

A Balanced Tobacco Control Policy

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In recent years, much attention has been given to reducing the number of people who start smoking, and since a very high proportion of smokers historically has taken up the habit during the teenage years (or even younger), this has resulted in a policy concentration on youths. In the accompanying essay, Sherry Glied suggests that this focus may be unwise.

Other tobacco control advocates have worried that, although it might be politically easier in the short run to enact measures with a “child protection” feel to them, most smokers are adults. Moreover, it seems highly unlikely for now that any youth-oriented policy (or combination of policies) would be fully effective. Hence, those who continue to start smoking in their teens are going to remain a public health concern in the future when they become adults. Furthermore, some fear that public policy implying that it is bad for kids to smoke, but all right for adults to smoke, might only serve to make experimenting with smoking even more attractive to some youths.

Glied now suggests a possible additional unease about the youth focus of tobacco control policy.

Suppose that smoking policy aimed at children merely delays initiation. At the extreme, imagine a hypothetical program that appeared at first blush to be astoundingly successful because, as a result of this intervention, no teenager in America smoked anymore. And yet,

suppose further that, by the time they were 30 years old, as many in the cohort group were smoking as before the seemingly wondrous youth-oriented smoking program went into effect. That is, suppose this program merely pushed up the start of smoking until people are 21 or so.

Such a result, of course, would be altogether contrary to assumptions that seem now widely held in the tobacco control community, where most believe that, if people don't start smoking by age 20, they are unlikely ever to start. After all, a rather small share of smokers who are alive today began as adults. Explanations for this behavioral pattern seem to be that after the teen years people will more rationally reject smoking because of the dangers to their health, or they will be less susceptible to tobacco company promotion campaigns or to the peer pressure of friends who smoke, or perhaps they will have found some other "vice" to engage in as teens that substitutes for smoking and precludes the need or wish ever to smoke. But what if this assumption about initiation is incorrect? What if policies that cause a dramatic reduction in teen smoking simply lead to an offsetting increase in initiation by those in their 20s?

That could plausibly happen if the effect of the youth smoking control policy somehow "wears off" over time. For example, those teens who are merely priced out of the tobacco market by higher taxes may well be able to afford to enter it later on. Or perhaps in response to an effective youth-oriented tobacco control policy, tobacco companies develop new and effective tobacco marketing campaigns aimed at 18-24 year olds.

The basic point is that if delayed initiation were its real impact, then an apparently large public

health success could actually be dramatically less than assumed. Because the main harms from smoking generally come much later in life, merely delaying when one begins to smoke is probably much less beneficial from the public health perspective than is delaying many other dangerous activities. For example, if teens did not drink or did not have children, then specific dangers associated with youths engaging in such conduct would be avoided. Moreover, when these youths later take up those very same behaviors as adults, the negative consequences to others brought about by teenagers doing them could well be much reduced. With smoking, by contrast, the benefits of merely delayed initiation may not be the same.

To be sure, if delayed initiation into smoking also meant one were more likely to quit later on and/or one were more likely not to relapse after quitting later on, then initiation delay might have value close to that assumed today, even if it arises in a somewhat different form. In addition, if most long-term smokers started at age 25 instead of age 15, their encounters with tobacco-related diseases would probably, on average, come later in life and probably at a somewhat reduced incidence. Moreover, from the “free choice” perspective, it is much more attractive that new initiates are adults who presumably are able to make more reasoned choices about their own best interests than are children.

