There is no question, today, on the hazards caused by smoking. Actually, had tobacco been recently discovered, its growth and sales would be illegal, similarly to other drugs. Scientific evidence shows smoking as a disease. It is a disease caused by addiction to nicotine, which impose its consumers to be exposed to some 4,700 toxic substances, thus developing severe, impairing and fatal diseases, such as cancer and cardiovascular diseases.

According to the World Health Organization – WHO, some 4 million people a year die from smoking. In Brazil, there are 200,000 premature deaths that could be prevented if people did no smoke.

However, tobacco use is overwhelmingly increasing, as a result from more and more sophisticated market strategies. The main responsible for tobacco use expansion operates worldwide, seeking cheap labor, less restrictions to market strategies and thus, a broad consuming market.

On the other hand, even though tobacco control actions have achieved important results in reducing consumption, occurrence of diseases and deaths in developed countries, tobacco use is still growing around the world.

This growth has reflected strategies to both, focus cigarette market on developing countries and focus most vulnerable social segments, such as children and women.

This scenario lead public health officials worldwide to seek global solutions, by organizing an instrument to strengthen and integrate actions for restraining tobacco-use expansion and its resulting illnesses and deaths process. It is the first international public health treaty, the International Framework Convention for Tobacco Control.

In this context, the Brazilian government, by acknowledging the seriousness of the situation and the need of joint transnational efforts, is committed and has had an active role since the initial efforts to develop the International Tobacco-Control Framework Convention.

There is no question advancements accomplished in Brazil were due from the commitment of Brazilian government in formulating its tobacco control policy, to meet the recommendations of the Framework Convention.

We believe the State is responsible for protecting and promoting the health of its people, especially of children, quality of the environment, safety and well being of its citizens. State-implemented actions to promote social welfare are essential, even though they may go against some private interests. But the government should regulate commercial activities, so that lesser interests of a few do not overcome the greater good for the majority of the people.

Finally, we understand human life is priceless. And the development of a country depends on a healthy population. The Brazilian government commitment to protect and maintain health of the people is based on the Constitution, ensuring people their right to life and health, and the country the necessary conditions for the social and economic advancements society wants.

With this publication, the Ministry of Health raises, for one to reflect on, the assumption that there is no freedom without responsibility, and commercial freedom cannot overcome a country’s health and quality of life.

[Signature]
# CONTENTS

1. INTRODUCTION ................................................................................................................................. 04
2. TOBACCO-USE TRENDS IN THE WORLD AND IN BRAZIL ................................................................. 05
   2.1. In Brazil ...................................................................................................................................... 05
3. SOCIAL DETERMINANTS OF THE USE OF TOBACCO PRODUCTS .................................................... 06
4. WHO GAINS WITH THE EXPANSION OF THE SMOKING DISEASE .................................................. 07
5. IMPACT OF SMOKING ON HEALTH.................................................................................................. 10
   5.1. Smoking as an addiction .............................................................................................................. 10
   5.2. Risks of smoking for the smoker ............................................................................................... 12
   5.3. Risks of smoking for women .................................................................................................. 13
   5.4. Lies on low-yield cigarettes ...................................................................................................... 14
   5.5. Who does not smoke is also affected ...................................................................................... 16
       5.5.1 Environmental tobacco smoke and vulnerability of children and women .................. 17
       5.5.2. Passive smoking as an occupational health hazard.................................................... 18
       5.5.3 Protective measures against environmental tobacco smoke ...................................... 18
5.6 TOBACCO PRODUCTION, ITS SOCIAL INJUSTICES AND IMPACTS ON HEALTH AND ENVIRONMENT ........................................................................................................ 20
   6.1. Tobacco crops and its risks for health and environment ............................................................. 20
       6.1.1.Risks from the use of pesticides for tobacco crops ......................................................... 20
       6.1.2.Green Leaf Disease ............................................................................................................ 21
       6.1.3. Deforestation and soil depletion ...................................................................................... 22
   6.1.4. Tobacco crops and its social injustices ................................................................................ 22
       6.1.5. Children labor in tobacco plantations .............................................................................. 24
   6.2 Tobacco crops as a tobacco industry argument to create barriers to tobacco control measures ........................................................................................................... 24
7. IMPACT OF SMOKING ON THE ECONOMY ................................................................................... 27
   7.1. Costs related to use of tobacco products .................................................................................. 27
   7.2. Benefits and economic advantages from tobacco-control actions ........................................ 28
7.3 Economy as a strategy and argument of the tobacco industry to pressure governments ........................................................................................................................................ 28

7.4 Price of Cigarettes in Brazil: an incentive to smoking ........................................................................................................................................ 29

7.5 Illegal Cigarette Market: a public health hazard ........................................................................................................................................ 30

8. GLOBALIZATION AND CONFLICTS OF INTEREST BETWEEN TOBACCO TRADE AGREEMENTS AND PUBLIC HEALTH ........................................................................................................................................ 32

9. WORLD HEALTH ASSEMBLY PORPOSALS TO RESTRAIN TOBACCO USE ........................................................................................................................................ 34

10. TOBACCO INDUSTRY STRATEGIES FACE THE FRAMEWORK CONVENTION FOR TOBACCO CONTROL ........................................................................................................................................ 35

   10.1 Social Responsibility ........................................................................................................................................ 35

   10.2 Smoking prevention among youngsters ........................................................................................................................................ 36

11. CONCLUSION ........................................................................................................................................ 38
1. INTRODUCTION

For many years, smoking was seen as a lifestyle option. Today, however, science acknowledges it as an illness caused by addiction to a drug, nicotine. Such addiction leads millions of people to spend years exposing themselves to more than 4,700 toxic substances, which cause severe, impairing and fatal diseases, such as cancer, cardiovascular conditions and obstructive chronic pulmonary obstructive disease.

According to the World Health Organization – WHO, at each year some 4 million people around the world die from tobacco-use, WHO also estimates that if current consumption trends are kept for the next 30 to 40 years, when young smokers of today reach their middle-age, tobacco epidemics will be accountable for 10 million deaths a year, 70% of which in developing countries (WHO, 1999).

In Brazil, one estimates over 200,000 deaths/year from smoking (OPAS, 2002). Differently from what happens to most public health problems, there is an important commercial factor that favors smoking, the trade of tobacco products.

Over past decades, globalization of the economy has helped this business to boom. The economic setting globalization created has helped major tobacco transnational companies to focus their expansion efforts to countries of low-cost production and high potential for use. Over past years, this process lead to a major expansion of this market in Eastern European, Latin American, Asiatic and African countries. Countries such as Japan, Thailand and Taiwan have experienced a major increase in cigarette consumption once major transnational tobacco companies entered in their internal markets (World Bank, 1999).

Today, the world scenario is that, even though smoking is decreasing in most developed countries, global tobacco use increased some 50% from 1975 to 1996, due to tobacco consumption increase in developing countries.

Acknowledging tobacco-use expansion as a global hazard lead UN member countries to propose, at the 52nd World Health Assembly, held in May 1999, the first international treaty on public health in the history of mankind. It is the Framework Convention on Tobacco Control, which recommends a set of measures, still under negotiation, to refrain global expansion of tobacco use and its deleterious consequences (WHO, 1998).

To advise the Brazilian government in the Framework Convention negotiations, it was created in Brazil a National Tobacco-Control Committee, by Decree 3136, of August 13, 1999.

This National Committee includes delegates form the Ministry of Health (Brazilian National Cancer Institute - INCA, National Agency for Sanitary Surveillance - ANVISA, International Affairs Consulting Office - AAI), Foreign Relations, Agriculture, Economy, Justice, Education, Development, Industry and International Trade, and Agrarian Development. The Health Minister is the Committee Chairman, and INCA holds the Executive-Secretariat.

The text of the Framework Convention has been under negotiations since 1999, through meetings among WHO member countries. This negotiation process is scheduled to end in February 2003, when the final Convention text should be signed by WHO member countries at the 56th World Health Assembly.

After that, the Convention will the submitted to the House of Representatives and the federal Senate for approval, which should take place in 2003 or 2004. One of the main barriers for countries to approve the Framework Convention is the strong tobacco-industry lobby, which will be intensified as negotiations deadline draw closer.

The organized civil society from different parts of the world are associating to form a partnership network to grant approval of a strong Convention, one that effectively defends public health interests and that can be ratified by as many countries as possible. Mobilization of the Brazilian society is instrumental in this process. It is necessary for the partnership network, which has strongly supported tobacco control initiatives is enhanced and its action, intensified.

In this scenario, the purpose of this document is to share the different aspects of tobacco-use, a concern of public health-related agencies and organs, and which has mobilized governmental and transnational efforts to restrain its global expansion.
A summary of the different aspects of tobacco-use will be presented, from its impact on human health to hazards on the environment, the economy, and the social determinants of its consumption, including strategies of the social segment that has benefited from the expansion of the smoking disease over decade.

2. TOBACCO-USE TRENDS IN THE WORLD AND IN BRAZIL

In spite of all the established scientific knowledge on smoking risks, consumption trends are worrisome. In early 90s, some 1.1 billion people around the world used tobacco products. By 1998, this figure was of 1.25 billion (WHO, 2001).

In this scenario consumption trends among women and youngsters are of special concern, as tobacco companies have more and more focused these groups as targets for their marketing strategies.

Overall, some 9% of women in developing countries and 22% in developed countries smoke cigarettes.

Smoking trends among children and teenagers are also worrisome. World Bank data show that almost 100,000 youngsters worldwide start smoking at each day, 80,000 of them from developing countries. Mean age for starting to smoke is 15, and 70% of those who try smoking become addicted. These facts lead WHO to consider tobacco use a pediatric disease (World Bank, 1999).

2.1. In Brazil

According to the Brazilian National Research on Health and Nutrition (PNSN) carried out in 1989, there were, at that time, 30.6 million smokers in the population over 15 years of age, being 18.2 million (40.3%) males and 12.4 million females (26.24%).

Even though one cannot be sure if these figures remain the same in Brazil, cigarette per capita consumption is tending to decrease, and the new inquiry the Ministry of Heath is carrying out is expected to show a reduction in the number of smokers. Between 1980 and 2001, total per capita cigarette consumption decrease of some 32%, from 1937 units in 1980 to 1194 units in 2001 (Figure 1). Actions carried out by the National Tobacco Control Program for about 13 years now has certainly helped building this scenario. To support this conclusion, results from an inquiry carried out by INCA in the city of Rio de Janeiro in 2001 suggest that the Brazilian population is more aware of the risks of tobacco then they were 10 years ago, and is smoking less. 1989, PNSN showed a prevalence of smokers of about 30% in the city of Rio de Janeiro; in 2001 this prevalence was of about 21%. In the same inquiry, it was proven the high knowledge level of the population on the risks of smoking, especially of passive smoking (INCA/Conprev, 2002).

Figure 1 – Cigarette Per Capita Smoking – Brazil – Population over 15 years old 1980 to 2001

Source: Health Ministry; Federal Revenue and Customs Secretariat
On the other hand, special studies have shown that even with statistics showing smoking reduction, experimentation of cigarettes by youngsters has increased. An inquiry carried out in 10 Brazilian capital cities with some 24,000 students revealed tobacco as the second most used drug among youngsters, and that cigarette experimentation is increasing among students age 10 to 18 (CEBRID, 1989, 1994 and 1997). This study also showed experimentation to have increased among girls (Table 1).

An inquiry carried out in Rio Janeiro in 2001 supports this finding. Even though proportion of smokers in the age group 15 to 19 has decreased from 14% in 1989 to 10% in 2001, proportion of female smokers in this age group (12%) is higher than male smokers (8%).

### Table 1 – Prevalence of tobacco-use in life among elementary and high-school students (10 to 18 years of age) in 10 Brazilian capital cities – 1987, 1989, 1993 and 1997

<table>
<thead>
<tr>
<th></th>
<th>Belém</th>
<th>BH</th>
<th>DF</th>
<th>Curitiba</th>
<th>Fortaleza</th>
<th>Porto Alegre</th>
<th>Recife</th>
<th>RJ</th>
<th>Salvador</th>
<th>SP</th>
</tr>
</thead>
<tbody>
<tr>
<td>1987</td>
<td>22</td>
<td>23.2</td>
<td>22.4</td>
<td>18.4</td>
<td>21.6</td>
<td>20.8</td>
<td>20.5</td>
<td>22.7</td>
<td>17.9</td>
<td>25.4</td>
</tr>
<tr>
<td>1989</td>
<td>30.3</td>
<td>34</td>
<td>27.7</td>
<td>24.1</td>
<td>24.7</td>
<td>29.7</td>
<td>21.6</td>
<td>27.1</td>
<td>22.8</td>
<td>31.8</td>
</tr>
<tr>
<td>1993</td>
<td>29.9</td>
<td>37</td>
<td>26.7</td>
<td>29.9</td>
<td>25.7</td>
<td>31.7</td>
<td>25.6</td>
<td>25.5</td>
<td>19.3</td>
<td>29.1</td>
</tr>
<tr>
<td>1997</td>
<td>27.1</td>
<td>34.3</td>
<td>33.7</td>
<td>41</td>
<td>32.8</td>
<td>44.1</td>
<td>26.7</td>
<td>26.9</td>
<td>30.5</td>
<td>30.7</td>
</tr>
</tbody>
</table>


### 3. SOCIAL DETERMINANTS OF THE USE OF TOBACCO PRODUCTS

Tobacco is today the second most used drug among youngsters worldwide and in Brazil. This is probably due to the way smoking fills in to society. Being easy to get, their low cost, and years of marketing and advertising actions associating tobacco products to beauty, success, freedom, power, intelligence, and other qualities young people desire created a positive image of the habit of smoking and lead to its social acceptance. The success of these strategies is translated by the fact that 90% of smokers start smoking before they are 19 years old.

Throughout the world, tobacco-control actions over the years have faced the resistance from and strategies of the tobacco industry, particularly the major transnational companies, which use simultaneous, worldwide strategies to pressure governments to revert the measures adopted to refrain their market expansion.

Due to these strategies, even though the use of cigarettes has been decreasing in most developed countries, cigarette smoking around the world has increased in about 50% from 1975 to 1996. It has increased rapidly in developing countries, especially of Asia. Today, China ranks first in tobacco consumption, accountable for 30% of tobacco use worldwide. Differently from developed countries, tobacco control initiatives and policies are incipient in many of these countries (World Bank, 1999; WHO, 2001).

In this process of market expansion one of the determining factors is to promote smoking as means to keep a huge number of consumers. The target-audience of these strategies is clearly children and teenagers, and revealed by the industry in its internal documents.

