The case of Philip Morris

Working to make a disease

Ruth E Malone

Philip Morris’s “extreme makeover”

Three years ago, I attended a public talk at the University of California, Berkeley School of Business. The topic was corporate social responsibility, and the speaker was David Greenberg, senior vice-president and chief compliance officer at Altria, parent corporation of tobacco giant Philip Morris. Greenberg was a smiling, somewhat self-effacing guy about my own age, and he began his talk by saying how he appreciated our willingness to listen, because he wanted to tell us some things about his company that “might surprise” us.

Greenberg said the organisation had recently done a lot of soul searching and realised it needed to change—there was a new “openness” in “Altria’s journey,” as Greenberg put it, in which the organisation had “outed ourselves.” He alluded to “almost religious” battles within the corporation about the “new” stance of “responsibility,” as part of which Altria/Philip Morris finally admits (on its website and in direct mail materials and advertisements) that cigarettes cause disease. The company sounded near-heroic—accepting the risks voluntarily in starting to smoke), and simultaneously that “nobody knows” exactly what the causal links between cigarettes and disease are (and therefore the company cannot be held responsible for anyone’s specific disease). Friedman argues convincingly that Philip Morris’s new “openness” on its website was undertaken primarily to head off the prospect of severe penalties in the US Department of Justice case, and to soften prospective jurors’ inclination to “punish” the company in the penalty phase of other civil trials. The plan has met with some success. As Szczypka and colleagues reported, by late 2003, the media having been saturated with Philip Morris image-makeover messages, some 58% of the public thought that the tobacco industry was somewhat or much more “responsible” than in the past—even as they still distrusted the industry as a whole.

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So what does it really mean to admit on a website that cigarettes cause disease, while maintaining in the courtroom that they do not? Does it mean, as the corporation claims, that it has become a “responsible marketer of a risky product”? Or does it mean that the company has socially engineered a fine new deception by raising doubt not about the nature of its products but rather about the nature of its own intentions? The best available evidence suggests the latter.

To be responsible would mean accepting responsibility for past fraudulent conduct. Altria/Philip Morris, however, has not been willing to do that, despite having been a leader of worldwide, decades-long efforts to deceive the public.1,6

To be responsible would mean “making a difference” by—at minimum—ceasing to aggressively promote products that cause addiction and kill consumers under normal use conditions. For most consumer products companies, responsibility means pulling a product from the market under such circumstances. But such a move would mean admitting something that the industry still does not quite want to admit—that its products really are that deadly—as well as putting an end to its profits.

To be responsible might even involve an apology for engineering the products that caused the addiction, suffering and deaths of millions of customers. But to this day, Altria/Philip Morris characterises consumer addiction to its products as “choice,” even castigating tobacco disease victims in court as having made “unfortunate” choices. 7 The choices Altria/Philip Morris made in working actively to hook them are ignored.

As my colleague Elizabeth Smith (who also attended the Greenberg meeting) noted at the time, Greenberg admitted that cigarettes caused disease (though he stopped short of death). He emphasised, however, that Philip Morris would not stop selling them unless they were outlawed, because other companies would continue to sell them. He said that Philip Morris would not unilaterally adopt the measures that then-proposed FDA regulations would have required (regulations Philip Morris claimed it supported) because that would create an unlevel playing field and threaten to reduce the company’s market share. But, as my colleague observed, true responsibility means doing the right thing even if it is not required by law, even if other people do not join you, and even if it costs you. Clearly, that’s not the kind of “responsibility” Philip Morris is ready to accept. Even “extreme makeovers,” it seems, only go so far.

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REFERENCES

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The Lighter Side

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