assistance to entice children into consuming their products. They also combine target marketing with racial and ethnic minority events promotion, minority media outreach, and corporate donations to racial and ethnic minority leadership groups, launching a food industry leader.(16)

A recent report by the Rudd Center for Food Policy and Obesity found that advertising of sugary drinks and energy drinks increased 26% to \$1.04 billion annually from 2013 to 2018.(17) A significant portion of that funding directly targeted Black and Latino youth. Black children saw 2.1 times and Black teens saw 2.3 times as many sugary drink ads. Black youth also experienced higher exposure to ads on sports drinks, regular soda, and energy drinks. In 2018, the beverage industry spent \$84 million to advertise regular soda, sports drinks and energy drinks on Spanish-language TV, an increase of 8% since 2013 and 80% since 2010. Sports drink brands dedicate 21% of their TV advertising budgets to Spanish-language TV, compared to 10% on average for all sugary drinks.

#### *Perception of soda alternatives (e.g., energy drinks, sweetened teas, fruit drinks)*

With rising concerns about the health risks of sugary drink, the beverage industry has begun making changes to their marketing strategy and increased promotion of soda alternatives, such as sport drinks, fruit drinks, sweetened teas, and energy drinks. The beverage industry has also created 'light' or 'diet' versions of their most popular drinks by replacing some of the added sugar with artificial sweeteners. Soda alternatives are often seen and marketed as healthier alternatives to soda within communities of color, especially among Black and Hispanic populations. A recent survey of Hispanic parents with young children (ages 1 - 5) found that almost all parents (98%) reported serving their child sugary drinks in the past month and rated it as significantly healthier than parents who did not serve them. However, these beverages contain nearly the same amount of added sugar as soda.(18)

One possible solution to change the perception of the healthfulness of sugary drink alternatives and motivate individuals to consume healthier beverages (e.g., water, milk, 100% fruit juice) is through awareness campaigns. These campaigns can disseminate well-defined, behaviorally focused messages to large audiences via TV, radio, outdoor media, billboards, posters, and/or print media. Several places have used campaigns to change the perception of sugary drinks to consumers. In Seattle, The Vida Agency, a minority woman-owned Seattle marketing agency, collaborated with the City of Seattle's Department of Human Services to develop "Be Ready, Be Hydrated", a counter-marketing campaign focused on educating communities of color about proper hydration, the hidden sugars in soft drinks, and the detrimental impact of excess sugar on the health of communities of color.

It is critical to change how communities of color perceive soda alternatives. If not addressed, consumption of these beverages may continue to rise and be perceived as a 'healthy' alternative to soda.

### *Access and availability of sugary drinks within communities of color*

Communities of color are disproportionately exposed to sugary drinks through factors related to the built environment. Individuals with low income and communities of color, especially Black and Latinos, are more likely to be facing issues of food deserts and food apartheid with lack of high-quality grocery stores and other healthy food retail. Instead, their communities may be more inundated with fast food and convenience stores making unhealthy options more readily available. Researchers at the Rudd Center for Food Policy and Obesity recently found that race and the built environment are two crucial factors to consider when developing sugary drink reduction efforts as impacts can be lessened without considering these two factors. Structural racism within the built environment must be addressed for sugary drink reduction efforts to have the greatest impact.

### *Water access and cleanliness*

Evidence among adults suggests that negative perceptions of tap water safety are common, particularly among communities of color(19, 20) and may be associated

with lower intake of water and greater intake of SSB among some racial/ethnic groups. When people are distrustful of the quality of their tap water, they may be more inclined to purchase and consume sugary drinks. Even if the water is safe, water that tastes bad, is discolored, or dispensed from an older, dirty tap may trigger mistrust. While most communities have access to safe tap water, this is not true for all. Nearly 40% of the US population still drinks water from unsafe systems, and communities of color are at a higher risk of exposure to unsafe water.(21). The quality of water available and accessible to communities is a pertinent concern underlying water inequality issues.

These issues stem from discriminatory practices that have been imbedded into water infrastructure. Redlining, the practice of restricting financial and other essential services to residents in a particular area based on race or ethnicity, has contributed to disparities in water access and quality. People of color are more likely to live in areas with water contaminants and in older homes more prone to lead contamination. A recent study noted that the highest polluting facilities in the US are disproportionately located near communities of color.(22) In some of these communities, lead and other contaminants may leach into tap water from lead service lines and plumbing. To promote public trust of tap water, states and localities can make more effort to test and clean up water systems, provide access to reliable water sources, and develop promotional campaigns to increase water intake and reduce sugary drink consumption.

