

# Tobacco industry tactics and plans to undermine tobacco control efforts



**Tobacco is the only product in the world that kills half of its users.**

Tobacco use kills nearly 6 million people every year, 600 000 of whom were exposed to second-hand smoke. Every 6 seconds someone dies from tobacco. Half of current tobacco users will eventually die from a disease associated with its use. Deaths related to tobacco are expected to rise to 7.5 million by 2020, which will account for 10% of deaths worldwide. However, if current trends continue, tobacco will kill nearly 8 million people every year throughout the period leading to 2030. Most tobacco-related deaths occur in low- and middle-income countries. Unless counter measures are taken, tobacco will kill more than 1 billion people in the 21st century [1].

**The tobacco industry sells 6 trillion cigarettes every year, with revenues estimated at US\$ 614 billion in 2009 [2].**

So far, issuing binding laws banning tobacco farming and production has been difficult. Nongovernmental organizations and health care institutions together with the World Health Organization (WHO) need to work

hand-in-hand with governments to take action against the increase in tobacco consumption among youth. Issuing laws and adopting appropriate measures to ban tobacco advertising, increase taxes on tobacco products and ban smoking in public places are the only ways to counter the tobacco epidemic.

**Tobacco companies are unrelenting in their efforts to counter and undermine tobacco control initiatives and activities.**

Their tactics and plans include preparing compelling arguments against tobacco control policies, building an ongoing dialogue with decision-makers, strengthening the cooperation network they have established with their allies, innovatively communicating with the media and creating links with governmental institutions.

**Tobacco companies have altered their tactics, in form and function, in response to the WHO Framework Convention on Tobacco Control.**

They launched initiatives through which they falsely claimed social responsibility, supported charity work

and made donations to various institutions as a way of indirectly exerting pressure to undermine tobacco control laws. Tobacco companies also officially participated in tobacco control policies to better their image and to convince governments that they are trying to reduce the number of tobacco users, and have engaged in multisectoral alliances within governmental structures [3].

### **Tobacco companies scheme to create an alternate reality prior to the issuance of official and international tobacco control laws.**

Their objective is for local authorities to question the effectiveness of such policies. It is also their way of misleading local authorities in the belief that half measures, such as creating designated areas for smokers and allowing for voluntary advertising bans are more effective than comprehensive measures, such as enforcing a 100% smoke-free policy in public places, a complete ban on tobacco advertising or health warnings on tobacco packs; all of which are measures stipulated in the WHO Framework Convention on Tobacco Control (FCTC). Tobacco companies also aim to undermine the value of the policies and practices called for in the WHO FCTC.

### **Tobacco companies are relentless in their attempts to undermine complete bans on tobacco advertising, target youth, circumvent health warnings and oppose the prohibition of smoking tobacco products in public places.**

In addition, they seek to influence negotiations on the guidelines for implementing the WHO FCTC articles and on the use of tobacco products on screen and in theatres and cinemas.

### **This document aims to expose the varied attempts used by tobacco companies to undermine the work of international organizations and governments in reducing the increase in tobacco use, an epidemic deadlier than history's most destructive wars.**

Attention is not only being drawn to their attempts but also to the efforts and innovative initiatives being used to counter their tactics and pursue the goal of a healthy, smoke-free world.

## **Tobacco industry tactics and plans**

### **Influencing decision-makers**

“Our objective remains to develop and mobilize the necessary resources... to fight the social and legislative initiatives against tobacco... We shall carefully target our opponents and we shall precisely identify, monitor, isolate and contest key individuals and organizations” [4]. Tobacco companies exert tremendous efforts to stop the adoption of any formal decisions in favour of tobacco control whether at the governmental, regional or international level. They do so by building strong alliances with national tobacco monopolies and influential entities within governments as well as by using renowned political figures as their source of information and their leverage to shake official decisions.

In countries of the Eastern Mediterranean Region, tobacco companies created bodies tasked with probing into formal decisions to control tobacco before they are issued and monitoring all entities working in tobacco control, including the Gulf Cooperation Council (GCC), League of Arab States, World Health Organization, International Union Against Cancer and national tobacco control organizations, in order to undermine or weaken tobacco control decisions being issued by them [4].

