

A new alcohol environment

Trends in alcohol consumption, harms and policy: Finland 1990–2010

Introduction

In the past two decades, several societal changes have influenced the Finnish alcohol field. Among these changes, three in particular have affected the trends of alcohol consumption, each in different directions. First, followed by a robust economic upswing in the second half of the 1980s, Finland experienced a severe economic recession in the first half of the 1990s. Secondly, in January 1995 Finland joined the European Union (EU), which presupposed a new Alcohol Act. This Act ended an era of six decades of a comprehensive alcohol monopoly system, but the Finnish State alcohol monopoly Alko was still left with the sole right of off-premise retail sale of alcoholic beverages. And thirdly, in 2004, travellers' alcohol import quotas from other EU member states were abandoned in January, alcohol excise duties were decreased by an average of one-third in March, and Estonia became a member of the EU in May.

This article reports developments in the Finnish alcohol arena from 1990 to 2010. We shall start by describing changes and trends in alcohol consumption, drinking habits and

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ABSTRACT

T. Karlsson & P. Mäkelä & E. Österberg & C. Tigerstedt: A new alcohol environment. Trends in alcohol consumption, harms and policy: Finland 1990–2010

■ AIMS

This article reports developments in the Finnish alcohol field from 1990 to 2010, focusing on changes and trends in alcohol consumption, drinking habits and alcohol-related harm. We pay special attention to changes in alcohol availability and alcohol policy and look at the factors behind changes in alcohol policies. The article will also discuss the current status and future prospects of alcohol policy and alcohol control as well as differences between Finland and the situation in the neighbouring countries with a similar alcohol monopoly.

■ METHODS

Routinely collected statistical data on alcohol consumption and related harm as well as repeated cross-sectional representative population surveys will be reviewed, as will changes in alcohol policy and availability.

■ RESULTS

Apart from the economic recession in the early 1990s, alcohol consumption and related harm have increased in Finland. Changes in alcohol consumption are mostly explained by changes in consumer incomes and alcohol policy measures. However, EU membership has restricted tightened

alcohol control and given more room for private alcohol industry to affect alcohol policy.

■ CONCLUSIONS

While increased alcohol-related harm has stopped the Finns from moving toward a more liberal alcohol policy, EU membership and private alcohol interests have made it considerably more difficult to combat alcohol-related harm with alcohol control measures.

■ KEYWORDS

Alcohol policy, consumption, harm, trends, Finland

alcohol-related harm, paying special attention to changes in alcohol availability and alcohol policy. As alcohol policy changes do not take place in a vacuum, the next step is to look at factors behind changes in alcohol policies. We will then move on to discuss the current status and future prospects of alcohol policy and alcohol control. This is followed by a discussion of major differences between Finland and the alcohol situation in the neighbouring countries with an alcohol monopoly. We shall examine in more detail the observation that changes in alcohol availability appear to have generated different reactions in alcohol consumers from one country to another in the recent decades.

Main changes and trends in alcohol consumption

After an almost continuous growth in total alcohol consumption since the Second World War, and after a strong upswing in recorded alcohol consumption in the late 1980s, boosted by a strong economic expansion, the level of total alcohol consumption in Finland reached nearly 9 litres of 100 per cent alcohol per capita in 2009 (Karlsson 2009; Figure 1). At the beginning of the 1990s, total alcohol consumption took a downturn because of the decrease in people's purchasing power. This was caused by a severe economic recession, when the total alcohol consumption per capita decreased by 11 per cent from 1990 to 1994.

The decline in alcohol consumption in the early 1990s was followed by a 10 per cent increase in total alcohol consumption per capita in 1995. This was mostly the result of an increase in travellers' duty-free alcohol import quotas for beer and wine. Also, crucially, the time limit for alcohol purchases from third countries was abolished in January 1995, which led to increased unrecorded consumption. (Österberg & Pehkonen 1996; Figure 1). Previously, people had been required to spend over 20 hours in a non-EU and non-Nordic country in order to have the legal right to import alcoholic beverages. This had effectively restricted travellers' alcohol imports from Russia, where a return trip could be made in just a few hours from Finnish towns near the Russian border crossings. The removal of the time limit led to a steep increase in liquor and beer shopping trips across the eastern border and to "beer trolley tourism" to Tallinn. When the 20-

