

The Annual Catastrophe of Alcohol in California

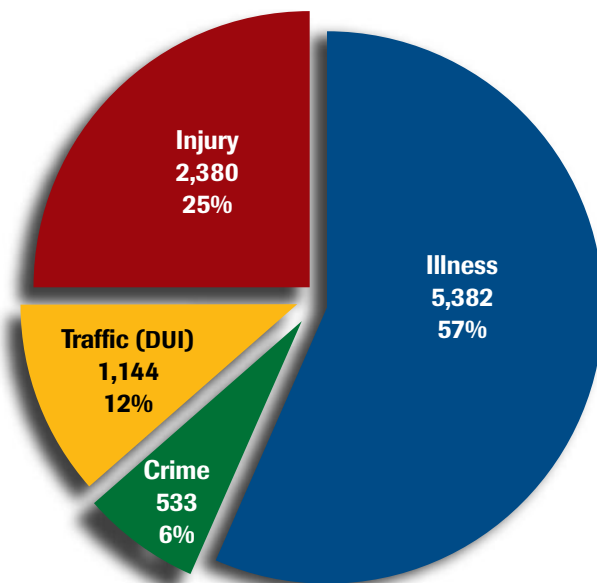
A MARIN INSTITUTE REPORT

Landmark study

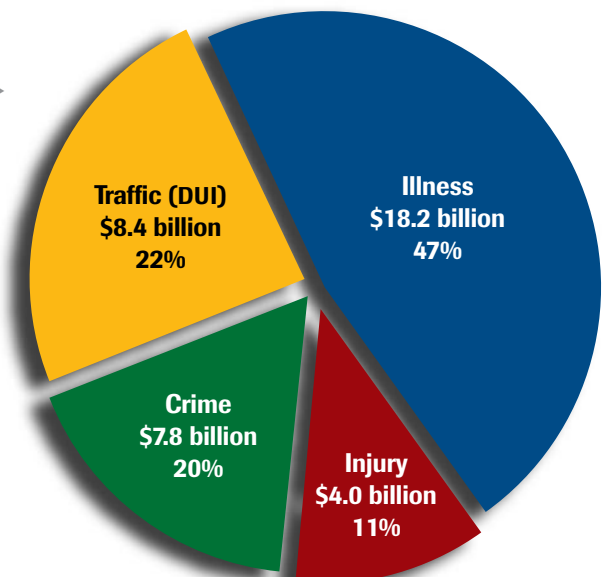
Marin Institute has conducted a landmark research study, estimating the total annual cost of alcohol problems in the state of California. The results include deaths, incidents, and economic costs to individuals and to society. We calculated the annual costs to the health care and criminal justice systems, the lost productivity from deaths, illness, and injury, and the reduced quality of life. Our findings indicate that moderate-to-high alcohol consumption in California requires serious and immediate attention.

The price tag for alcohol in California

- The total economic cost of alcohol use is \$38 billion annually
- This translates to roughly \$1000 per California resident or \$3,000 per family each year
- This also translates to a cost of \$2.80 per drink consumed, while current alcohol excise taxes equal only 8 cents per drink



Total: 9,439



Total: \$38.4 billion

How alcohol causes death in California

- Total number of lives lost each year to alcohol use is 9,439
- One person dies every hour due to alcohol use
- The total number of incidents related to alcohol use is over 920,000
- There are 100 incidents (injuries, crimes, high-risk sex, etc.) every hour due to alcohol use

Lives lost and financial burden due to alcohol use in California

Problem	Deaths	Incidents	Total costs	Government costs*
Illness	5,382	44,151	\$18.2 billion	\$1.4 billion
Traffic (DUI)	1,144	186,975	\$8.4 billion	\$0.7 billion
Other Injury	2,380	41,598	\$4.0 billion	\$0.4 billion
Crime	533	649,204	\$7.8 billion	\$5.8 billion
Total	9,439	921,928	\$38.4 billion	\$8.3 billion

*State and county governments are burdened with \$8.3 billion or 22 percent of the total \$38.4 billion price tag for alcohol harm.

How alcohol destroys health

Type of illness	Deaths	Hospitalizations
Digestive Diseases	3,357	20,903
Neuro-Psychiatric Conditions	994	17,360
Cardio-Vascular Diseases	694	5,030
Malignant Neoplasms	322	533
Pregnancy-Related Conditions	15	324
Fetal Alcohol Syndrome	0	1,097*
High Risk Sex	0	49,400*
Total	5,382	94,647

*Numbers are new incidents, not the number of hospitalizations.

Alcohol-caused injury and traffic collisions are responsible for roughly 3,524 deaths and a staggering 109,917 non-fatal injuries each year. Tragically, alcohol results in 784 suicides each year, while 26 percent of all traffic deaths are caused by alcohol. The annual economic cost of traffic collisions and other injuries totals about \$12.4 billion.

Alcohol use causes a disturbing array of health problems, from liver disease to cancer to sexually-transmitted diseases, all of which cost California \$18.2 billion annually. These figures are conservative estimates because not all alcohol-related illnesses were included in the analysis.

