‘Pro-tobacco propaganda’: a case study of tobacco industry-sponsored elementary schools in China

Jennifer Fang 1, Gonghuan Yang 2, Xia Wan 2

ABSTRACT

Background China is the largest producer and consumer of tobacco products worldwide. While direct marketing and advertisement of tobacco products is restricted, indirect marketing still exists under the guise of sponsorship and corporate social responsibility (CSR). This case study is focused on tobacco industry-sponsored elementary schools in Chinese rural areas.

Methods Field visits were conducted in Yunnan province to interview students, teachers, school principals and parents to understand their perceptions of the tobacco industry and its sponsorship of schools. Interviews with tobacco control activists were conducted in Beijing to discuss national tobacco control efforts targeting tobacco industry sponsorship. Interview data were transcribed and coded, with key themes developed using thematic analysis.

Results While health consequences of smoking are generally known, attitudes towards the tobacco industry and its CSR activities remain positive among the general public. Educators and parents do not perceive any impacts on schoolchildren from exposure to ‘pro-tobacco propaganda’ created by the industry’s CSR activities. Attitudes among tobacco control activists were drastically different, with consensus that CSR activities constitute indirect marketing attempts that should be banned.

Conclusion National tobacco control legislation banning all forms of indirect marketing including CSR is needed in order to protect the health of future generations.

INTRODUCTION

China is the largest producer and consumer of tobacco products, accounting for a third of smokers and 40% of cigarette outputs worldwide.1 The country’s 350 million smokers expose nearly 740 million non-smokers to secondhand smoke.2 Such high smoking prevalence, coupled with a lack of tobacco control legislation, has led tobacco use to quickly become the leading risk factor for national mortality and disability, accounting for 16.3% of deaths in China in 2010.2

The Chinese tobacco industry is a state-owned monopoly, organised as a vertical tiered system. The industry is comprised of two organisations: the State Tobacco Monopoly Administration (STMA), the governmental bureaucracy arm, and the China National Tobacco Corporation (CNTC), the commercial arm. CNTC manages provincial daughter companies, which oversee their own branches and subsidiaries at the local level. The tobacco industry is a major revenue generator, contributing as much as 11% in some years to central government revenue3 and as high as 77.8% in Yunnan province.4 Although China ratified WHO’s Framework Convention on Tobacco Control (WHO FCTC) in 2005, national tobacco control legislation remains to be enacted.

Direct marketing of tobacco has been restricted via amendments to the national Advertisement Law in 2015,5 but indirect marketing still exists under the guise of sponsorship and corporate social responsibility (CSR), exposing adults and children alike to ‘pro-tobacco propaganda’.6 The Chinese tobacco industry enjoys a certain level of respectability by being a state-owned enterprise,7 lending its charitable activities a degree of legitimacy. This also enables the CNTC to directly engage with other government sectors or government initiatives,8 such as Project Hope or All Women’s Alliance.

Although indirect marketing has received some attention in recent years, and tobacco promotion through charitable donations has been restricted with the enactment of Charity Law in 2016,9 China does not have a complete ban on tobacco advertisement, promotion and sponsorship (TAPS). It is estimated that comprehensive bans of all forms TAPS could decrease smoking rates by 4%–7%,6 7 preventing 2.15 million deaths by 2050.8 Despite several cases of successful removal of tobacco-related branding in recent years,9 tobacco CSR in China remains a poorly understood phenomenon. Existing research on tobacco CSR is focused on transnational tobacco companies (TTCs) and shows that it can undermine tobacco control efforts through perceived improvements to its public image, promote brand awareness for smoking uptake,10–12 and provide access to policy makers.13 14

CNTC engages in a range of CSR activities, including education, disaster relief, event sponsorship and various social causes.9 We focus on Project Hope elementary schools sponsored by the tobacco industry due to its prominence in the media. Project Hope is a government initiative supporting rural development, and Project Hope elementary schools are largely built in remote rural regions, with more than 100 sponsored by the tobacco industry. Photos of new school buildings bearing CNTC logos and pro-tobacco slogans, such as ‘Genius is from hard work, tobacco helps you excel’, have been published in various Chinese and international news outlets over the years.15–17 Despite this wide publicity, no studies have been conducted in this area, and public perception of tobacco CSR and its impacts remain poorly understood.

