The debate on the role of religion on people's economic attitudes and economic success has a long tradition in sociology. In his seminal work “The protestant ethic and the spirit of capitalism” Max Weber (1905) was the first to identify the significant role that religion plays in social change. He suggested that the Protestant Reform led a mental revolution that made possible the advent of modern capitalism. Almost a century after Weber’s seminal work, the importance of religion in explaining the prosperity of nations seems to be experiencing a rebirth. Guiso et al. (2003) using the WorldValue’s Surveys identify the relationship between intensity of religious beliefs and economic attitudes. Becker and Wossman (2008) show that Protestant economies prospered because instruction in reading the Bible generated the human capital crucial to economic prosperity. Putnam (1993) in his seminal study on Italy attributes the prevailing lack of trust toward others in the South to the strong Catholic tradition, which emphasizes the vertical bond with the Church and tends to undermine the horizontal bond with fellow citizens. Similarly, Landes (1998) attributes the failure of Spain to develop in the 16th and 17th century to the culture of intolerance diffused by the Catholic Church, which forced some of the most skillful people out of the country.

Religion play an important role in everyday live and may influence individual behaviour towards the consumption of certain kind of goods. For example, Islam and Buddhism prohibit their followers from drinking, but Christianity and Judaism have largely approached alcohol with mixed messages. Many Christian denominations use wine in the Eucharist or Communion and permit the use of alcohol in moderation. Many religion denominations may even encourage moderate amounts of drinking on holidays, in order to make the occasion more joyous. Overall, apart from rare exceptions, religion forbid, discourage, or restrict the consumption of alcoholic beverages for various reasons.

In this paper, using individual data, we try to evaluate whether religion and participation to religious community may be related to alcohol consumption. We may expect that doctrinally specific norms may affect individual behaviour towards the consumption of alcoholic beverages. To identify the effects we are interested in, we exploit IV technique and control for a great number of individual variables, including demographics, health, habits, education, labour market status and job position, and for characteristics of the social and residential context. We also include a number of controls capturing individual satisfaction. We further include a number of controls for family composition and, in the case of youths living with their parents, for parental characteristics, so as to make sure that the effects of consumption by other household members are correctly identified.