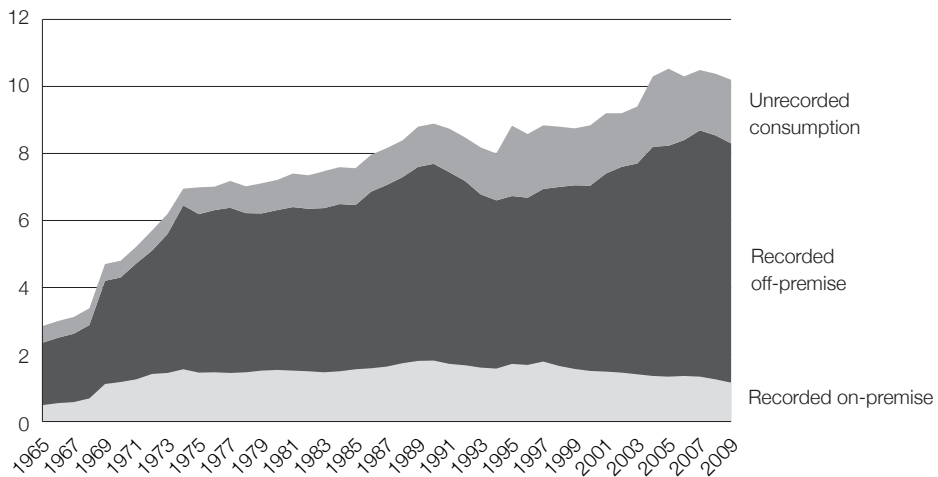


Figure 1. Total alcohol consumption in 1965–2009 in litres of 100 per cent alcohol per capita, separated into recorded and unrecorded consumption, and recorded consumption separated into off- and on-premise retail sales. Source: National Supervisory Authority for Welfare and Health; National Institute for Health and Welfare.

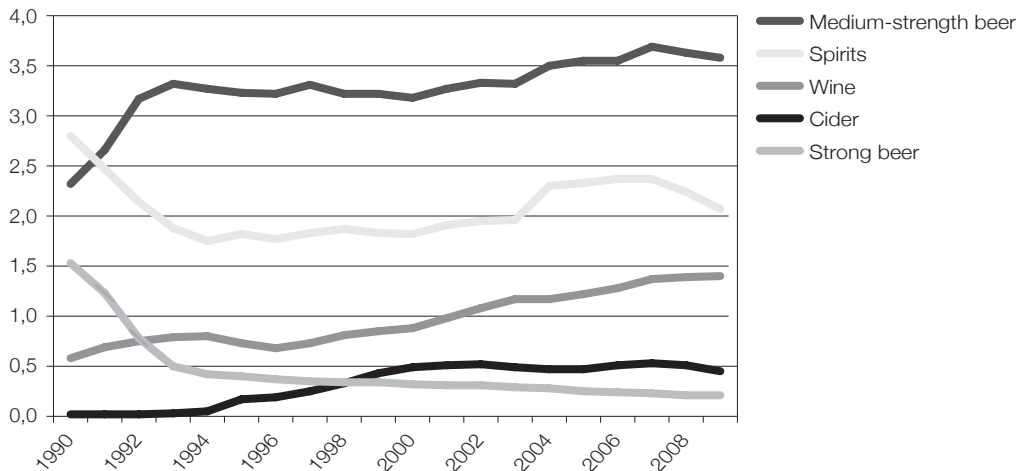


Figure 2. Recorded consumption of alcoholic beverages by beverage category in litres of 100 per cent alcohol per capita in 1990–2009. Source: National Supervisory Authority for Welfare and Health.

hour limit was re-introduced in May 1996, travellers' alcohol imports decreased to below the 1995 level (Figure 1).

In the second half of the 1990s the increase in recorded alcohol consumption

can be traced to growing cider consumption in particular (Figure 2). In Finland, ciders are typically sweet and a functional equivalent of alcopops. The increase in cider consumption is explained by the new

Alcohol Act which, among other things, allowed ordinary grocery stores, kiosks, petrol stations and cafés to sell ciders and long drinks containing up to 4.7 per cent alcohol by volume from the beginning of 1995, as long as the alcohol in the product was produced by fermentation (Alavaikko & Österberg 2000). Medium beer containing up to 4.7 per cent alcohol by volume had already been sold in ordinary grocery stores and cafés since the beginning of 1969. Wine consumption showed also growth, which continued in the new millennium (Figure 2).

When the Parliament decided to lower alcohol taxation by an average of 33 per cent in late autumn 2003, alcohol consumption had already been increasing slightly for nearly a decade (Figure 1), mainly because of increases in purchasing power and alcohol availability (Karlsson 2009). For instance, there were 248 Alko shops in 1994 (49 per 10 000 pop.), 268 in 1999, 320 in 2004 and 346 in 2009 (65 per 10 000 pop.). The growth in consumption was evident in medium beer, wine and distilled spirits (Figure 2).

The excise duty reduction that took effect in March 2004 had two motivations. Firstly, the Finnish as well as the Danish and Swedish derogation from the general EU principle to keep quantitative quotas on travellers' duty-free alcohol imports from other EU countries came to an end on January 1, 2004. Secondly, Estonia – situated only 80 kilometres south of the Finnish capital on the other side of the Gulf of Finland and with very low alcohol prices compared to Finland – was to become a member of the EU on May 1, 2004. In order to counteract travellers' alcohol imports, and to maintain the tax base and

employment in alcohol industry in Finland, alcohol excise duties were lowered by an average of 33 per cent (Mäkelä & Österberg 2009). Spirits taxes were lowered by 44 per cent, taxes on fortified wine by 40 per cent, beer taxes by 32 per cent and wine taxes by 10 per cent. The consequent change in retail prices of alcoholic beverages is illustrated in figure 3.

