

BOOK REVIEWS

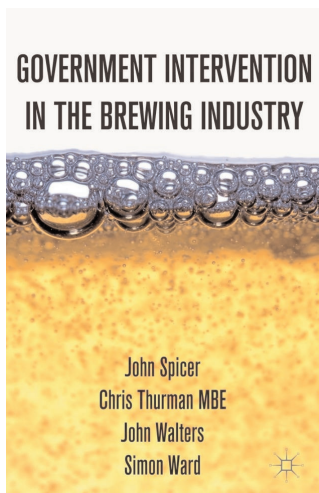
Government Intervention in the Brewing Industry

By Spicer, R., Thurman, C., Walters, J. and Ward, S.

**Basingstoke: Palgrave Macmillan
2013, Pp. 315, no RRP provided
ISBN 978-1-137-30572-5**

This book was originally published under the title *Intervention in the Modern U.K. Brewing Industry* in hardback in 2012 and is widely regarded as something of a definitive account of attempts by successive British governments to tackle perceived problems with competition in the beer industry.

The first point to note is that it is written by people associated with the big brewers: two of the authors, John Spicer and Simon Ward, worked for Whitbread; Chris Thurman was a longstanding employee of the Brewers' Society (long dominated by the Big Six); and John Walters was a stockbroker 'specialising in the



drinks and pubs industries'. This has obvious advantages, and disadvantages: their impressive inside knowledge of the processes, papers and committees is perhaps offset by more than a few subtle attempts to

direct the reader to conclude that the 'unintended consequences' of the Beer Orders were A Bad Thing, and sometimes without convincingly demonstrating cause-and-effect.

The book, on the whole, has many strong points. It is extremely readable given the potentially dry subject matter. It makes extensive use of primary sources and is thoroughly referenced, and yet still has a driving narrative, with good use made of recapping and summaries to structure the story and keep the reader afloat. The book manages to summarise the 1989 *Supply of Beer* report (three years in the writing; takes a reader about the same to slog through) in a few efficient pages. There are lots of solid facts and tables of statistics. It is indeed, authoritative, and lives up to its aim of demonstrating wider lessons about the unintended consequences of government intervention.

A succinct history of enquiries since the mid-1960s makes the point that both Labour and Conservative governments kept coming back to the question of the beer tie, usually in the context of discussions about pricing (these were the days when prices for virtually everything were set by Government boards and brewers had to apply to put prices up). Here, however, there is a problem: the authors don't really explain *why* successive governments were increasingly obsessed with this issue. What was in it for them? Could it be that they were reflecting a groundswell of popular opinion that something was wrong with the industry? Tellingly, the Campaign for Real Ale (CAMRA) doesn't get a mention until the story reaches 1985, and, even then, it is as if they appeared from nowhere. The Society of Independent Brewers (S.I.B.A.) isn't mentioned until the post-Beer Orders analysis and in the brief discussion of progressive beer duty.

Another flaw becomes apparent in the section of the book which deals with the run up to the Beer Orders. There is a tension between, on the one hand, a tendency to downplay accusations that the big brewers acted as a cartel, and, on the other, the depiction of a united front of brewers battling together against a succession of meddling governments. This betrays the fact that this is a history which ultimately centres upon, and sides with, the big brewers, as represented by the Brewers' Society. Perhaps that is to be expected, however, given the background of the writers, and that their aim was to examine government intervention rather than consumer or producer 'revolt'.

Though the rights and wrongs of the Monopolies and Mergers Commission (M.M.C.) report is an interesting debate, a more interesting question might be why there was (initially, at least) such popular and official support for its conclusions. How had things got to a stage where absolutely no one had a good word to say for household names such as Watney's and Whitbread?

The book does give a welcome emphasis to some important and easily-overlooked points, such as, for example, the role of Guinness (a major player but without a tied pub Estate) in lobbying for reform, and in undermining the Brewers' Society during negotiations with the Department for Trade & Industry prior to the Beer Orders being passed.

