

# Income, living conditions and alcohol policies as determinants of population drinking

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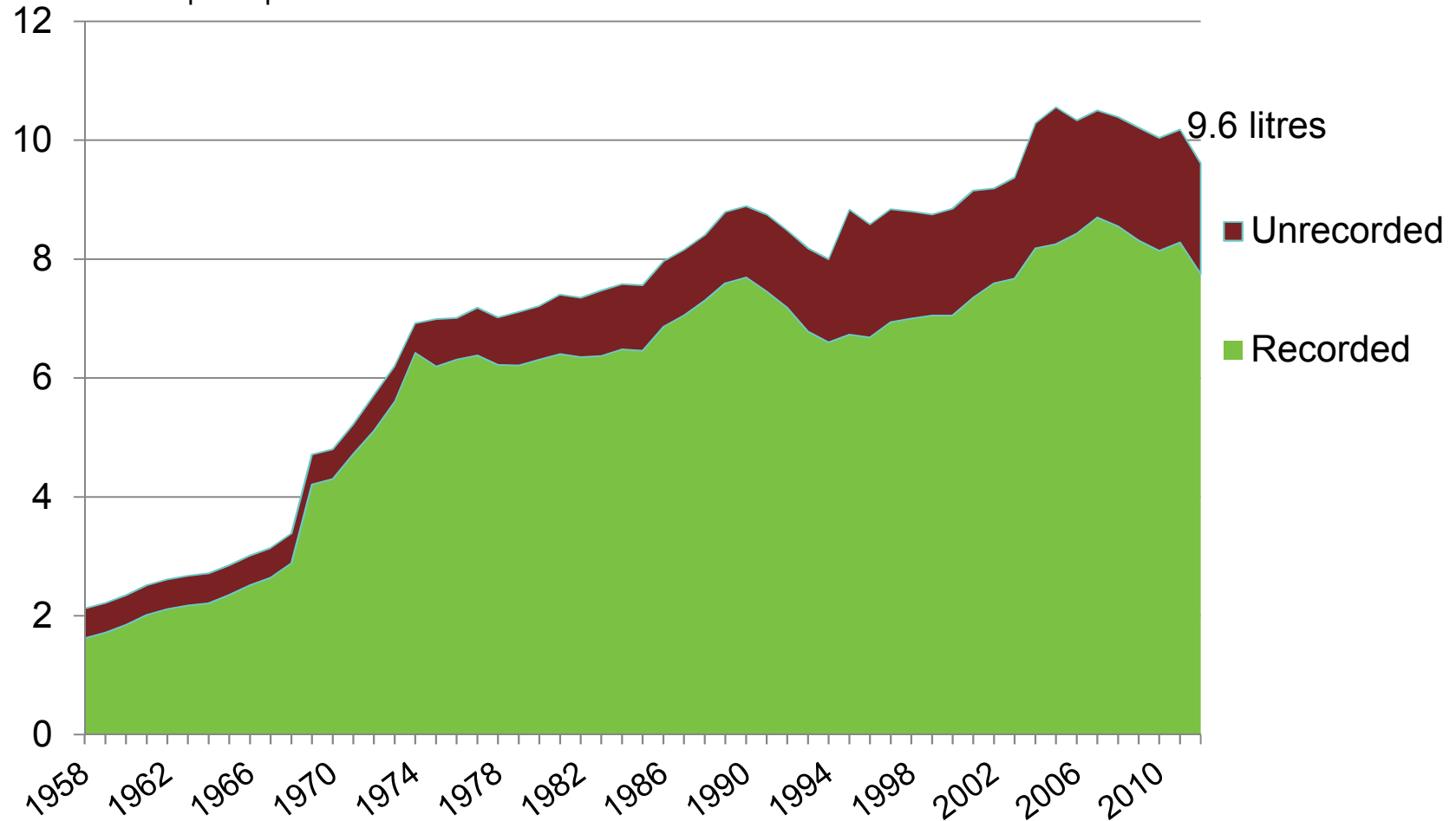


## Questions covered

- What determines population's level and patterns of drinking & related harm, and their changes?
  - (Drinking) culture
  - Income level, living standards, recession & boom
  - Alcohol policy
- Do the same factors explain differences between countries and changes in time within a country?

# Finland: Per capita alcohol consumption 1958–2012

Litres 100 % alcohol per capita



## Finland: what changed?

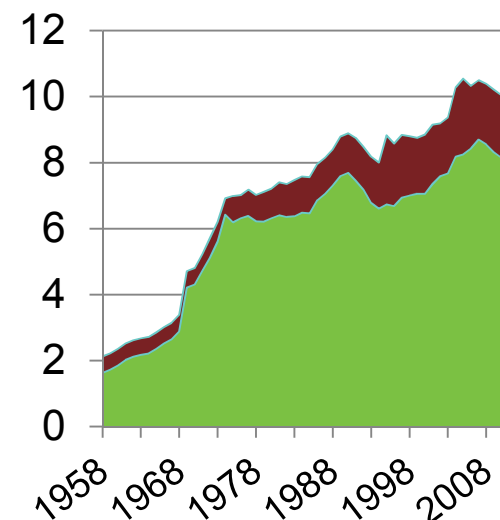
- **Drinking culture?** From 1968 to 2008

