REVIEW

Political economy analysis for tobacco control in low- and middle-income countries

Jesse B Bump1,* and Michael R Reich2

1Department of International Health, Georgetown University, Washington, DC, USA and 2Department of Global Health and Population, Harvard School of Public Health, Boston, MA, USA

*Corresponding author. Department of International Health, Georgetown University, 3700 Reservoir Rd NW, St Mary’s Hall #220, Washington, DC 20057, USA. Tel: +1-202-687-6132. Fax: +1-202-784-3128. E-mail: jbb77@georgetown.edu.

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Tobacco is already the world’s leading cause of preventable death, claiming over 5 million lives annually, and this toll is rising. Even though effective tobacco control policies are well researched and widely disseminated, they remain largely unimplemented in most low- and middle-income countries (LMICs). For the most part, control attempts by advocates and government regulators have been frustrated by transnational tobacco companies (TTCs) and their supporters. One reason tobacco is so difficult to control is that its political economy has yet to be adequately understood and addressed. We conducted a review of the literature on tobacco control in LMICs using the databases PubMed, EconLit, PsychInfo and AGRICOLA. Among the over 2500 papers and reports we identified, very few explicitly applied political economy analysis to tobacco control in an LMIC setting. The vast majority of papers characterized important aspects of the tobacco epidemic, including who smokes, the effects of smoking on health, the effectiveness of advertising bans, and the activities of TTCs and their allies. But the political and economic dynamics of policy adoption and implementation were not discussed in any but a handful of papers. To help control advocates better understand and manage the process of policy implementation, we identify how political economy analysis would differ from the traditional public health approaches that dominate the literature. We focus on five important problem areas: information problems and the risks of smoking; the roles of domestic producers; multinational corporations and trade disputes in consumption; smuggling; the barriers to raising taxes and establishing spatial restrictions on smoking; and incentive conflicts between government branches. We conclude by discussing the political economy of tobacco and its implications for control strategies.

Keywords Political economy, policy implementation, developing countries, middle-income countries

KEY MESSAGES

- Effective tobacco control policies are well researched and widely disseminated, but they remain largely unimplemented in most low- and middle-income countries (LMICs), in part because the political economy conflicts have yet to be adequately addressed.

- On reviewing the literature on tobacco control in LMICs we found that the vast majority of papers characterized important aspects of the tobacco epidemic, but the political and economic dynamics of policy adoption and implementation were not discussed by any but a handful of authors.

- To help control advocates better understand and manage the process of policy implementation, we sketch out how political economy analysis would differ from the traditional public health approaches that dominate the literature.
Introduction

Tobacco kills half of its regular users and is the world’s leading preventable cause of death—5.4 million lives annually—and by 2015 is expected to account for 10% of all deaths globally (Mathers and Loncar 2006; WHO 2008a). In the twenty-first century, tobacco’s toll is expected to reach 1 billion lives unless effective anti-use and quitting campaigns are implemented (Shafey et al. 2009). Advocates for tobacco control routinely cite these huge health costs, but meaningful control measures are opposed by the tobacco industry and its allies. According to the World Health Organization (WHO), only 5% of the world’s population is protected by even one of the six recommended comprehensive tobacco control interventions (WHO 2008a).

One reason tobacco has not been effectively controlled in low-and-middle-income countries (LMICs) is that its political economy remains inadequately understood and addressed. Particularly in these settings, scholars and policy makers have paid insufficient attention to the interactions of politics and economics, and advocates for control have been out-maneuvered by transnational tobacco companies (TTCs) in many cases (Jha et al. 2006a; Jha et al. 2006b).

As smoking declines in rich countries, the primary locus of the tobacco epidemic is shifting to LMICs, where TTCs are working to expand markets for their products (Martinez and Grise 1990; Connolly 1992; Mackay 1992; Wagner and Romano 1994; Holzman 1997; Chelala 1998; Mackay and Eriksen 2002). The result of this shift has been a rise in smoking rates in countries targeted by TTCs, despite solid evidence on the dangers of tobacco consumption and the effectiveness of control strategies. In China alone, some 100 million people now living are expected to die from tobacco use (Martinez and Grise 1990; Slama 2008; WHO 2008a).

