

# THE GLOBE



Focus on  
European  
Youth

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Issue 2 2008

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## THE GLOBE

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# Global advocacy safeguards the Integrity of Alcohol Strategy

The last Edition of the Globe drew attention to our unease with the WHO Executive Board's decision to place on this year's World Health Assembly agenda a proposal to “collaborate with” economic operators. We called upon alcohol policy advocates to safeguard the integrity of the WHO by alerting their respective member states to the risks involved in such collaboration. We stated that there were two positions that could be taken: either to support the resolution as it stood or seek to amend the request to the Director General to “collaborate with the economic operators” by replacing it with “to consult with the drinks industry”.

We knew that change would only be achieved if Member States could be persuaded to propose an amendment at the Assembly. We were also acutely aware of the diplomatic effort that had taken place to achieve even this degree of consensus on the need for a Global Strategy on Alcohol. Consequently there were those that took the position to live with the resolution as it stood, since they considered that to suggest further changes had the real potential of destroying this fragile consensus and of losing the momentum gained over decades in favour of a global alcohol strategy. This was not the position of the Globe.

Getting the Resolution changed was crucial on several counts of principle:

- In agreeing to collaborate with a vested interest, WHO would have acted in direct contradiction to its own ethical principles and codes of practice.
- By not differentiating between the status of Member States and other stakeholders the Resolution was creating a dangerous precedent that could lead to the inappropriate involvement of other economic operators in other areas of health policy. The changes advocated by the Globe would restore the rightful distinction in the relationship between the WHO, member states and other stakeholders.
- The WHO's own Expert Committee had advised the WHO to maintain its position of non-collaboration. The Globe unequivocally supported the Expert Committee's view in this respect.
- The Globe was aware of the influence that economic operators have within developed countries and, increasingly, within developing countries. An official mandate to proceed with collaboration would be exploited at all levels by the drinks industry to the detriment of many Member States adopting effective population based alcohol control policies. The Globe's role, together with its NGO supporters, was to voice these concerns with member states and particularly with health officials.

Due to the efforts of those who responded to our call, we are pleased to report that the Assembly in May 2008 amended the Board's proposal in favour of one that safeguards the rightful distinction between the WHO's relationship with Member States and other stakeholders including NGOs and the economic operators. The final text now directs WHO:

*“to collaborate and consult with Member States, as well as consult with intergovernmental organizations, health professionals, nongovernmental organizations and economic operators on ways they could contribute to reducing harmful use of alcohol.”*

At the Assembly 36 countries spoke on the issue. All 36 countries supported the need for a Global Strategy. Six countries, with Thailand making a significant contribution, supported an amendment proposed by New Zealand which called for a change to the wording of the EB's resolution and for a change to the emphasis on collaboration – restricting the term to relate only to Member States. The importance for alcohol and health policy of this change cannot be underestimated. Nor should we lose the significance of the fact that Rwanda and Kenya, wholly supported by African member states, initiated the resolution.

The Globe considers that it is now incumbent on the Global Alcohol Policy Alliance and its kindred organisations to respond effectively to the opportunity that developing a global strategy provides. We can do this by building capacity through networking, information sharing, and by cooperating in the development of targeted research and training.

### Building capacity through networking:

- An effective network of youth organisations, research institutions, advocates and civil society organisations needs to be strengthened to provide the WHO with an authoritative non-governmental voice on alcohol policy.
- A network based on engagement with civil society including all major faiths, development agencies,

justice, health, social and safety agencies, will provide a broad base for consultation in related fields where alcohol use is a contributory factor to health, social and cultural harms.

### Research and training:

- Advocacy-training courses for key professions and groups to be organised and
- Research capacity to be built up to contribute to the evidence base.

GAPA will also need to work with others to **safeguard the integrity of alcohol policy** in its formulation and implementation at all levels.

Having learned the lessons from the tobacco field, the drink industry is proactively involved in the formulation of national alcohol policies across the globe. These policies seek to perpetuate the industry's position on self-regulation, commercial freedom and targeted interventions to deal with what they deem to be a 'minority' that abuse alcohol.

GAPA will need to continue its advocacy for public health and population based approaches at regional, national and global levels and continue to challenge the underlying assumptions of the industry's position by presenting the case for evidence-based approaches to national governments. Where round-table structures exist, such as the Alcohol and Health Forum in Europe, GAPA will need to monitor its activities and evaluate the likely value of the involvement of the NGO sector over time.

In other regions and countries where such structures do not exist, organisations will need to feel supported by GAPA in their task of providing a local counterbalance to the drink industry's lobbying. The exchange of information and knowledge about movements and developments of alcohol policies and best practice will need to be shared across the GAPA network.

**GAPA will respect the role of youth.** This issue of The Globe celebrates the constitutive meeting of the Alcohol Policy Youth Network – a network of youth organisations across Europe and a new dynamic voice in European alcohol policy. APYN's message of youth participation is unambiguous – youth have a right to their own voice, and for this voice to be heard, when policies are formulated that will have a direct influence on their lives. GAPA and its kindred bodies should attempt to engage meaningfully with youth organisations in a wider context so that positive messages can be shared.

Above all the Globe believes that we need to embrace wholeheartedly the role Dr Asvall, the former Director General of WHO Europe, outlined for us when he stated: "A particularly important role can be played by enlightened nongovernmental organizations, which can often speak with passion and insight on the true impact of alcohol on individuals, families and communities. Such organizations can also bring the commitment and energy to work even in the face of political risks."

As for the WHO, it has now the opportunity to develop a strong evidence based Global Strategy to counter the epidemic of alcohol problems that is increasing with growing alcohol consumption in many parts of the world. Regions of the globe with fast emerging alcohol markets and related problems have already begun the work of developing Regional Strategies which can inform the Global Strategy. The deliberations will also be informed by precedents such as the Framework Convention on Tobacco Control which illustrate the mechanisms the member states of WHO have at their disposal to ensure a strong public health response.

The eventual report will need to set out strategies that can be implemented at international, regional, national and local level. It should also outline the actions that can be taken and contributions made by member states and non-governmental organisations to counter and reverse the growth in alcohol related harm.

From the drinks industry we need to see positive deeds and not words in their actions to support measures that will reduce consumption and harm. The industry will need to be closely monitored.

We need to remember Griffith Edward's wise advice to WHO Europe over a decade ago "There is no one policy panacea: inevitably the needed policies will be a mix rather than a master stroke".

### A focus on youth

In this edition of the Globe we focus on youth. Youth are positive actors in policy formulation and advocacy.

The European Youth Forum in their Position Paper on Alcohol Related Harm stated that "Alcohol related harm is an important health and, in particular, social issue for young people. Unfortunately, youth are often depicted as simply a social group misusing alcohol rather than individuals capable of making conscious choices and sometimes the victims of alcohol-related harm. Moreover, youth could also be potential actors who could contribute to addressing alcohol-related issues. In this regard, youth

organisations can play an important role through awareness raising, by providing alternative leisure time activities for youth, as well as by being the space where young people can develop their social and personal skills. As these policies often affect young people, interested youth organisations should also be involved and have a say in the policy making."<sup>1</sup>

A less respectful approach to youth is seen in the UK Government's Youth Alcohol Action Plan (although this should be considered as an interim plan). It identifies five priority areas of which the active participation of youth and youth organisations is sadly lacking. (see page 20)

Active participation of youth in policy making must be a goal for all and a challenge to young people and youth organisations alike.

The market positioning of alcopops and its appeal to youth has been of grave concern for many years. The report from the US Marin Institute (see page 25) highlights the efforts of the Drinks Industry to frustrate the attempts of State legislators to take

<sup>1</sup> Adopted by their Council of Members/Extraordinary General Assembly 27 – 28 April 2007 held in Baku

appropriate action on taxing alcopops, action that legislators consider important to safeguard the health and well being of youth.

The Indian Health Minister at the launch of the Indian Alcohol Atlas spoke strongly of the need to promote the health of the 600 million youth of India (see page 23). Curbing and controlling the sale and promotion of alcohol will be a central theme of Indian policy. He challenged the media to go and see for themselves the consequences of alcohol use on youth, families and communities in rural areas and to give serious consideration to their own role in enabling the prevention of ill health and harm by adopting responsible policies as they have done in the tobacco field.

From Thailand, Thaksaphon Thamarangsi explores the transitional nature of the alcohol market and exposes the newly introduced strategies deployed by the industry including the creation of youth-friendly beverages. The articles from Thai Health are salient reminders of the way in which promoters of alcohol entice future generations towards alcohol (see page 8).

Barcelona  
3rd – 5th April 2008

# European alcohol policy conference

## Building capacity for action

At a consumption level of 11 litres of alcohol per adult per year, Europe is the heaviest drinking region in the world, over 2.5 times the rest of the world's average. This brings a particular health and economic burden to Europe, leading to pain and suffering, harm to third parties, health inequalities, and a drain on Europe's productivity.

The presence of high level policy makers reflected the growing strength of the public health lobby in European alcohol policy, a development probably not unconnected with the increasing tendency of alcohol scientists and policy advocates to draw direct parallels between alcohol and tobacco. Professor Robin Room, one of the world's leading alcohol scientists, commented on how explicit comparisons were being made at the conference between alcohol and tobacco that would have been avoided only a few years earlier.

Consistent with this re-framing of the alcohol question, in his speech of welcome

to the conference, WHO's Marc Danzon, referring to the claim that moderate drinking has a protective effect in relation to cardiovascular disease, said that WHO could not accept the statement that alcohol even in 'moderate' quantities is 'good for health'.

In his address, Robert Madelin said that he hoped the World Health Assembly would pass the proposed resolution on alcohol as this would aid efforts in Europe to tackle alcohol related harm, and strong support was expressed at the conference for the development of a global alcohol strategy. Mr Madelin also outlined the Commission's

alcohol harm reduction strategy and described the functioning of the Alcohol and Health Forum established by the Commission as a stakeholder platform in which participants, including numerous alcohol industry companies and organizations, commit themselves to taking practical steps to tackle alcohol related problems.

