

Issue Briefing #3

WINE EXPANSION IN NEW YORK STATE

Expanding the sale of wine (and/or liquor) into grocery and drug stores in New York State is NOT in the public interest. The short-term economic benefits would be far outweighed by the negative short- and long-term public health and public safety consequences.

The proposed expansion of wine and/or liquor sales has troublesome aspects which have not been addressed by its proponents:

- ♦ While large supermarket chains have emphasized their admittedly strict identification procedures, the vast majority of new wine licenses would go to smaller corner and convenience stores. Those stores tend to be more likely than supermarkets to make illegal sales to minors. A 2007 study found that underage decoy purchase rates were “highest at convenience (38%) and grocery (36%) stores but were relatively low (14%) at other types of outlets (e.g., liquor and drug stores).”¹
- ♦ A wine license in New York State allows the merchant to sell cheap fortified wines such as Thunderbird, M/D “Mad Dog” 20/20, Night Train, Cisco, and Richard’s Wild Irish Rose. These are often the preferred beverages of impoverished alcohol-dependent individuals.² Expanding their distribution to corner and convenience stores would be potentially devastating, as would the expanded availability of cheap vodka, etc.
- ♦ The health benefits of wine are often misunderstood and overstated. In reality, fewer than 20% of American wine drinkers imbibe at levels that yield health benefits.³ In addition, wine drinking nations such as France and Italy continue to experience rates of liver cirrhosis that are much higher than the US, Canada, and Northern Europe due to higher per capita consumption of alcohol.⁴

Please note: A 4 ounce serving of wine has the same alcohol content as a 12 ounce serving of beer or 1.5 ounces of distilled spirits.

Expansion of wine sales would not only be a matter of increased “convenience,” but would lead to higher levels of wine consumption:

- ◆ Studies of wine sale expansion in other states (most due to privatization) found significant, long-term increases in wine sales, even after controlling for other factors (including overall alcohol consumption and national trends). These increases ranged from 15% (in New Hampshire) to 305% (for Maine).⁵ Iowa and West Virginia had increases in overall ethanol consumption.⁶
- ◆ The introduction of wine sales in grocery stores in New Zealand led to a 17% increase in wine sales and consumption.⁷
- ◆ The New York State Division of the Budget predicted that the wine expansion measure proposed in the Executive Budget would result in an 18% growth in wine sales.⁸

Furthermore, higher levels of alcohol consumption lead to more alcohol problems:

- ◆ Long term analyses of France,⁹ Russia,¹⁰ the U.S.,¹¹ and a group of 25 European nations¹² found a positive relationship between overall alcohol consumption and cirrhosis deaths, cardiovascular-related deaths, suicide rates, and all-cause mortality, respectively.
- ◆ Alcohol is a factor in many of our most intractable and expensive health problems, including breast cancer,¹³ colorectal cancer,¹⁴ HIV/AIDS,¹⁵ intimate partner violence,¹⁶ gang violence,¹⁷ and child abuse and neglect.¹⁸

A growth in alcohol problems leads to higher medical, social services, and law enforcement costs, as well as decreased productivity:

- ◆ Alcohol abuse/dependence contributes significantly to Medicaid hospital costs.¹⁹ Moreover, alcohol abuse is a prime risk factor for trauma – the leading killer of Americans aged 1 to 44²⁰ – and is associated both increased trauma center costs²¹ and with readmission for new trauma to Level 1 trauma centers.²² Alcohol-related problems are responsible for 20-30% of all emergency room visits.²³
- ◆ The cost of alcohol-related crime in the US in 1999 was approximately \$84 billion, more than double the amount attributable to illicit drugs (\$38 billion).²⁴
- ◆ Alcohol problems have been found to be a risk factor for welfare receipt,²⁵ and to be associated with poorer post-welfare work outcomes.²⁶
- ◆ Alcohol abuse/dependence contributes significantly to lost productivity in the U.S. workforce.²⁷ Additionally, about 20% of US workers have either been endangered, had to work harder, or have had to “cover” due to the drinking of a co-worker.²⁸

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- ¹ Paschall, et al. 2007. Previous studies found different results – cf. Forster, et al. 1995; Wolfson, Toomey, Forster, et al., 1996; Wolfson, Toomey, Murray, et al., 1996
- ² Freedman, 1988
- ³ Loran Archer, (personal communication, 9/15/2009)
- ⁴ Ramstedt, 2001; Norström & Ramstedt, 2005
- ⁵ Wagenaar & Holder, 1991; Wagenaar & Holder, 1995; Wagenaar & Holder, 1996
- ⁶ Wagenaar & Holder, 1991
- ⁷ Wagenaar & Langley, 2005
- ⁸ New York State Division of the Budget, 2009
- ⁹ Ledermann, 1956
- ¹⁰ Rehm, Gmel, Sempos, & Trevisan, 2003
- ¹¹ Wasserman, 1989; Rusk, et al. 1986
- ¹² Her & Rehm, 1998
- ¹³ Allen, et al., 2009; Boffetta, et al. 2006
- ¹⁴ Allen, et al., 2009; Boffetta, et al. 2006
- ¹⁵ Lucas, et al., 2002; Bryant, 2006; Woolf & Maisto, 2008
- ¹⁶ Fals-Stewart, 2003; Temple, et al. 2008
- ¹⁷ Parker, Luther, & Murphy, 2007; Hunt & Laidler, 2001
- ¹⁸ Freisthler, Needell, & Gruenewald, 2005; Famularo, Kinscherff & Fenton, 1992
- ¹⁹ Fox, et al., 1995; Gerson, et al. 2001
- ²⁰ Moore, 1995
- ²¹ Moore, 1995
- ²² Rivara, et al. 1993
- ²³ McDonald, Wang & Camargo, 2004
- ²⁴ Miller, et al., 2006
- ²⁵ Jayakody, Danziger, & Pollack, 2000;
- ²⁶ Chandler, Meisel, Jordan, Rienzi, & Goodwin, 2004
- ²⁷ Stewart, et al., 2003
- ²⁸ Mangione, Howland, & Lee, 1998

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