In 2004, total alcohol consumption per capita increased by 10 per cent from 9.4 litres to 10.3 litres. Recorded alcohol consumption increased from 2003 to 2004 by 6.4 per cent to 8.2 litres per capita, and estimated unrecorded alcohol consumption rose by 27.6 per cent to 2.1 litres. In 2005, total alcohol consumption increased further by 2 per cent, reaching 10.5 litres per inhabitant, an all-time high in Finland. By 2005, travellers' alcohol imports had doubled from 2003.

As a countermove to the increased consumption, alcohol excise duty rates were raised three times in less than two years. In January 2008, the rise was 10 per cent for all other alcoholic beverage categories and 15 per cent for distilled spirits. In January and October 2009, the rates were put up by 10 per cent for all alcohol beverages. Fuelled by the global economic recession, total alcohol consumption began to decrease from the autumn of 2008 onward in spite of a small increase in travellers' alcohol imports in 2008 and 2009. The decrease in consumption was notable in distilled spirits, while only wine consumption has shown some increase after 2007. In 2009, total alcohol consumption was 10.2 litres per capita.

Before Finland joined the EU in 1995, unrecorded alcohol consumption was estimated to make about 15 per cent of total alcohol

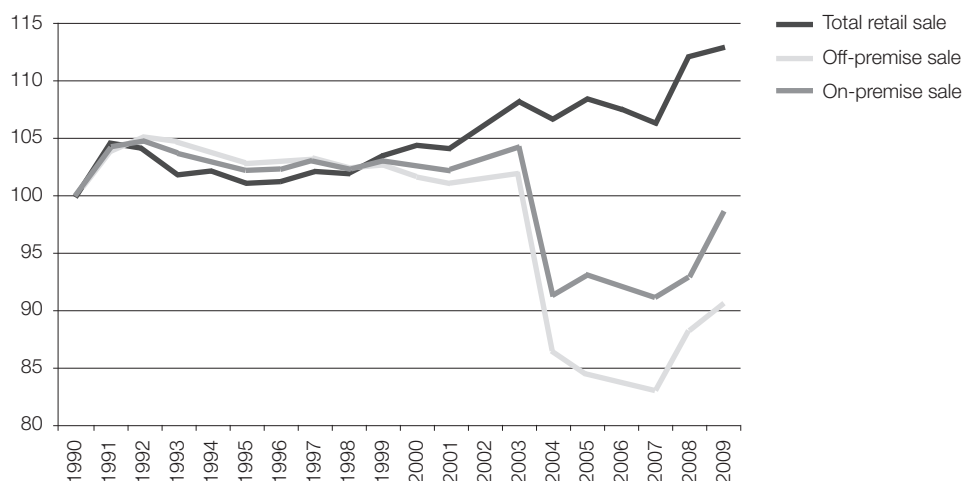


Figure 3. Alcohol price index in 1990–2009 related to consumer price index, 1990 = 100. Source: Alko Inc.

consumption. After increases in travellers' allowances of alcoholic beverages in 1995, the proportion has been approximately one-fifth of total alcohol consumption with some fluctuation. In 2009, some three quarters of unrecorded alcohol consumption consisted of alcoholic beverages imported by travellers, whilst almost one-fifth consisted of alcohol consumed abroad. The rest, less than one-tenth of the total alcohol consumption, consisted of smuggled or otherwise illegally imported alcohol and alcohol produced at home (Karlsson & Österberg 2010).

During the past decade, alcohol consumption in licensed premises has decreased markedly in relative terms but also in absolute numbers (Elmeland et al. 2008; Figure 1). The main explanation is the increase in on-premise prices, both in real terms and in relation to off-premise prices (see figure 3). While on-premise alcohol consumption was 1.8 litres of 100 per cent alcohol per capita both in 1990 and 1997, it had decreased to 1.2 litres per

capita in 2009. The volume consumed in licensed premises thus dropped by more than one-third from 1997 to 2009, and, during the same time period, the proportion of on-premise alcohol consumption of all recorded alcohol consumption fell from 26 per cent to 14 per cent.

As the share of on-premise sales of recorded alcohol consumption has decreased, the corresponding share of off-premise sales has grown. But the channels of off-premise retail sales of alcoholic beverages have changed, too, during last decades. In 1995, a third of the alcoholic beverages purchased in Finland contained up to 4.7 per cent alcohol by volume and were bought from grocery retailers, including petrol stations and kiosks. In 2009, the corresponding proportion was 44 per cent. The combined effect is that at the moment the retail alcohol off-premise monopoly Alko sells 42 per cent of all alcohol purchased in Finland, compared to 40 per cent in 1995.

