

UNIVERSITY of WASHINGTON

**ADAI** Alcohol &  
Drug Abuse  
Institute

# INFO BRIEF

## Privatization of Alcohol Sales

September 2011

In November 2010, Washington State will be voting on two initiatives, I-1100 and I-1105, that aim to privatize alcohol sales, ending the state's monopoly on spirits. Supporters of the initiatives claim that privatization has the potential to save the state hundreds of thousands of dollars; opponents counter that it could end up costing the state more in the long-run, as problem drinking increases and with it social costs from crime, health care, traffic accidents, underage drinking, and more. This brief collects recent resources to provide background information on this issue. [Additional news and resources about I-1100 and I-1105 can be found on the ADAI News blog.](#)

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### Washington State Reports



**Office of Financial Management: Fiscal Impact Statements**, August 2010

**For I-1100:** <http://www.ofm.wa.gov/initiatives/2010/1100.pdf>

**For I-1105:** <http://www.ofm.wa.gov/initiatives/2010/1105.pdf>

Both reports quote decreases in state revenues over the next five fiscal years as a result of the initiatives: \$76-85 million for I-1100 and \$486-520 million for I-1105.

**State Auditor's Office: Report on Privatization of Alcohol Sales**, January 2010.

<http://www.sao.wa.gov/AuditReports/AuditReportFiles/ar1002726.pdf>

This document focuses on the results of the state's examination and analysis of critical issues to help the state government meet its financial difficulties. Pages 26-33 describe the current licensing system in our state and six alternatives that may or may not increase state revenue, depending on resultant increases/decreases in related costs, such as those for enforcement.

**State Liquor Control Board Annual Report**, 2009. <http://liq.wa.gov/publications/2009-WSLCB-Annual-Report-final-opt.pdf>

This report provides details about the Board's mission, operations, and accomplishments, including efforts to strengthen legislation on drunk driving and increase awareness of underage drinking, a description of the economics of liquor sales, and details about licensing enforcement and education. The WSLCB brought a net revenue of \$332.7 million into the state budget in 2009.

### General Resources Online



Allison M. Inside the liquor battle: Who'd win, who wouldn't. Seattle Times, September 21, 2010. [http://seattletimes.nwsourc.com/html/business/2012960050\\_liquor22.html](http://seattletimes.nwsourc.com/html/business/2012960050_liquor22.html)  
Thousands of small players including wineries, breweries and liquor-store managers fear for their livelihoods if I-1100 passes.



Allison M. Report Says State Will Lose Money if Liquor Initiatives Pass. *Seattle Times*, August 12, 2010. [http://seattletimes.nwsource.com/html/business/technology/2012609892\\_liquorcost13.html](http://seattletimes.nwsource.com/html/business/technology/2012609892_liquorcost13.html).

State and local governments stand to lose hundreds of millions of dollars if voters pass either of two initiatives on the Nov. ballot putting WA state out of the liquor business, according to analyses by the state's Office of Financial Management (OFM).

Anderson C. Wash Ponders privatizing liquor sales. KUOW News blog post, Jan 2010. <http://www.kuow.org/program.php?id=19296>

Transcript of a radio interview about privatization in Washington state between KUOW reporter Chantal Anderson and members of the community, policy makers, and the state liquor control board.

Anderson R. Battle of the Booze: Competing Privatization Initiatives Offer More Questions Than Answers. *Seattle Weekly* July 28, 2010. <http://www.seattleweekly.com/2010-07-28/news/battle-of-the-booze/>

This article from a local Seattle weekly newspaper describes the origin and potential effects of the two initiatives in Washington State.

Antalova L, Martinic M. Beverage alcohol availability controls. *ICAP Reviews* 2005; 1:1-15. <http://www.icap.org/LinkClick.aspx?fileticket=M%2fKa2bYqf9M%3d&tabid=76>

Provides an introductory review of availability controls, examines three case studies, and finds that harmful outcomes of consumption are more closely related to drinking patterns than with overall consumption in general. Therefore, availability controls may not be sufficient to address harm.

Alcohol Policy Information System: Alcohol Control Systems. [http://www.alcoholpolicy.niaaa.nih.gov/Alcohol\\_Control\\_Systems\\_Retail\\_Distribution\\_Systems\\_for\\_Spirits.html?tab=Maps](http://www.alcoholpolicy.niaaa.nih.gov/Alcohol_Control_Systems_Retail_Distribution_Systems_for_Spirits.html?tab=Maps)

This document describes current laws addressing retail distribution of distilled spirits including state-run, private licensed sellers or combination systems (Jan 1, 2009)

Centers for Disease Control & Prevention: Preventing Excessive Alcohol Use: Regulation of Alcohol Outlet Density. <http://www.thecommunityguide.org/alcohol/outletdensity.html>

This page reports the [Recommendations of the Force on Community Preventive Services](#) on the use of regulatory authority (e.g. through licensing and zoning) to limit alcohol outlet density on the basis of sufficient evidence of a positive association between outlet density and excessive alcohol consumption and related harms. on task force recommendations on the use of regulatory authority to limit alcohol outlet density (on the basis of sufficient evidence of a positive association between availability and consumption/harm).