To support more effective tobacco control globally, this article analyses the existing literature on the political economy of tobacco control in LMICs and then examines five areas of tobacco control where more political economy analysis is needed.

The MPower Report

In 2008 the World Health Organization released its MPower package, a state of the art presentation of proven tobacco control strategies and recent statistics on tobacco use and tobacco policies in 179 member countries (WHO 2008a). Twenty-seven countries representing over 85% of the world’s smokers are profiled in the package, a state of the art presentation of proven tobacco control (WHO 2005) and despite legislative progress in many countries (WHO 2008b). Strategies based on political economy are helpful for converting validated control measures into enforceable, effective and implemented national policies, as we discuss below.

Definitions and methods

Defining political economy

‘Political economy’ is hard to define because it concerns relationships between politics and economics that are difficult to specify precisely and have been used in different ways. However, political economy analysis typically concerns the links between wealth and power, politics and economics, and nation states and markets (Hoogvelt 2001). In recent decades, political economy has gained popularity as a sub-field of economics, for instance, because it helps explain and analyse complex processes such as economic reform, the interaction of political institutions and economic outcomes, and corruption, all of which are both political and economic phenomena (Alesina 2007).

For the purposes of this article, we use ‘political economy’ as an explicit recognition of the importance of both politics and economics in the distribution of resources. Using similar definitions, both the World Bank and the UK’s Department for International Development (DFID) have embraced political economy analysis to better understand and manage policy reform and implementation processes (DFID 2009; Fritz et al. 2009). The Governance and Social Development Resource Centre, funded by DFID and the Australian Agency for International Development, has supported political economy analysis ‘to situate development interventions within an understanding of the prevailing political and economic processes in society’ (GSDRC 2006). With respect to tobacco, we are particularly interested in the political and economic dimensions of policy adoption, implementation and enforcement. We use ‘political economy’ therefore to indicate an analytical approach to explaining important elements of problems in these policy processes of tobacco control.

In health and medical journals, ‘political economy’ has become increasingly popular in recent decades as a lens to view tobacco control. A PubMed search for the keywords ‘political economy’ yielded 130 citations. One paper was older than 1980, and in the decades of the 1980s, 1990s and 2000s, there were 19, 38 and 73 papers, respectively. The earliest paper retrieved was written by a political scientist, Harvey Sapolsky at MIT (Sapolsky 1980), but in recent years ‘political economy’ has been embraced—at least as a phrase—by tobacco control scholars trained in other disciplines, including economics, medicine and epidemiology.

Methods

A literature review was conducted using four databases: PubMed, EconLit, PsycInfo and AGRICOLA. Unpublished literature was sought via requests to experts and Internet searches.

The search found very few publications and reports directly applying political economy analysis to tobacco control in LMICs. The complete literature on tobacco control was too large to review. Therefore, to reduce the results to a manageable subset, we searched for papers on any aspect of tobacco and LMICs. To illustrate this process we provide details of our search in PubMed, the largest database we used. Our initial search for the terms ‘tobacco’ and ‘political economy’ yielded only 12 papers. This finding indicated that the literature we sought to analyse was very limited. We then adjusted our terms to identify papers that could be used as inputs into a political economy of tobacco control in LMICs by searching for ‘tobacco’
and either ‘international’ or ‘developing’ and ‘countries’. This strategy returned 2021 papers in English. We then reviewed all citations and abstracts (where available). We retained all papers (about 375) that addressed any economic, political or public health aspect of tobacco. The majority of excluded papers were clinical or laboratory studies.

Including all databases, our search yielded approximately 2500 citations (March 2009), all of which we reviewed. Authors and institutions of particular significance were used as new search terms to expand our results. In total, we obtained 454 papers, reports and books for our analysis.

**Literature review results**

Our review of the 454 papers, reports and books showed that many authors (based on institutional affiliations, degrees listed and Internet searches) were trained in epidemiology and other aspects of public health, such as health policy. Less frequently, papers were written by economists. Less numerous still were documents written by professionals outside the health disciplines, such as lawyers and political scientists. Most papers were written by authors with affiliations in academia or government, or at research centres, hospitals or international agencies.

