

Transcript – Deadly Industry: Challenging Big Tobacco – Ep. 2, S.2

00:00:02:24 - 00:00:24:09

Louis

Welcome to season two of Deadly Industry: Challenging Big Tobacco from the Tobacco Control Research Group at the University of Bath, hosted by me, Louis Laurence. We are an international research group that investigates the tactics used by Big Tobacco to maximise its profits at the expense of public health. The evidence we produce helps society to hold this deadly industry to account.

00:00:24:11 - 00:00:31:14

Louis

If you enjoy listening, then please subscribe, leave us a review and share this podcast.

00:00:31:16 - 00:00:56:22

Louis

During the first series of this podcast, we became increasingly familiar with the tobacco industry, the products it produces, and the tactics it uses to sell these products. Last episode, we heard how tobacco is farmed in often exploitative working conditions. But how is this tobacco leaf turned into cigarettes and the other tobacco products that are sold to today's consumers. From agricultural, labour and leaf dealers, factories and industrial secrecy,

00:00:56:24 - 00:01:16:14

Louis

the tobacco supply chain is a complex and often overlooked network, and one that has major implications for public health and corporate accountability. In today's episode, we're joined by Dr John Mehegan and Fred Dunwoodie Stirton from the University of Bath, whose work sheds light on the inner workings of the global tobacco supply chain. Welcome, John. Welcome, Fred.

00:01:16:16 - 00:01:17:01

John

Thank you.

00:01:17:07 - 00:01:18:12

Fred

Thank you very much for having us.

Transcript – Deadly Industry: Challenging Big Tobacco – Ep. 2, S.2

00:01:18:15 - 00:01:26:18

Louis

So, John, let's start with you and the basics. So what is the tobacco supply chain? How does it relate to big tobacco companies and the tobacco industry in general?

00:01:26:22 - 00:01:53:24

John

Well, the tobacco supply chain is basically everything from growing tobacco at the very start, to smoking cigarettes and disposal at the very end. So there's everything from first curing the tobacco leaf, cutting it, chopping it, rolling it into cigarettes, making cigarettes, then packaging them, then distributing them around the world, selling them, marketing them, financing them, and then at the end

00:01:54:01 - 00:01:57:23

John

cleaning up the mess that they make afterwards, including the public health mess.

00:01:58:00 - 00:02:02:04

Louis

Does that include some of these early stages as well, so growing the tobacco too?

00:02:02:06 - 00:02:15:03

John

Very much so. Yeah. So there's growing the tobacco and there are very specific countries in the world where tobacco is grown. Mind you, tobacco is grown in quite a large number of countries, from very rich like America, to very poor like Malawi.

00:02:15:05 - 00:02:39:12

Louis

Yeah. That's interesting. That is a throwback to our previous episode where we talked about the film Tobacco Slave and the exploitation in those early stages of the supply chain. I think what was, you know, shocking about that is that many people associate tobacco harm with the product use itself. So smoking, cancer, but obviously there's this harm that can occur much earlier in the supply chain, particularly the farming, but also some of the production stages.

Transcript – Deadly Industry: Challenging Big Tobacco – Ep. 2, S.2

00:02:39:12 - 00:02:40:03

Louis

Is that right, Fred?

00:02:40:08 - 00:03:07:07

Fred

Yes. So the majority of the tobacco chain, actually, especially these days, is hosted in lower and middle income countries. Especially the more lower value and the more dangerous elements of the tobacco supply chain. And there's a lot of research, really well researched evidence, in many countries that continue to demonstrate these negative health impacts to workers in the in the tobacco supply chain.

00:03:07:09 - 00:03:23:10

Fred

So whether it's high suicide rates in Brazil, among tobacco farmers, high exposure to toxic chemicals and violence in tobacco growing regions for young people in Argentina, that tobacco growing is very dangerous. But this actually extends throughout the tobacco supply chain.

00:03:23:11 - 00:03:33:04

Louis

I might just jump in there to drill down into a couple of these examples a little bit. I mean, it's obviously upsetting to hear. What is the cause of high suicide rates in Brazil?

00:03:33:06 - 00:03:55:16

Fred

They're a little bit unclear as to why, the theories are either is to do with the actual, something to do with the chemical makeup, with the some of the toxins that are involved in the pesticides and the various fertilisers that are used within the tobacco grain. But there's also other suggestions, which is it's the debt cycles that some farmers get into

00:03:55:17 - 00:04:07:05

Fred

and there is kind of a socio economic spiral that people feel that they get trapped in these cycles of debt, spirals of debt that they can't get out of and the only way they see out of that is sadly, through taking their own life.