Glied’s study, which is reported elsewhere, as well as a paper she describes by Gruber and Zinman, suggest that today’s policies, especially tobacco tax increases that appear to reduce youth smoking, primarily delay initiation. Yet, I believe that it remains uncertain whether this is so. Simplifying a lot, we are talking about a pattern roughly like this. Suppose that before the

intervention 25 of 100 18-year-olds smoked and that 25 of 100 in the cohort group were smokers at age 30 (although this would include some new starters who had replaced some quitters). Now suppose a tax increase reduces the number of 18-year-old smokers to 20 of 100 (which would be initially viewed as a substantial public health gain), and yet at age 30, suppose smokers were once more 25 of 100 in that cohort. Such a result, other things equal, suggests that the tax merely put off initiation. But, of course, other things are by no means equal. And with so many other policy changes in play and so much else happening that might be influencing smoking behavior over time, one should be highly cautious about drawing a firm conclusion from these initial investigations, regardless of their statistical sophistication -- especially when we are talking about changed conduct of 5% or less of the population.

It must also be emphasized that tobacco tax increases are very different, for example, from public policies that impose high auto insurance rates on teen drivers. The latter, which are meant to delay initiation into driving by some teens, are a highly targeted form of intervention. Tobacco taxes are not, and realistically cannot be, restricted to youths. Indeed, a huge share of tobacco taxes is born by adults. Although adult demand for cigarettes may not be as price-sensitive as is that of teens, the weight of scholarly opinion is that tobacco tax increases have an immediate impact on adults as well -- giving some just the right financial nudge to quit or not to relapse, as well as discouraging some of those who in today's world would otherwise begin to smoke as adults not to do so. Nor does Glied suggest to the contrary.

Of course, tobacco tax increases may lose their potency over time simply because they are no

longer the tax they once were. Unlike typical sales taxes, for example, that are imposed as a percentage of the price of some good or service, cigarette taxes are primarily levied as so many cents per pack of 20. If, because of inflation, for example, the price of the pack rises from \$2.50 at T1 to \$3.50 at T2, and a new tax of 50 cents a pack that was introduced at T1 (and included in the \$2.50 price) remains at 50 cents, then one would expect the impact of that tax to decline. That is why some have argued that tobacco taxes should be set by formula in relation to price.

On the other hand, whether or not Glied's fears about the impact of tobacco taxes on youths are correct, there are other reasons not to make tobacco taxes nearly the entire focus of tobacco-control policy, whether we are talking about youth smoking or adult smoking. These taxes, in the end, burden adult smokers who increasingly come from the ranks of the working class and the poor, most of whom are addicted. And while it is true that lower income people are disproportionately influenced by cigarette price increases, I believe that most people would nonetheless consider the net tax consequence as "regressive" rather than "progressive." In any event, as non-smokers become an increasing majority of the voting public, the ease with which they can push more of the regular costs of government onto smokers is worrying as a matter of fairness. In turn, that makes public spending dependent on continued substantial rates of smoking. Higher tobacco taxes also can bring with them increased tobacco smuggling and the possible involvement of organized crime or other dangerous criminal elements. These points together are not meant to be an argument against moderate or even substantial tobacco taxes. But they are meant as a caution against excessive reliance on this one policy instrument.

Of course, in a state like California that has been successful in reducing smoking rates, tobacco control policy is by no means restricted to tobacco tax increases. The most effective other policies seem to be very tough controls on indoor smoking at both work and leisure venues and a very aggressive anti-smoking advertising program (even if some of the ads strike me as unseemly propagandistic). A supposedly conservative U.S. Supreme Court has recently given an extraordinarily liberal interpretation of the First Amendment and an extraordinarily anti-states' rights interpretation of the federal law on cigarette warnings. These rulings have precluded California and other states from strongly curbing tobacco industry advertising and promotional campaigns.

Yet, even in California, considerably more could be done to promote the free or inexpensive availability of effective smoking cessation (or smoking reduction) products and programs. Indeed, the ready availability of such programs and products may be thought a pre-condition for the fair imposition of high tobacco taxes on addicted smokers. After all, the strongest ethical justification for public health intervention to reduce smoking (putting aside the consequences of second-hand smoke) is that children are duped into starting to smoke and become hooked before they realize what they getting into. But then to impose pain in the form of higher taxes on those very victims seems harsh, especially if methods exist that can help them to defeat their addiction, but which are financially daunting to those most burdened by tobacco taxes.