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## **Statement to the Public Hearing on Agricultural Diversification and Crop Alternatives to Tobacco**

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### **Support for Substitute Crops and Alternative Livelihoods for Tobacco Farm Workers to be Addressed by the World Health Organization Sub-Committee on Crop Alternatives**

Alternative crops and non-tobacco employment are necessary to reduce the reliance of tobacco growing countries on tobacco and to assist countries to develop healthier crops. The World Health Organization's (WHO) Framework Convention on Tobacco Control Article 17 is the foundation for global efforts to find replacement crops for tobacco and non-tobacco income generating activities. We support the WHO in this endeavor and encourage the study group on crop alternatives to tobacco to specifically address or note the following issues:

1. A *mix* of food and cash crops, instead of a single crop to replace tobacco, is the main ingredient in policies to reduce the tobacco crop. Replacing tobacco with a mix of crops contributes to a balanced diet, human nutrition, food security, and a healthier, more sustainable environment in countries where tobacco is grown.
2. Schemes to replace tobacco crops and create non-tobacco related employment should not introduce cash crops or industries that include health risks resulting from inappropriate use of pesticides, the employment of child labor and the indebtedness of small family producers to big companies.
3. Tobacco farmers and tobacco workers are essential participants in the design, enforcement, and assessment of crop diversification policies and non-tobacco income generating projects.

4. Resource-poor countries such as Malawi and Zimbabwe that are dependent on tobacco need sustainable funding mechanisms, independent of tobacco industry influence, to reduce economic dependence on tobacco.

5. Governments and donors should encourage coherence between development, agriculture, and health policies. Financial support for crop substitution and the search for alternative livelihoods should be linked to efforts to create strong tobacco control measures and encourage tobacco growing countries to sign and implement the WHO FCTC where they have not already done so.

Global cigarette manufacturers Philip Morris and British American Tobacco, and leaf buying companies such as Universal Leaf Corporation and Alliance One International, and industry groups such as the International Tobacco Grower’s Association confuse and weaken public debate and policies of crop diversification in countries dependent on tobacco growing. They do so through lobbying governments and publishing reports that exaggerate the economic benefits of tobacco growing and promote improbable disaster scenarios. Tobacco company documents made available through litigation in the US reveal that tobacco companies overtly and covertly funded research on tobacco crops to draw attention to the economic benefits of tobacco and prevent crop diversification in tobacco growing communities. Tobacco companies primarily funded the few existing studies on alternative crops to tobacco to show that no crop can replace tobacco. Tobacco companies exaggerated the employment losses, revenue losses to governments in tobacco growing countries, and created a climate of fear of diversification claiming that unemployment from crop substitution would increase rural to urban migration of unemployed workers and increase political instability (Oldman 1994; International Tobacco Grower's Association 1990; British Broadcasting Service 2000).

Below we draw attention to some of the issues raised through our research and illustrate how our research refutes the position taken by the tobacco industry:

<b>BAT says on its website (British American Tobacco 2005)</b>	<b>Our response</b>
[BAT] is the only tobacco group with a significant interest in leaf growing,	BAT contracts with tobacco farmers in Kenya and other growing countries that often earn little or no money and are unable to repay their debts to BAT or other tobacco interests (Patel et al. 2007; Christian Aid 2004).
with social responsibility programs covering some 250,000 farmers worldwide	In Malawi, BAT, Philip Morris, Universal Leaf Corporation, Alliance One International, and other cigarette manufacturers and leaf companies through the Eliminating Child Labor in Tobacco Foundation are using social responsibility projects focused on child labor to enhance corporate reputations and distract public attention from how tobacco companies profit from low wages and cheap tobacco (Otañez et al. 2006).
and direct agronomy for 170,000 farmers in 23 countries.	BAT assistance for tobacco farmers contributes to pesticide use, deforestation, and depletion of nutrients from soils, pollution of water tables, and food insecurity of tobacco farmers who grow tobacco instead of food crops.