Referring to the role of alcohol marketing, one of the key issues in alcohol politics, Mr Madelin said that the working hypothesis of DG SANCO, the Commission's health and consumer protection directorate, was that the balance of evidence shows a cumulative effect of marketing on young people's knowledge, attitudes and behaviour.

An outcome of the conference was the publication of a set of conclusions representing the consensus position in regard to public health policy on alcohol and the necessary actions to be taken to implement them.

### Alcohol causes a high level of harm

**Action:** Community and municipal programmes need to be strengthened and implemented to raise awareness and support for alcohol policies; warning labels need to be added to alcohol containers Europe-wide to help establish a social understanding that alcohol is a special and hazardous commodity.

### Young people are vulnerable to alcohol

Alcohol consumption in adolescence can trigger long-term biological changes that may have detrimental effects on the developing adolescent brain, including neuro-cognitive impairment. The younger young people start to drink and the heavier they drink, the more they are at risk of alcohol dependence and alcohol-related harm during young adulthood, including suicide. Young people, and especially those that are heavier drinkers, are particularly susceptible to alcohol advertisements. There is growing evidence that alcohol advertising increases the likelihood that young people start to drink, and that the overall amount that they drink and the amount that they drink on one occasion is greater. There is a need to better protect young people.

**Action:** there needs to be much better regulation, enforcement and monitoring of alcohol marketing that not only deals with the content but which also substantially reduces the exposure of alcohol marketing to young people; the rules relating to the marketing of

alcoholic products should be approximated across Europe, noting the need to specify the extent to which alcohol marketing in certain categories of media and publications is allowed.

### Alcohol causes harm to people other than the drinker

The social costs due to harmful alcohol consumption to the EU as a whole is estimated to be €125bn a year, divided into health, crime and lost productivity costs. There needs to be tougher action in reducing third party harm.

**Action:** the economic and physical availability of alcohol should be regulated, and limited to reduce third party harm, including the implementation of alcohol-free zones; a maximum BAC limit of 0.5 g/L, eventually reduced to 0.2g/L, should be implemented Europe-wide with a lower limit of 0.0 g/L for novice drivers and drivers of public service and heavy goods vehicles (countries with existing lower limits should not increase them).

### Government regulation needs to be strengthened

Alcohol is not an ordinary commodity like milk or potatoes. These are all powerful justifications for strengthened regulation, including managing the price and availability of alcohol. These are measures for which there is overwhelming evidence for effectiveness and cost-effectiveness in reducing alcohol-related harm. However, the implementation and impact of effective regulations can be compromised due to trans-national and cross border issues, particularly, for example, due to the high alcohol allowances for travellers between EU countries.

**Action:** minimum alcohol tax rates should be at least proportional to the alcoholic content of all beverages that contain alcohol, should cover the social costs due to alcohol, and should be increased in line with inflation; in the absence of agreed and harmonized tax levels, travellers' allowances, which increase tax competition and lower taxes, should be reduced Europe-wide.

### Help needs to be available for people with problems

**Action:** there needs to be a considerable health systems investment in appropriate strategies to ensure the widespread availability and uptake of early identification and brief advice programmes in primary care settings, in cost effective treatment for alcohol use

disorders, and in support for sufferers of third party harm, including family members and children; evidence-based standards for advice and treatment should be implemented and monitored Europe-wide.

### Focusing on their product, economic operators have the potential to reduce harm

The responsibilities of economic operators in reducing the harm done by alcohol should be related to their product, the core of their businesses.

**Action:** it is imperative that economic operators should consider ways in which the price and strength of their product can be managed to reduce harm, for example a commitment to support regulation for a minimum pricing structure; producers and retailers should commit to share intelligence and knowledge of illegally traded and illicit alcohol, together with a commitment to support Europe-wide tax stamps.

### Raising the voice of civil society

Although there appears to be citizen support for a range of alcohol policy options, it seems that social awareness of the extent of the harm done by alcohol and what can be done to reduce it is lacking in many societies. Further, there is a lack of adequate presence and strength of voice of non-governmental organizations active on alcohol issues and alcohol policies in many countries.

**Action:** greater investment needs to be given to European and country based non-governmental organizations to give greater voice to civil society to support a cultural change to reduce the harm done by alcohol; the actions of non-governmental organizations need more dominance, with enhanced visibility of their presence.

### Capacity for Action

Greater capacity needs to be built in Europe, and country wide, for greater collective and synergistic action to support the 2006 Council Conclusions for sustained and monitored actions to reduce alcohol-related harm; the negative alcohol-related health impacts of decision making across all policy sectors should be reduced, and the positive impacts identified and promoted.

### Towards a Global Strategy

In its 2007 report on problems related to alcohol consumption, the WHO Expert Committee

emphasized that in the coming years alcohol consumption is likely to increase substantially in south-east Asia and in the low to middle-income countries of the western Pacific (constituting nearly half of the world's population), and that, in general throughout the world, poor people suffer a disproportionate burden of harm attributable to alcohol.

**Action:** greater support from Europe needs to be given to the development of a Global Strategy to reduce the harmful use of alcohol; recognizing the global trade and marketing of alcoholic products, and the need to respect the alcohol policies of other countries that are stronger; there is a need for a common legal framework to support collective action across borders.

### Expanding the evidence base

**Action:** greater investment needs to be given to research on the impact of drinking on others in work, home and social life settings, including the long-term impact of parental drinking on children and their development as adults; the measurement and monitoring of social harms from alcohol requires concentrated European attention.

The full conference report is available

<http://www.dss3a.com/btg/index.html>

# Newly introduced alcohol marketing strategies: Thai experience

Thaksaphon Thamarangsi

## Introduction

Thailand has been defined as one of the ‘emerging markets’ for the alcohol industry. While domestic entrepreneurs are still the key operators, multinational alcohol entrepreneurs have expanded their area of profitability to this market in recent years. Generally, these beverage categories are greatly different in terms of production, distribution, marketing and consumption<sup>1</sup>. For example, the attractiveness of traditional and indigenous beverages relates to price, whereas for cosmopolitan beverages it is rather the created image of life success and friendship. Thai consumers align themselves with the mega trend in the developing world in which consumers are shifting from indigenous and local beverages toward cosmopolitan and international brands. However, indigenous beverages still have a significant share of the market.

The World Health Organization (WHO) Global Alcohol Database tracks the increase in Thai adult per capita consumption from 0.26 litres in 1961 to 8.47 litres of pure alcohol in 2001<sup>2</sup>. Most significantly, beer consumption had an eightfold growth between 1982 and 2001. Thai unrecorded consumption was estimated to be 2 litres of pure alcohol per capita in 2003<sup>3</sup>. A report from the alcohol industry states that Thailand had the world’s highest income elasticity of beer demand during the 1996 to 2001 period<sup>4</sup>. By contrast, wine consumption is exceptionally low and stable.

Economic progress; demographic changes; weak alcohol policy and public health infrastructure; modernized life style; and aggressive marketing practices including lower prices with high availability; all are positive factors for the growth of alcohol consumption. There was a strong association between adult per capita consumption and per capita gross domestic product (GDP) between 1961 and 2000<sup>5</sup>.

Thai alcohol market used to be dominated by very few companies<sup>6</sup>. The business of a single company accounted for more than 90% of the domestic spirits market in 1999 and 64% of the beer market in 2001<sup>7</sup>. Imported beverages used to have only a small foothold: for example, 3.9% of the total spirits and less than 0.1% of the beer market between 1998 and 2000. In the locally produced market, the “white spirit”, the cheapest uncoloured and unseasoned spirits (close to Arrack) made from either rice or molass, shared almost three-quarters of overall distilled beverage production volume in 2004<sup>8</sup>.

Thai alcohol market is in a transitional period, faced with higher competition among operators and the increasing role of modern trade system. Firstly, the confrontation among alcohol entrepreneurs has been increasingly vigorous, particularly after the repeal of production concession in 1999 and since the Asean Free Trade Agreement (AFTA) took effect in 2003. International operators and alcohol importers have had a bigger share in both market and alcohol policy process. As a result, Thai alcohol market has become more open. Secondly, modern trade systems, including department, discount and convenience stores, have gradually become the outlet of choice for many consumers, increasingly replacing the conventional alcohol business system, regional authorized agencies. The modern trade system has its own distribution system and can provide cheaper beverages for retail outlets and drinkers [Khookhang Thurakit Newspaper 30/06/1997].

Alcohol policy in Thailand is quite comprehensive. It covers taxation measures, seller licence, regulations on time and place of sale, prohibition of broadcasting advertisement from 0500-2200 hours or the so-called partial ban introduced in 2003 and control of advertising content. Alcohol policy process in Thailand reflects the incompatibility of different interests. Many strong measures, such as taxation and control on physical availability, are criticized for neglecting public health values<sup>10, 11</sup>. Furthermore, seriousness and reliability of policy implementation are a critical problem. In practice, some regulations have not been enforced since enacted.

This article analyses the marketing strategies, lately launched in Thailand through the classic Marketing Mixed theory, or known as the 4P principle (Product-Price-Place-Promotion), introduced by McCarthy<sup>12</sup>. Where available, it also describes the impact of such strategies.

## Product

Recently, the alcohol industry has focused on a few market sectors with substantial growth including beer, RTD beverages, and secondary (economy grade) whisky. A number of international brands have been introduced to the Thai market. Many foreign entrepreneurs have extended their production lines from the conventionally luxury to the lower market segments.