Very few of the papers used political economy analysis. Of all 454 papers identified, only 16 included the keywords ‘political’ and ‘economy’ in the title or abstract. (This is an undercount because some publication types were less likely to be abstracted, such as books, book chapters and some grey literature reports.) Of these 16 papers, only six were directly connected with tobacco control in LMICs (Stebbins 1987; Stebbins 1990; Global Analysis Project Team 2000; Chantornvong and McCargo 2001; Woelk et al. 2001; Lawrence and Collin 2004).

To confirm the finding that very few of the papers identified in the search explicitly applied political economy analysis to tobacco control in LMICs, we conducted a full text search for the term ‘political economy’ in the 403 documents available in electronic format. This subset of 403 represented about 90% of the 454 references in the full sample. The 10% of papers not covered by this methodology included items we reviewed in hard copy or from Google Books, and items not available in full text.

Of the 403 documents available electronically, 48 contained the phrase ‘political economy’: these were then analysed to determine how the phrase was used (Table 1). Of the 48, only eight papers used political economy analysis to understand aspects of tobacco control in LMICs. A large plurality (21 papers) did not use political economy at all. In these cases the phrase ‘political economy’ appeared in a citation to The Journal of Political Economy, or to a paper with ‘political economy’ in its title, and so forth.

**Discussion of literature review**

Our literature review suggests four broad conclusions. First, we identified only a few documents that explicitly invoked political economy analysis or topics that directly proposed political strategies for advancing tobacco control. Instead, most of the papers were descriptive: of who smokes, of patterns and trends of use, of health risks, of TTC actions, or of the economic aspects of tobacco and control. Very few focused on the political dimensions of policy adoption, implementation or enforcement, even if many papers contained evidence relevant to these areas.

Second, even when ‘political economy’ was mentioned, only rarely did the authors employ it formally. More commonly, the term has been used loosely, as an opportunity to state that

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**Table 1** Analysis of 48 papers containing the phrase “political economy” (in an electronic search of the full text papers)

<table>
<thead>
<tr>
<th>No. of papers</th>
<th>Context of “political economy” usage</th>
<th>References</th>
</tr>
</thead>
<tbody>
<tr>
<td>8</td>
<td>Political economy analysis of tobacco control or tobacco and health in (a) low- or middle-income setting(s)</td>
<td>Stebbins 1987; Stebbins 1990; Stebbins 1991; Stebbins 1994; Global Analysis Project Team 2000; Chantornvong and McCargo 2001; Woelk et al. 2001; Smok et al. 2000</td>
</tr>
<tr>
<td>4</td>
<td>Political economy analysis of tobacco control or tobacco and health in (a) developed setting(s)</td>
<td>Poland 2000; Cohen et al. 2002; Pollack and Jacobson 2003; Hornsby and Hobbs 2007</td>
</tr>
<tr>
<td>4</td>
<td>Political economy theory referenced to explain TTC behaviour, e.g. self-regulating oligopoly, profit-seeking firms, plus works we drew on for political economy theory in general</td>
<td>Charney 1983; Reich 2002; Mamudu et al. 2008a; Mamudu et al. 2008b</td>
</tr>
<tr>
<td>6</td>
<td>Political economy referenced as a concept, but political economy theory or methods not used</td>
<td>Tye et al. 1987; Abedian et al. 1998; Shimkhada and Peabody 2003; Vateesatokit 2003; Waitzkin et al. 2005; Otanez et al. 2006</td>
</tr>
<tr>
<td>3</td>
<td>Cite absence of political economy analyses as an important obstacle to tobacco control in low- and middle-income countries</td>
<td>Jha et al. 2006a; Jha et al. 2006b; Choudhury et al. 2007</td>
</tr>
<tr>
<td>2</td>
<td>Political economy of tobacco production</td>
<td>Boesen and Mohele 1979; Geist et al. 2009</td>
</tr>
<tr>
<td>21</td>
<td>‘Political economy’ found but not used substantively, e.g. citation to the Journal of Political Economy, or ‘political’ and ‘economy’ are next to each other in a list, or ‘political economy’ is mentioned in passing</td>
<td>Ray 1985; Jha 1999; Behrer et al. 2000; Merriman et al. 2000; Orr 2000; Collin et al. 2002; Nelson 2003; Blanke and da Costa e Silva 2004; Fong et al. 2004; Hozic 2004; Lee et al. 2004; Mpapalunga and Muula 2004; Marshall 2005; Lokshin and Beegle 2006; Masanjala 2006; Blecher 2008; Capella et al. 2008; Goel 2008; MacKenzie and Collin 2008a; Otanez and Glantz 2009; WHO 2009</td>
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Total of 48 papers that included the phrase ‘political economy’ in a full text search of 403 documents available in electronic form.
politics is an important component of the tobacco control discussion, along with economics and health.