<table>
<thead>
<tr>
<th>CHILDREN-FOCUSED MARKETING</th>
<th>What documents show</th>
</tr>
</thead>
</table>
| Advertisement does not focus the youth. Pressure from friends is the most important factor for children to smoke | “They represent tomorrow’s cigarette business. As this 14-24 age group matures, they will account for a key share of the total cigarette volume—for at least the next 25 years. ...”  
R.J. Reynolds, 1974 |
| “Cigarette advertisement just affects demand” |
within its category of products, by strengthening loyalty to a brand or changing brands, but does not intend to increase overall use at the expense of non-smokers"


“It is important to know as much as possible about teenage smoking patterns and attitudes. Today’s teenager is tomorrow’s potential regular customer, and the overwhelming majority of smokers first begin to smoke while in their teens…It is during the teenagers years that the initial brand choice is made…The smoking patterns of teenagers are particularly important to Philip Morris…” (Philip Morris internal document, 1981, in ACTION ON SMOKING AND HEALTH &THE CANCER RESEARCH CAMPAIGN, 2000. Danger: PR in the playground – tobacco industry initiatives on youth smoking”, October)

“Smoking a cigarette for the beginner is a symbolic act. I am no longer my mother’s child, I’m tough, I am an adventurer, I’m not square. Whatever the individual intent, the act of smoking remains a symbolic declaration of personal identity…As the force from the psychological symbolism subsides, the pharmacological effect takes over to sustain the habit.” (Philip Morris, 1969)

“It is important to know as much as possible about teenage smoking patterns and attitudes. Today’s teenager is tomorrow’s potential regular customer, and the overwhelming majority of smokers first begin to smoke while in their teens….It is during the teenagers years that the initial brand choice is made: At least a part of the success of Marlboro Red during its most rapid growth period was because it became the brand of choice among teenagers who then stuck with it as they grew older.” (Philip Morris, 1981)

4. WHO GAINS WITH THE EXPANSION OF THE SMOKING DISEASE

The tobacco market is controlled worldwide by transnational companies British American Tobacco – BAT (Souza Cruz/Brasil; Chile Tabacos; Brown and Williamson/USA; ITC/India Imperial Tobacco; Canada Limited/Canada) and Philip Morris.

In Brazil, cigarette market is shared between two companies: Cia. Souza Cruz, which has about 80% of the market, and Philip Morris, which has about 15%. The other companies (about 13, according to the Federal Revenue and Customs Secretariat) share the remainder 5%, manufacturing cheaper cigarettes than those of the 2 major companies (Ministry of Health, 2000).

For years, the tobacco industry has been using strategies to ensure market expansion. These strategies became evident after millions of pages of internal documents from major transnational tobacco companies cam to light, as a result from a lawsuit proposed by some US states against the tobacco industry. Part of these documents is available to the public at the Internet1. These documents reveal that internal thoughts and attitudes of the tobacco industry are quite different from the public ones.

1:  
• http://www.cdc.gov/tobacco/industry-docs/  
• http://www.rjrtdocs.com/rjrtdocs.com/frames.jsc  
• http://www.pmdocs.com  
• http://www.tobaccoinstitute.com/
Publicly, the industry has denied or underestimated the risks from smoking for the smoker; it has denied risks of passive smoking for non-smokers; it has denied tobacco is addictive; it has denied that its advertisement has the purpose of encouraging youngsters to start smoking; and it has denied they are against tobacco-control strategies. The documents, however, show that the industry’s thoughts and activities are just the opposite from millions of pages of documents presented in Court.

These documents also show how the tobacco industry is organizing itself to undermine tobacco-control policies worldwide, and to counter-attack and discredit agencies involved in tobacco-control actions.

The efforts, lobby and alliance strategies in different social segments, like agriculture, media, governments and Congresses of different countries are also explicit in documents from the industry itself.

### TOBACCO INDUSTRY THOUGHTS AND STRATEGIES

#### STATEMENTS FROM INTERNAL DOCUMENTS

### ON MARKET EXPANSION TO DEVELOPING COUNTRIES:

- “Tobacco use in the developed nations will trend down slightly through the end of the century, while in the developing countries use could rise by about three percent annually. A bright picture indeed! Not a smoke-free society, but continued growth for the tobacco industry.” (1989)
- “They have to find a way to feed the monsters they’ve built. Just about the only way will be to increase sales to the developing world.” (1991)
- “The average life expectancy here is about 40 years, infant mortality is high: the health problems which some say are caused by cigarettes just won’t figure as a problem here.” (1988)
- “We should not be depressed simply because the total free world market appears to be declining. Within the total market, there are areas of strong growth, particularly in Asia and Africa; there are new markets opening up for our exports, such as Indo-China and the Comecon countries; and there are great opportunities to increase our market share in areas like Europe….This industry is consistently profitable. And there are opportunities to increase that profitability still further.” (BAT, 1990)
- “This is a market with tremendous potential. The rate of population growth is 2.2 percent each year, and 40 percent of the population is under 18.” (Philip Morris Turkey, 1997)
- “Turkey is very attractive from a manufacturing standpoint. The workweek is 45 hours, compared with only 37 in Germany. Utilizing three shifts, we can run our factory six days, 24 hours, without overtime.” (1999)
- “Thinking about Chinese smoking statistics is like trying to think about the limits of space.” (Rothmans, 1992)
- “The Chinese cigarette market is already three times the size of the U.S. market, and accounts for over 30% of the world’s 5.4 trillion units. Since the total international segment amounts to less than 1% of this huge market, we have plenty of room for dramatic growth.” (Philip Morris, 1993)

### Additional Resources

- [http://www.cctc.ca](http://www.cctc.ca)
- [http://www.ash.org.uk](http://www.ash.org.uk)
- [http://tobaccofreekids.org/campaign/global](http://tobaccofreekids.org/campaign/global)
### ON ARTICULATION OF ALLIANCES AND SUPPORT:

- "The Chinese domestic tobacco industry is a major frontier for international tobacco companies." (Philip Morris, 1994)

- "It is unsafe to assume continued substantial growth in the developing countries in the light of the rapid escalation of international pressures on governments and consumers from the antismoking bodies. If we are to maximise growth in the long term in the developing countries, we must strive to neutralise antismoking pressure by being perceived as:
  a) "Behaving responsibly in the light of the overwhelming view regarding the health effects of smoking.
  b) Gearing our marketing methods to demonstrate that responsibility.
  c) Being an acceptable guest in the host country where our presence brings substantial economic benefits.

- "Cigarette manufacturers trade associations – our best front – are being strengthened in a number of countries starting vigorous initiatives. New national associations also are being formed, such as in Brazil" (Philip Morris, 1979, in Trust us: we are the tobacco industry).

- "Support its affiliated companies to prevent approval of legislation than bans of restricts smoking in public and private environments" (Philip Morris, Goals for Latin America 1993).

- "Philip Morris has taken a leading role in the Philippine Chamber of Commerce....We assisted with the highly successful U.S. visit made by President Aquino. Philip Morris International personnel now occupy key positions in a wide array of international organisations that can assist us in the years to come." (Philip Morris, 1986)

- "We shall continue to develop our executives as effective public spokesmen, and seek out the opportunities for them to spread our messages. We shall recruit and activate additional "voices/allies" with whom we can creatively market our views." (Philip Morris, 1989)

- "Identify members of Congress who, because of seniority, position within the leadership, etc., are likely to be the next generation of congressional leaders....[W]e should refine on-going programs to enhance our presence before these Members, such as dinner meetings and fundraising efforts, and special funding needs of Members." (Tobacco Institute, 1982)

### ON STRATEGIES TO NEUTRALIZE AND ATTACK ITS "ENEMIES":

- "We must discredit the antis....We have been warned here about the danger of allowing ourselves to adopt a siege mentality. And we have heard some interesting comments questioning whether it is right, as they say in the Army, to shoot at everything that moves. But in developing countermeasures, I believe we mustn't forget that a state of war does exist." (Tobacco Institute, 1979)

- "We must try to stop the development towards a Third World commitment against tobacco. We must try to get all or at least a substantial part of Third World countries committed to our cause. We must try to influence official FAO and UNCTAD policy to take a pro tobacco stand. We must try to mitigate the impact to WHO by pushing them into a more objective and neutral position." (BAT, 1979)
“Our objective remains to develop and mobilize the necessary resources—internal Philip Morris, external agencies and consultants, the industry National Marketing Associations, and all potential allies—to fight the social and legislative initiatives against tobacco….We shall carefully target our opponents. We shall precisely identify, monitor, isolate, and contest key individuals and organizations.” (Philip Morris, 1989)

“RJ Reynolds is planning to oppose the increasing number of national crusades by launching its own “smokers rights” campaign” (Tobacco Reporter 1976)

An INFOTAB document outlines how to “Attack WHO” and “split FAO/WHO.” The tactics it suggests include the following:

“…criticise budget management, address health priorities, expose resource blackmail, highlight regional failures, attack ‘behaviourism’. Counter on public issues, discredit activists’ credentials, engage in statistical warfare, invest in press relations, show impact of ‘cuckoo’ organisations.”

“In 1989, intensive lobbying in Rome caused the FAO to publish, despite the WHO’s vigorous objection, important reports on the economic significance of tobacco and on tobacco trade projections.” (BAT, 1992)

Other documents spell out the need to “undertake a long-term initiative to counteract the WHO’s aggressive global antismoking campaign and to introduce a public debate with respect to a redefinition of the WHO’s mandate.” (BAT, 1989)

“I am attaching with this memo, a copy of a bill for my monthly consulting fees from June 1, 1992, through September 30, 1992….My work on the Board of the Pan American Health Organisation continues as I try to redirect their priorities toward disease control rather than lifestyle issues.” (BAT, 1992)

“Paul has managed to persuade PAHO to take tobacco off their list of priorities for this year.” (BAT, 1991)

Source: Campaign For Tobacco Free Kids & Action On Smoking And Health (ASH) 2001

5. IMPACT OF SMOKING ON HEALTH

5.1. Smoking as an addiction

In 1988, the United States Surgeon General published a report on studies that proved tobacco’s capability of causing addiction, which lead the world scientific community to acknowledge smoking as a chemical addiction (U.S. Surgeon General, 1988). In this report, the US Surgeon General concluded that:

1. Cigarette and other tobacco products may cause addiction.
2. Nicotine is the tobacco products component that causes addiction.
3. Pharmacological and behavioral processes that foster tobacco addiction are similar to those that promote addiction of drugs such as heroin or cocaine.

In 1993, the World Health Organization (WHO) included tobacco use as a mental and behavioral disorder in the tenth revision of the International Classification of Diseases (ICD-10) (Slade 1993, WHO,1997).

Studies show that 70% of adolescents who experiment smoking became addictive to tobacco. They also show that 80% of smokers want to quit, but only 3% are successful (Cinciprin et al., 1997).

Table 2 draws a comparison between nicotine and other drugs addiction, in terms of addictiveness, mortality, access, and how early they are used, showing that tobacco leads all these criteria.

<table>
<thead>
<tr>
<th>Drug</th>
<th>Access</th>
<th>Capability of</th>
<th>Mortality</th>
<th>Starting age for use</th>
</tr>
</thead>
</table>

Table 2 - Comparison between addiction to nicotine and to other drugs
In spite of all scientific evidences demonstrating tobacco as addictive, tobacco industry still publicly denies this fact, even though their internal documents show that not only they believe in this, they had evidences on what the scientific community knows, today, on nicotine addiction.

<table>
<thead>
<tr>
<th>Drug</th>
<th>Difficulty</th>
<th>Ease</th>
<th>Medium</th>
<th>High</th>
<th>Low</th>
<th>Median</th>
<th>Mean Age for First Use, in Years</th>
</tr>
</thead>
<tbody>
<tr>
<td>Nicotine</td>
<td>Easy</td>
<td>80</td>
<td>High</td>
<td>15.5</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Heroine</td>
<td>Difficult</td>
<td>35</td>
<td>Medium</td>
<td>19.5</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Cocaine</td>
<td>Medium</td>
<td>22</td>
<td>High</td>
<td>21.9</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Sedatives *</td>
<td>Médium</td>
<td>13</td>
<td>Medium</td>
<td>19.5</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Stimulants *</td>
<td>Medium</td>
<td>12</td>
<td>High</td>
<td>19.3</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Marijuana</td>
<td>Medium</td>
<td>11</td>
<td>Low</td>
<td>18.4</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Hallucinogens</td>
<td>Easy</td>
<td>9</td>
<td>Low</td>
<td>18.6</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Analgesics</td>
<td>Medium</td>
<td>7</td>
<td>Medium</td>
<td>21.6</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Alcohol</td>
<td>Easy</td>
<td>6</td>
<td>Medium</td>
<td>17.4</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Tranquilizers *</td>
<td>Médium</td>
<td>5</td>
<td>Medium</td>
<td>21.2</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Inhalers</td>
<td>Easy</td>
<td>3</td>
<td>Medium</td>
<td>17.3</td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

* Non-medical use
**% of users who become addicted
*** Mean age for first use, in years

In spite of all scientific evidences demonstrating tobacco as addictive, tobacco industry still publicly denies this fact, even though their internal documents show that not only they believe in this, they had evidences on what the scientific community knows, today, on nicotine addiction.

### NICOTINE ADDICTION

**TOBACCO INDUSTRY THOUGHTS AND STRATEGIES**

<table>
<thead>
<tr>
<th>Public position</th>
<th>What documents show</th>
</tr>
</thead>
<tbody>
<tr>
<td>Nicotine is important to add flavor or scent – not for addiction</td>
<td>“Nicotine is addictive. We are, then, in the business of selling nicotine—an addictive drug effective in the release of stress mechanisms.” (Brown &amp; Williamson, 1963)</td>
</tr>
<tr>
<td>“Thos who say smoking is addictive do it for ideological, not scientific reasons” (Philip Morris position in 1996)</td>
<td>“If, as proposed above, nicotine is the sine qua non of smoking, and if we meekly accept the allegations of our critics and move toward reduction or elimination of nicotine in our products, then we shall eventually liquidate our business. If we intend to remain in business is the manufacture and sale of dosage forms of nicotine, then at some point we must make a stand” (RJ Reynolds, undated, in Trust us: we are the tobacco industry).</td>
</tr>
<tr>
<td>In 1994, in a hearing at the American Congress seven high executives of American tobacco companies testified nicotine does not cause addiction: “We did not hide before, nor do we hide now, and we will never hide … we do not have any internal research proving that smoking… causes addiction” (Martin Broughton, BAT CEO)</td>
<td>“…BAT should learn to look at itself as a drug company rather than as a tobacco company.” (BAT, 1980)</td>
</tr>
<tr>
<td>“The definition of addiction is wide and varied. People are addicted to the Internet. Others are addicted to shopping, sex, tea, and coffee. The line I would take is that tobacco isn’t addictive but habit forming.” (Tobacco Marketing Association, 1998)</td>
<td>“The cigarette should be conceived not as a product but as a package. The product is nicotine…Think of the cigarette pack as a storage container for day’s supply of nicotine…Think of a cigarette as a dispenser for a dose unit of nicotine. Think of a puff of smoke as the vehicle of nicotine…Smoke is beyond question the most optimized vehicle of nicotine and the cigarette the most optimized dispenser of smoke”(Philip Morris, 1972, in Trust us: we are the tobacco industry).</td>
</tr>
<tr>
<td>Position on nicotine addiction, Souza Cruz homepage, 2002:</td>
<td>“It has been suggested that cigarette smoking is the most addictive of habits -- that nicotine is the most addictive drug. Certainly large numbers of</td>
</tr>
</tbody>
</table>
from the smoker’s ability to quit smoking”
(http://www.souzacruz.com.br)
people will continue to smoke because they are unable to give it up. If they could they would do so. They can no longer be said to make an adult choice.” (BAT, 1980)

5.2. Risks of smoking for the smoker

Tobacco use is acknowledged, today, as a disease resulting from nicotine addiction, and tobacco products users are continuously exposed to about 4,700 toxic substances, thus users are prone to develop impairing and fatal diseases.

