RESEARCH PAPER

Smoking, disease, and obdurate denial: the Australian tobacco industry in the 1980s

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Objective: To contrast the Australian tobacco industry’s awareness of the diseases caused by smoking with their aggressive public denial on the relation between smoking and disease in the 1980s.

Design: Analysis of 325 industry documents from the world wide web.

Results: In the 1980s Australian cigarette manufacturers were informed constantly by the international industry of the medical consensus that smoking caused disease. In addition Philip Morris (Australia) Limited received reports of Philip Morris’ international biological research programme and visited its Richmond research facility; and WD&HO Wills part funded, co-managed, and contributed research to the British American Tobacco groups’ biological research programme. Despite this knowledge, the Australian manufacturers had a policy of arguing to their employees, decision makers, and the general public that questions of smoking and disease were unresolved. The industry catalogued the literature, developed arguments against the claims made by health groups, and attacked public health advocates who made statements linking smoking to death and disease. Industry studies suggested that a 20–30% minority of the Australian public agreed with the industry on smoking and disease, diminishing across the decade.

Conclusion: Australian manufacturers were clearly negligent in the 1980s, deliberately working to undermine Australians’ understandings of the diseases caused by smoking despite their own private knowledge. Continuing scepticism about smoking and disease, corresponding with the industry’s deceptions, exists in Australian smokers today, suggesting that their actions may have slowed the rate of decline in smoking prevalence. These revelations provide important evidence for Australian litigation and advocacy.

The tobacco industry’s responsibility to inform its current and future customers about the diseases caused by tobacco use is the most fundamental ethico-legal issue in tobacco control, central to questions of legal liability for sick smokers, and a vital underpinning for regulation of advertising, product labelling and other industry communications. The tobacco industry’s own internal documents, made available through the US Master Settlement Agreement and whistleblowing, have revealed a half century history of deliberate industry denial on questions of smoking and disease, and a globally cooperative “smoker reassurance program”.

Publications supporting this conclusion focus on the US, German, and British tobacco industries, and are relevant to Australia in that local manufacturers are all members of multinational corporate families. The companies concerned are Philip Morris International (PMI), which oversaw Philip Morris (Australia) Limited (PML); the British American Tobacco (BAT) Group, which had an Australian subsidiary, WD&HO Wills (Wills); and to a lesser extent, RJ Reynolds, which operated in Australia primarily through distribution in the 1980s and had a small market share. There are few documents available regarding Rothmans of Pall Mall, the fourth company operating in Australia in the 1980s, because it was not involved in the US Master Settlement Agreement.

Because of these multinationals’ relationships, the relevant published literature provides an international context for Australian document research. BAT had agreed privately from the late 1970s that smoking caused disease and that epidemiology was the appropriate discipline to investigate this relationship, in stark contrast to their public denials on both counts. Project Rio, a controversial BAT project “designed to organise the company’s research on cigarettes having reduced biological activity” was active throughout the 1980s in the BAT laboratories in Hamburg, Montreal, and Southampton. Rio examined the mutagenicity of smoke, but produced more questions than answers, as well as legal anxiety about the potential US liability surrounding the scientific work of the larger BAT group.

The US environment was very different. Although there had been private industry agreement since the 1950s that smoking caused disease, little biological research was done, by agreement, because of the risk of litigation. In fact, in 1970, RJ Reynolds was forced by other US tobacco companies to close its biological research programme, which was demonstrating that smoking caused disease. PMI employed an alternative strategy, outsourcing much of its controversial research to offshore laboratories, to prevent legal discovery and allow rapid termination of projects showing dangerous results.

This paper is part of a project explicitly designed to document evidence useful for litigation and tobacco control advocacy in Australia. Australian tobacco companies have sought to distance themselves from research on international industry conduct, pleading ignorance or irrelevance. The Australian industry is assisted on this point by the lack of research on the conduct of the local industry on smoking and disease. In response, this paper will review the Australian tobacco industry’s awareness of and conduct related to questions of smoking and disease in the 1980s, a decade in
which the Australian industry’s communication strategies were particularly aggressive. The findings will be most relevant to smokers who were old enough to absorb media messages during the 1980s and early 1990s: smokers aged approximately 25 and over in 2003. Other papers in this supplement complement the findings reported here.8–12