Per capita consumption: 3 x

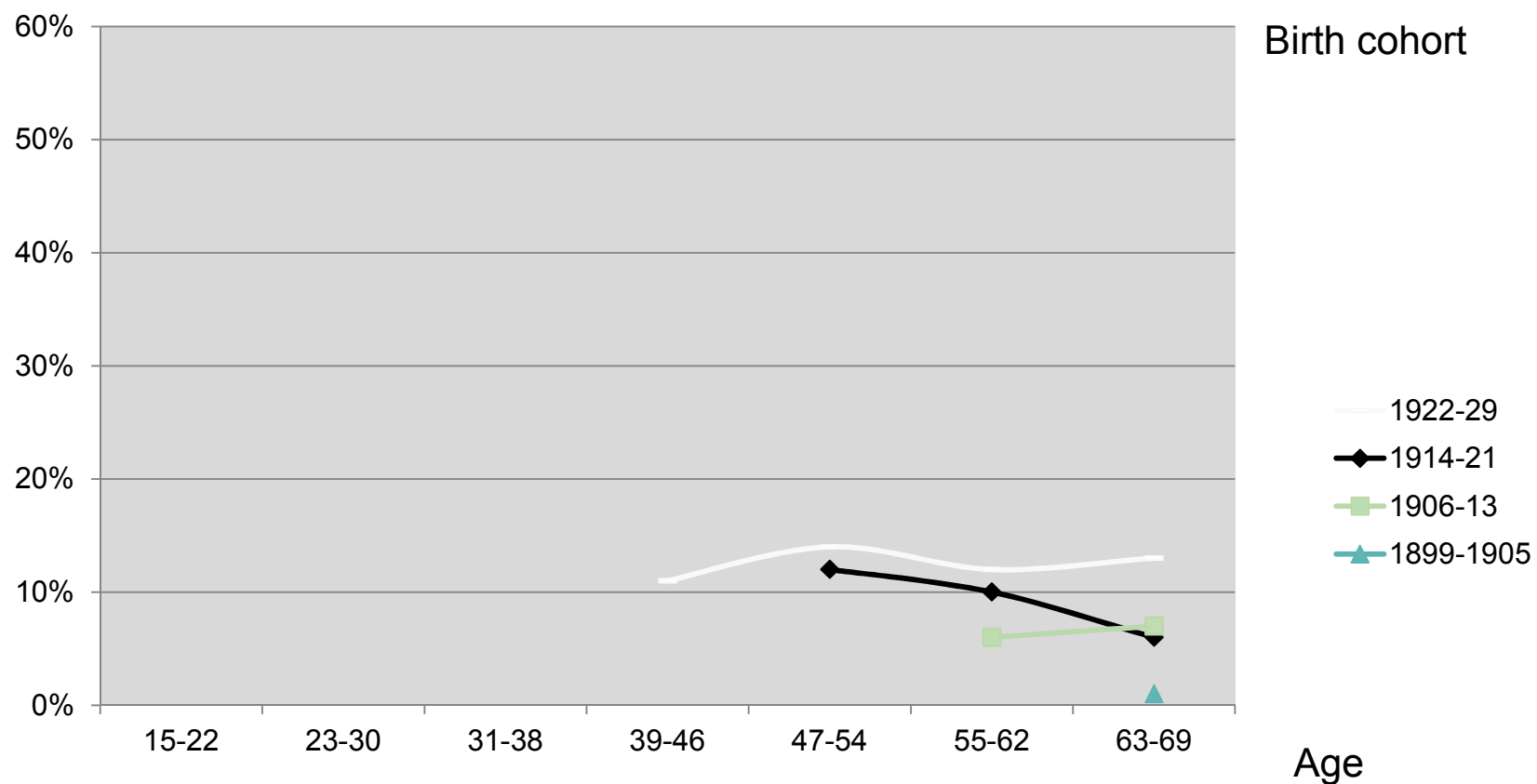
Men's consumption: 2.2 x

Women's consumption: 5.8 x

- Women, % abstainers: 40% to 10%
- From spirits to beer
- Regular & frequent use more common (esp. among old)
- Large amounts per occasion even more frequent (esp. among young)
- Drinking at homes, with spouse (vs. at pubs with male buddies)
- Changes esp. among women: by cohort



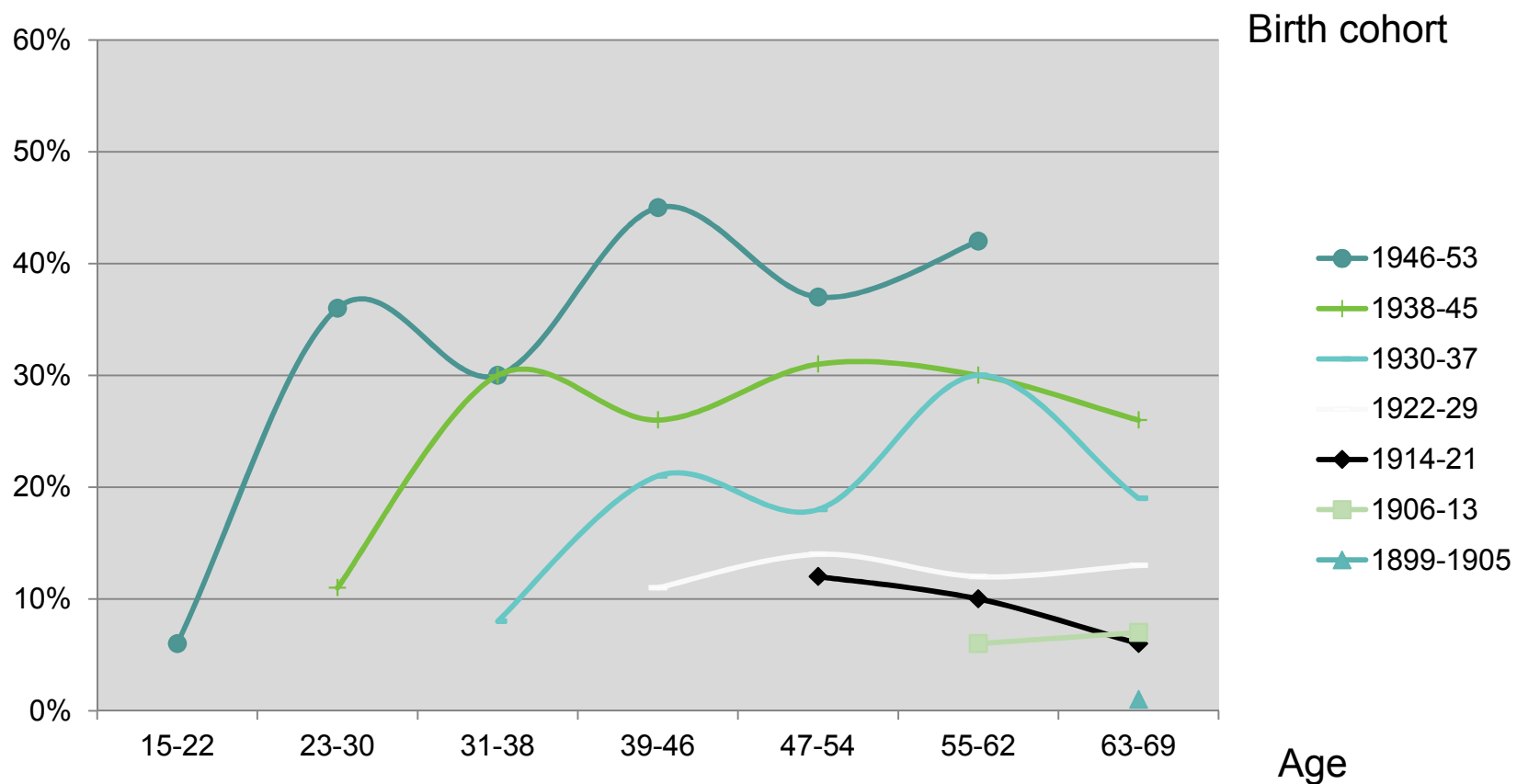
# Change by cohort: % of weekly drinkers among women



