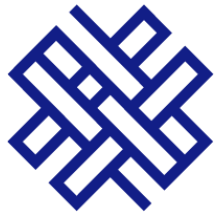


Tobacco Industry: Global Interference in Tobacco Control Policy



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**Vital
Strategies**

9th Cross Strait Conference on Tobacco Control
Taipei; 4-6 September 2017

Obstacles to tobacco control are similar globally



1. SARS, HK

1. Lack of awareness of the harm
2. Preoccupation with other (health) issues
3. Misperceived economic concerns
4. No understanding of environmental consequences
5. Focus on curative medicine, not prevention
6. Lack of funds for research and intervention
7. Lack of involvement by health professionals
8. Tobacco industry opposition: promotion, distortion of health and economic evidence, financial might, challenge/threats to governments; front groups

First, industry promotion undermines tobacco control



Tobacco advertising promises –

- Health
- Attractiveness, Popularity, Slimness
- Macho
- Emancipation
- Adulthood
- Being cool

– all designed to manipulate children into bondage, the opposite of the freedom they promise.



Global forms of Tobacco Industry Interference



1.

Manoeuvring to hijack the political and legislative process



2.

Exaggerating the economic importance of the industry



3.

Manipulating public opinion to gain the appearance of respectability



4.

Fabricating support through front groups



5.

Discrediting proven science and economic evidence



6.

Intimidating governments with litigation or the threat of litigation, or trade threats

The tobacco industry “Scream test”



- **If the industry screams, the measure will be effective:**
 - Tobacco tax
 - Smoke-free areas
 - Bans on promotion
 - Large graphic pack warnings, and plain packaging.
- **If they ignore a measure, probably useless:**
 - School health education
 - Ban on sales to minors
- **Our research is done for us.**

1. Hijack Political process



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Philip Morris employs **vast resources** against the FCTC on multiple levels

Reuters, 13 July 2017



PHILIP MORRIS
INTERNATIONAL

1. Lobbies lawmakers, bureaucrats, other government officials.
2. Tries to move tobacco issues away from health departments.
3. Deploys third parties, including retail groups, to make its case and exert pressure on decision-makers.
4. Engages the media on tobacco issues to generate public debate to influence decision-makers.



Examples worldwide

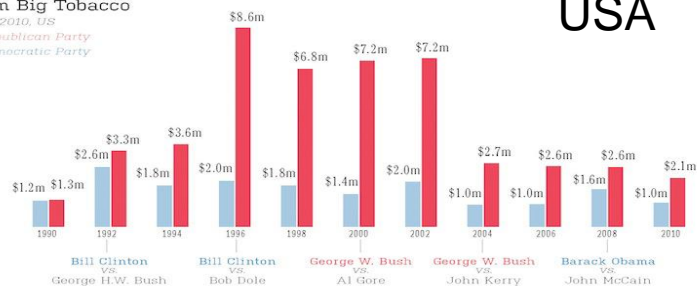


Pan-Africa: “The Secret bribes of Big Tobacco” BBC, 2015



EU: 80 TI lobbyists; health 5

Total Federal Election Contributions From Big Tobacco 1990-2010, US to Republican Party to Democratic Party



2. Mis-economics



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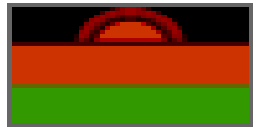
Dispel Economic myths

Tobacco industry says	Health economists say
Tobacco control will lead to job and business losses for farmers, factory workers, retailers, the hospitality industry and other businesses, and governments	NOT TRUE
The creation of smoke-free areas will cause loss of income for restaurant owners.	NOT TRUE
TAPS bans will severely affect the advertising industry	NOT TRUE
Increasing tobacco taxes will harm the poor and increase illicit trade	NOT TRUE



these mistaken economic arguments are the major obstacle to tobacco control.

Economic benefits: Africa



Malawi

In the early 1990s, a tobacco company consultant published a journal with articles criticizing the World Health Organization. One of the articles stated that "the list of economic benefits of tobacco is a long one. *Tobacco-related deaths and illnesses are primarily problems of affluent societies.*" Philip Morris distributed thousands of copies of the journal.

Industry says: "The list of economic benefits of tobacco is a long one"

Farming is not an economic benefit to farmers



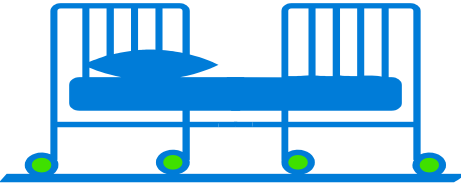

- Tobacco farming is NOT a lucrative cash crop
- Tobacco farming is labour-intensive with serious negative environmental, health and social impacts, eg
 - green tobacco sickness (GTS)
 - exposure to agrochemicals
 - respiratory diseases
 - food insecurity due to displacement of food crops
 - child labour
- Develop sustainable alternatives to tobacco farming

e.g. Yunnan China: 458 farming households' annual income increased 21-110% per acre in 4 years