Transcript – Deadly Industry: Challenging Big Tobacco – Ep. 2, S.2

00:04:07:08 - 00:04:16:17

Louis

Yeah, it's really shocking. Again, we heard a lot more about that in in episode one, covering the film Tobacco Slave. And in Argentina you mentioned sort of youth violence, is that right?

00:04:16:19 - 00:04:41:12

Fred

Yes. There was another interesting study looking at the younger people working within, both children and adolescents, working in the tobacco fields, and comparatively to a control group, they were much more likely to be involved in violence of the tobacco fields, the kind of violent places, high stress areas, but also exposed to more chemicals and, and really hard labour.

00:04:41:14 - 00:04:49:03

Louis

Yeah. I mean upsetting stuff. I interrupted you, you were about to talk a bit more further down the chain. Feel free to carry on.

00:04:49:05 - 00:05:14:17

Fred

So yeah. So there's an, there's an interesting study in Bangladesh, looking at child workers in bidi factories. So bidis are hand-rolled cigarettes are quite common in Bangladesh and also in, in India. So now this study revealed that child workers are exposed, exposed to harmful solvents, noise, dust and proper safety measures are not followed.

00:05:14:19 - 00:05:23:02

Fred

And even without actively smoking, the children were constantly exposed to tobacco via inhalation and direct skin contact with tobacco powder.

00:05:23:07 - 00:05:39:01

Louis

So that's kind of covering some of that stage from growing to the formation of these sort of cruder forms of cigarettes. John, maybe you could tell us a little bit about later parts of the tobacco supply

Transcript – Deadly Industry: Challenging Big Tobacco – Ep. 2, S.2

chain and cigarette production and some of the harms associated with that portion of the supply chain.

00:05:39:03 - 00:06:02:15

John

Well, still sticking I think with that earlier section, one of the things that's needed to do with the tobacco leaf before you can make cigarettes and cigars out of is to dry it. And often in these countries they use a lot of wood. And something like 5% of the deforestation in tobacco growing countries is down to the wood that's used to dry tobacco leaf.

00:06:02:20 - 00:06:20:02

John

So then you dry the tobacco leaf and then it will go to primary processing, which is the first stages before rolling it into cigarettes. The second phase of that then goes onto the packaging and we get into the logistics and further down the chain and retail and the marketing and the finance.

00:06:20:06 - 00:06:38:04

Louis

So you've kind of described just, you know, this human cost and harm, but also environmental harms as well. Some of your research I was reading talks about the political harm as well of allowing tobacco supply chains into the country. And you talk in that paper about ceding political power to tobacco companies. Could you talk a little about that?

00:06:38:04 - 00:07:01:02

John

In that particular paper you talk about what we found is that tobacco company interference with local tobacco control policies is higher in countries where the tobacco industry has a presence and its correlates really strongly, in fact. So, for example, I am large multinational or transnational, as we say, tobacco company

00:07:01:04 - 00:07:15:20

John

and I have a manufacturing plant in your country, I can influence your taxing and your pricing policy, or else we'll say we could make our tobacco products and move our very large factory to some other country nearby. So that's a direct influence.

Transcript – Deadly Industry: Challenging Big Tobacco – Ep. 2, S.2

00:07:15:22 - 00:07:16:09

Louis

Sort of economic pressure.

00:07:16:09 - 00:07:18:06

John

Economic pressure, exactly.

00:07:18:07 - 00:07:37:08

Louis

We heard a bit about these kind of methods of influence in series one, episode three, where we talked about how tobacco companies influence politics. We also heard about how those influence methods were different in different countries, high income versus low and middle income. Is that something you see with this kind of political effect of the supply chain as well?

00:07:37:08 - 00:07:43:05

Louis

Are their specific methods of ceding political control at play in low and middle income countries?

00:07:43:11 - 00:08:22:21

Fred

So I I'd say that the economic argument is the strongest, especially in tobacco growing areas. So in places like Malawi, which is such a big part of the economy there and it's really ingrained, the arguments that the tobacco industry uses is that it brings in foreign direct investment and is really good for jobs. But as soon as you start kind of delving a little bit deeper into those arguments, especially on the farming side, the massive inputs in terms of farming labour, labour input for the production actually reduces and comparator crops, alternative crops are actually produce more profit.