Source: Härkönen et al. 2010

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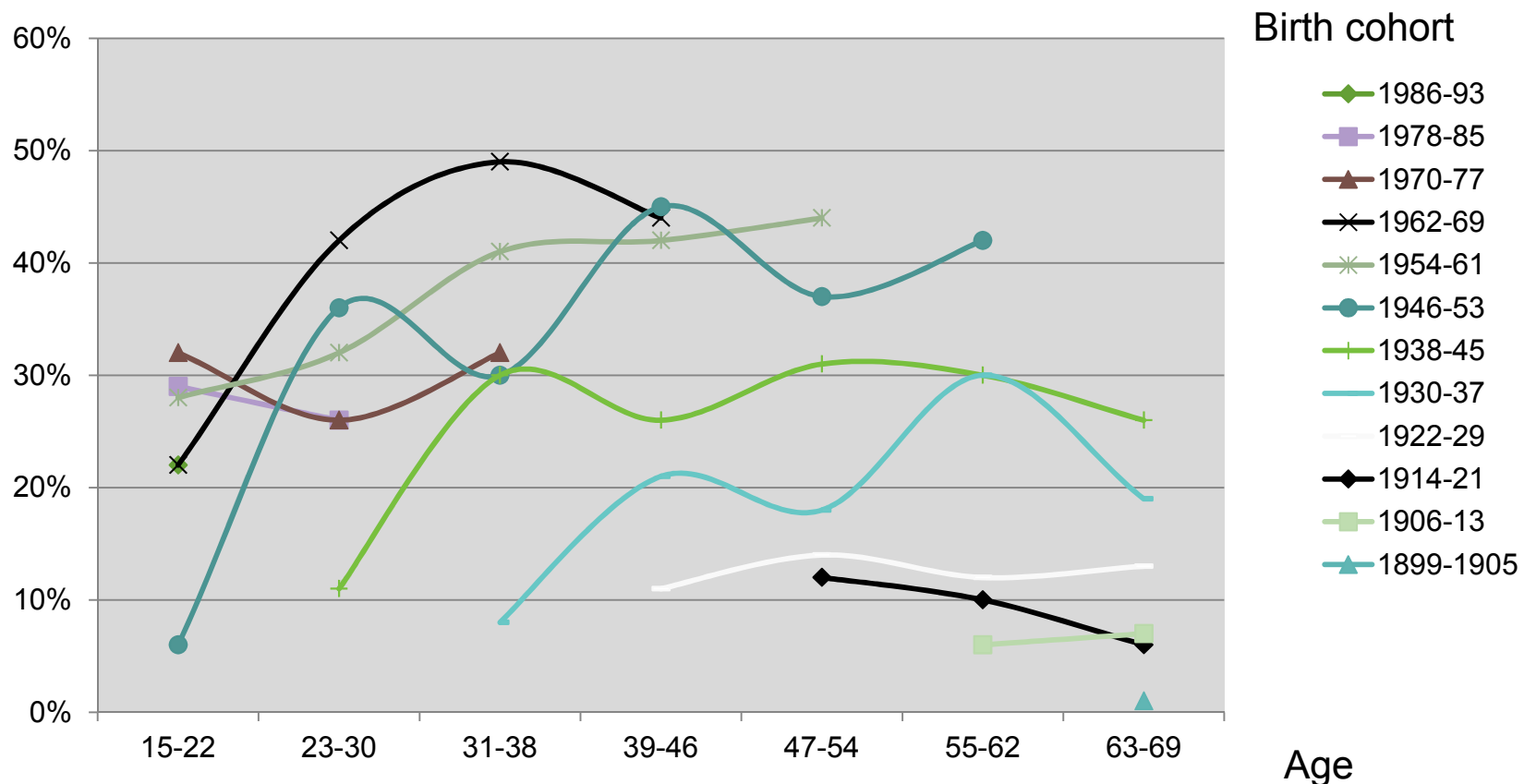


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# Change by cohort: % of weekly drinkers among women



