



National
Center
for
Tobacco-
Free Kids

TOBACCO INDUSTRY MANIPULATION OF AGRICULTURAL ISSUES

For over 20 years, cigarette companies and leaf dealers have sought to thwart tobacco control initiatives by manipulating agricultural issues. This has involved a two-pronged strategy of (a) exaggerating the impact of tobacco control activities on the global demand for tobacco leaf and (b) misrepresenting the goals and programs of the World Health Organization (WHO). To carry out this strategy, the industry has worked directly, with sympathetic politicians and businessmen, and indirectly, through front organizations that it has created and funded.

By seeking to align themselves with tobacco farmers and tobacco-producing countries, the industry is attempting to protect its profits. As a result it has successfully shifted the terms of the debate in many countries from the protection of public health to the perceived damage that tobacco control policies will have on tobacco growers and their communities.

The FCTC: A Threat to Tobacco Growing Communities?

The companies are now hoping that tobacco growers and tobacco producing countries will actively fight current efforts to adopt a Framework Convention on Tobacco Control (FCTC). For example, Todd Haymore, Director of External Affairs for Universal (one of the world's largest international tobacco leaf dealers), wrongfully states that WHO is "working to put millions of tobacco growers and workers out of business." Going further, Haymore also inaccurately claims that the FCTC is a "far-reaching attempt to control tobacco production and consumption".¹

In fact, no person or institution involved in the FCTC negotiations—neither WHO, nor a single one of the 191 countries negotiating the FCTC, nor even any of the hundreds of NGOs that have been advocating for a strong FCTC—has ever called for any restraints whatsoever on tobacco farming. More importantly, there is no justification at all for the fears sparked by the cigarette companies and leaf dealers that a successfully negotiated FCTC will lead to economic ruin for anyone currently farming tobacco.

Even under the most optimistic tobacco control scenarios, global tobacco consumption is projected to increase over the next three decades. According to the World Bank, if current trends continue, overall prevalence will fall in some countries but the absolute number of smokers will increase from the current 1.1 billion to 1.6 billion in 2025 (due in part to an increase in global population). Moreover, any declines in overall demand after that will be gradual, occurring over many generations.² There is simply no realistic scenario under which anyone farming tobacco today will be put out of work as a result of the passage of the FCTC. Opposition to the FCTC is about protecting the profits of the cigarette companies and leaf dealers, not the livelihoods of tobacco farmers.

Cigarette Company Efforts to Manipulate Tobacco Producers

Internal industry documents from the late 1970s discuss cigarette company plans to "approach the Grower Countries through our tobacco leaf buying connections and not through our cigarette manufacturing interests in the different countries. This has the advantage [that] the approach is made by the agricultural forces of the respective land, by people who themselves belong to the Third World, and not by an industry already under attack, by multinational enterprises who only care for their excessive profits."³

The cigarette companies identified "mobilization of the leaf industry, especially in developing countries," as one of two "viable pressure points" for "dealing with the WHO".⁴ In the mid-1980s, the major multinational cigarette companies held a meeting with representatives of the international leaf dealers, asking them to help "neutralize" WHO and monitor anti-tobacco activities in tobacco producing countries.⁵

The International Tobacco Growers Association (ITGA)

By the late 1980s, when tobacco growers had not materialized into a coherent voice for the industry, the major tobacco companies sought to "mobilise the Global Agro-Lobby".⁶ The vehicle they devised, which is still very active today, is the International Tobacco Growers Association, or ITGA. As this 1988 BAT memo puts it:

"Manufacturers . . . would 'control' the primary funding of the organisation, and would thus be able to ensure that it stuck to politics The ITGA could 'front' for our third world lobby activities at WHO, and gain support from nations hostile to MNCs [multinational corporations]. The ITGA (pushed by us) could activate regional agriculture lobbies which are at present very weak and resistant to industry pressure."⁷

Martin Oldman, the head of Agro-Tobacco Services which coordinated much of ITGA's activities on behalf of the industry, wrote in 1991:

"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 Agro-Tobacco Services will develop and implement action plans for each of the ITGA member organisations, develop new argumentation, and liaise with external allies."⁸

In 1995, Oldman wrote that one of the main issues to be resolved was "'the management question', i.e. how best to provide effective control over the manufacturers' interest in the ITGA and its activities Subscribers to the agro-tobacco program will wish to ensure that there is adequate control of the Association's activities It is certainly the case that there is less need for 'hand-holding' today than when the current arrangements were initiated. This said, it would be unwise for there to be much less contact between the manufacturers/dealers in the future than exists at present."⁹

The ITGA Today

Currently, the ITGA's lobbying and public relations activities are handled by a UK-based company, Hallmark Public Relations, which counts BAT as one of its main clients.¹⁰ In a 1995 letter to BAT, Tom Watson from Hallmark commented that "I am digesting Martin Oldman's notes but can't help but feel they show a touch of bunker mentality Is there not a case for the ITGA to work with manufacturers like yourself and develop an international campaign which is aimed at a wider audience than governments? The campaign could use local voices (i.e., quotes and pictures) to make a case that tobacco is a fundamentally important cash crop which has high agronomic and foreign exchange value to a wide range of developing countries."¹¹