00:08:22:24 - 00:08:46:01

Fred

And in terms of the actual methods of influence, the industry is very good at working either directly or through front groups. They go to the right ministries so they, they go to the Ministry of Agriculture or the Ministry of Finance and say, look, all this foreign direct investment we're bringing in, but there's been some really good research to show that actually what they're doing is extracting value.

Transcript – Deadly Industry: Challenging Big Tobacco – Ep. 2, S.2

00:08:46:01 - 00:08:54:08

Fred

And they siphon off most of that money out into tax havens or back to their where their headquarters are the best, such as Switzerland and the UK.

00:08:54:10 - 00:09:14:02

Louis

That's interesting. That kind of brings me on to my next point actually, which was about how the industry responds to these harms or these accusations of harm, how it distances itself and sort of obfuscates. How does it do that? How does the industry respond to the harm in its supply chain?

00:09:14:04 - 00:09:45:05

Fred

Well, I think it's quite interesting. In the past it was just kind of denial. But it is the new form of the tobacco industry is to say, look how much we've changed, we are all about on the one hand, harm reduction and bringing in these new products. But on the other hand, they really use the, I guess, like a lot of big companies globally, they see kind of their corporate social responsibility or economic, social governance, ESG, as a way to have reputation management.

00:09:45:07 - 00:10:04:09

Fred

And if you look on any of the websites or the reports of the big tobacco companies, you can't really move for the references to the ESG and CSR. However, there's been research that demonstrates that there's a strategic instrumentalisation of sustainability and human rights.

00:10:04:09 - 00:10:06:11

Louis

What do you mean by that? By instrumentalisation...

00:10:06:16 - 00:10:32:23

Fred

So they essentially have a, CSR, a couple corporate responsibility playbook, where there's, so there was some internal tobacco industry documents that showed that their intention of participating in

Transcript – Deadly Industry: Challenging Big Tobacco – Ep. 2, S.2

CSR or doing these programs is not about making a positive difference to society, but it's in fact a strategy to improve the image of the tobacco industry and to influence policy decisions.

00:10:33:00 - 00:11:01:20

Fred

So there's been some other research done onto the actual impacts of certain programs that they've been involved in. To show that, instead of addressing the root cause of an issue like child labour, the root cause being the farmer remuneration, what they're actually doing it's just kind of scratching the surface and having projects which look good, such as, there's one called, Eliminating Child Labour in Tobacco-Growing Foundation,

00:11:01:22 - 00:11:10:03

Fred

and they've shown, research has shown there's actually no measurable impact on child... but it looks really good in an ESG report.

00:11:10:05 - 00:11:29:15

Louis

Yeah. I mean, it's, you know, depressingly familiar that profit motive driven organisations. So they kind of acquire the clothing of social responsibility. Do you think there's ways that you could encourage more genuine engagement with that kind of social responsibility? And should we be doing that with organisations like tobacco companies?

00:11:29:17 - 00:12:07:18

Fred

It is a tricky one because it's almost a paradox, the kind of where does the, where do you want them to go, at the end of the day, fundamentally, unless they change their complete business model, it's at odds with being a good corporate citizen, a responsible citizen. But I guess if you were to be a realist about the situation and you want to improve the lives of people working in the tobacco fields, you could argue, I don't necessarily hold this opinion personally, that at least the projects and the programs that they support were genuine and honest and not just a way of making themselves look good.

00:12:07:23 - 00:12:20:04

Fred

But at the end of the day, the best way out of this is to transition to alternative, safer and more economically prosperous forms of labour and cultivation.

Transcript – Deadly Industry: Challenging Big Tobacco – Ep. 2, S.2

00:12:20:06 - 00:12:35:07

Louis

I mean, it's clearly complex, nuanced stuff this. How did you go about actually understanding these networks, John? I mean, I know you've got a lot of technical wizardry in mapping and kind of building a picture of the supply chain. Could you tell us a bit about that?

00:12:35:07 - 00:13:08:08

John

With difficulty is the first thing. The tobacco industry is dominated by several transnational tobacco companies. We know the big four PMI, Philip Morris International that is, British American Tobacco, Japan Tobacco and Imperial Brands and they dominate the international tobacco industry outside China. Actually, the biggest tobacco company in the world is the China National Tobacco Company and they have a lot of subsidiaries right around the world, which we have incorporated in our supply chain database.

