

# Preface

This book analyzes the emergence and growth of craft breweries and craft beers, which revolutionized the brewing industry, from a comparative international perspective.

Craft brewers and their success have transformed global beer markets over the past two decades. They ended a century of consolidation of breweries, resulting in the domination of a few global multinationals and the homogenization of beer. A wave of small breweries entered the market offering a large variety of beers. Today, a few large multinational firms co-exist with a significant number of small craft beer producers.

This transformation of an entire industry is not only important for people and researchers interested in beer and brewing, but also for those interested in what determines industry structure and in economic history. The emergence of many craft breweries, the consequent dynamics in the beer industry, and the changes in consumption provide an interesting natural experiment in industrial change and economic development, offering fertile material for studying these issues. The various chapters in this book contribute a rich set of insights and information for the fields of entrepreneurship, management, economics, industrial dynamics, and economic history.

Our book is global in perspective, covering 16 countries from almost all continents. One of the fascinating issues is how there are both differences and common elements in the evolution of craft brewing across countries. The chapters not only document global developments, but also show the existence of global links which connect craft breweries around the world. Craft pioneers in various countries have been “inspired” by other, previous experiences in other countries.

The book starts with an overview chapter, which draws on the rest of the chapters and presents a synthesis of the issues and findings related to the definition, emergence, growth, and diffusion of craft beers, and the response of governments and major brewing companies.

The first set of country studies are from North and South America (USA, Canada, and Colombia). The USA has the world’s largest and arguably most dynamic craft beer scene, which has impacted the rest of the globe. While the first US producers were influenced by the traditional European styles, more recently the craft beer scene in the USA is influencing craft beer producers in Europe and in the rest of the world.

The largest group of country studies is from Europe. Some cases focus on traditional beer-drinking countries from Western Europe (the UK, Germany, Belgium, the Netherlands, and Denmark). The craft beer movement in the UK has been a source of global inspiration because of the traditional ales and because of the role of the craft consumer organization CAMRA. The Netherlands (Heineken) and Denmark (Carlsberg) are both host to a large international macro-brewer that has recently started taking over craft brewers. The Belgian case is interesting because of the country’s long tradition in producing a wide variety of beer styles. The German case is unique because of the country’s longstanding protection of its beer sector, its low degree of industry concentration, and the survival of many small and medium-sized breweries, affecting the dynamics of the craft beer market.

The Southern European countries (Italy and Spain) have seen a switch from wine to beer consumption since the 1970s and recently the emergence of a vivid craft beer scene. Three Eastern European countries (Poland, Slovakia, and Hungary) provide interesting cases of countries with a longstanding beer tradition, but where the brewery industry was state controlled between 1950 and 1990, and where multinational

brewery investments played a major role in the restructuring of the beer industry in the 1990s.

The final set of countries are from Asia (Japan and China) and Australia. They provide very different cases of craft beer development, with a well-developed craft beer scene in Australia and a beer market which is highly influenced and constrained by government regulations in Japan. While China is the world's largest beer market, craft brewing is only recently emerging.

The ideas and development of this book have been stimulated by the vibrant new field of “beeronomics,” reflected in the bi-annual Beeronomics Conferences and regular workshops. We are grateful for ideas, discussions, and encouragement from many colleagues from around the world. In particular, we would like to thank Julian Alston, Ignazio Cabras, Vittoria Cerasi, Koen Deconinck, Boris de Mesones, Jill McCluskey, Gianfranco Oradini, Klaus Salhofer, Alex Schmid, and Steve Ziliak for their insights, collaborations, ideas, and helpful discussions and encouragement—over beer, coffee (or Skype). We would also like to thank all the entrepreneurs and brewers we met who dedicated their time to explain their idea behind the birth and evolution of craft breweries.

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