This case study focuses on the X Hongta Hope Elementary School in Yi Autonomous Prefecture of C, Yunnan province. Formerly called D Central Elementary School X Primary School, it received...
700,000 RMB from Hongta Group in 2008, a sponsorship that entailed a name change. Hongta Group is one of the largest production facilities of China Tobacco Yunnan Tobacco Industrial Co, CNTC’s subsidiary in Yunnan province. Hongta Group has been sponsoring elementary schools since the 1990s, and each school is sponsored with the words ‘Hongta Hope Elementary School’ in its name.

**METHODS**

We began by conducting a literature review of Chinese and English sources by searching Google Scholar and Baidu Scholar to review scholarly literature on the Chinese tobacco industry’s CSR activities targeting children. As this literature proved to be very limited, we also reviewed official industry sources, such as the State Tobacco Monopoly Administration/CNTC website (www.tobacco.gov.cn), Tobacco China (www.tobaccocchina.com), China Tobacco (www.echinatobacco.com) and China Tobacco Yearbook.

Two field visits were conducted: first, to tobacco industry-sponsored schools in Yunnan province, and then to Beijing. Yunnan province was selected due to its economic dependence on tobacco. It is also the home province to CNTC’s two leading subsidiaries, Hongta Group and HongyunHonghe Group. Three schools were visited in X village, D County, C city, Yunnan province in January 2012: (1) X Hongta Hope Elementary School, (2) D County Central Elementary and (3) H Elementary, a tobacco-free school selected as the control. (Tobacco-free schools ban smoking on school grounds and the display of tobacco-related items, including ash trays.) Table 1 lists basic information on each of the schools visited. Semistructured interviews were conducted with education bureau officials and school principals. Teachers, parents and students were interviewed in focus groups. Participants were a convenience sample recruited based on availability. Originally, only X Hongta Hope Elementary School and H Elementary were selected for study; D County Central Elementary was included due to its enrolment of X Hongta Hope Elementary School’s students in grade 6. Consequently, no teachers were interviewed from this school.

In July and August 2016, semistructured interviews were conducted with 11 tobacco control advocates in Beijing to understand tobacco industry CSR and the challenges it posed to domestic tobacco control. Beijing was chosen due to its being China’s political hub. One interview was conducted in Kunming, Yunnan province, home to the only Chinese non-governmental organization specialising in tobacco control work. Participants were recruited using purposive sampling, based on their involvement in tobacco control and tobacco industry research. A list of tobacco control advocates was developed after reviewing journal articles and media reports and were invited to participate in the study. Snowball sampling was expected to be used to recruit additional participants; however, this proved unnecessary due to the small size of the tobacco control community in China (see online supplementary file 1 for the interview guides).

Informed consent from eligible adult participants was obtained prior to conducting fieldwork, and interviews were recorded where permitted. Informed consent for students was obtained from their parents. Audio recordings were transcribed and coded, with key themes developed using thematic analysis.

**RESULTS**

A total of 82 participants were included: 1 education bureau official, 11 tobacco control advocates, 6 principals and vice principals, 13 teachers, 30 parents and 27 students from grades 4–6.

Results are grouped based on themes by topic.

**Perceptions of school sponsorship**

‘To give back to society’

Hongta Group’s sponsorship to build X Hongta Hope Elementary School was widely perceived to be an act of kindness, giving back to the community. This favourable perception was shared by the government official, school principals, teachers and parents interviewed. The local education bureau official stated that [the sponsorship] is philanthropy. They [Hongta Group] had no obligation to sponsor. Tobacco is the economic backbone and livelihood here, and people would provide support even without promotion. As marketing or such, they did not have to provide sponsorship and advertising would be more effective… This is a company giving back to the community.

