



Casting a long shadow

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ALCOHOL

CHANGE^{UK}

What might a coming
economic **downturn**
mean for alcohol
consumption and **harm**?

Introduction

This briefing considers how recessions and financial hardship can impact on how often and how much we drink, and assesses the potential implications of the current recession in the wake of Covid-19 and the lockdown.

Beyond the tragedy of countless lives lost to COVID-19, the current pandemic has been predicted by some as a trigger for positive societal change: the cleaner air and returning nature we have experienced has already prompted urban planners to explore how reductions in pollution might be made permanent;¹ a lockdown forcing many of us to switch our work from the office to home has encouraged employers to reconsider the merits of flexible working and a healthier work-life balance;² and a global response to the crisis has furthered our understanding of how international collaboration will arguably be fundamental to keeping the world healthy and safe going forward.³

Conversely, the pandemic has also been forecasted to result in a variety of negative consequences on our physical⁴ and mental health,⁵ meaning increased levels of harm, including alcohol harm.⁶ Central in this mix is the economic fallout, whereby we are likely at the beginning of the severest recession in nearly a century⁷ and which the Organisation for Economic Co-operation and Development has said “will cast a long shadow over the world”.⁸

There is considerable evidence that economic crises increase alcohol consumption and resultant harm although, as will be highlighted, there is far from a consensus of agreement in this matter.

Why might an economic downturn increase alcohol harm?

Perhaps unsurprisingly, economic crises can adversely impact our mental health. In particular, money worries, employment uncertainty and household instability can cause or exacerbate anxiety, stress, depression and feelings of low self-esteem for individuals and families.⁹ In an attempt to cope with or alleviate this pressure on our mental health, we may in response increase our alcohol consumption, and which might push some of us into heavy drinking and/or becoming physically dependent on alcohol.¹⁰

Changes in whether, and how, we work will have consequences for our drinking behaviour. For example, involuntary unemployment, reduced working hours and furloughs experienced during an economic recession might mean an increase in free time, which could then contribute to higher alcohol consumption,¹¹ perhaps through increased social and leisure opportunities, or from lack of purpose and boredom. Indeed, having ‘more free time’ and ‘boredom’ were named the top two reasons for drinking more during the COVID-19 pandemic by respondents to the Global Drug Survey.¹²

The duration of time spent unemployed also seems to be related to the risk of developing alcohol problems: the longer we are involuntarily out of work, the greater our risk of drinking heavily,¹³ thus a prolonged recession may have negative implications for alcohol harm.

Individuals who remain in work may also be affected: for example, workers in an organisation that has downsized – that is, reduced the size of its workforce to limit labour costs and protect profit margins – have been shown to increase their frequency and volume of drinking, possibly in response to greater job insecurity, increased workloads and lower workplace morale.¹⁴

Increased drinking may play a role in lowering workers’ productivity, adversely impacting on performance and increasing absenteeism, again potentially heightening job insecurity and risk of unemployment.¹⁵ Individuals already drinking heavily prior to job loss have also been shown to respond by further increasing their consumption,¹⁶ whilst there is strong evidence that unemployment substantially increases the risk of relapse for those in recovery from alcohol dependency.¹⁷

Why might an economic downturn mean less drinking and related harm?

Income Effect Theory states that the quantity of demand for goods changes with changes in income;¹⁸ therefore, if alcohol can be described as a 'normal' good, then a decline in income due to unemployment could lead to reduced alcohol consumption.¹⁹

Some studies have shown that, during periods where the economy is growing, alcohol consumption increases overall.^{20,21} Thus, alcohol consumption can be described as 'pro-cyclical' – i.e. it follows the ups and downs of the economic cycle – and so we might expect lower consumption during economic downturns and rises in unemployment.

Why might we drink less when there is greater economic hardship? One explanation is that when we have less disposable income, we tend to focus our spending on essential items, like food, clothing and bills, rather than on things like alcohol. Of course, it is possible that we might instead switch to less expensive alcoholic drinks when money becomes

tighter, rather than reduce our intake or abstain altogether.

Other studies suggest that actual or potential unemployment might force us to redirect our resources to more protective and health-enhancing behaviours, like exercise, healthier foods and preventative care.²² For those of us in fear of job loss, rather than increasing our drinking as a means to cope with this insecurity, we might instead drink less in order to avoid drawing attention to behaviours that might increase this risk of redundancy.

Moreover, the workplace itself has been shown to be a trigger for increased drinking, particularly through work-related social events; a recent survey of UK employees found that 43% agreed that they experienced "too much pressure" to consume alcohol when socialising with colleagues.²³ For those of us no longer working, that might therefore mean reduced consumption due to this absence of peer pressure.

Will the likely recession following the COVID-19 pandemic mean more or less drinking?

Much may rest on just how deep and prolonged the expected recession will be, but there is a strong possibility that the answer to the above question is 'both': for some groups, the economic downturn will mean increased drinking and, for others, lower consumption. A study of the 'Great Recession' in the US reported a polarisation of drinking behaviours: higher rates of abstinence, but also a rise in heavy-episodic drinking.²⁴

Even if overall consumption declines during this coming period, this might well mask increased consumption by those of us at the heavier end of the drinking spectrum. As Popovici and French²⁵ argue in their examination of the relationship between unemployment and alcohol use, this has particular policy implications: such group-specific differences are important given that we know that the more severe consequences of alcohol use are concentrated among heavy drinkers. Moreover, lower incomes and less

financial support as a consequence of a shrinking economy and squeezes on social welfare and healthcare, could further exacerbate health inequalities and harm.²⁶

Young adults who have recently entered the labour market are more vulnerable to job loss than adults who have been established for a longer time, and young men especially have been shown to be at a higher risk of substance use when experiencing long-term unemployment,²⁷ and the 'scarring' effect on such individuals' mental well-being, as well as future employment and earning prospects, are risk factors for later alcohol use problems.²⁸ Similarly, older adults have been shown to increase their alcohol use during times of financial stress, and it is well-established that employers are often reluctant to employ older adults with previous alcohol problems.²⁹

What do we need to do now to reduce future harms?

One thing we can't say about the economic troubles ahead is that we weren't warned about them. Now is the time for a range of agencies to make the necessary preparations to reduce future harms. One of Alcohol Change UK's core values is compassion; and compassion, empathy and understanding are what we are going to need plenty of going forward. We really are all in this together, and many of us who are used to managing just fine may find ourselves struggling and seeking support.

Some employers may need to reconsider their traditional scepticism about employing individuals with a history of substance use. Robust alcohol workplace policies need to become the norm, and all employers need to facilitate an environment in which alcohol-related matters are dealt with supportively and non-judgmentally. Job Centres will have

an important role in providing support to job seekers with complex needs. As a society, we will need to rid ourselves once and for all of the mindset that often overlooks excessive drinking but attaches lasting social stigma to admitting a drink problem and seeking help for it.³⁰

Finally, when we do emerge on the other side of any recession, the benefits of any revival may not be felt in the poorest sections of society. Those trapped in the mire of unemployment and debt are likely to be especially vulnerable to developing new, or exacerbating existing, alcohol and related problems.³¹ Often, these people with the greatest needs are the least likely to seek and obtain support. It is therefore vital that alcohol treatment services are properly trained and adequately funded to be able to go out and find those who need their help, both now and in the future.

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