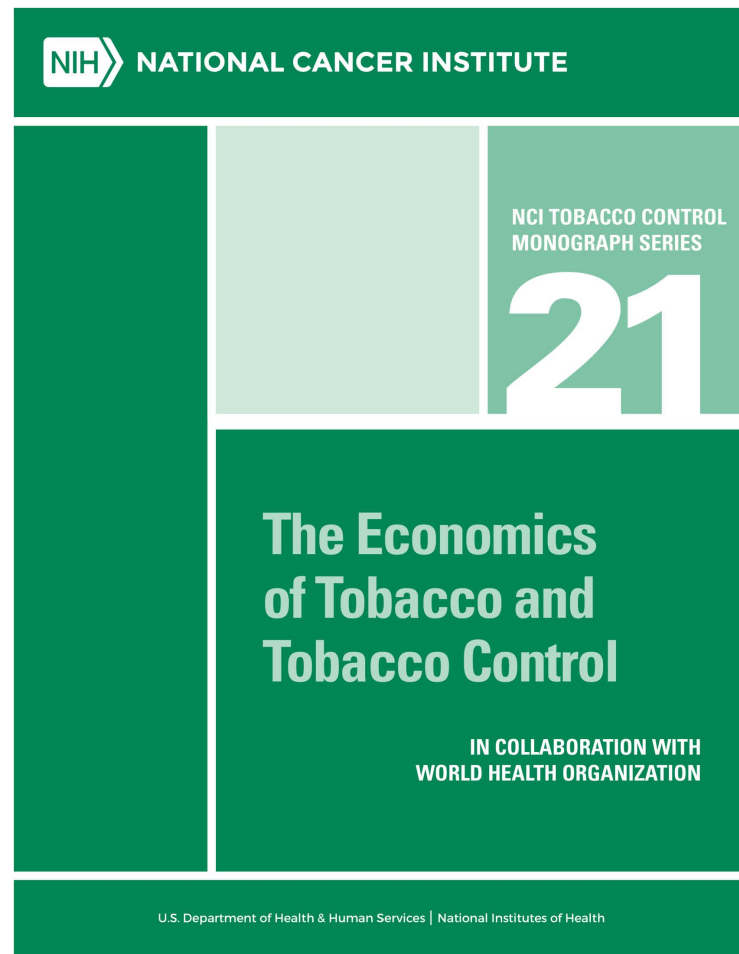


Monograph 21: The Economics of Tobacco and Tobacco Control

NCI Tobacco Control Monograph Series

Overview

- Senior Editors
 - Frank Chaloupka, University of Illinois at Chicago
 - Geoffrey Fong, University of Waterloo
 - Ayda Yürekli, World Health Organization (former position)
- More than 60 authors from major world regions contributed, and more than 70 served as reviewers



Major Accomplishments

This volume:

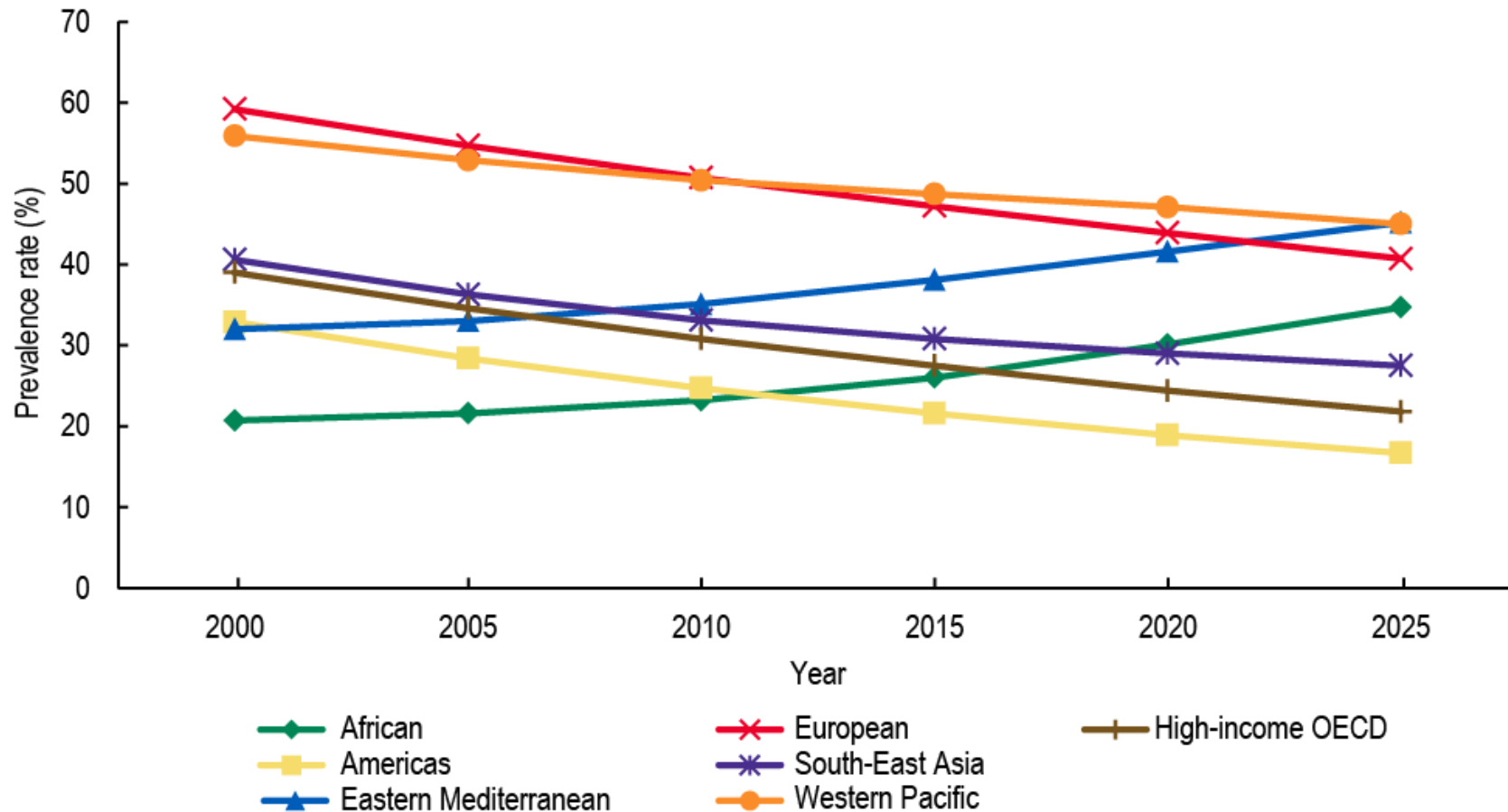
- Presents extensive new evidence from low- and middle-income countries (LMICs) and highlights the unique challenges of implementing tobacco control measures in LMICs
- Examines global tobacco control efforts since the 2003 adoption and 2005 entry into force of the World Health Organization Framework Convention on Tobacco Control
- Discusses new infrastructure issues ranging from privatization to trade liberalization and evolving trends in tobacco use and the tobacco product market.

The monograph confirms that **effective, evidence-based tobacco control interventions**—such as increased taxes; complete bans on tobacco marketing; comprehensive smoke-free policies; dissemination of information on the health consequences of tobacco use; and many other types of interventions—**make sense from an economic as well as a public health standpoint.**

Major Conclusions

1. The global health and economic burden of tobacco use is enormous and is increasingly borne by LMICs.

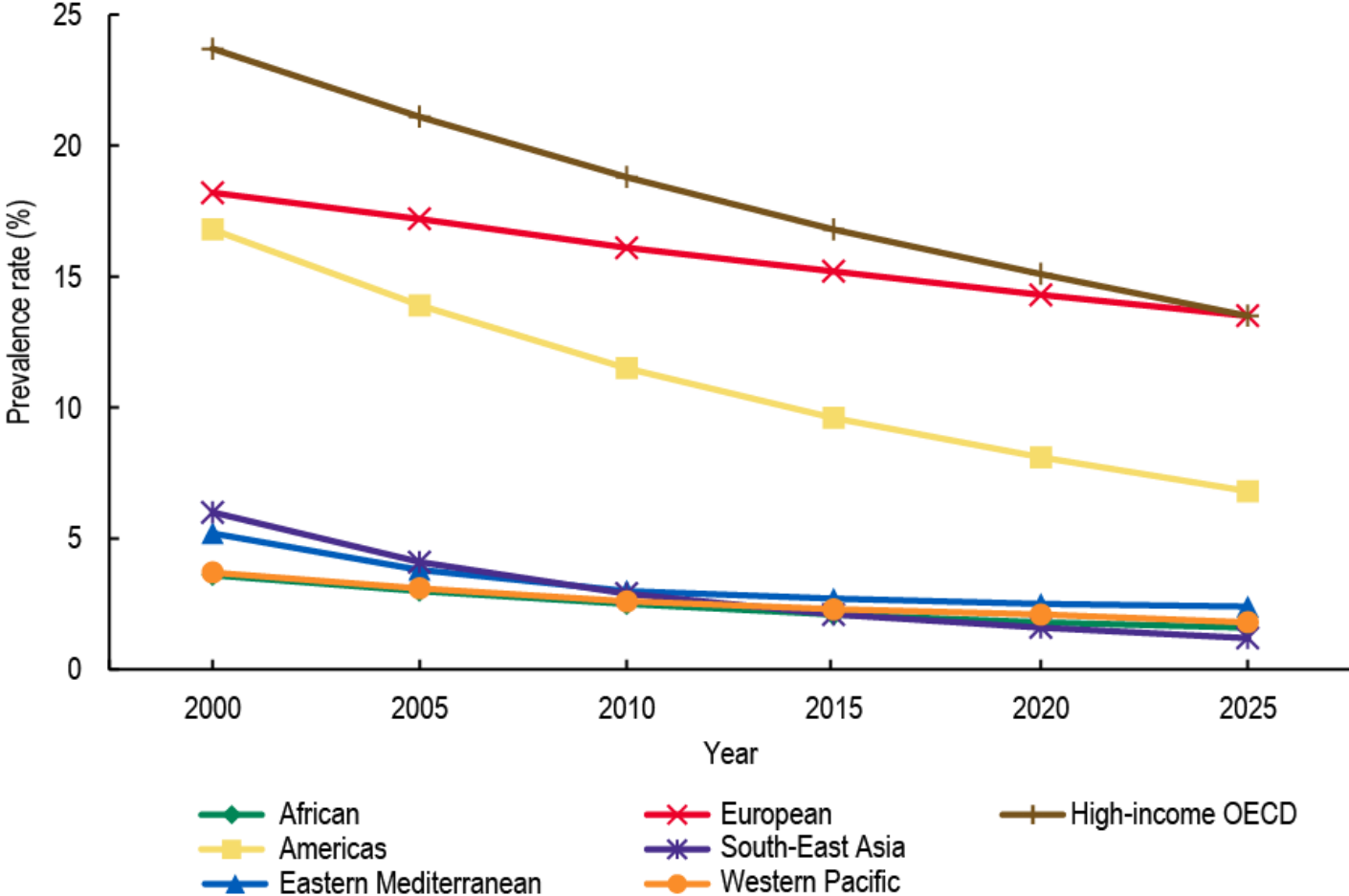
Figure 2.1. Estimated and Projected Prevalence Rates for Tobacco Smoking, by WHO Region, Males, 2000–2025



Notes: WHO = World Health Organization. High-income OECD countries = countries defined as high-income by the Organisation for Economic Co-operation and Development. High-income OECD countries are excluded from their respective regions. Projections are shown for the years 2015, 2020, and 2025.

