

When the economy is down, alcohol consumption goes up

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Previous studies have found that health outcomes improve during an economic downturn. Job loss means less money available for potentially unhealthy behaviors such as excessive drinking, according to existing literature on employment and alcohol consumption. A new study by health economist Michael T. French from the University of Miami and his collaborators has concluded just the opposite--heavy drinking and alcohol abuse/dependence significantly increase as macroeconomic conditions deteriorate.

French and his team found that [binge drinking](#) increased with a rise in the state-level unemployment rate. Driving while intoxicated and alcohol abuse and dependence also increased for both genders and across ethnic groups. The study is relevant considering that many economists predict the unemployment rate in the United States to remain above pre-crisis levels for several years.

"The study is timely, technically advanced, and original," says French, professor of health economics, director of the Health Economics Research Group at the UM College of Arts and Sciences and principal investigator of this study. "We are one of the first to show that, even though incomes decline for most people during an economic downturn, they still increase problematic or risky drinking."

The researchers analyzed data from 2001 to 2005, which is the most recent relative to existing studies. It includes a rich set of measures on alcohol consumption that were not looked at in earlier studies, such as

alcohol abuse and dependence. The findings are reported online by the scientific journal Health Economics in a study titled "Macroeconomic Conditions and [Excessive Alcohol Consumption](#)."

The article indicates that even individuals who are employed have more binge drinking days and are more likely to drive after having too much to drink during a bad economy.

"The way we explain this is even though employed individuals have a job, they could be affected psychologically (e.g., fear of losing their job) from an economic downturn, leading them to have more drinking days and driving under the influence episodes as the State-level unemployment rate increases," says French.

Other interesting findings are:

- The consequences of the unemployment rate on excessive alcohol consumption was demonstrated for all population subgroups in the study, with African-Americans and those aged between 18 and 24 years displaying the largest binge-drinking effect.
- The number of children in the household and being married is negatively related to alcohol abuse and dependence.
- Binge drinking is more common as the educational level and income of individuals increase.

The new study suggests that service providers for [alcohol abuse](#) programs should prepare for an increased demand for their services during an [economic downturn](#).

Provided by University of Miami

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