00:13:08:10 - 00:13:42:12

John

But actually there are a huge number of other independent companies that work in the tobacco supply chain. There might be small tobacco manufacturers, but also companies that make machinery for the tobacco industry, for cutting tobacco, for generating, making the papers, for cutting the papers, the filters, lighters and everything else. So finding that, it's easy enough to find the information from the large tobacco companies because they put a lot of their information on their websites,

00:13:42:12 - 00:14:02:10

John

and their annual reports, and we can track down their subsidiaries in each of the countries they operate, but these smaller companies it's actually quite hard. There are a lot of industry journals where the industry can see who supplies what in different countries. And it's through the journals we've tracked down a lot of these companies, and then we've had to research those companies separately,

00:14:02:10 - 00:14:21:22

John

we can't just take these industry journals on their word. And often we're limited as well by our language expertise. So it would be quite useful to have French speakers or Spanish speakers or Arabic

Transcript – Deadly Industry: Challenging Big Tobacco – Ep. 2, S.2

speakers to be able to track down these companies in the countries where we might not have the initial expertise or so.

00:14:21:22 - 00:14:37:01

Louis

If I was or if, you know, listeners or researchers or journalists or activists were interested in understanding the tobacco supply chain, you mentioned the supply chain database. You could explain what that is and how someone might approach using that.

00:14:37:03 - 00:15:07:21

John

Well, we gathered a lot of information on the tobacco supply chain, and what we wanted to do was, make that a public resource so the people who are researching the tobacco industry could actually see the full footprint of the tobacco industry around the world. So we developed this thing called the Tobacco Supply Chain Database, which actually lives on the Tobacco Tactics website, tobaccotactics.org, and that has information on some 1400 companies who work in the tobacco supply chain around the world.

00:15:07:23 - 00:15:26:01

John

Some 900 of those are smaller, independent companies and it's pretty much every country in the world we have in the database. We have a map in the database and you can see there's only a few little gaps of where companies don't operate and so the tobacco supply chain is right around the world.

00:15:26:03 - 00:15:39:02

Louis

You mentioned also, you know, the issues of language barrier and understanding supply chain. Do you work with in-country partners to build the supply chain database?

00:15:39:04 - 00:16:09:00

John

Do we work with in-country partners, if possible yes, but it's really on an ad-hoc basis of those that are able to help us. I mean, I think we had one researcher, recently working with us who was based in Malawi so at least we were able to get in-country information about Malawi there. But generally, we reach out to other, we have quite a lot of contacts around the world and we reach out to them and we say please look at our supply chain database,

Transcript – Deadly Industry: Challenging Big Tobacco – Ep. 2, S.2

00:16:09:00 - 00:16:23:08

John

please tell us, do we have the correct information for your country? And please, can you give us any more or where should we be looking? But, basically other than that, it's just us working from our offices here in Bath.

00:16:23:10 - 00:16:28:03

Louis

So you would encourage people to look at that supply chain database and let you know if there's any gaps?

00:16:28:03 - 00:16:29:22

John

Yeah, we're always looking for feedback.

00:16:30:02 - 00:16:39:22

Louis

Do you have an idea through your database, how much of the supply chain is under the sort of auspices of, of big tobacco, as you might describe it?

00:16:39:24 - 00:17:16:05

John

Well, the big tobacco companies have a have a very strong footprint right around the world. And they pretty much have subsidiaries everywhere, to be honest. There's usually limited to maybe 15 to 20 countries where they, grow tobacco, or have subsidiaries involved in the growing of tobacco. But in terms of retail and marketing and production or production, maybe 20 to 30 countries per one of the big four, so their production is actually quite spread around the globe as well.

00:17:16:07 - 00:17:25:12

Louis

Are different parts of the supply chain located geographically in certain parts of the world for specific benefits to the industry?

Transcript – Deadly Industry: Challenging Big Tobacco – Ep. 2, S.2

00:17:25:14 - 00:17:49:19

John

I mean, cigarettes, we're talking primarily about the cigarette industry here and cigarettes, and newer tobacco products are not addressed in our tobacco supply chain, but they obviously bring in a whole host of other issues with plastics and batteries and lithium and stuff like that. So the wider tobacco industry actually has even a wider supply chain

00:17:49:19 - 00:18:19:20

John

again with the with these newer products. But just even talking about cigarettes, obviously there's just sort of a gradation evaluation, I suppose you could call it, there is the in-country where poor countries like Malawi or Zimbabwe where the farming happens so in the early stages of production. Then there's a lot of the cigarette that we would consume in Western Europe are actually, manufactured in Eastern Europe, manufactured in Poland or Ukraine,

00:18:19:23 - 00:18:42:04

John

and there was a big presence in Russia pre the Russia Ukraine war. So they tend to, yeah the tobacco industry will obviously try and locate their companies in places where they can extract the most, they can take and build it, they can make their product the cheapest and then sell it at the highest value in the US and Western Europe.

