



September 21, 2011

The Honorable Ron Kirk
United States Trade Representative
600 17th Street, NW
Washington, DC 20508

Re: Exclusion of Alcohol and its Products from Negotiations on the Trans Pacific Partnership Trade Agreement

Dear Ambassador Kirk:

Alcohol Justice appreciates the opportunity to comment on the proposed Trans Pacific Partnership (TPP) Agreement. Alcohol Justice, the industry watchdog, is a nonprofit organization that challenges the alcohol industry's harmful activities relating to products, promotions, and political influence, and promotes evidence-based policies to protect the public's health.

Alcohol Justice strongly urges you to ensure that alcohol is excluded from all provisions of the TPP Agreement and any other free trade agreements. Unlike other commodities that may benefit from being traded more freely, removing trade barriers on alcohol will undermine important regulatory controls in place in the United States and negatively impact public health.

Though alcohol is a legal product, it poses a range of serious problems. Unlike Post-it notes, iPods, or even Coca-Cola, alcohol poses serious health and safety risks to both individual drinkers and the general public as a whole. Alcohol use contributes to illnesses as varied as liver cirrhosis, esophageal cancer, pancreatitis, and epilepsy, as well as a variety of serious injuries. Drinking also plays a significant role in violent crimes such as sexual assaults, domestic violence, and child abuse.¹ On America's roadways, nearly one-third of crash deaths involve an alcohol-impaired driver – amounting to one death every 48 minutes.² Alcohol's physical and social harms also cause devastating financial toll, mostly in the form of lost productivity. The economic costs associated with alcohol in the U.S. likely exceed \$200 billion per year.³

¹ Rosen SM, Miller TR, Simon M. The Cost of Alcohol in California, *Alcoholism: Clinical Experimental Research* Vol. 32 No. 11. 2008.

² Department of Transportation (US), National Highway Traffic Safety Administration (2009). Available at http://www.cdc.gov/Motorvehiclesafety/Impaired_Driving/index.html.

³ Harwood, H. Updating Estimates of the Economic Costs of Alcohol Abuse in the United States: Estimates, Update Methods, and Data, Report prepared by The Lewin Group for the National Institute on Alcohol Abuse and Alcoholism, 2000.

Given the public health concerns associated with alcohol, strong regulation is necessary. In the United States, alcohol regulation is an intentionally intricate system that allows for controls at a range of government levels. State and local power to regulate alcohol resides in both the Twenty-first Amendment and the police power to protect the general welfare. Vesting states and localities with the authority to regulate alcohol sales allows for the people affected by its sale to have input into how it is regulated. Alcohol control and licensing systems ensure that taxes are properly collected, and this is a matter of state and local policy, not a single national policy. Any free trade agreement engaged in by the United State must respect state and local authority granted specifically by the Twenty-first Amendment.

Additionally, the current alcohol regulatory system in the United States seeks to promote moderation. The system was created both as a response to the failure of Prohibition, and as an effort to prevent recurrence of the problems that plagued the pre-Prohibition era⁴--specifically, problems associated with saloons and the vertically integrated business models that fueled them. Unfortunately, our current regulatory system is under continued assault today.

The alcohol industry, especially multinational producer corporations, seeks to deregulate the sale of alcohol in the US. In an effort to increase profits, big players undermine the control systems and three-tier systems that protect public health. Studies consistently find that increases in alcohol availability⁵ and lower prices for alcohol⁶ are each correlated with increased rates of alcohol-related harm. If alcohol is included in the TPP Agreement, international corporations will be able to further erode alcohol controls intended to empower American communities and protect public safety and health.

As we have illustrated, alcohol is no ordinary commodity. For this reason, Alcohol Justice requests that alcohol be excluded from the TPP Agreement and all future trade agreements. Public health concerns must take priority over commercial interests.

Sincerely,

Bruce Lee Livingston

Bruce Lee Livingston, MPP
Executive Director/CEO

cc Senator Dianne Feinstein
Senator Barbara Boxer

⁴ Fosdick RB, Scott, A. Toward Liquor Control. Center for Alcohol Policy. 2011. (Original copyright 1933)

⁵ The Community Guide. Preventing Excessive Alcohol Consumption: Regulation of Alcohol Outlet Density. Available at <http://www.thecommunityguide.org/alcohol/outletdensity.html>

⁶ The Community Guide. Preventing Excessive Alcohol Consumption: Increasing Alcohol Taxes. Available at <http://www.thecommunityguide.org/alcohol/increasingtaxes.html>