Philip Morris made a grave statement that confirms its power and ability to exert pressure in certain countries in the Region, saying “In... member countries, we have set up a major network of information sources and resources through which to lobby the appropriate officials” [5].

### **Undermining laws to increase tobacco taxes**

Increasing taxes on tobacco products is one of the most effective measures for reducing tobacco use, especially among youth. In 1982 and 1983, tobacco companies were alarmed when taxes on tobacco products were increased in certain countries around the world, with the result that 2 million people quit smoking and 600 000 adolescents did not start smoking. The companies were intent on not letting this recur [6].

Internal Philip Morris documents showed the eagerness of tobacco companies to avoid tax increases; officials from within the company clearly stated “Of all the concerns, there is one – taxation – that alarms us the most. While marketing restrictions and public and passive smoking do depress volume, in our experience taxation depresses it much more severely. Our concern for taxation is, therefore, central to our thinking about smoking and health.” [7]

Tobacco companies worked to convince governments that raising taxes would lead to an increase in the prices of tobacco products which would then cause cross-border smuggling and illicit trade to grow. They actively sought

to put a stop to all proposals and legislation related to tax increases on tobacco products in all parts of the world. In certain countries, tobacco companies lobbied finance ministers, persuading them to postpone tax increases on tobacco products indefinitely. They also blocked the move to raise taxes on tobacco products in those countries by endorsing the opposition [8].

### **Opposing smoking bans in public places**

Tobacco companies recognized long ago that scientific evidence on the health hazards of exposure to second-hand smoke would threaten their financial future if governments were to use this evidence to garner their political will in support of banning tobacco use in public places [5]. A confidential study prepared by the American Tobacco Institute in the late 1970s said “What the smoker does to himself may be his business, but what the smoker does to the nonsmoker is quite a different matter... This we see as the most dangerous development yet to the viability of the tobacco industry that has yet occurred” [5].

Tobacco companies pursued several routes in an attempt to downplay the health impact of exposure to second-hand smoke and to circumvent smoking bans in public places. They launched a media campaign to undermine and discredit an international study on the health hazards associated with exposure to second-hand smoke. They also fought legislation to ban tobacco use in public places by suggesting that areas be designated for smokers. Additionally, they participated in the drafting of tobacco control legislation, introduced the idea of gradual enforcement of laws banning tobacco use in public places and closely monitored scientific conferences on second-hand smoke to undermine them and persuade participants to abandon their recommendations and decisions.

### **Fighting health warnings on tobacco packs**

Tobacco companies fought aggressively against measures to place health warnings on tobacco packs. In their internal documents, they revealed: “We strongly oppose warning labels on cigarette packs for several reasons: first and foremost, warning labels may improperly imply that it has been scientifically established that smoking causes disease” [9].

Pictorial health warnings on tobacco packs lead to fewer youth wanting to initiate tobacco use and more users wanting to quit. Studies have shown that pictorial health warnings raise the awareness of tobacco users to the negative health and economic impacts associated with tobacco use.

Tobacco companies fought, and fought hard, when they recognized the extent of the threat posed by health warning labels. Placing warning labels on tobacco packs was a testament by the companies to the harmful nature of their products. In GCC countries, the industry exerted

considerable effort to postpone the implementation of new health warnings on tobacco packs. They used their influence with decision-makers and the media to instigate doubt around the need to implement new warning labels, the medical basis behind them and the violations these labels impose on their trademark.

Today, tobacco companies are united in opposing, through all possible means, the implementation of package labelling and health warnings on tobacco packs. They threaten to resort to lawsuits in international courts of justice and other actions to force down such measures. They have even claimed that a link exists between increased smuggling activities and health warning labels on tobacco packs, yet have been unable to provide any supporting evidence to this effect.

### **Supporting smuggling activities**

Tobacco companies benefit from smuggling in many ways: they create new markets, increase consumption, evade taxes, benefit from price differentials and increase their profits. They use the threat of smuggling as a means of exerting pressure on governments to either reduce taxes on tobacco products or refrain from increasing them altogether.

The threat of smuggling has been used to avoid trade barriers or force open new markets. Smuggling is an effective way for tobacco companies to market their products at prices cheaper than local brands, break up the local market monopoly and grow their market share.