La Corte R (Associated Press). State considers privatizing liquor sales. *KOMO News* Feb 6, 2010. <http://www.komonews.com/news/83721417.html>

Includes interviews with local legislators regarding their positions on the privatization initiative headed for a vote in November 2010.

Madrid, Cienna. Shut up and swallow: How we ended up with two flawed liquor initiatives and why they're our only hope. *The Stranger* (newspaper), August 31, 2010. <http://www.thestranger.com/seattle/shut-up-and-swallow/Content?oid=4786957>

This article in the Seattle alternative weekly newspaper *The Stranger* raises a number of interesting points about the impact of the two privatization initiatives on the ballot this fall, as well as the question: what happens if they *both* pass?

The Marin Institute: The Marin Institute is an alcohol industry watchdog, publishing a variety of articles and other informational resources on the industry's actions related to products, promotions, and social influence. Here are a few of their pages about privatization:

[Report: Control State Politics: How Big Alcohol is Dismantling Regulation State by State](#) (includes a [Q&A on the Washington State Initiatives](#))

[Privatization of State-Run Alcohol Sales, 2010](#)

[State Control of Alcohol](#)

[Report: In the Red: Alcohol Revenue and State Budgets in Crisis](#)

[Raising Alcohol Taxes Reduces Harm](#)

[Alcohol-related Harm in the U.S.](#)

[Alcohol-related Health Disparities](#)

Martz M. Critics see more problems with ABC privatization. *Richmond Times-Dispatch* Sept. 19, 2010. <http://www2.timesdispatch.com/news/virginia-news/2010/sep/19/vabc19-ar-512942/>

Article about Virginia Governor Bob McDonnell's plan to make Virginia the first state to move from total control of liquor sales to a fully private market.

Municipal Research and Services Center of Washington: Liquor Initiatives I-1100 and I-1105. <http://www.mrsc.org/subjects/finance/I-1100and-1105.aspx>

This web site describes the two initiatives and provides links to a variety of organizations (both for and against), fiscal impact statements, local government documents related to alcohol privatization, and news articles/editorials.

National Alcohol Beverage Control Association. <http://www.nabca.org/>

Provides comprehensive policy and information resources about the regulation, control, distribution, and sale of alcoholic beverages. See also: [Alcohol Policy Research and Alcoholic Beverage Control Systems: An Annotated Bibliography and Review / 2nd ed.](#)

Oplinger K, Pierson T. Privatizing liquor sales will help state budget [editorial]. *The News Tribune* (Tacoma, WA) 2010, July 19. <http://www.thenewstribune.com/2010/03/14/1108982/privatizing-liquor-sales-will.html>

Two local Chamber of Commerce representatives discuss the positive impact of privatization on Washington state's budget problems.

Pulito J, Davies A. Government-run liquor stores: The social impact of privatization. *Policy Brief from the Commonwealth Foundation* 2009;21(3):16p. [http://www.commonwealthfoundation.org/docLib/20091029\\_StateStores%28Pulito%29.pdf](http://www.commonwealthfoundation.org/docLib/20091029_StateStores%28Pulito%29.pdf)

This brief provides several arguments regarding the advantages of privatization, including increased efficiency, additional state revenue from the sale of liquor licenses, and evidence that suggests that control of alcohol markets does not imply control of alcohol consumption.

Washington Policy Center: Modernizing WA's Liquor Control System (2002-2003). <http://www.washingtonpolicy.org/publications/notes/modernizing-washingtons-liquor-control-system>

This web document by Eric Montague, Policy Analyst, argues that selling off the government's statewide chain of liquor stores would help streamline the government and reduce the deficit.

## Books

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**Alcohol: No Ordinary Commodity: Research and Public Policy.** Babor TF, Caetano R, Casswell S, et al. New York: Oxford University Press 2003, 290p. ISBN: 0192632612. [Google preview](#)

The book describes evidence-based and effective policies for the prevention and management of alcohol-related problems, including recent advances in alcohol research that have direct relevance for the development of effective alcohol policies at the local, national and international levels. This book is a scientific treatise on what alcohol policy is, why it is needed, which interventions are effective, how policy is made, and how scientific evidence can inform the policy-making process.

**Paying the Tab: The Economics of Alcohol Policy.**

Cook PJ. Princeton: Princeton University Press, 2007, 262p. ISBN: 0691125201. [Google preview](#)

This book explores the social science literature of alcohol control in the U.S. since the repeal of Prohibition. Public policy issues are discussed, as well as the social costs of alcohol use.

**Sober Reflections: Commerce, Public Health, and the Evolution of Alcohol Policy in Canada, 1980-2000.**

Giesbrecht N, et al (eds.). Montreal: McGill-Queen's University Press, 2006, 391p. ISBN: 0773528644. [Google preview](#)

Reviews the development of national alcohol policies in Canada, examining the roles of key players, and conflicting ideological, social, health, and commercial agendas.