Scientific studies have proven exposure to tobacco smoke, by inhaling great levels of it, is a sure cause of cancer, cardiovascular and respiratory diseases. In addition, lung cancer rates among light smokers (from 1 to 9 cigarettes/day) is, in average, 6 times higher than in non-smokers, indicating smoking to be a major risk, even when exposure is relatively low. This fact evidences there are no safe exposure levels (IARC, 1986). Even smokers that do no inhale (cigar and pipe smokers) are at a high risk for lung cancer, some 10-fold higher than non-smokers (Doll & Peto, 1994).

Thousands of studies have proven tobacco use to cause almost 50 different diseases, especially cardiovascular conditions, cancer and chronic obstructive pulmonary diseases (WHO, 1996; Doll and Peto, 1994; U.S. Surgeon General, 1989; Rosemberg, 2002). These studies showed that tobacco use causes 45% of coronary artery deaths (myocardial infarction), 85% of chronic obstructive pulmonary disease (emphysema), 25% of cerebrovascular deaths (strokes), and 30% of cancer deaths. It is to be stressed that more than 90% of lung cancer cases occur in smokers, which shows the strong correlation between this disease and tobacco use (U.S. Surgeon General, 1989; Doll and Peto, 1994). Lung cancer is the main cause of cancer deaths in Brazil (MS/INCA, 2002).

In spite of all scientific knowledge on the serious consequences from tobacco use, the industry keeps on using strategies to confound the public, by denying or minimizing the extension of the risk and the seriousness of the situation.

| Position on the risks of tobacco use, Souza Cruz homepage, 2002 |
| "It is important to mention, however, that science is still unable to explain the causative mechanisms between smoking and diseases, nor the probability for a given smoker to develop or not a smoking related disease. The risks vary from a disease to another, from a population to another, with the number of cigarettes smoked, and the associated diseases are of multifactorial nature." |
| “…In the case of carcinogens, smoke contains not just one carcinogen but a galaxy of them… Elimination of carcinogens does not therefore appear feasible… In my view, therefore, it is most unlikely that within the scope of acceptable cigarette design, it will prove possible further to reduce substantially the risk of smoking associated disease.” |
| (BAT, 1986) |
| "It was never likely that research wich lead to the production of a non-carcinogenic cigarette would also lead to a cigarette that was both smokable and free from the potential of increasing other health risks, particularly those of cardiovascular disease and chronic obstructive pulmonary disease." |
| (BAT, 1993) |

5.3 Risks of smoking for women

Women are particularly affected by diseases related to their own biological conditions. This is why women who smoke are in higher risk of abortion, placenta previa, stroke, and other tobacco-related diseases.
Women who take oral contraceptives have a slightly higher risk of developing cardiovascular compared to women who do not use contraceptives. However, for women who use oral contraceptive and smoke, the risks for developing cardiovascular diseases is 20 to 40 times higher than for women who do not use oral contraceptives nor smoke (WHO, 2001b).

Some studies suggest women may be more susceptible to tobacco carcinogenic effects than men, as they demonstrated that smoking the same number of cigarettes, females present higher lung cancer rates (WHO, 2001b).

Each year, more than half a million of women die in the world. As tobacco use grows among women, mortality from tobacco-related diseases also increases among this group. In developed countries, where women have been smoking for a long time, mortality rates from tobacco-related diseases accounts for 25% to 30% of all middle-age women deaths (WHO, 2001c).

In the United States, lung cancer ranks first among cancer deaths in women. In Brazil, lung cancer is the second cause of deaths from cancer among women. Furthermore, lung cancer mortality among women is increasing more rapidly then among men. An assessment on the progression of lung cancer mortality rates from 1979 to 1999 evidenced an increase of 57% among men, and of 122% among women (MS/INCA, 2002).

Increase in smoking among women was subsequent than among men, and took place particularly from the 60s onwards. This increase in use came as a result from the intense marketing strategy promoted by the tobacco industry, by exploring the female independence theme, addressing sophistication, glamour and good shape in their ads.

In many developed countries, such as Austria, Denmark, Spain and Sweden, prevalence of smoking is higher among female than male adolescents.

An inquiry carried out in Rio de Janeiro in 2001 showed that initiation to smoking has been quite early, especially among girls.

### Table 3 Population distribution according to the age-group smoking was started, per gender

<table>
<thead>
<tr>
<th>Age-Group</th>
<th>Male</th>
<th>Female</th>
<th>%</th>
</tr>
</thead>
<tbody>
<tr>
<td>10-12 years</td>
<td>3,475</td>
<td>8,688</td>
<td>31.3</td>
</tr>
<tr>
<td>13-15 years</td>
<td>1,738</td>
<td>17,375</td>
<td>62.5</td>
</tr>
<tr>
<td>16-18 years</td>
<td>13,900</td>
<td>1,738</td>
<td>6.3</td>
</tr>
<tr>
<td>Total</td>
<td>19,113</td>
<td>27,800</td>
<td>100</td>
</tr>
</tbody>
</table>

### Table 4 Prevalence of cigarette active, passive and non-active/passive smokers, age 15 to 19 years, per gender

<table>
<thead>
<tr>
<th>Informant</th>
<th>Gender</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Male (%)</td>
<td>Female (%)</td>
</tr>
<tr>
<td>Active Smoker (AS)*</td>
<td>8.4</td>
<td>11.6</td>
</tr>
<tr>
<td>Passive Smoker (PS)</td>
<td>16.8</td>
<td>13.8</td>
</tr>
<tr>
<td>Non-Active/Passive Smoker (NS)</td>
<td>74.8</td>
<td>74.6</td>
</tr>
<tr>
<td>Total</td>
<td>100.0</td>
<td>100.0</td>
</tr>
</tbody>
</table>

*only cigarette active smokers were considered, as there was only 1 smoker of other tobacco product
increasing smoking incidence among young women will serve to maintain starting incidence…. [and that] Further female incidence will continue to rise in these regions. The net result will be a continuing growth in incidence although at a slower rate than previously.” (BAT, 1979)

"...[W]e are naturally more interested to learn how you plan to target the emerging young adult female smokers rather than the older female smokers” (Philip Morris, 1989)

“Demographically, the population explosion in many underdeveloped countries ensures a large potential market for cigarettes. Culturally, demand may increase with the continuing emancipation of women and the linkage in the minds of many consumers of smoking manufactured cigarettes with modernization, sophistication, wealth, and success, a connection encouraged by much of the advertising of cigarettes throughout the world” (Philip Morris, 1984, Annual Meeting, in Trust us: we are the tobacco industry)

5.4. Lies on low-yield cigarettes.

Since the 50s, once it was shown cigarettes could cause cancer, manufacturers started to put filter in their products.

They also worked towards reducing tar and nicotine liberation levels from their cigarettes. In spite of different changes in the cigarette manufacture have added to the development of low tar and nicotine cigarettes, the filter ventilation was the main innovation for these low-tar cigarettes. The ventilation is achieved by a number of holes or perforations that allow dilution of the smoke inhaled by the smoker with the air, thus reducing concentration of tar, nicotine and carbon monoxide emissions (Thun & Burns, 2001).

Measurements to determine the level of tar, nicotine and carbon monoxide are made by standardized tests in smoking machines, the so-called FTC method, as it is based on the US Federal Trade Commission protocol. The protocol for the smoking machine accurately simulates the act of smoking, setting the volume of smoke inhaled, intervals between smoke inhales, and the size of the cigarette butt. However, a number of enquiries, including those carried out by tobacco industry itself, show that FTC method to classify the level of cigarette components do not actually translate smoker exposure to toxic substance liberated in the act of smoking due to the compensation phenomenon (Burns & Benowitz, 2001).

Why does this happen? A number of researches have shown that a way for the smoker to compensate reduction of nicotine emission due to dilution of smoke with the air that enters the pores of the cigarette filter is to increase the volume of the smoke inhaled. So, when changing from a regular to a low-yield brand, the smoker immediately starts to compensate, by changing the way he smokes, to get the level of nicotine enough to satisfy his addiction. This compensation is achieved by a more in-depth inhale, by closing the pores in the filter with the fingers or lips, leaving a smaller butt or even increasing the number of cigarettes smoked. Internal tobacco industry documents show that this compensation mechanism is known and proven by research. This is why, more recently, FTC itself rejected these figures for lack of meaning, and its own assessment method (Burns & Benowitz, 2001).

Much effort was done to seek alternative ways to reduce smoking risks; so much so that cigarettes have dramatically changes over the past 50 years. However, research has shown that tobacco-related disease risks have not changed (Burns & Benowitz, 2001).

One of the most serious aspects of this issue is that secret documents from the tobacco industry, now under dispute in court, clearly show that the tobacco industry had known these facts for a long time.

However, they kept strong marketing strategies, presenting these “low-level” products as an alternative for smoking cessation. One of the strategies was to use descriptive expressions such as light, mild, low-tar. These expressions convey a false idea of safety, and may induce consumer to mistakenly think that brands classified as low-yield are healthy alternatives, and thus reduce their motivation to quit smoking. Advertisement of the low-yield brands has suggested there is no need to quit smoking if one smokes correctly. By associating these brands with status, with healthy and intellectual activities, it is suggested that choice for light and mild cigarettes is done by intelligent people (Pollay & Dewhirst, 2001; Shiffman et al, 2001; Canadian Ministerial Advisory Council, 2001).
Besides the above mentioned expressions light and mild, the history of low-yield cigarettes in the United States show that tobacco industry has used colors, packs, graphic images, and advertisement to directly or indirectly convey an idea of health. Typically, one color is used for the same brand family, ranging in intensity, being lighter shades used for the light brand (Pollay & Dewhirst, 2001).

Most light and ultra Light come in a white pack with little ornaments. Due to the importance of colors, tobacco company Brown & Williamson tested 33 packs before selecting colors blue, gold and red for its Viceroy Rich Light brand (Pollay & Dewhirst, 2001).

In the early 60s, advertisement of the Kent brand showed models dressed in white, with white accessories, in a totally white environment. Advertising campaign of the brand Parliament, for most of the 90s, used many models, all of them in a white environment or in natural external environments.

In Brazil, Resolution 46 from the National Agency for Sanitary Surveillance – ANVISA, published in May, 2001, forbids the use of descriptive terms light, ultra light, and similar, from February 2002 on. Over the time gap between publication of the resolution and its effectiveness, the tobacco industry strongly invested on color diversification for cigarette packs, creating variations for the same brand family. The purpose of this strategy was to prepare consumer for prohibition of the descriptive adjectives by establishing a link between color and substance level. Brand Hollywood, for instance, in addition to its traditional red pack, is now presented in two other versions: green (mentol) and blue (light). Also, in the first packs that went to the market, there was a sort of manuscript where the new versions were described, associating color with low level of substances and flavor. It was clearly a strategy to keep in the market the idea of light related to color blue, for consumers to identify it once Resolution 46 become effective.

Proving the seriousness of this situation is the existence of a number of studies that show the false idea of consumers about low-yield cigarettes. Research carried out in the United States and Canada by the tobacco industry itself showing that smokers who use low-yield brands mistakenly believe they reduce the risk of diseases. These studies also show that consumers mistakenly believe this kind of cigarettes will reduce tar and nicotine absorption. They have also shown that most smokers are only aware of the "Regular", "Light" and "Ultra Light" classification used to promote cigarettes, but not the value of tar emissions, proving that they think this classification substitutes this value as a risk indicator (Shiffman et al., 2001; Canadian Ministerial Advisory Council, 2001; Wiesntein, 2001).

LIES ON LOW-TAR / NICOTINE CLASSIFICATION
TOBACCO INDUSTRY THOUGHTS AND STRATEGIES
STATEMENTS FOUND IN INTERNAL DOCUMENTS

Documents show that the industry knew unsuitability of the FTC method to measure level of substances in tobacco products:

“humans smoke differently from smoking machines simulation, in terms of frequency and intensity of inhales, and this changes from one person to another” (Canadian Tobacco Industry, 1969)
In: http://www.ash.org.uk/

“Compensatory smoking: This is also particularly tricky subject. On the one hand it is commercially sensitive. On the other, it must be in the interest of the industry to get data and speak out against those who claim that the low delivery programme is misleading in that smokers compensate for the low deliveries” (Imperial, 1983, in Trust us: we are the tobacco industry)

"Data on the profile of smokers, previously reported, show that "Marlboro lights" cigarettes are not smoked as the " regular Marlboro". In fact, 85 "Marlboro" smokers in this study did not reach any reduction in smoke inhale when smoking a "Marlboro light" cigarette. (Philip Morris, internal document signed by L. Meyer, 1975). In: http://www.ash.org.uk/

"... it is difficult to ignore warnings from health officials for smokers to quit smoking or to change to a low-yield brand. But there currently is evidence enough to question this warning for changing to a low-yield brand, at list in the short-term. Most habitual smokers compensate the difference in the level of substances if they change to a lighter brand." (Creighton, D.E. Compensation for changed delivery. British American Tobacco Company. June 27, 1978.
Documents show that tobacco companies were aware that use of low-yield cigarettes would not reduce the risk of diseases and death for its users:

“There is no question it is likely the effect of changing to low-tar cigarettes is to increase, rather than to reduce, the risks of smoking.” (Tobacco Advisory Council, 1979) In: http://www.ash.org.uk/

“Due to a great variety of corcinogens produced during the pirolisis process (chemical reaction from the burning of organic matter) it is unlikely there will be a totally safe way to smoke tobacco.” (BAT, no date) In: http://www.ash.org.uk/

Documents show that tobacco companies kept a misleading marketing of low-level cigarettes to discourage smokers from quitting:

“All work in this area (communications) should be directed towards providing consumer reassurance about cigarettes and the smoking habit... by claimed low deliveries, by the perception of low deliveries and by the perception of ‘mildness’. Furthermore, advertising for low delivery or traditional brands should be constructed in ways so as not to proveke anxiety about health, but to alleviate, it and enable the smoker to feel assured about that habit and confident in maintaining it over time.” [Emphasis in original.], (See Short, 1997, p.3.)

“Smoke needed light brands for tangible, practical, understandable reasons....It is useful to consider lights more as a third alternative to quitting and cutting down – a branded hybrid of smokers’ unsuccessful attempts to modify their habit on their own” [Emphasis in original.] (see British American Tobacco Co., circa 1985, pp. 9,13.)

“Salem created a whole new meaning for menthol. From the heritage of solves-the-negative-problems-of-smoking, menthol almost instantly became a positive smoking sensation. Menthol in the filter form in the Salem advertising was a ‘refreshing’ taste experience. It can be viewed as very ‘reassuring’ in a personal concern climate. Undoubtedly, the medicinal menthol connotation carried forward in a therapeutic fashion, but as a positive taste benefit.” (See Cunningham and Walsh, 1980, p.9.)

“Psychologically, most smokers feel trapped. They are concerned about health and addiction. Smokers care about what commercials say about them. Advertising may help to reduce anxiety and guilt....Brand user image may be critical in influencing shifts in brand loyalty.” [Emphasis in original.] (See Oxtoby-Smith, Inc., 1967, p.14.)

“… Any health cigarette must compromise between health implications on the one hand and flavor and nicotine on the other… flavor and nicotine are both necessary to sell a cigarette. A cigarette that does not deliver nicotine cannot satisfy the habituated smoker and cannot lead to habituation, and would therefore almost certainly fail.” (See Johnston, 1966, p.5.)