Other parts of the book prompt interesting trains of thought, such as the on-going debate on lager pricing - does it cost more to produce than 'ale'? - and the question of why some big regionals, such as Vaux, gave up on brewing, while others, such as Greene King, stuck at it. The book doesn't make the case that the Beer Orders hastened the demise of Vaux, and in fact points out that the former Chief Executive of Boddington's said that the company had decided to abandon brewing *before* the M.M.C. report.

To expand on that point, David Bruce, who founded Bruce's Brewery and the Firkin chain of brewpubs in 1979, has underlined the point that government intervention, regardless of its purpose or outcome, creates uncertainty in the trade. For his part, while waiting for the M.M.C. to report, anticipating that they would remove the brewery tie and thus flood the market with freehouses, removing his competitive advantage, was one of the prompts for him to sell the Firkin chain in 1988.¹

It seems reasonable to conclude that the particular flurry of activity after the Beer Orders was a reaction to the suspension in mergers and acquisitions in the late 1980s which had been in place while the industry awaited the report and recommendations.

The book's final analysis of the impacts of the Beer Orders is nuanced, and explores various angles, but does ultimately tend to the conclusion that harmful trends in the industry during the last 20 years (decline in numbers of pubs, increases in the price of beer) are due to the Beer Orders, but this is an over-simplification. Ray Anderson in this journal² has emphasised the continuity of previous trends (e.g. separation of retail and brewing), and the importance of wider economic factors (over-capacity in the industry, and the recession of the early '90s). Ultimately, we share his conclusion that the Beer Orders accelerated processes that were already underway.

Notes

1. Interviewed by the authors in July 2013.
2. Anderson, R. (2012) 'The Decline and Fall of the Big Six UK Brewers', *Brewery History*. 146, Spring.

JESSICA BOAK & RAY BAILEY

Try to Control Yourself: The Regulation of Public Drinking in Post-Prohibition Ontario, 1927-1944

By Malleck, D.

Vancouver: UBC Press

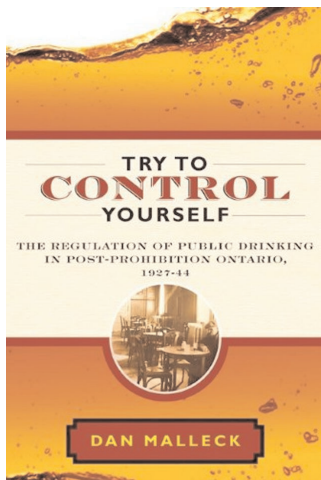
2012, Pp. xvi + 324, C\$32.95

ISBN 978-0-774-82221-3

How, where, and when a population consumes its alcohol tells us a great deal about the identity of a region or nation. Since prohibition came to an end in the first half of the twentieth century, Canadians have consumed their liquor in an environment that is tightly controlled by the State. In Canada's most populated province, Ontario, which is the focus of Dan Malleck's intriguing study, bars still do not open until eleven o'clock, and drinking outdoors in public spaces, such as parks, beaches and the streets, is illegal and considered by most law-abiding Canadians to be anti-social and improper behavior. For those who enjoy a stiffer drink, hard liquor can only be purchased at government-owned and -controlled outlets. The statistics also show that, today, Canadians generally drink moderately and responsibly. There is now a collective propensity to try to control oneself when it comes to consuming alcohol in public.

But this was not always the case. For much of Canadian history few drank moderately. The nature of life on the rough-and-tumble Canadian frontier was such that it increased the temptation to drink immoderately. In her 1852 account of the immigrant experience in

C a n a d a ,
Roughing It in the Bush,
S u s a n n a
Moody wrote soberly about the prevalence of spirits in the backwoods, lamenting that the only way to get her goodly neighbors to show up to a 'logging bee' to clear her land was by providing plen-



ty of whiskey and grub. As the country industrialized and urbanized in the latter part of the nineteenth century the saloon became a central site in working-class life. The working-class saloon was a place unto itself - ruled and regulated by the owner/operator rather than controlled by the State. For many white, middle-class, English-speaking Canadians (i.e. the dominant demographic outside of the province of Quebec), the working-class saloon was a place of overindulgence and vice (e.g. intemperance, gambling and prostitution). It seemed as though there were only two types of Canadians in the years before the onset of prohibition: those who drank to excess and those who did not drink a drop. Increasingly those who abstained from tipping made the case that society would be a better place if everybody was on the wagon. Liquor, the abstainers argued, was the cause of misery, poverty, health defects and crime. These problems would be washed away if the population could summon the courage to banish the bar and bar the bottle.

