

Preventing Excessive Alcohol Consumption: Privatization of Retail Alcohol Sales

The privatization of retail alcohol sales is the repeal of government (i.e., nation, state, county, city, or other geo-political unit) control over the retail sales of one or more types of alcoholic beverages, thus allowing commercial retailing of those beverages. States with government control of alcohol sales are referred to as control states, and states with privatized sale are referred to as license states. The privatization of retail alcohol sales generally applies only to off-premises alcohol outlets—retail locations, such as liquor stores, where alcoholic beverages are sold for consumption elsewhere. Privatization does not generally affect the retail sales of alcoholic beverages at on-premises alcohol outlets—locations such as bars and restaurants, where alcoholic beverages are sold for consumption on-site. Re-monopolization of retail alcohol sales is the re-establishment of government control over the retail sale of one or more types of alcoholic beverages.

Summary Of Task Force Recommendations & Findings

Based on its charge to identify effective disease and injury prevention measures, the Community Preventive Services Task Force recommends against the further privatization of alcohol sales in settings with current government control of retail sales. This finding is based on strong evidence that privatization results in increased per capita alcohol consumption, a well-established proxy for excessive consumption and related harms.

The Task Force recommendation against privatization of retail alcohol sales is based solely on evidence related to public health consequences, which may be one of several factors to consider when making decisions on whether to privatize retail alcohol sales.

Task Force Finding & Rationale Statement

Results From The Systematic Reviews

Eighteen studies qualified for the systematic review.

Seventeen studies assessed the effects of privatization on per capita alcohol sales, a well-established proxy for excessive alcohol consumption and related harms.

Overall, there was a 44.4% median increase in per capita sales of privatized alcoholic beverages within the jurisdiction that underwent privatization during the years following privatization of retail alcohol sales (interquartile interval [IQI]: 4.5% to 122.5%; 17 studies).

During this same time frame, sales of nonprivatized alcoholic beverages within the jurisdiction that underwent privatization decreased by a median of 2.2% (IQI: -6.6% to -0.1%; 9 studies).

One study in Finland assessed the effects of privatization for groups reporting different levels of alcohol consumption. It found privatization increased consumption across all groups.

One study in Sweden found that re-monopolizing the sale of medium-strength beer was associated with a general reduction in alcohol-related harms.

These results were based on a systematic review of all available studies, conducted on behalf of the Task Force by a team of specialists in systematic review methods, and in research, practice and policy related to excessive alcohol consumption and related harms.

Supporting Materials

Summary evidence tables [PDF - 95KB]

Included studies

Publications

Hahn RA, Middleton JC, Elder R, Brewer R, Fielding J, Naimi TS, Toomey TL, Chattopadhyay S, Lawrence B, Campbell CA, Community Preventive Services Task Force. Effects of alcohol retail privatization on excessive alcohol consumption and related harms: a Community Guide systematic review . Am J Prev Med 2012;42(4): 418-27.

Community Preventive Services Task Force. Recommendations on privatization of alcohol retail sales and prevention of excessive alcohol consumption and related harms. Am J Prev Med 2012;42(4):428-9.

Cook PJ. Alcohol retail privatization: a commentary. Am J Prev Med 2012;42(4):430-2.

More Community Guide publications about Preventing Excessive Alcohol Consumption

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