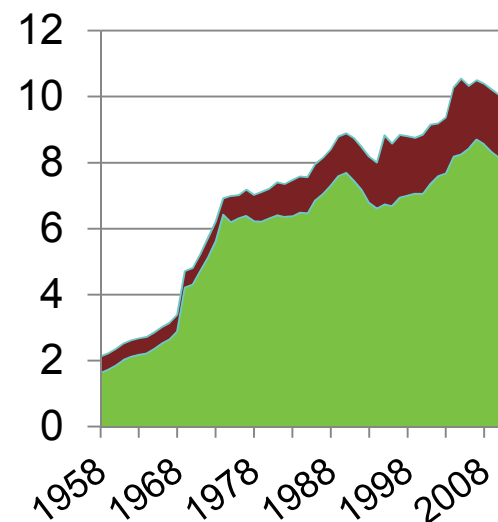
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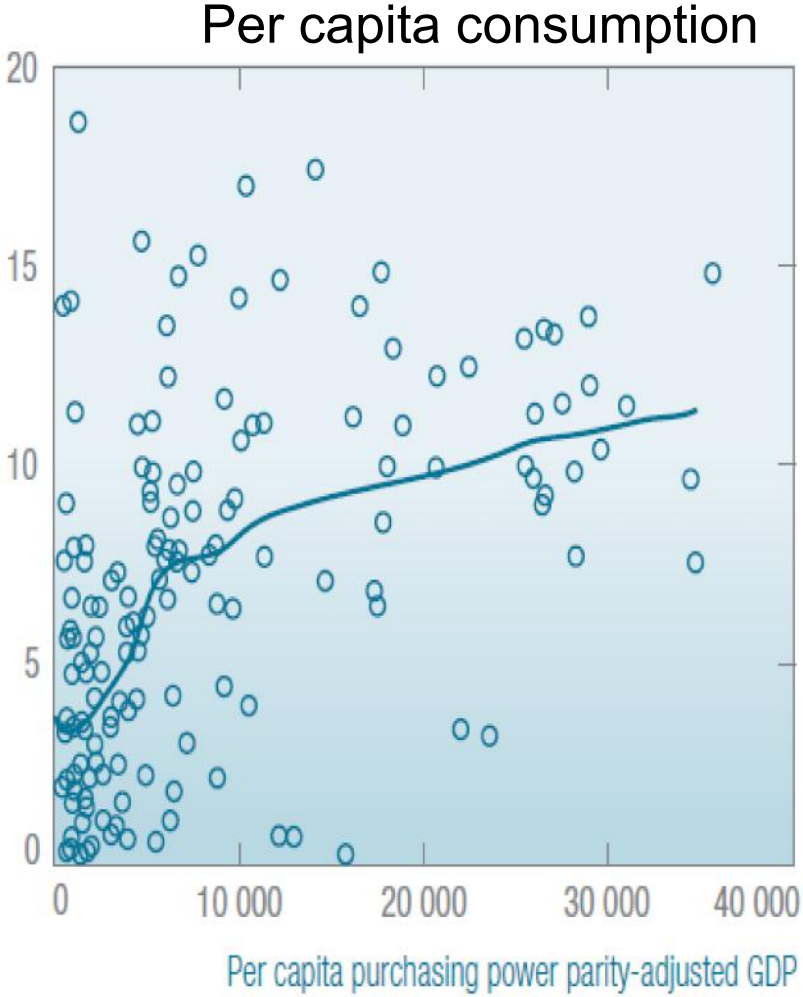
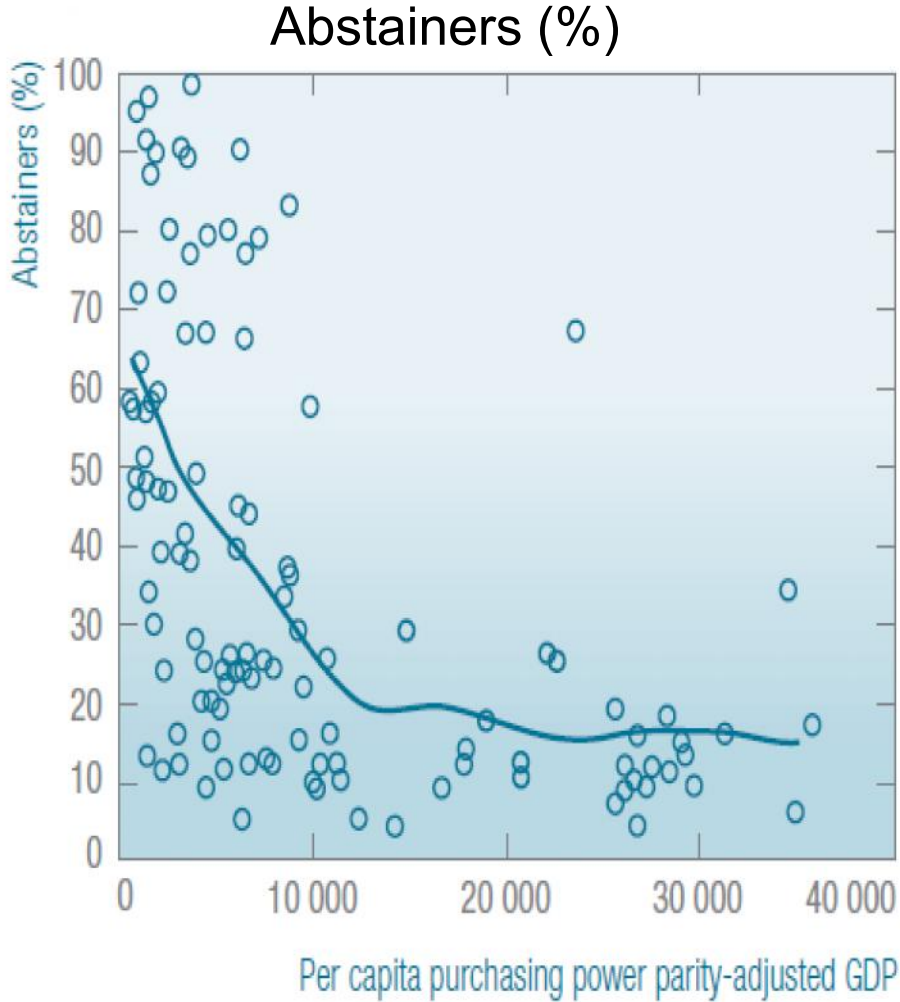
## Finland: what changed?

- **Culture more generally?**
  - Urbanization, change to nuclear families, better education
  - Secular and liberal norms
  - More leisure time
  - Gender equality (women: work and life beyond home; own money; fewer children and more leisure time; changed norms about suitable (drinking) behavior)
  - More wealth and spending possibilities
  