Third, translating the FCTC into tobacco use reductions at the national level is likely to require national-level political economy analyses to better understand barriers to control in specific settings and define strategies to overcome them. This approach could link the international consensus to national manifestations of the tobacco problem and at the same time help define political strategies appropriate to local conditions. This work has yet to be published for LMICs.

Fourth, tobacco control’s present and past are well documented, but analyses of future scenarios have focused on projections of health consequences and smoking trends. Many publications have defined optimal tobacco control policies, detailed the state of national tobacco control policies around the world, and examined the strategies TTCs have used to promote their products. A primary feature of this latter literature is that TTCs have continued to prosper under strengthened regulatory frameworks and against a continually growing body of evidence about the harm done by their products. How TTCs have operated in the past is fairly well documented, but how TTCs will try to grow in the future has not been adequately addressed in the literature we identified.

Topics for a political economy of tobacco control

Some of the highest-profile achievements in tobacco control have relied on political economy analyses, such as the negotiation of the FCTC (D Yach, personal communication). However, the analyses themselves have not been published, in part because doing so could help TTCs defeat future control attempts. Unfortunately, secrecy hinders the dissemination of valuable techniques and approaches among tobacco control advocates, as well.

To address this problem we seek to illuminate how a political economy perspective would differ from those that dominate the public health and medical literatures on tobacco control. Based on the literature review and discussions with experts in tobacco control, we identified five policy areas where additional political economy analysis could make a positive difference in advancing tobacco control policies:

1. Information problems concerning citizen knowledge of the dangers of tobacco use;
2. The roles of domestic producers, multinational corporations and trade disputes in consumption;
3. The use of smuggling to undermine regulation;
4. The barriers to raising taxes and establishing spatial restrictions on smoking;
5. Incentive conflicts between government branches.

Information asymmetries and the risks of smoking

If the true costs of tobacco use were universally known and accepted, it is unlikely that completely rational people would choose to smoke. But ignorance of the health consequences of smoking is common among both individual consumers and government policy makers (Jha et al. 2006b), and the decision to smoke may not be based on accurate information or rational analysis.

The contest waged between TTCs, regulators, control advocates and others over perceptions of tobacco use and its health effects is complicated and hotly contested, but the dynamics of this struggle were not examined comprehensively in the literature we reviewed. The vast majority of papers were descriptive; these papers contained information and analysis essential for understanding the tobacco epidemic, but did not provide guidance on how to mitigate its toll. For instance, one study surveyed physicians in Hong Kong, finding more than half of them had inadequate knowledge and negative attitudes toward smoking cessation, but the authors did not document the sources of these attitudes or develop remedial strategies (Abdullah et al. 2006). A primary motive for other authors was to understand characteristics of smokers; ‘predictors’ referred to the dominant socio-demographic indicators of smokers, such as gender, income quintile and urban or rural residence, for instance (Jenkins et al. 1997). But changing these characteristics is an unrealistic control strategy. Other articles investigated advertising and consumption (Tye et al. 1987) and the effects of advertising bans (Blecher 2008; Capella et al. 2008), but did not present strategies for managing the politics of implementing such bans.

Much of the literature we reviewed relied primarily on the implicit assumption that providing accurate information would be sufficient to cause smokers to quit, prevent non-smokers from starting, and empower control advocates and regulators. Experience in rich countries has belied the simplicity of this assumption. In the US and the UK, for instance, scientific and medical evidence of smoking’s harm emerged in the 1950s, including the carcinogenic properties of tar in 1953 (Wynder et al. 1953), Doll and Hill’s study linking smoking and mortality in physicians in 1954 (Doll and Hill 1954), and the Surgeon General’s designation of smoking as a cause of lung cancer in 1957 (Burney 1957). But in both countries the tobacco industry continued to prosper by recruiting new smokers and forestalling regulation long after their products had been shown harmful by researchers and denounced by medical authorities. Rather than let scientific and medical findings drive popular opinions, the industry defined and promoted a positive culture of smoking that proved more persuasive for several decades.

