



MMS Bulletin #72

Kampf dem Tabakkonsum

Understanding the Tobacco Industry

A "Vector Analysis" of the Tobacco Epidemic

Von Eric LeGresley

The world's most widespread, serious infection is purposely spread by its vector: the tobacco industry. To reduce the 500 million deaths tobacco industry products are projected to cause amongst those presently alive, public health advocates must study the life patterns of the tobacco industry as earnestly as they would any other disease vector. The investigative tools, however, are different. Rather than a tiny insect, this vector has economic resources rivalling those of many of the world's largest governments.

Long hidden tobacco company documents, many obtained during court proceedings in the United States, provide a starting place for analysing the tobacco industry. These documents show the industry's internal positions on issues such as youth smoking to be decidedly in contradiction to the public relations statements of the companies. Important as these documents are, they alone are insufficient to complete the necessary analysis. Public health would be advanced if comprehensive documentary disclosure included detailed scientific, political and corporate information, mandated on a regular basis, unrelated to litigation. Finally, because some of the industry's most notable decisions are unlikely to have been committed to paper, the judicious use of company informants will need to continue to be an integral part of the ongoing study of the tobacco vector.

A Spreading Disaster

With more than a billion smokers worldwide, (1) tobacco is mankind's most widespread serious infection, and among its most contagious. The pathway has recently become known: Its spread is mapped out in mahogany-lined boardrooms; it breeds its resistance to countermeasures in political backrooms; and it seizes its victims in adolescent bedrooms.

Dr Brundtland, Director-General of the World Health Organization, has noted how this spread of tobacco to individuals and to new regions of the globe ties back to the tobacco industry's activities:

"[Tobacco use] is communicated through the media, the entertainment industry, and most directly through the marketing and promotion of specific products. Global trade in tobacco has increased markedly over the last few years. Direct foreign investment by multinationals in developing countries has also increased. New joint ventures are announced every few months between multinationals based in a few developed countries and the governments of emerging markets. (2)

The result of this is a tragedy of epic proportions: tobacco industry products are poised to kill 500 million people presently alive. (3) Half of those will die in middle age, each losing between 20 and 25 years of life. (4) And this will occur not in response to a primal force driving an insect on, but by the conscious decisions of tobacco executives, abetted by some scientists. The money to be made staggers the imagination. (5)

Vector with Vengeance

Vector analysis in the tobacco pandemic has particular challenges and requires skill sets not commonly used in public health. (6) Nevertheless, infectious agents have similarities. Compare for the moment the tobacco and malaria vectors: the tobacco industry and the mosquito. (7) Both vectors principally infect the young. Both are omnipresent in the infected zones: the mosquito by numbers, the cigarette companies by political influence and marketing might. However, while about 90% of malaria infections occur in sub-Saharan Africa, and only 40 % of the world's population is at risk, (8) not a single country on earth is immune from the tobacco industry. And the industry has recently developed a disturbing fondness for the developing world as well.

The cardinal difference between the two is that the tobacco vector knows it is being studied and knows that effective studies of its life patterns may have serious implications. Consequently, it attempts to conceal or alter its visible behaviour to fool the observer; and/or undermine the credibility, financing, influence etc. of the observer in order to decrease the likelihood that observations will lead to successful public health interventions. (9) This presents a challenge for tobacco control unique amongst the world's major public health problems.

For example, because the tobacco industry's credibility has been undermined in many developed countries it increasingly turns to and funds surrogates to make its case. Basically, the tobacco industry now more often appears cloaked as something else.

An Economic Colossus

Tobacco companies are very powerful entities. And they use that power against any one who gets in their way, including legislatures, (10) and international organizations. (11). Global tobacco giant Philip Morris has operations in almost every country on earth, and has annual

revenues greater than the GNP of most of those countries. If Philip Morris was a country, in economic terms it would be amongst the top quarter; larger than New Zealand or Venezuela. (12).

However, a more accurate comparison is between the revenues of a tobacco giant and the revenues of a government, not an entire country. On this measure, Philip Morris is about the same size as the government of a mid-size European country such as Switzerland or Denmark. (13) And further, with the industry often acting collectively on the major political issues, the best measure of might probably is the cumulative revenues of Philip Morris, BAT Industries, Rothmans, Japan Tobacco, Reemtsma and others. And collectively the tobacco industry has revenues exceeding those of the government of Canada, a G-8 country. (14)

Tracking the Tobacco Vector

Concerted tobacco control, such as that the World Health Organisation has recently embarked upon with the creation of the Tobacco Free Initiative, requires a solid understanding of the tobacco industry including its motivations and past actions.

