

Editorial *

During the decades since the 1960s, the level of alcohol consumption as well as the structure of alcohol consumption has changed to a great extent in many OECD countries. The demand for alcohol is of particular interest as it seems that the large, observed changes may reflect shifting preferences of consumers and will also influence producers of the alcoholic beverages. The old, traditional wine producing countries have experienced a heavy decline in domestic wine consumption and additionally, there has in some cases been a shift towards increased beer consumption, e.g. the beer consumption now exceeds the wine consumption in Spain. Table 1 reports the levels of per capita consumption in a selection of OECD countries.

Table 1: The consumption of beer, wine and spirits, 1961 and 2005 (liters of pure alcohol per capita, 15 + years)

	1961			2005		
	Beer	Wine	Spirits	Beer	Wine	Spirits
Belgium	7.57	1.24	0.94	5.49	3.55	0.62
France	2.53	20.56	2.95	2.31	8.14	2.62
Germany	6.47	1.86	2.70	6.22	3.15	2.30
Greece	0.98	5.74	3.67	2.20	4.51	2.38
Italy	0.40	17.24	1.59	1.73	6.38	0.42
Portugal	0.39	16.28	0.71	3.75	6.65	1.27
Spain	1.05	10.49	3.10	4.52	3.59	1.31
Sweden	2.35	0.55	3.14	2.60	2.90	1.10
UK	5.81	0.28	1.04	4.93	3.53	2.41
USA	3.71	0.87	3.26	4.47	1.36	2.65
Australia	6.36	0.88	1.19	4.56	3.12	1.16
Mean	3.44	4.17	2.04	4.14	3.60	1.83
Std.err.	(0.51)	(1.39)	(0.19)	(0.36)	(0.40)	(0.17)

Notes: Consumption as (pure) alcohol liters per inhabitant (15+ years). Only a number of selected countries are included in the table, but the mean values are calculated for 21 OECD countries. The countries not included in the table above, but used when calculating the mean values, are: Austria, Denmark, Finland, Ireland, the Netherlands, Norway, Switzerland, Canada, New Zealand and Japan.

Source: The World Health Organization (the WHOSIS database).

In the northern European countries a decline has been observed in for example the share of beer and spirits in alcohol consumption. All these shifts concerning alcohol consumption may be due to changes in relative prices, higher income levels, increases in trade giving access to different kinds of beverages and new consumers

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entering the market, but the magnitude of the changes suggests that changes in consumers' preferences might also play a role. Concerning especially the European Union a process of indirect tax harmonization has taken place during recent years and also due to increasing EU integration in general, consumption patterns concerning alcohol may have been in a closer process of convergence compared to other OECD countries

The absolute level of alcohol consumption seems to develop in the direction of similar levels of alcohol intake in many of the countries, especially with respect to the specific beverages, but the average level of total alcohol consumption (for the 21 OECD countries) is quite similar for 1961 and 2005 in table 1. Especially concerning the consumption of wine a process of convergence seems to have taken place – and is still ongoing in some countries – which heavily influences the total demand for wine, including influencing the wine producers strongly. The level of wine drinking in the southern European countries in the early 1960s is not in accordance with the present conditions concerning working and living conditions and therefore, some adjustments have had to take place, as evident from the numbers in table 1.

A common feature seems to be some development towards a more 'balanced' structure of alcohol consumption in the respective countries, i.e. diminishing differences concerning the shares of beer, wine and spirits in the total intake of alcohol. The overall average level of wine consumption has even slightly declined from 4.2 to 3.6 liters (per capita), but the standard deviation has decreased much more, corresponding to the before-mentioned convergence in wine consumption levels. From these significant changes in the alcohol consumption structures – both concerning the specific beverages as well as the overall alcohol intake in the respective countries – there does not seem to be too much room for further expansion of wine consumption in the OECD countries. Thus, in relation to these countries, producers – as also happening in the old and new wine producing countries – should direct the production towards higher quality wines in order to generate sufficient incomes. For the 'new wine consuming countries', like China and India and other countries, there may still be marketing and sales options, but wine production is also expanding in these countries. The latter development will probably also have some impacts on the wine consumption pattern in the OECD area as new products and import opportunities will open up but probably without much change in the levels of per capita wine consumption.

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