

Bloomberg's unhealthy tobacco display ban

By: Patrick Basham – March 19, 2013

Public health bans often serve only to prevent legal capitalistic acts between consenting adults. But that never stops health paternalists from promoting the next ban, or the one after that.

On Wednesday, the New York City Council will consider Mayor Michael Bloomberg's tobacco display ban proposal. It would require retailers to hide tobacco products from the view of customers.

Mayor Bloomberg claims tobacco displays "invite young people to experiment with tobacco." Banning such displays allegedly reduces smoking initiation among adolescents, while barely impacting retail stores.

Bloomberg predicts a New York display ban will have the same outcome as bans in Canada and other countries. This is a very depressing prospect because other countries' display bans have failed.

One problem with display bans is that they undermine two consumer beliefs that are key to a legal tobacco market: the belief that tobacco is a legal, regulated product and the belief that consuming tobacco from the illicit market is a crime. In jurisdictions where tobacco must be hidden under the counter, the distinction between legal and illegal retailers is blurred, so consumers are more likely to go to illegal, untaxed retailers for their tobacco needs.

Between 2005 and 2010, each of Canada's provinces instituted display bans. Those bans have had a devastating effect on Canadian convenience stores, which have lost 1 million daily visits and billions of dollars in tobacco and non-tobacco revenue as a result of the bans, as smokers have taken their business elsewhere. Not surprisingly, bankruptcies in the Canadian independent retail sector are at a record high.

Canada's display bans haven't reduced smoking rates. There are actually more Canadian kids smoking now than there were before the bans took effect, and each young smoker, on average, is smoking more cigarettes today than before the bans. There is no evidence that the display bans have reduced adult smoking rates either. In fact, my statistical analysis shows that Canada's display bans are strongly associated with increased prevalence of smoking for both young people and adults.

Canada's experience isn't unique. In Iceland, which instituted a tobacco display ban in 2001, the smoking rate is higher than it was before the ban took effect. According to the

World Health Organization, the same is true of Thailand, which instituted a tobacco display ban in 2005. Ireland's tobacco display ban, which was instituted in 2009, doesn't seem to have had much of an effect on smoking rates one way or the other. In each of these jurisdictions, prior to the display ban smoking rates were either falling or had plateaued. I performed statistical analyses in an effort to separate the effects of the display bans on smoking rates from the possible effects of other regulatory or fiscal policy changes on smoking rates. In all of these jurisdictions, either no other tobacco regulatory or fiscal policy changes were introduced during the period in question, or the other new regulations or taxes lacked the display ban's statistical significance.

Tobacco display bans may actually increase the allure of tobacco. By stigmatizing cigarettes as the only widely consumed product that can't be openly displayed, we make them more attractive to teenagers — the new pornography of the corner store. Placing cigarettes out of sight ensures they are put ever more firmly in the "forbidden fruit" category, so dangerous, so highly regulated, and so terribly attractive that the health nannies decree they must literally be hidden under the counter.

Before introducing a tobacco display ban, the New York City Council should reflect upon a powerful body of research showing that these bans have serious economic and public health consequences.