5.5 Who does not smoke is also affected

The burning of tobacco products (cigarettes, cigars, pipes, and others) forms two smoke chains, the principal and the secondary chains. The principal chain (PC) is generated during inhales, it is the one that enters through the smoker’s mouth. The secondary chain (SC) is formed in the interval between inhales, and it is freely discharged from the end of the lighted cigarette directly into the air (Repace, 1987).

The tobacco smoke discharged to the environment and that people unwillingly inhale is known as second-hand smoke or environmental tobacco pollution, and the process of breathing second-hand smoke is known as passive smoking.
Many researches show that tobacco smoke is the higher source of pollution in closed environments. The fact that most people spend 90% of their time in closed environments, especially at home and at work, makes evident the seriousness of such exposure (IARC 1986, Repace, 1993).

From the almost 5,000 substances found in the principal chain (smoke the smoker inhales) some 400 have been identified in the secondary chain (the one that pollutes the environment), in the same levels of the main chain. However, some of them, as ammonia, benzene, carbox monoxide (CO), nicotine, nitrosamines and other carcinogens may be found in environmental pollution smoke in levels higher than the inhaled by smokers (IARC, 1986).

Two tobacco smoke components are typically used as indicators of the environmental tobacco smoke pollution: suspense particle matter (SPM) and nicotine in the environment. Studies show that in spite of SPM may be originated from other sources of combustion, when there is a high number of smokers in non industrial environments, such as bars and restaurants, SPM levels by far exceed the levels generated by other polluting sources (Repace, 1993).

Exposure to an environmental pollutant depends on 3 factors: 1. concentration of the pollutant in the environment; 2. length of time the individual remains in the polluted environment. 3. respiratory frequency of the individual when in contact with the polluted air. It is to be considered that children, who typically have a higher respiratory frequency than adults, and those with clinical conditions that lead them to higher respiratory frequency are obviously those that are exposed the most (IARC 1986, Repace 1993).

Extensive research on passive smoking over the 1980s lead to the publication, in 1986, of an important consensus report on the risks of passive smoking by the US National Academy of Sciences National Research Council and by the US Surgeon General. The report of the US Surgeon General reached three main conclusions:

1. Passive smoking causes diseases, including lung cancer, in healthy non-smokers.
2. Children of smoking parents, when compared to children of non-smokers, present higher rates of respiratory affections, in addition to respiratory symptoms and slightly decreased pulmonary function as they grow up.
3. The sheer separation between smokers and non-smokers in the same air space may reduce, but does not prevent non-smokers exposure to tobacco environmental smoke.

It is proven today that the immediate effects of environmental tobacco smoke exposure is not limited to short term effects, such as nasal, eye, throat irritation, headaches, vertigo, nausea, coughing, respiratory problems. They are also related to increase in the risk of long cancer and other tobacco-related diseases among non-smokers.

Recent meta-analysis studies have showed that among non-smokers constantly exposed to environmental tobacco smoke, the risk of developing lung cancer is 30% higher than in non-smokers non-exposed (Hackshaw et al, 1997). The risk for cardiovascular diseases among non-smokers exposed to environmental tobacco smoke is 24% higher than among non-exposed (Law et al, 1997).

In the United States, tobacco smoke is estimated to be accountable for some 50,000 death a year among non-smokers, 3,000 of which from lung cancer (U. S. Environmental Protection Agency, 1993); and 53,000 deaths from heart conditions among passive smokers, according to an American heart Association report. This Association observed that, among passive smokers, the risk of death from exposure to tobacco smoke is higher when exposure takes place in homes, rather than workplaces (Taylor et al. apud Rosemberg, 2002)

5.5.1 Environmental tobacco smoke and vulnerability of children and women

Because children have a higher respiratory frequency than adults, they are more vulnerable to the effects to environmental tobacco smoke, particularly because they live with tobacco pollution from intra-uterine life until adolescence.

WHO estimates that 700 million children, about half of the world’s children, breath tobacco-smoke polluted air, particularly at home. The worse is that most have no choice. Among babies and elder children, exposure to parents’ smoking increase the chance of their having respiratory infections, such as bronchytis, pneumonia, and ear infection, and an exacerbation of chronic respiratory symptoms, such as asthma and
reduced rate of pulmonary growth. Children exposure to environmental tobacco pollution may add to their
developing cardiovascular conditions at an adult age, and to present neurobehavioral development disorders
(WHO, 2001c).

For women, first studies on passive smoking assessed the risk of passive smoking among non-smokers. These
studies showed that the risk from lung cancer death was higher among non-smoking women married to
smokers than among non-smoking women married to non-smokers (Hirayama, 1981; Trichopoulos et col.,

The first studies on passive smoking, the ones that assess the risk among women married to smokers showed
that risk of dying from lung cancer is higher for them than for those non-smoking women married to

The studies also showed that exposure of non-smoking women to tobacco smoke during pregnancy may
reduce fetal growth. According to the SHO, exposure of newborns to tobacco exposure has a 5-fold higher risk
for Infant Mortality Syndrome. Nicotine and carbon monoxide carries for the smoking mother aq higher risk of
placenta previa, detachment of the placenta, and pre-labor bleeding. Furthermore, there is a 70% increase
rate of miscarriage, 40% increase rate of premature labor, and a 30% increase in the chance of perinatal

5.5.2 Passive smoking as an occupational health hazard

The effects of passive smoking also derive from exposure at workplaces, when there is no safety and
protection regulation against involuntary exposure to tobacco smoke.

The major victims are non-smoker workers, who, because of their jobs, are exposed to environmental
tobacco smoke at their work, like flight attendants, employees of restaurants, bars, discos and other sites
where there is a great flow of smokrs and legislation forbidding smoking in public closed environments are no
complied with.

A number of studies demonstrated that there are high levels of environmental tobacco smoke (ETS) in
restaurants and bars. They showed that in a restaurant of maximum occupancy of 70 people in a 100 m2
area, with a prevalence of 29 smokers per 100 clients, and an air renewal rate according to the recommende
for restauranta, (20 cubic feet of fresh air per minut per client), after half an hour, suspended particulated
matter level is close to 197µg/m3, almost 10 times above what would be expected if there were no ETS
(Repae, 1993).

Studies also evidenced a higher risk for lung cancer among restaurant workers. A review of epidemiological
studies on the risk of tobacco-related diseases in non-smoking restaurant workers showed that the risk of
their developing lung cancer from involuntary exposure to tobacco was, in average, 50% higher than among
non-exposed (Brauer & Dimich-Ward, 2000).

Therefore, even though most of the concern related to ETS in bars and restaurants focus the clients,
employees present a potentially higher risk to health hazards, due to their prolonged and repeated exposure
(Brauer & Dimich-Ward, .2000).

Furthermore, some occupational diseases may be triggered or brought on from tobacco use, as the smoke
acts as a vehicle to favor different chemical substances existing in workplaces to enter the body, and it also
can act on the chemical transformation of such substances, due to the intense heat of the lighted end of the
cigarette. Workers from the cotton textile industry, coal miners, uranium miners, firemen, among others, are in
greater risk of developing respiratory disease, including lung cancer, as a result from occupational exposure
triggered by smoking.

5.5.3 Protective measures against environmental tobacco smoke

Separating smokers from non-smokers in the same environment does not work, because as the tobacco
product is being used, its smoke is evenly disseminated in that environment. Furthermore, tobacco smoke is
easily carried through ventilation mechanisms in buildings, aircrafts and disseminated in naturally ventilated

Because of such evidences, the United States Public Health Service reached the conclusion that separating
smokers from non-smokers may reduce, but does not eliminate exposure. Health organizations, such as the
National Institute for Occupational Safety and Health and the US Environmental Protection Agency proposed programs to make closed environments free from environmental tobacco smoke with designated, ventilated areas for smokers, as even exposure to low levels of carcinogens result in higher risk for cancer. Options advocated by the tobacco industry, such as designating smoking areas in an environment with the same ventilation system, or even an increase in the amount of fresh air through a special ventilation system do not eliminate non-smoker exposure. Furthermore, these are questionable measures, considering current energy saving policies worldwide (IARC, 1986, Repace, 1993).

There are extensive evidences showing that tobacco restriction in both hotel and restaurant business does not carry a negative impact on profits. In the United States, restrictions and even banning smoking in bars and restaurants are progressively increasing (Brauer & Dimich-Ward, 2000).

In Brazil, even though tobacco-restraining measures are increasing in most Brazilian companies, some business segments such as bars and restaurants, that concentrate a high number of smoking clients, are the less compliant to current legislation.

Many bars and restaurants prefer to designate smoking areas in the same smoker and non-smoker environment, which is ineffective to protect both, clients and employees, of the hazards of environmental tobacco smoke. In this type of business, smoking areas are workplaces; therefore, occupational exposure (flight attendants, waiters, barmen) will be more intense the higher and number of smokers and the length of their stay in these places (Brauer & Dimich-Ward, 2000).

There is enough evidence for one to implement measures to protect individuals from involuntary exposure to environmental tobacco smoke. Having designated smoking areas in the same environment where smokers and non-smokers are, with one ventilation system is not enough, as the smoke substances spread around the environment through the ventilation system.

As the risk comes from involuntary exposure of an individual to tobacco smoke, the government should implement strong measures to protect the population. It is essential that legislation restricting the use of smoking products in public places is regulated and enforced, in addition to an educational process on the hazards of tobacco smoke, and support to those who want to quit.

In spite of all scientific knowledge collected evidencing the risks of passive smoking, the tobacco industry has argued against it to question measures to protect non-smokers from passive exposure. They use a number of arguments: (1) data on environmental tobacco pollution on the health of non-smokers are inconclusive; (2) the risks are not significant; (3) non-smokers are exposed to minimum levels of smoke when compared to smokers; (3) other closed-environment pollutants are more significant that tobacco smoke; (4) solutions other than restraining tobacco products use in workplaces should be sought, such as common courtesy to accommodate smokers and non-smokers needs, among others. With this purpose, tobacco industry has sponsored articles in magazines focusing smokers, where its claims there are higher risks for lung cancer than environmental tobacco smoke, such as drinking pasteurized milk or green tea, or owning a bird.

<table>
<thead>
<tr>
<th>PASSIVE SMOKING</th>
<th>TOBACCO INDUSTRY THOUGHTS AND STRATEGIES</th>
</tr>
</thead>
<tbody>
<tr>
<td>STATEMENTS FOUND IN INTERNAL DOCUMENTS</td>
<td></td>
</tr>
<tr>
<td>PUBLIC POSITION</td>
<td>INTERNAL DOCUMENTS</td>
</tr>
</tbody>
</table>
“Many people are lead to believe environmental smoke from cigarettes (ESC) is a risk factor or the cause of diseases in non-smokers. Evaluating the set of existing scientific research is not enough or conclusive to state that ESC is associated to a higher incidence of respiratory and heart diseases or lung cancer.” (http:www.souzacruz.com.br)

“The study of lung cancer in passive smokers has not found any statistically significant increase, risk wise….

Let’s compare this with recent results from the United States National Cancer Institute. Investigating risk factors from food intake, they found cases in which risk for lung cancer is higher than from environmental smoke. For instance, in fried meats, there is a 57% increase. For dairy products, it is even higher …

Regrettably, I conclude that we don’t accurately know what level of cigarette smoke exposure increases the risk of coronary artery diseases, or even if such exposure actually present risks” (Christopher Proctor – director, Science & Regulation BAT, UK – in a lecture in Brazil – Annals from the International Seminar on Frauds in the sector of Cigarettes – August 2001)

A Brown and Williamson lawyer senses the threat posed by passive smoking:

“The anti-smoking lobby is using the issue of the alleged health effect of smoking on the non-smoker to generate media publicity. This trend has been growing since 1970 …There is no medical evidence concerning the health effect of passive smoking. The real purpose is symbolic to make smoking socially unacceptable and by limiting the public areas where it is permitted.” 6(B&W,1973). Retirado de ASH/ Industry conduct/ Tobacco Explained: 6. Passive smoking. www.ash.org.uk

Goals of the Philip Morris campaign directed to researchers, media and government to argue against the International Agency on Research on Cancer (IARC) study on the risks of passive smoking:

“Goals:
1. “Delay the progress and/or release of the study.
2. Affect the wording of its conclusions and official statement of results.
3. Neutralize possible negative results of the study, particularly as a regulatory tool.
4. Counteract the potential impact of the study on governmental policy, public opinion, and actions by private employers and proprietors.” (Philip Morris, 1993)

6. TOBACCO PRODUCTION, ITS SOCIAL INJUSTICES AND IMPACT ON HEALTH AND ENVIRONMENT

In addition to health hazards for smokers and for non-smokers who involuntarily expose themselves to tobacco smoke, damages caused by tobacco crops add a new dimension to this serious public health hazard.

Tobacco plantations require a huge amount of pesticides to protect the plant from insects and diseases, and the heavy use of fertilizers to enrich the soil, and the use of wood as fuel to feed the ovens used for dying the green leaf, to prepare it for storage, transportation and processing.

These features cause tobacco crops to be hazardous for the planter’s health and for the environment. In addition to the serious social injustices related to tobacco crops, they have been used as an argument to pressure government of producing countries not to adopt tobacco control measures, nor measures to replace the planting or tobacco for other activities that do not cause health or social problems for the workers.

6.1. Tobacco crops and its risk for health and environment

6.1.1 Risks from the use of pesticides for tobacco crops
The planting of tobacco requires intense use of toxic products. The use of pesticides in high scale affects the health of growers and their families, causing acute intoxication and labor impairment, damaging the ecological system by contaminating the soil, crops, animals and rivers. Instructions given by BAT recommend the use of 16 different types of pesticides for three months before transferring the seeds to the field. Many tobacco growers pay a high price for the repeated use of such venoms, as they are not aware of the risks or of the necessary protection measures to handle these substances. There are a number of reports on illnesses and deaths related to pesticide poisoning (Campaign for Tobacco Free Kids, 2001).

It is to be stressed that official data on poisoning from agrotoxic chemicals in many developing countries underestimate its incidence due to the lack of physicians in rural areas and to the fact that many health professionals do not report the cases they see. In Brazil, it is estimated that agrotoxic chemicals poison more than 300,000 people at each year. In the State of Santa Catarina, 79% of tobacco growers are affected by the use of these products (Campaign for Tobacco Free Kids, 2001).

An assessment carried out with tobacco growers from Brazil’s Southern region showed that 55% do not wear protective clothing, such as masks, gloves and boots. The tobacco growers say this is because of the high costs of the equipment, and these garments are not suitable for a tropical climate. This assessment also showed that 48% of the planter’s families present health problems related to the use of chemical substances, such as persistent headaches and vomits, and 42% know someone with congenital physical impairment. This study revealed that about 80% of the families do not properly dispose of the residues, throwing agrotoxic chemical containers in the woods or burning them (Campaign for Tobacco Free Kids, 2001).

A recent inquiry, carried out from August 1999 to November 2001 with members of 147 families in the biggest tobacco planting area of the State of Rio Grande do Sul support these findings by showing that these people are not prepared to handle agrotoxic chemicals. As to the use of protective gear, 82% said they never or seldom use mask; 65% said that they never or seldom use gloves, and 68% never or seldom use special clothes, the chief reason being discomfort from heat. As to the disposal of empty containers, only 11% of the interviewees disposed them in an appropriate toxic waste ground. This high degree of carelessness is due to the lack of knowledge on the relative risks of the handled chemicals (Etges et al, 2002).