If water access and cleanliness are not prioritized in communities of color, consumption of sugary drinks will continue to rise. Substituting safe, quality drinking water for sugary drinks could help to decrease intake of excess energy and added sugars, while promoting adequate hydration for optimal physical and cognitive functioning.

### **3. Current landscape: policies and programs to reduce SSB consumption and areas for improvement**

#### *Limiting access of sugary drinks in schools*

In the early 2000s, as public health experts began to raise the alarm on childhood obesity, much focus turned to sugary drinks in schools. Prior to the Healthy, Hunger-Free Kids Act (HHFKA) and subsequent rulemaking in 2012 and 2014 by the U.S. Department of Agriculture (USDA), there were no national standards for if and how sugary beverages were sold in schools. In fact, in 2005, approximately 80 percent of schools – many of which were in under resourced or communities of color, received millions of dollars in contracts from sugary drink companies to place their vending machines in schools and market their products – often called “pouring” rights.(23)

As a response to the growing public health crisis and lack of federal action, several states (31 states) and districts began implementing nutrition standards in schools. These standards applied to the competitive food environment in schools, which

included sugary drink sales. 2005–2006, AHA and the Clinton Foundation through the newly founded Alliance for a Healthier Generation, brokered a deal with the largest sugary drink companies and the American Beverage Association to limit the sales of sugary drinks in schools.(24)

Given the snowball effect of more states and localities passing different ordinances and industry having to comply with different details in each, and the growing poor reputation of industry's targeting of children, the beverage industry was keen to regain some consumer trust. In fact, the beverage industry was one of the strongest proponents of a national standard for beverages sold in schools during the HHFKA debate and the promulgation of the subsequent rulemaking. Under current federal law, schools that participate in the National School Lunch Program or School Breakfast Program may sell plain or carbonated water, unflavored low-fat milk, unflavored or flavored fat-free milk, and 100 percent fruit and/or vegetable juice. While full-sugar sodas are banned in all schools, high schools may sell diet sodas or other calorie-free drinks, such as "light" sports drinks.(25, 26)

While sugary drink standards are reasonably strong for the meal programs and Smart Snacks, rules around beverages for other foods served in school – i.e. competitive foods, such as foods served for fundraisers, afterschool, or brought in for parties and special events – are left to either the state and locality.(27) Many districts have produced the bare minimum in LPWs and shelved them, or as found in low-income schools, do not have the resources to craft a strong policy and subsequently implement them.

*Limiting access to sugary drinks in restaurants (e.g., making healthier beverages the default in children's meals, etc.)*

Eleven cities across the United States have made healthier beverages (e.g., water, milk, and 100% fruit juice) the default for children's meals at restaurants – eight California cities; Baltimore, MD; New York City, NY; and Philadelphia, PA. Three states – California, Hawaii, and Delaware – have also enacted such policies. In addition, several national restaurant chains – McDonald's, Wendy's, Burger King, and Dairy Queens – have voluntarily implemented healthy beverage policies in their kids' menus. Ongoing campaigns promoting similar policies are currently underway in additional cities and states across the United States.

Healthy beverage default policies have been well received across communities. In 2019, California became the first state to require water or milk as the beverage offered with kids' meals at restaurants. The bill received bipartisan support and had support from a diverse range of partners such as AHA, Latino Coalition for a Healthy California, the California State Alliance of YMCA, and Moms Rising. Similarly, a 2017 Global Strategy Group survey commissioned by AHA found nearly universal support (94 percent) expressed for making the food and beverage options on children's menus healthier.



### *Sugary drink taxes*

Eight locations across the United States have adopted sugary drink taxes— San Francisco, Oakland, Albany, and Berkeley, CA; Philadelphia, PA; Boulder, CO; Seattle, WA; and Navajo Nation. Several other countries—including Mexico, France, Ireland, Hungary, and the United Kingdom—have all enacted sugary drinks taxes as well.

