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# Constructive Proposals For Liquor Reform

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## CONSTRUCTIVE PROPOSALS FOR LIQUOR REFORM

Proposals for liquor reform need to be thoroughly realistic if they are to win the support of the public. It is useless to formulate plans which outrun to any extent the popular will. It is also futile to suggest reforms that do not take account of the big factors that create the liquor problem. A recognition of these facts is the practical starting point of endeavours to find solutions.

The outstanding factors are these. First, the appetite of habitual drinkers, which, unless controlled, demands satisfaction at any time and anywhere. Second, the contentment of politicians which does not desire an assured source of revenue to be disturbed. Third, the self-interest of the makers and vendors of liquors, which is directed to stimulating the increase of consumption of alcohol by the public, whatever may be its effects upon the welfare of the latter.

This opposition between the general interest and that of the "trade" lies at the root of the problem. The brewing companies are immensely wealthy, and they combine with the distillers, and the makers of wines, to defeat any proposals for reform, and to enlarge their opportunities for getting the public to buy liquor. These companies financially support nearly every political party, and thereby influence legislation, thus preventing the desires of the majority of the people from being expressed in law. Furthermore by means of clever advertisement and propaganda they sway public opinion itself. They take advantage of the fact that public opinion seldom is really enlightened and is only partially averse to its true interests. These three forms of corporate self-interest combine in preventing constructive experiments put forward in the name of the general welfare from being put to practical test.

These three types of opposition unite in pointing to a deeper difficulty. They all exhibit a lack of a sense of social responsibility, an unwillingness to curb selfishness, a weakness of conscience, and absence of a realisation of moral duty. It has to be confessed that these characteristics are not confined to drinkers, politicians, and shareholders in breweries. They operate throughout the community. **These ethical defects are the ultimate root of the liquor problem, and no reforms will be successful that do not endeavour to change public opinion and moral standards for the better.**

## What Has Been Proposed?

We shall now glance at proposals for liquor reform, and endeavour to estimate their value in the light of these facts.

**Community Houses.**—These are "pubs," separated from the "trade" by public-spirited citizens, who provide places for the sale of liquor, where the profit-motive is eliminated, sales are not pushed; there is no advertisement of liquors, and counter-attractions to drinking are sometimes provided. Their object is to give the public places in which the fellowship stimulated by a moderate use of alcohol can be enjoyed, and immoderate drinking discouraged.

These endeavours serve a social purpose. They indicate that the voluntary action of true citizens is a valuable influence in combating the evils of drink. On the other hand community houses are not a solution of the liquor problem. They are little more than islands of hope in a sea of evil promoted by the influence outlined above.

**Local Option.**—This method has been put to the test on a large scale in the U.S.A. and on a smaller scale in New Zealand. Residents vote as to whether they desire continuance, reduction, or abolition of the manufacture and sale of alcohol to obtain in the area in which they live. Its results have been seen in a definite diminution of the evils of drink, and it is to be regarded as a move in the right direction. It has also an educative value in preparing the people to claim their legal right to vote for local option. The interests of the "trade" and of politicians have, so far, combined to rob the people of this right.

But Local Option is not a solution of the problem. Like Community Houses, it offers the possibility of islands (larger than those of community houses) of hope being formed in the sea where the evils of drink abound. Drink can

be purchased outside the area of local option and consumed within it. Furthermore local option operates in areas where it is least needed, and is turned down where drink is prevalent.

**Prohibition.** — This method recognises the fact that the liquor problem is one for the whole community, and that piece-meal endeavours have a use mainly as stages on the road to arousing the nation to take hold of its own responsibility. It has been put to a test in many countries, but in none of them has prohibition both of sale and consumption been complete. For instance, in the case of the famous 18th Amendment of the Constitution of U.S.A., while the manufacture and sale of alcohol were prohibited, its consumption was not regulated; furthermore adequate enforcement of the law was not provided for. Therefore evasions were not difficult. But in spite of these defects the beneficial results of this partial prohibition were greater than the liquor interests have permitted the public to believe. Confirmed drinkers still got supplies illegally; but among the working classes and in rural districts the consumption of alcohol diminished, there were fewer crimes resulting from drink, less absenteeism from work, less indebtedness to shops, and marked improvement of health.

On the other hand the wealthy classes could purchase as much liquor as they liked, and the observance of the law fell into disrespect — a very sinister effect. The conclusions to be drawn from this vast experiment are, first, the futility of legal action too far ahead of public opinion; second, the sinister leadership of the wealthy classes in disregarding the law; and thirdly, the equally sinister power of the liquor interests which appeared to be greater than that of the State itself. The liquor interests set themselves against the State and won. The only answer to the liquor interests lies in an informed and active public opinion.

**Nationalisation.**—This is a method which eliminates the motive of private profit from the manufacture, and more or less from the sale of liquor. The State itself takes over these services. It seems probable that this is the method which will be adopted universally in the future, because the general trend of State policy goes in the direction of the nationalisation of the big factors that determine human welfare. But nationalisation will not arrive automatically; the liquor interests will see to that. Neither will it be achieved in its best form unless public-spirited citizens combine to shape its growth.