Source: Based on data from World Health Organization 2015

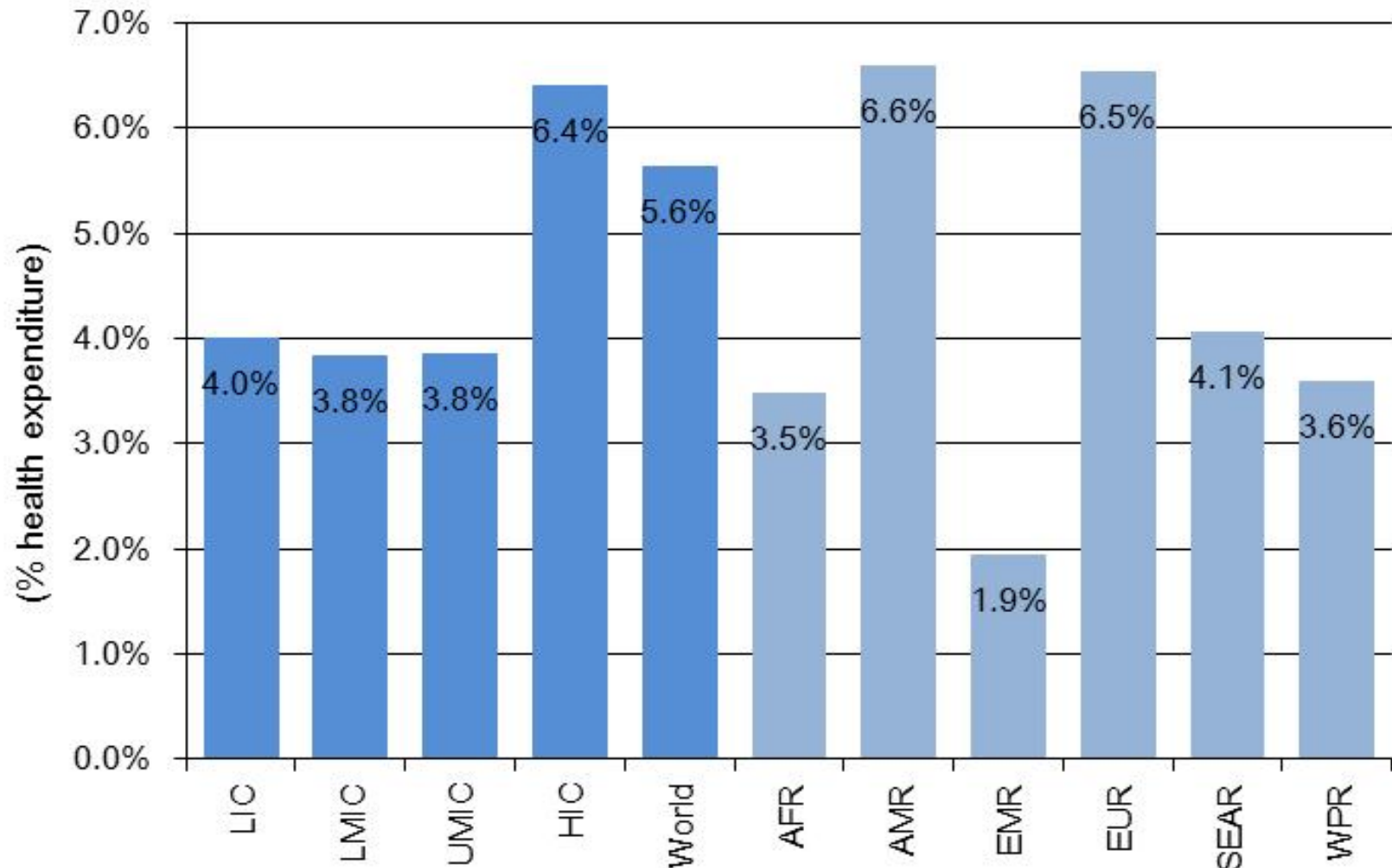
Figure 2.2. Estimated and Projected Prevalence Rates for Tobacco Smoking, by WHO Region, Females, 2000–2025



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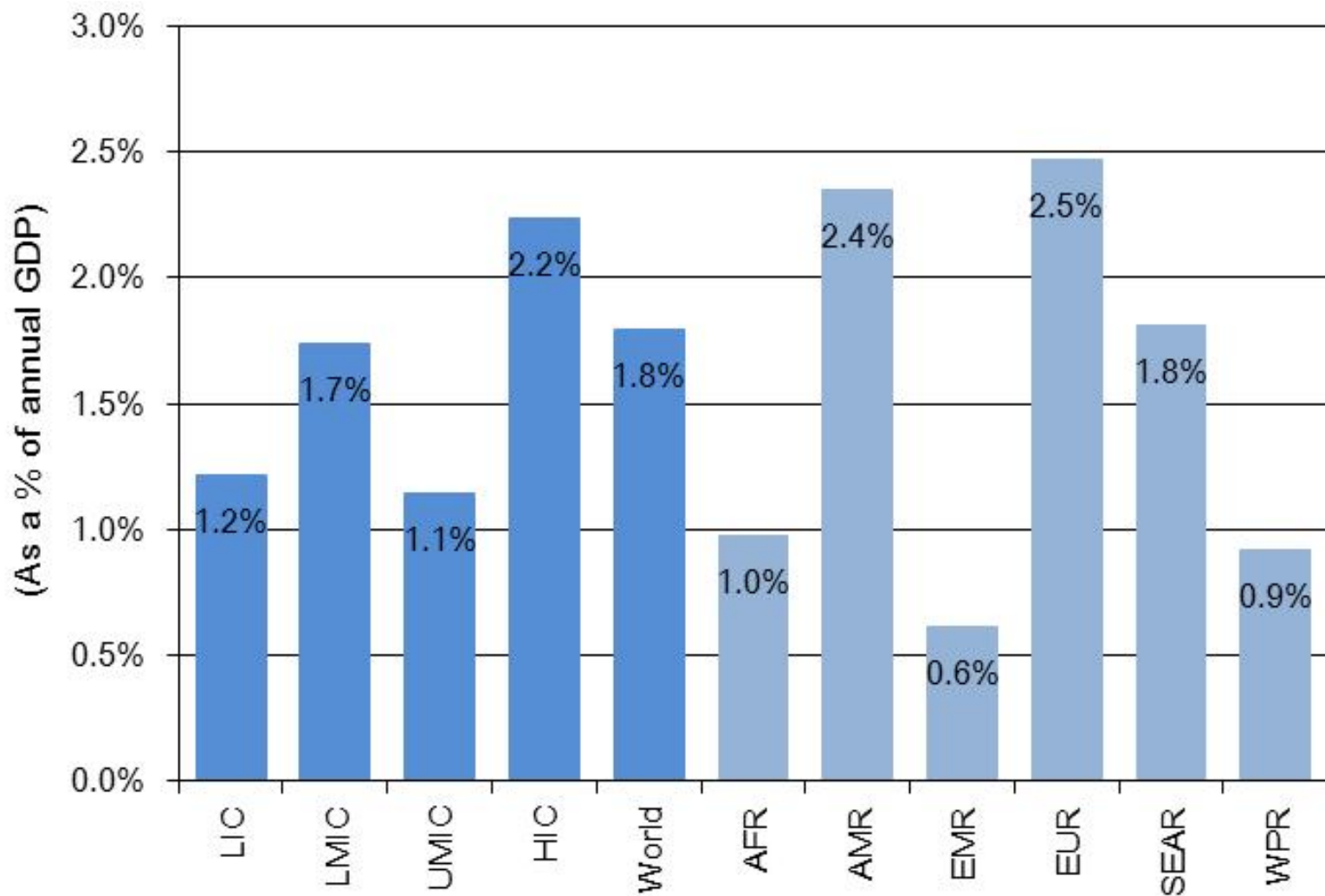
Source: Based on data from World Health Organization 2015.

Smoking-Attributable Spending as Share of Total Health Expenditures, 2012, by Income Group and WHO Region



Source: Goodchild, et al., forthcoming

Economic Costs of Smoking-Attributable Diseases as Share of GDP, 2012, by Income Group and WHO Region



Source: Goodchild, et al., forthcoming

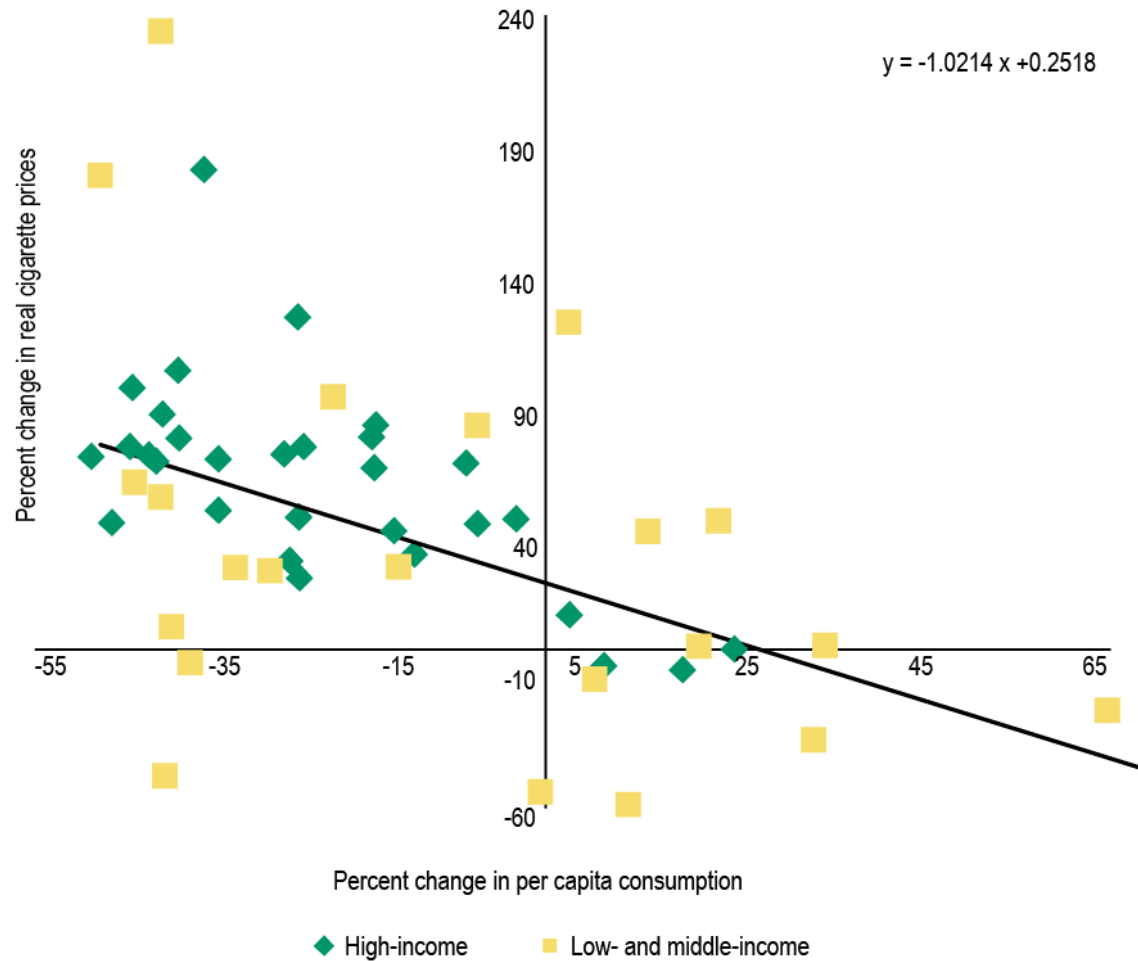
Major Conclusions

2. Failures in the markets for tobacco products provide an economic rationale for governments to intervene in these markets.
 - Negative health impact of exposure to secondhand smoke
 - Financial costs of treating tobacco-attributable diseases through publicly financed health systems
 - Initiation among young people, addiction, and regret

Major Conclusions

3. Effective policy and programmatic interventions are available to reduce the demand for tobacco products and the death, disease, and economic costs that result from their use, but these interventions are underutilized.

