Privatizing Sweden's retail alcohol sales will increase alcohol-related violence and other harms

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A study published today in the scientific journal *Addiction* argues that privatising Sweden's government monopoly on the sale of alcohol will significantly increase alcohol-related violence and other harms. Depending on the type of privatisation, experts predict that total alcohol consumption in Sweden will increase by 17 - 37%, with thousands more alcohol-related deaths, assaults, and drunk driving offences per year and up to 11 million more days of sick leave.

Systembolaget, the Swedish Alcohol Retail Monopoly, currently controls the off-premises sale, within Sweden, of all beverages over 3.5% alcohol by volume. The legality of the monopoly has been under scrutiny since Sweden entered the EU in 1995. But dismantling Systembolaget is likely to produce grim consequences. Experts from seven alcohol research centres in Sweden, Finland, Norway, Canada, and the United States considered the effects of two models of privatisation that might one day replace Sweden's monopoly.

In the first scenario, Systembolaget's 400 stores would be replaced by about 800 government-licensed alcohol shops, doubling the number of retail outlets. Compared with Systembolaget's stores, private shops are likely to stay open longer, sell discounted alcohol, sell alcohol to underage drinkers, and use advertising to boost sales, all of which have been shown to increase alcohol consumption. Experts predict that the change to specialty alcohol shops will result in a 17% rise in drinking per person, 770 more deaths per year, 8,500 more assaults, 2,700 more drinking driving offences, and 4.5 million additional days of sick leave.

The second scenario, letting grocery stores sell alcohol, brings even worse consequences. There are currently 8,000 Swedish grocery stores that sell beer with alcohol content below 3.6%. If all of those food stores chose to sell other forms of alcohol, the number of retail outlets in Sweden would increase by a factor of twenty. Like specialty stores, grocery stores would likely involve longer opening hours, lower prices, increased sales to underage drinkers, and promotions and other forms of advertising. In this scenario, experts predict a 37% rise in alcohol consumption, with annual increases of 2,000 alcohol-related deaths, 20,000 assaults, 6,600 drinking driving offences, and a stunning 11 million sick days.

The researchers point out that even though the study was based on the best available evidence, there are considerable confidence intervals involved in this kind of work. Hence, the projections are to be seen as what may plausibly happen, rather than as exact predictions.

Addiction researchers in other nations are watching the situation in Sweden with great interest. According to Professor Thomas Babor at the University of Connecticut (USA), "These findings have implications not only for Sweden, but for all countries where state monopoly systems have been successfully operating since the 1930s. With increasing pressure from the alcohol industry to dismantle or weaken alcohol monopolies in the USA and other countries, it is important to remember the public health benefits of maintaining reasonable controls over the distribution and marketing of alcoholic beverages, and the tremendous risks of removing them."

In the USA, the states of Virginia and Washington are considering ending their state-monopoly sales of spirits at the retail level. Based in part on the model in this paper, co-author Ted Miller estimates that "if either state privatizes its monopoly, spirits sales will rise by 21% and total alcohol consumption by 6%-7%." Miller states that "increased consumption will cause an estimated $50 million per year in harm paid from state coffers (mostly criminal justice costs) and $1 billion per year in total costs. It also will reduce annual state alcohol revenue by $200-300 million."

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