00:18:42:06 - 00:19:07:19

Fred

And I think, just to jump on the back of that in many ways, the move to low and middle income countries is this, kind of a move partly for extracting the most value, but it's also kind of away from the prying eyes of big NGOs. There's actually a point I was going to make that I forgot, which is sometimes when there is has been kind of controversy, you can see the tobacco industry putting kind of extra steps in place and extra separation.

00:19:07:19 - 00:19:53:06

Fred

So there was a big kind of outcry in around 2017/2018, in Mexico, when there was media reports around issues of child labour and poor conditions of workers in the tobacco fields, day labourers that weren't treated very well. And following this, following the kind of public outcry, PMI which is one of the, there's BAT and PMI, the big two in Mexico, they stopped having direct contracting with tobacco farmers and brought in a third party to kind of get themselves, in my opinion, to get themselves

Transcript – Deadly Industry: Challenging Big Tobacco – Ep. 2, S.2

some distance between the issues, so Tabacos Del Pacifico Norte which is a subsidiary of Universal Leaf,

00:19:53:06 - 00:20:08:18

Fred

they are now direct contractors with the tobacco farmers and then they sell the tobacco to PMI. So the bigger the tobacco supply chain is and the kind of more removed they are from those kind of more dangerous and controversial elements.

00:20:08:18 - 00:20:16:15

Louis

So that's potentially an example of that kind of third party buffer zone. Familiar tactic in all aspects of the tobacco industry.

00:20:16:16 - 00:20:32:14

Fred

Yeah, kind of subcontracting and not having the blame directly at your door. And it's just easier to say, oh, we're going to change contractors. It wasn't our fault. It's a rogue contractor than it is to say we directly contracted these farmers.

00:20:32:16 - 00:20:51:02

Louis

You touched on this issue of newer products as well. You know, vapes, Heated Tobacco Products and their supply chain, which is a whole other issue. Lithium, you know, we hear a lot about the sort of harms of these battery supply chains. Is that something that you guys are investigating as well?

00:20:51:04 - 00:21:17:16

John

We're touching on it and we'd like to investigate a bit more. I mean, our main focus is on the cigarette industry and combustible tobacco. But yeah, that's a very interesting side of the tobacco supply chain, because now you'll have e-cigarette devices or heated tobacco devices. They've got electronics in them, they have batteries in them

Transcript – Deadly Industry: Challenging Big Tobacco – Ep. 2, S.2

00:21:17:16 - 00:21:46:09

John

and we all know that, where do the important parts of batteries come from, like lithium, they're often sourced from countries which have reputations vis-a-vis child labour. You also have plastics. You have real issues about disposal. I mean, so, yeah, there's a lot more work to be done. And the influence of the tobacco supply chain is getting even bigger because of the newer products.

00:21:46:11 - 00:21:53:03

Louis

And presumably these new products, Fred, conflict with ESG goals too and certainly the environmental aspect.

00:21:53:05 - 00:22:17:01

Fred

It's very interesting, yeah and from an environmental perspective you can very easily see the disastrous effects that they're having. However, it very much aligns with the CSR playbook of the tobacco industry that they're able to kind of use this as a benefit. Look out by co-opting the language from public health,

00:22:17:04 - 00:22:36:07

Fred

look at this harm reduction that we're doing even despite the legitimacy of some of those claims. And they're able to use all the new elements of these kind of new tobacco products to just kind of wash their reputation and try and kind of rebirth as a phoenix from the ashes once again.

00:22:36:09 - 00:22:38:11

Louis

They are great optimists, aren't they.

00:22:38:13 - 00:22:39:12

Fred

Yeah, yeah.

Transcript – Deadly Industry: Challenging Big Tobacco – Ep. 2, S.2

00:22:39:14 - 00:22:46:22

Louis

Am I right in thinking there's, you know, some of these companies lower down the chain, try to hide their ties to tobacco or tobacco companies as well?