The latest major change in the structure of alcohol consumption by beverage category took place in the late 1980s and early 1990s (Karlsson 2009), when the consumption of strong alcoholic beverages decreased by some 40 per cent and the popularity of strong beer plummeted in favour of medium-strength beer. Taken together, per capita consumption of beer has remained fairly stable (Figure 2). During the past decade, the consumption of medium-strength beer, wines and ciders has been growing, whereas a descending trend has been predominant in the consumption of strong beer. The consumption of strong alcoholic beverages was on the rise even before the 2004 jump and has slightly increased since, but in 2008 and 2009 the consumption of spirits was on the decrease.

Patterns and trends in drinking habits

The per capita alcohol consumption has tripled in Finland since the late 1960s. Although the consumption has risen markedly, the drinking culture shows both persistent and radically changing features.

One of the lasting characteristics in the Finnish drinking culture is the intoxication-seeking drinking style. Such binge drinking has in fact increased along with growing consumption levels (Mäkelä et al. 2010). Similarly, alcoholic beverages are still seldom consumed with meals (Österberg & Mäkelä 2010). For a long time, alcohol in Finland was only connected to special occasions, where it was often the centre of activity. While now consumed much more often and part of nearly all social occasions, alcohol has not become an integrated ingredient of everyday life in

the same sense as it is in wine-producing countries. Rather, alcoholic beverages are used as a festive addition when a timeout from or a small reward in everyday life is needed. The most important function of alcohol consumption in Finland is its use as a social lubricant. This is also reflected in that a large share of alcohol is consumed at weekends and weekend nights in particular. Saturday evening between eight and nine is the time when the largest numbers of Finns consume alcohol (Mustonen et al. 2010). These enduring features characterise not only the Finnish drinking habits, as similar features are found in the drinking cultures in many other countries, especially in northern and eastern Europe.

The Finnish drinking culture has undergone changes as well. One of the major differences is that, since the 1960s, alcohol use has become more common among women and young people, both male and female. Both binge drinking and lighter drinking have spread within these groups. Recently, attention has also been paid to the increasing use of alcohol among Finns of retirement age. As alcohol has ceased to be a part of the male domain only and is now shared by both men and women, it has also entered the domestic sphere, which is seen in the decreasing proportion of alcohol consumed on licensed premises in favour of drinking in homes (Mustonen & Österberg 2010; Figure 1).

When defining abstainers as those who have not drunk alcohol during the past 12 months, only a small minority of Finns are abstainers today, and the previous strong gender difference in abstinence has ceased to exist. According to the Finnish drinking habits survey in 2008, only one in ten men and women aged between 15 and 69

had not drunk alcohol during the previous year (Mäkelä et al. 2010). In the wake of a decreasing abstinence particularly among women and the increased gender equality, women's share of alcohol consumption grew considerably in the latter half of the twentieth century. In 2008, women drank one-fourth of all alcohol consumed, while men still consume three times more alcohol than women.

A small proportion of the population drinks the bulk of all alcohol consumed in Finland, just like in many other countries (Stockwell et al. 2009). Based on the latest drinking habits survey from 2008, the 10 per cent of alcohol consumers with the highest consumption consumed 50 per cent of all the alcohol drunk in Finland (Mäkelä & Mustonen 2010). In the Health 2000 study, 8 per cent of Finnish men aged between 30 and 64 and 2 per cent of women fulfilled the criteria for alcohol dependence as laid out in the Diagnostic and Statistical Manual of Mental Disorders (DSM-IV, fourth edition) (Pirkola & Lönnqvist 2002).

At-risk drinking can be determined on the basis of weekly consumption or the amount of alcohol consumed on one drinking occasion. Traditionally, regular daily use of alcohol has been uncommon in Finland, and the big problem has been the large volume of alcohol consumed in one drinking session. According to estimates based on the drinking habits survey in 2008, this is still the case (Mäkelä & Mustonen 2010). In this study, the cut-point for risky daily consumption was set at 20 grams (approx. 2 drinks) for women and 40 grams (approx. 4 drinks) for men (cf. DiCastelnuovo et al. 2006), and the cut-point for risky drinking during one occasion was defined as a liberal 8 drinks

for men and 5 drinks for women. Of the respondents aged 15–69, 8 per cent of men and 5 per cent of women exceeded the weekly limit in Finland (24 drinks for men and 16 for women), while 25 per cent of men and 14 per cent of women reported exceeding the risky limit for one occasion consumption at least monthly. Additionally, 31 per cent of men and 36 per cent of women reported such binge drinking less than monthly but at least once a year (Mäkelä & Mustonen 2010).

Based on the Adolescent Health and Lifestyle Survey, the proportion of young abstainers decreased, and intoxication drinking became more common in the 1990s. At the turn of the millennium, however, there was a clear change, as youth abstinence has become much more common and intoxication drinking has decreased in the 2000s (Rimpelä et al. 2007). The same trend is also visible in other Nordic countries (Hibell et al. 2009). Such changes have been more prominent for those aged 12, 14 and 16 than for those who have already turned 18. According to the European School Survey Project (ESPAD), the decrease in youthful intoxication drinking pertained to all regions and varying social backgrounds (Metso et al. 2009).