D Central Elementary School’s principal expressed similar sentiments:

The company grew and now wants to repay the society, and the best way is through social programmes. Hongta Group chose Hongta Hope elementary schools... not to promote tobacco, but to show they are kind and care about the community... because their growth is based on tobacco farmers, the best act of philanthropy in tobacco-growing areas is to support education to repay society. Contributing to a public cause is the best way to show kindness and repay locals. (Principal 1)

Despite not receiving the donation, H Elementary’s principal said, ‘Hongta’s sponsorship is purely financial and not teaching students about tobacco... it’s a company supporting rural development’ (principal 2). A parent from the X Hongta Elementary School, who is a former tobacco farmer, also stated:

---

**Table 1 School demographics**

<table>
<thead>
<tr>
<th>School</th>
<th>Basic demographics</th>
</tr>
</thead>
<tbody>
<tr>
<td>X Hongta Hope Elementary School</td>
<td>Student body: 400 students</td>
</tr>
<tr>
<td></td>
<td>Kindergarten and grades 1–5</td>
</tr>
<tr>
<td></td>
<td>15 teachers</td>
</tr>
<tr>
<td></td>
<td>Recipient of Hongta Group’s sponsorship</td>
</tr>
<tr>
<td></td>
<td>New school building in 2008</td>
</tr>
<tr>
<td></td>
<td>Equipment, school supplies and computers</td>
</tr>
<tr>
<td>D County Central Elementary</td>
<td>Student body: 515 students</td>
</tr>
<tr>
<td></td>
<td>Grades 1–6</td>
</tr>
<tr>
<td></td>
<td>Grade six students from schools within a radius of 3 km merged here, including those from X Hongta Hope Elementary</td>
</tr>
<tr>
<td></td>
<td>34 teachers</td>
</tr>
<tr>
<td>H Elementary</td>
<td>Student body: 1800 students</td>
</tr>
<tr>
<td></td>
<td>Grades 1–6</td>
</tr>
<tr>
<td></td>
<td>Tobacco-free school</td>
</tr>
</tbody>
</table>

---

**Table 2 List of interviewees**

<table>
<thead>
<tr>
<th>School</th>
<th>Administrators</th>
<th>Teachers</th>
<th>Parents</th>
<th>Students</th>
</tr>
</thead>
<tbody>
<tr>
<td>X Hongta Hope Elementary school</td>
<td>One principal and one vice principal</td>
<td>3</td>
<td>10</td>
<td>Grade 4: 5</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td>Grade 5: 5</td>
</tr>
<tr>
<td>D Central Elementary School</td>
<td>One principal and one vice principal</td>
<td>0</td>
<td>10</td>
<td>Grade 5: 4</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td>Grade 6: 4</td>
</tr>
<tr>
<td>H Elementary school</td>
<td>Two principals</td>
<td>10</td>
<td>10</td>
<td>Grade 5: 4</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td>Grade 6: 5</td>
</tr>
<tr>
<td>One local education bureau official</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>11 tobacco control advocates</td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

---
Hongta Group’s philanthropy is to give back to the community, to us farmers. We grow their raw product, and without us, they would not have their current level of development or profit. This is their duty to us. (Parent 1)

In a region where 90% of households are said to farm tobacco, tobacco philanthropy is a way to thank farmers for their contribution to the industry: ‘tobacco farmers grow tobacco, so tobacco factories have an obligation to do good by them’ (teacher 1).

To generate gratitude
Students and teachers expressed gratitude as a direct result of Hongta Group’s school sponsorship, a trend present across all three schools sampled. Teachers from the sponsored school expressed ‘gratitude to the tobacco company for improvements to our learning and teaching environment’ (teacher 1) and have mentioned the benefactor to their students for ‘providing such great help’ (teacher 2).

