

The Alcohol Beverage Industry - Trends, Influence, Logics

Report from the scientific meeting on the alcohol industry and alcohol policy, Copenhagen April 5-7, 2006.

Uncovering the way the alcohol beverage industry operates and examining its role in different contexts is of great importance - today perhaps more than ever before. This was an unanimous conclusion drawn by participants of a meeting held in April 2006 in Copenhagen by the Nordic Council for Alcohol and Drug Research (NAD) and the Society for the Study of Addiction (SSA) with financial support from the Norwegian Government. The meeting gathered persons involved in research, agenda setting and decision making in the field of public health, mainly in Europe, the US and Canada. Participants shared their long experiences and presented exclusive insights on the alcohol industry and alcohol policy making. The industry's marketing practices, its advantages from trade agreements, lessons from tobacco control and possibilities for pursuing legal action in Europe were some of the topics discussed. Typical situations were described in a handful of case studies from different countries. Some of the interpretations of the present trends are introduced in this report.

Investment funds and businesses want to expand beyond national borders to markets around the globe and increase the interconnectedness between markets. **Globalization** affects areas of society which have not traditionally been considered primarily economical issues. Public health based alcohol policy is undoubtedly affected by globalizing market tendencies. The beverage alcohol industry has strongly striven towards globalization, which increasingly affects alcohol policy on local, regional and global levels. Considering the industry's size, structure and way of functioning, defense strategies for alcohol policy agendas must be developed globally. There is a need for creating sustainable models and codes for dealing with the industry, its aggressive marketing campaigns and its intervening in policy making. Experience has shown that the industry is a giant opponent that easily arms itself with popular public opinion as well as trustees in strategic positions.

The industry is gaining increasing power in official government policy as well as in international development of policy. It is often regarded as **a legitimate stakeholder like any other**. Experience from work within national governments, the WHO and EU shows that a severe problem concerns the industry's presence in different policy making processes. Representatives of the industry are participating in round table discussions on alcohol policy and are heard like any other stakeholder. The industry is openly cooperating with governments and in some cases, like in the UK, it provides

public information on alcohol, a task that has been considered society's responsibility. The industry is getting more and more involved in so called market friendly prevention work. Both on national and regional levels the role of the alcohol industry in alcohol policy seems to have become more pronounced and appears in many different forms. The question of legitimate space for public health interests as opposed to industry interests is crucial; it is an important task for NGO's and researchers to point out when this space is illegitimately given over to industry interests.

The alcohol beverage industry works and develops as business, as any other industry, with shareholders' interests as the leading directive. What is, however, characteristic for this specific industry is that the **marketing** defines, creates and forms the goods and their target groups, possibly more than any other industry in the world. Cultivation of raw material and basic production is often a separate process that has little to do with the final product that meets the consumer. The advertisement business is the alcohol industry's ally in recruiting consumers. Young people and children are especially perceptible to new marketing practices as well as the sort of humour that is employed by advertisers to capture consumers' interest. Targeting the marketing practices is therefore of great importance for public health actors.

The industry is naturally superior when it comes to economical advantages. With intentions to form public opinion and to establish credibility some of the resources are invested in **research**. Even if it does not seem that the industry has funded any of the large and important social and policy research to date, a watchful eye should be kept on the relations between industry and research. Connections are sometimes difficult to determine. There is a need to look into different practices and develop a code for supporting the academic community in this gray area.

Alcohol policy is sometimes considered an unnecessary intrusion into peoples' personal lives. When discussing public opinion, **language, rhetoric and the framing of the discussion** are of great importance. Here activists play an important role, shifting the debate if necessary, from industry language to public health and politics. This alignment requires that the rhetorics of the public debate is penetrated and efficiently analyzed. The public health people must get their own rhetoric into cost-benefit analyses, and define the field from other perspectives. Life quality and valuation of life/health should be accepted as genuine measures in e.g. political cost-benefit analyses.

Targeted research could be crucial for successful **contesting in legal proceedings**, if and when the alcohol beverage industry oversteps its legitimate business. In general more information on the

ongoing litigations in the US is needed in Europe, irrespective of the fact that the European legal systems are different. The possibilities of litigation in Europe should not be excluded. Success depends however largely on timing and the cases chosen. Public opinion seems to be the biggest dissimilarity when comparing the alcohol question with the tobacco question.

The industry does not consist of a homogeneous group of conspiring actors. In many ways companies involved in the alcohol beverage business simply operate like any other companies and are indeed a very heterogeneous group that practice specialized small scale production as well as mass production of big brands. It is neither reasonable nor productive to claim that the industry's behavior is outrageous. Instead, it is important to concentrate on making governments more accountable by clearly underlining the industry's agenda. Considering the contemporary trends there is no doubt that initiatives questioning the industry's role should acquire high priority. An **expertise group** on the alcohol industry should be established. The group could link with other global initiatives through/with the global alcohol policy alliance. The importance of having a **global alliance** was more than once mentioned in Copenhagen. Discussions on the dealings of the alcohol industry should be promoted in other venues, in research networks, at NGO meetings and among editors of scientific journals. Hopefully there will be a follow up meeting, where more regions would be represented and studied. Further identification of research gaps could be pointed out and more case studies presented. There is a need to start forming a **code of practice** on how research should deal with the industry. Research communities as well as practitioners acknowledge the importance of complying with the WHO-resolution on public health problems caused by harmful use of alcohol. It is important that actions support the statements of the resolution. A **global strategy or a framework convention** should be out-lined.

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