How alcohol causes bodily harm

Cause	Deaths	Injuries
Traffic (DUI)	1,144	68,319
Falls	530	24,039
Suicide	784	2,656
Poisonings (Non-Alcohol)	734	2,072
Alcohol Poisoning	54	710
Occupational	13	357
Other	265	11,764
Total	3,524	109,917

How alcohol contributes to crime

Crime	Incidents	Proportion
<i>Property Crime</i>	225,203	6.8%
<i>Violent Crime</i>		
Assault	369,416	21%
Rape	26,787	20%
Robbery	17,267	17%
Child Physical Abuse	8,883	4.5%
Child Sexual Abuse	1,122	8.5%
Homicide	526	21%
Total	649,204	

An alarming 90 percent of alcohol-related crime costs are due to violent offenses. The total economic cost due to crime is roughly \$7.8 billion annually. Fully 20 percent of all homicides, rapes, and assaults can be attributed to alcohol use.

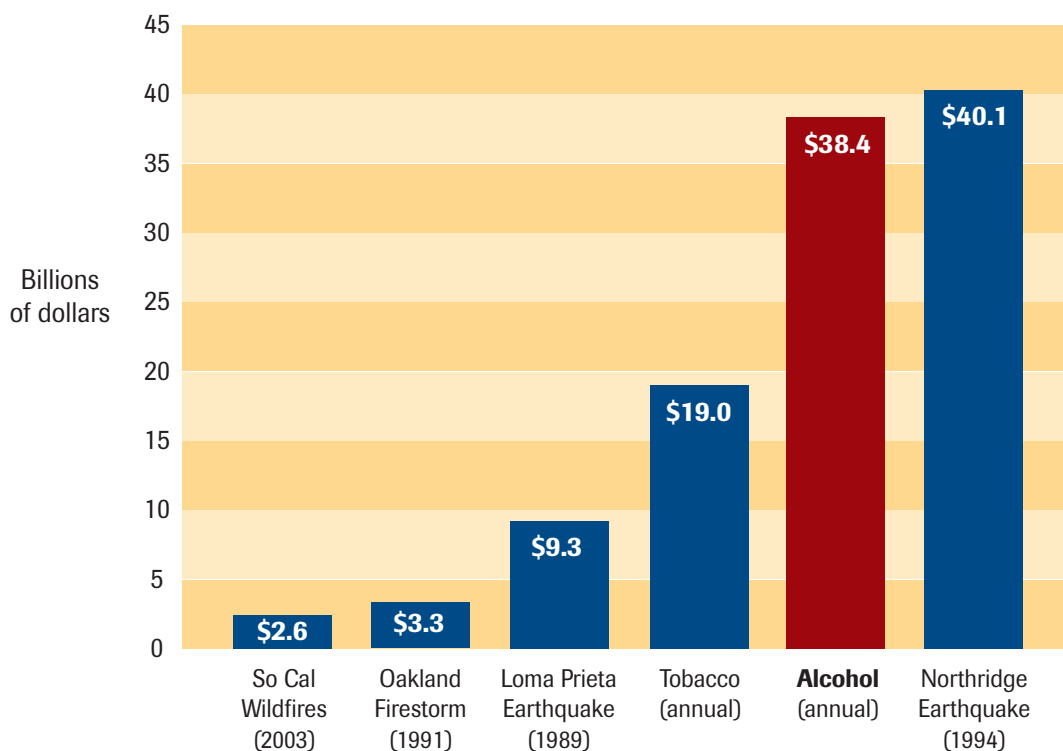
Lost productivity—\$25.3 billion

Lost productivity represents the largest single category of economic costs—\$25.3 billion—having untold reverberations throughout California’s economy. This figure represents the reduced earnings of those who are currently, or ever have ever been, alcohol dependent (\$12.8 billion), with the rest coming from a combination of lost productivity from deaths and non-fatal illnesses and injuries suffered by both the drinker and the victim.

Quality of life—\$48.8 billion

Another significant type of harm caused by alcohol is the pain and suffering and reduced quality of life felt both by victims (of crime or drunk driving) and the alcohol users themselves. Such intangible costs are important because the damage to an individual’s quality of life is often the largest economic cost imposed by alcohol. We estimate these costs to be as high as \$48.8 billion.

Comparing alcohol costs with California natural disasters and tobacco



The annual cost of alcohol problems in California is:

- equivalent to a Northridge-style earthquake every year
- more than twice that of tobacco (despite alcohol excise taxes being much lower)
- higher than the cost of the Loma Prieta earthquake, the Oakland fires, and the southern CA fires of 2003 combined.

Reversing the catastrophe

Marin Institute recommends that the state legislature hold hearings on reducing this massive public health and safety problem and consider these steps:

1. Require an annual study on the societal harm and costs caused by alcohol consumption in California
2. Adequately fund counties and cities to mitigate and prevent alcohol harm
3. Curb alcohol industry lobbying and influence, which blocks public policy efforts to reduce harm
4. Raise alcohol excise taxes to reduce excessive consumption and the related harm and costs
5. Raise fees by implementing an alcohol producer surcharge to cover government programs.

This summary report was prepared with data analyzed by Simon Rosen (Marin Institute) and Ted Miller (Pacific Institute for Research and Evaluation) with assistance from Michele Simon and Bruce Livingston (Marin Institute).

The complete analysis is published in the November 2008 issue of the journal, *Alcoholism: Clinical and Experimental Research*. To read the executive summary, please visit: www.marininstitute.org.



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