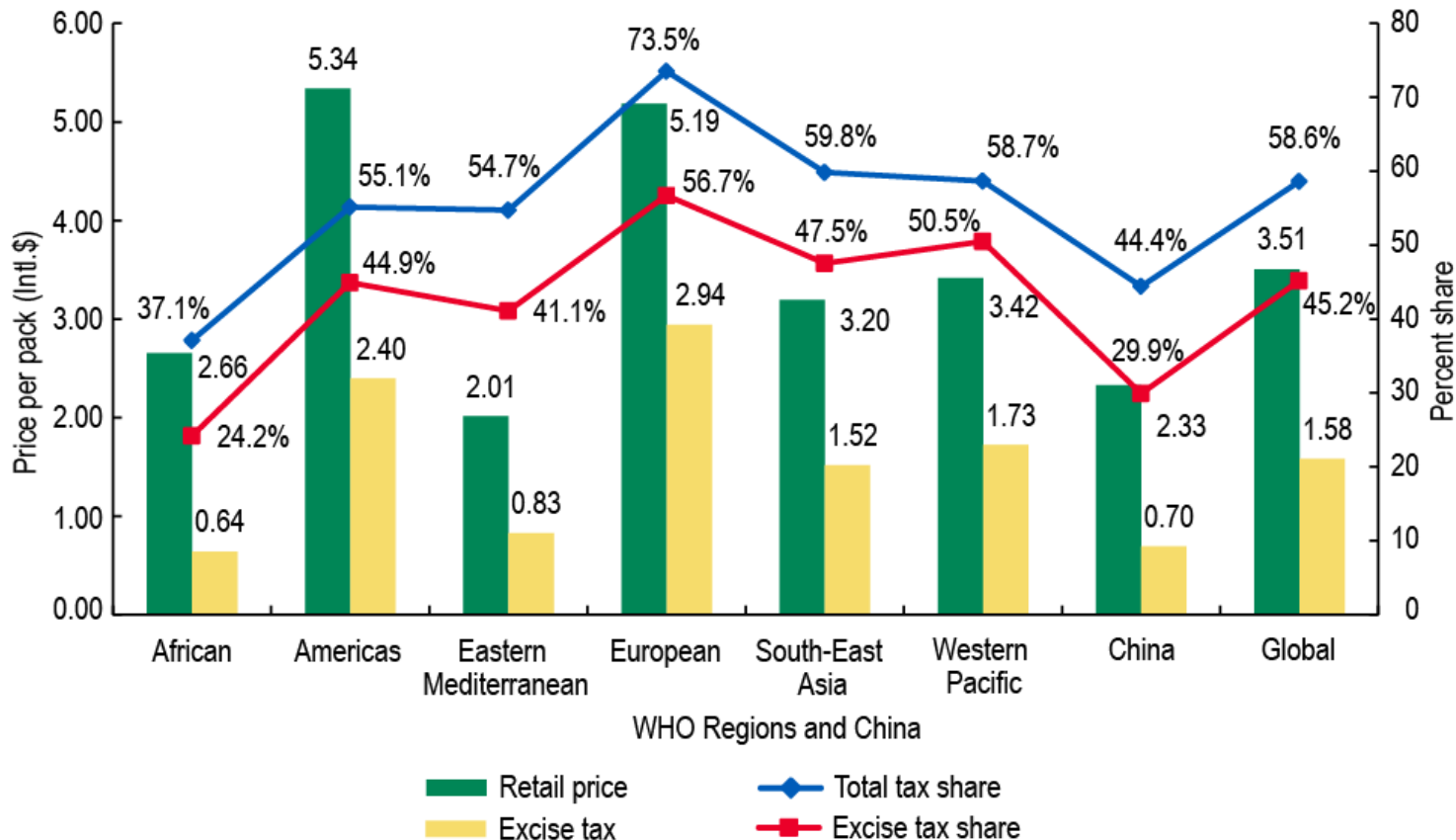
Figure 4.2. Percentage Change in Real Cigarette Prices Versus Percentage Change in Per Capita Consumption of Cigarettes, 1996–2011



Note: Country income group classification based on World Bank Analytical Classifications for 2011.

Sources: Economist Intelligence Unit 2012.³¹ ERC Group 2011

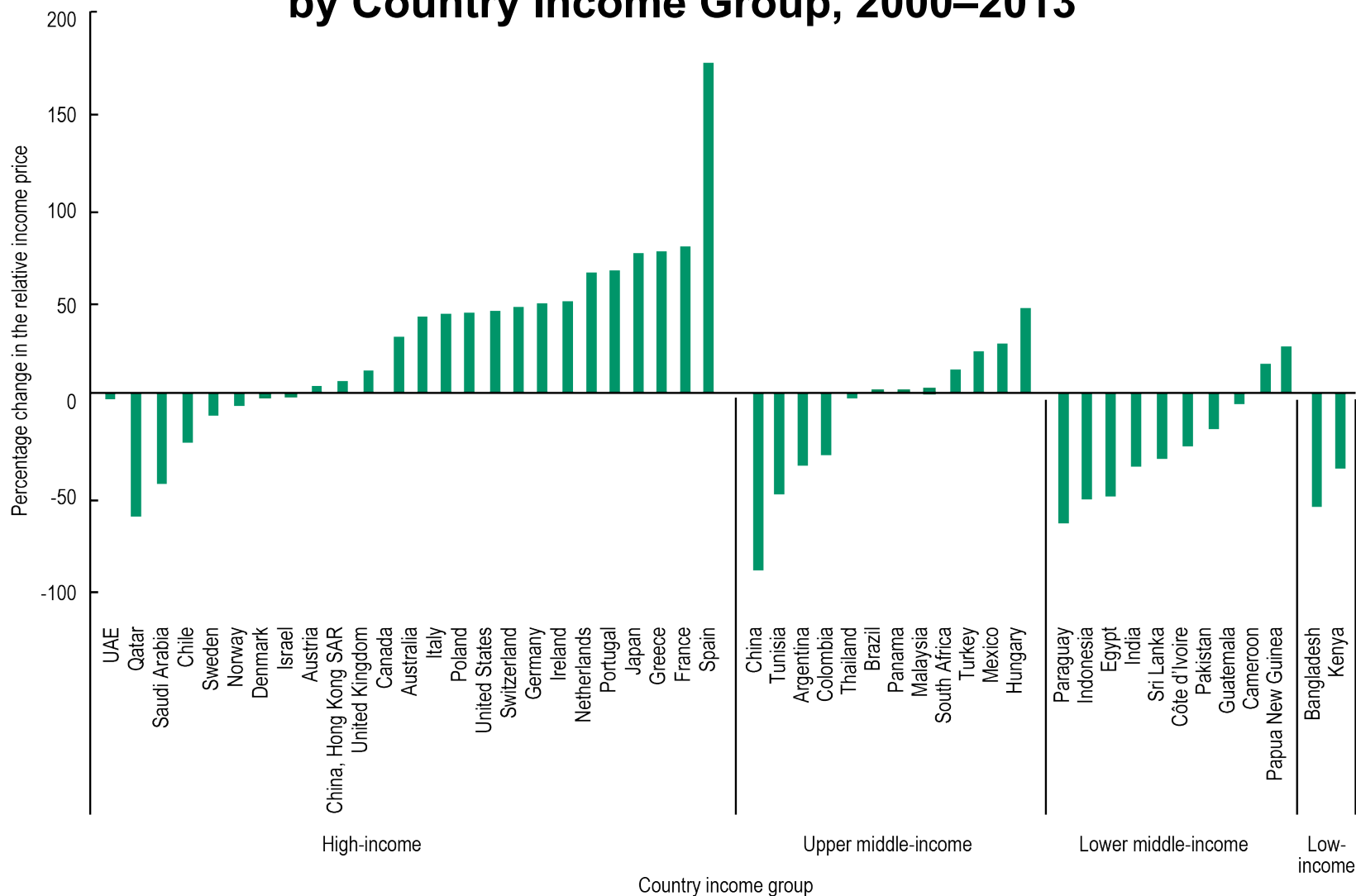
Figure 5.2. Price per Pack in International Dollar Purchasing Power Parity (PPP) and the Share of Excise and Total Tax in Price, by WHO Region, 2014



Notes: Averages were weighted by number of current cigarette smokers in each country. WHO = World Health Organization.

Source: Based on data from World Health Organization 2015.