In the case of Malawi, a country extremely reliant on tobacco growing, British American Tobacco,

Philip Morris, and subsidiary companies of Universal Leaf Corporation and Alliance One International have been the main obstacles to breaking Malawi’s dependence on tobacco. Subsidiary companies of Universal Leaf Corporation and Alliance One International annually purchase over 90% of Malawi raw leaf, selling the leaf to British American Tobacco and Philip Morris, the largest customers of Universal and Alliance One. Tobacco industry lobbying of government officials on the economic benefits of tobacco growing in Malawi and encouraging government officials and journalists to disseminate stories on the potential economic disaster in Malawi from crop replacements schemes for tobacco has prevented Malawi from breaking its tobacco dependence.

The International Tobacco Grower’s Association typically takes the position on the economic benefits of tobacco and we refute these claims:

<b>The ITGA says (Abrunhosa 2000)</b>	<b>Our response</b>
Tobacco, a crop for a stable market	The ITGA implies that supply and demand regulate the tobacco market. In reality, the tobacco market is an imperfect market, dominated by a near monopoly of leaf buying companies (Universal Leaf Corporation and Alliance Once International), two powerful cigarette manufacturers (Philip Morris and British American Tobacco), and allegations of price fixing in the purchasing of tobacco and operating a cartel in Malawi and other growing countries.
Tobacco, a profitable crop	<p>Since 1996 the price for tobacco per kilogram has been decreasing while the cost of production has been increasing in Malawi. In 2006, the price per kilogram of tobacco was as low as US\$0.60 and the costs of production per kilogram was US\$1.20. Tobacco is a profitable crop for BAT and other tobacco companies. Farmers in Malawi and other tobacco growing countries often receive no pay and barely cover their basic needs through tobacco farming.</p> <p>In Kenya, despite widespread perceptions of the economic importance of tobacco leaf, independent data suggest that tobacco makes a minimal contribution to Kenyan exports. Between 1961 and 2001 the maximum contribution that all tobacco exports made in dollar terms to Kenya’s total merchandise exports was 4% during the early 1960s, since when the proportion has fallen to between 0.05% and 2%. Over the same period leaf exports alone contributed only between 0.1% and 0.8%. The Kenyan Ministry of Agriculture data also suggests a shift to other cash crops could provide far greater revenues to Kenya's tobacco farmers. In the country’s Eastern province in 1999, for example, mangoes were 37 times more profitable, while papaya and cotton each similarly dwarfed farmers’ earnings from tobacco (Patel et al. 2007).</p>
Tobacco, a base for investment and diversification	Tobacco growing countries such as Malawi and Zimbabwe that have been cultivating the crop for export for over 100 years have only dreams of investment and diversification from tobacco.
Tobacco, a farming school	Due to a cycle of poverty and bonded labor, farmers with tobacco growing skills in Malawi are unable to prosper. Tobacco and

	schools are linked in an undesirable manner. Some tobacco farm authorities in Malawi require children of tobacco families to work in the fields rather than go to school. British American Tobacco and other tobacco companies profit from tobacco produced by child laborers and unpaid farmers.
Tobacco, a source of employment	The employment is characterized by low wages, inadequate food, no health care, and occupation injuries such as backaches, snakebites, and pesticide poisoning.
Tobacco, a weaver of economic and social fabric	Tobacco breaks up households. Tobacco families in Malawi leave their villages to work on distant tobacco farms only to find that they enter a cycle of poverty that fragments families and puts pressure on boys and girls to work in tobacco fields or find alternative sources of funding to supplement their earnings from tobacco.
Tobacco alleviates poverty in developing countries	Malawi has been growing tobacco since 1893. Tobacco has not brought the country wealth. Since the 1980s, Malawi has experienced chronic poverty while becoming an important source of profits for British American Tobacco and Philip Morris.

The research that underpins this submission focuses on a range of global tobacco control including study of the influence of the tobacco industry on trade policy in Malawi, British American Tobacco (BAT) social responsibility projects in Malawi, BAT’s treatment of tobacco farmers and its influence on tobacco control legislation in Kenya. Research methodologies used by the different members of the group of submitters include tobacco industry documents research, ethnographic fieldwork, participant observation, and semi-structured interviews with tobacco farmers, agricultural workers, horticulturalists, government officials, civil society leaders, tobacco industry officials, and representatives in the United Nations Food and Agricultural Organization, International Labor Organization, and World Health Organization.

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