Tobacco companies are economic entities. They are owned by shareholders and managed by directors who have a fiduciary duty to the shareholders. The prime responsibility of directors, as they see it, is to return increased value to shareholders. From the corporate perspective, tobacco companies are no more in the killing business than a pulp mill is in the effluent business. Rather, death caused by tobacco products is just a by-product of business operations.

This of course does not excuse tobacco companies from responsibility. However, it does help frame the issues for public health advocates.

A Chamber for Study

The settlement of cost recovery litigation in Minnesota against the tobacco industry resulted in tens of millions of pages of previously secret industry documents being made publicly available. (15) These documents are far from the full picture. Particularly after about the mid-1980s, when the industry had heightened awareness that its paper trail might someday become exposed, even private internal correspondence and internal procedures were redesigned in anticipation of a public showing. However, the Minnesota documents are remarkable and by far the single best forum to dissect the industry.

With so many documents available, the research problem shifts from having far too little information about the industry to too much information in too labourious a state. Mining the documents has only just begun, particularly with respect to countries other than the United States.

There is a growing literature derived primarily from previously secret documents about what the tobacco industry knows, what it did, and what it concealed. (16) To give just a flavour of the challenge facing tobacco control advocates, compare the following public and private

statements regarding just one major issue in tobacco control: youth smoking. Publicly, all of the world's global tobacco companies repeat a mantra about being concerned about youth smoking. A recent R.J. Reynolds annual report is typical:

"[RJR] and the industry support efforts to prevent underage smoking ... Tobacco companies continue voluntary efforts aimed at eliminating youth access to cigarettes ..." (RJR Nabisco, Annual Report 1996)

Privately, however, the story is very different. In long hidden but now uncovered industry documents, the same company complains that it is being unfairly constrained from directly promoting cigarettes to youths, and says that for long term prosperity RJR must get its share of the youth market. (17) The documents suggest that this interest in children may have impacted upon plans both for cigarette design and promotion.

"The [following] information ... may be used as a basis for arriving at some specifications for new 'youth' brands ... Nicotine should be delivered at about 1.0-1.3 mg/cigarette, the ... rate of absorption of nicotine should be kept low by holding pH down, probably below 6 ... The beginning smoker and inhaler has a low tolerance for smoke irritation, hence the smoke should be as bland as possible ... (Claude Teague, Assistant Director of Research, RJR, Research Planning Memorandum on Some Thoughts. About New Brands of Cigarettes For the Youth Market, 2 February 1973) (18)

"Last January, a report was issued that indicated that Philip Morris had a total share of 59 among 14-17 year old smokers, and specifically, Marlboro had a 52 share. This latest report indicates that Philip Morris' corporate share has increased by about 4 points. ... Importantly, the report further indicates that RJR continues to gradually decline, and between the spring and fall 1979 periods, RJR's total share declined from 21.3 to 19.9 ... Hopefully, our various planned activities that will be implemented this fall will aid in some way in reducing or correcting these trends." (G.H. Long, Executive Vice President of Marketing, RJR, Memorandum to E.A. Horrigan, Chairman of RJR, 22 July 1980) (19)

Contradictory public and private statements like these are not unique to R.J. Reynolds Tobacco, not restricted to the issue of youth smoking, and do not arise only from the desks of lesser company officials. This is not simply the left hand not knowing what the right hand is doing. Indeed, the documents themselves now suggest a paper trail, in some instances going back over 40 years, in which the companies planned and implemented a complicated strategy to keep the public uninformed about what they knew (20)

Deepening Our Understanding of the Tobacco Industry

Important as past tobacco industry documents are, they are not sufficient. Nor do historical documents constitute the public health advocate's entire research tools. Meaningful information disclosure laws should be pushed for by advocates and implemented by governments in order to gather the necessary current information. The Canadian province of British Columbia, (21) the American state of Massachusetts (22) and Thailand (23) are the only jurisdictions in the world where the tobacco industry gives comprehensive disclosure of the contents of its products, and only in British Columbia is this publicly available. Incredulously, consumers around the world know more about the contents of strawberry jam than cigarettes.

But to fully research the tobacco vector one needs to know much more than just its products' contents, one needs to delve into the thought underpinning the conception, development and marketing of product lines. And one needs a full appreciation of the political strategies employed by the companies. Both of these can be advanced through enhanced disclosure.

Presently, if we know anything about tobacco products we find out after they are on the market. Public health officials are always playing catch up with the industry: trying to prohibit certain contents after introduction, trying to restrict certain marketing schemes after they've been used. For the most dangerous consumer drug on the market, public officials do all of their testing *ex post facto*. Governments can change this.

Tobacco companies represent huge, untapped depositories of knowledge. Disclosed documents from times past show that scientific knowledge within tobacco companies typically has been 25 years or more ahead of the rest of the scientific community. The companies likely are still much more knowledgeable on many central issues than scientists outside the industry. This knowledge should be tapped through mandated disclosure, both during development of specific tobacco products in the stream for potential sale, and for the industry's knowledge base generally.