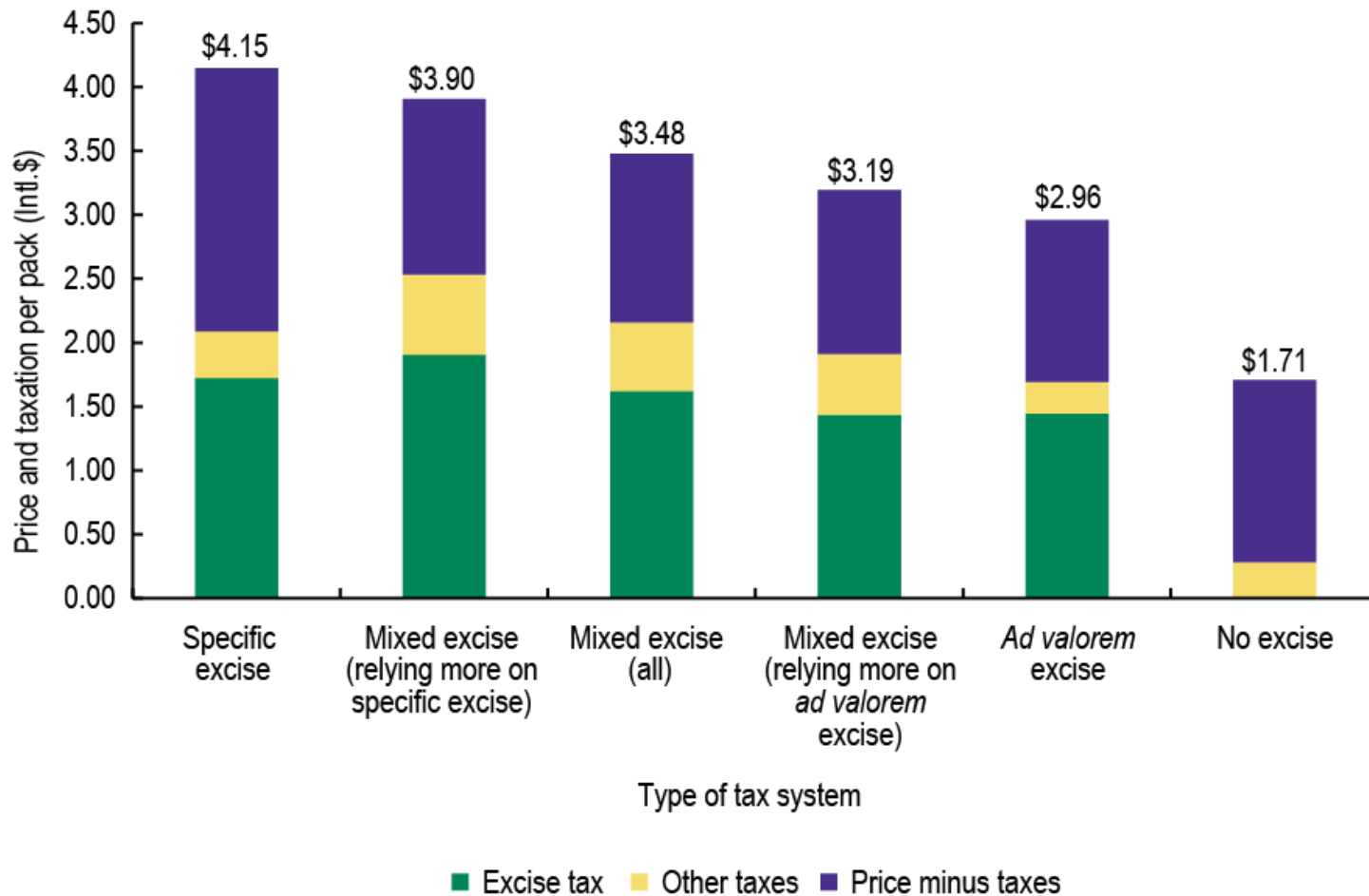
Figure 4.4. Percentage Change in Cigarette Affordability, by Country Income Group, 2000–2013



Notes: Relative income price is the percentage of annual per capita GDP required to buy 100 packs of cigarettes. Country income group classification based on World Bank Analytical Classifications for 2013. UAE = United Arab Emirates. SAR = Special Administrative Region.

Source: Economist Intelligence Unit 2015

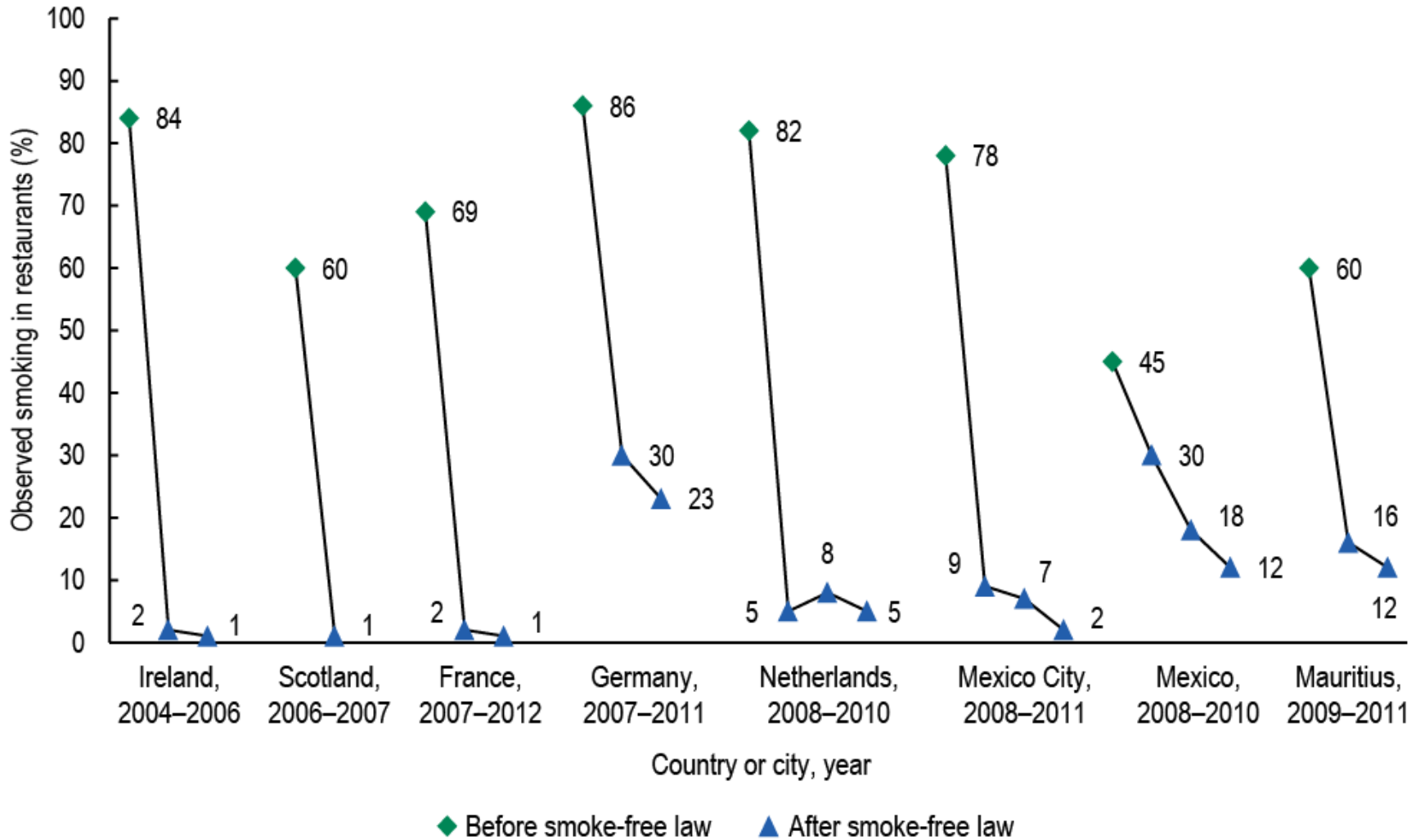
Figure 5.3. Price per Pack in International Dollar Purchasing Power Parity (PPP) and the Share of Excise and Total Tax in Price, by Tax Structure, 2014



Note: Averages were weighted by number of current cigarette smokers in each country.

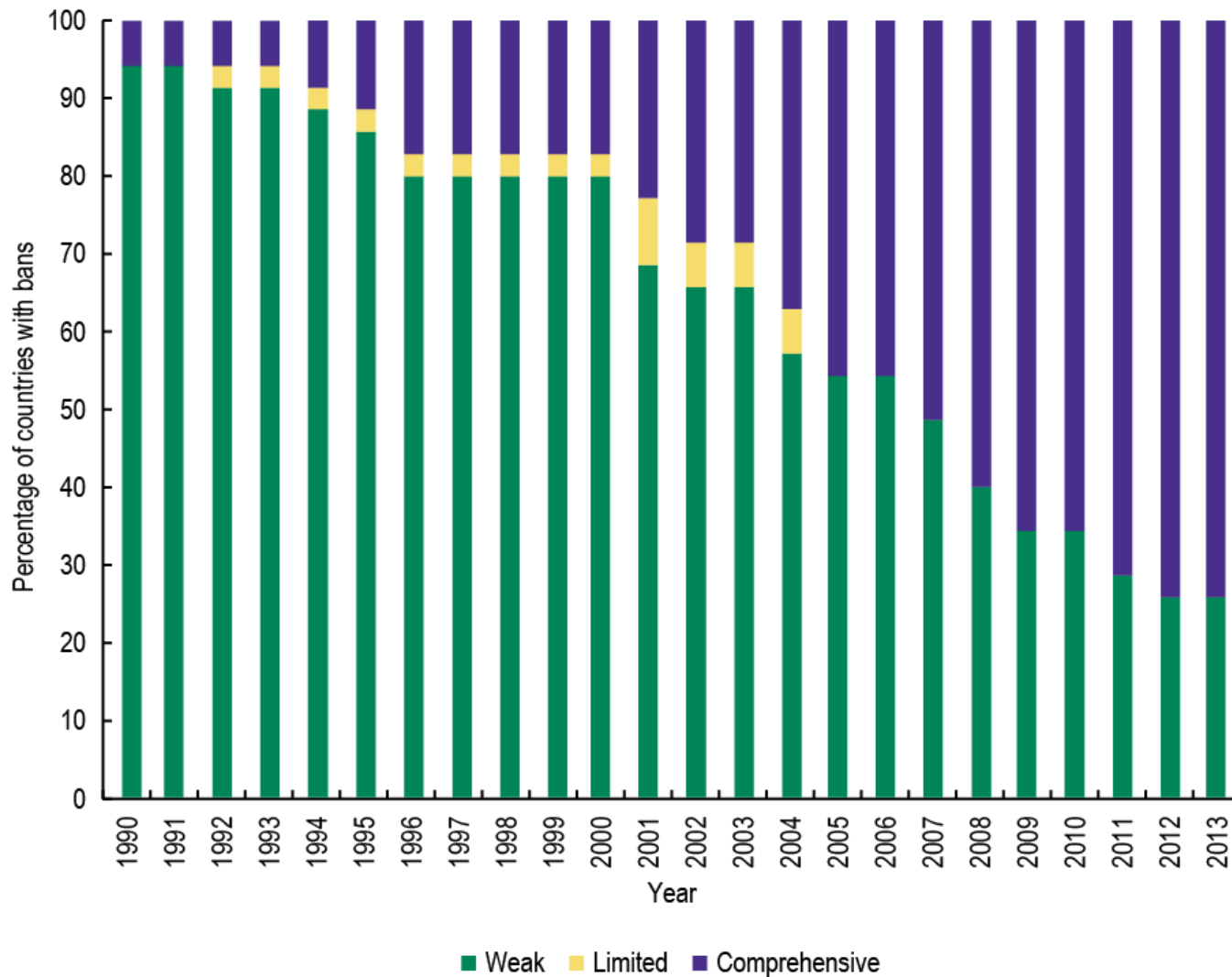
Source: Based on data from World Health Organization 2015

Figure 6.4. Prevalence of Observed Smoking in Restaurants Before and After Smoke-Free Laws



Source: World Health Organization Western Pacific Region and University of Waterloo, ITC Project 2015