**Government Regulation of the Alcohol Industry: The Search for Revenue and the Common Good.** McGowan R. Westport, CT: Quorum Books, 1997, 171p. ISBN: 1567200346. [Google preview](#)

Since the end of Prohibition, policy makers have developed a "tolerance" for alcohol, but continue to grapple with the question of how to deal with alcohol-related harms. This book describes the current structure and strategies in the alcohol industry, as well as how public policy measures affect the sale of alcohol at the state level.

**Social and Economic Control of Alcohol: The 21<sup>st</sup> Amendment in the 21<sup>st</sup> Century.**

Jurkiewicz CL, Painter MJ. Taylor & Francis, Inc., 2007, ISBN: 9781420054637. [Google preview](#)

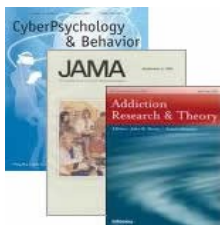
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This book synthesizes the divergent, multi-disciplinary perspectives on alcohol sales, regulation, and consumption, examining the basis for our current regulatory policies and describing the current research findings and trends regarding the relationships between regulation, sales, and consumption.

## Research Articles

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### **LIQUOR CONTROL POLICY AND UNDERAGE/YOUTH DRINKING**



Ahlstrom S, Huhtanen P. The effects of perceived availability of different alcoholic beverages on young people's drinking in Europe: A comparative exploration. *Contemporary Drug Problems* 2007;34(4):559-574.

Perceived good availability of wine and spirits increases the probability of both purchasing and drinking alcohol among young people in Europe.

Chen MJ, Gruenewald PJ, Remer LG. Does alcohol outlet density affect youth access to alcohol? *Journal of Adolescent Health* 2009;44(6):582-9. [Free article in PubMed Central](#)

Zip code alcohol outlet density is positively related to the likelihood and frequency of adolescents getting alcohol through various sources, including commercial outlets, friends, home/family members, and underage peers.

Kypri K, Bell ML, Hay GC, Baxter J. Alcohol outlet density and university student drinking: A national study. *Addiction* 2008;103(7):1131-8. DOI: [10.1111/j.1360-0443.2008.02239.x](https://doi.org/10.1111/j.1360-0443.2008.02239.x)

Positive associations exist between alcohol outlet density and individual university student drinking and related problems. Increasing alcohol outlet density, and particularly off-premise licenses (grocery/liquor stores, e.g.), may increase alcohol-related harm in this population.

Miller T, Snowden C, Birckmayer J, Hendrie D. Retail alcohol monopolies, underage drinking, and youth impaired driving deaths. *Accident Analysis & Prevention* 2006;38(6):1162-7. DOI: [10.1016/j.aap.2006.05.003](https://doi.org/10.1016/j.aap.2006.05.003)

States with a retail monopoly over spirits or wine/spirits had 14.5% fewer teens reporting any alcohol consumption and 16.7% fewer reporting binge drinking (past 30 days), as well as 9.3% fewer alcohol-impaired driving deaths for those under age 21. Alcohol monopolies may prevent 45 impaired driving deaths annually; continuing existing retail alcohol monopolies should help control underage drinking and associated harms.

Nelson TF, Naimi TS, Brewer RD, Wechsler H. The state sets the rate: The relationship among state-specific college binge drinking, state binge drinking rates, and selected state alcohol control policies. *American Journal of Public Health* 2005; 95:441-446. [Free in PubMed Central](#)

Students attending college in states with 4+ alcohol control laws were significantly less likely to be heavy, episodic drinkers than students attending college in states with fewer such laws.

Paschall MJ, Grube JW, Kypri K. Alcohol control policies and alcohol consumption by youth: A multi-national study. *Addiction* 2009;104(11):1849-55. DOI: [10.1111/j.1360-0443.2009.02698.x](https://doi.org/10.1111/j.1360-0443.2009.02698.x)

This study examined relationships between alcohol control policies and adolescent alcohol use in 26 countries and found that more comprehensive and stringent alcohol control policies, particularly those affecting availability and marketing, are associated with lower prevalence/frequency of adolescent consumption and age of first use.

Parker RN, Williams KR, McCaffree KJ, et al. Alcohol availability and youth homicide in the 91 largest US cities, 1984-2006. *Drug and Alcohol Review* 2011;30(5):505-514. DOI: [10.1111/j.1465-3362.2011.00336.x](https://doi.org/10.1111/j.1465-3362.2011.00336.x)

This study found that the density of alcohol outlets had a significant positive effect on youth homicide for those aged 13-17 and 18-24. Such positive effects have been found for adults in similar studies, but this is the first study to report such evidence for teens and young adults. Reduction of the density of retail alcohol outlets may be an effective tool for violent crime reduction among youths.

