



TOPIC: BEER CATEGORY, LEADERSHIP

THE NEXT AMERICAN TEMPERANCE MOVEMENT: CLOSER THAN WE THINK?

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“Whatever happened to the anti-alcohol movement?” asks a sub-head on a recent article in The Atlantic. “Unlike in previous generations, hardly any formal organizations are pushing to reduce the amount that Americans drink. Some groups oppose marijuana..., guns, porn, junk food, and virtually every other vice.” [i] The article goes on to quote the executive director of a California nonprofit who said “[Anti-]Alcohol has, to a large extent, been abandoned by foundations and certainly is not funded by direct corporate donations...”

In broad terms, here's what happened to the anti-alcohol movement: the wheels of history have turned. The article goes on to claim that well-financed lobbying efforts by the alcoholic beverage industry are the reason, but the truth is those efforts have ridden on a tailwind of the culture's increasingly favorable attitudes about responsible drinking.

But turning wheels eventually come full circle. If historical patterns hold, North America's breweries may have no more than a decade to press for enactment of their government affairs wish lists in the most favorable environment possible. (Of course, even the current environment poses hurdles, which probably loom larger for those tasked with pursuing legislative changes.) We may be only ten years or so away from the beginning of a slow revival of anti-alcohol sentiment in our society.

Let's also be clear: historical patterns don't “predict” the future. Cycles reflect human behavior. Human behavior does not reflect cycles. But observing history's turning wheel can offer some lessons, and some warnings.

North American temperance movements have developed with regularity, each time gaining a foothold after positive sentiments about alcohol peaked. These peaks occurred in the 1820s, the 1890s, and the 1960s – cycles enduring roughly 70 years each from peak to peak, or trough to trough. (These are documented in various places, most notably Maureen Ogle's history of American beer, *Ambitious Brew*.) Each of the aforementioned decades saw beer and alcohol held in relatively high regard. But each also saw the birth of prohibitionist movements that began to turn cultural sentiment against drinking, and in each continued to gain traction for 30-35 years (i.e., half the cycle, from peak to trough).

The most recent wave of unfavorable attitudes achieved critical mass in the 1980s. The minimum legal drinking age, which had been 18 or 19 in many states, was raised to 21 in state after state under financial pressure from the federal government. Then anti-alcohol sentiment hit its high-water mark in 1991, when the federal excise tax on beer was doubled from \$9 to \$18 a barrel.

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Since then, the climate for alcoholic beverage companies has gradually improved. For example, distilled spirits advertising was allowed to return to television in 1996 after a five-decade ban. In the first decade of the 21st century a recurring poll commissioned by a major U.S. brewer found that negative societal attitudes about beer were in decline. Between 1999 and 2005 adults became significantly less likely to agree that there wasn't enough regulation on beer, that drinking beer in front of children sets a bad example, or that the sale of beer should be outlawed. (See Figure 1.) In addition 57% of adults agreed that the beer industry pays its fair share of taxes.

In more recent years the industry's investment in promoting low- and no-alcohol beers, and their growing acceptance by beer drinkers as a healthier alternative, has been further reinforcing the trend of positive public sentiment toward the beer industry.

If the cycle holds – and again, that's a big "if" – we would expect the trend to continue improving until around 2030, at which point a long, gradual increase in unfavorable attitudes toward alcohol would begin its own three- to four- decade run.

Today's brewing industry remains vigilant, but given the relatively calm waters of the last two decades the threat of anti-alcohol sentiment – and even anti-alcohol legislation – probably isn't top-of-mind for those not working in government affairs or similar areas. If it comes to the forefront at all, it's in the context of excise taxes. After winning a tax cut in 2017 that was extended in 2019, America's small brewers are seeking still another extension to keep it from expiring at the end of 2020. Without claiming any insight into the political environment, we believe the cultural environment is still favorable enough to support another extension.

But there's a larger point to be made here. The seedbed for the next crop of anti-alcohol sentiment is likely being tilled even now. Articles like the one in The Atlantic (whose main headline was "America's Favorite Poison") may be the first warning sign.

And this still-hypothetical movement may find some encouragement among Gen Z. Simply put, Gen Z is on track to have fewer drinkers among its members than did older generations. As we reported in another Insights piece (based on Mintel data), one in five 22-24-year-olds reported drinking no alcohol in the prior three months, compared to only 13% of 25-34-year-olds. Based on data from the Yankelovich MONITOR, only 67% of Gen Zers describe beer as "in or on the way in" compared to over 80% among older generations who see beer as "in."

In social, political, and legislative terms ten years is not a long time. Beyond tax breaks for small brewers, the industry as a whole has other items on its government affairs wish list, from loosening restrictions on distribution to simplifying labeling requirements. Now may be the best time to invest extra resources in pursuing those. But now may also be the best time to begin reminding Americans why responsible beer consumption is not a bad thing.

[i] <https://www.theatlantic.com/health/archive/2020/01/why-there-no-anti-alcohol-movement/604876/>