The perception of the taxes has varied by jurisdiction in the United States. Where the beverage industry has invested more resources between enactment and implementation of the tax, there has been a more negative perception of the tax by the community.(28) In Cook County, Illinois, where a sugary drink tax was enacted and later repealed, the beverage industry sowed distrust and resentment with residents causing a public outcry to repeal the tax.(29) The beverage industry poured millions of dollars into antitax radio, television, and print advertising calling the beverage tax an over taxation of the county. They also launched a massive grassroots campaign, paying residents in target districts \$11 per hour to circulate antitax petitions, and they hired powerful lobbyists to lobby commissioners that had initially voted in support of the tax but who were facing antitax sentiment from businesses and consumers in their districts. The beverage industry also invested a lot of resources in an effort to eliminate the beverage tax in Philadelphia. There were several attempts to have the tax repealed or deemed unlawful, but the tax has remained in place. In other jurisdictions, like the communities in California, Seattle, and Boulder, there was very little fanfare after the taxes were implemented. There was also less investment from industry.

The beverage industry has made similar claims in all the sugary drink tax campaigns, though the messaging has evolved. Some of the main arguments have been that the taxes will not change behavior, sugary drinks are not responsible for obesity, sugary drink taxes are regressive, and harm to small businesses. One argument that has worked for industry is that these taxes are elitist and unfair, with those with low incomes being targeted. The beverage industry has also racialized campaigns, stating that white elected officials are trying to impose taxes that will predominantly impact communities of color. In response to both Seattle's and Philadelphia's beverage taxes, arguments were made that imposing beverage taxes were racist because they primarily impact people of color, specifically Black and Hispanic population, consume more sugary beverages than their white counterparts.(30, 31)

### **Case Study: Mexico's Sugary Drink Campaign**

Mexico implemented a 1 peso per liter (about 10%) sugary drink excise tax in 2014. Evaluations have shown that the tax increased the price of sugary drinks and decreased purchasing(32) and consumption.(33) A 2021 study also found that the tax decreased risk of excess weight among adolescents.(34)

In Mexico, three organizations played important roles in influencing the development and implementation of the SSB tax. They were the National Institute of Public Health that generated the scientific evidence and analysis, convening experts and assisting with knowledge translation; El Poder del Consumidor (Power of the Consumer) that focused on public awareness through media campaigns; and an organization called Polithink that analyzed the political context, lobbied, and convened decision-makers. A larger representation of civil society organizations also was created as the Nutrition Health Alliance. The collective efforts of these organization have sustained the counter arguments of the beverage industry that strategically serve to cast doubt on the science, discredit critics, invoke nanny state-ism and attribute obesity to personal irresponsibility.

#### **4. AHA's role and areas for improvement**

AHA started working on sugary drink taxes by creating a set of criteria to determine whether the AHA could engage in a sugary drink tax campaign—with evaluation being a key component. As the evidence base began to be established from places like Berkeley, CA and Mexico, the AHA added sugary drink taxes as a priority public policy strategy. The AHA has been involved in all the sugary drink tax campaigns that have passed in the United States—San Francisco, Oakland, Albany, and Berkeley, CA; Philadelphia, PA; Boulder, CO; Seattle, WA; and Navajo Nation. AHA has also engaged in several that have not passed or been repealed, including Santa Fe, NM, Cook County, IL, and Washington, DC.

The beverage industry is a formidable opponent with financial resources to spend on blocking sugary drink taxes from passing. It has been difficult to raise enough revenue to adequately fund tax campaigns. There are limited funds available to support sugary drink tax campaigns. In addition, after the Cook County tax was repeal, and several laws preempting local governments from passing sugary drink taxes were enacted, sugary drink tax momentum stalled in the United States. A tax has not passed since 2017.

The AHA has worked on other sugary drink policy campaigns, like removing sugary drinks from schools, improving the beverage options in restaurant children's meals, and trying to get a pilot passed to disincentivize sugary drinks from the Supplemental Nutrition Assistance Program (SNAP).

#### **5. Conclusion**

A lot of progress has been made worldwide to reduce consumption of sugary drinks. However, more work still needs to be done to address the adverse relationship industry has with communities of color. In these communities, the health impact of sugary drinks is particularly acute and diet-related chronic diseases are more prevalent. For this reason, it is important to look at the role structural racism plays in how the beverage industry interacts with communities of color.



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