Treno AJ, Grube JW, Martin SE. Alcohol availability as a predictor of youth drinking and driving: a hierarchical analysis of survey and archival data. *Alcoholism: Clinical & Experimental Research* 2003;27(5):835-40. DOI: [10.1097/01.ALC.0000067979.85714.22](https://doi.org/10.1097/01.ALC.0000067979.85714.22)

Alcohol outlet density in CA, as measured by the number of on-premise (bars/restaurants) and off-premise (liquor/grocery stores) establishments licensed to sell, was associated with both drinking and driving and riding with drinking drivers, with younger respondents and females more likely to be affected by outlet densities.

Wechsler H, Lee JE, Nelson TF, Lee H. Drinking and driving among college students: The influence of al-

cohol-control policies. *American Journal of Preventive Medicine* 2003;25(3):212-218. DOI: [10.1016/S0749-3797\(03\)00199-5](https://doi.org/10.1016/S0749-3797(03)00199-5)

The occurrence of DUI among college students differs significantly according to the policy environment at local and state levels and the enforcement of those policies; comprehensive policies and strong enforcement are promising interventions to reduce DUI among college students.

Wechsler H, Nelson TF. Will increasing alcohol availability by lowering the minimum legal drinking age decrease drinking and related consequences among youths? *American Journal of Public Health* 2010;100(6):986-92. DOI: [10.2105/AJPH.2009.178004](https://doi.org/10.2105/AJPH.2009.178004)

Alcohol use health consequences are considerable; prevention efforts are needed for adolescents/college students. The national drinking age of 21 years is a primary alcohol-control policy in the U.S. supported by strong empirical evidence.

## **LIQUOR CONTROL POLICY AND CRIME**

Branas CC, Elliott MR, Richmond TS, Culhane DP, Wiebe DJ. Alcohol consumption, alcohol outlets, and the risk of being assaulted with a gun. *Alcoholism: Clinical & Experimental Research* 2009;33(5):906-15. [Free in PubMed Central](#)

Gun assault risk to individuals near off-premise alcohol outlets (grocery/liquor stores, e.g.) is about the same as or statistically greater than the risk they incur from heavy drinking. The combination of heavy drinking and being near off-premise outlets resulted in greater risk of gun assault than either factor alone.

Campbell CA, Hahn RA, Elder R, Brewer R, Chattopadhyay S, Fielding J, Naimi TS, Toomey T, Lawrence B, Middleton JC. The effectiveness of limiting alcohol outlet density as a means of reducing excessive alcohol consumption and alcohol-related harms. *American Journal of Preventive Medicine* 2009;37(6):556-69. DOI: [10.1016/j.amepre.2009.09.028](https://doi.org/10.1016/j.amepre.2009.09.028)

This study found that greater alcohol outlet density is associated with increased alcohol consumption and related harms, including medical harms, injury, crime, and violence.

Gorman DM, Speer PW, Gruenewald PJ, Labouvie EW. Spatial dynamics of alcohol availability, neighborhood structure and violent crime. *Journal of Studies on Alcohol* 2001;62(5):628-36.

Spatial analysis suggests that increasing the number of alcohol outlets elevates the rate of violent crime within the immediate neighborhood context, though not in surrounding neighborhoods.

Gruenewald PJ, Johnson FW, Treno AJ. Outlets, drinking and driving: A multilevel analysis of availability. *Journal of Studies on Alcohol* 2002;63(4):460-8.

Outlet density and preferred drinking location when considered together with individual drinking patterns increase rates of DUI/DWI and thereby increase the potential for alcohol-related accidents.

Livingston M. Alcohol outlet density and harm: Comparing the impacts on violence and chronic harms. *Drug and Alcohol Review* 2011;30(5):515-523. DOI: [10.1111/j.1465-3362.2010.00251.x](https://doi.org/10.1111/j.1465-3362.2010.00251.x)

This study examines trends in hospital admission data for assault and for alcohol use disorders over a 14 year period and their relationship with the density of three kinds of alcohol outlets. Results suggest that density of alcohol outlets where the main activity is drinking (i.e. pubs) is positively related to rates of assault-related hospital admissions, while the density of off-premise alcohol outlets (i.e. liquor stores) is related to the rate of alcohol use disorders.

McKinney CM, Caetano R, Harris TR, Ebama MS. Alcohol availability and intimate partner violence among US couples. *Alcoholism: Clinical & Experimental Research* 2009;33(1):169-76. [Free in PubMed Central](#)

As alcohol outlet density increases, so does the risk of male-to-female partner violence (MFPV). Given that MFPV accounts for the majority of injuries related to intimate partner violence, policy makers should consider the benefit of limiting alcohol outlet density to reduce MFPV and its adverse consequences.

Parker RN, Luther K, Murphy L. Availability, gang violence and alcohol policy: Gaining support for alcohol regulation. *Contemporary Drug Problems* 2007;34(4):611-633.

This study examined the relationship between alcohol availability and gang violence, finding a direct relationship between alcohol outlet density and youth gang activity. Regulations on density of alcohol outlets may reduce or prevent gang-related violence.