Free trade agreements promote the freer flow of alcoholic beverage products and investment. Under the AFTA, some entrepreneurs repackage imported beverages and whisky concentrate from ‘out-zone’ Europe to ‘in-zone’ Asean countries and export the end product to Thailand. This practice largely supports the mushrooming of secondary whisky, which is generally rated as more luxury than indigenous beverages. To fight back, domestic producers have launched English-named drinks, adding to their conventional Thai-named beverages.

The Thai government practically allowed the production of traditional fermented and distilled beverages by grassroots in 2001 and 2003,



\* International Health Policy Program (IHPP), Ministry of Public Health, Thailand



Figures 2 and 3: Alcoholic Frappes.

respectively. Since then, many traditional beverages have been selected and promoted as ‘the product of (each) sub-district’. This legalization promoted the availability of cheap and legal beverages at the community level. Although produced by authorized brewers, a substantial proportion of traditional beverages is free from tax<sup>13</sup>.

Apart from the diversification of alcoholic beverages, the alcohol industry tailored beverage types, sizes and drinking patterns to each consumer group. RTD and wine coolers have been symbolised as the female drink.

Alcoholic beverages and their packaging are well designed to fit with their target groups. Most RTDs have colourful packages, some are difficult to be separated from non-alcoholic beverages. A wine cooler brand launched its special edition product under the name of a famous rock band and used them as brand ambassadors. The small bottles (150 ml.) of White spirits were particularly popular among youth because of its cheapness and ease of carrying so enabling them to be hidden in their school uniforms [Than Setthakit Newspaper 14/01/2004].

An increase in the number of drinking sites around universities, with innovative drink styles such as the Alcoholic Frappe and serve-in-a-shot, were reported in Than Setthakit Newspaper (24/03/2005). Alcoholic Frappe, or cocktail-in-jug, has gained popularity among Thai youth due to its cheapness (around 2-3 USD/ jug),

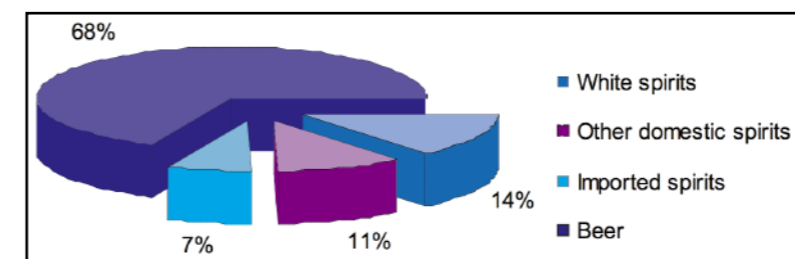


Figure 1: Percentage of production and imported volume by beverage categories, 2005.

Source: Excise Department cited in <sup>9</sup>



**Figure 4:** Colourful and attractive RTD packages.

physical appeal, appropriateness to Thailand's warm weather, sweet taste and high alcohol content. In recent years Alcoholic Frappe selling has become a franchise business with claimed margin at over 70% of the selling price<sup>14</sup>. The fashion of drinking the mixture of White spirits and red syrup (to lessen the strong taste of white spirit) among rural and economically worse-off youth is regarded as one of the cheapest way to get intoxicated.

**Price**

WHO<sup>15</sup> reported that the relative beverage price in Thailand was low compared to regional and global averages. The relative price for beer in Thailand in 2002 was 3.43 USD compared with a mean of 11.3 for the South-East Asia and Western Pacific WHO regions and 8.1 for global average. The relative price for spirits in Thailand was 22.21 USD, 10.8% and 43.3% lower than the regional and global averages respectively. The cheapness of beer and secondary whisky is a major factor shifting Thai consumers toward European style beverages.

The change in price of alcoholic beverages in Thailand has been disproportionate to economic growth. This scenario leads to an increase in affordability for Thai consumers, and reflects the limitation of alcohol taxation measures to control consumption. After adjusting for inflation by using the consumer price index (CPI) as an indicator (using CPI at 1988=1), the price of Mekhong (750-ml bottle), popular domestic liquor went up by only 12.7% from 1986 to 2001 which is still much less than 381% of GDP per capita growth in the same period. The adjusted price of Singha beer (630ml bottle) had gradually dropped by 38.5%, from 44.1 to 22.7 Baht (at 1988 constant price), as shown in Figure 7<sup>5</sup>. The data outlined here indicates that the decline of real price of beverages was a factor encouraging consumption, particularly for beer. An alcohol giant admitted that the low price of its beer was the crucial determinant of increasing overall beer consumption [Prachachat Thurakit Newspaper 24/09/1998].



**Figure 5:** Similarity between alcohol and non alcohol drinks (the only non-alcohol one is the second from right).

Thai drinkers enjoy cheaper imported and locally produced branded beverages due to the effect of trade agreements, leading to the expansion of alcohol market size. In Thai experience, AFTA effect has significantly reduced the retail price of imported beverages in both economy and premium grades, many of these branded drinks are drink-of-choice for young consumers<sup>9</sup>. The volume of imported whisky has significantly increased in the recent time, particularly after AFTA took effect<sup>16</sup>. The AFTA mechanism cut the custom duty by 12 times, compared with the conventional direct importation<sup>10</sup>, and it has enhanced the competitive capacity of importers<sup>17</sup>. An RTD beverage could be sold at half price after switching to domestic production [Phoojadkarn Newspaper 30/09/05]. Furthermore, custom duties for alcoholic beverages are subject to further reduction to 0% in 2010 for AFTA, and 2015 for the Thailand-Australia Free Trade Agreement.

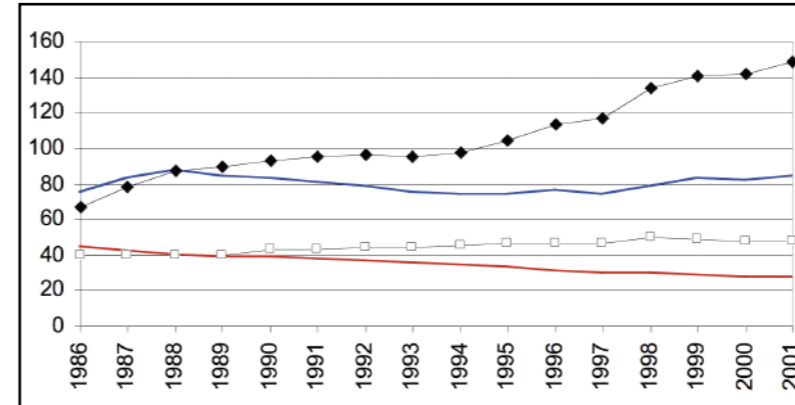
Another significant business technique used, although officially denied, is the "Tied Selling" strategy. This is the practice of alcohol producers and distributors forcing the retail sellers to buy other merchandise alongside popular and profitable products. Conditions are applied so that a retail outlet has to buy a certain amount of beer to qualify to be able to purchase profit-making white spirits. This is particularly to introduce and increase the market share of a new product. From a health perspective this tactic led to a drop in overall beer price not only of the tied brands. This scenario inevitably boosted beer consumption. Moreover, the tied selling tactics also enhanced consumption of illegal spirits and partly triggered a wave of commercialisation among illegal producers<sup>18</sup>.

**Place**

The accessibility to alcohol for Thai consumers, including youth, seems to be no hurdle. The increase in number of alcohol outlets is evident particularly



**Figure 6:** Special edition RTD, under the name of the rock band 'Thaitanium'.



**Figure 7:** Price and inflation-adjusted price of Mekhong spirit and Singha beer in Baht (CPI 1988 = 1). Sources: <sup>5</sup>

during the economic progress period.<sup>18</sup> The growth of modern trade system, particularly the emerging of chained convenient stores in residential areas, significantly enhances alcohol availability. In 2004, there was an average of one authorised alcohol dealer for every 110 people and, on average Thai drinkers took only 7.5 minutes to purchase alcohol<sup>19</sup>. From the same study 3% had to make significant journeys and 15.9% of drinkers decided to stop drinking if their regular outlet was closed.

Thailand has had a licensing system controlling the production, distribution and sale of alcoholic beverages since 1786<sup>11</sup>. In this system, licencees have to conform to the additional regulations, including the regulation on time of sale and prohibition of selling to youth. Conventionally, the policy of the Ministry of Finance has been to expand retail selling to as many residential areas as possible<sup>18</sup>. This stance was affirmed by a recent reduction in outlet licensing fees, and the One-Stop Service campaign to ease the licence application process. However, a considerable number of alcohol outlets, including street alcohol vendors, still do their business without a licence. A 1997 survey of Lopburi province showed that only 80% of retail sellers were licensed<sup>18</sup>.

Thai government restricts selling time to the periods between 11am and 2pm and between 5pm and 12pm. However, the coverage and consistency of implementation is questionable. A survey of the northern region shows that 96.6% of outlets did not conform to time of sale regulations<sup>20</sup>.

For off-premise licensing, the only geographical prohibition applies to areas 'within' and 'next to' educational and religious areas. This rule does not apply to other nearby areas including areas opposite

and those that do not share a fence with educational institutes. This rule is commonly seen as too superficial to decrease accessibility for students to drink alcohol. In addition, to control youth drinking through the Entertainment Venue Act was seen as unfeasible, as most of drinking places around universities are registered as restaurants, not entertainment venues [Khaosod Newspaper 15/05/2004].

In recent years, there has been the boom of modern-style street alcohol vendors, who sell beverages in mobile units and kiosks. These drinking sites have become famous among Thai youth and time and place of sale regulations, as well as the minimum purchasing age, are relatively difficult to enforce.

**Promotion**

Intense competition among alcohol entrepreneurs has forced entrepreneurs to employ many aggressive advertising strategies, including direct advertising on a beverage's quality; the Beer Girl system; regulation circumventing and breaching, providing gift away and lucky draw, and promoting through innovative channels.