In Brazil, tobacco growers receive little or no training to use and handle agrotoxic chemicals. Considering that tobacco is not food, growers do not receive technical rural support from government programs. As a result, they depend on their contracts with the tobacco industry to receive instructions (Erdmann & Pinheiro, 1998).

In addition to the risks of active poisoning, it has been reported a higher risk for the development of chronic and neurological conditions among tobacco growers and their families who are exposed. The most commonly reported problems from acute poisoning are nausea, vomits, headaches, and nervous breakdowns (Erdmann & Pinheiro, 1998).

In the tobacco planting areas of Brazil, exposure to pesticides seems to be associated to an increase in suicide rates. A 1996 study assess the possibility of a potential connection between organophosphoric pesticides and increase in suicide rates in the city of Venâncio Aires, Rio Grande do Sul, Brazil’s biggest tobacco planter State, where suicide rates were much higher than the state’s overall suicide rates in at least 15 out of the 17 years assessed (Falk et al., 1996).

This study showed that suicide rates for this city in 1995 almost doubled compared to the two previous years. The same happened with the use of agrotoxic chemicals in tobacco plantations, going from the typical 50 to 60 kg/hectare to about 100 kg/hectare in 1995, a year when many plagues assailed the crops, because of the drought and other factors (Falk et al., op. cit.)

In addition to risks for tobacco plantation workers, the unsafe use of toxic chemicals and the habit of washing equipment and empty containers in running water has made these substances to be absorbed by the soil, contaminating non-agricultural water and soil. Thus, the risks for non-occupational exposure among people who live close to the plantations have enhanced (Erdmann & Pinheiro, 1998).

6.1.2 Green Leaf Disease

Differently from many other crops, handling the tobacco leaf can be toxic for growers. Nicotine, the active cigarette component, is so strong it has been used as a pesticide and insecticide since 1763.
The green leaf disease is an occupational disease that assails workers who deal with tobacco. It is caused by the absorption, through the skin, of nicotine from tobacco leaves. The green leaf disease causes nausea, vomits, weakness, headaches, dizziness, abdominal pain, difficulties in breathing, and unbalanced blood pressure. Tobacco growers and health professionals many a time mistakenly believe these symptoms are due to tiredness or agrotoxic chemicals poisoning, particularly if these have been lately applied to the crops (Campaign for Tobacco Free Kids, 2001).

6.1.3 Deforestation and soil depletion

Once it has been harvested as a green leaf, tobacco undergoes an artificial drying process called cure. The cure is to preserve leaves for storage, transportation and processing. It is through the process of cure tobacco gets its features of flavor, scent and color. In most developing countries, one uses wood to feed the ovens where cure is processed, and for the infrastructure of ovens, which must be built every two to three years (Campaign for Tobacco Free Kids, 2001).

Recent research shows that deforestation due to tobacco planting is critical. More than 30 countries, such as South Korea, Uruguay, Bangladesh, Malawi, Jordan, Pakistan, Syria, China and Zimbabwe lead the list of countries with highest proportion of tobacco-related deforestation. In Southeast Africa alone it is estimated that 140,000 hectares of forests were annually devastated for tobacco cure, accounting for 12% of the region’s deforestation. In a region of Malaysia, where tobacco growers are 3% of the overall growers, some 80% of the trees cut in that area are for tobacco cure. Annual deforestation rates for the three biggest tobacco producing countries in Southern Africa – Zimbabwe, Malawi and Tanzania – are almost 60% higher then the African average of 0,7% a year (Campaign for Tobacco Free Kids, op. cit.).

Deforestation leads to soil erosion and devastation. Strong rains and insulation make it lose organic matter and become deficient.

In Brazil, tobacco cured in a Virginia-type oven is the country’s chief smoking product, accountable for 70% of the total tobacco crops (MINISTRY OF HEALTH, 2000).

According to the Brazilian Tobacco Growers Association (AFUBRA), there are 120,000 tobacco-cure ovens in Brazil.

Even though there are reforestation programs to replace the wood used in the tobacco leaves cure process, in a recent inquiry 59% of tobacco growers Said they use wood from both, native forests and reforested areas; this shows tobacco production process still causes deforestation of Rio Grande do Sul native forests (Etges et al, 2002).

Furthermore, tobacco rapidly depletes the soil. Studies have shown that tobacco requires higher amounts of nitrogen, phosphorus and potassium than other types of crop, and that impact on soil depletion is higher in tropical countries, where there are low amounts of soil nutrients. This is why tobacco crops require intense use of fertilizers. Studies suggest that unless a crop rotation system is used to restore soil nutrients, it will be depleted for years, and planting on it will require the use of expensive, artificial fertilizers (Campaign for Tobacco Free Kids, 2001).

6.1.4 Tobacco crops and its social injustices

For decades, tobacco industry has encouraged countries and growers to grow more tobacco. Seeking lower production costs, tobacco industry boasts the planting of tobacco by saying it brings the utmost prosperity for the growers, their communities and countries. Actually, the expansion of tobacco crops, encouraged by tobacco transnational companies, lead to an excess of supply in the tobacco’s global market, and more and more growers compete to see who can sell tobacco leaves at lower and lower prices. Results for tobacco growers of developing countries have been disastrous. While major tobacco growers prosper, most tobacco growers from the Southern Hemisphere supply tobacco companies at the expense of a miserable life entirely devoted to work (Campaign for Tobacco Free Kids, 2001).

The major transnational tobacco companies have invested more and more resources in developing countries, where they can have higher availability of tobacco leaves at low costs, to meet their market needs elsewhere. This strategy led to a tobacco production increase of 59% between 1975 and 1997. Most of this increase too place in developing countries, where crops had an increase of 128% from 1975 to 1998, whereas in
developed countries it fell 31%. While in the United States, tobacco crops fell 18% between 1975 and 1997, production raised in countries such as Brazil, China, Malawi, Vietnam and Zimbabwe. In 2000, four countries accounted for half the world’s tobacco production: China (34%), India (10%), Brazil (8%), and United States (7%). It is to be mentioned that until 1997 the United States were the second world’s biggest tobacco producer (Campaign for Tobacco Free Kids, 2001).

Brazil is today the world’s biggest tobacco-leaf export country, and 90% of tobacco plantation are in the Southern region, in the states of Rio Grande do Sul, Santa Catarina and Paraná. A particular feature of tobacco crops in these states is the use of families to grow it, and children often help in some stages of the planting process (Ministry of Health, 2000). The state of Rio Grande do Sul alone is accountable for 43% of tobacco production in Brazil (Erdmann & Pinheiro, 1998).

In addition to these Southern states, two Northeastern states, Bahia and Alagoas are accountable for 17% of the Brazilian tobacco, especially the dark type, used for cigars and pipes (Erdmann & Pinheiro, 1998).

It is known worldwide that Brazilian tobacco is of good quality and low price, due to its low production costs. This is justified because tobacco planting in Brazil is not mechanized; so, in spite of lowering the crops, increases quality of the product, as it receives a more attentive manual care, which does not exist in a more mechanized process. The fact that the entire family is involved in the plantation leads to less salary expenditure, thus lowering production costs but causing health and environmental damages (Ministry of Health, 2000).

In 1989, FETAG made a statistical assessment with more than 1,000 growers, and found that 80.6% are landowners, 11% are lessees, and 8.4% have partnership agreements.

There are some 140,000 small tobacco plantation areas, of 25 hectares or less. The owner/lessee of each plantation area makes and exclusive agreement with a tobacco company, which finances planting costs and guarantees purchase of the crops, set the prices, typically below market prices. Tobacco growers must use technology, seeds, fertilizers and pesticides supplied by the tobacco company technicians, and are in charge of paying for the basic inputs and the required infrastructure deployment (building of brick ovens for tobacco cure and reforestation costs to replace the wood used in the ovens). In the city of Santa Cruz do Sul, Rio Grande do Sul, known as the world’s tobacco capital, there is no sales of tobacco-seed or any other necessary supply; it is all provided by the contracting tobacco company (Erdmann & Pinheiro, 1998).

This organizational strategy has allowed tobacco industry to be connected to agricultural production and to have full control on tobacco production process and the growers’ activities. At the same time, they avoid the responsibilities related to a formal employer-employee relation (Erdmann & Pinheiro, 1998).

Considering that that industry’s purchasing power is stronger than the growers’ negotiating capability, and that they have to accept the industry tobacco-leaf classification, and that they are already financially committed to the industry for the agricultural inputs, the tobacco grower have no choice other than to accept prices and criteria the industry has established (Ministério da Saúde, 2000).

A recent study showed that in the Vale do Rio Pardo area, accountable for 25% of Southern Brazil’s tobacco production, and where 50% of the population live in the countryside, chiefly devoted to planting tobacco, the average family income was R$ 9.300 (less than US$3,000) a year for the 99/2000 and 2000/2001 crops. Subtracting production input expenses, net income was of R$ 2.511,00 (less than US$ 850) per family, per year, corresponding to a monthly income of R$ 61.54 (US$24,00) per worker, one third of Brazil’s minimum wage (Etges et al, 2002).

The Brazilian federal government has credit lines for agriculture, and the Familial Agriculture Strengthening Program (PRONAF) is one the most important within Brazil’s agricultural policy. The Pronaf-Planta Brasil Program gives grants to pay for costs and investment, training and qualifying for familial agriculture, supports infrastructure in cities where economy is based on familial agriculture, and provides technical support for familial agriculture.

Until April 2001, tobacco crops were financed by public money, like any other agricultural crop that may apply for a PRONAF grant. This was a contradiction, as the government financing tobacco growers on one hand, and on the other strengthened its tobacco control policy.

From April 2001 on, Brazilian Central Bank Resolution 2833/2001 forbids granting of public funds for tobacco planting in partnership with or integrated to the tobacco industry. This means that the resources that
previously were made available by the National Treasury (which financed both tobacco and edible crops) are now loaned by private banks. Thus, the government does not subsidize tobacco growers any longer, but allow them to have other source of financing.

However, it is under appreciation by the House of Representative Bill 4895, proposed by representative Telmo Kirst, the forbids discrimination against tobacco growers to receive Familial Agriculture Strengthening Program (PRONAF) grants, even if they plant in partnership with or integrated to a tobacco company.

This means it may be possible to employ resources to produce other goods and services, especially allowing small growers who wish to switch crops, but are unable due to lack of technical and financial support.

Two associations represent tobacco growers and Brazilian tobacco companies. These groups take part in most negotiations, which are instrumental for their sectors to properly operate; this marks a bilateral monopoly. It is to be mentioned that when growers were not organized nor had representation, monopoly was unilateral, with the tobacco industry imposing the price.

AFUBRA, the Brazilian Tobacco Growers Association was created in 1955, to provide tobacco growers low cost insurance against damages caused by weather conditions. It currently provides tobacco farmers with fire insurance and technical support, and represents them in negotiations that affect the tobacco culture.

6.1.5 Children labor in tobacco crop

Growing tobacco demands intense work, and requires all family members, from the youngest to the eldest, to work at the plantation. The use of children as manpower in tobacco planting is disseminated in the main producing countries, such as Argentina, Brazil, China, India, Malawi, United States and Zimbabwe (WHO, 2001c).

In Brazil, women and children do application of pesticides, which is considered a light work. Children over the age of 12 are considered adults (Erdmann & Pinheiro, 1998).

This information is supported by a FETAG study, which found that only 10% of all tobacco growing manpower is hired, and growers and their families, including children, do 90% of the operation.

For harvesting, drying and classifying tobacco leaves, child labor is quite used. To this purpose, the school year is adjusted so that it goes until mid December. Otherwise, children will just miss classes because they must work two shifts in the harvest. It is the period of most intense workdays. It is practically ceaseless, with people working on Sundays, even, particularly if the planter’s family is small, and there is no chance for them to take turns (Etges, 1989, apud Ministry of Health, 2000). Furthermore, it is estimated that 520,000 children under 18 work in tobacco plantations, 32% of which are under 14 (World Conference on Tobacco or Health Factsheet, apud IDRC, 2002).

Thus, even though the tobacco segment is not the only one to use child labor, hazards particularly to the health and physical development require urgent attention.

6.2 Tobacco crops as a tobacco industry argument to create barriers to tobacco control measures

For many years, tobacco companies have allied themselves with tobacco growers and tobacco producing countries to protect their interests. To meet this purpose, in many countries tobacco companies have tried to shift the focus of debates on tobacco issues, from health hazards it causes to economic damages tobacco control policies cause to growers and their communities. Alliance with tobacco growers is a politically intelligent strategy of the industry, as people in general tend to be sympathetic to countrymen trying to make their living (Campaign for Tobacco Free Kids, 2001).

Worldwide, major tobacco companies started a sophisticated campaign to take away attention to the fact that they are the ones that keep tobacco prices low and undermine tobacco growers collective negotiation power, and "make evident" the impact of tobacco control policies on the income of tobacco growers in producing countries (Campaign for Tobacco Free Kids, 2001).

Secret documents from the tobacco industry show that this strategy is used in producing countries worldwide. They show that the industry has used a double strategy: on one hand, it overestimates tobacco economic
importance and the impact of tobacco control measures on the world demand; on the other hand, it belittles WHO goals and programs.

To develop this type of strategy, tobacco industry was worked directly with allied politicians and businessmen, and indirectly through front organizations it finances. Much of these strategies are coordinated by tobacco industry through organizations such as ICOSI (International Council on Smoking Issue), INFOTAB (International Tobacco Information Center) and Agro-Tobacco Services (Campaign for Tobacco Free Kids, 2001).

By the end of the 80s, when major tobacco growers were not yet allied to the tobacco industry, the big tobacco companies wanted to create a big international agrarian alliance. For this purpose, they established the International Tobacco Growers Association ITGA.

A BAT memorandum on ITGA makes these strategies clear: “The manufacturing companies will direct the basic organization goal, thus we will certify they do politics... ITGA may be the ‘parapet’ for us to forge alliances with Third World country delegates at the WHO, and to achieve support from countries hostile to multinational corporations. With our support ITGA will be able to foster regional agricultural alliances, which are frail and reticent to pressures from the industry”.

Mr. Martin Oldman, director of Agro-Tobacco Services, a consulting company in charge of coordinating most of ITGA activities, wrote in 1991: “The most important role of the new consulting business is to control the international voice of tobacco growers in favor of its clients, ensuring the best use of ITGA as a vehicle for alliance agreements. Particularly, this consulting company will coordinate, facilitate and provide the necessary motivation for one to take full advantage from the alliance with tobacco growers” (Campaign for Tobacco Free Kids, 2001).

One of ITGA main focus of concern, at this moment, is the International Framework Convention for Tobacco Control, being negotiated by WHO member countries. ITGA attacks keep the standard: they overstate the economic importance of tobacco crops and question WHO and the Convention purposes. According to Richard Tate, ITGA chairman: “Our industry faces an international challenge as never before with WHO anti-tobacco campaign, supported by the World Bank, that seeks to drown our markets and put us out of business” (Campaign for Tobacco Free Kids, 2001).

This type of strategy has been evident in Brazil, aiming to pressure the government to soften its tobacco control actions and its stand in negotiating the Framework Convention. The tobacco industry has used the argument that those who depend on tobacco crops will be at a loss, as they would not have how to survive future reduction of tobacco demand.