Despite the passion of their plea, the prohibitionists were unable to convince a majority of Canadians to embrace their cause prior to the First World War. The late nineteenth century issue of prohibition split Canadians more-or-less down the middle. But the Great War changed everything. Virtually everyone understood that the war overseas demanded a higher level of personal sacrifice at home. Temperance advocates tapped into this sentiment to advance their cause. With missionary zeal, the drys argued that 'King Alcohol' was an enemy as great as any overseas - weakening the nation from within - and those who failed to abstain from imbibing were hindering victory. The patriot appeal struck a chord with those who were looking for a long-distance way for martyring themselves - of suffering something for the war that implied personal discomfort. As a result, beginning in 1916 one province after another adopted laws that prohibited the retail sale of 'intoxicating beverages'. By 1919, Canada was dry from sea to sea.

But prohibition never lived up to its billing as a panacea for all of society's ills. Even though huge sums were being spent enforcing the law during the dry regime (which in Ontario lasted from 1916 to 1927), each year thousands of Canadians clandestinely poured into the illegal drinking establishments across the nation to grab a stiff drink or an 'old-time schooner'. Law enforcers

often had little enthusiasm for enforcing the law, in part because many were drinkers themselves. In addition, corruption was rampant among the customs officials who were supposed to be monitoring the international flow of alcohol. Bootlegging was widespread. Organized crime was on the rise. Too many people were helping to keep the flow of liquor moving through the underground economy. Prohibition, in the words of one Canadian, was thus 'one hell of a farce'.

According to Dan Malleck, the lesson that the Canadian State learned from fully-fledged prohibition was that legislating morality was impracticable when it came to the consumption of intoxicating beverages. And yet, while the noble experiment had ended in failure, few desired a return to the pre-prohibition environment of the 24/7 working-class saloon, with its attendant debaucheries. The post-prohibition solution to the liquor problem took the form of state intervention. Mirroring the approach already taken in Canada's Western province and in Quebec, the Conservative government of Howard Ferguson created the Liquor Control Board of Ontario (L.C.B.O.) in 1927 in order to regulate the purchase and sale of intoxicating beverages. The L.C.B.O. aimed to cut down on 'the bootlegging evil' and to stimulate 'temperance in all things'. As Malleck writes: 'Whereas prohibition simply prohibited the consumption of alcohol, liquor control permitted consumption, although under certain conditions that were controlled by the state but negotiated with the citizen' (pp.8-9). Government control of the distribution of alcohol was a made-in-Canada solution to the liquor question. Like control boards in other provinces, the L.C.B.O. had a monopoly on the wholesale purchase and retail sale of most alcoholic beverages. It also had the responsibility of regulating the places in which people could legally drink their booze.

Malleck chooses to focus on the second part of the L.C.B.O.'s mandate, leaving to others the issue of the government's sale of liquor for private consumption. As he puts it, he is interested in

the way the *public* consumption of alcoholic beverages was regulated in post-prohibition Ontario and how the government's control placed constraints and expectation on the population, and how the regulatory process created a dynamic interaction between the government agency and the general public' (pp.3-4).

To make the project manageable, Malleck examines the regulatory activities of the L.C.B.O. in six communities across the province - i.e. Toronto, Ottawa, Waterloo, Thunder Bay, Niagara Falls, and Windsor. The work draws on the rich collection of archival material left behind by the L.C.B.O.'s senior management and inspectors along with communications from politicians and lobby groups - both 'wet' and 'dry' - to paint a textured picture of the intricate process of regulating the politically charged issue of the public consumption of intoxicating beverages. The work is thus best described as a history of the world of public drinking in Ontario as seen and shaped by a large political bureaucracy.