It can take forms that will be ineffective. Undoubtedly the liquor interests might try to twist it into such developments in the hope that the public might revert to the present system. Therefore it would appear to be a wise policy for all open-minded reformers to study nationalisation in order to influence the proposal from the start. It has been experimented with in several countries; and it has not been successful where it has been imposed by authority not based upon the public will. Such failures ought not to be used as arguments against nationalisation effected by the people as a whole. There are, however, instances in which nationalisation has been beneficial, and to two of these we now refer.

### Sweden.

The Bratt System of Sweden is an endeavour to combine the advantages of control by the State with the efficiency of private enterprise. Sweden has put the liquor trade in the hands of a company under the chairmanship of Dr. Bratt. The controlling positions in this company are filled by persons nominated by the government. All subsidiary liquor interests are under the control of this company. Its profits are strictly limited to interest upon capital invested, thereby removing the profit-making motive, and also the sinister elements of direct political control. Furthermore the sale of alcohol is rationed to the public, thereby controlling consumption to some extent.

The results of this experiment are authoritatively reported to be very encouraging. But it should be noted that it is limited to the making and sales of wines and spirits. And this emphasises the fact that beer is a rather different problem from that of wines and spirits. Beer is mainly consumed by the workers, wines and spirits by the wealthy. Beer is mainly consumed on licensed premises—wines and spirits off the premises. Furthermore the alcoholic strength of beer is far less than that of wines and spirits. A complete system of nationalisation should take account of both types of liquor.

#### Carlisle.

The Carlisle Experiment was a local application of nationalisation made during the first world war, limited to an area around the city of Carlisle in the north of England and stretching into a part of Scotland. The making, transport and sale of alcohol in this area were placed by a Central Control Board (established under the Defence of the Realm Act) in the hands of a local body on which public-minded citizens acted. All breweries and public houses were taken over, all advertisement and stimulation of sales were prohibited. The "trade" naturally produced figures to prove the experiment was a failure. Strange to say some prominent Temperance Reformers also oppose it on the ground that it was wrong for the State to have complicity with the drink trade.

But the two following unbiassed reports speak for themselves. The Central Control Board was so impressed by the results that it submitted a memorandum to the government urging the State purchase of the Liquor Trades for the whole of England and Wales. The Liquor Trades, however, defeated the proposal on the grounds of the cost of the purchase. But the War Cabinet also issued this statement:—

"The continued progress of this aspect (i.e., the Carlisle project) of the Board of Control's work has proved that in the areas concerned, strict control of the liquor traffic and financial success are not irreconcilable under conditions of State ownership with the development of an enlightened and constructive policy."

#### New Zealand.

**New Zealand Royal Commission Report.**—This was tabled in Parliament on September 3, 1946. This commission was appointed to report upon the licensing of liquor; its advocacy of Nationalisation must be interpreted as a pointer showing the direction in which events are moving. The preamble of the report states that

alcohol differs from ordinary commodities in trade and affirms that its manufacture and sale have dangerous possibilities and require to be controlled under a system of disinterested management.

The Report of 300,000 words can only be briefly summarised here. It indicates the complexity of the factors with which nationalisation has to deal. Direct political control is obviated by giving full authority over the liquor traffic to various commissions on which the chief positions are filled by the Governor General in Council. Regular reports of the working of these commissions have to be provided for Parliament. Local conditions are provided for by local licensing boards which again are appointed by the Governor on nominations made locally. All this machinery is devised to ensure disinterested action from top to bottom. All profits are to be paid into the State Treasury, to be used for cultural purposes.

Local option is preserved in that each locality votes at regular intervals on continuance, reduction and no licence. The Community principle is also included. Disinterested citizens can obtain licences from the local board to run their premises on similar lines to the Community Houses of Great Britain. The Licensing System is preserved. Retailing of liquor at fixed prices is permitted under licence.

The Commission argues that the hotel business is too complex for nationalisation, especially as New Zealand tourist traffic is a valuable national asset; but it asserts at the same time that complete nationalisation of the selling side of the trade is feasible. The manufacturing and distributing aspects, however, are fully nationalised. There are many other details that deserve careful study, among them being provision for complete inspection of all aspects of the trade and for enforcement of the law by public officers other than the police.

Finally a most interesting feature of the Report is a provision that children are to be educated in the schools in the latest scientific findings on the effects of alcohol, and on its use and abuse.

It will be interesting to hear how the New Zealand parliament will deal with this report. Manifestly it is a New Zealand product, developed from conditions obtaining in the Dominion, and shaped to fit in with local and national needs. If Australian States go in for nationalisation they will have to devise plans suited to Australia. But an understanding of experiments and proposals of other lands will greatly help towards the formation of policies suited to ourselves.

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