In recent years, alcohol use by people of retirement age has gradually become more common, causing concern especially among service-providers about growing alcohol problems among the elderly in the future. A recent review (Vilkko et al. 2010) indicated that in the age group 65–84, the proportion of abstainers has decreased while weekly consumption of alcohol has become much more common. Also, moderate-to-heavy drinking has increased in the past two decades, and alcohol-related

diagnoses as causes of death have become much more common among 60–69-year-olds in the 2000s.

Alcohol-related harm

In the past decades, tied with the increasing alcohol consumption levels in Finland, alcohol-related harm has generally increased (Tigerstedt & Österberg 2007). The harmful effects of alcohol use are often divided into acute and chronic effects. Acute harmful effects include accidents related to single drinking occasions, whereas chronic harmful effects resulting from long-term drinking include diseases of the liver. It is the chronic harmful effects that have increased in particular. At the same time, alcohol-related diseases and accidental alcohol poisonings have emerged as a central cause of death for working-aged men and women in Finland (Karlsson 2009).

Total alcohol consumption by the population can be considered the best, though not the only, factor for predicting the de-

velopment of alcohol-related harm. Figure 4 shows the trend of total alcohol consumption and the rates of two harmful alcohol-related effects, namely alcohol-related assaults, representing acute alcohol-related harm, and deaths from liver disease, representing chronic health harms, in 1970–2008. The figure shows that both assaults and liver diseases have increased nearly constantly, but the increase in alcohol-related liver diseases has been considerably more distinct than the rise in alcohol consumption.

The changing mixture of Finnish alcohol problems has been captured in an article entitled “Alcohol consumption has remained Finnish and has become French” (Tigerstedt & Österberg 2007). The fact that chronic somatic damage from alcohol has increased so much has also contributed to a change in how alcohol problems are perceived in Finland. Whereas some decades ago “the problem with alcohol” was mostly seen as a problem of public order and

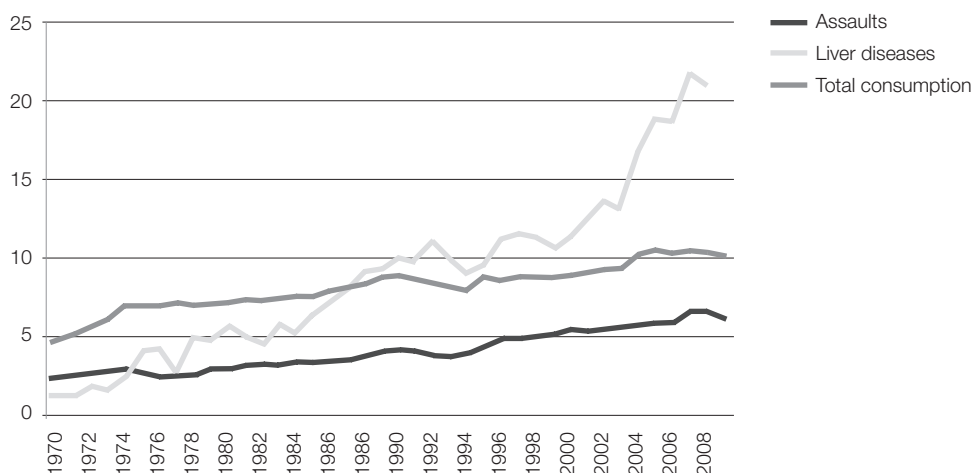


Figure 4. Assaults per 1 000 persons and deaths from liver disease per 100 000 persons (age-standardised) and total alcohol consumption in litres of 100 per cent alcohol for total population, 1970–2008. Source: Statistics Finland; THL.

security, it has increasingly turned into a question of public health.

Among the various harmful effects, the number of alcohol-related deaths, and especially deaths caused by liver diseases, have grown the most during the last decade. Deaths in alcohol-related liver diseases almost doubled from 2003 to 2006 (Mäkelä & Österberg 2009). Part of the reason may lie in that previously, drinking occurred during fewer occasions, which caused less stress on the liver than the more regular consumption which has now become more common. Alcohol-related deaths are usually an end point in a long process with other harmful alcohol-related effects preceding the death. In socially excluded groups in particular, the level of alcohol-related deaths has been very high. During the first years following the reduction of the excise tax on alcohol in 2004, the increase in alcohol-related deaths of working-aged people was almost exclusively limited to these marginalised groups (Herttua et al. 2008).

Moreover, only some of the harmful effects of drinking affect just the drinker him/herself. The immediate environment, outsiders and the society at large also suffer, leading to increased attention lately to the effects on third parties of drinking (Karlsson 2009; Huhtanen & Tigerstedt 2010).