Make known true costs of smoking



DIRECT HEALTH COSTS	INDIRECT COSTS
 <p>Medical and healthcare costs, including: Secondhand smoke risks</p>	<p>Loss labour productivity</p> <p>Time off for “smoke breaks”</p> <p>Higher absence rates</p> <p>Loss of skilled workers by premature death</p> <p>Increased early retirement due to ill health</p> <p>Fires caused by careless smoking</p> <p>Damage to building fabric</p> <p>Litter of billions of cigarettes, matches, packets, lighters</p> <p>Environmental degradation</p> <p>Human suffering</p>
	

3. CSR



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T1: Image management



Imperial Tobacco

“Recent attempts by large tobacco companies to represent themselves as socially responsible have been widely dismissed as image management.”

Gary Fooks et al., University of Bath, UK, 2011

China: Sponsor schools

China National Tobacco Corporation has sponsored at least 69 elementary schools and thousands of students are exposed daily to pro-tobacco propaganda, names and messages.

School signage reads

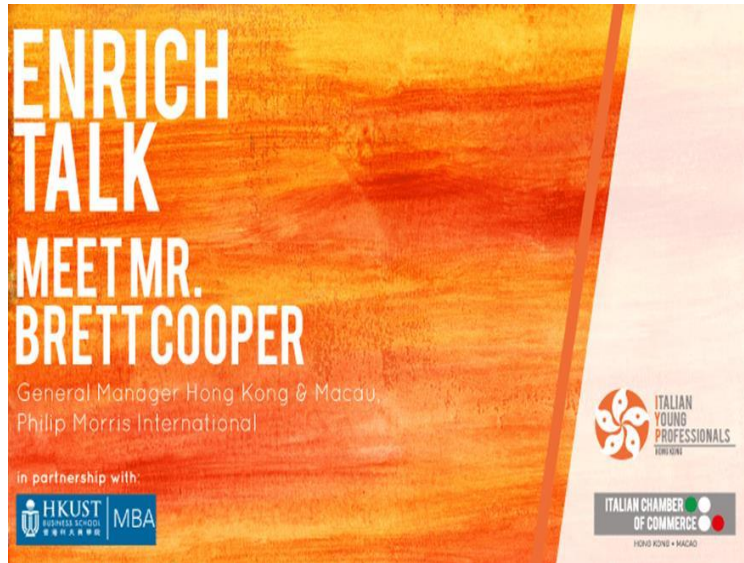
“Genius comes from hard work
Tobacco helps you be successful”

China

China National Tobacco Corporation has sponsored at least 69 elementary schools, and thousands of students are exposed daily to pro-tobacco propaganda, names, and messages. School signage reads: *“Genius comes from hard work / Tobacco helps you to be successful.”*



Liaise with universities, women's groups, Chambers of Commerce, 2016



Meet Victoria Chua, Public Affairs Manager at Philip Morris Asia Limited/Italian Chamber of Commerce

FUND CHARITIES

US charitable contributions from Altria, 47.2 US\$ millions, 2013

- Education
- Arts and culture
- Civic
- Employee programmes
- Environment
- Humanitarian aid
- Military Service support



CATEGORY/ PROGRAM	TOTAL AMOUNT	NUMBER OF GIFTS	AVERAGE GIFT PER ORG	FACT
MIDDLE SCHOOL EDUCATION AND SUPPORT (E.G. SUCCESS 360®)	\$25.40	78	\$0.33	78 different educational institutions and programs received funding
ARTS AND CULTURE	\$4.40	28	\$0.16	The Smithsonian Institution received funding
CIVIC	\$2.00	44	\$0.05	Two donations were to healthcare organizations
EMPLOYEE PROGRAMS	\$4.40	89	\$0.05	88 different organizations received funding through employee programs
ENVIRONMENT	\$2.80	15	\$0.19	Six charities in Virginia, a top tobacco-growing state, received funding
HUMANITARIAN AID AND MILITARY SERVICE SUPPORT	\$1.60	13	\$0.12	The American Red Cross and its Virginia chapter received funding
BUSINESS- DIRECTED GIVING	\$4.30	390	\$0.01	The Texas Conservative Coalition Research Institute received funding
IN-KIND GIVING	\$1.20	24	\$0.05	485 charitable events received wine donated by Ste. Michelle Wine Estates, of which Altria is the parent company
REGIONAL GIVING	\$1.10	115	\$0.01	6 chapters of the Boys & Girls Club received funding
TOTALS, IN MILLIONS	\$47.20	796	\$0.97	

Source: tobaccoatlas.org

4. Front groups



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Industry-linked front groups



5. Discredit science



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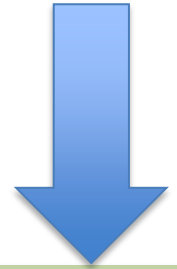
Intimidating governments with litigation or the threat of litigation, or trade threats

Paid to lie...