If the amount spent on alcohol advertising is seen as an indicator for level of exposure to alcohol promotions, it is significant that the advertising budget has risen by 7.41 times during the years 1989 to 2003. Conventionally, the content of alcohol advertising, beer in particular, used to be about images of brand and producer. But there has been an observation among Communication Art academics on the change in advertising content toward direct advertising<sup>13</sup>, ie making statements about the quality and prestige of products.

After the partial ban took effect in 2003, the alcohol industry has found ways to circumvent the regulations by using indirect advertising in the controlled media and increasing promotions in unregulated, below-the-line media. The high frequency of logos and names of alcohol beverages broadcast during prohibited times, as well as the promotion of surrogate products, has been the subject of a newspaper report. The budgets for mobile advertisements such as ads-on-vehicle, and on-drinking-site promotions increased by 583% and 148% respectively from 2003 to 2004 [Krungthep Thurakit Newspaper 7/09/2005]. The 2003 partial ban regulation is limited in its scope and does not cover sponsorships and many advertising channels, such as internet and viral marketing. The alcohol industry has advertised its product on many popular websites, including websites about entertainment and sports



**Figure 8:**  
Beer free-test booth in a department store.

**Figure 9:**  
Alcoholic beverages in the convenient store's shelf (please note the small display promoting about the diamond ring lucky draw campaign for the RTD products behind).

**Figure 10:**  
Girls drinking Alcoholic Frappe in their junior high school uniform at an alcohol kiosk.

which are attractive to youth. An alcohol company revealed that advertising through mobile phones to promote a lucky draw campaign was successful [Prachachat Thurakit Newspaper 8/11/2004].



**Figure 11:**  
Modern style mobile alcohol sellers.

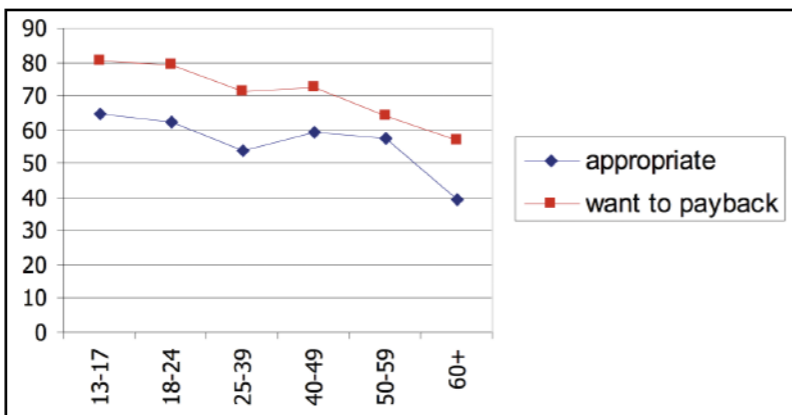
Promotion of surrogate products, or logo-sharing and name-sharing products, include broadcast and billboard advertising, as well as sponsorship of non-alcoholic products, such as a dancing competition for over 13 years old by a soda brand (see figure 18). A study shows that 99.9% of junior high school students knew that a billboard advertising (see figure 19) was to promote beer, without the name and bottle being seen<sup>21</sup>.

The Beer Girl system is believed to have been introduced by a foreign alcohol operator, and has become a necessity for most alcohol entrepreneurs. The main income for Beer Girls comes from commissions on sales, such as 3 Baht per bottle, and tips [Matchon Newspaper 25/02/2002]. A beer company manager admitted that Beer Girls can create brand awareness, stimulate purchases, and is more important than broadcast advertising [Post Today Newspaper 12/12/2003]. A restaurant estimated that Beer Girls increase their income by 20 to 30% [Matchon Newspaper 25/02/2002].

Promotion of Corporate Social Responsibility (CSR) has been the recent trend among alcohol operators, including social donations and sponsorships to sport persons, events and broadcasts. From a survey, 80.5% of teenagers wanted to pay back to a beer company that sponsored the free broadcast of 2006 soccer world cup<sup>22</sup>, as displayed in figure 13. Another study shows that Thai students have high brand loyalty to the beer company that sponsors the national soccer team while many primary students positively perceive this beer company and brand as a philanthropic cause that they should contribute towards.<sup>23</sup>

**Conclusion**

Analysing through the Market Mix model, both domestic and foreign alcohol entrepreneurs have employed many groundbreaking marketing strategies to increase their market share and overall market size. Many of these newly introduced strategies specifically target youth. Some approaches are highly relevant to the Thai context, while some can be seen in other countries.



**Figure 13:**  
Percentage of respondents who see the appropriateness of the sponsorship of an alcohol company on free 2006 soccer world cup broadcast, and who want to support the company. Source (22)

In short, these strategies lead to the high availability of cheap beverages, create youth-friendly beverages and drinking patterns and brand loyalty. They also shape the social climate on alcohol consumption and alcohol operators including the normalisation of alcohol consumption in Thai society. Certainly, youth, commonly defined as the future of alcohol industry, are the most vulnerable group for these threatening scenarios. Most of these strategies negatively affect the effectiveness of alcohol policy. Thus, these strategies are well designed to gain both short and long term benefit for the alcohol industry.

The adequacy and ability of existing regulations to address these newly introduced strategies is largely questionable. Therefore, the regular review and the strengthening of Thai alcohol policy are urgently needed in order to promote policy relevancy to a dynamic situation and to enhance the alcohol policy utility to protect the health of Thai people.

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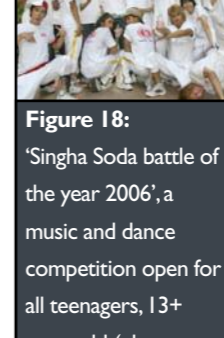
**Figure 14:**  
Beer gift away t-shirt.



**Figure 15:**  
Alcohol gift away at a discount store.



**Figure 16 and 17:**  
Beer Girls get commission on sales.



**Figure 18:**  
'Singha Soda battle of the year 2006', a music and dance competition open for all teenagers, 13+ years old (please note that this is soda promotion).

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**Figure 19:**  
Surrogate advertising. These billboards were declared as drinking water advertisements, which need no warning messages, (no bottle seen, but note the gold colour batch containing beer logo, and posture of presenter).



**Figure 20:**  
Brand sharing products: drinking water and beers.



# A new voice in the field of Alcohol Policy

The first youth network on alcohol policy was established in Budapest, from 28th – 30th March: The Alcohol Policy Youth Network (APYN).

**Content by:**  
Directors of APYN Press and Communication Department:

Katharina Moser & Rafaela Gracio

**Pictures by:**  
Linn Landmark & Viktor Kelen

In early spring 2008 a group of about 30 young people from all over Europe gathered together in the diffident green garden of the European Youth Centre in Budapest to form four big letters with their bodies that everyone could see from the balcony of the building: A-P-Y-N. The meaning of these four letters had been revealed not much earlier: Alcohol Policy Youth Network. Or more precisely: the first Alcohol Policy Youth Network in Europe ever.

*“I have never seen a youth project starting with such a diverse group of partners. No one here will be told what to think. We want you to say what YOU think! You, the people here, are the driving force of APYN! Sacrifice yourself for what you believe and remember always: this is only the beginning!”* stated the initiator and coordinator of APYN João Salviano Carmo during his welcome speech at the launch of APYN’s Constitutive Meeting. He is right! The organizations forming part of APYN are



already as diverse as the people that came together in this meeting. Besides national Youth Councils from all over Europe there were also European organizations like YEU (Youth for Exchange and Understanding) and health specific organizations like IFMSA (International Federation of Medical Student’s Association).

In such a diverse group of partners, one of the main goals had to be to find the things that united individuals and organizations. Obviously this galvanising element was not going to be abstinence or the goal of banning alcohol, but first of all *“being young – because here we have the same problems”* as Tiina-Katrina Kaber from Estonia indicated. Derek Rutherford, APYN’s special advisor from GAPA (Global Alcohol Policy Alliance) added *“We are from different cultures taking part in a learning process. One of the first steps is to raise our own awareness of the alcohol problem.”*

Aneurin Owen from the Alliance House Foundation, that has supported APYN from the very beginning said: *“As the burden of alcohol related harm spreads across Europe, the need for organizations that reflect the concerns of European Youth is greater now than at any time. The AHF hopes that APYN will now realize its own potential of becoming a potent influence in Europe, a new force for good and a catalyst for real change.”*

APYN is not only a good idea but a need that has finally found a way to become reality. It is a platform where young people will be equipped *“to become the actors in the definition of their own lives, to protect themselves from the harm caused by alcohol at the same time as allowing every young person to shape the environment in which he/she*

*wants to develop him/herself.”* (João Salviano Carmo, extract from the Welcome Letter).

Maria Renström, from the Department of Mental Health and Substance Abuse of WHO contributed to this motivating atmosphere during the conference by providing challenges for APYN and its future. These challenges lay in how to get more young people interested and involved, to find innovative methods to raise awareness and interest in alcohol prevention and also how to reach from the regional, to the national and then to global level in order to become an important actor in shaping the future.

This meeting was definitely the beginning of a long and hopefully fruitful future for APYN, but as Robert Madelin, Director General for Health in the European Commission, and represented by Pieter de Coninck at the meeting, stated *“The start is often the easy part; there is a very long and tough road ahead.”*

The participants set the milestones on this long road during the meeting, having considered not only present expectations but also future fears. One fear that got eliminated immediately was the fear that APYN would adopt a prohibitionist stance. Zara Lavchyan from Armenia knew to add something really important: *“I think we should not miss the following: not to over protect young people, but to teach them to be responsible! For me this is the first step! Banning is not the way to go!”*

What emerged during the meeting was a large flip chart board covered by little sheets called ‘expectations’ regarding the work of APYN. These were:

- to exchange best practices with APYN members and implement them in our own surrounding,
- to get tools to activate local NGOs in our own country in order to work in the field of alcohol policy,
- to build up European and international cooperation and a strong network and, last but not least,

- to develop a common strategy and define the common goals and ideas which will lead into concrete directions and activities for APYN.