Similar dynamics have unfolded in LMICs, where smoking is still increasing. However, many scholars analysing tobacco in LMICs have already exposed many of the channels and methods used by TTCs to misrepresent smoking as a positive activity, disguise its risks and undermine regulatory attempts. In this rich literature, some authors have documented TTC attempts to covertly produce scientific controversies intended to forestall regulatory curbs and promote use by obscuring the ill effects of smoking on health (Muggli et al. 2001; Bialous and Shatenstein 2002; Assunta et al. 2004; Tong and Glantz 2004; Barnoya and Glantz 2006). Authors also revealed TTC attempts to counter or undermine regulatory processes, for instance by obstructing national legislation (Sebrie et al. 2005), circumventing advertising restrictions (Neuman et al. 2002; Alechnowicz and Chapman 2004; Assunta and Chapman 2004b; Assunta and Chapman 2004c; Assunta and Chapman 2004d; Knight and Chapman 2004; MacKenzie et al. 2004a; Bansal et al. 2005), ghostwriting ineffective laws (Patel et al. 2007), misinforming policy makers (Davis 2008; Muggli et al. 2008), subverting anti-smoking programmes to actually promote tobacco use

Political economy analysis is helpful for understanding the forces that shape opinions regarding tobacco and smoking because it can focus on information asymmetries; it can also move beyond description to suggest strategies for addressing public perceptions of tobacco and smoking. Important dynamics include how information is produced, disseminated and consumed, whose opinions matter most, and ultimately which group succeeds in establishing its culture of tobacco. Much of the literature cited above would be an essential input into this exercise.

**Domestic producers, TTCs and trade disputes**

TTCs and the countries that support them have used trade disputes and trade liberalization to open new markets for their products (Shepherd 1985; Chaloupka and Laixuthai 1996; Dickinson 2000; Vatesatokit 2003; Lambert et al. 2004; Shaffer et al. 2005; Zeigler 2006; Lee et al. 2008). Typically, markets have been closed to tobacco imports to protect a national monopoly, which is sometimes government-owned. In the past, the US has used Section 301 of the 1974 Trade Act to impose sanctions on governments unwilling to accept tobacco imports, and more recently cases have been pursued through the General Agreement on Tariffs and Trade (GATT) and the World Trade Organization. This alliance has reflected the economic power of the industry to influence the trade policy of the US government. Many opposing governments have been forced to modify their policies to accept tobacco imports as a result, including Japan, Korea and Taiwan. In each case smoking rates climbed dramatically following the arrival of TTCs (Chaloupka and Laixuthai 1996; Lambert et al. 2004; Park et al. 2004; Wen et al. 2005b). At the national level, many actors oppose liberalization for tobacco imports, including national tobacco monopolies and national authorities in finance and health. These actors are powerful domestically, but they have been defeated by TTCs and the rich country governments that support them in every case yet adjudicated.

The success of TTCs at entering and dominating new markets in many cases reflects a triumph of international political economy forces over domestic political economy forces. In these examples, TTCs and the governments that support them have expressed their power through the authority of international trade agreements, which has dominated the authority of national governments even in their own domestic affairs. An important exception to this pattern has been Thailand, where the government, control advocates and international collaborators were able to delay TTC entry and enact effective regulatory barriers before they arrived. Thai control advocates made extensive use of political economy analyses to understand and control the international and domestic forces at play. Although Thailand was forced to open its market to imported tobacco, the GATT ruled that Thailand could regulate however it wished as long as domestic and imported tobacco companies were treated equally. Thailand has maintained its strict tobacco control laws, with the support of the domestic tobacco industry, which hoped to limit the marketing power of TTCs. As elsewhere, smoking has increased since TTCs entered the market, but in Thailand the increase has been smaller and its effects have been mitigated somewhat by a 2% excise tax designed to fund health promotion (Chaloupka and Laixuthai 1996; Vatesatokit 1997; Global Analysis Project Team 2000; Chantornvong et al. 2000; Chantornvong and McCargo 2001; Vatesatokit 2003).

