



# Tobacco Facts

## Tobacco's Global Toll

- 500 million people alive today will eventually be killed by tobacco.<sup>1</sup>
- Approximately 4 million people will die from tobacco-related illnesses in 2000. By 2030, 10 million people will die each year.<sup>2</sup>
- Smoking-related diseases are responsible for 1 in 10 adult deaths worldwide.<sup>3</sup>
- Tobacco will soon become the leading cause of death worldwide, causing more deaths than HIV, maternal mortality, automobile accidents, homicide and suicide combined.<sup>4</sup>
- Currently, approximately 80% of the world's smokers live in developing countries.
- By 2030, 70% of all deaths from tobacco will occur in developing countries, up from around 50% today.<sup>5</sup>

## Global Tobacco Consumption & Production

Globally, 5.3 trillion cigarettes were consumed in 1997.<sup>6</sup>

There are currently 1.1 billion smokers in the world today.<sup>7</sup> If current trends continue, this number will increase to 1.6 billion by 2025.<sup>8</sup>

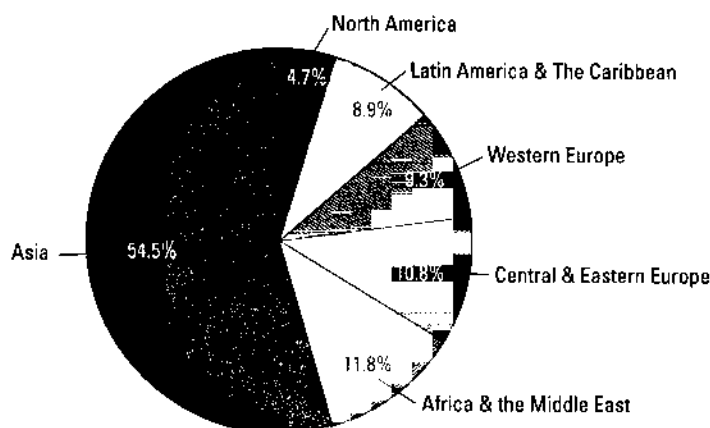
Approximately 25% of women in industrialized countries smoke, while about 7% of women in developing countries smoke.<sup>10</sup>

In China, 63% of males aged 15-69 smoke, while only 3.8% of women smoke. In Sweden, 17.1% of men and 22.3% of women aged 16-84 use tobacco.<sup>13</sup>

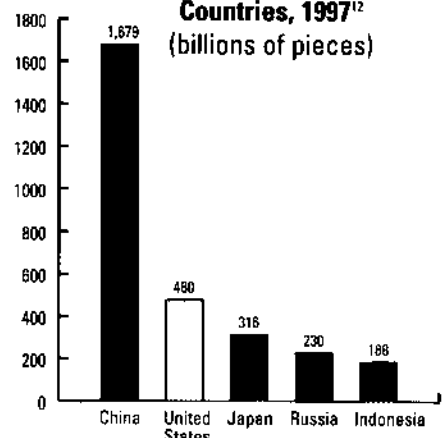
**Number of Smokers By Region, 1997<sup>9</sup>**  
(millions)

	Male	Female	Total
North America	27.80	25.50	53.30
Latin America & The Caribbean	64.06	37.24	101.30
Western Europe	62.11	43.81	105.92
Eastern Europe	76.38	46.45	122.83
Africa & The Middle East	90.68	44.16	134.84
Asia-Pacific	517.59	104.44	622.03
<b>World Total</b>	<b>838.62</b>	<b>301.60</b>	<b>1140.22</b>

**World Percentage of Smokers, By Region, 1997<sup>11</sup>**



**Top 5 Cigarette Consuming Countries, 1997<sup>12</sup>**  
(billions of pieces)



### The Global Tobacco Industry

Philip Morris, Japan Tobacco and British American Tobacco, the world's three largest multinational cigarette companies, now each own or lease plants in at least 40 countries.<sup>14</sup> In 1998, they had combined tobacco revenues of more than \$88 billion, a sum greater than the total gross national product (GNP) of Albania, Armenia, Bahrain, Bolivia, Botswana, Bulgaria, Cambodia, Cameroon, Estonia, Guyana, Honduras, Jamaica, Jordan, Laos, Latvia, Madagascar, Moldova, Mongolia, Nepal, Nicaragua and Togo combined.<sup>15</sup>

Between 1989 and 1999, Philip Morris' international tobacco revenues increased 226% to \$27.4 billion, while profits from those sales rose 400% to \$5.05 billion. During the same period in the United

	Cigarettes (billions)	Cigarette Production (% of world total)
China National Tobacco Corp.	1,700	24.6
Philip Morris	947	13.7
British American Tobacco	899	13
Japan Tobacco	604	8.8
Reemstma	119	1.7

States, the company's tobacco revenues increased 107% to \$19.6 billion, while profits increased by 40% to \$5.05 billion.<sup>17</sup>