By the end of the meeting a short document of ten pages was accepted as APYN’s Strategic Action Plan 2008 – 2009 (can be downloaded at [www.apyn.org](http://www.apyn.org)) and the two topics ‘Alcohol and Youth’ and ‘The Role of Youth Organisations’ were set as priority areas for 2008.

Sometimes in life things that will have a major impact happen without anyone even taking notice of it but very occasionally in life people actually have the conscience to be aware of things happening that will have a major impact. This constitutive meeting might have been such an occasion. At least this was the feeling one had listening to the closing comments like the one by Kyriakos Martakis from Greece who said that *“Through education and actions we can really make progress in alcohol policies.”* or Mariana Turcan, APYN Secretariat member: *“The success of APYN is measured by the success that you have in your countries. From the European to the national and from the national to the European level! I wish you can absorb this inspiration and take it back home to your countries!”*

One person who definitely contributed a lot to this inspiration was Derek Rutherford, who in his final remarks closing the first constitutive meeting said *“I feel very humble and annoyed – annoyed because I am getting old and humble because it has been a great experience. The seed has been sown, but this is a generation fight not just a few years. There is a lifetime of work before you.”*



Interview with João Salviano Carmo, initiator and coordinator of APYN

By Katharina Moser

# "APYN should outlast me in time"

## How did it occur to you to build up APYN?

**JSC:** APYN was a natural follow-up to the work I had done in the European Youth Forum as a Bureau Member and a direct reply to the youth organisations request that a common space for development and sharing of best practices in the field of alcohol policy should be created. Even though I have been in the driver's seat in this effort APYN represents a wider desire of the youth movement to be better involved and aware of alcohol policy and how young people can be actors in addressing alcohol related harm.

## How would you describe the development from the first time you had the idea until the constitutive meeting?

**JSC:** When APYN first came to my mind I knew that in order for this project to become a reality the main stakeholders on alcohol and youth had to be involved from the beginning and their support to APYN had to be unequivocal from day one. In that sense I approached Eurocare and the European Youth Forum and presented them an idea where youth organisations themselves would be the leading force of a project that aims primarily at empowering young people to be active in alcohol policy. Once these two organisations took the decision of supporting the project we moved to the Intergovernmental sphere and sought the support of DG SANCO of the European Commission, the World Health Organization, and others as such in order to guarantee that not only civil society would be backing APYN, but also the governments would support the kind of youth involvement APYN aims at

developing. With these two levels of support and engagement in APYN secured we moved then to encourage the youth organisations to join and lead APYN, and that commitment was reinstated in the Constitutive Meeting last March hence establishing the Alcohol Policy Youth Network.

## What do you want to reach via APYN? What is your dream?

**JSC:** Even though I have been, as I said before, in the driving seat of APYN until now, I don't see APYN as a personal project as such, but more as a common project of many, many young people from across Europe, starting with the team that has been working with me that gathers eight young people coming from seven countries across Europe, the members of APYN (27 at the time being), and of course all the NGOs and Institutions that seek to involve young people in this field and promote their genuine participation in the development, implementation and evaluation of programmes and policies that affect our daily lives directly or indirectly.

However I would be lying if I said that there is no personal attachment from my side to APYN whatsoever. Being that this is a project that I helped create from the first idea to what it is today I do have strong emotional ties to it and I wish APYN all the success in the world. I am willing to work as hard as I can to involve as many youth organisations and young people in this empowering process in order to contribute to the development of a better world for all.

My dream for APYN is that it outlasts me in time and becomes a successful platform for youth participation and involvement not

only in Europe but across the Globe as well and that through our work we can touch the lives of many and help them in improving their own lives by creating the proper atmosphere for their personal and community developments.

## If you could tell the European Youth one thing, what would it be?

**JSC:** I am nobody to tell the European Youth anything but if I'm asked advice by a young person I would tell him/her to participate, to get involved, to take the future into his/her own hands and not be a bystander while others decided what you think, like or wish.

It works better when you are the one who actually says these things, don't you think?



**Above:** Representatives of the Medical Students at WHA from left to right: Kyriakos Martakis, IFMSA Public Health Director; Florian Stigler, IFMSA European Public Health Regional Assistant; Mireia García-Villarrubia Muñoz, IFMSA Liaison Officer for Public Health Issues and Mr. Derek Rutherford, Chair of GAPA.

## Statement of the Federation of Medical Students Associations at the WMA on the alcohol strategy

At the World Health Assembly the International Federation of Medical Students supported the resolution on the alcohol strategy and made the following contribution to the debate.

"The International Federation of Medical Students' Associations has 102 national member organizations in 95 countries and represents over one million medical students worldwide.

Young people's health is seriously affected by alcohol related harm. That's why we feel that it is an important health and social issue that has to be addressed. For youth it is the largest risk and mortality factor; since in some regions, about a quarter of all deaths among young males, and one tenth of deaths of young females are caused by the use of alcohol. It is also a significant factor contributing to violence and unprotected sex among young people. Youth is affected; alcohol is an important issue for us to tackle.

As a Federation of future health professionals we share the belief in the importance of establishing partnerships and networks of community agencies and nongovernmental organizations. Through such inter-disciplinary networks youth NGOs can provide care and support for alcohol addicts and their environment, sensitize the public and especially empower the vulnerable groups, advocating against alcohol abuse and raising awareness of its harmful consequences.

During the last year within the Federation we have scaled up to the existing need, by cooperating internationally as a founding member of the Alcohol Policy Youth Network, focusing our activities on 'Youth and Alcohol' and 'The role of International NGOs'.

Unfortunately, today, 60 years after the foundation of the World Health Organization, the major problem of alcohol abuse and related harms is quite often neglected within the medical curricula. As medical students, we feel the importance of getting skilled in dealing with, preventing, diagnosing and treating this serious public health problem."

Original version in Thai  
by Nitta Roonsem

English version  
by Natalie Johnson

# Alcohol marketing and youth

The adolescent stage of life is well known to be a tumultuous time, characterized by the often overwhelming desire “to fit in”. Adolescent behavior frequently pushes boundaries, at times endangering themselves and others. Teenagers rarely believe that they themselves will experience any of life’s pitfalls.

When viewing the negative aspects of alcohol consumption in pro health advertisements, it is the notion of invincibility that leads youth to believe that they personally will be immune to alcohol-related problems. In fact, the alcohol business propagates only optimistic views of its product to youth. The methods the alcohol industry employs in promoting their commodity manipulates the way young people view alcohol. Young people come to believe that alcohol does not have the potential to be dangerous, and promotes instead the activity of engaging in unsafe drinking practices. Influence from marketing eliminates the negative aspects of alcohol consumption, and builds up the promoted misleading positive effects in the minds of these susceptible teenagers.

A recent research paper showed that more than 50% of Thai youth start drinking alcohol beverages in the 15-20 year age bracket. The poll also indicates that 73.2% of youth believe that alcohol advertisements result in an increase of alcohol beverage consumption among minors. However, the most distressing survey finding was that 50% of youths polled confirmed that alcohol advertisements lead them to believe that alcohol is not harmful. This belief may lead to untold health, well-being and societal problems for these youths and their families in the future.

In the past decade, an emerging alcohol marketing concept was applied in Thailand and has since become a new threat to alcohol control advocacy activities. Thai youth were very well looked after by a particular group of people. Their behaviors and emotions were watched, deeply analyzed and assessed as inputs for not only brand building to meet



youth needs and youth lifestyles, but also to engrave these brands on their consciousness. They also employed various tactics to prolong this imprint for as long as possible. This particular group of people is known as ‘marketers’.

Observations on press releases from the alcohol industry over the past year show that the industry invested tremendously on ‘experiential marketing’ activities targeted toward youth. These activities include music, sport, art and competition marketing. ‘Mixx Zaa Soda Singha’, a prominent example, was created for youths, aged 18 years and encourages them to concoct alcohol beverages with Soda Singha as a base mixer. ‘Leo Rock You Band’ challenges young musicians to become involved in a contest sponsored by the well-known Leo Beer brand. ‘Bacardi Breezer Free Spirits in Art 2007: Bottle Art Competition’ is another instance where the concept of artistic expression and creativity is promoted through the sale of Bacardi beverages.

Gone are the days where youth advertising was believed to be a waste of financial investment on underage consumers, not legally allowed to purchase alcohol products and who have limited purchasing power. These new advertising and marketing tactics are sadly not surprising. Building a strong relationship and sense of engaging with the youth of the present equates to long-term increased sales. The expansion of new drinkers as future customers replaces the original customer base that will soon disappear from the market.

The experiential marketing of alcohol products in this relatively new market is based on an understanding of and comprehensive analysis of youth behavior. These new marketing techniques are delivered in tandem with the typical educational measures that have long been promoted by the industry. These novel and less obvious techniques of promoting alcohol consumption to young people frequently slip under the public awareness radar, and as such are not viewed as particularly controversial. These activities open communication channels enabling the industry to ‘talk’ directly with youths, while at the same time subtly help the industry create brand loyalty and a good public reputation.

Mini concerts promoting an alcohol-free environment are specially organized at pubs for youths who are younger than 20 years old. This duplicitous activity creates a ‘win-win’ situation. Youths in attendance absorb the sponsoring brand advertising, even though alcoholic drinks are not sold in the pub. The event may serve to cause some parents to admire the seemingly



## References:

- 1 Ph.D. in Communication Arts, a lecturer at Phranakon Rajabhat university, Bangkok, Thailand, correspondence at: ladynitta@gmail.com
- 2 An Australian intern at Thai Health Promotion Foundation recently attained an MIPH from the University of Sydney.
- 3 From ABAC Poll published in a panel discussion of a seminar on ‘Alcohol Advertisement on Television and Youth’ at Karnmanee Hotel, Bangkok, 19th July 2007

socially minded alcohol industry. Alcohol companies enjoy a better reputation, and at the same time are able to build on strong business partnerships with pubs.