Malleck owes an intellectual debt to Max Weber and Michel Foucault. From Weber, he borrows the notion of 'bureaucratization' and the way in which its seemingly detached objectivity serves to legitimize authority in modern society. From Foucault he employs the notions of governmentality (i.e. the way that the State attempted to shape the population's behavior according to a particular set of norms for a variety of ends) and biopower (i.e. the State's regulation of its subjects through procedures and techniques for achieving the subjugation of their bodies). The L.C.B.O. was a well-structured bureaucracy with an orderly hierarchy of control and decision-making that consisted of applying general rules to particular cases. Located in a central office in Toronto, a small cabal of politically appointed senior bureaucrats managed a legion of liquor inspectors to maintain control over the roughly 1,500 legal drinking establishments across the province. The inspectors routinely got involved in the lives of beverage room operators and drinkers in an effort to control the behavior of thousands of adult Ontario citizens.

During the early history of the L.C.B.O. (1927-1934), the regulation of 'standard hotels' (which housed the province's 'beverage rooms' and were the only spaces that public drinking could legally take place) was a minor part of the board's activities. Much of its work involved the management of stores and the distribution of beer, wine and liquor. Hotels at this time could only sell beer with no more than 4.4% proof alcohol. Nevertheless this period was important, according to Malleck, because it was then that those at the L.C.B.O. first learned that they would have to be lenient and forgiving to 'break with the past in order to construct a hotel system based on self-control and redemption'

(p.51). The board was mindful of allowing regulated beverage room operators - those who were showing an effort to do the right thing - a good deal of leeway lest drinkers go underground and outside of the field of visibility of the L.C.B.O. In effect, the board was trying to make this politicized process palatable, in spite of the attempts by the owners of illegal drinking establishments to undermine its authority. The LCBO also had to balance the demands of the 'wets' (i.e. those who wanted more liberal liquor laws) and the 'drys' (i.e. those who wanted a more restrictive drinking environment). Contrary to the dominant interpretation of the L.C.B.O.'s early activities, Malleck argues that the L.C.B.O. was not the handmaiden of the province's temperance forces, nor was it made up of temperance cranks. Rather, the L.C.B.O. was a pragmatic bureaucracy that was trying to balance demands from the temperance movement with the wants and needs of a diverse, and thirsty, population.

In the period after 1934, the regulation of hotels became a much more pronounced aspect of the L.C.B.O. activities. On 11 July 1934, the newly elected Liberal Premier of Ontario, Mitch Hepburn, proclaimed an amendment to the Liquor Control Act that allowed full-strength beer and light wine to be sold in licensed beverage rooms. For the first time in 17 years, Ontarians could legally drink intoxicating beverages in public. With a greater possibility of intemperance and disorderly public behavior, the L.C.B.O.'s activities kicked into high gear. The objective of the L.C.B.O. remained fundamentally the same, however - i.e. to construct a new drinking culture that was dissimilar to that which existed prior to prohibition. The L.C.B.O. sought to fashion a social-order in which drinkers would comply with a State-sanctioned code of conduct when drinking in public beverage rooms, whether or not the board's inspectors were present to enforce the code. This meant creating subjectivities - Malleck's 'citizen-drinker' - by promoting notions of proper drinking behavior that were subsequently internalized by the citizenry so that, when it came to drinking, the population would control itself. Malleck's 'citizen-drinker' was thus orderly, self-regulating, moderate and respectable.

To foster this culture of moderation and self-regulation, the L.C.B.O. sought to restructure the moral architecture of the province's 'standard hotels'. A hotel owner had to apply for an 'authority' to run a beverage room.