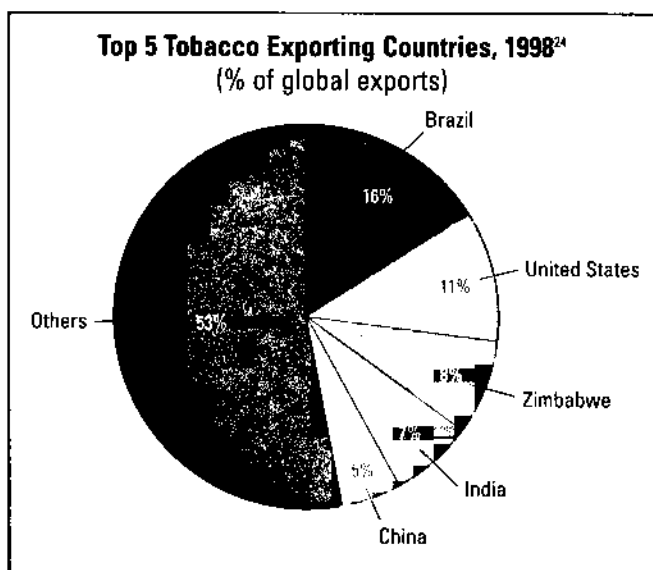
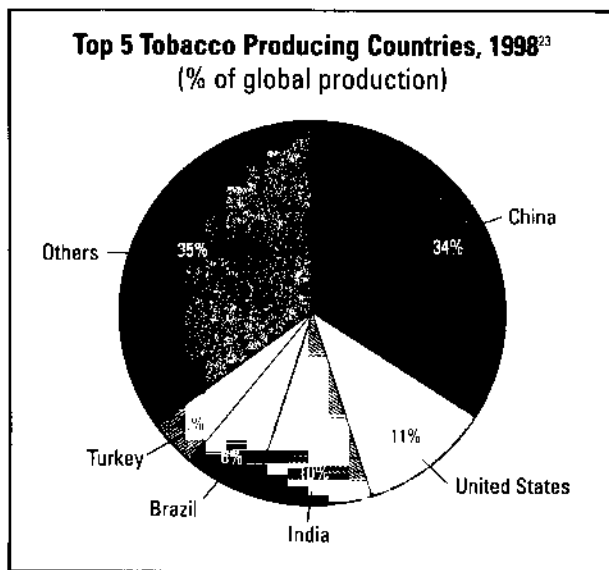
In 1999, British American Tobacco had international tobacco revenues of \$17.61 billion, with profits of \$3.18 billion.<sup>18</sup>

In 1999, Japan Tobacco had tobacco revenues of \$37.9 billion, with profits of \$1.7 billion.<sup>19</sup>

In 1999, Philip Morris Chairman Geoffrey Bible collected \$20.6 million in salary, bonuses and stock options.<sup>20</sup>

In 1998, the average U.S. tobacco farm had a net income of \$19,597.<sup>21</sup>

In the United States, with less than 5% of the world's smokers, tobacco companies spent over \$5.6 billion on advertising and promotional expenditures in 1997.<sup>22</sup>



### Tobacco Agriculture

In only four countries (Kyrgyzstan, Macedonia, Malawi and Zimbabwe) do tobacco exports account for more than 5% of total export earnings.<sup>25</sup>

## Youth and Tobacco

Every day, approximately 80–100,000 young people around the world become addicted to tobacco.<sup>26</sup>

If current trends continue, 250 million children alive today will die from tobacco-related disease.<sup>27</sup>

In the United States, an estimated 86% of U.S. teenagers who smoke use the three most heavily advertised brands – Marlboro, Camel and Newport – even though these brands constitute only 30% of the U.S. adult market.<sup>28</sup>

## Tobacco Control

In a developing country with a per capita GDP of \$2000, effective smoking prevention costs approximately \$20 to \$40 per year of life gained. Lung cancer treatment (which can prolong the lives of only about 10 percent of affected people) costs \$18,000 per year of life gained.<sup>29</sup>

<sup>1</sup> World Health Organization, *World Health Report 1999* (Geneva: WHO, 1999); <http://www.who.int/whr/1999/en/report.htm>

<sup>2</sup> World Health Organization, *World Health Report 1999* (Geneva: WHO, 1999) <http://www.who.int/whr/1999/en/report.htm> and World Bank, *World Development Indicators 1998*, [http://www.worldbank.org/data/wdi/pdfs/tab2\\_1.pdf](http://www.worldbank.org/data/wdi/pdfs/tab2_1.pdf)

<sup>3</sup> World Bank, *Curbing the Epidemic: Governments and the Economics of Tobacco Control*, 1999; <http://www1.worldbank.org/tobacco/reports.htm>

<sup>4</sup> Howard Barnum, "The Economic Burden of the Global Trade in Tobacco," Paper presented at the 9th World Conference on Tobacco and Health, October 1994; <http://www.worldbank.org/html/extdr/hnp/hddflash/other/oth0004.html>

<sup>5</sup> World Health Organization, *World Health Report 1999* (Geneva: WHO, 1999) <http://www.who.int/whr/1999/en/report.htm>

<sup>6</sup> Edward Knight, Patricia Ayers and Gerald Mayer, *The U.S. Tobacco Industry in Domestic and World Markets*, (Washington: Congressional Research Service, 1998); <http://www.gpo.ucop.edu/crs/pdf/98-506.pdf>

<sup>7</sup> World Health Organization, *World Health Report 1999* (Geneva: WHO, 1999) <http://www.who.int/whr/1999/en/report.htm>

<sup>8</sup> World Bank, *Curbing the Epidemic: Governments and the Economics of Tobacco Control*, 1999; <http://www1.worldbank.org/tobacco/reports.htm>

<sup>9</sup> *World Tobacco File*, Market Tracking International Ltd., London, 1998.