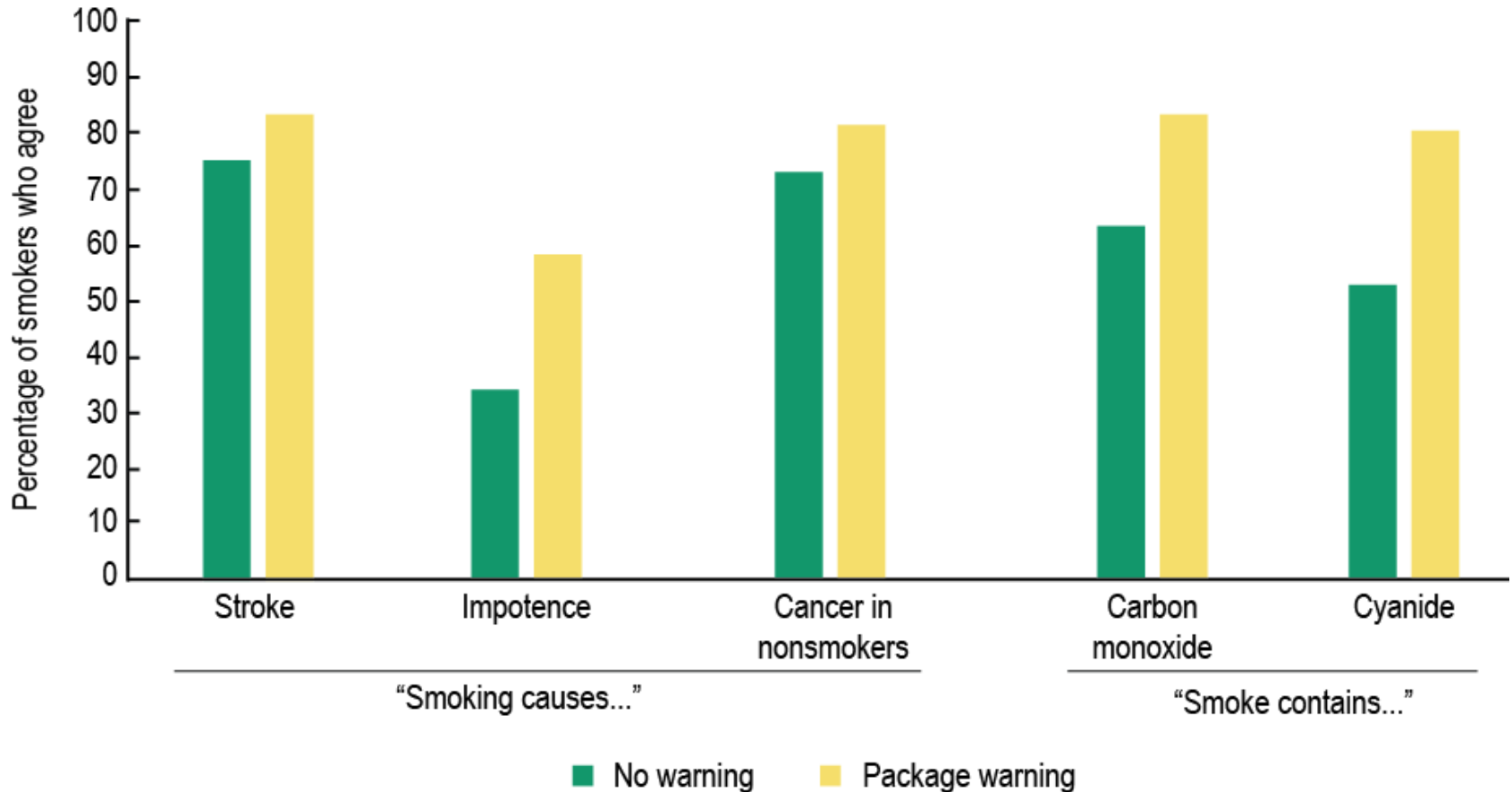
Figure 7.5. Weak, Limited, and Comprehensive Tobacco Advertising Bans in Low- and Middle-Income Countries, 1990–2013



Note: n=35.

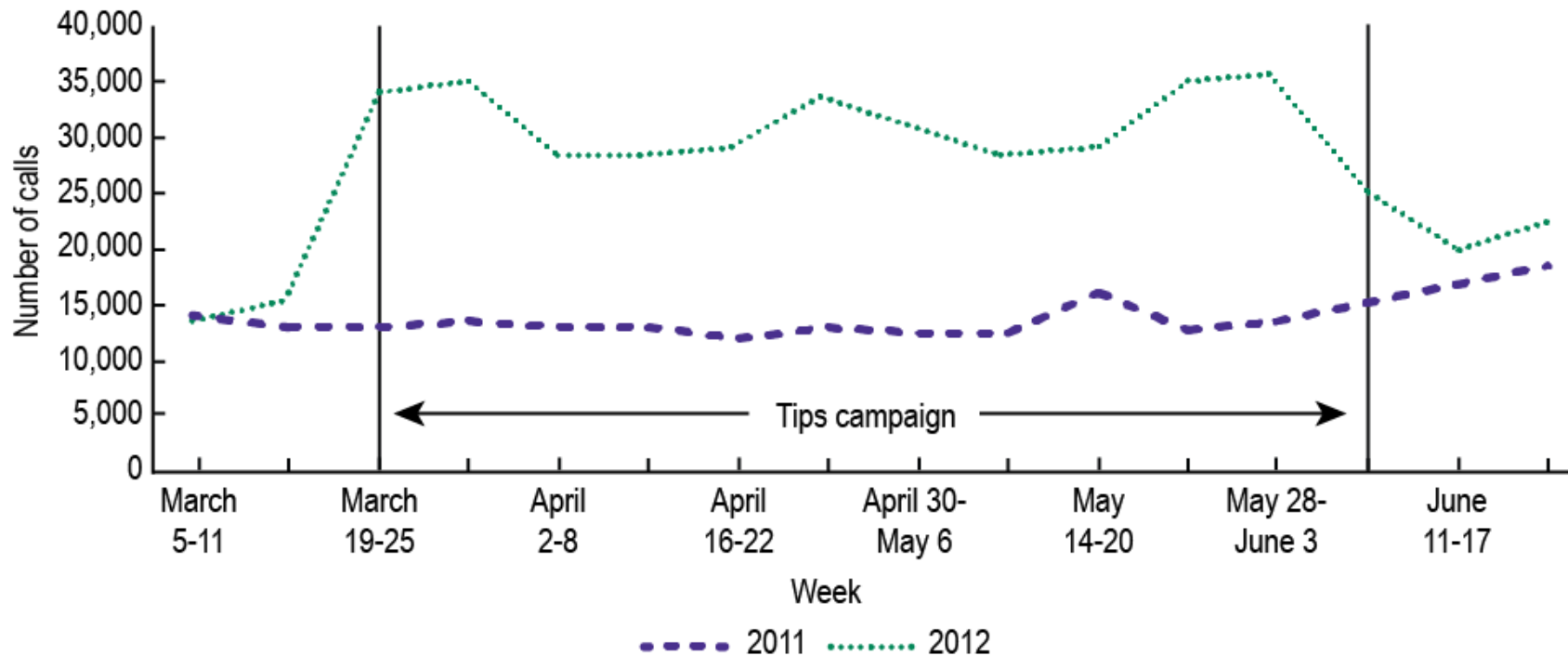
Sources: Based on data from ERC Group 1990–2013 and Economist Intelligence Unit 1990–2013

Figure 8.6. Knowledge About the Harms of Tobacco Use: Comparison of Countries With and Without Health Warning Labels on Particular Topics



Sources: World Health Organization 2011, based on data from Hammond et al. 2006

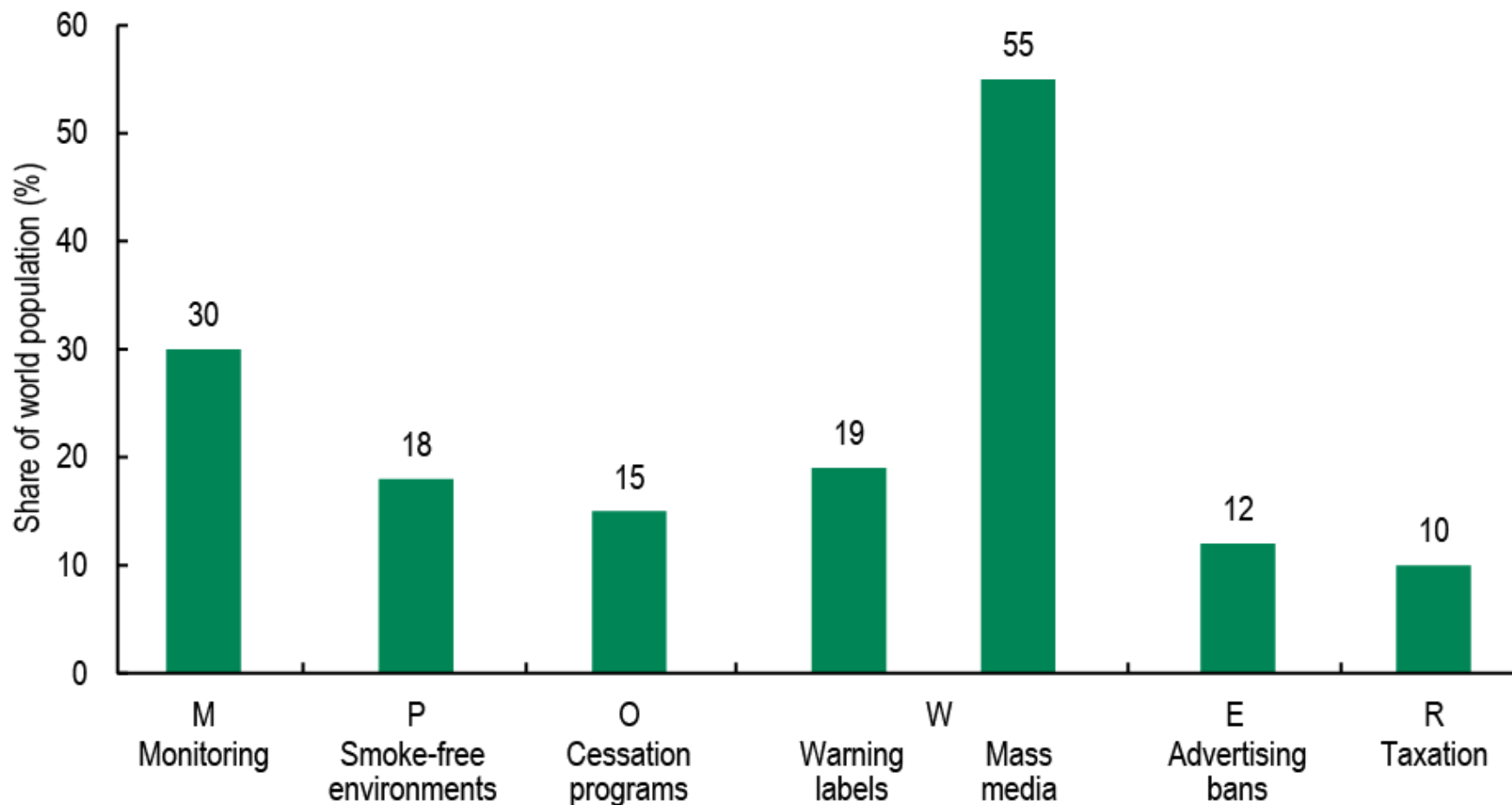
Figure 8.1. Number of Weekly Telephone Calls to the National Quitline Portal Around the Airing of the Centers for Disease Control and Prevention's Tips From Former Smokers Campaign



Notes: The Tips campaign ran from March 19 to June 10, 2012. Data for May 30 to June 19, 2011, were imputed using straight-line regression.