00:22:47:00 - 00:22:50:17

John

I going to hand over to Fred here because Fred has studied...

00:22:50:19 - 00:23:10:00

Fred

So yeah, I guess to take it back to kind of how we first came about this, it was working on the back of supply chain database. What we started to find as we were looking for these independent companies, that these are ones that aren't direct subsidiaries of the Big Tobacco companies, that it was actually quite challenging to find anything about them.

00:23:10:02 - 00:23:32:22

Fred

We were aware from these industry journals that they were involved in the tobacco supply chain, and we used other methods such as shipping data and some financial reports to find that they were involved in tobacco and sometimes quite heavily involved in tobacco. But to look on their website or in their annual reports, there was almost nothing about there or if it was, it'll be some PDF hidden away in a subsidiary of the website.

00:23:32:24 - 00:23:49:22

Fred

On the other hand, you often couldn't move references of their ESG or their CSR claims and they would put that anyway, you didn't really need to look for that. So we kind of decided to think, well, kind of what's going on here? Is it something that's across the board between all the different independent companies?

00:23:49:22 - 00:23:56:19

Fred

So we did some research looking at this. We analysed the annual reports and websites of 80 independent companies.

Transcript – Deadly Industry: Challenging Big Tobacco – Ep. 2, S.2

00:23:56:19 - 00:24:03:06

Louis

What sort of companies are they? If they are hiding those links presumably they are not on the surface obviously tobacco companies.

00:24:03:06 - 00:24:34:04

Fred

So yeah. So we excluded companies that where solely the sole purpose was to work in tobacco. So they were independent in that they weren't necessarily a subsidiary, but they were just making and selling cigarettes, for example. They were operating across the supply chain so there was paper companies, adhesive companies so those that make the little glue that goes in the cigarettes, those that make the chemicals that go in filters, provide the chemicals that are needed in tobacco farming, all the way through the supply chain.

00:24:34:06 - 00:24:41:07

Louis

And so those companies see it as not in their interest to shout loudly and proudly that they supply tobacco companies.

00:24:41:09 - 00:25:05:07

Fred

Exactly. You can kind of understand why they did it. The tobacco industry has a very bad reputation and they don't want, especially in this current climate, or at least the climate over the last ten years, there has been a big growth in the idea of the responsible corporate entity and the big move to ESG and they kind of are quite happy to hide this away.

00:25:05:07 - 00:25:33:22

Fred

And I think in some cases it is more than just a lack of transparency. Some of the companies actively obfuscating their involvement using language without mentioning tobacco, letting people know kind of that it's tobacco, but the normal customer or maybe even ethical investor wouldn't be aware that this this, whether it was a packaging firm or a adhesives firm, are actually heavily involved and are making millions of pounds off of propping up the tobacco industry.

Transcript – Deadly Industry: Challenging Big Tobacco – Ep. 2, S.2

00:25:34:02 - 00:25:42:12

Louis

So does that require quite a lot of investigative work? Presumably, if these companies are trying to hide these links, how do you establish that they are, in fact, linked to tobacco?

00:25:42:18 - 00:26:08:05

Fred

Yeah, it's not easy. We have, not a massive team at Bath, but we have a lot of experience within that team. And people have supported me especially to use different methods. We didn't use it so much on, this work, but I know that the team is moving into a lot more digital and data methods to try and find kind of loopholes within the defences of these companies in a way, you can put it that way.

00:26:08:07 - 00:26:29:13

Fred

But at the end of the day, it's just a lot of time and a lot of resources going into going through shipping records and finding that this company has shipped some adhesives from its plant in Germany to BAT Colombia. And you kind of make that link that way. And even though they might claim or not admit that they're still involved in tobacco supply chain, you can find it

00:26:29:13 - 00:26:32:14

Fred

but it does take both time and expertise.

00:26:32:16 - 00:26:48:24

Louis

John, I might just swap back to you there. Fred mentioned these kind of digital methods. I know you've been involved in the development of those sorts of methods to understand and investigate tobacco companies and the supply chain. Maybe you could tell us a bit about that, how these, what sort of methods digital methods include?

00:26:49:01 - 00:27:16:00

John

Well, today, digital methods are primarily, since the launch of GPT, ChatGPT, and at the end of 2022, large language models basically ingesting a lot of text and trying to extract as much, extract and summarise information from large amounts of text, particularly like things like named entity recognition. So companies might have different names or different initialisations in different places

Transcript – Deadly Industry: Challenging Big Tobacco – Ep. 2, S.2

00:27:16:00 - 00:27:26:01

John

and you can you can extract the named entities from large bodies of text and you can distil down a lot of text data very efficiently that way.