<sup>10</sup> World Health Organization, "Smoking and Women: The Next Wave of the Tobacco Epidemic," Fact Sheet No. 176, 1997; <http://www.vaccines.ch/inf-fs/en/fact176.html>

<sup>11</sup> *World Tobacco File*, Market Tracking International Ltd., London, 1998.

<sup>12</sup> Edward Knight, Patricia Ayers and Gerald Mayer, *The U.S. Tobacco Industry in Domestic and World Markets*, (Washington: Congressional Research Service, 1998); <http://www.gpo.ucop.edu/crs/pdf/98-506.pdf>

<sup>13</sup> Corrao MA, Guindon GE, Sharma N, Shokoohi DF (eds), *Tobacco Control Country Profiles* (Atlanta: American Cancer Society, 2000).

<sup>14</sup> As of January 2000, Philip Morris and Japan Tobacco had subsidiaries, affiliates and licensing agreements in 63 and 44 countries respectively, while BAT had subsidiaries and affiliates in 74 countries. Source: "International Cigarette Manufacturers," *Tobacco Reporter*, March 2000.

<sup>15</sup> Philip Morris and BAT 1998 Annual Reports; Dow Jones Newswires, "Japan Tobacco/Results," 21 May 1999; UNDP, *Human Development Report 1999* (New York: UNDP, 1999).

<sup>16</sup> World Health Organization, *World Health Report 1999* (Geneva: WHO, 1999) <http://www.who.int/whr/1999/en/report.htm> (due to subsequent mergers and acquisitions, figures for BAT and Rothmans were combined, as were those for Japan Tobacco and R.J. Reynolds).

<sup>17</sup> Philip Morris Annual Reports (1992 & 1999).

<sup>18</sup> British American Tobacco, *Annual Report*, 1999.

<sup>19</sup> Japan Tobacco, "Strategic Investment Builds JT's Business Platform in Fiscal 2000: Board of Directors to be Streamlined," *Business Wire*, 19 May 2000.

<sup>20</sup> Cathleen Egan, "Philip Morris Paid Special Cash Bonuses In '99," Dow Jones Newswires, 10 March 2000; <http://interactive.wsj.com/archive/retrieve.cgi?id=BT-CQ-20000310-004187.djml> (registration required).

<sup>21</sup> U.S. Department of Agriculture, "Agricultural Income and Finance Situation and Outlook," December 1999; <http://usda.mannlib.cornell.edu/reports/erssor/economics/ais-bb/1999/ais73.pdf>

<sup>22</sup> U.S. Federal Trade Commission, *FTC Report to Congress for 1997 Pursuant to the Federal Cigarette Labeling and Advertising Act*, <http://www.ftc.gov/os/1999/9907/1997cigaretterreport.pdf> (these figures do not reflect money spent by the industry on lobbying and public relations, some of which is also intended to promote their brands).

<sup>23</sup> U.S. Department of Agriculture, *World's Leading Unmanufactured Tobacco Producing, Trading & Consuming Countries*; <http://www.fas.usda.gov/tobacco/circular/2000/0005/table1.pdf>

<sup>24</sup> U.S. Department of Agriculture, *World's Leading Unmanufactured Tobacco Producing, Trading & Consuming Countries*; <http://www.fas.usda.gov/tobacco/circular/2000/0005/table1.pdf>

<sup>25</sup> Tobacco export data from FAO statistical database (<http://apps.fao.org>); total export earnings data from the World Bank, *Entering the 21st Century: World Development Report 1999/2000*, <http://www.worldbank.org/html/dec/wdr/2000/fullreport.html>

<sup>26</sup> World Bank, *Curbing the Epidemic: Governments and the Economics of Tobacco Control* (Washington: World Bank, 1999); <http://www1.worldbank.org/tobacco/reports.htm>

<sup>27</sup> C.J. Murray and A.D. Lopez, eds. *The Global Burden of Disease: A Comprehensive Assessment of Mortality and Disability from Disease, Injuries and Risk Factors in 1990 and Projected to 2020* (Cambridge, MA: Harvard School of Public Health, 1996).

<sup>28</sup> U.S. Centers for Disease Control and Prevention, "Changes in the Cigarette Brand Preference of Adolescent Smokers, U.S. 1989-1993," *Morbidity and Mortality Weekly Report*, August 1994.

<sup>29</sup> World Health Organization, "Tobacco Epidemic: Much More than a Health Issue," Fact Sheet No. 155, 1998; <http://www.who.int/inf-fs/en/fact155.html>