- => Cultural changes definitely have an impact





# Role of income & affordability? Cross-country comparison

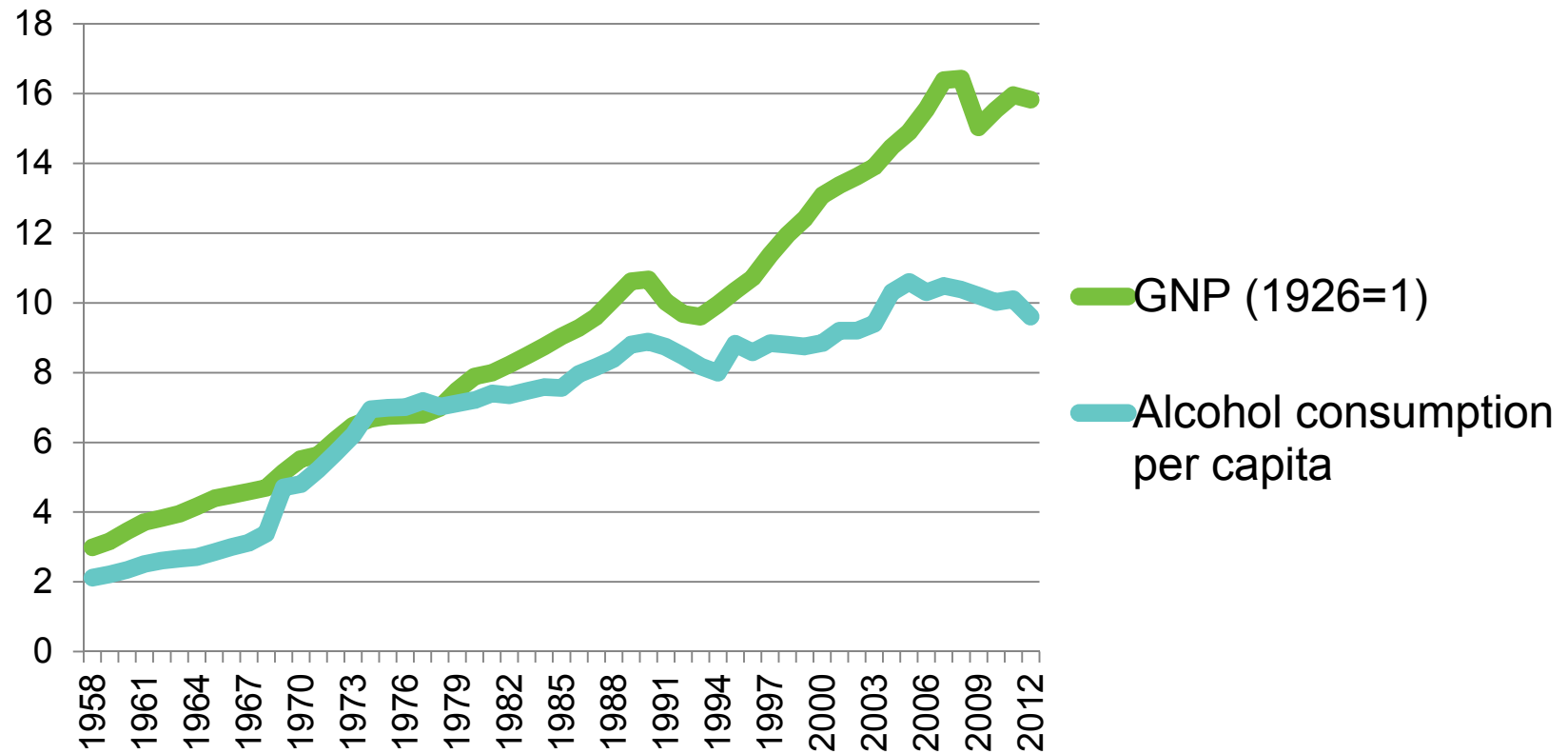


Source: Schmidt et al. 2010



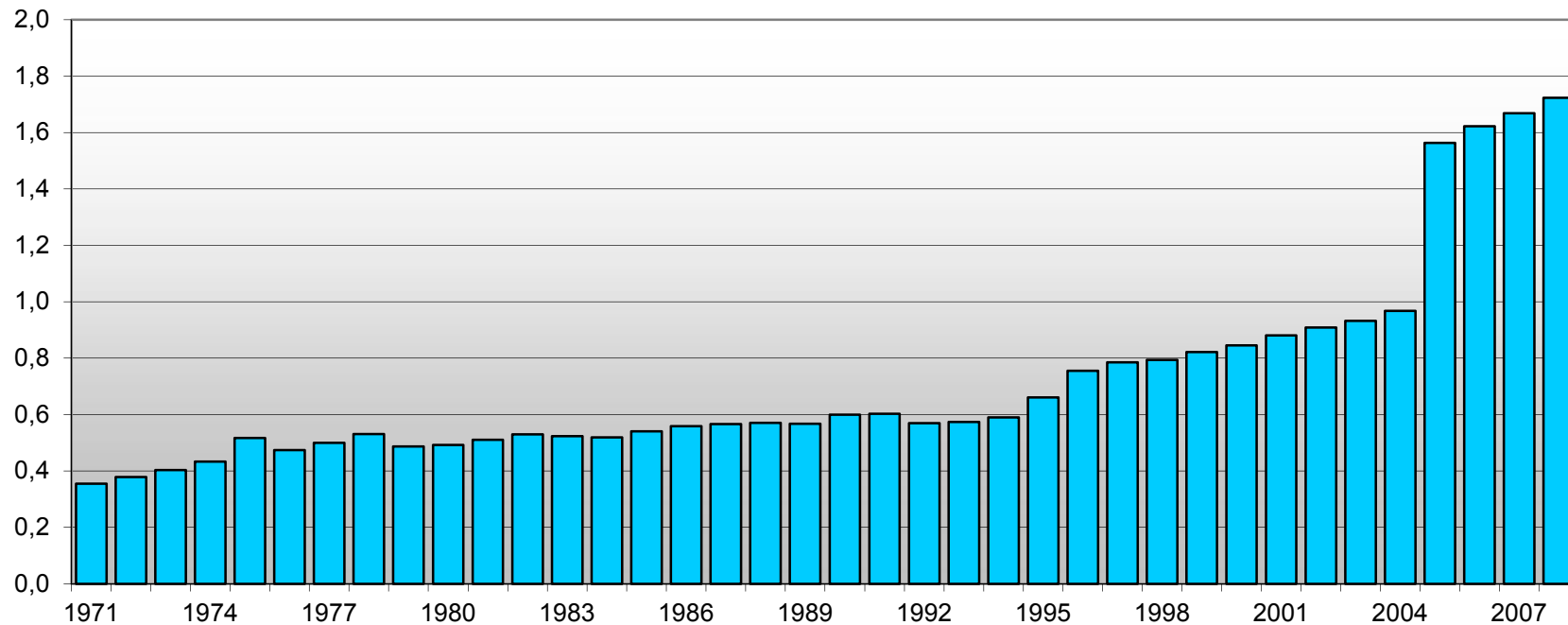
# Finland: what changed?