Source: Centers for Disease Control and Prevention 2012

Figure 17.1. Share of the World Population Covered by Selected Tobacco Control Policies, 2014



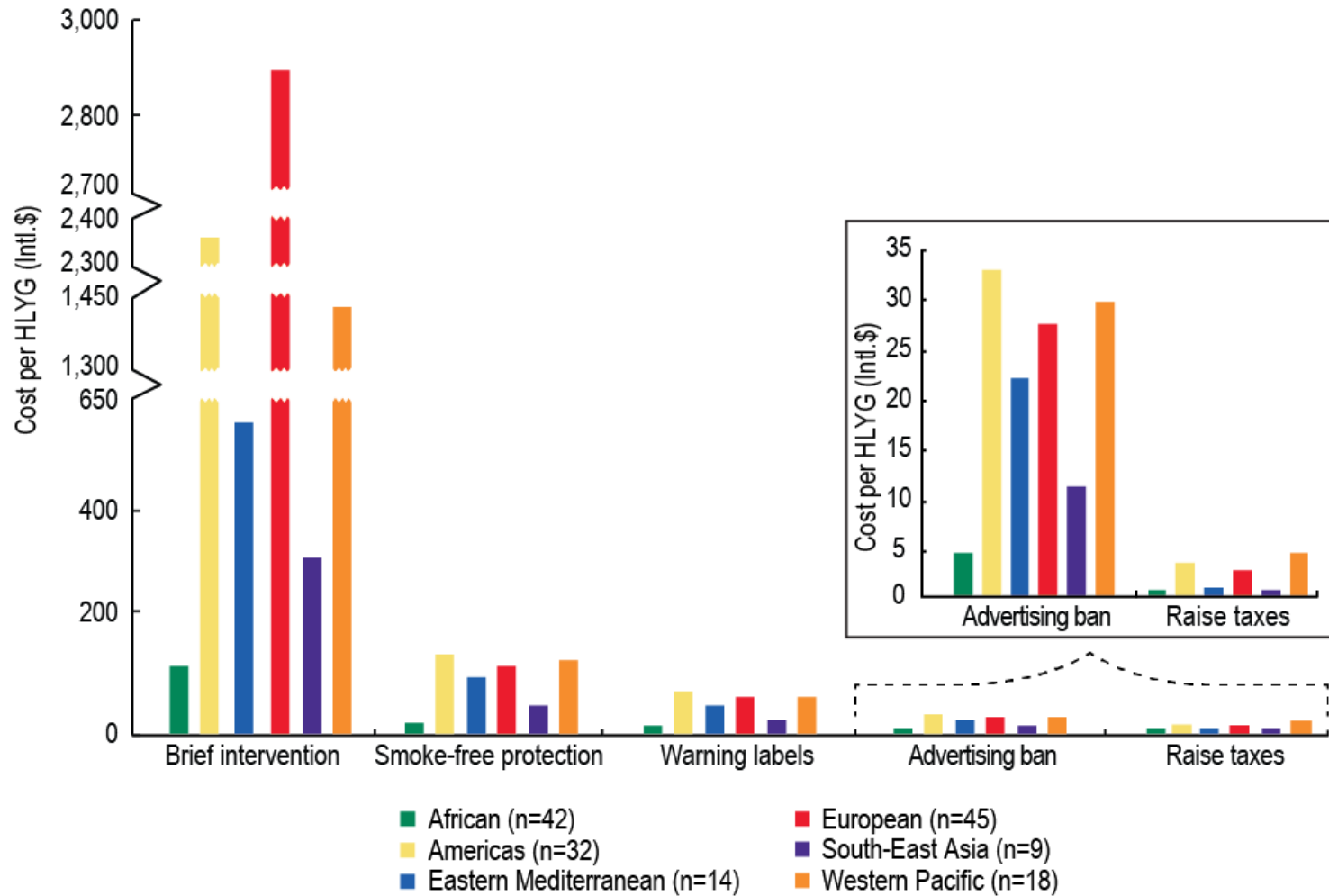
Note: The tobacco control policies depicted here correspond to the highest level of achievement at the national level. For the definitions of these highest categories, refer to the *WHO Report on the Global Tobacco Epidemic, 2015: Raising Taxes on Tobacco*.

Source: World Health Organization 2015

Major Conclusions

4. Policies and programs that work to reduce the demand for tobacco products are highly cost-effective.

Figure 17.3. Tobacco Control Policies and Cost Per Healthy Life-Year Gained, by WHO Region



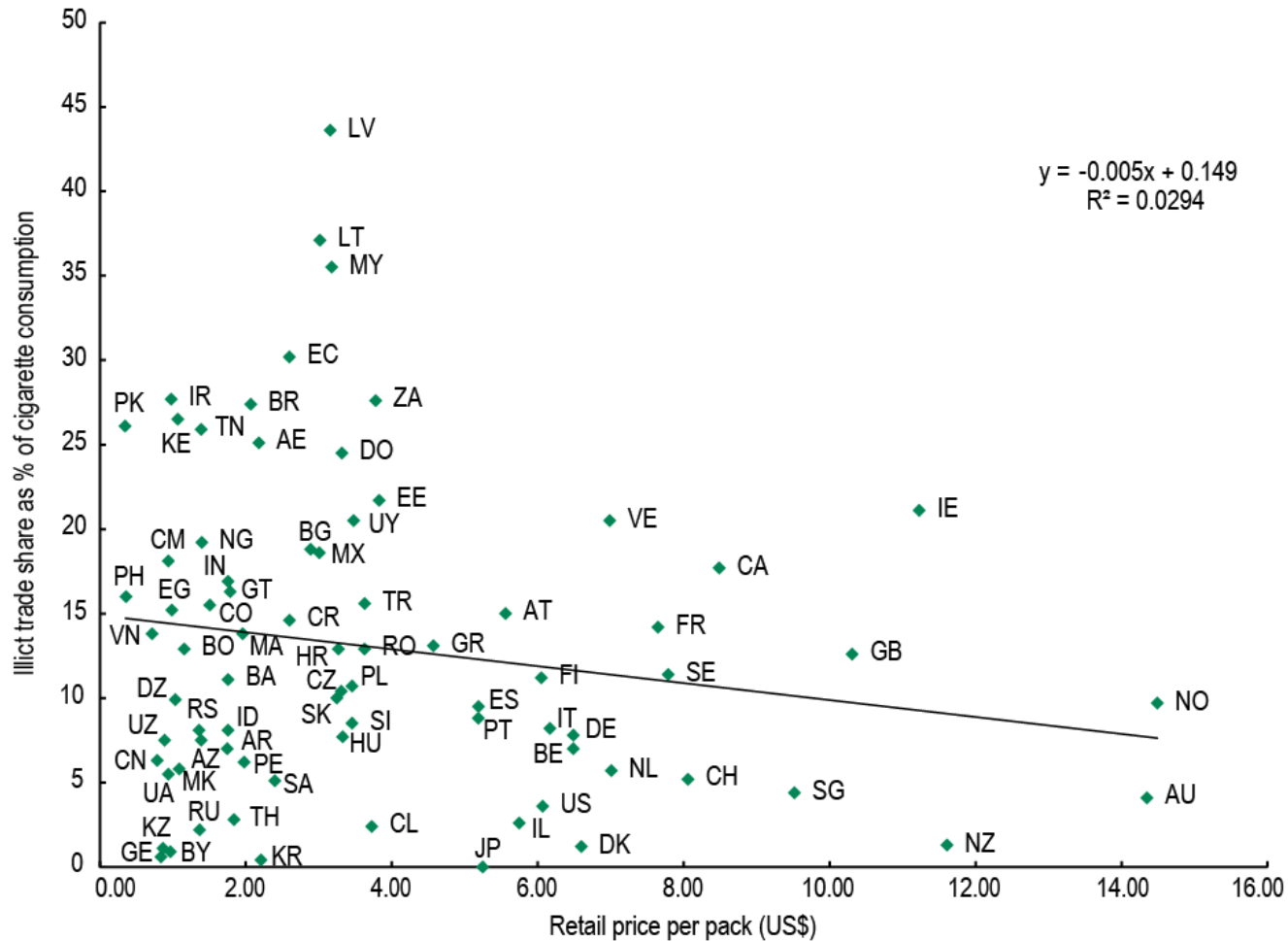
Note: HLYG = healthy life-year gained.

Source: Based on calculations from World Health Organization CHOICE model, 2016.

Major Conclusions

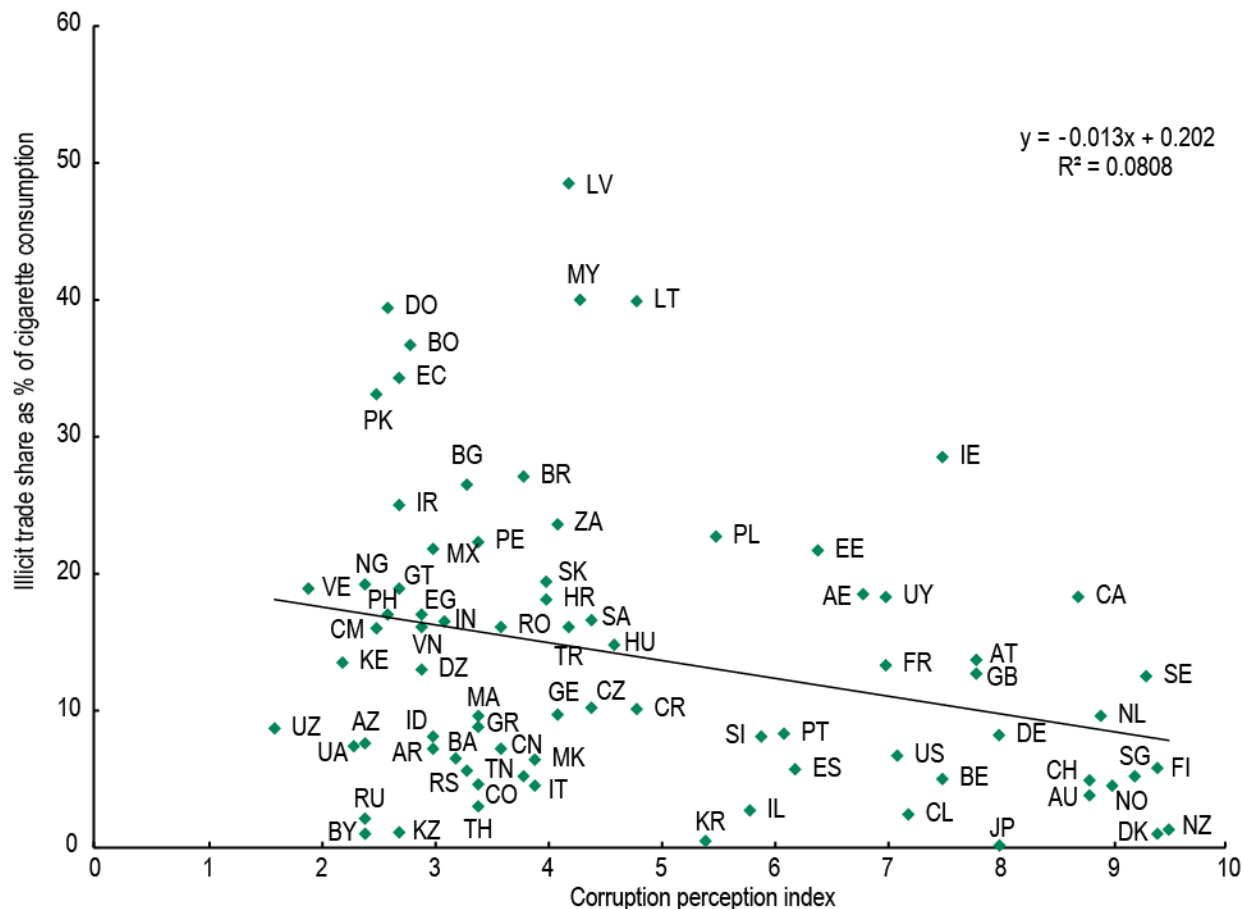
5. Control of illicit trade in tobacco products, now the subject of its own international treaty, is the key supply-side policy to reduce tobacco use and its health and economic consequences.