Students, regardless of which school they came from, were also thankful: ‘we should study hard because we have a new school building now. I will study hard to repay them’ (grade 5 student 1) and thought ‘Hongta’s donation means they are kind’ (grade 5 student 2) and ‘they like to help others’ (grade 5 student 3). Although students from the control school were more reserved in being thankful, Hongta’s sponsorship of the school was ‘more out of kindness’ (grade 6 student 1) and that ‘elementary school students don’t understand what promotion is, so do not see it as such’ (grade 6 student 2). Some students were more critical:

Hongta is profiting from people’s lives, they are using money earned from people’s lives to help others. The money was made from selling cigarettes, so this philanthropy is based on smokers’ lives. Hongta shouldn’t use smokers’ lives to help others. (Grade 5 student 4)

Other students were more conflicted: ‘it’s hard to say if tobacco companies are good or bad. They are bad because they make health damaging products, but they are good because they engage in philanthropy’ (grade 6 student 3).

Tobacco control experts subsequently confirmed these findings, stating that the tobacco industry ‘implements projects that are likely to generate a sense of thankfulness and gratitude’ (expert 1).

Self-promotion
X Hongta Hope Elementary school was decorated with a highly visible tobacco industry’s logo and a commemorative plaque documenting Hongta Group’s sponsorship. As explained by the government official,

Hongta required the name change to Hongta Hope elementary school, because Project Hope elementary schools were heavily promoted by the government at the time. The plaque commemorates the sponsorship and date and isn’t as visible—the most visible is the logo.

Some students also believed the logo and name change is ‘promotion, the logo is visible from the road. Hongta is very smart’ (grade 5 student 5). D Central Elementary School’s principal expressed concern that

A company logo displayed on a sponsored school building is propaganda in disguise. It’s right by the road with high visibility. We all know this must be their purpose. [Hongta] is not introducing tobacco to students, but using the school as a platform. (Principal 3)

Some parents were sceptical about Hongta’s motives: ‘If Hongta were really about CSR, they wouldn’t have required the name change. This is really a marketing strategy’ (parent 2).

Local financial need
Underdevelopment in rural areas and local financial need were noted by all groups of respondents. A student said that X Hongta Hope Elementary School was ‘very poor before, and now has a much better environment’ (grade 4 student 1). Tobacco control experts explained the acceptance of tobacco company sponsorships as addressing a need:

if you don’t allow this kind of CSR, then [the local education bureau] must come up with the money they don’t have. So in the end, all fingers would be pointed at [them]. Well, now there’s someone giving you money, so why not take it? (Advocate 1)

Furthermore, it was felt the ease of funding acceptance was due to blurred lines between business and government arising the Chinese tobacco industry’s being a state-owned enterprise, and it faces ‘fewer restrictions if it wants to engage in… charitable work’ (advocate 2). Another participant suggested there are ‘expectations from the government… that (tobacco companies) have to make financial contributions’ (advocate 3) to local causes due to high profits. A local parent perhaps put it best, bluntly stating that ‘tobacco industry is bad, but money is money’ (parent 4).

Perceived impacts of tobacco CSR
On farming
The majority of farmers in the region grow tobacco, but some locals have been migrating in recent years to seek ‘more stable income’ (parent 3) or diversifying into other less labour-intensive crops. Some participants believed Hongta’s reason for philanthropy is to ensure farmers continue growing tobacco:

[Hongta] chose this location because we rely on tobacco. I provide financial assistance, so you’ll have to support me. They wouldn’t make such a large donation for no reason. (Principal 1)

For example, Hongta’s other CSR projects in the area include an irrigation project:

so local farmers will not enter into contracts to grow other crops and continue growing tobacco (Parent 4)

Local reliance on tobacco for livelihood was cited by numerous participants to be the reason for Hongta’s philanthropy by principals across all three schools:

[Hongta] needed to choose a tobacco-reliant area for their CSR project… to motivate [farmers] (Principal 3).

