
ILLICIT TOBACCO TRADE – SOCIETAL AND HEALTH RISKS

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Abstract:The main focus of the negative side effects of illicit tobacco trade will be the health issue. The lack of proper control on production, low taxes, poisonous contents and organized crime networks are only some of the risks the governments should deal with. Corruption models that allow illegal cigarettes to be a broadly and easily accessible good by youngsters have become a major world societal problem and it screams for urgent treatment.

Keywords: Illegal tobacco, illicit trade, health risks, additives in illicit tobacco

1. INTRODUCTION TO ILLICIT TOBACCO TRADE

The South-Eastern part of the European continent is a main route for a number of illegal goods and flows since centuries. The trafficked goods are various and may be drugs, firearms, while the illegal processes that are taking place at that region are mainly human trafficking and goods smuggling. From the standpoint of illegally trafficked goods we will put the focus will on the illicit tobacco trade and production.

The definition for illicit cigarette trade is the production, import, export, purchase, sale or possession of tobacco goods which fail to comply with the legislation (FATF,2012).¹⁰⁶

The major activities which fall under the illicit tobacco trade are the contraband, the counterfeit and the so called ‘illicit whites’ which are brands that are manufactured legitimately in one country, but smuggled and sold in another without duties being paid.

The ‘buttlegging’ is the illicit transportation of cigarettes or cigars from an administrative division with low taxation to a division with high taxation for sale and consumption. Actually, that practice is commonly used by organized crime groups so that they can evade the taxation.

Except for, the Interstate 95 in the United States which is informally called the ‘Tobacco Road’ we have almost the same pathway in Europe, and especially on the Balkans – the Balkan trafficking route. It is claimed that this route is used for trafficking of all almost everything that can bring profit – drugs, alcohol, even humans.

The path is the following: after the smuggled tobacco enters through the Greek border it is further trafficked through Bulgaria and Romania to the Central European Markets. Romania and Bulgaria are one of the highest ranked states in the EU in terms of levels of perceived corruption. The number of the illicit-trade of tobacco products (ITTP) worldwide is manifold – for the public health and for the crime standpoint, apart from the economic one.¹⁰⁷

The potential risks of the illicit tobacco trade are enormous and will be the main focus of this article.

2. WHAT IS RISK?

A ‘risk’ is generally defined as the product of the size of a hazard and the probability of the hazard occurring.¹⁰⁸The risk involved in situations that present the opportunity for loss but no opportunity for gain. **Risk** is the possibility of losing something of value. Values (such as physical health, social status, emotional well-being, or financial wealth) can be gained or lost when taking risk resulting from a given action or inaction, foreseen or unforeseen (planned or not planned). Risk can also be defined as the intentional interaction with uncertainty. Uncertainty is a potential, unpredictable, and uncontrollable outcome; risk is an aspect of action taken in spite of uncertainty.

Risk perception is the subjective judgment people make about the severity and probability of a risk, and may vary person to person. Any human endeavour carries some risk, but some are much riskier than others.

The risks that illicit tobacco smoking introduces are various but the most important is the health one. It is not only that the purely financial measures are violated, but the youngsters who are enforced to light up a cigarette which is the risk. The increasing health risks are also not to be put aside because the younger the consumers of illicit tobacco, the higher will be the percentage of consumers in the future who prefer the illegal and cheaper tobacco. The other side of the risk is the societal impact. The cheaper and more available are the illegal tobacco products the younger are the consumers.

One of the government attempts to solve this problem is the effort to implement the ID checks for tobacco sales to regulate the youngster consumption of the illegal tobacco.