More importantly, youths who attend and participate in these types of experiential marketing activities ‘learn, absorb and become familiar’ with brands and images of alcohol products. A student, who was a winning artist for her painting in the afore-mentioned Bacardi bottle activity, not only expresses her identity in the Bacardi bottle design, but also implicitly depicts her attitude toward alcoholic drinks by entitling her design concept as ‘Relax with Bacardi’. In a disturbing twist, the youth market may become an ally of the alcohol industry, cementing its foothold in the business world in Thailand.

Thailand is still in the early stages of alcohol policy formulation, despite the first alcohol control law enforced recently. There is still a long way to go. Alcohol policy advocates and their supporting organizations will encounter numerous obstacles on the journey to successful alcohol policy formation. Thailand’s future generations are very likely to experience a myriad of serious problems including traffic accidents, violence, and diseases from unsafe sexual practices, due to the hazardous effects of alcohol. It is disappointing that it is unlikely that we will see a socially responsible commitment from the alcohol industry to the Thai people.

# UK launches Youth Alcohol Action Plan

*“Safe. Sensible. Social,” the latest instalment in the UK Government’s National Alcohol Strategy was published in June 2007, promising a number of measures aimed at “Preventing harm to those under 18 years of age.”*

A social marketing campaign was also promised by the Government, with the goal of creating a culture where it is socially acceptable for young people to choose not to drink, or to start drinking later.

In December 2007, the overarching ‘Children’s Plan’ was published, which included the following promise: *“A Youth Alcohol Action Plan will be published in the Spring 2008, around the same time as the new drugs strategy which will improve alcohol education in schools and consider the case for further action on alcohol advertising;”*

Because of this very public commitment, the UK Government had little option but to fulfil its promise and publish the Youth Alcohol Action Plan (YAAP) in the first half of 2008; it was published in June.

However, the Review of Evidence on the effects of alcohol on young people, on which parts of the plan were to be based, was not commissioned until April 2008 and is likely to take at least six months to complete. Another review of price, promotion and harm (scheduled originally for completion in April 2008) is now expected to be published in the autumn of 2008, at the earliest.

Consequently, the Youth Alcohol Action Plan launched in June 2008 should be viewed as an interim report.

The YAAP identifies five priority areas for action:

1. Stepping up enforcement activity to address young people drinking in public places.
2. Taking action with industry on young people and alcohol.

3. Developing a national consensus on young people and drinking.
4. Establishing a new partnership with parents on teenage drinking.
5. Supporting young people to make sensible decisions on alcohol.

## Enforcement

The plan proposes legislation to give police the powers to disperse under 18s who are drinking and behaving anti-socially from any location, so that this power will no longer be restricted to designated areas. Currently, dispersal orders may be applied to specified locations that have experienced trouble, for a period of up to six months.

Under a dispersal order, police may require groups of people to disperse and leave the area. Under separate legislation, police officers may confiscate alcohol from under 18s in any public place. It is not clear that the proposed legislation will substantially extend police powers. Additional legislation is proposed to extend the ‘Directions to Leave’ powers to 10-15 year-olds.

For repeat instances of public drinking, linked to anti-social behaviour, the YAAP proposes legislation to make it an offence for under-18s to persistently possess alcohol in public places. Again, this would appear to be only a small extension of existing powers to confiscate alcohol from under 18s.

## Action by the drinks industry

Voluntary social responsibility standards for the alcohol industry exist and member companies agree to principles that relate to young people: -

- To take all reasonable precautions to ensure people under the legal purchase age cannot buy or obtain alcoholic drinks.

- To avoid any form of marketing or promotion which have particular appeal to young people under the age of 18 in both content and context.

A Review of the effectiveness of these standards is currently underway, but the YAAP proposes working with the industry to strengthen them, with a view to making them mandatory.

The remaining actions relating to the alcohol industry all relate to existing measures and are mostly expressed as ‘encourage’ or ‘support.’ The exception is a change to the existing offence of ‘persistently selling alcohol to a person under 18.’ Currently, an offence is committed if, on three occasions in three months, alcohol is sold to an individual aged under 18; this will be changed to two occasions.

Regarding the advertising industry, a Review of price, promotion and harm is currently underway (as mentioned above). The plan reports that, on completion of this Review, the government will consider further restrictions on alcohol advertising.

## Develop a national consensus on young people and drinking

New guidelines are to be produced by the Chief Medical Officer and will specifically address:

- The age at which children and young people could start to drink alcohol
- How much is sensible for young people to drink
- How far parents or carers should supervise young people’s drinking.

The YAAP states that drinking by young people in the home is for parents and families to decide. The Government wishes to provide information for parents and young people without appearing to tell them what to do.

This is in marked contrast to the Ministerial statement contained in the Foreword: *“We will also ensure that parents who fail to take their responsibility seriously will be made to do so.”*

## Establish a new partnership with parents on teenage drinking

The first proposal is to consult parents, firstly on the YAAP itself, and secondly on the guidelines produced by the Chief Medical Officer. The second category of proposals is to extend existing intervention projects for families in which parents do not *“take a responsible approach to their children’s drinking.”* These include parents with alcohol misuse problems themselves.

## Helping young people make sensible decisions on alcohol

The goal here is to, *“create a culture where it is socially desirable for young people to moderate their drinking and not ‘drink to get drunk.’”*

However, the principle tool to be employed in the service of this goal is a communications campaign. This will be targeted primarily at 11-15 year-olds and *“will aim to bring about culture change, delaying the age at which young people start drinking and for those who do choose to drink, doing so in a lower risk way is viewed as the right thing.”* The communications campaign is currently in development. Research is underway to ensure maximum impact and the campaign is due to be launched in early 2009.

The remaining strands presented in this section are continuations or developments of existing activities. Alcohol education in schools is under review and local authorities continue to provide out of school activities as part of the Government’s ten year Strategy.

Finally, the plan reports that alcohol treatment for young people will be improved. Guidance to local commissioners and service providers will be circulated later in 2008.

**Dr. Rachel Seabrook,**  
**Institute of Alcohol Studies, London**

# Globe comment

**Action to reverse the trend of binge drinking and the culture of intoxication in the UK's Governments is long overdue. The YAAP contains a set of proposals that demonstrates the UK's ambivalence and a lack of firm conviction to implement effective alcohol control policies. Consequently the actions proposed in the YAAP will fall short of the mark.**

A plan aimed at dealing with young people and alcohol should have reaffirmed the Government's own stated goal of creating a culture where it is socially acceptable for young people to choose not to drink, or to start drinking later – two factors that have a significant impact on preventing alcohol related harm and on promoting the immediate and long term future wellbeing of individuals.

Changing culture requires more than increasing knowledge and providing guidance, it requires the empowerment of youth and of the values encapsulated in the European Youth Forum's Position Paper on Alcohol Related Harm (2007):

*"A key aim of alcohol policy, for the European Youth Forum, is the empowerment of young people to make responsible and healthy choices when it comes to the use of alcohol. Young people often live within cultures where heavy drinking is encouraged and glamorized. In order to make responsible and healthy choices young people need to be informed, have strong self-esteem, and the possibility of alternative ways of spending their leisure time and having fun. Public policies should be geared towards supporting young people in this regard while striving for the emergence of a culture where young peoples' right to choose not to use alcohol or use alcohol responsibly is respected."*

The Chief Medical Officer's guidance to families will need to be sensitive to the values and beliefs of a multi-faith society where the promotion of personal abstinence on religious and moral grounds remain cherished values within many of these families. The guidance should also positively reaffirm the Ethical Principles and Goals of the European Charter on Alcohol that: *"All people who do not wish to consume alcohol or who cannot do so for health or other reasons, have the right to be safeguarded from pressures to drink and to be supported in their non drinking behaviour."*

The introduction of minor adjustments to legislation that will, for example, marginally increase police

powers to tackle young people's drinking in public places, without facing the real challenge of introducing mandatory codes for the advertising and marketing of alcohol to young people will not be acceptable to many. It is the prime responsibility of Government to protect the wellbeing of the young and to use every power at its disposal to control the sale and marketing of alcohol to young people.

The European Charter on Alcohol as far back as 1995 put forward as one of its ten strategies to *"Promote health by controlling the availability, for example for young people, and influencing the price of alcoholic beverages, for instance by taxation."*

The aim of current Government strategy seems to be to persuade, cajole and coerce parents into taking responsibility for their children's drinking.

Parents may be much more willing to cooperate with the noble aim of changing attitudes to alcohol and drunkenness and of changing drinking behaviour if they were convinced that the those who have real authority to control advertising, sponsorship, price and promotion of alcohol to their children are also taking their role seriously.

The European Youth Forum's Position Paper on Alcohol Related Harm (2007) confirms young people's own perception that *"The promotion and marketing of alcohol reinforces the current image of alcohol and is often directly or indirectly targeted towards young people. In order for young people to make informed decisions, restrictions on alcohol marketing should be put in place and enforced."*

A recent report on binge drinking in Europe (Binge Drinking and Europe. Hamm: DHS – Deutsche Hauptstelle für Suchtfragen e.V. DHS (2008)) warns that information and persuasion techniques alone will not achieve sustained behavioural change in an environment *"in which many competing messages are received in the form of marketing and social norms supporting drinking, and in which alcohol is readily available."*

We welcome, as a step in the right direction, the possibility that social responsibility standards relating to the activity of the drinks and advertising industry will be made mandatory. Such action is long overdue.