AFUBRA, Brazilian ITGA representative, has acted along with tobacco industry to pressure Brazilian government to revert or soften its actions to meet the Framework Convention recommendations.

However, neither the Brazilian Ministry of Health nor any other country that is negotiating the Framework Convention has advocated any restriction to tobacco growing. Furthermore, nothing justifies the fear disseminated by tobacco industry relating success of the Framework Convention negotiations to economic ruin of tobacco growers. The World Bank estimates if current consumption trends are kept, prevalence of smokers will reduce in many countries, but in absolute figures, number of smokers will go from 3 million to 10 million in 2030.

Furthermore, any reduction in total tobacco demand from now on will be gradual, and only recorded after many generations.

There is no perspective that people that grow tobacco today will become out of work as a result of Framework Convention approval. According to the World Bank, the main effect from reducing tobacco use is not on tobacco growers, but on their children, who will not have to help the parents with the crops (Campaign for Tobacco Free Kids, 2001).

Furthermore, in Brazil there is an increasing will to stop planting tobacco, particularly by tobacco farmers of the Southern region, especially those from Rio Grande do Sul. A recent inquiry carried out in Brazil’s Southern region showed that 74.7% of growers want to stop growing tobacco, but feel lack of support to go ahead on this (Etges et al, 2002)
This information shows how important the Convention discussions are on the need for technical and financial support for tobacco growers to switch to different, economically feasible crops.

**TOBACCO CROPS**

**TOBACCO INDUSTRY THOUGHTS AND STRATEGIES**

**STATEMENTS FOUND IN INTERNAL DOCUMENTS**

The industry identified “mobilization of the leaf industry, especially in developing countries,” as one of two “viable pressure points” for “dealing with the WHO” (R.J. Reynolds, 1981)

Industry documents record that there was a need to “mobilize allies more effectively in the area of: Leaf growing, Advertising and News Media” (B&W, 1983) and to “mobilise global Agro-lobby.” (INFOTAB, 1989)

“…oblique/indirect contact to be made with WHO governors from Third World countries to suggest to them that the extreme WHO antismoking position could be detrimental to the economic well-being of their countries.” (ICOSI, 1979)

“…support of the Growers will be invaluable in our continued battle with critics of the Industry. Indeed, we have already used them to help us brief both delegates to the WHA [World Health Assembly] and to the FAO. The only hope of them being able to operate effectively is with funding help.” (BAT, 1988)

“The principal role of the new consultancy will be to control the international voice of agro-tobacco on behalf of its clients, ensuring that best use is made of the ITGA as a vehicle for targeted lobby activities. In particular, the consultancy will provide the co-ordination, facilitation, and motivation necessary to realise the full potential of the tobacco growers’ lobby….To date, considerable progress has been made in getting the growers’ voice heard in critical international fora such as the World Health Organization and the Food and Agriculture Organization. For example, the consultant has drafted a resolution debated at the 44th World Health Assembly and has mustered support from a number of tobacco-producing countries for a more balanced approach to socio-economic and environmental tobacco issues. In 1989, intensive lobbying in Rome caused the FAO to publish, despite the WHO’s vigorous objection, important reports on the economic significance of tobacco and on tobacco trade projections….Through the ITGA it will create and manage lobby opportunities. Of particular current importance are the World Health Organization, the Food and Agriculture Organization, the United Nations Economic and Social Council, and the World Bank. A number of upcoming international events, such as the 8th World Conference on Tobacco or Health, the 45th World Health Assembly and the United Nations Conference on Environment and Development, are clearly also of importance….In conjunction with the ITGA, Agro-Tobacco Services will develop and implement action plans for each of the ITGA member organisations, develop new argumentation, and liaise with external allies. Whilst acknowledging local circumstances, individual action plans will be co-ordinated to meet the overall objectives of particular lobby initiatives.” (BAT, 1991)

“At the 45th World Health Assembly we succeeded in having a resolution passed which maintains the pressure on the WHO to acknowledge and deal with the negative socio-economic effects on tobacco producing countries which a successful Tobacco or Health program will induce. The Malawian led resolution gained support from a number of countries and countered the Executive Board’s earlier contention that the Director-General’s presentation of tobacco issues to ECOSOC in 1991 was an adequate response to the matters raised at the 44th WHA….With the adoption of the “Malawi Resolution,” it would appear that we have succeeded in getting a full and proper acknowledgement of the concerns we have been voicing for several years. In this connection, our lobby of key diplomats in Geneva played an important, albeit unquantifiable role.” (BAT, 1992/1993)

“This development is important for at least two reasons. Firstly, it formally extends the scope of the tobacco debate in UN agencies not inherently prejudiced by perceived health concerns. To the extent that we are able to contribute effectively to the debate on a wider front, the ambitions of the “Tobacco or Health” program may be thwarted, or at least modified.” (BAT, 1992/1993)

“…like briefly to turn to the revised presentation which we will be making to selected Ministers of Agriculture and other Ministers. In these presentations we shall be highlighting the threats to their own tobacco industries from the WHO and other UN agencies, like UNCTAD and UNIDO….We will be emphasizing that the continuity of the attacks upon an industry so important to their country’s economy will be hard to stop or even
reverse. We shall also be emphasizing the evangelical and biased nature of these attacks and the fact that they ignore completely many of the problems which the Third World should be treating as priority problems, such as poverty, malnutrition, and housing....At an international level, would they be prepared to monitor, with the aid of their agricultural attachés accredited to intergovernmental organizations (UN, EEC, etc.) and embassies in the major countries, the various antitobacco activities that are being planned or carried out...[and] engage their advice and assistance in devising strategies and actions appropriate to neutralize or moderate such activities?" (INFOTAB, 1984)

“...we will...recruit and train a Corporate Affairs Manager. This individual will initially focus on identifying and developing relationships with the leaders of the 'seed to market' elements of the Turkish tobacco industry, learning about the decision making process of the government and building relationships with the decision makers, and seeking opportunities to cultivate quietly a positive corporate image for Philip Morris. Particular care will be taken in developing relations with leaders of the tobacco growers.”(Philip Morris, 1987)

“By providing the resources necessary to transform the ITGA from an introspective and largely ineffectual trade association to a pro-active, politically effective organization, the industry created the opportunity to capture the moral high ground in relation to a number of fundamental tobacco-related issues....The major planks of the agro-tobacco platform are (a) the economic benefits of tobacco production, particularly in developing countries, (b) the social benefits, such as employment in rural areas, and (c) the general agricultural development benefits arising from tobacco cultivation The primary focus of the agro-tobacco lobby effort has been at the WHO and the FAO.”(BAT, 1991)

7. IMPACT OF SMOKING ON THE ECONOMY

7.1 Costs related to the use of tobacco products

The use of tobacco products, in addition to being a health and environmental hazard, causes big losses to the countries economies. The World Bank estimates use of tobacco products generates a gross loss of US$ 200 billion a year worldwide, half of it in developing countries. This observation lead the World Bank to conclude that on an economic point of view, there is no sense in financing tobacco-related projects (World Bank, 1999).

To assess tobacco-related costs, one should consider all costs society pays. This means, in addition to costs related to treatment of patients with tobacco-related diseases, one should also include costs for the welfare system (retirement due to impairment, temporary treatment pension, pension due to widowhood), loss of production (in terms of manpower) due to deaths and diseases, economic losses from pollution, environmental degradation, fires and accidents.

Thus, tobacco-related costs can be classified as tangible and intangible. Tangible costs include the following: i) health care (medical services, drug prescription, hospital services, etc.); ii) productivity loss or reduction due to death and illnesses, iii) early retirement, sick pensions; iv) fire and other types of accidents; v) environmental pollution and degradation, and vi) research and education (Collins & Lapsley, 1998).

According to the World Bank (1999), for rich countries it is calculated that annual health expenditure for tobacco-related diseases ranges from 6% to 15% of total health costs. In countries of low and average income, annual health costs for tobacco-related diseases is less, Bank studies show. This is partially due to the fact that, in these countries, tobacco epidemics diseases have not yet reached the levels of developed countries, where tobacco use has a longer history. Other factors also add to this scenario, such as difficulties in identifying prevalence of tobacco-related diseases in developing countries.

From the point of view of productivity, the World Bank estimates that, in the workplace, a smoker is more expensive for the employer. The costs involved are higher absence rate, reduced productivity, early retirement due to health problems, higher annual expenditure on health and health insurance plans, higher expenditure with maintenance and cleaning, higher risks for fire and higher fire insurance premiums. In Canada, a study showed that for the employer, annual cost of a smoker is US$3,022.00. A study on tobacco at the workplace in Scotland showed that the country loses US$ 60 million with absences, US$ 675 million from reduced productivity and US$ 6 million with fires (World Bank, 2002).

Finally, the intangible costs, which are those related to deaths of smokers and non-smokers, and with the suffering of smokers, non-smokers and their families (Collins & Lapsley, 1998). There is no possible attempt to fairly compare what the government makes through taxes and what people lose from tobacco use.
7.2 Benefits and economic advantages from tobacco-control actions

On the other hand, considering government investments for tobacco use prevention and treatment, the World Bank estimates prevention policies are among the most cost-effective interventions, being an important component of a country's economy in terms of maintaining a healthy population. For instance, in low-income countries (per capita income of US$ 2,000), an effective tobacco prevention program would cost about US$ 20 to US$ 80 per year of life gained. Conversely, lung cancer treatment, that may increase survival of 10% of the patients only, may cost US$ 18,000 per year of life gained (World Bank, 1999).

Furthermore, cost/benefit ratio for smoking cessation basic treatment by the physician in a regular visit shows that if only 2.7% to 3.7% of smokers quite smoking with this basic treatment, the estimated cost for year of life gained would range from US$748.00 to US$ 2,020.00. Comparing these costs to the cost of other chronic diseases, treating tobacco use reaches more advantageous results. For instance, assessment of the treatment of mild to moderate blood pressure condition, high cholesterol and myocardial infarction showed a cost for year of life gained between US$ 11,300 and US$ 24,408 for the first condition; US$ 65,511.00 and US$108,189.00 for the second; and US$ 55,000.00 for the third. Even when pharmacological resources are used, such as nicotine replacement therapy to reduce withdrawal syndrome symptoms during the treatment of the smoker, this cost would range from US$4,113.00 to US$9,473.00, still lower that the other mentioned treatments (Crogham et al., 1997, Slade & Orleans 1993).

The resources obtained from tobacco-related diseases costs reduction may be used to benefit the community. By reducing treatment costs for tobacco-related diseases, the government will have more resources to invest in other areas.

In short, according to the World Bank, the development of a set of effective tobacco-control interventions would cost to governments US$ 4 per capita in low-income countries, and US$ 7 per capita in countries of average income (World Bank, 1993).

As to the use of resources on tobacco products, it can be mentioned that these resources could be used in purchasing other goods and services. A World Bank study assessed the amount of extra food one could buy in Hungary: 2.1 kilos of meat, 3.1 kilos of chicken, 9.8 kilos of apples, 21 kilos of potatoes, and 25.6 kilos of flour (Beyer, 2001).

7.3 Economy as a strategy and an argument of the tobacco industry to pressure governments

One of the tobacco industry strategies is to reason tobacco is vital to the countries' economies, particularly for tobacco producing countries like Brazil, disregarding all the hazardous effects on the health of the population, the environment, and the economic losses it generates. For this purpose, they have hired consulting firms, to estimate the importance of tobacco to the countries’ economies. Then, the industry presents some apparently impressive figure to politicians, where they stress only the number of jobs generates, and the income from taxation and export of tobacco products.

For instance in 2001, in the Czech Republic, cigarette company Philip Morris published a study stating that smoking could generate positive effects on the country's public finances, by early death of smokers, which could generate savings for the welfare and health systems. With the argument that this study intends to be a point of economic reference, the company presented this study to rebut accusation by the Czech government that Philip Morris is responsible for the raise of treatment costs for tobacco-related diseases.

This is an example of a strategy directed to countries where the industry probably intends to expand its marked, and where tobacco-control programs are not strong enough. This situation makes evident the difficulties public health is facing to revert the challenging picture of tobacco-caused illnesses and avoidable deaths, and the resources used by tobacco industry to influence governments.

The most striking is the tobacco companies such as this say they are ready to collaborate with the Tobacco-Control Framework Convention, evidencing their ambiguity, if one considers their public stand the their private intentions to expand and keep their consumers, as well as their place in the countries’ policies.

We can also stress that the tobacco industry uses arguments to pressure governments not to raise cigarette prices. It claims increase in prices will have a positive impact on cigarette smuggling and counterfeiting, which would lead to an increase in use and decrease in tax revenues. However, the illegal market should be dealt as a police matter, by inspecting and monitoring cigarette distribution routes. Experiences in countries such
as Spain have shown fighting smuggling should not be done by reducing prices, through taxes, but by fighting crime. Actually, studies have proven that price increase, in addition to reduce use, adds to increase government revenue from taxation.

7.4 Price of cigarettes in Brazil: an incentive to smoking

World Bank studies show that one of the most effective measures to reduce prevalence and use of tobacco products is price increase. These studies showed that, in average, a 10% net increase in price would reduce demand for tobacco products in about 4% in high-income countries, and in 8% in low to average-income countries (World Bank, 1999).

The World Bank also showed that tax raising leading to a raise in pieces is a win-win situation, as in all analyzed studies, this measure lead to a net increase in the country's revenue, and a decrease of tobacco use (World Bank, 1999).

On the other hand, for the increase in tobacco products price to effectively reduce use, it should be higher than the population's revenue increase (Guindon, 2002).

An econometric study carried out in Brazil in 1997 revealed how much Brazilian consumers are sensitive to raises of cigarette prices. The results showed that a 10% increase in the price of the product would reduce its use from at least 1.1% to a maximum of 1.9%, which proves cigarette price increase via taxation increase is an effective measure to reduce smoking (Ministry of Health, 2000 op. cit.).

Considering a consumer who smokes a pack a day, this study showed that a 10% increase in price would lead to a short term (a quarter) reduction from a minimum of a pack (20 cigarettes) to a maximum of 1.7 packs (34 cigarettes).

A 100% tax increase on sales price would lead, according to this study, in a tax revenue increase ranging from 12% to 13.5% in a short term (with use decrease ranging from 1.5 % to 3%), and from 3% to 9% (with use decrease ranging from 6% to 12%) in the long term.

Brazilian cigarette ranks among the cheapest in the world. Currently, the most expensive brand costs US$ 1.00 a pack, and the average price is US$ 0.46 a pack.

A recent study carried out by the World health Organization confirms this information (Guindon et al, 2002) The purpose of this study was to compare prices of cigarettes in more than 80 countries. The prices considered were those of March 2001, converted to American dollars. In addition, an analysis comparing prices of cigarettes, assessing the purchasing power with the Big Mac index and the minutes of work required to purchase the cigarette.

To assess the prices of cigarettes in American dollars, the study used the price of the Marlboro brand, the world's largest consumed brand, and a local, equivalent brand. Table 3 shows how Brazil ranks, in terms of price. In this study, it can be noted that Among Latin American countries, the price of the Brazilian cigarette equivalent to Marlboro ranks third as the less expensive one, behind the ones of Colombia and Costa Rica.