ITGA attacks on the FCTC process have followed a familiar pattern: exaggerate the economic importance of tobacco farming and misrepresent the goals of WHO and the FCTC process. In the year 2000, Hallmark "planned and implemented a strategy to take ITGA's messages to key government decision-makers in South Africa, Zimbabwe, Malawi, Kenya and India in an intensive 12-day Roadshow Hallmark set up a select series of briefings in capital cities where up to 100 invited guests—government ministers, MPs, media and other opinion leaders—were informed of ITGA's position on current issues in the industry."¹² Says ITGA president Richard Tate, "Our industry faces its greatest ever global challenge with the WHO, supported by the World Bank, leading the 'anti' campaign to suffocate our markets and drive us all out of business."¹³

Tobacco Growers Fight Back

Because cigarette companies and leaf dealers are the only buyers of tobacco leaf, individual farmers are reluctant to publicly criticize their practices out of fear of retaliation. Organizations such as the ITGA rarely, if ever, criticize the actions of the cigarette companies or leaf dealers which imperil the economic security of tobacco farmers (such as the growing use of reconstituted tobacco and cartel-like behavior in setting prices). Instead, they reserve their opposition for tobacco control efforts such as the FCTC.

However tobacco farmers have been gradually waking up to the realization that the cigarette companies are not their friends. Over 6,000 U.S. tobacco farmers have filed a \$69 billion lawsuit in federal courts against the manufacturers, alleging that the tobacco industry has conspired to destroy the federal tobacco purchasing system and replace it with a direct contracting system.¹⁴ In addition, tobacco growers and the public health community in the United States have established an ongoing dialogue on issues of common concern and agreed upon a set of "core principles" to both protect public health and the economic viability of tobacco-dependent communities.¹⁵

¹ Statement by Todd P. Haymore, *Director of External Affairs, Universal Leaf Tobacco Company* before the public meeting on the Framework Convention on Tobacco Control hosted by the US Department of Health and Human Services, 15 March 2000, Washington, DC; <http://www.cdc.gov/tobacco/fctc/fctc-transcript.pdf>

² World Bank, *Curbing the Epidemic: Governments and the Economics of Tobacco Control*, 1999.

³ J. M. Hartogh, Letter to All Members of the ICOSI Working Group, enclosing a Memorandum by Dr. E. Bruckner, 26 June 1979, BAT Guildford Depository, Bates Number 100433043-47.

⁴ R. Marcotullio, INFOTAB, Board of Directors Meeting-30 March 1981, <http://www.rjtdocs.com>, Bates Number 502741855-1859.

⁵ INFOTAB, "Meeting With Representatives of International Leaf Dealers," 4 May 1984, <http://www.bwdocs.aalatg.com>, Bates Number 690155210-33.

⁶ INFOTAB, Appendix I, January 1989 Discussion Paper; 30 January 1989; <http://www.pmdocs.com/getallimg.asp?DOCID=2501045258/5268>; Bates Number 2501045258-5268.

⁷ J. Bloxidge, Fax to Board Members, 11 October 1988; BAT Guildford Depository, Bates Number 502555416-7.

⁸ M. Oldman, Letter to David Bacon Regarding Agro-Tobacco Services—A Proposal for a Consultancy Agreement, 1991, BAT Guildford Depository, Bates Number 502552645-54.

⁹ M. Oldman, Letter to David Bacon from BAT, 29 March 1995, BAT Guildford Depository, Bates Number 502555220-6.

¹⁰ This section is drawn from "ITGA Uncovered: Unravelling the Spin - The Truth Behind the Claims," PATH Canada Briefing Paper, April 2001. Hallmark also devised and runs a new initiative called "Eliminating Child Labour" which brings together the ITGA, BAT and the IUF (the International Union of Food, Agricultural, Hotel, Restaurant, Catering, Tobacco and Allied Workers Associations); see: <http://www.endchildlabour.org/>

¹¹ T. Watson, Letter to David Bacon, 21 March 1995, Bates Numbers 502555227-9, BAT Guildford Depository, quoted in quoted in PATH Canada, *op. cit.*

¹² Hallmark Public Relations, Media Release, May 2000; <http://www.hallmarkpr.co.uk/News/tour.htm>

¹³ "Fighting to be Heard," Tobacco Journal International, 11 December 2000

¹⁴ Christopher Bickers, "Adversaries Now," Tobacco International, March 2000. For details of the suit, see <http://www.farmerslawyer.com/tobacco.html>

¹⁵ See <http://tobaccofreekids.org/reports/falsefriends/>

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<http://tobaccofreekids.org/campaign/global/>