- **Wealth...**

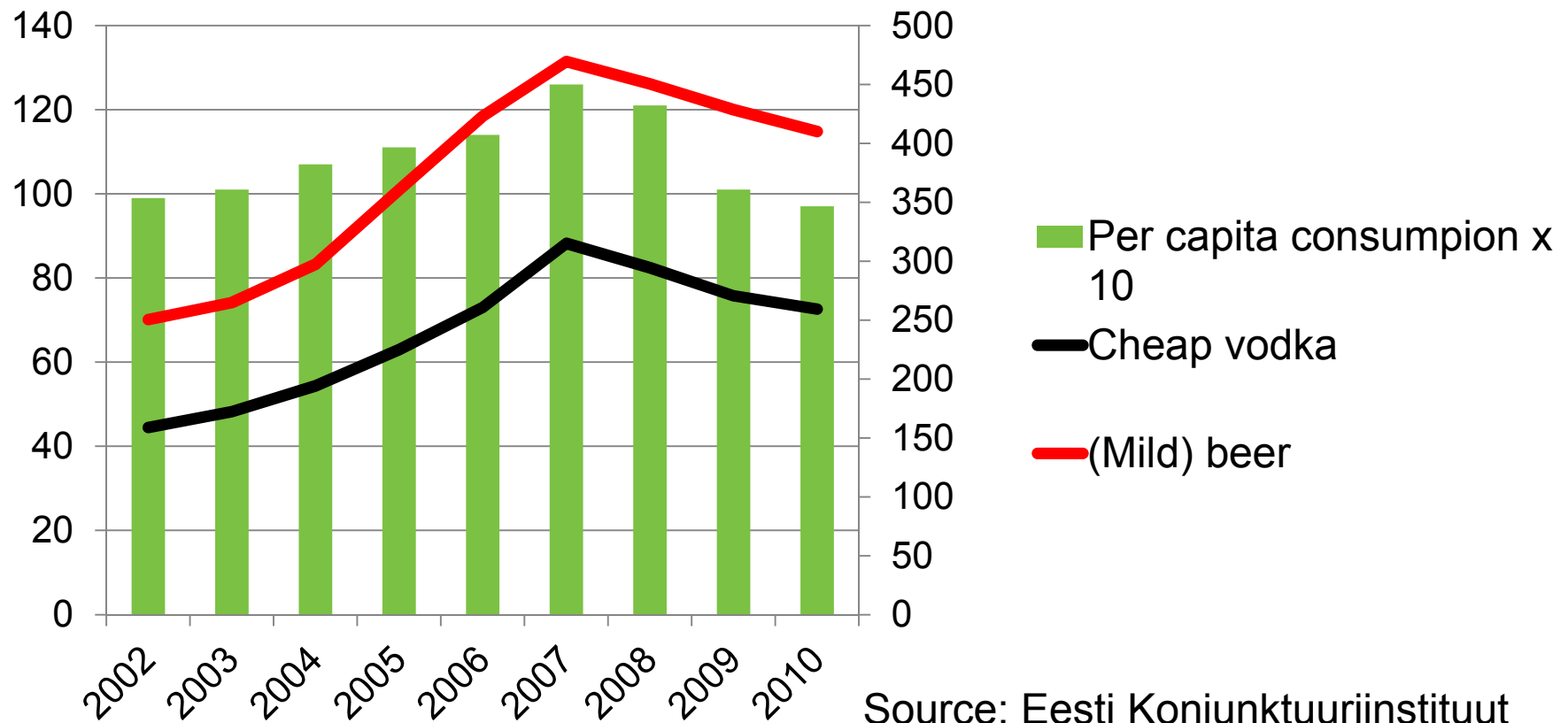


## Affordability of alcohol

”Koskenkorva index”: How many bottles of Koskenkorva vodka can one buy with an average industrial worker’s hourly salary?



# Estonia: Quantities of beer or vodka one can buy for average net monthly wage & per capita consumption of alcohol



Source: Eesti Konjunkturiinstituut

\* Until 2006 data is missing about consumption by tourists in Estonia

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# Effects of economic boom & recession?

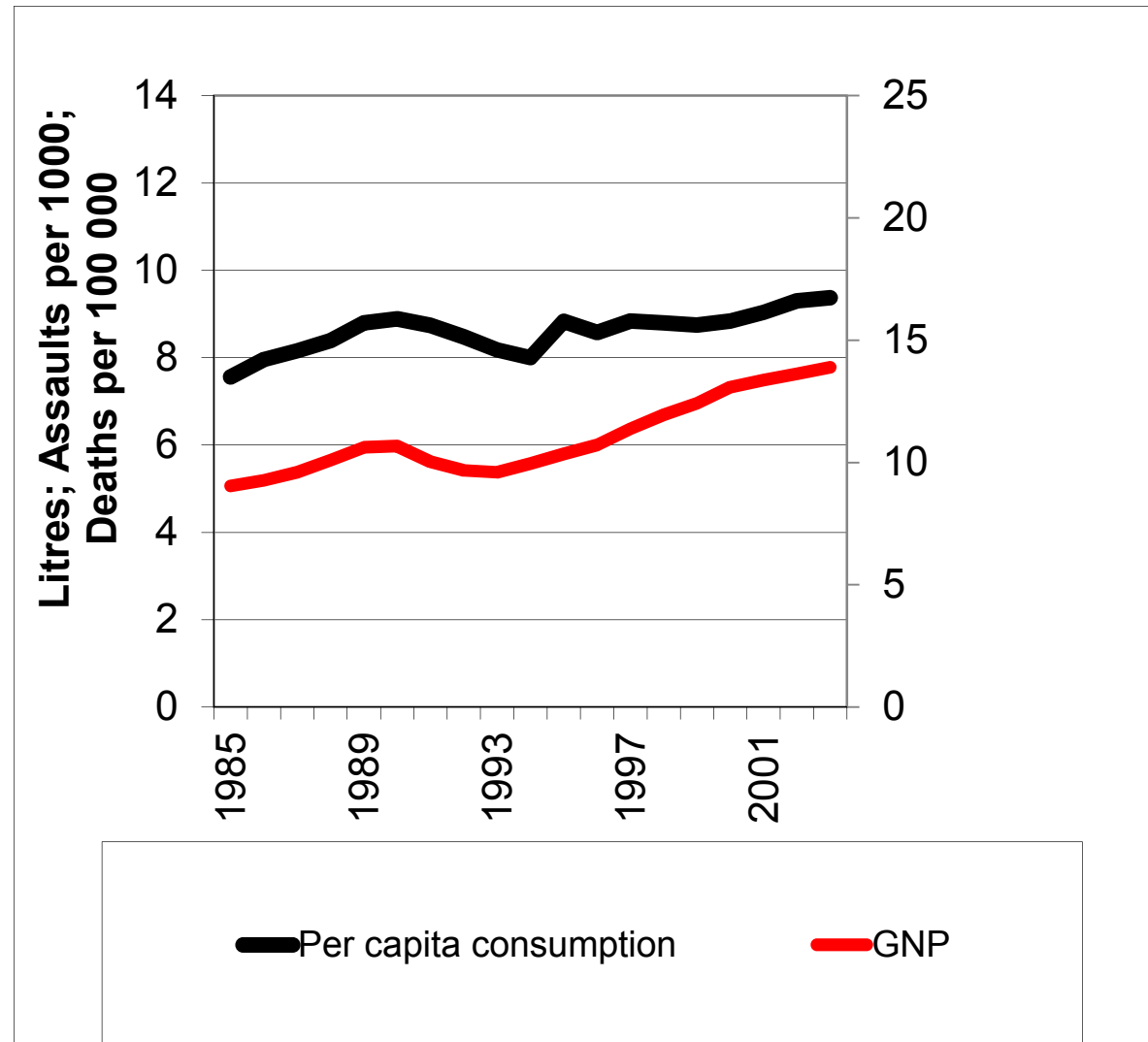
## Finland 1985-2003

- Recession
  - = less money
  - = less consumption
- Recession
  - = more misery
  - = more boozing?