Tobacco companies conspire at all levels to support large-scale organized smuggling activities. They battle all efforts to control smuggling and use indirect means to influence the negotiations on guidelines for the implementation of Articles of the WHO FCTC, including special initiatives and agreements with countries and governments.

Internal documents show that tobacco companies used all possible means to control the state-owned monopoly in the Islamic Republic of Iran. They actively encouraged the smuggling of tobacco products into the Islamic Republic of Iran via Cyprus, Dubai, Pakistan and the former Soviet Union. They then convinced the state-owned company that the real reason behind these smuggling activities was the increase in taxes on tobacco products, while knowing all along that the real reason for the success of these activities was the existence of a structured plan of action for exploiting tax-free zones as a channel for smuggling tobacco products under a legal pretext [10].

### **Manipulating and pressuring the media**

Tobacco companies recognized that they must maintain a strong hold on the media to drown out proposed decisions to ban tobacco advertising. The media is a vital communication tool for tobacco companies to access

Tobacco companies devised a comprehensive strategy to deal with the media through various tactics.

- Placing articles in the press, over irregular intervals, to create confusion about the health hazards of tobacco use and to urge governments to resist tobacco control legislation.
- Utilizing global, regional and national media campaigns which highlight their false claims of social responsibility to improve their mental image.
- Building strong relationships with senior editors, journalists and other people in publishing to derail the media and to steer clear of any negative publicity.
- Preparing topics to be addressed by prominent writers and journalists to defend their interests and their rights to freedom of conduct, relating to issues of marketing, product quality and tobacco economics.

decision-makers and the general public on issues related to tobacco use and health.

In 1992, tobacco companies organized “the voice of reason” campaign using well-known Arab writers “to develop pro-industry articles on issues such as marketing freedoms, economics of the industry, the quality-product theme, and public smoking on which there was an industry consensus.” [4]

### Undermining tobacco advertising bans

Tobacco companies have validated the importance of advertising as a communication tool. Advertising helps them grow their products geographically and maintain their position as market leaders in their category.

Among their most notable internal documents that reveal industry tactics in fighting to counter bans on tobacco advertising and that include blackmail and threats, is the letter sent by Philip Morris to Egypt’s Minister of Industry in 1994. In this letter, Phillip Morris warned about the risks that would arise if all forms of tobacco

advertising were banned, saying: “... a significant number of daily, weekly and monthly Egyptian publications will face bleak futures, and may even be forced to close if they are deprived of such vast revenues. Those that do not survive will face extremely tight budgets. The prospects for the continuation of a vibrant press in Egypt will vanish without substantial government subsidies to compensate for the loss of tobacco advertising revenue.” [3]

### Promoting tobacco use to youth

For years, tobacco companies have explicitly stated that they oppose youth tobacco use, and that they are fully committed to reducing its use among this particular group. In real terms, youth are a ‘gold mine’ for tobacco companies; 90% of regular consumers start tobacco use at 18 years or younger. If a large number of youth stop their attempts at tobacco use before becoming addicted, then eventually, tobacco companies will no longer have enough customers to sustain their business [5].

In an internal RJ Reynolds document, it is clearly stated that “Younger adult smokers have been the critical factor

Since advertising is this integral to the continuous expansion of the tobacco industry, they use all possible means to fight decisions and laws to ban tobacco advertising. Some examples of their efforts on this front include the following.

- Stopping the issuance of laws banning tobacco advertising in certain countries around the world, including Costa Rica, Ecuador and Venezuela.
- Exerting political pressure on key advertising agencies and publishing houses in certain Arab countries to oppose any proposals to ban tobacco advertising.
- Launching well thought-out campaigns in collaboration with advertising associations and newspaper owners to put a stop to proposals for laws banning tobacco advertising.
- Forming coalitions with beneficiaries from the endorsements and the advertising dollars of tobacco companies to defend their right to freely market and promote their products through advertising.
- Emphasizing the link between tobacco advertising and financial gain, and highlighting the threat of economic stagnation if tobacco advertising was banned.
- Threatening to withdraw tobacco advertisements from certain media who refused to cooperate in opposing proposals to ban tobacco advertising.
- Creating an ongoing dialogue where the tobacco industry agreed to minor concessions, saving it from stringent legislation for one or two more years.

in the growth and decline of every major brand and company over the last 50 years... If younger adults turn away from smoking, the Industry must decline, just as a population which does not give birth will eventually dwindle.” [11]

Tobacco companies spend huge sums of money on psychological studies to assess the behaviour of youth with regard to tobacco use. They used the results of these studies to direct their advertising and promotional campaigns, which market tobacco to youth through associating their products with a sense of identity, strength of character, maturity and independence.