METHODS

The data for this paper came from document sites on the world wide web arising from litigation in the USA.1 Documents came from the primary sites of the manufacturers,13 the Council for Tobacco Research14 and the US Tobacco Institute,15 and the secondary sites of Tobacco Documents Online (Billey, BC, Health Canada and Guildford Miscellaneous collections).16 the Canadian Council for Tobacco Control,17 the British Columbia Ministry of Health Services,18 and the Centers for Disease Control and Prevention Guildford collection.19 The search string “pagewood or moorabbin or granville or australia or sydney or melbourne or brisbane or hobart or adelaide or perth or canberra or amail or wills” has been used throughout the project to gather documents relating to the Australian market. Of those identified and annotated as revelatory throughout the course of the project, 320 were from the 1980s and related to the issue of smoking and disease causation. This paper presents only a subset of the evidence: all 320 documents are available from http://tobacco.health.usyd.edu.au/site/gateway/docs/research.htm. An overview of our approach to document searching and analysis is available elsewhere.20

RESULTS

The industry’s private knowledge

The context

In March 1978, the global BAT group held its research and development conference in Sydney, Australia. The first paragraph of the minutes read:

“there has been no change in the scientific basis for the case against smoking. Additional evidence of smoke-dose related incidence of some diseases associated with smoking has been published. But generally this has long ceased to be an area for scientific controversy.”21

By the 1980s authoritative public health pronouncements on smoking and lung cancer were more than two decades old, and the Australian industry was aware of the international consensus. Information was distributed to the local industry by the Tobacco Institute of Australia (TIA), and by INFOTAB, the international tobacco industry’s information management organisation.8 Shook Hardy and Bacon, (the industry’s outside legal counsel in Kansas) and BATCo had “data banks … capable of keeping the industry abreast of developments on smoking issues,” which the Australian industry could access.22 Australian manufacturers also attended joint industry activities such as CORESTA meetings.23 Any contention that the local Australian industry was ignorant of the 1980s literature on smoking and disease is thus unsustainable. Further documentation of the flow of information into the Australian industry is available at http://tobacco.health.usyd.edu.au/site/gateway/docs/research.htm.

Research done by the tobacco industry

The manufacturers did not rely solely on external research. RJ Reynolds developed bioassays for testing the tumourigenicity of their products,24 produced critiques of unfavourable research,25 commissioned reviews of the published literature,26 and cultivated links to university departments.27 It is highly likely that this work was communicated to RJR in Australia, but no “smoking gun” to prove this has been found in the documents. There is, however, evidence linking PML and Wills to the disease research undertaken by their parent companies.

Philip Morris research

In the 1980s, the Philip Morris Corporation’s in-house research facilities employed eight staff to critique published research and 80 in animal laboratories and cutting edge, cellular level research facilities in Richmond (USA), Cologne (Germany), and Neuchatel (Switzerland).28 Applied product development was emphasised, including work towards low biological activity products. Richmond and Neuchatel provided research support to global companies such as PML. Basic research information from external sources such as the published literature, universities, and biotech companies was organised by PM USA in a confidential database. The PMI corporate affairs department collected “up-to-date smoking and health related information” and circulated it to offices including PML in Australia.29–31 PML undertook product development research in its Australian headquarters at Moorabbin,32,33 liaised with PM’s overseas R&D units and received copies of their reports, including reports on biological testing,32,33 and made visits to the central research facility in Richmond.34

Wills research

The disease effects of smoking were foremost in the minds of Wills’ managers, evidenced by their labelling all corporate affairs reports “Smoking and health,” whether these addressed taxation, advertising, or social acceptability issues.34 The BAT Group was connected by a GR&DC (Group Research and Development Centre) team, an international network of researchers which exchanged information via a programme of regular meetings, correspondence, and visits.35–37 Wills was a relatively small player in the group, with a local focus.41 Nonetheless Australia was considered one of BAT’s six “Major R&D Centres”.38 Wills was also a “CAC company”, that is, one of the companies which sent representatives to the BAT Chairman’s Advisory Conference, and thus an active participant in decision making.