00:27:26:07 - 00:27:32:08

Louis

So you're sort of harnessing that digital power to build these pictures of who these companies are and who they are associated with.

00:27:32:08 - 00:27:37:11

John

Yeah so you're still looking for a needle in the haystack, but you can make the haystack a bit smaller.

00:27:37:14 - 00:27:42:19

Louis

Right. Yet presumably it still requires a person somewhere at the end of the chain to make that call.

00:27:42:24 - 00:27:55:16

John

Yeah. And it's true. I mean, this isn't a podcast about AI, but AI is going to help our lives a lot but we still need humans to interpret the data that we have.

00:27:55:17 - 00:28:07:21

Louis

Yeah. I mean, presumably part of that is the sort of accountability, the work you guys do is carries with it a certain level of legal risk, presumably and AI can't respond to legal risk.

Transcript – Deadly Industry: Challenging Big Tobacco – Ep. 2, S.2

00:28:07:23 - 00:28:23:03

John

Absolutely. I mean, I was at a talk a little while back where somebody said you can use generative AI just out of the box, but it's like fast food. If you really want fine dining, you have to back it up with a lot of good data and human interpretation.

00:28:23:05 - 00:28:41:20

Louis

Maybe to switch tack for a minute. I know that your work also touches on how the supply chain intersects with the food systems as well, which I think is a kind of interesting side point to this discussion, especially in some of these countries you have talked about where tobacco is competing with staple crops. Fred, maybe you could tell us a bit about those links between food agriculture and tobacco.

00:28:41:22 - 00:29:00:04

Fred

I think a lot of it goes back to this idea of the industry pushing the economic benefit of tobacco growing and how tobacco around the world is seen as a cash crop. If you speak to the kind of policy people in this space, especially from all the economic side, they just see the foreign direct investment and everything coming in for tobacco.

00:29:00:04 - 00:29:22:07

Fred

And well, why not switch to tobacco from more staple goods? And this has happened a lot especially in poorer countries. Malawi is the key case, but it's happened elsewhere. And it is kind of linked in as well to a wider history around globalisation and especially in the 80s with the structural adjustment programs.

00:29:22:09 - 00:29:48:04

Fred

When these countries got into a lot of debt they were in many cases forced to focus more on these cash crops and the ones that generated revenue for the government that could be taxed rather than grow food. And now so you have the kind of crazy case where there's countries that have sufficient land to feed themselves, but they're trapped in cycles of debt farming tobacco instead of farming food, which could provide for their families.

Transcript – Deadly Industry: Challenging Big Tobacco – Ep. 2, S.2

00:29:48:06 - 00:29:51:15

Louis

I guess, John, that's an example of kind of that ceding of political power.

00:29:51:17 - 00:29:52:08

John

Absolutely.

00:29:52:08 - 00:30:05:08

Louis

Yeah. You know, kind of reaching the end of the conversation here, I think, well, you know, to sum things up a bit. What would greater transparency in the supply chain look like? What kind of interventions, accountability mechanisms can make the biggest difference? John.

00:30:05:10 - 00:30:37:21

John

Well, I think being clear on that ESG, and it not being used as a smokescreen, but actually as something that's useful for investors and the public to see companies involvement in the supply chain. We know tobacco companies are involved in the tobacco supply chain, but it's all these other companies that we don't necessarily know about, and many of them are based and have investors in Western countries, and they probably might not know that they're investing in companies that are related to the tobacco supply chain.

00:30:37:23 - 00:30:41:18

Louis

So these kind of tools you're providing to understand that supply chain helps in that accountability.

00:30:41:21 - 00:30:43:04

John

Yeah exactly.

Transcript – Deadly Industry: Challenging Big Tobacco – Ep. 2, S.2

00:30:43:06 - 00:30:46:16

Louis

Same question to you, Fred. What sort of accountability mechanisms...

00:30:46:18 - 00:31:14:01

Fred

I'd say the most, the easiest kind of easy win that you can have is for stock exchanges to mandate ESG reporting, which includes disclosure of any stage of the tobacco supply chain. So the issue now is there's, I think we did a quick skim through the reporting requirements of stock exchanges, and none of them indicate that companies should disclose that they're actually involved in the tobacco supply chain.