On the political side, the industry's manouevering is complex and largely unknown. Again, mandated disclosure could help. For example, tobacco companies often buy non-tobacco businesses even though the returns on invested capital in these businesses are significantly less than in tobacco. Part of the reason why surely is that this gives the tobacco company an ability to exert broader political pressure through economic threats outside of the tobacco sector, but clearly there is much more going on. Understanding why these specific companies were purchased, and how they fit into promoting the tobacco business, is important. An ongoing form of enhanced corporate disclosure, mandated by government on perhaps a yearly basis, unrelated to litigation and not directly related to the tobacco product, is needed. It would cast much needed light on the politics of tobacco, increasing the likelihood that effective tobacco measures would achieve legislative approval.

Increased disclosure, though necessary, will not be without political problems. Tobacco companies have long used the law as a shield: hiding behind constitutional freedoms, intellectual property rights etc. to avoid doing what ethics should direct them to do. Addressing this is an ongoing conundrum for liberal democracies. It is disconcerting to watch the very legal

protections initially designed to protect the public from abuse and harm be turned around and used, with great verve, by the tobacco industry to inflict harm and abuse upon the general populace. And no country is going to, nor should they, provide basic legal protections only for those entities deemed "good."

However, full disclosure, and a reversal of the onus of proof, might be the proper price to pay to avail oneself to the protection of something as abstract as a trademark right, especially when doing so threatens the lives of millions of people. Requiring the tobacco industry prove that its advertising is not harmful, prove that its products are not harmful, and become transparent with its political involvement may be an integral part of uncovering the information necessary to halt the tobacco epidemic.

Finally, judicious use of company informants must continue as a research tool in vector analysis. In the climate of information suppression pervading the tobacco industry, health advocates must utilise all information sources.

As more documents come to light through continued civil litigation, criminal prosecution with respect to matters such as conspiracy and fraud will likely rise to the fore. And placing knowledgeable tobacco company executives in a position of possible imprisonment is likely to be one of the most successful tools for obtaining full and honest disclosure from the tobacco industry.

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1. Tobacco Epidemic: Health Dimensions, World Health Organization Tobacco Fact Sheet No. 154, May 1998.
 2. Brundtland GH. Introductory Remarks upon Opening of the Seminar on Tobacco Industry Disclosures; Implications for Public Policy, Geneva, Switzerland, 20 October 1998.
 3. "Tobacco: The twentieth century's epidemic," Tobacco Alert, World Health Organization, Geneva, p. 4.
 4. Peto R, Lopez A. "Worldwide Mortality from Current Smoking Patterns," The Global War, Proceedings from the Seventh World Conference on Tobacco or Health, Perth, Australia 1990, pp. 66-68.
 5. For example, consider Philip Morris Companies Inc., the world's largest transnational tobacco company. In fiscal 1997, its tobacco operations had revenues of almost U.S. \$40 billion, and an income of almost U.S. \$8 billion. Philip Morris Companies Inc. Annual Report, 1997, p. 1.

6. It is important to note that a vector analysis approach to the tobacco industry, though underutilized, is not new. California has been a proponent of this approach since the late 1980s. See "A Model for Change: the California experience in Tobacco Control", California Department of Health Services, October 1998.
7. See also Hirschorn N, Strachan K, Yach D and Mackay J. Thinking and Acting Globally and Locally: A New Collaboration on Tobacco Control Between Minnesota and the World Health Organization, forthcoming.
8. Malaria Prevention and Control: Burdens and Trends, World Health Organization, Division of Control of Tropical Diseases, <http://www.who.int/ctd/html/malariaburtre.html> .
9. As an example of the tobacco industry's approach, consider this extract from a February 1978 Philip Morris document by H. Cullman (AUSTRALIA: SMOKING AND HEALTH STRATEGY: Some Recent Developments in Australia; Minnesota depository Bates #S: MISC 2024978017). Cullman sets out the tobacco industry strategy with respect to health interests ("our opponents") with telling bluntness: "We cannot hope to win in a head-on confrontation. Our tactics must be to discover our opponents' weaknesses, attack those particular points, cause as much confusion as possible, and attack somewhere else while their attention is distracted. Our method of attack must be constantly varied so as to deprive our opponents of a clear target. Surprise is a key element. Applying this philosophy, we are continually studying our opponents and their strategy to discover any areas where we can embarrass or even defeat them ..."
10. For example, in 1998 the "McCain bill" in the U.S. would have settled outstanding state cost recovery litigation without granting the tobacco industry significant immunity from further lawsuits, and in so doing extracting over U.S. \$500 billion from the tobacco industry. The tobacco industry effectively killed the McCain bill through a timely and artfully crafted U.S. \$40 million television ad campaign. The industry subsequently settled with 46 American states for U.S. \$206 billion and additional terms which the industry found to be much more desirable.
11. Documents now reveal the extent to which Philip Morris, assisted by other tobacco companies, planned and executed a disinformation campaign against a very large study into the health implications of passive smoking undertaken by WHO's sister organization, the International Agency for Research on Cancer (IARC). One Philip Morris memo sketched out the objectives: "Delay the progress; Effect the wording of conclusions and official statements; Neutralize potential negative results ... particularly as a regulatory tool; Counteract the potential impact on government policy and public opinion." Infiltration of IARC was a central element in this plan, and Philip Morris apparently was very successful in that regard.
12. Projected 1998 operating revenues for Philip Morris Companies Inc. exceed U.S. \$70 billion, if a country this would make the company the 40th largest economy in the world. The gross national product of Venezuela, for example, is U.S. \$67 billion. Various Philip Morris annual reports; World Bank, World Development Index, 1998.