The search for a “safer” cigarette and Project Rio

In 1980, BAT executives still hoped that the company’s problems could be solved by the production of a “safer” cigarette. To this end, BAT was engaged in a million pound a year biological research programme. This programme had two arms. The first was concerned with developing tests of mutagenicity, biochemistry, and inhalation which would yield rapid results.45 The second was the much larger Project Rio. Rio investigated the biological effects of smoke, and aimed to produce an “acceptable” cigarette which could be demonstrated to lower cancer risk and thus give BAT a marketing edge.46–47 Wills contributed to Rio but also understood its potential dangers, recommending to the BAT GR&DC in 1983:

“A program has to be developed to handle Project Rio… This general area is an important one for the long term survival of the industry and as such we support it. About 12% of the research effort goes into this area. (It is the second largest area). We would feel this effort is large but reasonable.”48

The same year CAC companies like Wills were instructed to concentrate on applied product and process research rather
than basic research. Wills’ responsibilities within Rio were reduced to the testing of local commercially successful cigarette brands for their “relative mutagenicity”. By 1985, the “commercial aspects” of Project Rio were pronounced complete, and reports prepared for individual participating CAC companies such as Wills. Southampton used Rio data to draw conclusions about correlates of mutagenicity in BAT cigarette designs worldwide, concluding that features such as filter ventilation, still common in “light” Australian cigarettes, increased mutagenicity across BAT brands.

For legal reasons, the drive to restructure BAT research intensified throughout 1985. The CAC laboratories were considered too “independent” and “inconsistent”, and Wills were instructed to clear any BATGo documents “dealing with scientific and other potentially controversial issues” through the group’s lawyers before release.

In 1985 a new group-wide “research rationale” distinguished “product research (to be done internally) [from] smoking and health research (to be done externally) in future”. Basic research was further de-emphasised.

The scientific research group to monitor external research

“External” work to “determine the health consequences, if any, of smoking to the smoker” was monitored by a new scientific research group (SRG). The SRG was established in April 1986, with representatives from CAC companies, to advise BAT companies on the product development and policy implications of external research work. Although Wills objected to paying an equal share of the costs of SRG, they contributed financially to the centralised GR&D research programme, although their contribution was smaller due to their relatively lower volume of cigarette sales.

Wills remained a relatively minor player in the global research team but continued to study Australian smokers under the internal research programme. In 1986 “a relationship was established” between Wills and the Southampton GR&D, “in which equipment for monitoring human smoking patterns was supplied [to Wills] to support the research programme on smoke quality. Data collected [were] transferred instantaneously to R&D [Southampton, from Sydney] for duplication of smoking behaviour and determinate of smoke component deliveries.”

The BAT research programme winds down

As the 1980s wound down so did the BAT research effort: in 1989 the Southampton laboratory staff was slashed from 500 to 150 and in 1987 BAT’s lawyers reviewed BAT’s central R&D files containing decades of work, a confidential exercise intended to be protected by legal professional privilege and not disclosed to third parties by R&D staff. Allegations that BAT engaged in systematic document destruction in Australia to protect themselves from legal action have been made in the courts and by whistleblowers in the media.

The industry’s communications

Internal strategies on smoking and disease

The early 1980s was a time of “definite change in the attitudes of the [national] industry, [from]...a generally passive stance to an active approach on smoking issues”. This was prompted by the realisation that their two decades of relative silence on smoking and disease were eroding industry credibility. Australian manufacturers were no exception to this change. PML’s corporate affairs department set out to “minimise the impact of unfavourable events arising from the smoking and health ...controversy” via a range of PR strategies including the use of political, advertising, and journalism contacts. Wills characterised the Australian industry as having a “policy”, as follows:

Wills’ internal product research

From 1985 internal product research, focusing on potential regulatory challenges like measuring smoke toxicity, was reviewed to increase international coordination, quality, and reporting. Southampton “maintain[ed] a knowledge base on factors influencing specific constituents” and “provide[d] background on the opportunities for removing specific constituents”. The role of operating companies such as Wills was to “develop products with reductions in specific constituents” to capture health concerned smokers in a shrinking market.
Retail Tobacconist. The misrepresentation of the state of medical research was deliberate. The TIA, in its information-management role, sought out the tiny body of work that dissented from medical authority (for example, a TIA staffer’s 1983 request to the US Tobacco Institute for “articles refuting the US Surgeon General’s report or UK Royal College of Physicians report”) and then concentrated these ideas in user friendly form to promote to the public.

The Australian industry had scant regard for science when formulating these publications: in fact, twice during the 1980s even BAT was outraged by the inaccuracies of the Australians’ claims. The TIA’s 1983 pamphlet “The smoking and health controversy...why more research is needed”, sent to parliamentarians, libraries, and tobacco employees, was strongly criticised by BAT’s researchers in Southampton. They called it unbalanced, simplistic, superficial, and unconvincing, noting that it conflated evidence and opinion and ignored the published literature.

In 1985, the BAT Group were concerned about a Wills position paper which proposed that “people dying from smoking-associated disease do so at a later average age than those from non-smoking-associated diseases”. Their statistical consultant reviewed the paper and advised: “I am afraid that this paper is very naïve statistically and the conclusions and implicit inferences to be drawn from them are in many cases unsound.” He called it “deliberately antagonistic”, and noted that the writer did not seem to understand the points that he or she was making.