“Nicotine is not addictive”



6. Litigation, trade threats



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“Threats, bullying, lawsuits: tobacco industry's dirty war for the African market”

theguardian



12 July 2017



‘With intimidating legal threats against governments, the alleged use of bribes and financial connections to politicians, and untruthful and alarmist warnings about economic losses, tobacco companies are using every tool at their disposal to try to stop the implementation and enforcement of proven, life-saving and cost-effective tobacco control policies.’Vital Strategies

Legal challenges



THE INDUSTRY SAYS:

“We will continue to use all necessary resources... and where necessary litigation, to actively challenge unreasonable regulatory proposals.”

.....Louis Camilleri, Chairperson and CEO, Philip Morris International, 2010

Yet, industry challenges dismissed



...by High Courts, Constitutional Courts, and Courts of Justices

e.g.

Australia, UK, France, the European Union, South Africa, Thailand, Uruguay...

- So why? Delay and intimidation**

Costs of trade challenges



- Typical cost to govts: US\$3-8 million
- As high as over US\$ 50 million
- Have regulatory chill effect, even if rarely successful

LEGAL CHALLENGES and TRADE THREATS TO TOBACCO CONTROL

2015 Bloomberg/Gates announced USD4m fund to support countries against trade threats



2010-2014 PERU

The Specialized Constitutional Court of Lima rejected the **BRITISH AMERICAN TOBACCO** Peru case against Congress, which challenged a ban on packages of less than 10 cigarettes. The Court observed that the WHO FCTC is a human rights treaty that restricts the idea that economic freedoms should be limited in order to protect economic and social rights.

2012 URGUAY

After several tobacco control laws, officials of **PHILIP MORRIS INTERNATIONAL** challenged two additional regulations in 2009, including 50% graphic health warnings, as a violation of a bilateral investment treaty between Switzerland and Uruguay. They also challenged and lost in the domestic courts.

regency, **ANMISA**, from implementing a ban on additives and flavoring, arguing that ANMISA lacked legal authority and the rule was not supported by scientific evidence.

over an aggressive multi-million-euro lobbying campaign to weaken the Tobacco Products Directive, which was only marginally successful.

2011 BRITAIN

The Constitutional Court dismissed an appeal by **BRITISH AMERICAN TOBACCO** over using the Minister of Health claiming that the Tobacco Products Control Act was unconstitutional. This case involved person-to-person marketing techniques prohibited under a TAPS ban. The Court found that the hazards of smoking far outweigh the interests of smokers, and that South Africa is obliged to observe the WHO FCTC.

2011 TOBACCO WHOLESALERS,

which had challenged a ban on selling of tobacco products within 100 yards of any educational institution. Many cases have been brought against **gizika**. The Court of the State of El Salvador dismissed a challenge by **DISTRIBUTORS** to the ban on **gizika** or pan mammals containing tobacco.

2013 SRI LANKA

The Court of Appeal denied **CEYLON TOBACCO COMPANY'S** request to delay 50% graphic pictorial health warnings, but the court also ordered a reduction in the size of the warnings to 50%–60% of the pack.

2012 TOBACCO

MANUFACTURERS to stop the Minister of Public Health from implementing larger sized packet warnings was ultimately denied.

2012 **INDONESIA**
The Court accepted some challenges, but rejected a constitutional challenge by Indonesian tobacco farmers and industry workers to Indonesia's Health Law.

2011 PHILIPPINES

Various legal cases regarding jurisdiction over tobacco regulations, including graphic health warnings, TAPS bans and smoking bans are ongoing.

2011 AUSTRALIA

The Australian government is fighting challenges to its **Tobacco Plain Packaging Act**. One challenge is from **PHILIP MORRIS ASIA**, using a bilateral investment treaty between Australia and Hong Kong. The other challenge is from several countries using the World Trade Organization.

DRUG ADMINISTRATION
HEALTH ORGANIZATION FRAMEWORK
ON TOBACCO CONTROL
ADE ORGANIZATION
ADVERTISING, PROMOTION
SUPPORT



F C T C

WHO FRAMEWORK CONVENTION
ON TOBACCO CONTROL

Article 5.3. In setting and implementing their public health policies with respect to tobacco control, **Parties shall act to protect these policies from commercial and other vested interests of the tobacco industry** in accordance with national law.

And Guidelines



WHO Firewall



Altria



and monopolies

New: WHO FCTC TI Observatories, 2016-



- Global network focused on monitoring, identifying, documenting and preventing tobacco industry interference with implementation of FCTC
- Specifically on assisting Parties in their implementation of Article 5.3 of the Convention.
- Funded by the Union.
- First established in:
 - Brazil
 - Cape Town, South Africa
 - Sri Lanka



Fighting the industry...



Vital
Strategies

vitalstrategies.org