

Analysis of Poverty Trap Due to Cigarette Consumption

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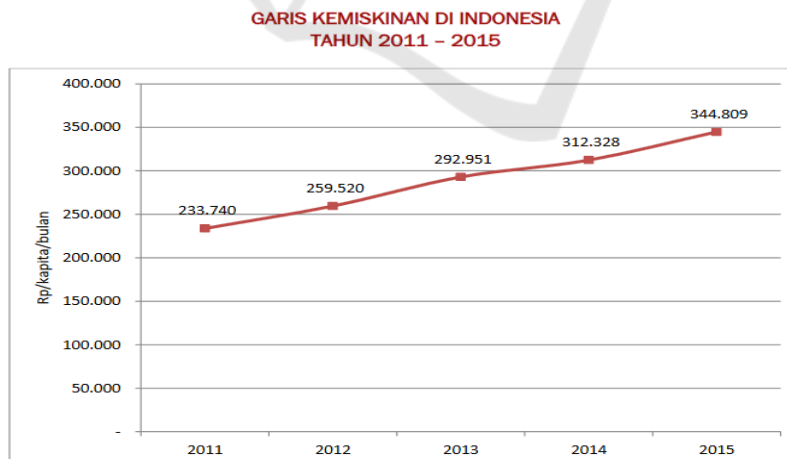
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Abstract: There is an inextricable and pernicious analysis of poverty trap due to cigarette consumption. In many ways, consumption of cigarettes and poverty are part of the same vicious cycle. Across the globe, smoking is generally common among the poorest segment of the population. These groups, already under financial stress, have little disposable income to spend on cigarettes. Consumption of cigarette adds directly to financial stress. In lower-income countries, The World Health Organization estimates that as much as 10% of household income can be spent on cigarettes, leaving less money for food, education, housing and clothing. The aim of this paper is to analyse the poverty trap caused by the consumption of cigarettes. The method used in this research is qualitative analysis. The technique of data analysis is through literature review, data attachment and conclusion. In this paper, we understand how cigarette consumption could make a poverty trap.

1 INTRODUCTION

Poverty is a deficient condition which means being unable to fulfil basic living needs such as clothing, food, shelter, education and health and is caused by many factors. To measure poverty, the Central Bureau of Statistics (BPS) uses the concept of basic

needs approach. By using this approach, poverty is seen as an economic inability to meet the basic needs of food and non-food as measured by expenditure. In brief, Poor People are residents who have an average monthly per capita expenditure below the poverty line.



Sumber: Badan Pusat Statistik, 2015

Figure 1: Poverty in Indonesia

The food poverty line (GKM) is the value of the expenditure needs of drinking food equalised with 2100 kilocalories per capita per day. According

to BPS data, records of 2011-2015 show the poverty line in Indonesia has increased every year.

Cigarettes are processed tobacco products, produced from *Nicotiana Tabacum* plants, *Nicotiana Rustica*, and other species or synthetics containing nicotine and tar with or without additives (Heryani, 2014). Cigarettes are advertised by some people as a reason to contribute to the country's economy. However, in fact, cigarettes actually contribute to poverty at the level of individuals, households and even countries. While the cigarette industry enjoys substantial margins, the poor smokers and their families suffer the burden of suffering from cigarette consumption, which makes it more difficult for them to get out of the poverty trap. According to The Tobacco Atlas 3rd edition (2009), the percentage of smokers in the population of the largest ASEAN countries is Indonesia (46.16%), Philippines (16.62%), Vietnam (14.11%), Myanmar (8.73%), Thailand (7.74%), Malaysia (2.90%), Cambodia (2.07%), Laos (1.23%), Singapore (0.39%) and Brunei (0.04%).

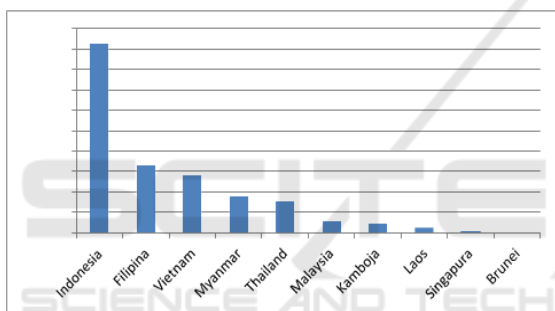


Figure 2: Percentage of Smokers in ASEAN

Various literatures have shown the negative impact of cigarette consumption on health. There are different kinds of cancer, cardiovascular (heart - vascular), lung disease and impotence among the many health problems caused by smoking. Cigarette consumption causes the deaths of more than 5 million people in the world each year or the equivalent of one death every six seconds. As many residents of developed countries have begun to quit smoking, the current development of cigarette use has shifted to epidemics in poor and middle-income countries, accounting for about 82% of total cigarette users in the world. Indonesia has a significant position in the cigarette atlas of the world because it has the third largest number of smokers in the world.