Political economy analysis can help control advocates understand how TTCs gain access to closed or restricted markets and can identify relevant stakeholders to form powerful coalitions. In the US, for instance, the litigation that led to the Master Settlement Agreement was initiated by a wide variety of plaintiffs, including private individuals, non-profit organizations and third-party payers seeking to recover health care costs (Douglas et al. 2006). Although tobacco litigation is most common in the US, this strategy can be applied elsewhere (Gostin 2007). Thailand’s success in establishing high tobacco taxes and strict advertising curbs also was due largely to the influence of non-government organizations (NGOs) and activists. We did not find examples of progress in tobacco control in settings where these groups were not mobilized.

**The use of smuggling to undermine regulation**

Cigarette smuggling is a large and extremely profitable enterprise in which TTCs are ‘complicit’ (Collin et al. 2004). Illicit cigarettes account for about 11% of the global trade and represent lost government tax revenues between US$40 and US$50 billion annually (Framework Convention Alliance 2007). Smuggling is a highly profitable endeavour tacitly encouraged by TTCs to promote consumption by making their products available at prices and in quantities that would not exist otherwise. Smuggling also creates political pressure to open markets as smokers develop tastes for imported products and as middlemen and retailers become accustomed to increased sales and profits. At the same time, smuggling limits tax revenues by undercutting the legal tobacco trade, which weakens governmental ability to mount control efforts and makes TTC philanthropy and sponsorship harder to resist. TTCs have typically blamed smuggling on criminals, but research and industry documents have conclusively shown that these companies have considered smuggling an important distribution channel and have incorporated responsibilities related to it in their management structures (Shepherd 1985; Joossens 1998; Yamey 2000; Campaign for Tobacco-Free Kids 2001a; Bialous and Shatenstein 2002; Collin et al. 2004; MacKenzie et al. 2004a; Wen et al. 2005b; Armendares and Reynales Shigematsu 2006a;
Armendares and Reynales Shigematsu 2006b; Lee and Collin 2006; Novotny 2006; Wen et al. 2006; LeGresley et al. 2008; Nakash and Lee 2008; West et al. 2008).

Although many features of smuggling are well understood, effective interventions against it have not been implemented. Political economy analysis could help explore the challenges of using international action to contain smuggling and hold TTCs responsible for their products through improved tracking and tax enforcement. Negotiating such mechanisms could follow a process similar to that employed to implement the FCTC, where political economy analysis helped to identify stakeholders, build coalitions, and predict and prepare for TTC responses.

**Raising taxes and establishing spatial smoking restrictions**

Political economy analysis can help explain the challenges in adopting and implementing control strategies such as raising taxes on cigarettes and establishing spatial restrictions on smoking, both of which are recommended in the MPOWER Report (WHO 2008). The World Bank’s *Curbing the Epidemic* argues for spatial restrictions to reduce opportunities to smoke and for raising taxes on tobacco as a means to reduce consumption, especially among young smokers who are more price sensitive. Across smokers in all LMICs, the World Bank estimates that a 10% rise in price will cause an 8% decrease in demand. Increased taxation of tobacco is also frequently recommended by the International Monetary Fund as part of economic stabilization programmes (Jha 1999).

The primary opposition to both taxation and spatial restrictions is TTCs and economically interested allies. The predominant strategy for opposing spatial restrictions is through misinformation to disguise the dangers of environmental tobacco smoke, by clouding the debate with sponsored research and by claiming that spatial restrictions will cause economic harm to affected businesses, such as bars and restaurants (Muggli et al. 2001). Attempts to raise taxes have been countered by TTC lobbying efforts suggesting that increased taxes cause economic harm (Armendares and Reynales Shigematsu 2006a), and through smuggling, some of which has occurred under TTC’s direct or indirect control (Collin et al. 2004). Political economy analysis could examine the challenges of effectively organizing proponents of spatial restrictions against the opposition from tobacco companies by identifying the relevant stakeholders and assessing different political strategies. Potential proponents include non-smokers, who are not a political force in most LMICs, as well as health NGOs, physicians, scientists and national health authorities. But in many LMICs these groups often are not effectively mobilized to press their case.