Treno AJ, Johnson FW, Remer LG, Gruenewald PJ. The impact of outlet densities on alcohol-related crashes: a spatial panel approach. *Accident Analysis & Prevention* 2007;39(5):894-901. DOI: [10.1016/j.aap.2006.12.011](https://doi.org/10.1016/j.aap.2006.12.011)

Controlling for cross-sectional differences between zip codes, increases in numbers of licensed alcohol retail establishments, especially bars and off-premise outlets (grocery/liquor stores, e.g.) increase rates of car crashes and related injuries associated with

DUI/DWI.

Trollid B. An investigation of the effect of privatization of retail sales of alcohol on consumption and traffic accidents in Alberta, Canada. *Addiction* 2005;100(5):662-71. DOI: [10.1111/j.1360-0443.2005.01049.x](https://doi.org/10.1111/j.1360-0443.2005.01049.x)

Partial-privatization of retail sales of alcohol in Alberta took place in the late 1980s/early 1990s and had a significant permanent effect on the sale of spirits, though the effect was not large enough to affect total sales or fatal traffic accidents. The fact that sales on the wholesale level continued to be monopolized, however, along with the fact that alcohol sales were never allowed in grocery stores, may explain the lack of larger effects.

## **LIQUOR CONTROL POLICY AND HEALTH EFFECTS/PUBLIC HEALTH ISSUES**

Anglin L, Giesbrecht N, Talomiteanu A, McAllister J, Ogborne A. Public perception of alcohol policy issues relating directly or indirectly to privatization: Results from a 1999 Ontario survey. *Canadian Journal of Public Health* 2003;94(3):201-6

Disapproval of alcohol privatization is strong in Ontario, but would likely be even stronger if more people realized there is often a connection between privatization and increased outlet density, relaxation of other controls, and less consideration for public health.

Cook PJ, Moore MJ. The economics of alcohol abuse and alcohol-control policies. *Health Affairs* 2002;21(2):120-133. [Free online](#)

Consumers tend to drink less ethanol, and have fewer alcohol-related problems, when alcoholic beverage prices are increased or alcohol availability is restricted.

Greenfield TK, Giesbrecht NA. Views of alcohol control policies in the 2000 National Alcohol Survey: What news for alcohol policy development in the US and its states? *Journal of Substance Use* 2007;12(6):429-444. DOI: [10.1080/14659890701262262](https://doi.org/10.1080/14659890701262262)

More Americans believe treatment, prevention, and consumer warnings are effective alcohol policies, despite the research supporting the greater efficacy of control policies like raising drinking age and restricting sales. More education of the public is needed.

Johnson FW, Gruenewald PJ, Remer LG. Suicide and alcohol: Do outlets play a role? *Alcoholism: Clinical & Experimental Research* 2009;33(12):2124-33. DOI: [10.1111/j.1530-0277.2009.01052.x](https://doi.org/10.1111/j.1530-0277.2009.01052.x)

Suicides, both attempted and completed, occur at greater rates in rural community areas with greater alcohol densities. Suicide rates were also higher in areas with greater off-premises outlet densities (grocery/liquor stores).

King L, Hamm P, Stuckler D. Rapid large-scale privatization and death rates in ex-communist countries: An analysis of stress-related and health system mechanisms. *International Journal of Health Services* 2009;39(3):461-89. DOI: [10.2190/HS.39.3.c](https://doi.org/10.2190/HS.39.3.c)

Implementation of rapid, large-scale alcohol privatization programs in post-communist countries transitioning to capitalism was associated with significant declines in life expectancy, as well as greater alcohol-related deaths, heart disease, and suicide rates. Rapid privatization also contributed to a decline in health care resources such as the number of physicians, dentists, and hospital beds per capita.

Mäkelä P, Osterberg E. Weakening of one more alcohol control pillar: a review of the effects of the alcohol tax cuts in Finland in 2004. *Addiction* 2009;104(4):554-63. DOI: [10.1111/j.1360-0443.2009.02517.x](https://doi.org/10.1111/j.1360-0443.2009.02517.x)

Alcohol taxation and prices affect consumption and related harms. In Finland in 2004, the poorest parts of the population experienced the greatest increase health-related harms after cuts in alcohol prices.

Rehm J, Baliunas D, Borges GL, Graham K, Irving H, Kehoe T, Parry CD, et al. The relation between different dimensions of alcohol consumption and burden of disease: An overview. *Addiction* 2010;105(5):817-43. DOI: [10.1111/j.1360-0443.2010.02899.x](https://doi.org/10.1111/j.1360-0443.2010.02899.x)

There is strong evidence of a causal impact of average volume of alcohol consumption and a wide variety of major diseases, including tuberculosis, multiple types of cancer, depressive disorders, epilepsy, heart diseases, stroke, and more. Increased level of consumption correlates directly to increased risk, with a higher effect on mortality compared to morbidity.

