

Alcoholism and mortality in Eastern Europe

Excessive drinking is the main cause of high male mortality rates, but the problem can be addressed

Keywords: alcohol consumption, mortality, labor productivity

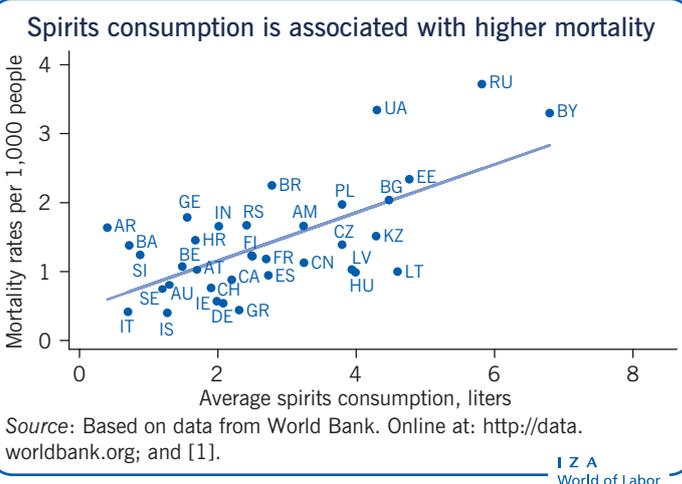
ELEVATOR PITCH

Eastern European countries, particularly former Soviet Union economies, traditionally have the highest rates of alcohol consumption in the world. Consequently, they also have some of the highest male mortality rates in the world. Regulation can be effective in significantly decreasing excessive drinking and its related negative effects, such as low labor productivity and high rates of mortality. Understanding the consequences of specific regulatory measures and what tools should be used to combat excessive alcohol consumption is essential for designing effective policies.

KEY FINDINGS

Pros

- + Price regulation in the market for alcohol has a significant effect on alcohol consumption.
- + Lowering the levels of excessive drinking improves personal health and labor productivity (for men) and brings down mortality rates.
- + When there are constraints to policy, measures to promote the substitution of spirits for less harmful drinks have a positive effect.
- + The presence of peer effects multiplies the effectiveness of policy.
- + Policy that targets young adults can be particularly effective in preventing habitual alcohol consumption from developing.



Cons

- Strict regulation may be politically costly, particularly for populist politicians.
- Strict regulation may force people to switch to homemade and surrogate alcohol, which can have even more harmful effects.
- No studies have been conducted on the causal effect of an increase in the price of alcohol on the consumption of homemade and surrogate alcohol.
- Establishing the causal effect of excessive drinking on mortality is difficult.
- There is mixed evidence of a causal effect of excessive drinking on labor productivity for women.

AUTHOR'S MAIN MESSAGE

Excessive alcohol consumption in many Eastern European countries leads to high mortality rates among men and has a negative effect on labor productivity. Various regulatory measures, such as taxation, sales restrictions, licensing, advertisement control, and drinking age limits, have been effective in lowering alcohol consumption. Over-regulation, however, may lead to a rise in the consumption of homemade and surrogate alcohol. When there are political constraints to regulation, policies that encourage the substitution of spirits for safer drinks can be very effective. Policies that target the younger generation, when habits are formed, can also have beneficial long-term consequences, as a result of peer influence and other spillover effects.