On children
The government official denied any impact of Hongta CSR on children: ‘impact on students, on smoking uptake is predominantly the responsibility of the schools, to strengthen education and awareness of health impacts of smoking’ (official 1). Similar sentiments were echoed by teachers (‘no one will smoke because of tobacco CSR’ (teacher 3)) and parents (‘tobacco CSR will not impact children’s decisions on smoking. This depends on themselves alone’ (parent 5). One parent explained it as ‘children in rural areas are naïve and will not associate Hongta with tobacco’ (parent 5). Participants from H Elementary School cautioned that ‘students will feel gratitude whenever they see Hongta Group’ (principal 2) and ‘there will be an emotional impact’ (teacher 4), and parents worried that this ‘sense of positivity will decrease...
[students’] awareness and vigilance against tobacco’ (parent 6). Similarly, tobacco control advocates also stated that these CSR projects will ‘generate brand loyalty from a very young age... [and] impact...future choices’ (advocate 2) to ‘recruit a new generation of smokers’ (advocate 3).

Although all students expressed awareness of Hongta Group’s sponsorship and being a tobacco manufacturer, they were united in denying impacts on smoking uptake:

I will not smoke when I grow up. Only troubled teenagers smoke or if someone wants to look cool. (Grade 5 student 4)

DISCUSSION AND IMPLICATIONS

Findings suggest that sponsorship of elementary schools is a highly effective public relations tool, with the majority of interviewees expressing support. This confirms findings from previous studies conducted elsewhere, with TTCs engaging in CSR to influence officials,10 11 to improve public image and to adhere to social expectations.12-14 Local children’s awareness of Hongta Group and the general sense of gratitude reported appears to show that the school sponsorship has succeeded in promoting the tobacco industry and achieving brand recognition among children and may have potential on smoking uptake, as cautioned by some parents, educators and tobacco control experts. The easy acceptance of the tobacco industry’s school sponsorship also highlights the lack of funding in rural areas for development. Hongta Group, as well as CNTC overall, appears to be actively learning from similar strategies employed by TTCs. For example, there is existing evidence from Imperial Tobacco that it ‘focused its efforts on new smokers [almost entirely adolescent starters], believing that early impressions tend to stay with them throughout their lives’. 20

This case study has several important implications. First, the tobacco industry’s ability to engage in CSR activities is a major flaw in regulation and points to the need to address such indirect acts of marketing. Tobacco sponsorship is not banned under Advertisement Law amendments from 2015, and there is evidence of increased CSR activities by the various branches of CNTC since then.21 Appearing as responsible corporate citizens and engaging in social causes have been used to create social appeal for promotion purposes.21 Despite the Charity Law prohibiting tobacco promotion through philanthropy, the tobacco industry’s ability to engage in CSR and sponsorships has not been curtailed. The tobacco industry is thus able to continue engaging in CSR activities to improve its public image. Public approval of these ‘charitable acts’, including those by government officials, will negatively affect support for tobacco control, including implementation of WHO FCTC and passing of new legislation.

Second, Hongta Group’s requirement of branding in exchange for financial contribution is tobacco sponsorship, illustrating the need to address this legislative loophole. Although branding from some tobacco industry-sponsored elementary schools has been removed following intense campaigning by the tobacco control community, the majority remains unchanged.22 Previous studies show that increased brand awareness has been directly linked to smoking initiation in youth.23 Given the predominantly rural location of Project Hope elementary schools, as well as the higher smoking rates across rural areas, meaningful action is critical in order to decrease smoking rates and to prevent premature deaths, especially as the government strives to implement its Healthy China 2030 vision.

There are also significant global implications of CNTC’s domestic CSR. As CNTC is aggressively expanding its global portfolio, beginning to engage in TTC-like behaviour,19 there are signs that it is actively exporting successful CSR projects to its overseas operations. Project Hope is one such example. CNTC’s fully owned subsidiary in Zimbabwe, Tian Ze, has sponsored a local elementary school in 2013.23 Similar to its domestic activities, Tian Ze built a brick-and-mortar school building to improve learning conditions for poor children. It should be noted that while the English name is Dummolly Primary School, the Chinese name is ‘China Tobacco Mabo Hope elementary school’.24 Tian Ze also engages in a range of other similar charitable activities targeting children, including donations to orphans and sponsoring individual schoolchildren.23 These activities are similar to those used by other TTCs. Alliance One International, a major tobacco leaf company, actively engages in similar CSR in Malawi, by renovating and sponsoring schools and donating school supplies to the country’s major tobacco-growing regions.24-27