Stockwell T, Zhao J, Macdonald S, Vallance K, Gruenewald P, Ponicki W, Holder H, Treno A. Impact on alcohol-related mortality of a rapid rise in the density of private liquor outlets in British Columbia: A local area multi-level analysis. *Addiction* 2011 (in press). DOI: [10.1111/j.1360-0443.2010.03331.x](https://doi.org/10.1111/j.1360-0443.2010.03331.x)

This article found that rapidly rising densities of private liquor sales in British Columbia from 2003 to 2008 was associated with a significant local-area increase in rates of alcohol-related death (3.25% increase in deaths for every 20% increase in private store density).

Treno AJ, Gruenewald PJ, Johnson FW. Alcohol availability and injury: the role of local outlet densities. *Alcoholism: Clinical & Experimental Research* 2001;25(10):1467-71. DOI: [10.1111/j.1530-0277.2001.tb02148.x](https://doi.org/10.1111/j.1530-0277.2001.tb02148.x)  
This article analyzed self-reports of alcohol-involved injury and death in California, related to on-premise (bars/restaurants) and off-premise (liquor/grocery stores) establishments licensed to sell alcohol. A clear association between alcohol outlet density and self-reported injuries was found. Alcohol availability seems to be related to self-reported injury; the mechanisms behind this relationship are not clear.

Zalcman RF, Mann RE. The effects of privatization of alcohol sales in Alberta on suicide mortality rates. *Contemporary Drug Problems* 2007;34(4):589-609.  
Analyses of retail alcohol sale privatization in Alberta found that privatization resulted in either temporary or permanent increases in suicide mortality rates. Alcohol alcohol-related factors, including consumption levels and Alcoholics Anonymous membership rates, also affected suicide mortality.

## **LIQUOR CONTROL POLICY AND THE IMPACT OF AVAILABILITY ON CONSUMPTION**

Anderson P, Chisholm D, Fuhr DC. Effectiveness and cost-effectiveness of policies and programmes to reduce the harm caused by alcohol. *Lancet* 2009;373(9682):2234-46. DOI: [10.1016/S0140-6736\(09\)60744-3](https://doi.org/10.1016/S0140-6736(09)60744-3)  
Systematic reviews show that policies making alcohol more expensive and less available, and banning alcohol advertising, are highly cost-effective strategies to reduce alcohol consumption and related harm.

D'Abbs PH. Community action and regulation of alcohol availability: Modeling the connections. *Nordic Studies on Alcohol & Drugs [English Suppl]* 2003;20:56-68.  
Liquor licensing and control on alcohol availability could be used as a means of reducing alcohol consumption and its related harms, using US liquor licensing practices as a model for Australia.

Gruenewald PJ, Madden P, Janes K. Alcohol availability and the formal power and resources of state alcohol beverage control policies. *Alcoholism: Clinical & Experimental Research* 1992;16(3):591-7. DOI: [10.1111/j.1530-0277.1992.tb01422.x](https://doi.org/10.1111/j.1530-0277.1992.tb01422.x)  
This article investigates the degree to which monopoly states and license policies impact alcohol outlets and subsequent consumption and finds that greater outlet densities were related to greater consumption (for beer) and greater levels of consumption were related to greater outlet densities (for wine).

Her M, Giesbrecht N, Room R, Rehm J. Privatizing alcohol sales and alcohol consumption: Evidence and implications. *Addiction* 1999;94(8):1125-29. DOI: [10.1046/j.1360-0443.1999.94811253.x](https://doi.org/10.1046/j.1360-0443.1999.94811253.x)  
This overview of recent privatization/deregulation experiences in North America and other settings found that most of the existing evaluation literature focuses on the net short-term results in terms of alcohol consumption levels. Privatization commonly results in a higher density of outlets, longer hours/more days of sale, changes in price, and a strong orientation of commercial aspects of alcohol sales with the introduction of new vested economic interests into alcohol management arrangements in the region. In many instances, these changes to alcohol are accompanied by an increase in per capita rates of consumption.

Her M, Giesbrecht N, Room R, Rehm J. Implications of privatizing/deregulating alcohol retail sales: Projections of alcohol consumption in Ontario. *Journal of Substance Abuse* 1998;10(4):355-73. DOI: [10.1016/S0899-3289\(99\)00011-5](https://doi.org/10.1016/S0899-3289(99)00011-5)  
A projection of the consequences of privatization in Ontario, Canada, using assumptions based on Canadian and international research literature, finds that any an increase in alcohol consumption is likely to be associated with elevated levels of drinking-related problems.

Herring R, Thom B, Foster J, Franey C, Salazar C. Local responses to the Alcohol Licensing Act 2003: The case of Greater London. *Drugs: Education, Prevention & Policy* 2008;15(3):251-265. DOI: [10.1080/09687630801920641](https://doi.org/10.1080/09687630801920641)  
Changes in London licensing policies allowed for more flexible hours for both on- and off-license premises, in an attempt to create a more cosmopolitan, "café style" of drinking expected to reduce consumption and alcohol-related harm. Respondents asked about the changes did not report major problems or difficulties arising from the changes or extension of drinking/sale hours, but recognized it was too early to draw firm conclusions.