¹⁰⁶ The FATF Recommendations, 2012, June www.fatf-gafi.org

¹⁰⁷ “New dimensions boost cigarette smuggling”, Tobacco Journal International, Barford, M.F. p -4-17

¹⁰⁸ https://ec.europa.eu/health/sites/health/files/files/eudralex/vol-6/newdoc/2006_c_132_08_en.pdf

However, the affordability is more or less the same – there are always ways to buy the illegal box of cigarettes, with their lower than the market price and easy purchasing channels such as the small retailers and online trade.¹⁰⁹

The second, but not in means of importance disadvantage is the content of dangerous additives in the illegal tobacco. Mould, prohibited chemicals and even arsenic are some of the highest ranked additives found in the tobacco.¹¹⁰ The main reason for that is the production of the illegal tobacco is taking place at specific hidden places, such as underground tunnels and even caves. The humidity of the air is so high that the mould is growing all over, the clean and healthy air is a dream, and even some of the production processes are observed by rats and other species of the mice family. The standards are totally not being obliged and some of the poisons used to take control of the rats for instance have been found in the cut tobacco later on. How much is the real price of a cheaper box of cigarettes which a 16 –year-old will buy if the risks which follow for their health are almost unlimited and not known because of the uncertified production – this is the problem which predominates nowadays. The enormous health risks for the youngsters are hidden because there is no medical data on how even such a poisonous cigarette shall affect the human organism.

The untaxed and unregulated products with no health warnings, packaging with contents and no label requirements are cheaper, but in fact far more costly. The availability to younger and poor people lead to increase usage and then go down the spiral into poverty and illnesses because of money spent on tobacco and afterward another sums of money spent on treating the ill-health side effects.

To put it in another words, the illicit tobacco trade is one of the main risk factors for a variety of non-communicable diseases like cancer, lung and cardiovascular illnesses.

To sum up, the ITTP encompasses criminal activities enjoying high level of social tolerance and in many levels it is not even perceived as a socially harmful practice. Thus, despite the adverse economic and social impact, the ITTP is constantly expanding worldwide. The foundations of starting to understand how enormous may be the risks of smoking not properly produced tobacco are laid in the basic assessment of its negative side effects. Not the cut down in the budgets which is spotted is the main issue, neither the loss in the business of legal tobacco producers but the societal and health outcomes for the consumers.

For the most important of all can be spotted the health factor which is among the basic societal problems of the century. Through its careful investigation we can assume even some of the future on harmful perspectives derived from it.

In addition, the public health initiatives are totally subvert from that.

3. WHAT CAN BE DONE TO PREVENT THOSE RISKS?

The trade of illegal tobacco products undermines efforts to reduce use and save lives. The governmental losses in billions that are lost in tax revenues are the less important money issue. The tobacco control is one of the most important factors of the illicit tobacco trade. It is the engine and the different levels of the process are stimulated when this is not under prosecution and lax law enforcement¹¹¹.

The weak penalties and corruption are another point word mentioning which prevents the limiting of the illegal trade. The ease and cost of operation in a country, facilitated by well-organized crime networks and the easily accepted illegal business in a country are factors that make it even harder to restrict this process.

The best possible control which has been derived from the experience is that it can be controlled mainly with strong taxation and use of prominent tax stamps, serial number and customs and law enforcement. The control over the production of the tobacco and the contents is the major important step that will prevent from the discussed above risks. Let add to this stronger penalties for the violators and all will fall into place.

The financing for all those measures can be derived from increased tobacco taxes and study of the track and trace systems to address illicit trade of tobacco products worldwide and the Balkans will be able to settle the issue. Profound question is the lack of real values – what is more important – some of the organized crime members to make a fortune out of this illegal tobacco or the health of the next generations and when it comes to affecting human lives no one can think for profit.

¹⁰⁹ “Issues in smuggling of Tobacco Products”, in Jhn,P and Chaloupka, F, J, “Tobacco Control in Developing Countries”, London, Oxford University Press, p 389 – 411,

¹¹⁰ NIH Publication No.16- CA-8029A.Bethesda, MD : U.D. Department of Health and Human Services, National Institutes of Health, National Cancer Institute; and Geneva CH : World Health Organization; 2016

¹¹¹ Cohen T.SARS pencils in an extra R10bn in tobacco excise revenue after clamping down on illicit industry, The Daily Maverick, May 2019

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