The impact of cigarette consumption has a broad dimension, not only on health aspects, but also on social and economic dimensions. This paper is intended to analyse the occurrence of poverty trap

caused by people's habit in consuming cigarettes. This study is expected to give an idea of how the consumption of cigarettes can lead to poverty traps with poor people becoming gradually poorer.

2 METHODS

The qualitative method is used in this research. The type of data used in this study is secondary data. The data are taken from existing sources that have been processed by a third party, within a certain time (at a point of time) that can describe the situation / activity at that time. This study is using literature review to find how the poverty trap is caused by the consumption of cigarettes. The data used in this study come from the Badan Pusat Statistik (BPS), publication files from the Ministry of Health Republic Indonesia, RISKESDAS and WHO. Other information comes from other literary studies in the form of scientific journals and textbooks.

3 RESULT

In this research, the researcher collected research results from various countries.

Table 1: Research and Policy Focus Related to Tobacco Control

No	Country and Organisation	Research and Policy Focus
1	Argentina - Unión Antitabáquica Argentina	Researchers analyse the relationship between household spending on tobacco products in low-income families and the resources available for basic needs, such as food, health, education and utility services. The role that tobacco control policies could play in improving the health and quality of life of the poor populations was the main emphasis of advocacy activities.
2	Vietnam- HealthBridge Vietnam	Researchers identify Vietnam-specific evidence on the relationship between tobacco and poverty and, furthermore, to identify the current research gaps, to assess the actual impact of tobacco control policies on overall national employment. The implementation and

No	Country and Organisation	Research and Policy Focus
		enforcement of various tobacco control measures was explored as means not only to improve public health, but also to reduce poverty.
3	Brazil-Aliança de Controle do Tabagismo (ACTbr)	The researchers discussed the lack of information available to key stakeholders involved in the development and enforcement of tobacco control policies related to tobacco production in Brazil, notably the National Program to Support Production Diversification in Tobacco Growing Areas for integrated sustainable rural development. In particular, the study addressed the beliefs and experiences of constraints faced and strategies implemented by small-scale farmers to reduce their economic dependence on tobacco through crop diversification and alternative livelihood schemes; then explored how this information best used to inform decision-making about to tobacco control.
4	Cameroon (individual researchers), Mali-Association de Lutte contre le Tabac, l'Alcool, et les Stupéfiants (ALUTAS) and Senegal Mouvement Anti-Tabac du Sénégal (MAT)5	Researchers in each country sought to examine how expenditures on tobacco represented opportunity costs related to basic needs, particularly among the poor. Even though smoking rates in Sub-Saharan Africa are still lower than they are in other regions of the world, the significantly high rates of poverty in these countries, and the reality that more than half of the households are not able to afford their basic daily expenses, makes any tobacco expenditure an important contributor to poverty. Advocacy activities addressed not only the impact of tobacco expenditures on the current lives of the poor, but also on their future.
5	India-Voluntary Health Association of India (VHAI)	Researchers investigate the working conditions and socioeconomic and health issues associated with tobacco farming, bidi production and tendu leaf plucking to expose

No	Country and Organisation	Research and Policy Focus
		tobacco industry myths promoting the safety and viability of tobacco employment. Because short-term policy measures will not solve financial problems for these workers, the researchers explored the inclusion of alternative income-generating activities into an all-inclusive programme of safer, sustainable alternative livelihoods for tobacco workers.
6	Indonesia-Center for Health Research, Universitas Indonesia	Researchers examined the relationship between household tobacco consumption and children health status among the poor to provide evidence to support the policy of tobacco control. The focus on negative child health impact of tobacco consumption is used to counter the government's reluctance to commit to tobacco control because of its belief in the profitable commercial aspects of tobacco production and sale.
7	Mexico-Instituto Nacional de Salud Pública (INSP)	Researchers analysed the financial impact of tobacco consumption on the ability of low-income households to afford basic needs. The focus of the advocacy efforts is how tobacco control policies could complement poverty reduction policies and strategies.
8	Peru-Comisión Nacional Permanente de Lucha Antitabaquica	Researchers examined household expenditures on tobacco and their effect on families' ability to afford basic needs; in particular they examined the negative impact of tobacco spending on households with children. In a country where one-third of the population is poor, and where the poorest households have the most children, fiscal policies that support effective tobacco control will contribute to the achievement of the Millennium Development Goals, a central government policy objective.