Holder HD, Wagenaar AC. Effects of the elimination of a state monopoly on distilled spirits' retail sales: A time-series analysis of Iowa. *British Journal of Addiction* 1990;85(12):1615-25.  
In March 1987, all state retail stores were closed in Iowa and private establishments were licensed to sell distilled spirits. Analyses of consumption in Iowa post-privatization found a 9.5% increase in sales of distilled spirits, a 13.7% decline in wine sales, and no change in beer sales. Overall, privatization of spirits retail sales yielded a net increase in total alcohol consumption in Iowa.

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Livingston M, Chikritzhs T, Room R. Changing the density of alcohol outlets to reduce alcohol-related problems. *Drug & Alcohol Review* 2007;26(5):557-66. DOI: [10.1080/09595230701499191](https://doi.org/10.1080/09595230701499191)  
This paper provides a review of the research literature on the effects of density of alcohol sales outlets on alcohol consumption and alcohol-related problems, suggests a new way of conceptualizing the relationships, and discusses the implications for reducing alcohol-related harm.

Stockwell T, Gruenewald P. Controls on the physical availability of alcohol. In: Heather N, Peters TJ, Stockwell T (eds.). *INTERNATIONAL HANDBOOK OF ALCOHOL DEPENDENCE AND PROBLEMS*. Chichester: John Wiley & Sons, Ltd., 2001, pp.699-719. [Google preview](#)  
This chapter reviews the evidence regarding the circumstances under which changes in the physical availability of alcohol (including changes to the legal drinking age, outlet densities, licensing laws, and trading hours) can affect consumption, high-risk drinking, and related harms.

Stockwell T, Zhao J, Macdonald S, Pakula B, Gruenewald P, Holder H. Changes in per capita alcohol sales during the partial privatization of British Columbia's retail alcohol monopoly 2003-2008: A multi-level local area analysis. *Addiction* 2009;104(11):1827-36. DOI: [10.1111/j.1360-0443.2009.02658.x](https://doi.org/10.1111/j.1360-0443.2009.02658.x)  
This article examined the impact on liquor sales in British Columbia after policy changes resulted in the increase in the density of private, rather than government-owned, liquor outlets. Results determined that the trend towards privatization of liquor outlets between 2003-2008 has contributed to increased per capita sales of alcohol in British Columbia and hence possibly also to increased alcohol-related harm.

Trollidal B, Ponicki W. Alcohol price elasticities in control and license states in the United States, 1982-99. *Addiction* 2005;100(8):1158-65. DOI: [10.1111/j.1360-0443.2005.001129.x](https://doi.org/10.1111/j.1360-0443.2005.001129.x)  
The demand for alcohol was significantly less sensitive to price changes in states in which alcohol sales are more restrictive and where transaction costs are correspondingly greater. A privatized market often results in an increase in fluctuation of costs for these beverages, as well as an increase in the physical availability and consumption of alcohol.

## **LIQUOR CONTROL POLICY-MAKING CONSIDERATIONS**

Anderson P. Global alcohol policy and the alcohol industry. *Current Opinion in Psychiatry* 2009;22(3):253-7. DOI: [10.1097/YCO.0b013e328329ed75](https://doi.org/10.1097/YCO.0b013e328329ed75)  
Current literature overwhelmingly finds that regulatory approaches (esp. those impacting price, availability, and marketing of alcohol) reduce the risk of alcohol-related harm, whereas educational approaches (including school-based education and public education campaigns) do not.

Edwards G, Holder HD. The alcohol supply: Its importance to public health and safety, and essential research questions. *Addiction* 2000;95 Suppl 4: S621-7. DOI: [10.1046/j.1360-0443.95.12s4.13.x](https://doi.org/10.1046/j.1360-0443.95.12s4.13.x)  
This paper identifies the main questions concerning the supply side of alcohol: what drives alcohol supply?, what is the impact of supply on demand?, what are the benefits/risks to health stemming from deregulation, who are the important actors/influences?, and what can be learned from tobacco about the importance of supply?

Naimi TS, Brewer RD, Miller JW, Okoro C, Mehrotra C. What do binge drinkers drink? Implications for alcohol control policy. *American Journal of Preventive Medicine* 2007;33(3):188-93. DOI: [10.1016/j.amepre.2007.04.026](https://doi.org/10.1016/j.amepre.2007.04.026)  
Beer accounts for 2/3rds of all alcohol consumed by binge drinkers and accounted for most alcohol consumed by those at greatest risk of causing or incurring alcohol-related harm. Lower excise taxes and relatively permissive sales and marketing for beer as compared to other beverages may account for some of these findings.