Figure 14.8. Share of Illicit Trade Versus Retail Prices of the Most Popular Brands, by Country, 2012



Sources: World Health Organization 2013 and Euromonitor International 2012

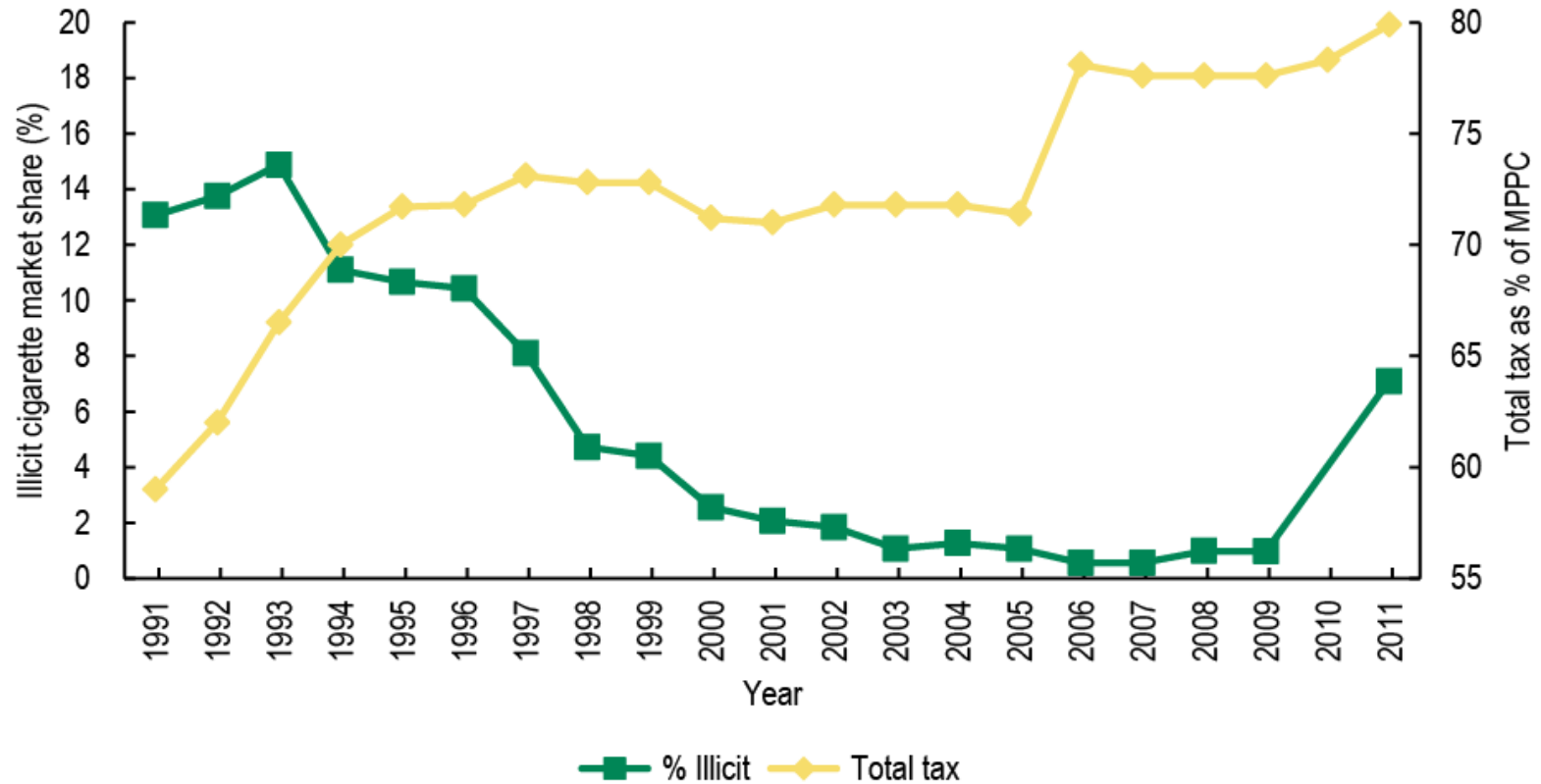
Figure 14.10. Share of Illicit Trade Versus Corruption, by Country, 2011



Note: Lower scores on the corruption perception index indicate higher levels of corruption.

Sources: Euromonitor International 2011 and Transparency International 2011

Figure 14.11. Illicit Cigarette Market Share and Percentage of Most Popular Price Category Accounted for by Taxes, Spain, 1991–2011



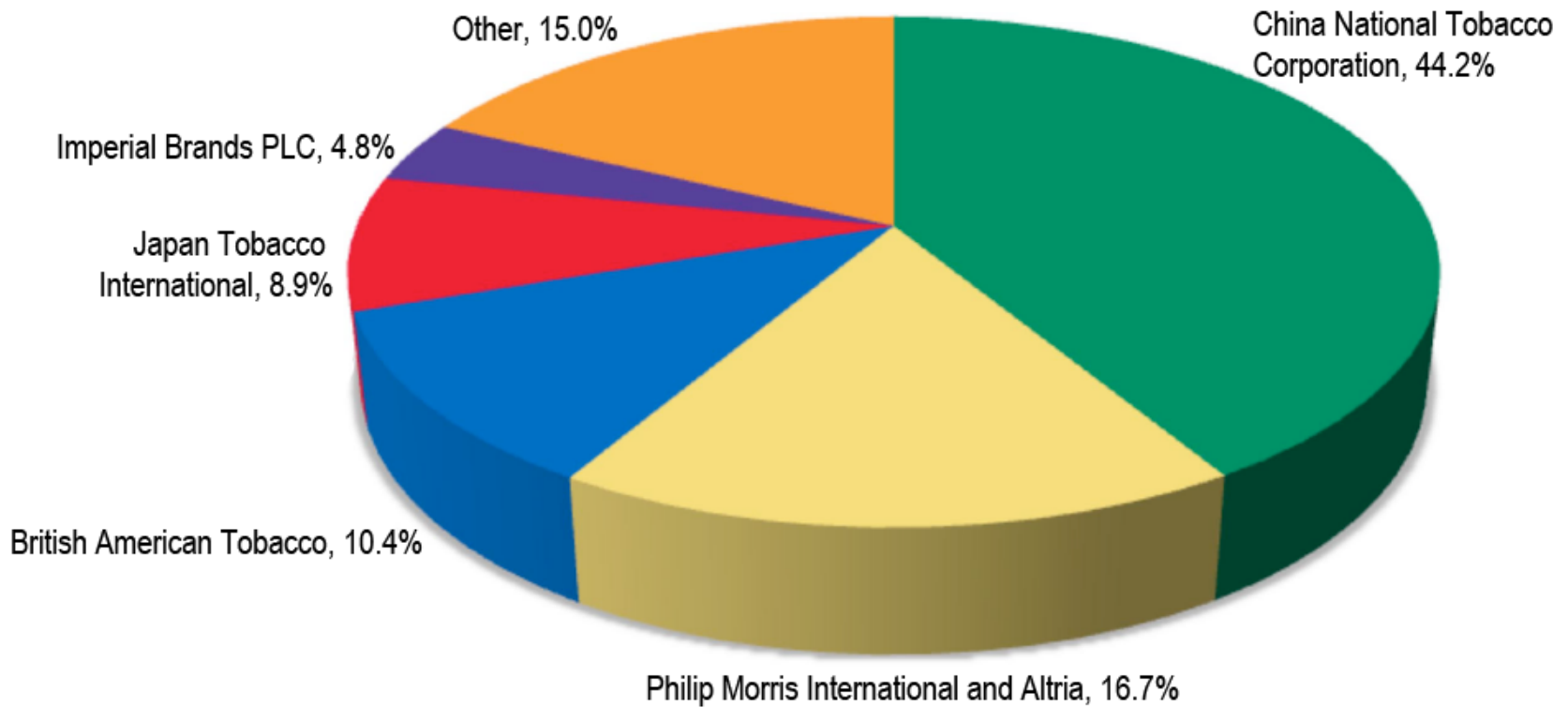
Note: Percentage of contraband data is not available for 2010. MPPC = most popular price category of cigarettes.

Source: ERC Group 2011

Major Conclusions

6. The market power of tobacco companies has increased in recent years, creating new challenges for tobacco control efforts.

Figure 12.2. Global Cigarette Market Share Distribution, 2014



Note: Philip Morris International includes Philip Morris USA.