There are many examples of the Australian industry publicly contradicting the scientific consensus. The TIA published a press advertisement in the Australian Financial Review entitled “Smoking. Let’s be sensible about it”, which insisted that tobacco control advocates were “impl[y]ing] scientific certainty where none exist[ed][and] simplisti-... (more)
the industry has adopted and everyone is well aware of it."

Many other examples of the Australian industry’s consistent and aggressive support of the policy are available from http://tobacco.health.usyd.edu.au/site/gateway/docs/research.htm, including a 30 minute radio sound file featuring John Dollisson, the head of the TIA, responding to radio listeners’ questions in Sydney in 1984.

**Attacks on accurate information**

In addition to actively misleading Australians on disease, the industry opposed what it termed “anti-smoking propaganda”. The industry instituted a “policy of vigilance against attacks by its opponents, while taking further constructive initiatives to place them on the defensive”. Generally the industry’s attacks demanded that messages be removed or demanded statistical or clinical substantiation of claims. These actions were designed to intimidate health authorities, advocates, researchers, and editors and ultimately to deny Australian consumers access to accurate information. They were conducted by the TIA or its lawyers, Clayton Utz, were sometimes supported by Don Hoel of Shook Hardy and Bacon or by PML, and sometimes used third party strategy via advertising industry contacts. Public statements by individuals as well as government health promotion campaigns were targeted, directly and through regulatory bodies including the Advertising Standards Council, Federation of Australian Commercial Television Stations, Media Council of Australia, and the Australian equivalent of the US Federal Trade Commission, the Trade Practices Commission, which received a series of complaints alleging that consumers were being misled by statements on smoking and disease.

In some instances the industry’s objectives were achieved; the offending messages were withdrawn by the self regulatory agency in question. The industry even considered taking action against advertisements for nicotine chewing gum and in 1987 attacked the Medical Journal of Australia regarding the content of published research articles, a paradox considering the industry’s continuing protestations about the need for continuing medical research. Further evidence of industry’s monitoring of tobacco control and counter-attacks is available at http://tobacco.health.usyd.edu.au/site/gateway/docs/research.htm.

**Impact on public opinion**

Throughout the 1980s the TIA continually monitored changes in public opinion about smoking. Despite their efforts, opinion from 1983 to 1990 showed changes unfavourable to the industry:

- “smoking is bad for you even if you smoke only a few a day”: increase in agreement from 75% to 83%
- “the medical profession is correct in everything it says about smoking being a cause of lung cancer, heart disease and other health problems”: 73% to 80% agreement
- “the medical profession has exaggerated the risks of smoking”: decrease in agreement from 28% to 21%
- “smoking helps some people handle situations in which they experience stress”: decrease from 72% to 63%
- “people are sufficiently aware of health concerns and further government sponsored anti-smoking and health advertising would be a waste of public money”: 40% to 45% agreement
- “people should be constantly reminded that smoking is harmful”: consistent agreement around 80%

These results demonstrate that the industry’s aggressive public communications did not change majority public opinion. They also show that the industry enjoyed continued support of a diminishing minority of Australians on most issues, a minority which may in fact have consisted of smokers seeking reassurance.

**DISCUSSION**

We have provided evidence that, in the 1980s, Australian cigarette manufacturers were continuously made aware of the international consensus on smoking and disease via both the TIA and their parent companies. Australian executives attended meetings where the diseases caused by tobacco were openly discussed, and had the research literature digested and delivered to them. PML was informed on PM’s international biological research programme and visited PM’s Richmond research facility. Wills helped fund and manage the BAT biological research programme, tested the mutagenicity of Australian cigarettes before such activity stopped in 1985, and continued to study human smoking patterns and smoke component deliveries in Australian smokers beyond 1985.

Despite this knowledge, the Australian manufacturers’ policy throughout the 1980s was to argue that the question of a relation between smoking and disease was unresolved and to advocate their “right” to do business and smokers’ “right” to smoke. Internal and external communications conformed to this policy. Considerable resources were devoted to cataloguing the research literature, which overwhelmingly implicated tobacco as disease causing. Further resources were then committed to designing formal responses which sought to deny the case that had built against tobacco. So eager was the Australian industry to deny the disease effects of tobacco that at times BAT contended that they did not understand the science of their product. The industry also attacked public health advocates making statements on the relationship between smoking and disease.

