

Estimating the Public Health Impact of the Fast-Food Industry: In Search of Missing Counterfactual

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Abstract

In our paper, we examine the effect of fast-food industry market entry as a quasi-experimental source of variation in public health outcomes. Drawing on a large sample of countries for the period 1950-2020, we adopt a variety of synthetic control and difference-in-differences empirical strategies using country-level matching on observable characteristics to estimate the missing counterfactual scenario and uncover the average treatment effect of the fast-food industry on the rate of obesity, mortality- and life expectancy-related indicators. Our estimates uncover a large-scale and statistically significant increase in obesity rates, a notable slowdown of mortality reduction and diminished life expectancy improvements in the post-entry period relative to control groups with no market entries. First-moving market entries drive the bulk of the adverse effects on public health whilst subsequent entries fail to curb the adversity of the impact and render the effect of public health prevention strategies considerably less effective.

Keywords: *public health, fast food, impact evaluation techniques*