# Indian Alcohol Atlas

*"The increasing production, distribution, promotion and easy availability of alcohol poses a great challenge"* claimed Dr Anbumani Ramadoss the Indian Union Minister for Health and Family Welfare when launching the Indian Alcohol Policy Alliance's 'Alcohol Atlas of India' in April at New Delhi. Dr Ramadoss went on to confirm the Indian Government's commitment to formulating an All-Indian Alcohol Policy in consultation with State governments and recognised the difficulty of the task.

Indian Alcohol Policy Alliance website [www.indianalcoholpolicy.org](http://www.indianalcoholpolicy.org)

Dr S Arulraj (Chairman, IAPA and President, Commonwealth Medical Association) thanked and congratulated his colleagues in IAPA for producing the Alcohol Atlas and for the Government's commitment to alcohol policy and health improvement.

The Alcohol Atlas has been produced to be a helpful guide for policy makers, professionals, national and international organizations and institutions who are engaged on alcohol issues. The Atlas is divided into four sections: tracing the history of alcohol from times ancient to the present age; discussing the current patterns and trends of alcohol use; detailing the burden and socio-economic impact of alcohol; and providing a quick overview of various policy trends and intervention strategies to reduce alcohol related harm throughout the world.

A full version of the Alcohol Atlas of India can be found on The Indian Alcohol Policy Alliance (IAPA) web site [www.indianalcoholpolicy.org/alcohol\\_atlas.html](http://www.indianalcoholpolicy.org/alcohol_atlas.html)

Dr Vijay Chandra, WHO Regional Advisor on Mental Health for South-East Asia, encouraged the adoption of alcohol policy at local and community level saying that every family in India should formulate its own approach to controlling alcohol use so as to prevent the spread of alcohol-related harm.

Swami Agnivesh, (Veteran Social Activist and Chairman, Bandhua Mukti Morcha) called for a return to first principles and called for a popular movement to be inaugurated to protect the poor and vulnerable across the whole of India and particularly in rural India.

Derek Rutherford, Chairman of GAPA, called on India to heed the warnings inherent in allowing the drinks industry to operate without adequate control. Appropriate control policies were required if India was not to suffer the extent of alcohol-related social and health harm experienced in Europe. The economic cost attributable to alcohol harm is estimated to be €270 bn and 9 million children live in families where alcohol is a problem. The formation of national alcohol policies need to be free from influence of the drinks industry and their involvement should be confined to the implementation of evidence-based strategies.

## Production of Alcohol in India

India is generally regarded as a traditional 'dry' or 'abstaining' culture (Bennet et al, 1993). Yet, it has one of the largest alcohol beverage industries in the world. The UB Group, for example is the third largest spirits producer in the world after Diageo and Pernod Ricard (ICAP, 2006c). India is the dominant producer of alcohol in the South-East Asia region (65 per cent) and

**Table 2.4: Alcohol production and import (metric tonnes)**

Alcoholic Beverages	Production	Import
World	231035679	17876448
Asia	55981448 (24%)	1445338 (8.1%)
South-East Asia	6411451 (11%)	105116 (7%)
Bangladesh		3004 (3%)
Mynamar	22062 (0.3%)	10350 (10%)
India	4186853 (65%)	6876 (7%)
Indonesia	252756 (4%)	3594 (3%)
Korea, DPR	332400 (5%)	7300 (7%)
Maldives		2487 (2%)
Nepal	18600 (0.3%)	820 (1%)
Sri Lanka	21600 (0.4%)	1029 (10%)
Timor-Leste	0	3810 (4%)
Thailand	1577180 (25%)	56579 (53%)

India is one of the largest producers of alcohol in the world and contributes to 65 per cent of production and nearly 7 per cent of imports into the South Asian region.

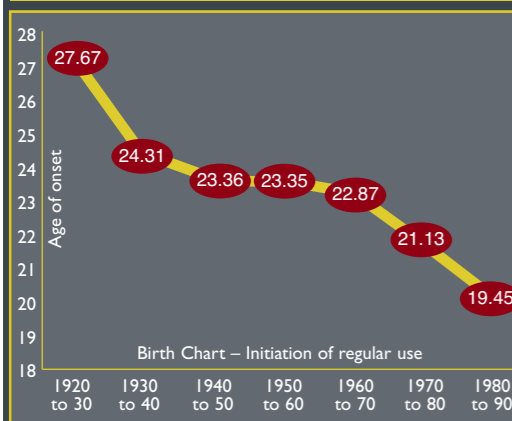
The amount of alcohol produced in India during 2006-07 was approximately 4 million metric tonnes.

**Table 2.6: Estimated volume of unrecorded consumption of alcohol per capita for 15+ population in the SEAR**

Country	Unrecorded consumption (in litres of pure alcohol)	Unrecorded consumption percentage of total consumption
Thailand	2.0	19
India	1.7	50
Myanmar	0.4	52
Sri Lanka	0.5	73

Source: Adapted from WHO, 2004

**Table 2.9: Progressive lowering of the age at which consumers start regular drinking**



Source: Adapted from WHO, 2004

**Table 3.15: Excise revenue versus cost of consequences attributable to alcohol use**

Cost category	Total Rs.
Total cost of management of consequences of alcohol use for all alcohol users	244 billion
Total excise revenue of all central and state governments for 2003-2004	216 billion

Note  
 a = The total number of alcohol-users in India is estimated to be 62.5 million as per the national estimates (ray, 2004)  
 b = The total expense has been computed by adding the individual costs and is the mean for entire study user population of 3256

Source: Burden and Socio-economic Impact of Alcohol: The Bangalore Study (Dr Gururaj, Girish and Dr Benegal, Vivek), 2006

contributes to about 7% of the total alcohol beverage imports into the region. More than two thirds of the total beverage alcohol consumption within the region is in India (Table 2.4).

There has been a steady increase in the production of alcohol in the country, with the production doubling from 887.2 million litres in 1992-93 to 1,654 million litres in 1999-2000 and was expected to almost treble to 2300 million litres (estimated) by 2006-07 (The Planning Commission of India, 2003).

This trend in alcohol trade and consumption is in marked contrast to the warnings of Mahatma Gandhi who, as one of the strongest proponents of alcohol abstinence said that "... one of the most greatly felt evils of the British Rule is the importation of alcohol that enemy of mankind, the curse of civilization in some form or another. The measure of the evil wrought by this borrowed habit will be properly gauged by the reader when he is told that the enemy has spread throughout the length and breadth of India, in spite of religious prohibition; for even the touch of a bottle containing alcohol pollutes the Mohammedan, according to his religion, and the religion of the Hindu strictly prohibits the use of alcohol in any form whatever, and yet alas! the government it seems, instead of stopping, are aiding and abetting the spread of alcohol. The poor here, as everywhere are the greatest sufferers. It is they who spend what little they earn in buying alcohol instead of buying good food and other necessaries. It is the wretched poor man who has to starve his family, and thereby break the sacred trust of looking after his children, if any, in order to drink himself into misery and premature death".

Article 47, Directive Principles on the Constitution of India declares that "The State shall regard the raising of the level of nutrition and the standard of living of its people and the improvement of public health as among its primary duties and, in particular, the State shall endeavour to bring about prohibition of the consumption except for medicinal purposes of intoxicating drinks and of drugs which are injurious to health".

In the third section of the Atlas on the Health, Social and Economic Impact reference is made to the "new wave of marketing that quotes evidence showing that regular light drinkers, over 45 years of age – without any heavy drinking episodes, could have a lower risk for coronary heart disease (CHD) at the individual level. This cannot be applied in isolation because not only are daily light drinkers rare in developing countries, there are many nutrition and health related problems that get exacerbated by alcohol consumption.

"The available evidence and research papers documenting these findings clearly state that daily alcohol use is not, and cannot be, recommended as a public health strategy for coronary heart disease (CHD) protection.

"For most countries, the net effect of alcohol on coronary heart disease (CHD) is negative (Room, 2005) particularly in areas of lower mortality from coronary heart disease (CHD), such as developing countries (Murray, 1996)."



Referring to Burden and Socio-economic Impact of Alcohol: The Bangalore Study (Dr. Gururaj, Girish and Dr Benegal, Vivek), 2006, the Atlas outlines the association between alcohol and injuries, mental health impact, direct, indirect and intangible health costs, domestic violence and drink driving. The economic impact is summarised in table 3.15.

# Alcopops in the United States:

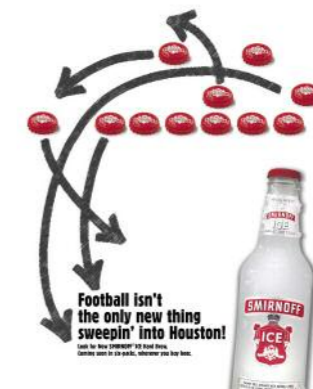
By Simon Rosen and Michele Simon

## state by state battle to end corporate tax fraud

Alcopops are a relatively new product category in the United States. In the U.S., the alcohol industry labels the youth-friendly products "flavored malt beverages" to take advantage of more favorable tax rates for beer. Beer is taxed much lower than distilled spirits in the U.S. and is often sold in grocery and convenience stores.

Interestingly, in other countries, manufacturers do not call alcopops "malt beverages," and indeed some companies proudly market their products as containing spirits. For example, while Smirnoff Ice is touted for containing vodka in the United Kingdom, the exact same brand in the U.S. is labeled as a malt beverage. No matter where they are sold, alcopops are sweetened, often bubbly and fruit-flavored, and designed to resemble soda pop or other soft drinks. Alcopops fuel the underage drinking epidemic by serving as a transition for young people from soft drinks to alcohol.