Tobacco companies continue to draw in youth using different methods, including sponsoring sports teams and competitions, car races, international films and video games as well as sponsoring music concerts and working to counter legislation that prohibits tobacco marketing and sales activities to youth.

### **Questioning religious edicts prohibiting tobacco use**

Tobacco companies are deeply concerned with the impact of religious edicts prohibiting tobacco use. They work carefully to surround this issue with controversy and endorse religious leaders opposing texts that prohibit tobacco use. Tobacco companies also make donations to religious institutions as a way of bettering their image before religious leaders. In 1989, Philip Morris made a donation to a charitable religious foundation in one of the countries, which led to extensive media coverage [12]. Additionally, tobacco companies use religious occasions, such as the holy month of Ramadan to promote their ‘lighter’ brands to ensure that those consumers attempting to quit tobacco use completely during that period refrain from doing so.

### **Warning about unemployment and economic stagnation**

In many countries, tobacco companies exert pressure on governments through false claims that the national economy will suffer if local tobacco agriculture and production are banned. They warn of an increase in unemployment and the loss of a vital resource for the economy. Consequently, a number of countries in the Region refrain from taking serious tobacco control measures against agriculture and production, fearing that a decline in tobacco consumption will lead to job losses.

Tobacco companies also exploit tobacco growers, using them as a means to exert pressure against WHO’s tobacco control initiatives and warning that such initiatives would have a negative impact on the economies of countries that grow tobacco. Their internal documents show that in the mid-1980s tobacco companies “... helped organize growers in a number of countries. With their assistance

for example, the industry was instrumental in moving the Food and Agricultural Organization [of the United Nations] away from its antitobacco stance. Indeed, the FAO has made a 180-degree turn on this point...” [5]

Following Egypt’s revolution of 25 January 2011, tobacco companies capitalized on the political and economic upheaval facing the country. Through false nationwide claims in the media, they geared their efforts to attempt a share in Egypt’s land for tobacco agriculture. The WHO Regional Director for the Eastern Mediterranean sent letters addressed to Egypt’s key decision-makers at the governmental level, including the Prime Minister and Head of the Supreme Council of the Armed Forces and to Ministers of Health, Agriculture and Finance warning of the grave consequences that Egypt would face if land was indeed granted to tobacco companies for tobacco agriculture. In his letter, he explained how tobacco agriculture required the use of dangerous pesticides and how soil quality would dramatically deteriorate. He also stressed how other countries in Africa were working towards ridding their land of this crop and were finding ways to offer viable economic alternatives to growers. He added that tobacco agriculture would be a direct violation of Egypt’s international obligations as Party to the WHO FCTC. In support, other international organizations and tobacco control partners at national level launched a related awareness campaign in the media; the combined efforts resulted in the issue of an official ban prohibiting tobacco agriculture.

### **Countering tobacco industry tactics and plans**

Strict laws and measures are being adopted and implemented in countries across the Eastern Mediterranean Region to:

- increase taxes on local and imported tobacco products
- ban all forms of tobacco advertising, promotion and sponsorship
- place health warning labels on tobacco packs
- provide viable economic alternatives to those working in tobacco agriculture and production
- activate and disseminate religious edicts prohibiting tobacco use.

Countries, governments, decision-makers and civil society must continue to:

- Reject all claims of corporate social responsibility initiatives by tobacco companies and refrain from collaborating with them in developing tobacco control policies.
- Launch large-scale media campaigns to expose the tactics and practices of tobacco companies.