Source: Euromonitor International 2016

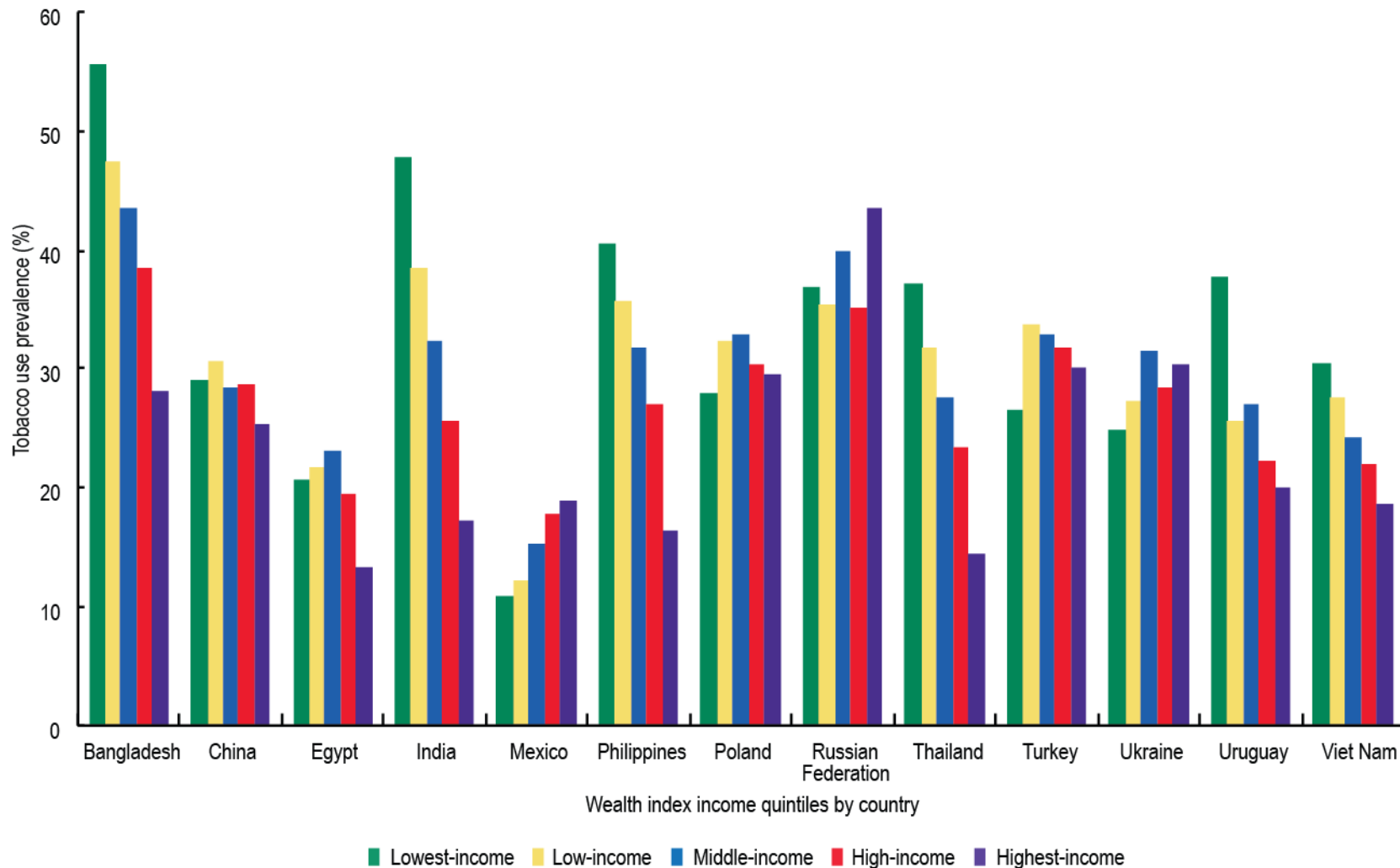
Major Conclusions

7. Tobacco control does not harm economies.

Major Conclusions

8. Tobacco control reduces the disproportionate burden that tobacco use imposes on the poor.

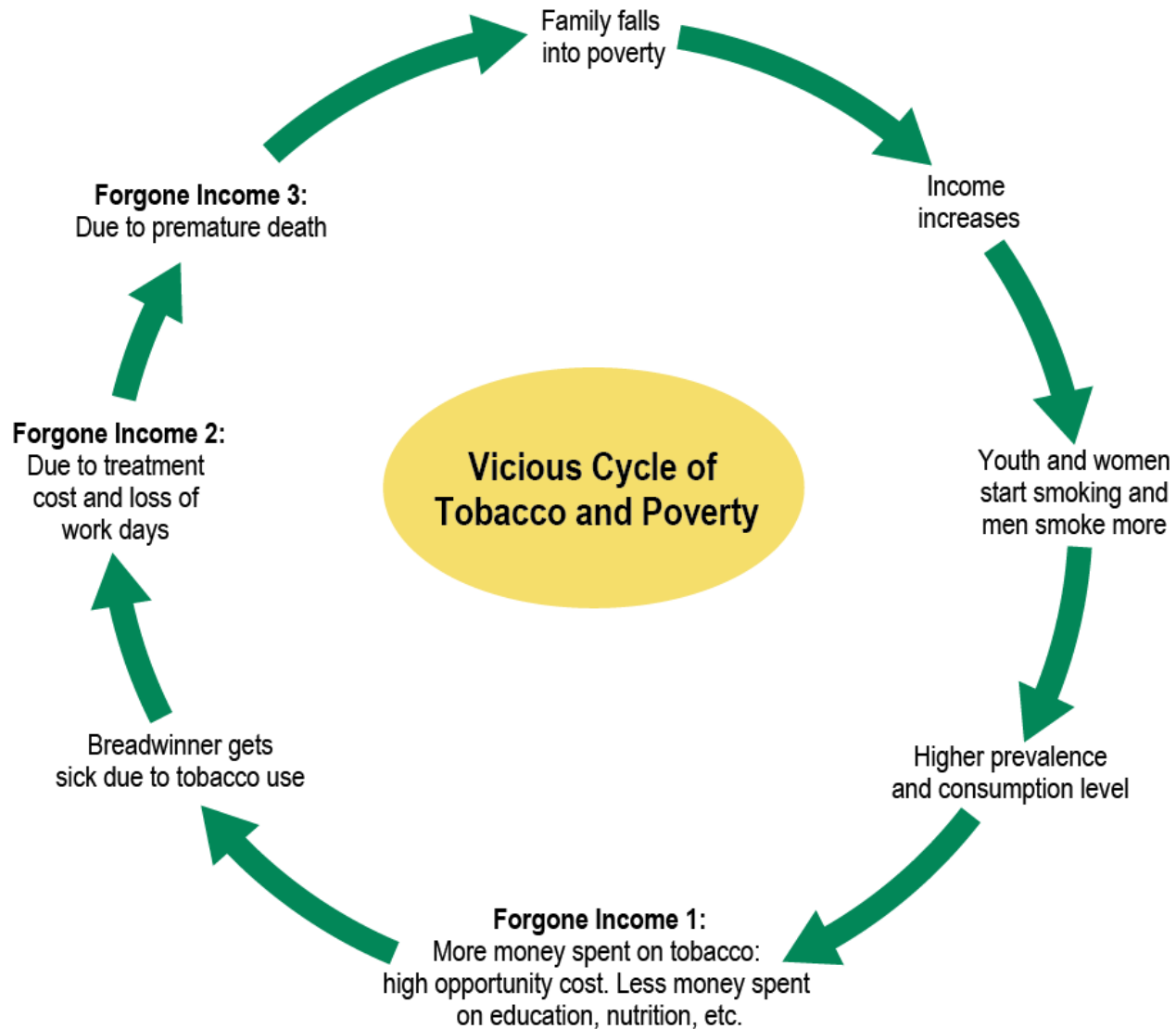
Figure 16.1. Prevalence of Current Tobacco Use Among Adults Age 15 and Older, by Wealth Quintile, 2008–2010



Note: Data are from the Global Adult Tobacco Survey 2008–2010.

Source: Palipudi et al. 2012

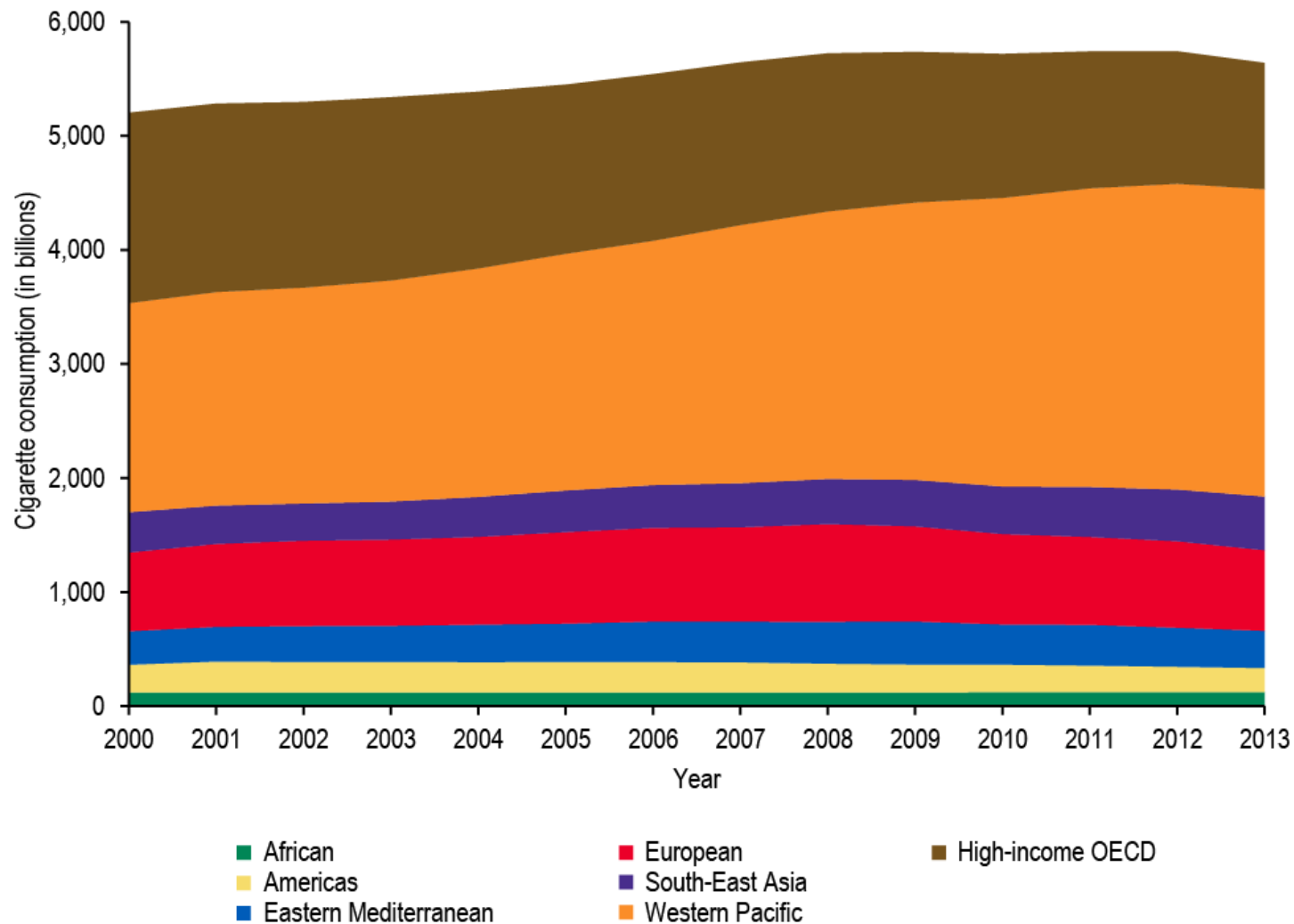
Figure 16.2. The Cycle of Tobacco Use and Poverty



Major Conclusions

9. Progress is now being made in controlling the global tobacco epidemic, but concerted efforts will be required to ensure that progress is maintained or accelerated.

Figure 2.9. Global Consumption of Cigarette Sticks (in Billions), by WHO Region, 2000–2013



Notes: WHO = World Health Organization. High-income OECD countries = countries defined as high-income by the Organisation for Economic Co-operation and Development. High-income OECD countries are excluded from their respective regions.

Source: Euromonitor International 2016

Thank You!

Monograph 21: *The Economics of Tobacco and Tobacco Control* is now available online at

<https://cancercontrol.cancer.gov/brp/tcrb/monographs/21/index.html>

