

# Efforts to control tobacco undermined by conflict-of-interest among policymakers, new research reveals

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New research published by Daniel Malan, Assistant Professor of Business Ethics at Trinity Business School, identifies inherent conflicts of interest with many of the countries leading the development of global tobacco control policy.

The report, *Contradictions and Conflicts*, identifies contradictions between governments' responsibility to maximize state monopoly profitability and their responsibility to minimize public health risks, as well as generate potential solutions.

According to recent data, nearly 50% of the global cigarette market is controlled by governments that claim commitment to the World Health Organization Framework Convention on Tobacco Control (WHO FCTC). This organisation seeks to "protect present and future generations from the devastating health, social, environmental and economic consequences of tobacco consumption and exposure."

Yet eight of these FCTC countries own 100% of at least one tobacco company, including China, Iran, Iraq, Lebanon, Syria, Thailand, Tunisia, and Vietnam. Notably, China National Tobacco Corporation controls roughly 44% of the global cigarette market.

"Our research underlines a clear conflict of interest among these FCTC signatories," said Daniel Malan, leading international business and corporate governance scholar; member, World Economic Forum's Global Future Council on Transparency and Anti-Corruption; and an author of the report. "FCTC's Article 5.3 requires parties to protect the implementation of their public health policies against the commercial and vested interests of the tobacco industry. Yet, this is impossible when many of the same countries are also striving to generate revenue from state-owned tobacco entities."

## No One-Size-Fits-All Solution

The *Contradictions and Conflicts* report notes that state monopolies are not subject to multinational governance, and pressure from national government organizations has been largely ignored within the tobacco industry.

There are also no clear differences in health policies or burden of disease data when compared with countries where there is no significant state ownership of tobacco companies. As a result, the WHO may find it challenging to identify a one-size-fits-all solution to this conflict of interest.

The possible solutions for governments with state-owned tobacco interests are complex. The report suggests that shifting from the production and marketing of combustible cigarettes over time to tobacco harm-reduction products could alleviate the conflicts that the state-owned tobacco enterprises face and ultimately save lives.

Leading researchers and organizations such as the Foundation for a Smoke-Free World are mobilizing globally to create solutions that help expand knowledge in cessation and harm-reduction areas, including

biomarker discovery, outcomes of quitting/switching on the microbiome, and innovative clinical trial designs for cessation therapies.

"The data show a clear need and opportunity to not only regulate state-owned tobacco companies, but also to encourage them to evolve their business models toward the development and promotion of innovative harm-reduction solutions," said Dr. Derek Yach, President of the Foundation for a Smoke-Free World. "More than 8 million people die from tobacco-related illnesses each year. Governments must act to directly address the long-term health and wellness of the people living in their countries."

A key implication from Contradictions and Conflicts is that if state-owned tobacco companies were to accelerate efforts to integrate tobacco harm reduction into long-term corporate strategy, they would not only address the conflict, but they would also simultaneously accelerate global progress toward smoking cessation.

This type of business restructuring to improve health already exists. China, for example, has embraced a similar path in regard to fossil fuels by committing its domestic auto manufacturing sector to ending production and sales of vehicles with internal combustion engines.

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