

The Miami Herald

Posted on Fri, Mar. 22, 2013

Binge drinking and joblessness

By Brett Graff

www.thehomeeconomist.com



Peter Andrew Bosch / Miami Herald staff

Howard Lerner, is the director of South Miami Recovery, an outpatient substance abuse center that has, since the recession's darkest days seen an increase in problem drinking.

South Miami Recovery — an outpatient treatment center for substance abuse — has seen an increase in patients who say their alcohol consumption has become a problem since the start of the recession, according to the center's director Howard Lerner. Based on his conversations with treatment-seekers, it seems the construction industry collapse around here demolished not only incomes for real estate professionals but also for people working in the law, accounting and appraisal jobs that, it turns out, weren't protected. Many of those with economic anxiety found too much comfort in what Lerner calls the oldest drug known to man: the ethanol in alcohol that slows the human heart and creates a euphoric feeling.

—The people who have problems use alcohol as they would a medication," says Lerner, who's also a certified addiction professional. —The stress of the economy has played on substance abuse."

New research from the University of Miami proves his point quite well. It shows higher unemployment in a community does indeed produce more problematic drinking. We're talking about the kind of consumption that's expensive — costing lots of cash — for drinkers, their families and their communities. And despite the recent Labor Department report claiming the job market is currently creating opportunities, economists looking deep into the statistics warn there's a big downside to that story — and it focuses a group of unpaid and dejected people who are no longer even counted.

—Episodes of binge drinking, alcohol abuse and dependence, driving after drinking too much and just getting drunk all increase when unemployment rate goes up," says Michael T. French, a professor of health economics at the University of Miami. —They are the hidden costs of a recession."

The very idea debunks piles of earlier papers claiming that sick economies — which bring fewer professional obligations and high liquor prices — actually keep people healthy.

—It just didn't make sense," says French, who in turn got hold of the National Epidemiological Study, which provides answers about the physical and mental health of the same people on two separate occasions, five years apart. He merged those answers with state unemployment rates and discovered with increased joblessness came an increasing number of people reporting problematic drinking. To be

clear, that's not alcoholism — the abuse we associate with wine in morning coffee mugs — but simply intoxication that's frequent, related to bingeing, driving, crime or even your everyday, poor decision-making.

—Alcohol is a leisure time activity for many people," French says. —If you're laid off, you have more leisure time."

The economic costs for that kind of drinking ring to the tune of \$223.5 billion a year, says Gregory Bloss, a policy analyst at the National Institute of Alcohol Abuse and Alcoholism. Heavy drinkers and their families bear 41.5 percent of those expenses, he says.

There's decreased productivity — even looking for a job requires the kind of self-determination that puts you behind a computer and a phone — medical costs, car crashes, crime, fires, health care costs, special education for babies born with fetal alcohol syndrome and premature death.

—Assigning a dollar value to something like the loss of a teenager is troubling," Bloss says. —We use future earnings but if you think about your own child, there is no number. So the dollar amounts are a conservative approach."

What's more, males with a history of alcoholism earn less money than their peers who are similar in every other way, Bloss says. And for both genders, heavy drinking reduces labor force participation by 2.5 percent, he says.

Thing is, labor market participation — meaning the number of people who are either working or looking for work (as opposed to, say, stay-home mothers) has been declining during this recession, says Heidi Shierholz, a labor economist at the Economic Policy Institute in Washington. So while the government's recent unemployment report — that's the percent of the population actively looking for a job — showed lower levels of joblessness in 22 states, it's in part because so many people just stopped looking.

—There are a million stories about why people drop out — some might have gone back to work after having a baby, others are discouraged," she says. —But the unemployment rate is understating how weak job opportunities are today."

This is one of an occasional series of columns by Miamian Brett Graff, a former U.S. government economist who writes about how economic forces are affecting real people.