<p>| Table 5 – Prices of cigarettes in Latin American and in some developed countries (prices of March 2001, in US$) |
|---------------------------------|----------------|----------------|
| Country                        | Local Brands (US$) | Marlboro (US$) |
| Argentina                      | 1,50            | 1,70           |
| Brazil                         | 0,80            | 0,85           |
| Chile                          | 1,43            | 1,69           |
| Colombia                       | 0,64            | 1,03           |
| Costa Rica                     | 0,75            | 0,75           |
| Ecuador                        | 1,30            | 1,90           |
| Guatemala                      | 0,97            | 1,29           |
| Mexico                         | 1,24            | 1,55           |
| Panama                         | 1,20            | 1,20           |
| Paraguay                       | 0,93            | 1,10           |
| Peru                           | 1,34            | 1,42           |</p>
<table>
<thead>
<tr>
<th>Country</th>
<th>Big Mac Index</th>
<th>Minutes of Work</th>
</tr>
</thead>
<tbody>
<tr>
<td>Puerto Rico</td>
<td>-</td>
<td>2,50</td>
</tr>
<tr>
<td>Uruguay</td>
<td>1,42</td>
<td>3,14</td>
</tr>
<tr>
<td>Venezuela</td>
<td>1,28</td>
<td>1,42</td>
</tr>
<tr>
<td>Canada</td>
<td>2,88</td>
<td>3,40</td>
</tr>
<tr>
<td>United States</td>
<td>3,60</td>
<td>3,71</td>
</tr>
<tr>
<td>Denmark</td>
<td>4,00</td>
<td>4,00</td>
</tr>
<tr>
<td>France</td>
<td>2,75</td>
<td>3,13</td>
</tr>
<tr>
<td>Germany</td>
<td>2,75</td>
<td>2,81</td>
</tr>
<tr>
<td>Italy</td>
<td>1,93</td>
<td>2,70</td>
</tr>
<tr>
<td>Norway</td>
<td>6,48</td>
<td>6,48</td>
</tr>
<tr>
<td>Sweden</td>
<td>3,64</td>
<td>3,75</td>
</tr>
<tr>
<td>Finland</td>
<td>3,35</td>
<td>3,73</td>
</tr>
</tbody>
</table>

Source: Guindon, E., Tobin, S., Yach, D. 2002

By using as a comparative unit to assess the purchasing power, the Big Mac index and the minutes of work required to buy a cigarette, Brazil’s cigarette ranks 6th among the world’s cheapest (Guidon et al, 2002).

Considering that cigarette price increase is one of the most effective measures to reduce use, it is fundamental for Brazil to have a strong price policy, to make cigarettes less accessible, especially for youngsters.

### 7.5 Illegal Cigarette Market: a public health hazard

The tobacco industry has been reasoning that argument that tobacco products, particularly cigarette, price increase is an important factor to favor smuggling, in order to pressure governments not to adopt tax raising policies on tobacco products.

Brazil is one of the countries that have suffered the most the impact of illegal cigarette market. The country’s Internal Revenue Service department (SRF) estimates that 35% of the Brazilian market is supplied with illegal cigarettes, and believes this is due to taxation differences between Brazil and neighbor countries. In Brazil, tax bracket for cigarettes is 73.3% of the price, whereas in Argentina it is 67%, Uruguay, 67%, and Paraguay, 13% (ABIFUMO, 2001). Therefore the illegal market can sell cigarettes cheaper than in the formal market. While the average price in the formal market is U$ 0.46, in the illegal market it is U$0.30 (ABIFUMO, 2001).

According to the SRF, tributary losses reach US$ 650 million a year in resources that do not flow to the federal government. These resources were to finance other government initiatives, including treatment of tobacco-related diseases by the Brazilian Public Health System (SUS).

It is to be stressed that smuggling and counterfeiting of tobacco products, particularly cigarettes, in addition to loss of tax revenue, are considered a public health hazard. Due to their low cost, it makes easier for youngsters to have access to them, and helps smokers keep their addiction. Furthermore, legally marketed products have their prices lowered by manufacturing companies, to compete with the illegal cigarettes. As there is an inverse relation between price and use, the consequence is higher use and higher number of tobacco-related diseases.

To add to all of this, products sold in the illegal market to not comply with legislation that forbids sales to minors and require warnings to be printed in the packs.

On the other hand, studies show that the problem of smuggling is related to organized crime, rather than tax differences among countries.

In European countries with high taxation of cigarettes, like the Scandinavian countries, there is little evidence of smuggling, whereas in Spain, Italy and in many Central and Eastern European countries were taxes and prices are much lower, illegal sale of international cigarette brands is disseminated.

Smuggling in Europe does not include cigarettes from Southern countries, where they are cheaper, going North, where they’re more expensive. It includes, however, illegal transportation of international brands imported duty free from Northern to Southern and Eastern ports (Josses, 1998).

According to the World Bank, the tobacco industry itself benefits form smuggling. Studies on the impact of such illegal action show that when smuggled cigarettes are a significant proportion of the total sales, the average price of all cigarettes, with or without taxation, tends to decrease, which increases the overall sale of
cigarettes. The entry of smuggled cigarettes in a market closed to imported brands favors increase in demand for such brands, increasing their market share. Furthermore, this leads the government to keep taxation low (WHO, 1999).

There are evidences that the tobacco industry is involved with illegal marketing of its products in different parts of the world. For instance, BAT, a multinational company whose subsidiary in Brazil is CIA. de Cigarros Souza Cruz, has secretly encouraged fiscal evasion and cigarette smuggling for years, through a global effort to secure its share in the market.

Over 11,000 pages of documents from BAT and its subsidiaries were analyzed for six months by the International Consortium of Investigative Journalists (ICIJ), a project of the Center for Public Integrity, from Washington. Even though the selected documents, particularly those written between 1990 - 1995, do not prove the company’s employees were in charge of transporting smuggled cigarettes across the borders, they show that company executive in England, the United States, and other countries controlled the volume, brands, marketing campaigns, and level of prices, so that the distribution networks of smuggled products could be explored.

The documents clearly show that BAT and its subsidiaries tried all forms to control distribution chain – from the origin to final destination – employing a coded language to discuss and plan its operations. The language includes terms such as "DNP" (Duty Not Paid), "transit," or "GT" (general trade), as well as "parallel market", "second channel", and "border trade". These terms were used to distinguish this type of transaction from legal imports and DP (Duty Paid).

The involvement of the tobacco industry in the illegal marketing of cigarettes could also be seen in Brazil. According to an article published in Valor Econômico newspaper of May 8, 2002, cigarette smuggling has helped Souza Cruz to recruit consumers in Brazil's neighboring countries in the early 90s. The documents obtained by the paper suggest the company has sold 837 million cigarettes to Bolivia, Colombia and Peru without paying taxes in these countries, between 1991 and 1993.

In a report on the performance of its exports, presented to BAT in October 1993, Souza Cruz stated that practically all its sales to Bolivia were made through smuggling, without the payment of taxes.

"Souza Cruz sales increase was chiefly based on Hollywood and Ritz brands performances", states the document. "The growth of Hollywood brand was strongly directed to DNP sales, as only 10% of the [brand sales] volume originated from DP operation. All other Souza Cruz brands were channeled through the DNP market." According to the report, smuggling would have helped Souza Cruz at this type to leave its main competitor, American company Philip Morris, behind.

| CIGARETTE SMUGGLING |
| CONTRADICTIONS OF THE TOBACCO INDUSTRY |
| Public positioning | What documents show |
"Smuggling damages out business. We would make much more money in the long term if it could be eliminated. We would like all the markets to be completely smuggling free" (Souza Cruz response to the article on Valor Econômico newspaper, 05/09/2002).


"The companies connected to BAT do not do smuggling and do not agree with its use. All cigarettes are legally marketed. Our exports to different markets are recorded and systematically controlled by government officials" (BAT, 2002, em http://www.bat.com/oneweb/sites/uk__3m/nfen.nsf/vwPagesWebLive/DO53EJUK?opendocument&TMP=1)

"Souza Cruz sales increase was chiefly based on Hollywood and Ritz brands performances", states the document. "The growth of Hollywood brand was strongly directed to DNP sales, as only 10% of the [brand sales] volume originated from DP operation. All other Souza Cruz brands were channeled through the DNP" market." (Valor Econômico newspaper )

"In share terms, ITL finished 1993 back where it left off in 1991. Following a loss of share in 1992, ITL rebounded by making its major trademarks available in smuggled channels in the second half of 1993." (Imperial Tobacco, 1994)

"As you are aware, smuggled cigarettes (due to exorbitant tax levels) represent nearly 30% of total sales in Canada, and the level is growing. Although we agreed to support the Federal government’s effort to reduce smuggling by limiting our exports to the U.S.A., our competitors did not. Subsequently, we have decided to remove the limits on exports to regain our share of Canadian smokers. To do otherwise would place the long-term welfare of our trademarks in the home market at great risk. Until the smuggling issue is resolved, an increasing volume of our domestic sales in Canada will be exported, then smuggled back for sale here." (BAT, 1993)

Through the Internal Revenue Service department, the Brazilian government has invested in actions to prevent cigarette smuggling, which has been significantly increasing since 1992. To fight this illegal commercial practice, in 1998 the government imposed a 150% duty on cigarettes exported to Central and South American countries, including the Caribbean (Decree 2876). As a result, export of tobacco leaves to neighboring countries increased significantly, and there was a significant growth in the number of tobacco manufacturing companies: in Paraguay alone, where until 1995 there were 2 plants, in 2001 there were 22. These plants imported tobacco leaves from Brazil, processed and transformed them in cigarettes that illegally enter Brazil. This is why, in the year 2000, the government extended the 150% export tax (Decree 3646 and 3647) to include export of tobacco leaves, paper to manufacture cigarettes, cylinders for filters, when these exports are to South and Central American countries, except Argentina, Chile and Ecuador.

This action generated a controversy, within the scope of MERCOSUR. In March 2001, Uruguayan tobacco company Monte Paz S/A made a formal complaint that Brazil was imposing barriers for it to get raw material to manufacture cigarettes. The Uruguayan government made a formal representation against Brazil, considering that export taxation was discordant from MERCOSUR free trade agreement. The Brazilian government declared this was necessary, as the raw material exported were manufactured in neighboring countries and produced cigarettes that would illegally enter Brazil.

Therefore, even with the efforts of the federal government to resist and fight smuggling, this illegal commercial practice is strongly disseminated throughout the country. The tobacco industry reasons the increasing cigarette prices will make the volume of smuggled cigarettes grow. However, experiences from other countries, such as Spain, show that the illegal market is a matter for the police, and is not connected to demand or price.
Controlling the illegal cigarette market is a very complex issue that requires integration of the different government sectors and adoption of joint measures by different countries.

8. GLOBALIZATION AND CONFLICTS OF INTEREST BETWEEN TOBACCO TRADE AGREEMENTS AND PUBLIC HEALTH

World Bank studies have shown that liberation of trade and opening of markets are major factors for such scenario, therefore decisive for increase of tobacco use, especially in low and average income countries. How does it happen? Over the past few years, international trade agreements have liberated the trade of goods and services around the world. Cigarettes were no exception, even though it cannot be considered a good, as it is no good for those who use it. Liberation of trade has implied in clearing of customs, enhanced marketability of tobacco products, especially cigarettes, leading to a fall in prices and increase in marketing and advertisements and other activities to foster demand (World Bank, 1999; WHO, 2001).

For many years, major American tobacco companies tried to introduce their products in the Asian market, but failed due to trade barriers, such as high taxation, quotas, import ban, limits for advertisement and distribution, other non-tax barriers. In most cases, trade barriers by these countries aim to protect local the domestic industry, distribution and monopoly, which are important revenue sources for the government.

This scenario started to change in 1974, through Trade Decree, Section 301, which granted the President of the United States authority to investigate unjustifiable, irrational or discriminatory trade practices by other countries to limit access of American companies to their market. This Decree established the need of negotiations to abolish such practices, and allowed the president to impose commercial retaliation if negotiations failed. Some cases were reported in Chaloupka & Corbett, (1998), and illustrate what happened to the tobacco sector and its consequences.

In 1979, two cases involving barriers to trade of cigars and pipe tobacco to Japan were brought by the Cigar Association of America and The Associated Tobacco Manufactures to the American government, to be analyzed under Section 301. These cases resulted in an agreement for American cigar and tobacco pipe manufacturers had access to Japanese market.

Another case Section 301 of the 1974 Trade Decree involved the US Cigarette Export Association (USCEA). This Association represents a cartel set up by Philip Morris, RJ Reynolds and Brown and Williamson to increase their exports. In spite of American anti-trust legislation forbids this type of cartel, the government allowed it to be establish to expand export of their products. Asian countries were the first targets of the cartel. In mid 80s, four Asian countries were the targets of American trade pressure, through Section 301 of the Trade Decree: Japan, Taiwan, South Korea and Thailand.

In Japan, monopoly of the tobacco trade belonged to Japan Tobacco Company, which was protected by high cigarette import taxation and by other non-tax barriers. Based on this Decree, the Reagan administration threatened with trade retaliation if such practices were not abolished. In 1986 a bilateral agreement between Japan the United States was signed, clearing Japanese trade barriers, thus opening the market to American companies. To compete with American brands sold in their markets, Japanese tobacco companies invested in an aggressive marketing activity, with intense advertisement of their products. At that time, cigarette use in Japan significantly increased, reverting the declining trend of before the agreement (Connolly and Chen apud Chaloupka & Corbett, 1998).

The same process was repeated in Taiwan. Historically, the tobacco industry in this country was a government monopoly, as was protected by heavy cigarette import taxation, making imported brands three times as expensive as domestic ones. In 1986, the Reagan administration used Section 301 to investigate Taiwan. In less than two months, through a bilateral agreement between both countries, Taiwan opened its market to American companies. Even though the agreement included some tobacco-control measures, such as warnings and promotion, the result was a significant increase in American cigarette export to Taiwan, with an increase in publicity and advertisement. At the same time, the Taiwan government increased import of high-quality American tobacco to meet the needs of its domestic manufacture. This led cigarette per capita use to increase in 1987. It lowered afterwards, due to tobacco-control actions, but not to levels of before the agreement.
After USCEA success in its actions against Japan and Taiwan, the Association used Section 301 to investigate South Korea. Tobacco production in this country was controlled by Tobacco and Ginseng Corporation, and protected by high tax barriers. In 1987, all publicity and advertisement was ban in South Korea as a tobacco control measure. In 1988, however, pressured by the Trade Decree, a bilateral agreement was signed between South Korea and the US. South Korea's market was then open to North Americans, by cigarette import barriers, reducing taxation for tobacco products, permission to distribute free samples, and for publicity and advertisement. The rate of use increased three-fold after massive entry of American products and advertisement of American companies.

In Thailand, the process was a bit different. Even though that country also tried to forbid cigarette imports, American manufacturers took their claim to the General Agreement on Tariffs and Trade (GATT), one of the World Trade Organization (WTO) agreements. Based on this agreement, it was decided Thailand could not forbid cigarette imports. However, GATT acknowledges that countries can adopt measures to protect human and animal life, as long as they are not discriminatory to foreign companies. Thus GATT requested Thailand to apply the same (domestic) taxation to North-American products. GATT also granted the right to ban advertisement to all companies (domestic and foreign). GATT's decision shows that tobacco control policies can be adopted and implemented with no harm to free-trade, which allowed Thailand to strengthen tobacco control measures and limit entry of American cigarettes in its national market.