And such an authority would only be granted once the owner had proved that the hotel was a legitimate business. It could not be merely a façade for selling beer. It had to have adequate sleeping accommodations and dining facilities. In addition, the hotel had to be structured in such a way that it was possible for the hotel's owner or staff to constantly monitor the drinker, while at the same time keeping him or her out of sight of the passerby. To further downplay the role of drinking in hotels, the board required that advertising and hotel's signage had minimal indications of alcohol consumption. Hotel signs could say nothing about beverage alcohol nor could it draw undue attention to its sale. In this way the hotels architecture was designed to facilitate orderly behavior and surveillance. Hotels owners could only open their beverage rooms once the Toronto office had approved their plans for building renovations and the liquor inspector had reported on how they actually appeared. At the level of form, therefore, the standards hotel was very different from the pre-prohibition working class saloon.

But the differences did not end there. The activities that took place inside of the hotel were also very different from those which had occurred in the pre-prohibition saloon. The L.C.B.O. would not tolerate standing and moving around with drinks, quarrelling, or profane language. Furthermore, there would be no more games, gambling, entertainment or singing, and only on special occasions would music and dancing be allowed. The fear of losing one's license to sell full-strength beer kept hotel owners in line. They and their staff, in turn, enforced the L.C.B.O.'s rules and regulations.

By the end of 1934 the L.C.B.O. had begun insisting on the segregation of the sexes in order to prevent sexual overtures. The board increasingly pressured hotelkeepers to establish separate spaces for 'ladies and escorts'. Unescorted men could not be served in the 'ladies and escorts' beverage room. As a consequence, women were sheltered from the advances of single men and free to enjoy a relaxing and respectable drinking experience. Furthermore, women were prohibited from serving alcohol. This only changed during the Second World War, when labor shortages compelled the L.C.B.O. to let women serve beer and wine in dining rooms and 'ladies and escorts' beverage rooms. When drinking or serving in the province's beverage rooms, women were expected to adhere to the board's ideas of appropriate

behaviour. It was a similar case with the L.C.B.O.'s regulation of the province's ethnic minorities. Instead of discriminating based on ethnic origins, the L.C.B.O. permitted ethnic groups to drink beer in their clubs and hotels as long as they were well behaved. Thus while there were instances of discrimination, overall there seemed to be

a persistent recognition of the value of tolerance as long as the outsiders governed themselves and their relationship with the state according to the board's directives (p.214).

Malleck does an excellent job of analyzing the early operations of the L.C.B.O. and the role that the board played in regulating the province's 'beverage rooms'. And for this reason alone, *Try to Control Yourself* deserves a wide readership. Less convincing, however, is his argument that the L.C.B.O. was the principal force in the creation of a culture of moderation and self-regulation that emerged during the seventeen-year period under review. Readers of *Brewery History* will likely be aware of the role brewers played in promoting moderation and responsible drinking elsewhere. One suspects therefore, that the brewers also played a decisive role in Ontario. After all, the drinking environment that emerged after prohibition came to an end was, in nearly every way, that which the brewers had desired and lobbied for. Certainly, the brewers benefitted more than most from the sale of full-strength beer in licensed

beverage rooms. As a result, they would be hurt more than most by the resurgence of the temperance tide. Thus they had as great a stake as the State in the constitution of Malleck's 'citizen-drinker' and the culture of moderation. What pressure, therefore, did the brewers and their allies put on the hotelkeepers to promote moderation? What influence did they have on the province's politicians and the L.C.B.O.'s day-to-day operations? One suspects that it was much more than Malleck lets on. Due to the fact that Malleck approaches his subject through the eyes of regulators, we do not get a comprehensive picture of the relationship between the hotelkeepers and the rest of the liquor traffic.

This minor criticism aside, one cannot disagree with Malleck's central argument that the L.C.B.O. was successful at 'creating controlled and state-supervised public spaces as alternatives to the illegal blind pigs and bootleggers' (p.243). Nor can one disagree with his assertion that the post-prohibition project to construct a 'citizen-drinker' was successful. The way that Canadians were conditioned to drink in the years following prohibition lingers to this day. Controlling oneself and drinking moderately continues to define an important part of what it means to be Canadian.

MATTHEW BELLAMY