4 DISCUSSION

The analysis of poverty trap due to cigarette consumption can be illustrated through the following chart:

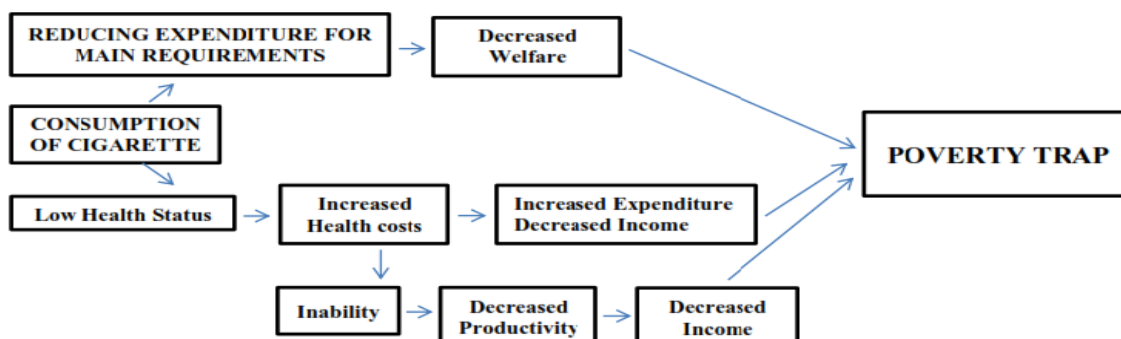


Figure 3: Poverty Trap and Cigarette Consumption

The occurrence of poverty trap caused by cigarette consumption can be illustrated through the following chart:

Table 2: Family allocation of expenditure

Group of Goods	Percentage (%)		
	Rural Area	Urban area	Rural and urban area
Grains (rice, etc)	4.98	10.04	6.82
Tubers	0.38	0.80	0.53
Fish / shrimp/squid/clams	3.06	4.40	3.55
Meat	2.30	1.94	2.17
Eggs and milk	3.06	2.79	2.96
Vegetables	3.01	4.75	3.65
Nuts	0.97	1.30	1.09
Fruits	2.05	2.02	2.04
Oil and coconut	1.06	1.84	1.34
Drink materials	1.34	2.30	1.69
Seasonings	0.79	1.28	0.97
Other consumption	0.89	1.19	1.00
Instant Food and Drink	15.22	12.27	14.14
Cigarettes	5.45	8.91	6.72
Total	44.57	55.83	55.83

Consumption of cigarettes will cause the allocation of expenditure to buy basic family staple food to reduce. This is evidenced from the Central Bureau of Statistics data in 2016 which shows that the average percentage of cigarettes per capita expenditure per month by category of goods occupies the third position of 6.72% after finished food and beverages (14.14%) in the first position and rice (6.82) in the second position. From the data,

it can be concluded that Indonesian society prioritises purchasing cigarettes compared to other staple foods containing protein, nutrients and vitamins that are useful for the body such as meat, fish, vegetables, fruits, tubers and so on. Household conditions with inadequate food intake and other basic necessities that are set aside for the purchase of cigarettes will cause the welfare of families to deteriorate. Thus, people are caught in poverty.

Consumption of cigarettes can cause low public health status. Smoking habits have been shown to be the cause of approximately 25 types of diseases that attack various organs of the human body. These diseases include mouth cancer, oesophagus, pharynx, larynx, lung, pancreas and bladder. Also found are chronic obstructive pulmonary disease and various other pulmonary diseases, namely disease of the blood vessels.

Consumption of cigarettes causes the death of more than five million people in the world each year or the equivalent of one death every six seconds. The suffering caused by cigarettes will cause the cost to finance the disease treatment to increase which will increase household expenditure. Cigarettes not only exacerbate the poverty of the users, but, in general, cause a huge financial burden for the country. At the national level, the costs incurred by tobacco use include increased health financing, loss of productivity as a result of illness and death of productive age, declining foreign exchange rates and environmental damage. The state bears the burden of health financing and enormous productivity loss as a result of illness and premature death from tobacco use. In developed countries, the annual health costs associated with tobacco use range from 6% and 15% of total healthcare costs. In

China, a study in the mid-1990s estimated direct and indirect health costs as a result of smoking was US \$6.5 billion per year. While, in Egypt, the direct annual cost of treatment for diseases caused by tobacco use is estimated at US \$545.5 million. If the trend of tobacco use is not decreased, it is estimated that 650 million people from the world population will now die from tobacco, and half will die in their productive age, losing 20 to 25 years of their lives. The occurrence of disease will lead to reduced revenue due to decreased productivity and accidents. Conversely, there is increased spending to treat diseases caused by cigarette consumption, which will further increase the occurrence of poverty.

5 CONCLUSION

Based on the data analysis by using qualitative method, it can be concluded that the poverty trap caused by cigarette consumption is illustrated in the behaviour of the people who prioritise cigarette purchase compared with the basic needs that can support their welfare. Consumption of cigarettes can lead to low health status due to the emergence of various diseases. Consequently, there is an increase in spending to finance the treatment of such diseases. The suffering will result in decreased productivity and even death. This incident causes costs to increase and income to decrease. Thus, there is a poverty trap.

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