

Commentary on Gruenewald *et al.*: ‘Even one more license may be “too many”?’

Gruenewald et al.’s [1] contribution is a notable advance for studies of the public health impacts of retail alcohol outlets. This commentary considers the work in the context of regulatory efforts to limit outlet concentrations.

Allow me to begin with a brief anecdote. Richard Torres owned a pool hall in the ‘West End’ of Fresno, California, in 1961. A small business owner in a busy bar district, he applied to the California Department of Alcoholic Beverage Control for an on-sale liquor license, which would permit him to sell beer to his patrons for on-site consumption. An Alcoholic Beverage Control officer assessing the application considered the available facts. The West End contained 88 licensed premises, including 63 on-sale licenses; 26 of the licensed premises were within 500 feet of the pool hall. The area contained 3.8% of liquor licenses in the Fresno district but required up to one-third of available law enforcement services for night patrol. The officer noted the ‘high concentration of licenses’ and ‘high incidence of arrests for drunkenness’, but nonetheless recommended that Mr Torres receive the on-sale license.

The story does not end there. The California Department of Alcoholic Beverage Control refused to adopt the officer’s recommendation, and instead established a hearing to review the application. They sought to determine whether granting the license would affect public welfare because ‘of an undue concentration of alcoholic beverage licenses in the vicinity’ [2]. Their investigation found:

‘The evidence before us adequately supports a conclusion that the concentration of licenses in a limited area, as compared with widespread issuance, apparently because of an incident increase in competition between dealers, breeds a tendency to disregard regulations restricting sales; is the source of a disproportionately greater number of liquor law violations; gives rise to law enforcement problems disproportionately more serious; necessitates a more intensive enforcement program, including a more frequent patrolling of licensed premises; and results in a

disproportionate concentration of enforcement officers in the concentrated area.’

Torres v. Department of Alcoholic Beverage Control was an important precedent in California. The 2020 California Alcoholic Beverage Control Act [3] cites the case 12 times, including to support the authority of the Department of Alcoholic Beverage Control to limit the number of licensed premises. Since 1961—the same year that Mr Torres unwittingly helped shape decades of alcohol control policies in California—on-sale licenses have been capped within California counties at one per 2000 population, notwithstanding exemptions and relocations across county lines. Similar limits apply in many other locations around the world. For example, the State Government of Victoria, Australia, advises that new licenses should be discouraged where there are two or more existing licensed premises within a 100-m radius, or 14 or more existing licensed premises within a 500-m radius [4].

The Torres v. Department of Alcoholic Beverage Control caselaw confidently asserts that greater concentrations of alcohol outlets cause greater incidence of alcohol-related harm, and that the relationship increases exponentially. The research literature is more equivocal. Theories of alcohol markets and crime and violence describe social mechanisms through which more outlets could generate more harm [5–7], but testing these hypotheses empirically is fraught. Available scientific methods make it exceedingly difficult to fully control for other environmental conditions that could confound the associations of interest and to identify whether the statistical relationships are indeed non-linear. That is, in part, why many of the conclusions in Torres v. Department of Alcoholic Beverage Control remain live research questions some 60 years later [8], and why attempts to limit outlet densities now often fail when challenged in judicial settings [9, 10].

Gruenewald *et al.* [1] skillfully address this empirical gap. Using organic turnover in California’s retail alcohol market, the authors create conditions akin to a natural experiment and control substantially for other environmental conditions that could confound the observed associations. The contribution is a vital step towards causal inference, which will strengthen regulatory efforts to limit the public health impacts of retail alcohol outlets. Surprisingly, the authors also detect

that the relationship between new outlets and crime and violence is essentially linear and, if anything, effects diminish as outlet densities increase. This finding is worthy of further interrogation. The *Torres v. Department of Alcoholic Beverage Control* ruling and policies that restrict outlet densities within small areas imply the opposite—that new outlets in high -density areas will have the greatest public health impact and that some threshold exists beyond which these costs are no longer tolerable. Without further evidence regarding the shape of associations between outlets and alcohol-related harms, guidance regarding acceptable densities of alcohol outlets will remain as they were in 1961, where ‘The decision as to where the line between granting and denying should be drawn is peculiarly a matter of discretion, and even one more license may be “too many”’ [2].

KEYWORDS

Crime, density, license, outlet, regulation, violence

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DECLARATION OF INTERESTS

None.

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