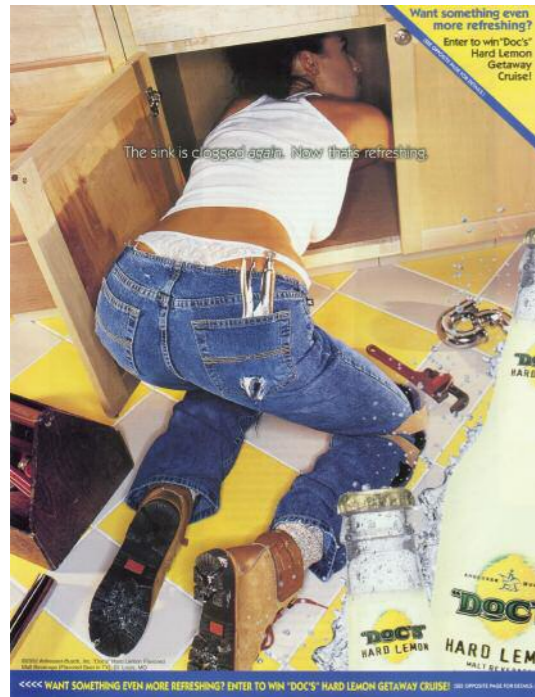
The proper regulatory classification in the U.S. for these products has become a matter of policy debate in recent years. Testing by the federal government in 2003



determined that the majority of the alcohol in alcopops is obtained from distilled spirits (U.S. Department of Treasury, 2003). Also, the drinks are often branded with spirit names, such as Smirnoff and Bacardi. Moreover, according to the U.S. Alcohol and Tobacco Trade

and Tax Bureau (TTB), these drinks: "exhibit little or no traditional beer or malt beverage character... Brewers... remove the color, bitterness, and taste that are generally associated with beer... This leaves a base product to which brewers add various flavors, which typically contain distilled spirits, to achieve the desired taste profile." (US Department of the Treasury, 2003).

Nevertheless, at the federal level, alcopops are classified as flavored malt beverages and



taxed at the lower beer rate. A 2005 compromise ruling by TTB allows industry to make alcopops with up to 49 percent of the alcohol derived from distilled spirits, with the rest coming from beer, and still take advantage of the more lenient beer classification (U.S. Department of the Treasury, 2005) By making products that don't taste or look like beer, and are not called beer, while still convincing regulators to classify alcopops as beer (making them more readily accessible to youth), the alcohol industry is engaging in a deceptive charade that can best be described as tax fraud. And that has sparked a national controversy.

### Correcting the Fraud: Reclassifying alcopops as spirits

U.S. states have independent legal authority to classify alcohol products. Thus, all 50 states have their own laws that define the different categories of alcohol. Some state laws are in conflict with the federal ruling because in many states, the distinction between what can be labelled a beer and a spirit is clear, and the law does not allow for the 49/51 percent hybrid that the federal government has created.

Until recently, all states followed the federal government in classifying alcopops as beer. But thanks in large part to public outcry by advocates concerned with underage drinking, states have begun to reconsider this policy. Thus far, Maine (Office of the Attorney General, 2007), California (California Notice of Proposed Regulations, 2007), and Utah (Utah Code) have decided to reclassify alcopops as distilled spirits and several other states are considering doing so.

### References

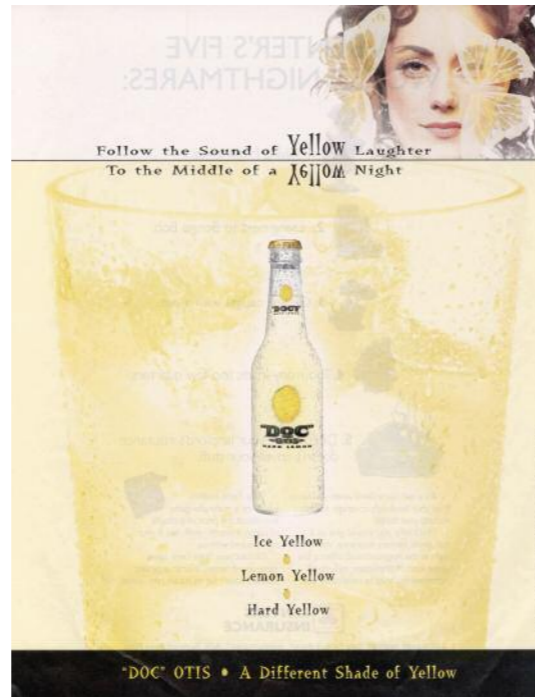
Simon Rosen, MA, is a research analyst and Michele Simon, JD, MPH is the director of research and policy at Marin Institute, an alcohol industry watchdog group based in Northern California.

Babor TF, Caetano R, Casswell S, Edwards G, Giesbrecht N, Graham K, Grube J, Gruenewald P, Hill L, Holder H, Homel R, Osterberg E, Rehm J, Room R and Rossow I (2003) *Alcohol and Public Policy: No Ordinary Commodity*; Research and Public Policy. Oxford University Press.

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Chaloupka, F.J., Grossman, M., Saffer, H., *The Effects of Price on Alcohol Consumption and Alcohol-Related Problems*. Alcohol Res. Health 26(1): 22-34, 2003.



Essentially these states are correcting the error of regulators having misclassified alcopops for years.

### Saving lives and money with higher alcopops taxes

Because U.S. states tax distilled spirits at far higher rates than beer, correct classification would significantly increase the tax on the products. The exact change would differ considerably between states. In Oklahoma, for example, the increase would be \$5.16 per gallon, but in others, such as South Dakota, the tax rise would be much smaller, only 65 cents per gallon. However in all states, taxes would increase, which could prove highly effective in reducing alcopops consumption, particularly among youth (Grossman et al., 1994). The academic literature shows that increasing taxes and prices causes drinkers to purchase and drink less alcohol (Chaloupka et al., 2003).

Germany, Switzerland, Denmark, France, the U.K., and most recently Australia have all significantly increased the tax on alcopops in the last few years, and other nations (such as the Netherlands and Finland) have considered proposals to do so.

For those countries where data is available (Germany, the U.K., and Switzerland), the results suggest that alcopops consumption fell heavily after the taxes increased, and that decreased sales of alcopops were not substituted by other alcoholic beverages (Bundeszentrale für gesundheitliche Aufklärung [BZgA], 2007; Her Majesty's Revenue and Customs, 2007; Swiss Alcohol Board, 2007).

Given the availability of this European consumption data, our research department undertook an analysis of each U.S. state to determine the cost savings, both in terms of lives and money. We determined the total impact nationally, if every state that could do so made the corresponding tax change. Assuming that drinkers in the U.S. respond similarly to tax increases as in other countries (and we have no reason to believe they wouldn't), our results showed that taxing alcopops as spirits could significantly help curb underage drinking and its related costs. In New York for example, taxing alcopops as spirits could reduce consumption by 28 percent, saving 7 lives and \$150 million in underage drinking costs annually. In the largest state, California, consumption levels would drop 35 percent and we would save 21 lives and \$437 million each year. Every state would see a significant impact.

While 29 states may be incorrectly taxing alcopops as beer instead of spirits, we limited our analysis to the 22 non-'control states' where the tax increase could be calculated. (In the U.S. about 18 'control states' have government monopolies over some alcoholic beverages, and in these states, a change in classification would be less predictable.) By excluding control states from our analysis, we are underestimating the potential national impact.

If alcopops were correctly taxed as spirits by all the states we examined, consumption would fall on average by 26 percent, and could prevent more than \$1.5 billion in underage drinking costs, 72 deaths and more than 59,000 incidents of harm from underage drinking nationally (i.e. crime, high-risk sex, traffic collisions, etc.).

In addition, in the control states, reclassification to spirits would not only increase prices, but also greatly reduce distribution and availability of alcopops as they could be sold only through state-run liquor stores. Research suggests the impact of removing alcopops from convenience stores and supermarkets is likely to be highly effective in reducing both consumption and alcohol related problems (Babor et al., 2003). Several control states are considering this policy change, with Utah leading the way by successfully reclassifying alcopops as distilled spirits in early 2008.

### Racing Against a Powerful Industry

The policy reasons to correctly classify alcopops as distilled spirits are clear -- underage drinking can be reduced, lives saved, and costs prevented. However, states have to act quickly because the alcohol industry

Grossman, M., Chaloupka, F.J., Saffer, H., Laixuthai, A., *Effects of Alcohol Price Policy on Youth: A Summary of Economic Research*. Journal of Research on Adolescence 4(2): 347-364. 1994.

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U.S. Department of the Treasury, Alcohol and Tobacco Tax and Trade Bureau. Federal Register, March 24, 2003. Notice No. 4.Vol.68, No. 56. Online: [www.ttb.gov/alcohol/rules/ttbnotice\\_no4.pdf](http://www.ttb.gov/alcohol/rules/ttbnotice_no4.pdf).

U.S. Department of the Treasury, Alcohol and Tobacco Tax and Trade Bureau. Flavored Malt Beverage and Related Regulatory Amendments, 70 Federal Register 1 (January 3, 2005) (codified 27 CFR Parts 7 and 25).

Utah Code: Title 32A, Chapter 1, Part 8, Malted Beverages Act.

is flexing its lobbying muscle to rewrite state laws. So far, under severe pressure from the alcohol industry, at least seven states that were incorrectly taxing alcopops as beer have passed laws to change the definition of alcopops to match the federal ruling allowing hybrid products, and therefore will maintain the status quo. The remaining states that can still make the correction must do so before the alcohol industry gets to the state legislatures to change the law in its favor. So we are engaged in a state-by-state race to protect youth.

In the spring of 2008, despite a valiant effort by advocates, a political battle over defining alcopops as beer in Maryland was lost. If industry continues on this path, the ability for the remaining states to reclassify alcopops will be severely threatened. At least twenty-one states currently have laws that indicate alcopops should be correctly classified as distilled spirits and not beer, and taxed and sold accordingly. These states must act now. Policymakers in Maine, California, and Utah have already demonstrated that the political will exists to make this critical change. Other U.S. states should waste no time in following their lead by stopping industry's alcopops fraud.



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