

Estimating the societal costs of alcohol: A bridge too far?

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As I first read through this provocative essay, I found myself wondering what it was like when I first learned that there was no Santa Claus. Do you really mean to say that the total cost of alcohol to society cannot be estimated with any accuracy? And worse, who is responsible for perpetrating this myth, or should we call it a hoax? Instead of a benign fairy tale perpetrated by well-meaning parents, we seem to have a conspiracy of over-confident economists and over-zealous policy analysts. The way forward would be so much easier if we could only believe in those dollar/euro figures that tell us about the total cost of alcohol to society.

What Klaus Mäkelä has shown in his excellent deconstruction of alcohol monetary estimates is that our economic friends have constructed a bridge too far, one that threatens to compromise the credibility of policy recommendations on alcohol, even as many of its constituent parts remain sound and valuable. This is not unlike what has happened in other areas of alcohol science, such as the use of symptom checklists and complicated algorithms to operationalize complex diagnostic entities like alcohol use disorders, only to see critics find major errors in their underlying assumptions, internal logic and prevalence estimates. The Global Burden of Disease Project is another example. Although it was built initially on the same kinds of questionable assump-

tions and fanciful logic, the estimates have improved over time with better data and critical reanalysis.

Total cost studies on the surface might be considered a valuable contribution to the alcohol policy literature, had they not pushed the limits conceptually and methodologically. If this were just an unfortunate consequence of a new methodology that is likely to grow in sophistication as metrics improve, perhaps we could be more forgiving. But as Mäkelä suggests, there are serious problems that no amount of sound data or statistical adjusting can resolve. Value judgments are by definition not value free.

So if these exercises are not capable of producing truth as we know it, do they serve other functions that are useful if not scientifically credible? Is “well-planned paternalism with a human face” any worse than strategic ignorance that allows preventable social problems to fester? In a democracy, politicians and policymakers often need to be shamed into doing the right thing, and costs to society have the ability to shame, blame and even defame. While this essay suggests that the constituent parts may be more valid than the grand total, it is the simple, single monetary figure that captures public attention more than anything else.

Cost studies have been an integral part of policy research for several decades, and perhaps there are better ways of join-

ing these elements so they satisfy some of Mäkelä's criticisms. Couldn't we just try to make it better? For example, we are close to the point where nations or municipalities can impose or repeal alcohol control policies, such as bans on availability, at the same time as epidemiological and economic studies evaluate the overall impact on society in comparison with other nations or municipalities. What this article reveals inadvertently is the tremendous progress that has been made in various parts of the cost question, both in terms of methods and theory. It is a process that will eventually succeed or fail on the basis of its practical utility, methodological rigor, and political convenience. Science, to the extent that it includes economic cost estimates, is a self-correcting process whereby false assumptions and questionable adjustments will eventually be revealed. And what about the increasing tendency to conduct sensitivity analyses that provide different estimates according to different assumptions? This would provide a modicum of transparency. Or could we require independent replication of total cost estimates to evaluate the reliability of the procedure? Alas, I fear that none of these solutions will satisfy the skeptic within Klaus Mäkelä. By definition an estimate is an approximation, but Mäkelä argues that the cost of alcohol to society is too abstract even to estimate.

But if we are to declare societal monetary estimates null and void, what can we replace them with? At the same time that

we question the ways in which alcohol costs are computed, we are faced by equally troubling and perhaps false estimates of alcohol's economic benefits to society in terms of employment opportunities, tax revenues, and health improvements. If Peter Reuter (1999) suggests that cost-of-drug calculations are the statistical equivalent of an armaments race among health agencies, should the abandonment of cost estimates be considered the moral equivalent of unilateral disarmament?

I believe that Mäkelä has offered a reasonable way forward in saying that traditional measures of alcohol problems and certain types of cost comparisons are acceptable, even as total cost of alcohol estimates are probably no more than a well-meaning a Santa Claus myth. His critique could be used to lay the groundwork for a battery of reporting requirements, risk management procedures and ultimately econometric standards that will provide both tempered practicality and methodological rigor to the entire spectrum of alcohol cost research. The lesson is clear. Keep things as simple and transparent as possible. Do not let good intentions substitute for sound methods and logic. Do not believe in Santa Claus unless you are a kid.

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