It is clear to any layperson that these are morally unjustifiable acts. They are also unjustifiable even by the standards of the tobacco industry’s own culture: business. The Australian Chamber of Commerce and Industry (ACCI) is the peak council of Australian business associations, and the conservative voice of business in Australia. The industry’s actions clearly defy the ACCI policy on consumer protection, which states that “consumers … have the right to expect safety standards from goods and services purchased [and] protection from misleading and deceiving practices…”.

Given the extent and deliberateness of the industry’s activities, it seems appropriate that the executives, directors, and the lawyers employed by Wills and PML from the 1980s and early 1990s should be investigated with respect to their possible liability under Australian law.

It may be that the industry’s efforts were not highly effective in the general community. Nigel Gray, Australia’s leading tobacco control advocate in the 1980s, has characterised the industry as largely ineffectual in public debates, and the lacklustre results of the industry’s public opinion polls support his views. Newspaper editorials advocating for continued tobacco advertising at the time frequently qualified their arguments by stating that smoking certainly caused disease. The Advertising Age editorialised in 1983 that “the industry’s credibility began its nose dive when Phil Scanlon, a spokesman for the major Australian tobacco company AMATIL Ltd., said on national TV that the tobacco industry believed smoking did not constitute a health risk” and noted that “the reaction against the ad [Smoking: Lets
deny Australian consumers access to accurate information.

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be sensible about it] was enormous. Federal and State health ministers condemned the industry’s attempts to deny that 16,000 Australian die every year due to smoking-related diseases and questioned the misleading presentation.108 According to an advertising industry spokesperson “Smoking: Let’s be sensible about it” was a “poorly conceived and executed non-event” which did the industry more harm than good.109 However, when the TIA’s Brian Gapes defended the production of the “Let’s be sensible about it” advertisement, he claimed “a lot of smokers applauded our action”.110 In 1984, Andrew Whist of PMI wrote with regard to Australia that “antismoking propaganda” was starting to persuade “even smokers” that it was an “undesirable habit”.111 This is an important distinction, particularly given that the industry knew that committed smokers were more likely to support them on crucial policy issues. John Dollisson (TIA) argued in 1986 at an international workshop: “Smokers and non-smokers are not homogeneous groups when responding to industry issues. The stronger the smoker’s commitment to smoking the stronger their support on issues.”112,113 The main objective of the industry’s aggressive communication on smoking and disease may have been to maintain the trust of smokers already predisposed towards the industry’s position, thus providing their consumers with reasons to doubt the “anti-smoking propaganda”. Australian smokers are more likely than non-smokers to agree with statements like “the medical evidence that smoking causes cancer is not convincing” or “many people who smoke live to a ripe old age, so smoking is not all that bad for you”.112-113 Positions constantly reiterated by the industry throughout the 1980s. The industry’s opinion poll data suggested that a slowly decreasing minority continued to agree with their views in a decade when Australian male smoking prevalence reduced from 40% to 30%, and women’s from 30% to 25%.

It seems probable that a diminishing cohort of committed smokers were responsible for the diminishing 20–30% of agreement with the industry in their population based opinion polls. Industry advocacy may have allayed smoker’s latent concerns, provided seemingly plausible rationalising life rafts, and ultimately, reassured them in their decisions to keep smoking. Today’s sick and dying smokers, without any advanced epidemiological knowledge or skills in the critical appraisal of evidence, who now say “I heard lots of doctors and professors on the radio saying that there was actually no proof that smoking caused cancer” cannot be deemed to be simply ignorant or ill informed. A natural policy outcome of this work, then, is that smokers who were the recipients of the industry’s policy of obdurate denial deserve to know the truth, not only about the disease effects of smoking, but about the efforts of the industry to deny these effects in the 1980s. Smokers have a right to access the information presented here, ideally via a mass media public information campaign.

The industry’s cynicism towards smokers became apparent in the 1990s, as product liability litigation in Australia became a serious cause for concern. Overnight, the industry stopped arguing that there was no proof that smokers were at risk, and instead advised smokers that they should have listened to the public health authorities, and the responsibility for their illness was theirs. The industry’s primary motivation in Australia in the 1980s, as ever, was not the pursuit of truth or science, or the wellbeing of its customers, but its own financial survival. Despite privately accepting that the case for smoking causing disease had long been established, the industry vigorously denied this via its public affairs activities. The revelations we have summarised provide important evidence for litigation by smokers exposed to such industry campaigns, and for advocacy against industry mendacity.

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