Major distal contributors

Changes in consumers' incomes and in alcohol policy have an impact on alcohol consumption. Taken together, these effects can be called the effect of alcohol affordability (Rabinovich et al. 2009). For Finland, the development in alcohol affordability is described in Figure 5 by the so-called Koskenkorva index (Karlsson & Österberg 2009a). Koskenkorva has been the leading vodka brand in Finland from the 1960s, and its price development is representative for all vodkas sold in Finland (Häikiö 2007).

Figure 5 shows that Finns today can afford to buy much more alcohol with their incomes than at the beginning of

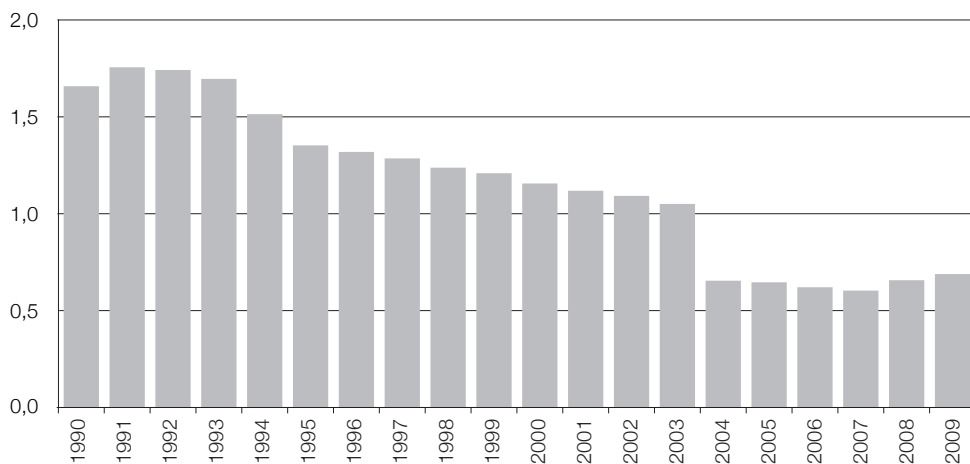


Figure 5. The number of hours an industry worker has to work in order to afford half a litre of Koskenkorva, 1990–2009. Source: Alko Inc.

the 1990s. In 1990, an industrial worker needed to work about 1.7 hours to buy one bottle of Koskenkorva. In 2010 the corresponding working time can be estimated to be about 0.6 hours. Changes in affordability have mostly been caused by increasing incomes. Other powerful factors have been the tax and price decreases in 2004, and the tax and price increases in 2008 and 2009 (Figure 3).

It is hard to show that other factors such as demographic, political and social changes greatly affected alcohol consumption in the period 1990–2010. One factor that has likely somewhat contributed to the increasing consumption is that the old, “dry”, cohorts that pass away are still being replaced by younger, “wetter” cohorts (Mäkelä & Härkönen 2010). At the same time, the ageing of the population provides a counteracting effect, as an increasing proportion of the population are old people who drink relatively little. The political parties in the cabinet have had almost identical views on alcohol policy during the past two decades (Alavaikko & Österberg 2000; Häikiö 2007). Likewise, it is difficult to point at major societal changes in this period that can be linked to alcohol consumption. The great changes in migration from the dry countryside to the wetter towns and in moving from agriculture to industry and service took place already before the 1990s.

Changes in factors affecting alcohol policy

At the beginning of the 1990s, there was a powerful drive both among the decision makers and the Finnish people to liberalise alcohol policy, and primarily to increase the availability of wines by

allowing retail sales in grocery stores in the same manner as for medium beer. A new phase in the European economic integration also promised a more liberalised alcohol policy, which strengthened the belief that “continental” and liberal or “European” drinking habits would spread to Finland. The most optimistic expected internationalisation to emphasise healthier lifestyles, dim the aura around alcohol and stop the growth of alcohol consumption (Karlsson 2009).

With regard to developments in Finnish alcohol policy, the year 1995 stands out: this is when the latest Alcohol Act came into force and it was also something of a peak of the long-lasting wave of liberalisation (Härkönen & Österberg 2010). The 1995 Alcohol Act brought to an end the prohibition of advertising alcoholic beverages, allowing advertisements in the press and broadcast media of beverages with less than 22 per cent of alcohol by volume. Moreover, the act authorised sales of cider and long drinks up to 4.7 per cent alcohol by volume in grocery stores, kiosks, petrol stations and cafés. Finally, the act ended the comprehensive alcohol monopoly and enabled wine farms to retail their own wines with no more than 13 per cent alcohol by volume off the premise, in stores connected to the wine farms outside population centres.

Around the year 1995, 40 per cent of Finns were in favour of a liberalised alcohol policy, and over 60 per cent were of the opinion that wine should be sold not only in Alko outlets but also in ordinary grocery stores (Härkönen & Österberg 2010). Also, in 1997 a slight majority of the members of the parliament posed a question to the government, demanding plans for

the abolition of the off-premise retail monopoly of alcoholic beverages (Alavaikko & Österberg 2000).