00:31:14:01 - 00:31:31:11

Fred

And given it is so contrary to the idea of what ESG is purported to do, surely this is a simple element of ESG and allows, like John has mentioned, the investors, ethical investors or customers to have a clear picture of whether or not they want to invest in this company.

00:31:31:11 - 00:31:34:05

Louis

It's almost like a sort of conflict of interest statement then.

00:31:34:11 - 00:31:36:11

Fred

Yeah, very similar to a conflict of interest.

00:31:36:11 - 00:31:46:18

Louis

Presumably that would encourage, we talked about earlier in the conversation, about encouraging a more genuine engagement with things like ESG and corporate social responsibility. That would be a method to achieve that.

Transcript – Deadly Industry: Challenging Big Tobacco – Ep. 2, S.2

00:31:46:20 - 00:31:51:05

Fred

Yeah, definitely. If ESG and CSR can ever be truly genuine.

00:31:51:05 - 00:31:53:22

Louis

But maybe that's a whole other series.

00:31:53:24 - 00:32:12:23

John

I mean an example of that as well would be paper manufacturers. I mean, paper manufacturers don't need the tobacco industry. I'm sure they make tidy money out of it, but they don't need it. And if we can pressure them and other companies to divest from the tobacco industry, then that's a win.

00:32:13:00 - 00:32:31:14

Fred

I think just. Yeah, just to jump on the back of that, is for some of these really big multi-national companies, a lot of the independent companies, have revenues of multi-million, multi-billion pounds and their involvement in the tobacco industry is less than 5% of their overall revenues, sometimes 1%/2% in actual numbers. It is a lot of money

00:32:31:14 - 00:32:42:24

Fred

but for these big companies not that much. So it kind of seems ridiculous that they're continuing to support this deadly industry when it's a tiny fraction of their revenue.

00:32:43:01 - 00:32:51:13

Louis

Finally to you John, if someone listening has never thought about where tobacco products come from, what's the one takeaway you'd want them to leave this conversation with?

Transcript – Deadly Industry: Challenging Big Tobacco – Ep. 2, S.2

00:32:51:15 - 00:33:15:24

John

Just realise that the tobacco supply chain is right across the world, and it's fairly close to you as well. It's not just the countries where tobacco is grown or where cigarettes are manufactured. It's all the activities around financing, distribution and advertising that invade our space all the time. It's right around us.

00:33:16:01 - 00:33:17:17

Louis

And Fred?

00:33:17:19 - 00:33:53:05

Fred

I think the tobacco supply chain is a vast network of companies around the world. And while the cigarette companies get most of the blame and obviously they should do, they're the ones that market these products and have been involved in there for a long time. However, the other companies that are involved, whether it's the German machine maker that provides the machines to make the cigarettes or whether it's the big US bank that provides the financial lines to allow the big deals and mergers and for the big tobacco firms to go ahead,

00:33:53:07 - 00:34:01:21

Fred

they're very much involved in this and they're supporting the tobacco supply chain. So surely they should shoulder some of those responsibilities as well.

00:34:01:23 - 00:34:05:17

Louis

So they're also culpable in the death and harm caused by the industry.

00:34:05:17 - 00:34:09:24

Fred

The key thing is the tobacco industry wouldn't be able to operate without these other companies.

Transcript – Deadly Industry: Challenging Big Tobacco – Ep. 2, S.2

00:34:10:01 - 00:34:16:15

Louis

John, Fred, thank you for joining me today. And as always, the sources for today's discussion can be found in the show notes.

00:34:16:17 - 00:34:17:09

John

Thank you very much.

00:34:17:10 - 00:34:18:11

Fred

Thank you very much.

00:34:18:13 - 00:34:34:24

Louis

We'll be back next week with a special episode where Phil Chamberlain guides me through the streets of London, uncovering how the global tobacco industry exerts its power in the real world. From the corporate boardroom to the secret back streets and the seat of state power. See you next time.

00:34:35:01 - 00:34:56:15

Louis

From the Tobacco Control Research Group. You've been listening to season two of Deadly Industry: Challenging Big Tobacco, hosted by Louis Laurence, produced by Kate White, and edited by Sacha Goodwin. The production manager is Jacqueline Oliver. You can email us at tobacco-admin@bath.ac.uk or find us on LinkedIn, Bluesky and X. This is a University of Bath production.