- Regulate the activities of the tobacco industry using strong and strict national level legislation.
- Fully implement the guidelines on implementation of Article 5.3 of the WHO FCTC.
- Monitor, counter and document the practices of the tobacco industry in the following areas:
  - » tobacco product regulation, including implementation of health warnings
  - » tobacco-free public places policies
  - » school-based activities
  - » sports-based activities
  - » direct and indirect advertising, including movies and drama
  - » agricultural activities, including expansion.

The guidelines for implementation of Article 5.3 of the WHO FCTC are the platform, and include a set of clearly defined recommendations for addressing tobacco industry interference in public health policies.

1. Raise awareness about the addictive and harmful nature of tobacco products and tobacco industry interference with Parties' tobacco control policies.
2. Establish measures to limit interactions with the tobacco industry and ensure the transparency of those interactions that occur.
3. Reject partnerships and non-binding or non-enforceable agreements with the tobacco industry.
4. Avoid conflicts of interest for government officials and employees who might have direct or indirect relations with tobacco companies.
5. Require that information provided by the tobacco industry be transparent and accurate.
6. De-normalize and, to the extent possible, regulate activities described as "socially responsible" by the tobacco industry, including but not limited to activities described as "corporate social responsibility".
7. Do not give preferential treatment to the tobacco industry.
8. Treat state-owned tobacco industry in the same way as any other tobacco industry.

© World Health Organization 2012. All rights reserved.

The designations employed and the presentation of the material in this publication do not imply the expression of any opinion whatsoever on the part of the World Health Organization concerning the legal status of any country, territory, city or area or of its authorities, or concerning the delimitation of its frontiers or boundaries. Dotted lines on maps represent approximate border lines for which there may not yet be full agreement.

The mention of specific companies or of certain manufacturers' products does not imply that they are endorsed or recommended by the World Health Organization in preference to others of a similar nature that are not mentioned. Errors and omissions excepted, the names of proprietary products are distinguished by initial capital letters.

All reasonable precautions have been taken by the World Health Organization to verify the information contained in this publication. However, the published material is being distributed without warranty of any kind, either expressed or implied. The responsibility for the interpretation and use of the material lies with the reader. In no event shall the World Health Organization be liable for damages arising from its use.

## References

1. Tobacco fact sheet n°339. Geneva, World Health Organization, July 2011 (<http://www.who.int/mediacentre/factsheets/fs339/en/index.html>, accessed 12 March 2012).
2. A review of the global tobacco industry. Top Foreign Stocks, November 2012 (<http://topforeignstocks.com/2010/11/14/a-review-of-the-global-tobacco-industry/>, accessed 12 March 2012).
3. *The tobacco industry's tactics and plans to undermine control efforts in Egypt and North Africa*. Second edition. Cairo, WHO Regional Office for the Eastern Mediterranean, 2008.
4. *Voice of truth, volume 1: multinational tobacco industry activity in the Middle East: a review of internal industry documents*. Cairo, WHO Regional Office for the Eastern Mediterranean, 2001.
5. Hammond R, Rowell A. *Trust us. We're the tobacco industry*. Baltimore, Johns Hopkins University Press, 2001.
6. *The tobacco industry documents: What they are, what they tell us and how to search them*. Cairo, WHO Regional Office for the Eastern Mediterranean, 2002.
7. The perspective of Philip Morris International on smoking and health issues (text of a discussion document used at a meeting of top management). 29 March 1985, Bates number 2023268329-49.
8. Philip Morris draft corporate affairs plan. 25 November 1987, Bates number 2501254715-23.
9. Thomas H, Gagliardi J. The cigarette papers: a strategy of manipulation. *South China Morning Post*, 19 January 1999.
10. *The cigarette "transit" road to the Islamic Republic of Iran and Iraq: illicit tobacco trade in the Middle East*. Second edition. Cairo, WHO Regional Office for the Eastern Mediterranean, 2008.
11. Burrows D. *Strategic research report: young adult smokers – strategies and opportunities*. RJ Reynolds Marketing Research, 29 February 1984, Bates number 501431519-10.
12. *Voice of truth, volume 2: Multinational tobacco industry activity in the Middle East: A review of internal industry documents*. Cairo, WHO Regional Office for the Eastern Mediterranean, 2001.