Norstrom T, Miller T, Holder H, Osterberg E, Ramstedt M, Rossow I, Stockwell T. Potential consequences of replacing a retail alcohol monopoly with a private license system: Results from Sweden. *Addiction* 2010;105(12):2113-2119. DOI: [10.1111/j.1360-0443.2010.03091.x](https://doi.org/10.1111/j.1360-0443.2010.03091.x)  
Examines the potential effects of replacing the Swedish alcohol retail system with a private licensing system, looking specifically at alcohol-related mortality, accident mortality, suicide, homicide, assaults, drinking driving, and sickness absence. Projections based on the research literature found that privatization would significantly increase alcohol consumption and alcohol-related harm.

Reynolds RI, Holder HD, Gruenewald PJ. Community prevention and alcohol retail access. *Addiction* 1997;92 Suppl 2:S261-72. DOI: [10.1111/j.1360-0443.1997.tb02996.x](https://doi.org/10.1111/j.1360-0443.1997.tb02996.x)  
Results of this study on alcohol outlet concentration in CA found that all three examined communities had alcohol problems related to over-concentration of local outlets and inadequate business practices. Community members seemed to recognize the relationship between outlet controls and alcohol problems and felt they could have influence on those relationships. Many responsible business owners valued a well-regulated market and recognized unsafe business practices that endanger the good will and reputation of



the community.

Romley JA, Cohen D, Ringel J, Sturm R. Alcohol and environmental justice: The density of liquor stores and bars in urban neighborhoods in the United States. *Journal of Studies on Alcohol & Drugs* 2007;68(1):48-55.

This study looked at the density of liquor stores and bars in over 9000 urban areas and discovered that mismatches between alcohol demand and the supply of stores within neighborhoods constitute an environmental injustice for minorities and lower-income persons, with potential adverse consequences for drinking behavior and other social ills.

Schrad ML. Toward a comparative analysis of state alcohol-control systems: The triadic model. *Contemporary Drug Problems* 2005;32(2):195-223.

Analyzing the interplay of three sectors: public health and social order, private profit, and government revenue, is the best way to examine the effects of particular alcohol-control measures.

Trollidal B. Availability and sales of alcohol in four Canadian provinces: A time-series analysis. *Contemporary Drug Problems* 2005;32(3):343-372.

Changes in economic and physical availability of alcohol had an effect on sales in four Canadian provinces during 1951-2000. Among the beverages studied, spirits were most sensitive to changes in availability, and changes in economic availability (price of commodity, increased income) had larger effects on sales in general than changes in physical availability.

Wagenaar AC, Holder HD. Changes in alcohol consumption resulting from the elimination of retail wine monopolies: Results from five U.S. states. *Journal of Studies on Alcohol* 56(5):566-572.

Researchers found significant increases in wine sales after privatization: 42% increase in Alabama, 150% in Idaho, 137% in Maine, 75% in Montana, and 15% in New Hampshire. Social costs associated with increased alcohol use should be carefully considered before such major policy changes are contemplated.

Paschall MJ, Grube JW, Black C, Flewelling RL, Ringwalt CL, Biglan A. Alcohol outlet characteristics and alcohol sales to youth: Results of alcohol purchase surveys in 45 Oregon communities. *Prevention Science* 2007;8(2):153-9. [Free at PubMed Central](#)

Underage-looking decoys sent to purchase alcohol in a variety of settings without ID were able to successfully obtain alcoholic beverages at 38% of convenience stores approached, 36% of grocery stores, and only 14% of other types of outlets (e.g. liquor and drug stores). Findings suggest that owners of off-premise outlets should require training of all sales clerks to ensure reliable checks of young-looking patron IDs.

Wagenaar AC, Toomey TL, Erickson DJ. Preventing youth access to alcohol: Outcomes from a multi-community time-series trial. *Addiction* 2005;100(3):335-45. DOI: [10.1111/j.1360-0443.2005.00973.x](https://doi.org/10.1111/j.1360-0443.2005.00973.x)

This study found that effects of a training intervention on alcohol sales clerks were mixed. Specific deterrent effects were observed for enforcement checks with an immediate 17% reduction in likelihood of sales to minors. But this enforcement effect decayed within 3 months, suggesting that a regular schedule of enforcement is necessary to maintain deterrence.

Wolfson M, Toomey TL, Forster JL, Wagenaar AC, McGovern PG, Perry CL. Characteristics, policies and practices of alcohol outlets and sales to underage persons. *Journal of Studies on Alcohol* 1996;57(6):670-4.

This study found that bars were less likely than liquor stores to sell alcohol to youthful-appearing study confederates. Having a manager on the premises at all times was associated with a 15% lower purchase success rate in bars; requiring formal staff training was associated with a 19% lower rate. These results underscore the importance of research/intervention focusing on alcohol outlet policies and practices that affect sale to minors.

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**Citation:** Privatization of Alcohol Sales (ADAI Info Brief). Prepared by Meg Brunner, MLIS for the UW Alcohol & Drug Abuse Institute, September 2011. URL: <http://adai.uw.edu/pubs/infobriefs/ADAI-IB-2011-04.pdf>

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