

Fact Sheet

Tobacco and Employment

Will tobacco control cause all those currently employed in tobacco suddenly to lose their jobs? Are those currently employed in the tobacco sector better off than those employed in other areas? While fear of job loss is causing great concern in many countries, the facts indicate that such concern is misplaced.

Massive job losses?

The number of people around the world using tobacco is currently *increasing*, not decreasing. The WHO estimates that, if current trends continue, the number of smokers around the world will increase from the current 1.1 billion to 1.6 billion in 2025.¹ In countries where tobacco control is quite strong, as in Thailand, tobacco use is declining by about 1% a year. But in most developing countries, the population is increasing by more than 1% a year. If population growth is greater than the decline in tobacco use, than the number of tobacco users will increase.

That effect is further enhanced by the fact that, in many developing countries, most of the population is under age 15. Those who are quitting tobacco use or dying—the middle aged and older—represent a much smaller portion of the population. So the pool of potential tobacco users is growing even faster than the population. The question, then, is not how quickly will tobacco workers lose their jobs, but how many years it

will take before the tobacco industry stops growing.

It is thus highly unlikely that anyone currently alive will lose their job due to tobacco control—and the eventual slow decline in consumption will allow ample time for farmers and others to seek alternatives to tobacco.

Meanwhile, mechanization of cigarette production has meant that jobs are shrinking within the industry not due to reduced consumption, but due to greater efficiency in production.

Is tobacco work always good for the employees?

Employment in the tobacco sector in developing countries often means low wages and health risks. Workers in the tobacco industry would benefit if spending patterns switched from tobacco to other products, as this would potentially create better paid and safer jobs in new sectors.

Low wages

Workers generally receive extremely low wages—as low as 35 cents a day to roll bidis in India,² and 6 cents for 5 hours work in one site in Bangladesh.³ Since adult men refuse to do such low-paid work, women and children are often recruited. Due to the long work hours, children are forced to drop out of school. In some bidi-rolling areas, men take multiple wives and force them to roll bidis, keeping the profits and refusing to care for the women when

they become unable to continue the work.³

Far from being well off from tobacco farming, 52% of children in one tobacco-growing district in Kenya are malnourished.²

In Malawi, tobacco farmers remain poor despite their many years growing the crop. Due to the high cost of inputs, they may even go into debt if crops fail or the auction price is low.⁴

Difficult working conditions

In addition to the low wages—common not only to many of those growing and producing tobacco, but to many of those selling it as well—are the health threats faced by tobacco workers. Tobacco workers become ill from exposure to green tobacco while picking the leaves, from tobacco dust while manufacturing tobacco products, and from the inhuman postures in which bidi workers are expected to remain for hours. All of these exposures can result in poor health that reduces the productivity of workers. Combined with illiteracy from lack of school attendance, tobacco work can contribute to lifelong poverty for present and future generations.

Are there alternatives to tobacco?

If tobacco consumption declined, people would buy other goods instead. Those other goods could include food items that would both benefit their and their families' health, and provide the former tobacco laborers with potentially higher paid and less dangerous, grueling work.

The World Bank has calculated that in many countries, this switch in expenditures would result in a net increase of jobs.⁵ Even if the pay of other work were comparable to that of tobacco, if the hours were such that children could attend school, then the cycle of poverty might be broken.

In different countries, people have shown that those working in tobacco can actually benefit from switching to other work. Many crops prove more profitable than tobacco, such as roses in Zimbabwe⁶ and sunflowers in Bangladesh⁷. Some bidi workers in southern India have discovered that food processing generates far more earnings than bidi work.⁸ Given the concentration of wealth from tobacco in a very few transnational companies, it is hardly surprising that in many contexts, other products would be more economically beneficial to the workers.

Conclusion

While many people currently are employed directly or indirectly from tobacco, their jobs are not threatened by tobacco control. In many countries it will take decades before any significant decline in total tobacco consumption occurs, so there is no threat to those currently employed by tobacco. Moreover, many of those making their living through tobacco would actually *benefit* from a shift in spending to other products, so that they could find better-paying and less grueling jobs elsewhere. There is no question of choosing between what's best for the economy and what's best for health: tobacco control will greatly benefit both.

¹ 11th World Conference on Tobacco OR Health Tobacco Fact Sheet, "The Economics of Tobacco Control: Exploding the Myths."

² Mary Assunta, "Tobacco and Poverty" in *Together Against Tobacco*, proceedings of the INGCAT International NGO Mobilisation Meeting, Geneva, 15-16 May 1999.

³ Therese Blanchet, *Child Work in the Bidi Industry*. UNICEF: Dhaka 2000.

⁴ John Kapito, "Tobacco Farming And Public Health In Developing Countries –The Case Of Malawi," 2001.

⁵ World Bank, *Curbing the Epidemic: Governments and the Economics of Tobacco Control*, 1999.

⁶ Edward Maravanyika, "Do financially viable alternatives to tobacco growing exist in Zimbabwe?" in *The Economics of Tobacco Control in South Africa*, 1998.

⁷ Muzaffer Ahmad, *Tobacco and the Economy of Bangladesh*. Bangladesh Cancer Society, 1995.

⁸ Personal communication, Babu Matthew and Prakash Gupta, April 21, 2001.