In 1995, drinking in public places became legal. The idea behind the law amendment was to allow the drinking of alcohol while enjoying a picnic, but it led to a marked increase in all kinds of visible and disturbing drinking, with side effects such as urinating in streets and parks. Together with increased alcohol consumption and related harm, the visible acute harms have changed the public opinion on alcohol policy to a more restrictive direction. In an opinion poll by TNS Gallup in early 1994, 55 per cent of the respondents were satisfied with the present restrictions or in favour of stricter regulations, compared with 80 per cent in 2001 and 86 per cent in January 2010. In 2010, 26 per cent hoped for stricter regulations while 12 per cent were in favour of more liberal rules. The change toward less liberal attitudes is clearly seen in the 1994 poll where the proportion of those in favour of less strict regulations was 41 per cent. By the year 2010, the proportion of those in favour of liberalising alcohol policies had decreased to one-tenth of the population. Similarly, the political decision makers now approve of restrictive alcohol control measures in greater numbers.

In two instances in particular, the government has taken action to give more weight to social and health questions in alcohol issues. In 1998, the production, wholesale, import and export functions were separated from the comprehensive state alcohol monopoly, and the off-premise retail monopoly Alko was established as an independent entity under the ministry of Social Affairs and Health. In

October 2003, the Government passed a Resolution on Strategies in Alcohol Policy in order to outline the future of alcohol policy in a situation where alcohol consumption and alcohol-related social and health problems were on the increase (Karlsson 2009). This resolution was the base for the Alcohol Programme for the years 2004–2007 and the follow-up period in 2008–2011. The action in alcohol programmes has been aimed at meeting the following three objectives: to reduce considerably the adverse effects caused by alcohol on the well-being of children and families, to reduce considerably the at-risk use of alcoholic beverages and their consequent adverse effects and to create a downward trend in the overall consumption of alcoholic beverages.

Another structural change on the political level has been the introduction of a new alcohol political power structure since 1995. Administrative tasks, alcohol research, information and planning activities were moved from the old comprehensive alcohol monopoly to other state authorities. The dissolution of the monopoly meant that the private alcohol sector, which used to be under strict control of the state alcohol monopoly, now has an increased possibility to affect alcohol policy by active lobbying. One of the clearest examples is the lobbying by the wine farms and their interest group, which in July 1998 resulted in the wine farms being able to sell their products off-the premise also on Sundays. Later, the regulations on sites where off-premise sales of farm wines are permitted were relaxed, too. Nowadays, farm wines can be retailed off the premise also in population centres and even in connection with a farm wines bottling site.

There has since been an ongoing discussion and process with drafted law proposals to allow the wine farms' off-premise stores also to retail farm liqueurs.

The new division of political power in the alcohol field toward a more liberal alcohol policy could also be detected in the 2008 decision of first accepting warning labels on alcohol containers and then drafting a new law on abolishing them before the warning labels were adopted (Karlsson 2009). Likewise, a working group set by the Ministry of Social Affairs and Health dealing with lifestyle advertising of alcoholic beverages, in which one-half of the members were representatives of the industry, came to the conclusion that there was no further need to restrict alcohol advertising in Finland. However, only one month later, 106 out of the 200 members of the Finnish Parliament signed a law proposal to restrict advertising on alcohol. The proposal aims to forbid lifestyle advertising of alcohol and allow only the presentation of basic product information.

Current status of prevention and policy measures

The operational preconditions for an independently directed national alcohol policy have been considerably weakened since the beginning of the 1990s. Finland's accession to the EU and the single market have contributed to undermining the execution of restrictive alcohol policy. Also, the abolishment of the comprehensive alcohol monopoly has changed the power structure in the Finnish alcohol field, where the private actors are now more powerful than ever. These actors are not only of Finnish origin, as

the alcohol industry has both concentrated and become more globalised. For instance, the two biggest Finnish brewery companies are now owned by Carlsberg and Heineken, and Finnish industrial wine and liqueur producers are owned by Pernod Ricard.

Increased alcohol consumption and related harm, especially after 2004, have led to increases in alcohol excise duties three times in the years 2008–2009. The current excise duty rate of wine is now higher than before the 2004 tax decrease. Further, in November 2005 the government appointed a ministerial working group on alcohol policy to prepare action for the reduction of alcohol-related harm. Following the proposals of the working group, the government implemented the following three measures. First, as of April 1, 2007, the retail of alcoholic beverages cannot commence earlier than 9am (previously, at 7am). Secondly, bulk discounts for beer and other alcoholic beverages were prohibited at the beginning of 2008. And thirdly, alcohol could not be advertised on TV before the 9pm watershed, and alcohol advertising in cinemas was to be prohibited in shows that minors were allowed to attend. This regulation came into force on 1 January, 2008.

All in all, with regard to alcohol policy, the Finnish situation seems somewhat ambivalent. One sign of the ambivalence is the current proposal on starting off-premise sales of farm liqueurs in wine farm off-premise stores. For several years this hot potato has been processed in the Ministry of Social Affairs and Health, and has also been dealt with in the Finnish cabinet and commented upon by the EU Commission.

