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# *The Alcohol Industry, Neo-liberalism and the Political Economy of Health*

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Writing in the *Australasian Medical Journal* Bond, Daube, & Chikritzhs present a fascinating analysis of previously confidential, internal industry documents. The documents became available due to the 1998 Master Settlement Agreement, which was originally initiated to allow public access to internal tobacco industry documents, but since some alcohol companies are controlled by tobacco companies (in this case, Phillip Morris), the internal documents of the alcohol companies (in this case, Miller Brewing Company) became available. It is also interesting to note that Kraft foods is also controlled by Phillip Morris, which means that researchers interested in food policy, marketing and regulation can now access potentially useful documentation on the underlying intentions of a particular food company.

The paper presented an analysis of a vast array of alcohol industry documents, and the authors discuss a number of key areas with which the alcohol industry stated their concerns. Within this Editorial, I wish



to highlight the implications of many of these concerns within two areas of social and political thought: the political economy of health, and the impact of neo-liberalism.

***The political economy of health – can we have increased wealth alongside increased health?***

Obviously, alcohol companies are working within a market-driven economy, and their ultimate (albeit, not only) aims are to increase both their market share of the alcohol industry and the company profits for their shareholders. My aim here is not to pathologise or demonise alcohol companies, but to keep open the debate on the political economy of health, which originally started with the work of Marx and Engels but was re-invigorated in the 1970s and 1980s (Coleman, 1982; Doyal & Pennell, 1979; McKinlay, 1975) and still remains important in the 21<sup>st</sup> Century (Navarro, 2002). The central problem for political economists (sometimes called conflict theorists) relates to the social production of illness under capitalism, or what might be termed ‘the contradiction between the pursuit of health and the pursuit of wealth’. Political economists argue that since the capitalist system is founded on the production and consumption of material wealth, it cannot also privilege the ‘production of health’ in an equitable manner. Social theorists in the area of ‘risk’ have also shown how the increased risks in contemporary society, often as the bi-product of industrialisation, have led to poorer health (U. Beck, 1992, 2005; U Beck, Giddens, & Lash, 1994), using examples such as the exposure to chemical waste, environmental pollution and increased stress caused through the increased pressure on workers. There have been counter-arguments to this, showing how the capitalist system needs ‘worker bees’ and therefore needs to maintain and sustain the health of workers (although not necessarily those groups who not involved in the formal, paid workforce!!). Irrespective of one’s position on the veracity of the arguments and



counter arguments, it seems clear from the paper by Bond, Daube & Chikritzhs (2009) that the alcohol industry documents reveal the tension between their drive to increase profits and the negative impact of increased alcohol consumption on health, and in particular in terms of 'binge drinking', under-age consumption and alcohol-related violence. The industry documents reveal a move towards 'corporate consciousness' via industry sponsored social marketing campaigns and community education programs, although the authors state that there is "much scepticism in the public health community" regarding the impact such campaigns and programs.

***The impact of neo-liberalism – the centrality of the individual and the retrenchment of the State***

One of the key areas of concern within the alcohol industry documents was the possibility of increased Government regulation and/or increased alcohol taxation. As a response within these documents, there were numerous strategies proposed with the ultimate and cumulative effect of increasing individual responsibility for alcohol consumption (and its affects). In this way, both the cause and solution of any alcohol related problems (under-age drinking, violence, binge drinking etc) are located within individuals – it is not the responsibility of the alcohol industry or the State to legislate or regulate (because using their individualistic argument, they have not caused the problem and therefore have no, or at least limited, responsibility for solving it). Obviously, the alcohol industry is not alone in promoting individual responsibility, it has become the central mantra for policy-makers and politicians across the developed world. One only needs to look at the comments of a former Federal Minister for Health (the Honourable Tony Abbott) who, when asked about the regulation of fast food to children and the responsibility for eating 'unhealthy food', said that the only people responsible for putting food in the mouths of children,



were the children and their parents. In making this statement, Tony Abbott was following the neo-liberalist line of decreasing the regulatory powers of the State and increasing the responsibility of citizens.

Keeping with the example of food, the regulation around marketing and advertising of food in Australia and elsewhere has been decentralised. A recent paper reveals that the US, Australian and New Zealand, typically jurisdictions with a strong neoliberal governance, have mostly relied on industry self-regulation of food advertising (Hoek & King, 2008). They argue that the advertising industry has “developed and promulgated codes of practice” rationalised by a view that written codes, complaints mechanisms and auditing processes meet “best practice” standards (2008: 261). These authors, however, hold the view very similar to the political economy of health, whereby self regulation ignores a potential contradiction between consumer interests and corporate profitability. Not surprisingly, their solution to the problem is located within increased government intervention, with the ultimate aim of improving public health. However, given the expressed statements of the alcohol industry documents about strategies aimed to reducing Government intervention and increasing personal responsibility, it seems that a stalemate or impasse has been reached, with both ‘sides’ of the argument arguing for either increased Government control/regulation or increased individual responsibility. Whilst this either/or thinking is understandable, it may not be productive in the long-term – what may be more productive is more/less thinking (or as Giddens called it, the Third Way (Giddens, 1998)), which acknowledges the relative importance and interaction of both individuals and the State (or more widely, social systems). Giddens argues that a structure or social system is composed of rules and resources that both govern and are available to human agents. As individuals, we are agents of our own action; we express our agency through acting on, or making, decisions. Giddens acknowledges that both individuals and social systems have the ability



to shape their social reality but rather than arguing complete structural or agent determinism, he argue that they interact together to (re)produce society (Giddens, 1986). He refers to this as the duality of structure; social structures make social action possible while at the same time, social action creates those very social structures. In the case of neo-liberalism, consumers have been granted a great deal of agency as the State has reduced their provision of services and increased reliance upon the individual to manage their own well-being. However, the question remains whether or not individuals wish to acquire the level of agency they have been granted and whether we need more State intervention/regulation to accompany, not necessarily to replace, individual responsibility.

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