**Intra-governmental incentive conflicts**

Political economy analysis can help explain conflicts among government agencies and how these conflicts can favour the tobacco industry. Some ministries, such as finance, are likely to support the industry because of the tax revenues it generates, and are likely to have substantial political power. Other ministries, such as health, are likely to oppose tobacco for the death, disability and related illness costs that it causes, but these social sector ministries often lack political leverage in the government. In the US this conflict led to domestic control policies when advocates were able to demonstrate the harmfulness of tobacco and mobilized allies in society. But the government has remained supportive of TTC expansion internationally because economic benefits accrue to the US while the resulting smoking imposes costs elsewhere (Mackay 1994).

One feature of this problem is that tobacco’s economic benefits begin immediately (for farmers, producers and tax revenues), while the health costs take years to express themselves (and in other countries, when tobacco is exported); for example, in China, the largest producer of tobacco leaf, health costs are expected to outweigh economic benefits only in the future (Hu et al. 2006). Further complexity comes from the asymmetric power of ministries of finance and health, which do not easily engage in dialogue on tobacco policy or other matters of relevance to both.

As in other areas of this analysis, we find that intra-governmental conflicts are often based on mistaken information, which is frequently supplied by the tobacco industry as a means of promoting and protecting their interests. This mis-information exacerbates the policy differences between tax authorities, which tend to view tobacco consumption as a benefit due to increasing tax revenues, and health authorities, which view tobacco consumption as a harm due to the rising costs of providing care for tobacco-related disease and disability. Tax and health policies need not be in conflict, and many authors have studied how to balance them (Abedian et al. 1998; Chaloupka and Corbett 1998; Jha 1999; Warner 2000; Armendares and Reynales Shigematsu 2006a). Successful examples include inter-ministerial co-operation in Bhutan (Ugen 2003), Thailand (Vatesatokit 1997; Vatesatokit 2003) and Nepal (Karki 2002; Sussman et al. 2007) where NGOs have played a large role (Efoymson 2007), rapid progress in Sri Lanka following the establishment of the National Authority on Smoking and Alcohol in 2006 (Parliament of the Democratic Socialist Republic of Sri Lanka 2006; CDC 2008), and strong legislation in India (Reddy and Gupta 2004).

**Conclusion**

The political economy of tobacco is complicated by the transnational character of its dominant firms, the uneven distribution of the industry’s costs and benefits, the magnitudes of the economic benefits and health costs of cigarettes, and the diversity of actors with interests in the tobacco trade. Understanding how TTCs operate at the global level and within national boundaries is essential to tobacco control policy, especially in the growing markets of the LMICs. Recent studies of TTCs have expanded our knowledge about how the tobacco industry operates and the challenges of tobacco control policy, largely because millions of pages of internal industry documents have been made public by the Tobacco Master Settlement Agreement, reached in the United States in November 1998. But much more research could be done, especially in the realm of political economy.

Some medical and public health experts have approached tobacco as if it could be addressed by the usual set of technical tools in epidemiology and economics. But tobacco control is complicated by the powerful political economy forces created by the production and sale of cigarettes. In many LMICs, the slow
progress toward control in some areas and the complete failure in others testifies to the power of these forces. Political economy analysis can help strategies to promote policy adoption and implementation. In particular, implementing the FCTC at the national level likely will require political economy analysis. International agencies, foundations, pharmaceutical companies with tobacco-related products and NGOs with relevant experience are potential sources of external financing for these analyses. Domestic sources include medical or hospital associations, groups exposed to the ill effects of tobacco through employment and businesses that may be threatened by TTC’s activities. We examined five areas of tobacco control policy where political economy analysis has contributions to make. Such analyses can shed light on TTC actions, reveal the underlying conflicts that promote tobacco use, and suggest political strategies to help design and implement more effective controls on tobacco.

Beyond tobacco, both the problems we raise and the solutions we propose in this article are applicable to other industries of public health importance. Alcohol, pharmaceuticals and food, for instance, all create similar political-economic conflicts. Powerful transnational firms are rewarded through higher revenues for increasing the consumption of their products, which also benefits a large array of producers, distributors and tax authorities. But deriving benefits from these products means avoiding overconsumption and its deleterious health consequences. As with tobacco, the economic benefits are concentrated in the industry and its related players, while the health costs are exacted from individuals, who tend to be unorganized politically and unaware of the larger consequences of their aggregate behaviour.

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Endnote
1 Includes papers published by 31 December 2009.

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