Some limitations of the study include its limited scope, as only residents of one village were interviewed. Consequently, it is not clear if these findings can be replicated or are generalisable to other locations with tobacco-sponsored elementary schools. Furthermore, the limitations generally associated with focus groups are present in this study, such as participants voicing only socially acceptable opinions, while those with different views are less likely to speak up. Further studies on other types of tobacco CSR or with other tobacco CSR recipients are needed in order to understand the true impact such ‘philanthropy’.

CONCLUSION

The case study shows that CNTC’s CSR activities, especially those targeting children such as school sponsorship, can improve the industry’s public image and instil a sense of gratitude in children, parents and teachers alike. The evidence also shows a lack of understanding and awareness of the negative consequences of tobacco CSR. Tobacco control experts provide a lonely voice

What this paper adds

What is already known on this subject
► China National Tobacco Corporation (CNTC) has a long history of engaging in corporate social responsibility (CSR) projects, including sponsoring elementary schools through Project Hope; however, this remains a poorly understood phenomenon.
► No studies have been conducted on perceptions and impacts of tobacco CSR, and this understanding is critical for the enactment of meaningful tobacco control legislation.

What this study adds
► The results of this study show that the tobacco industry and its CSR activities in China are largely viewed with positivity.
► Findings provide powerful evidence for the need to enact national tobacco control legislation in line with WHO’s Framework Convention on Tobacco Control Article 13, banning all forms of indirect marketing, including CSR.

Implications
► This can have major implications for tobacco control and policy-making, illustrating the need to restrict tobacco CSR to limit its impacts on the general public, particularly children.
► The implications can have far-reaching consequences due to CNTC’s global expansion ambitions.
in favour of restricting CSR. As a signatory to WHO FCTC, the Chinese government has an obligation to introduce comprehensive legislation at the domestic level, including bans on all forms of TAPS. The findings of this study provide powerful evidence for the need to enact national tobacco control legislation in line with WHO FCTC Article 13, banning all forms of indirect marketing, including CSR.

Acknowledgements The authors wish to thank all participants who made this work possible.

Contributors All authors designed the project and collected the data. XW and JF transcribed and coded the interviews. JF drafted the manuscript. GHY and XW provided comments on the manuscript.

Funding This work was supported by China Medical Board Grant on CMB-CP in burden of Diseases in China (15-208), CAMS Innovation Fund for Medical Sciences (2016-12M-3-001) and the National Cancer Institute, US National Institutes of Health R01-CA-091021.

Competing interests None declared.

Patient consent for publication Not required.

Ethics approval The protocol used in this study received approval from the institutional review boards at the Institute of Basic Medical Sciences, Chinese Academy of Medical Sciences (001-2012), for fieldwork in 2012, and from the research ethics committee of the University of Liverpool and the office of research ethics of Simon Fraser University (2012S0556) for fieldwork in 2016.

Provenance and peer review Not commissioned; externally peer reviewed.

Data sharing statement No data are available.

Author note Only the first letter in school and location names are used throughout in order to protect anonymity of local participants.

Open access This is an open access article distributed in accordance with the Creative Commons Attribution Non Commercial (CC BY-NC 4.0) license, which permits others to distribute, remix, adapt, build upon this work non-commercially, and license their derivative works on different terms, provided the original work is properly cited, appropriate credit is given, any changes made indicated, and the use is non-commercial. See: http://creativecommons.org/licenses/by-nc/4.0/.

ORCID ID

Jennifer Fang http://orcid.org/0000-0003-2676-8571

REFERENCES

4 TW H, Lee AH, Mao Z. WHO Framework Convention on Tobacco Control in China: barriers, challenges and recommendations