13. World Bank, Size of the Economy data, <http://www.worldbank.org/data> ; United Nations Statistics Division, National Accounts Section, Economic Statistics Branch.

14. The almost U.S. \$300 billion annual revenues from global tobacco sales vastly exceeds the government revenues of Canada which, during the late 1990, has had annual revenues of about U.S. \$100 billion. Indeed, the combined revenue of just two tobacco companies (Philip Morris and BAT Industries) is roughly equivalent to the revenue of the government of Canada, the smallest G-8 economy. World Tobacco File, 1998-2001, International Trade Publications Ltd.; various government of Canada budgets; various Philip Morris and BAT Industries annual reports.

15. The Minnesota documents can be viewed at the depositories in Minnesota and Guildford, UK (for BAT documents), and through websites legally required by the Minnesota settlement to be maintained by the tobacco companies (<http://www.philipmorris.com>; <http://www.documents.rjrt.com/BASIS/web2227/dba/doc/SF>; and <http://www.bw.aalatg.com>). Additionally, Minnesota and/or other tobacco industry documents can be viewed online at a website from the U.S. House Commerce Committee (<http://www.house.gov/commerce/TobaccoDocs/documents>) and websites from health interests (<http://www.tobacco.org/>; <http://www.library.ucsf.edu/tobacco> ; and <http://www.gate.net/~jcannon/liggett/fl/index>). Notably, the websites operated by some health interests contain documents which have been optically scanned, thereby enabling searches for words within the documents. By comparison, the tobacco industry operated websites allow searches of files or documents only by assigned attributes (author, date, title etc.).

16. Glantz SA, Barnes DE, Bero L, Hanauer P, Slade J. Looking through a keyhole at the tobacco industry: the Brown and Williamson documents. *JAMA*. 1995;274: 219-224; Slade J, Bero L, Hanauer P, Barnes D, Glantz SA. Nicotine and addiction: the Brown and Williamson documents. *JAMA*. 1995;274: 225-233; Hanauer P, Slade J, Barnes D, Bero L, Glantz SA. Lawyer control of internal scientific research to protect against products liability lawsuits: the Brown and Williamson documents. *JAMA*. 1995;274: 234-240; Bero L, Barnes D, Hanauer P, Slade J, Glantz SA. Lawyer control of the tobacco industry's external research program: the Brown and Williamson documents. *JAMA*. 1995;274: 241-245; Barnes D, Hanauer P, Slade J, Bero L, Glantz SA. Environmental Tobacco Smoke: the Brown and Williamson documents. *JAMA*. 1995;274: 241-245; Hurt RD, Robertson CR. Prying Open the Door to the Tobacco Industry's Secrets About Nicotine, *JAMA*. 1998;280: 1173-1181.

17. See note 18, *infra*.

18. An electronic version can be found on the internet at www.gate.net/~jcannon/documents/730202r1.txt .

19. Minnesota tobacco litigation trial exhibit No. 13101.

20. For a discussion of this multi-decade effort, including the involvement of Hill and Knowlton, one of the world's largest public relations firms, see Kluger R. Ashes to Ashes, New York: A. Knopf, 1996, especially chapters 7 and 8; and Hilts PT. Smokescreen, Reading, Mass.: Addison-Wesley, 1996.

21. Tobacco Sales Regulation, B.C. Reg. 282/98, (30 July 1998), as amended by Order in Council 1325, (23 October 1998).

22. Massachusetts General Laws ch. 94, § 307A .

23. Thailand Public Health Ministerial Rule No. B.E. 2540 (1997); ss. 11 and 26, Thailand Tobacco Products Control Act, 1992, B.E. 2535.



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