Alcohol policy in Finland and other Nordic monopoly countries

During the past decade, substantial tax changes in alcohol excise duties, the easing of the physical availability of alcoholic beverages and changes to alcohol administration have had a major impact on Finland's alcohol policy environment. A similar development has also been underway in Norway and Sweden.

Prior to 1995, the Finnish alcohol policy rested on three pillars, regarded as the cornerstones of the Nordic alcohol policy model: restrictions on private profit interest in the alcohol business, restrictions on the physical availability of alcoholic beverages, and restrictions on the economic availability of alcoholic beverages by means of high taxation. Little by little, each of these pillars has been eroded by the principles of the free movement of goods and unobstructed competition (Karlsson 2009).

The Finnish off-premise retail alcohol monopoly Alko has made it possible to limit the number of alcohol retail shops. This would not have been the case in a free market alternative. However, as mentioned before, more Alko shops have been established throughout the EU membership period. At present, over 70 per cent of the monopoly shops are located adjacent to a shopping centre, a supermarket or a department store. Compared to the Swedish and Norwegian monopoly shops, which are open around 45 hours a week, Alko's opening hours are clearly the longest with 64 hours a week (Cisneros Örnberg & Olafsdottir 2008; Karlsson 2009). The shift from behind-the-counter service to self-service happened in Finland most-

ly in the late 1980s and early 1990s, well before Norway and Sweden.

In Finland, Norway and Sweden, alcohol policies are directed by alcohol action programmes, whose main objectives are the reduction of total consumption and the minimisation of the harmful effects of alcohol. In all of the three countries, the key focus areas are children and youth as well as "situational abstinence", that is, full abstinence at certain stages or in certain areas of life, such as traffic, workplaces, and pregnancy. Norwegian alcohol policy has also emphasised information, education and international co-operation, whereas the re-organisation of preventive work and local prevention measures have been the main goals in the Swedish and the Finnish programmes (Karlsson 2008).

Similarities in the goals are obvious, but there are also differences, especially in resource allocation and financing structures. The Swedish alcohol programme has the most liberal resource allocation, whereas the special funding received by the Finnish Alcohol Programme is the most modest. The resource allocation of these programmes also correlates well with the social- and health-policy importance of alcohol-related issues, which has been much greater in Norway and Sweden than in Finland (Karlsson 2009).

Besides the restriction of the physical availability of alcoholic beverages, the high level of alcoholic beverage prices has proven to be an effective means of controlling the level of alcohol consumption and related harm (Babor et al. 2010). The possibilities of using high taxation as a part of alcohol policy have been reduced, however, with the accession of Finland and Sweden into the EU. It became even harder to

use alcohol taxation as an alcohol policy tool in 2004, when the import of alcohol by travellers from other EU countries was liberalised and Estonia joined the EU. In contrast to Finland, Norway and Sweden have held their alcohol taxation levels fairly stable (Karlsson & Österberg 2009b). Public debate on alcohol taxation has been lively there, too, and as late as 2004 and 2005, proposals were made to reduce alcohol taxation substantially in Sweden (SOU 2004; 2005). Price policy continues, however, to be an essential tool in the Swedish and Norwegian policy toolbox, although it will be carried out in a new alcohol policy environment.

Concluding remarks

Over the period 1990–2010, the Finnish alcohol field has changed considerably. One of the key changes is the marketisation and internationalisation of the field, mostly as a result of the Finnish membership in the EU. In practice, the creation of the single market has decreased the possibilities of controlling alcohol consumption and related harm. Thus, for instance, alcohol pricing or taxing cannot be discriminative on foreign products. Likewise, state alcohol monopolies on production, import, export, wholesale and on-premise sales had to be abolished.

The comprehensive alcohol monopoly Alko was able strictly to control licensed private alcohol industry and trade. Dissolv-

ing the comprehensive alcohol monopoly structure has enabled intensified lobbying by the private alcohol industry. After the Finnish entry in the EU in 1995, this possibility was first utilised by smaller actors such as the wine farms and their interest groups. Bigger actors became more active only in the 2000s as shown in the cases of warning labels and lifestyle advertising.

Alcohol consumption and related harm have been on the increase from the mid-1990s to the latter half of the first decade of the 2000s. Changes in alcohol consumption are predominantly explained by changes in purchasing power and alcohol policy measures. There has been a steady increase in most types of harm, not least in the most severe forms of alcohol-related damage, such as deaths in liver diseases. This means that the chronic harms connected to long-lasting heavy drinking now play a relatively bigger role in the totality of Finnish alcohol-related harm as compared to acute harms.

The increase in alcohol consumption and related harm has put an end to the general trend of liberalisation claims. Since the mid-1990s, both the general public and the politicians and state officials have gradually grown more in favour of restrictive alcohol policy measures. There is clearly an emerging tension between this harsher opinion climate and the growing activity of lobbying groups working on behalf of the alcohol industry.

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