# Effects of economic boom & recession?

## Finland 1985-2003

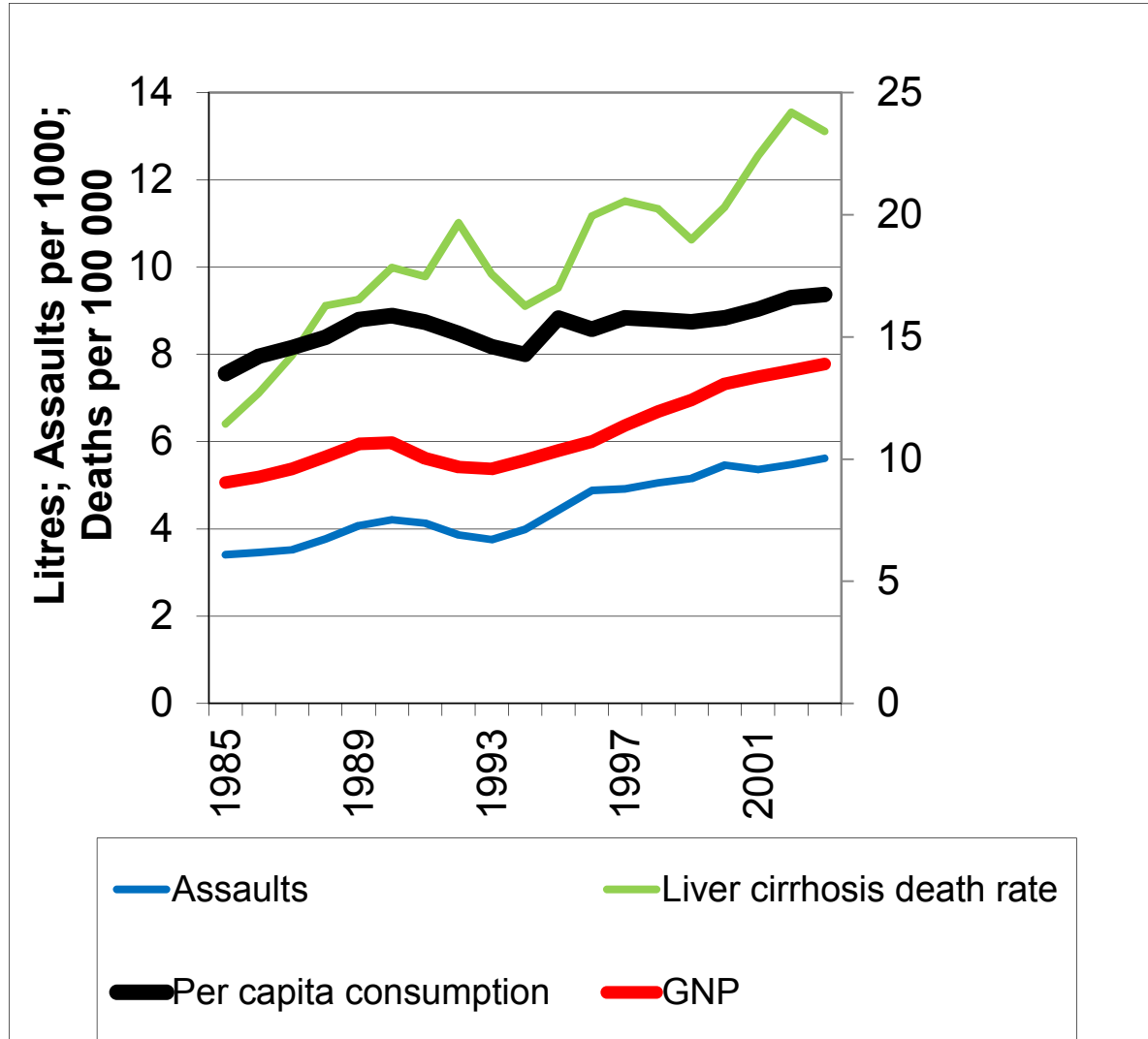
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# Effects of economic boom & recession?

## Finland 1985-2003

- Recession  
= less money  
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## Conclusions so far

- Cultural factors play an important role
  - Economical factors play an important role
  - How about alcohol policy?
    - Price
    - Availability
    - Other policy changes (softer, slower, less visible)
- } "Hard", effective policies



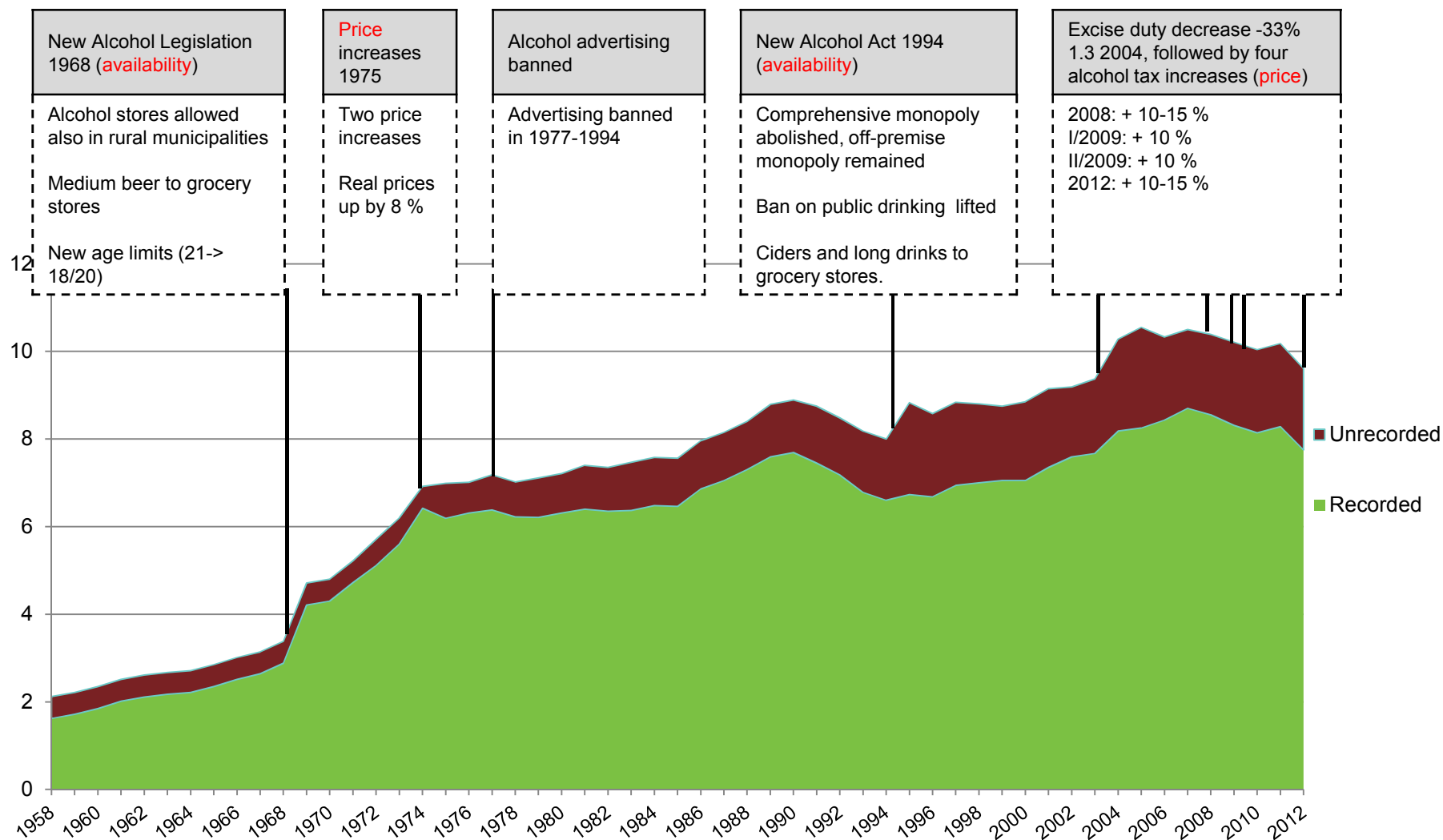
## Role of income & affordability more generally: within country temporal change

- Price & income elasticity estimates from meta-analyses  
Price elasticity= how much does a 1% change in price change consumption?  
Income elasticity= how much does a 1% change in income change consumption?

