The data set employed is an annual time-series of state cross-sections for the 48 contiguous states of the U.S. from 1982 through 1988. Total and alterative alcohol involved motor vehicle fatality rates, for the general population and for 18 to 20 year olda, are used as measures of drunk driving. The results indicate that the moat effective policies are increased beer taxes and mandatory administrative license actions. Maintaining the beer tax at its real 1951 value would have reduced fatalities by 11.5 percent annually, on average, during the sample period. A mandatory administrative license sanction of one year would have reduced fatalities by 9 percent. The next most effective policies are a 21 year old legal drinking age, preliminary breath test and dram shop laws and relatively large mandatory fines. These policies each reduce total fatalities by about 5 to 6 percent. No plea bargaining provisions and mandatory license sanctions upon conviction are also found to have some deterrent effect. Other drunk driving laws tested include mandatory jail sentences and community service optiona, illegal per ae laws, and open container laws. None of these were found to have a deterrent effect on drunk driving.

You want to analyze this dataset to see if there are any of the variables that caused the reduction or increase of traffic fatalities.

strong negative relationship between legal drinking ages and vehicle fatalities. Thus, the increases in MEDAs, instituted during the 1980s, are believed to explain a substantial portion of the declining trend in traffic deaths and had an especially large impact on the mortality of 18 to 20 year olds. Alcohol prices and taxes are also negatively and powerfully correlated with crash fatalities. implying that the erosion in real liquor tax rates has, ceteris paribus, increased this source of mortality.

The Federal tax was doubled in 1991 but has not been raised since that time and remains low, in real terms. by historical standards

This calculation uses data on average nominal tax rates from the VS Brewers' Association (1994). deflated by the all-items CPI.