Currently the whole set of WTO are facilitating the global expansion of tobacco products, by significantly reducing tax and non-tax barriers to trade. Other regional trade agreements, such as the North American Free Trade Agreement (NAFTA), the MERCOSUR, European Union, The Association of South-East Asian Nations (ASEAN), are synergistic with global treaties in determining free trade of goods and services, including tobacco (Chaloupka & Corbett, 1998).

This historic illustrates the conflicts of interests between public health and trade agreements concerning tobacco.

One of the main discussions relates to the fact that tobacco should not be treated like any other consumable, because it is appealing to children and adolescents, it kills half of its chronic users, there is no safe level for use, all governments advise against its use, and its prejudicial for nationals and global economy.

Therefore, tobacco does not fit in the free trade model, and should follow special marketing regulation, like some other products, such as persistent organic contaminating agents (DDT), chemicals that destroy the ozone layer (CFCs), weapons, and dangerous refuses.

9. WORLD HEALTH ASSEMBLY PROPOSALS TO RESTRAIN TOBACCO USE

In the beginning of the 70s, the World Health Assembly (WHA) has acknowledged the threat free tobacco trade and investment posed to control activities. In 1978, a WHA Resolution stated its serious concern with "... the alarming growth in cigarette production and use over the past two decades in developing countries where use was not previously disseminated, and with the extensive promotion of cigarette sales being presented in mass media, and its association to cultural and sports events, thus inducing youngsters to smoke".

At the same time, the World Bank presented studies showing empirical evidences of the effectiveness of tobacco control actions:

1. An increase in tobacco prices by raising taxes is a “win-win” situation: in all analyzed studies, this measured has lead to a net increase in tax collection and use reduction.
2. Some measures not related to prices may be effective to reduce demand. Authors of these studies estimated that if a set of these measures were to be implemented worldwide, some 23 million people would quit smoking (considering number of smokers in 1995), and some 5 million deaths could be prevented. These measures include:
   - advertisement ban,
   - counter-advertising campaigns targeting the population,
   - warning labels in tobacco products packs,
   - publication of findings of studies about the effects of tobacco on health,
   - restrictions to smoking in public environments and workplaces.
3. The use of nicotine replacement therapy and other smoking cessation treatment, if used by 25% of the world’s smokers, would make 29 million living smokers in 1995 to quit, and should prevent 7 million deaths.

4. It is recommended, as a complementary intervention, a global action to halt tobacco illegal market.

Considering the evidence of data and effectiveness of tobacco control measures, the 1990 World Health Assembly (WHA) 1990 urged the member countries to urgently adopt comprehensive strategies to control tobacco use. Table 4 presents WHA tobacco-control resolutions:

**Table 6 – World Health Assemblies Tobacco Control Resolutions**

<table>
<thead>
<tr>
<th>Measures to reduce tobacco demand</th>
<th>World Health Assembly Resolutions</th>
</tr>
</thead>
<tbody>
<tr>
<td>Increase taxes on cigarettes</td>
<td>WHA 31.56, WHA 43.16</td>
</tr>
<tr>
<td>Publication of research outcomes on smoking effects over health</td>
<td>WHA 29.55, WHA 31.56, WHA 39.14</td>
</tr>
<tr>
<td>Consumer information through warning labels</td>
<td>WHA 39.14, WHA 48.11</td>
</tr>
<tr>
<td>Consumer information based on mass contra-propaganda</td>
<td>WHA 24.48, WHA 29.55, WHA 31.56, WHA 40.38, WHA 42.19</td>
</tr>
<tr>
<td>Prohibition for tobacco advertisement and promotion</td>
<td>WHA 31.56, WHA 33.35, WHA 42.19, WHA 43.16</td>
</tr>
<tr>
<td>Tobacco-control programs at schools</td>
<td>WHA 23.32, WHA 24.28, WHA 29.55, WHA 31.56, WHA 33.35, WHA 39.14</td>
</tr>
<tr>
<td>Restrain smoking in public and workplaces</td>
<td>WHA 29.55, WHA 31.56, WHA 39.14, WHA 43.16, WHA 44.26, WHA 46.8</td>
</tr>
<tr>
<td>Nicotine replacement therapy and other cessation interventions</td>
<td>WHA 29.55, WHA 39.14</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Measures to reduce tobacco supply</th>
<th>World Health Association Resolutions</th>
</tr>
</thead>
<tbody>
<tr>
<td>Restrain access from youngsters to tobacco products</td>
<td>WHA 39.14</td>
</tr>
<tr>
<td>Replace and diversify tobacco plantations</td>
<td>WHA 23.32, WHA 24.48, WHA 29.55, WHA 31.56, WHA 33.35, WHA 42.19</td>
</tr>
<tr>
<td>Restrain support and subsidies to tobacco price</td>
<td>WHA 42.19, WHA 45.20</td>
</tr>
<tr>
<td>Eliminate smuggling</td>
<td>WHA 49.17</td>
</tr>
</tbody>
</table>

This scenario clearly shows that global tobacco control actions have to deal with transnational determinants that add to global expansion of tobacco use.

In face of these facts, in 1999, during the 52nd World Health Assembly, WHO member countries unanimously proposed the adoption of the first international public health treaty in the history of mankind. It is the International Tobacco Control Framework Convention, which recommends a set of measures to refrain global tobacco expansion and its deleterious consequences. This decision was taken based on the acknowledgement that tobacco kills early half of its consumers, there is no safe level for use, and its free trade has added to globally expand the problem particularly in developing countries.

**10. TOBACCO INDUSTRY STRATEGIES FACE THE FRAMEWORK CONVENTION ON TOBACCO CONTROL**

Because of the broad dissemination of tobacco industry internal documents, disclosing their strategies, and face advancements public health initiatives have achieved towards tobacco control, particularly the negotiating of the International Tobacco-Control Framework Convention to adjust different regulatory actions for global tobacco control, the tobacco industry is using new strategies to change its image.

Intending to dissuade countries from adopting any tobacco control regulation, or at least less restrictive ones, or to replace legislation for self-regulation agreements, tobacco companies have invested in strategies to convey the image of a socially responsible company, using Social Responsibility marketing strategies.
The industry's efforts to change its image include some acknowledgement of tobacco-related risks, good-will to dialogue and openness to "rational" regulation: a social marketing initiative where they associate themselves to social projects to portray the image of advocates for the environment and for social causes, such as fighting poverty, child labor, illiteracy. This set of initiatives makes the industry convey an attitude of being against the use of tobacco products by youngsters and as promoters of measures supposed to prevent minors from smoking.

10.1 Social Responsibility:

One of the self-promotion strategies of socially responsible companies includes the financing and sponsorship of social activities. It is important that the different social segments that associate to tobacco companies in the development of social projects be attentive for the source of resources tobacco companies invest in such projects. For instance, recently, BAT granted Nottingham University 3 million pounds. For such a grant to come from profits, BAT should sell 100 million cigarettes more. Analyzing this scenario, world-known epidemiologist Richard Peto (interview to the site http://www.nemscientist.com/opinion/opinterview) concluded that, if one million cigarettes sold correspond to one death, the social cost of BAT investment is of 100 deaths. This means, the investment in such action comes from the profit from product sales, which depend on the use of a product that kills half its consumers.

10.2 Smoking prevention among youngsters

An example of this new charge is the adoption of public relations strategies to prevent approval of tobacco commercialization control legislation. In September 2001, BAT announced a new initiative to establish International Tobacco Trade Regulations. This company and its competitors, Philip Morris and Japan Tobacco, set up a code of voluntary agreements proposing self-regulatory measures.

The purpose of this strategy is to prevent potential criticism to their activities and to create breaches, ways out and dubious interpretation for the legislative and political measures that countries are preparing to adopt. The core of the industry's strategies is their commitment to voluntarily adopt measures to prevent youngsters to smoke. Currently, these companies are asking United Nations agencies, governments and other entities to distribute these regulations, and for a dialogue to be established (SALOOJEE & HAMMOND, 2001). However, analysis of the proposed agreement shows that they have a subliminal feature, directly focusing youngsters, and the industry’s main target.

By disseminating this new, responsible way to carry their activities out, the tobacco industry has shown it intends:

1. To advocate a “responsible marketing”, one which the companies voluntarily set restrictions to youth-targeted marketing.
2. Create anti-tobacco campaigns targeting youngsters, using the motto “smoking is for adults”.
3. Voluntarily support and develop initiatives to restrain access from youngsters to tobacco products, such as setting an age limit to purchase and imposing ID check.

These strategies, however, work in favor of the tobacco industry economic interests. They are contradictory, in the sense that they do not change youngster interest in using cigarettes nor reduce tobacco use among them, while benefit tobacco companies.

The real purpose of this strategy is to create a public image of responsibility, without having economic losses, for a number of reasons:

1. The measures proposed by the tobacco industry to forbid youngsters to have access to chief products, associated to the idea the smoking is an adult choice make the cigarette the “forbidden fruit”, and encourage teenager “transgression desire”, as the main motivation for a teenager to smoke is to affirm himself as an adult, to be “a rebel” and rejects his parents’ values. By presenting cigarette as something forbidden, for adults only, the industry subtly reinforces youngsters to have a rebellious behavior.

2. In its proposal to prevent smoking among youngsters, the tobacco industry explores the idea smoking is an adult choice, and does not provide information on the risks or addiction-causing capability.
3. Another contradiction from such proposals is that by advocating the engagement of parents, teachers, health professionals and government officials to promote smoking prevention among youngsters, in order to achieve social credibility; and at the same time, generate on the youngsters a rebellious attitude against the warnings. This becomes evident when one considers that to promote its products, the tobacco industry uses behavior models youngsters look up to, such as Formula 1 pilots, actors and rock stars.

4. Furthermore, measures that are proven to effectively reduce tobacco use (taxation, advertisement ban, information campaigns on the risks of smoking, smoking restriction in public areas, regulation on pack design and warning messages and pictures, among others) are ignored or actively mined by tobacco companies.

5. With these measures, tobacco companies try to reach their main purpose of preventing legal restriction to marketing their products by voluntarily proposing these agreements;

6. They align the industry with public opinion and politics, by expressing concerns for [protecting children and providing freedom to adults].

<table>
<thead>
<tr>
<th>SOCIAL RESPONSIBILITY</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Public Position</strong></td>
</tr>
<tr>
<td>&quot;Souza Cruz manufactures cigarettes for the sole use of adults&quot; (<a href="http://www.souzacruz.com.br">http://www.souzacruz.com.br</a>)</td>
</tr>
<tr>
<td>“There is a conducting wire that passes through all methodologies of the Souza Cruz Institute programs... Education for Values.... all fronts present some basic traits... checking the distance between the proclaimed ethical values and the moral practices actually carried out by the concrete action of the different players”</td>
</tr>
<tr>
<td>Programa Cuidar (“Care Program”), the challenge is for adolescents to have an attitude in facing a broad range of risk factors</td>
</tr>
<tr>
<td>O Futuro é agora (“The future is now”) - tackles children and adolescent labor</td>
</tr>
<tr>
<td>Varejo Socialmente Responsável (“Socially Responsible Retail”) to promote new forms of action for this segment, to make it a reliable partner to families, schools and communities concerning care of children and teenagers.</td>
</tr>
<tr>
<td>Empreendedorismo do Jovem Rural (“Entrepreneurship of the Young Countryman”) – targeting young people who live in tobacco-plantation areas...</td>
</tr>
<tr>
<td>(Published by Instituto Souza Cruz - Marco Social: Educação para o Meio Ambiente (December, 2001 - site <a href="mailto:institutosouzacruz@isc.org.br">institutosouzacruz@isc.org.br</a> - nov 2001)</td>
</tr>
<tr>
<td>The Company significantly helps fighting smoking before adulthood (Souza Cruz, memo sent to INCA, November 2001)</td>
</tr>
<tr>
<td>The company sells and publicizes its products in a responsible way, including all the resources and material used in advertisement and in sales and distribution operations (Souza Cruz, memo sent to INCA, November, 2001)</td>
</tr>
<tr>
<td>“...a program to discourage teens from smoking (an adult decision) might prevent or delay further regulation</td>
</tr>
</tbody>
</table>
of the tobacco industry.” (Tobacco Institute, 1982)

“Increasing pressure from antitobacco forces in Latin America has created the need to explore various options to counter negative publicity....Taking into consideration the emerging adverse legislative climate in the region, we have an opportunity to create good will for the tobacco industry by going public with a campaign to discourage juvenile smoking.” (Philip Morris, 1994)

“If we don’t do something fast to project the sense of industry responsibility regarding the youth access issue, we are going to be looking at severe marketing restrictions in a very short time. Those restrictions will pave the way for equally severe legislation or regulation on where adults are allowed to smoke.” (Philip Morris, 1995)

11. CONCLUSION

Because the expansion of tobacco epidemics includes different aspects – health, environmental, economic, social, political – each of the issues presented in this document demand actions and strategies to address the different causes, to solve each consequence, from tobacco crops to the use of tobacco products and their deleterious effects.

The influence of the tobacco industry in countries and in the life of people (i.e. the public and private dimensions tobacco has reached) should be controlled by strengthening tobacco-control public policies. These policies should be comprehensive and aggregating, and include different social and government sectors, with health promotion as their paradigms. This will be the pathway for achieving fair levels for quality of life, environment preservation, children’s rights and, according to WHO Constitution, health, all of which are fundamental human rights.

REFERENCES


A.WHIST, Philip Morris International Corporate Affairs, 17 December 1986, Bates number 2025431401-06. URL: http://www.pmdocs.com/


BROWN, D. Carta a D. Renaud, 11 de março de 1993, BAT Guildford Depositary, Número de Bates 500174516.  


CENTRO BRASILEIRO DE INFORMAÇÕES SOBRE DROGAS PSICOTRÓPICAS, 1997. IV Levantamento sobre o Uso de Drogas entre Estudantes de 1º e 2º graus em 10 Capitais Brasileira. UNIFESP.  


IMPERIAL TOBACCO CANADA. Market Update, 25 de abril de 1994, BAT Guildford Depository, Número de Bates 500028145-47


PHILIP MORRIS INTERNATIONAL CORPORATE AFFAIRS DEPARTMENT GOALS, 1992, Bates number 2047079509-9612. 


U. S. DEPARTMENT OF HEALTH AND HUMAN SERVICES, 1995. Regulations restricting the sale and distribution of cigarettes and smokeless tobacco products to protect children and adolescents; Proposed rule analysis regarding FDA’s jurisdiction over nicotine-containing cigarettes and smokeless tobacco products; Food and Drug Administration, Federal Register, 60,41314-41787.


WORLD HEALTH ORGANIZATION (WHO), 1996. Tobacco or Health Program Guidelines for controlling and monitoring the tobacco epidemic. Geneva, Switzerland

WORLD HEALTH ORGANIZATION (WHO), 1999. El Convenio Marco sobre la Lucha Antitabáquica. WHO/NCD/TFI/99.8


WORLD HEALTH ORGANIZATION (WHO), 2001. Confronting the Tobacco Epidemic in an Era of Trade Liberalization. WHO/NMH/TFI/01.4


WORLD HEALTH ORGANIZATION (WHO), 2001c. Tobacco & the Rights of the Child