	Price	Income
– Distilled spirits:	-0.7 to -0.8	1.0
– Wine:	-0.7 to -0.8	1.1
– Beer:	-0.4 to -0.5	0.4
– Total:	ca. -0.5	0.5

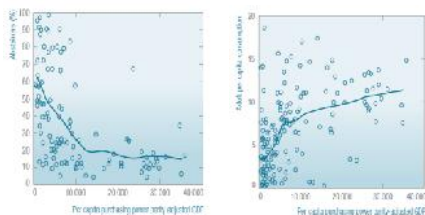
Values depend on cultural factors!

# Total alcohol consumption in Finland in litres of 100% alcohol per capita



# Differences between countries: same or different determinants?

- Cultural factors, e.g.
  - The traditional role of alcoholic drinks (nutrition, intoxicant, social lubricant, ..)
  - Norms guiding alcohol use & related behavior (esp. norms relating to heavy intoxication & behavior while drunk)-> differences in drinking patterns & in harms from drinking
- Income level, living standards, recession & boom

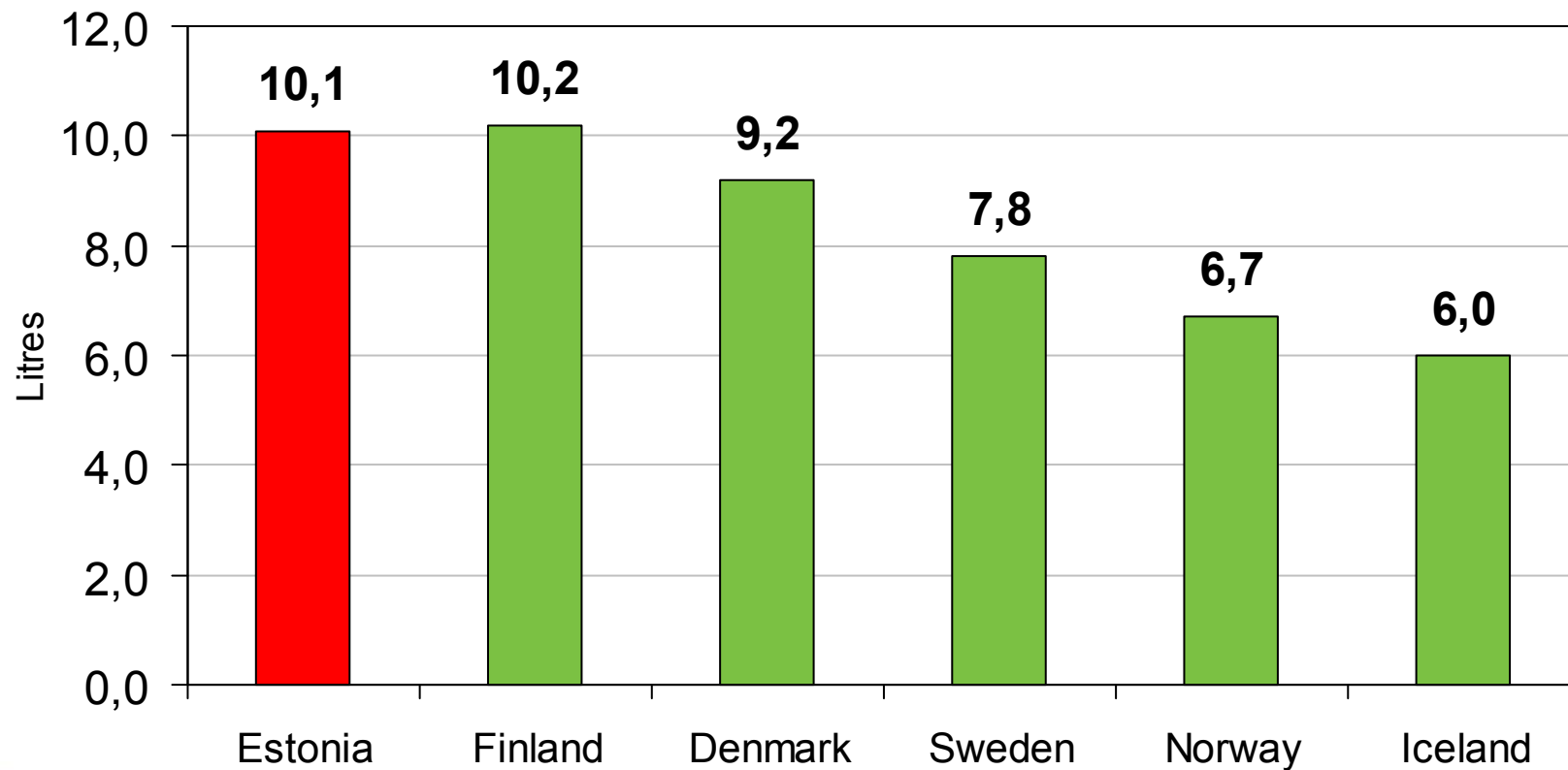


Effects of income & culture get mixed up

- Alcohol policy
  - Effects of policy impacts & culture get mixed up
  - In societies with long histories and strong internal norms about drinking behavior, need for strong alcohol policies has been smaller

# Alcohol consumption in the Nordic countries and Estonia 2009

(litres per capita in 100% alcohol)



Source: Alko; Estonian Institute of Economic Research

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# Conclusions

- Cultural factors, economical factors and alcohol policy all have an impact on population's drinking
- Cultural factors are slow to change; changes in economy and alcohol policy have more immediate effects
- Comparison between countries is difficult:

Countries differ in innumerable ways, and attributing differences in one aspect (e.g. alcohol use or related harm) to any specific cause (e.g. alcohol policy) is not trust-worthy.