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Tob. Control 2007;16;38-46
doi:10.1136/tc.2006.017350

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Death at a discount: how the tobacco industry thwarted tobacco control policies in US military commissaries

Elizabeth A Smith, Virginia S Blackman, Ruth E Malone

Background: The US military is perhaps the only retailer consistently losing money on tobacco. Military stores (commissaries and exchanges) have long sold discount-priced cigarettes, while the Department of Defense (DoD) pays directly for tobacco-related healthcare costs of many current and former customers. Tobacco use also impairs short-term troop readiness.

Objective: To examine the long struggle to raise commissary tobacco prices and the tobacco industry’s role in this policy effort.

Methods: Analysis of internal tobacco industry documents, searches of government and military websites and newspapers databases, and interviews with key informants identified in the documents.

Results: Efforts to raise commissary tobacco prices began in the mid-1980s. Opposition quickly emerged. Some military officials viewed tobacco use as a “right” and low prices as a “benefit”. Others raised issues of authority, and some saw the change as threatening the stores. The tobacco industry successfully exploited complex relationships among the Congress, the DoD, commissaries, exchanges and private industry, obstructing change for over a decade. Leadership from the Secretary and Assistant Secretaries of Defense, presidential support and procedural manoeuvring finally resulted in a modest price increase in 1996, but even then, high-level military officials were apparently threatened with retaliation from pro-tobacco Congressmen.

Conclusions: The longstanding military tradition of cheap cigarettes persists because of the politics of the military sales system, the perception within the military of tobacco use as a right, and tobacco industry pressures. Against its own best interests, the US military still makes tobacco available to service members at prices below those in the civilian sector.
Opponents of the bill. The Tobacco Institute drafted letters to be sent to Congress. Amid concerns that changes to the commissary system threatened individual or agency authority, the tobacco industry exploited the lack of unanimity among various branches of DoD, Congress, commissaries and exchanges. Between 1985 and 2001, both DoD and Congress repeatedly attempted to increase commissary cigarette prices (table 1). Until 1996, these efforts were thwarted by tobacco industry opposition and division and ambivalence in both DoD and Congress. Amid concerns that changes to the commissary system threatened individual or agency authority, the tobacco industry exploited the lack of unanimity among various branches of DoD, Congress, commissaries and exchanges.

Congressional efforts
Congressional efforts to raise commissary cigarette prices began in 1985, when Senator David Boren (Oklahoma) proposed increasing them to civilian levels. Senator Ted Stevens (Alaska) amended the proposal, eliminating US$77 million of the commissaries’ US$600 million appropriation, in expectation of higher revenues that would result. Boren and Stevens reasoned that this would both enhance commissary revenues and reduce the need for commissary funding, he argued, violated commissaries’ purpose: to provide discounted commodities. By artificially increasing cigarette prices to compete with—the commissaries of other services sell cigarettes only in exchanges, which would raise prices somewhat and increase MWR funding. Weinberger acknowledged that higher prices could reduce consumption by 8–10%, and that there were “inconsistencies” in DoD selling discounted “products” that we know are injurious to health. However, he again declined to raise prices or remove cigarettes from commissaries or exchanges.

A legal memo to the Tobacco Institute reported that “products that we know are injurious to health” was “highly preferable to an anticipated smoking ban or price increase”. A DoD directive 1010.10, establishing an “aggressive anti-smoking campaign” was “aimed primarily at DoD personnel”. Philip Morris and the Tobacco Institute found Weinberger’s action “highly preferable to an anticipated smoking ban or price increase”. A legal memo to the Tobacco Institute reported that “individuals who were privy to the activities” of the military committee that oversees commissaries believed the promotion restrictions were an attempt “to forestall the inevitable”. By reducing cigarettes’ visibility, they might avoid measures “which would have the potential of crippling cigarette sales”. According to the memo, the committee believed that the restrictions would not adversely affect sales.

In late 1986 the industry’s Congressional allies inserted into the defense authorization bill language precluding DoD from banning cigarette sales or increasing prices in commissaries without Congressional approval. The Tobacco Institute reported that this was “pushed through gently and quietly” by Representative Dan Daniel (Virginia)—so quietly that 2 years later the Tobacco Institute believed that Congressional supporters of price increases were “not aware of it yet”. Independent DoD action was thereby constrained, and the industry had only to monitor Congress, where it had many allies.

Resistance to price increases
Efforts to raise prices continued through the late 1980s and early 1990s. Philip Morris responded by enlisting allies
concerned about commissary issues generally. Philip Morris and the Tobacco Institute created the “Military Coalition”, including organisations of military officials, retirees, families and others. In April 1987 the Coalition held a Capitol Hill briefing, attended by more than 70 Congress persons, staffers and reporters. The Tobacco Institute paid all costs, totalling US$10 000. Tobacco pricing was mentioned but, as planned, it was “postured as one of many issues of concern”. A briefing transcript does not mention the Tobacco Institute’s role. In 1988 the Tobacco Institute organised a Coalition press tour, again concealing industry involvement.

The industry and its allies repeatedly argued—particularly in communications to service members—that raising commissary prices constituted an “erosion of benefits”. Surveys of military beneficiaries, paid for by Philip Morris and the Tobacco Institute, were carried out by third parties appearing to be unconnected to the tobacco industry, such as Military Lifestyle magazine and Exchange and Commissary News. The surveys aimed to persuade service members that increased cigarette prices threatened commissary survival, stating, “[T]his issue will impact on everyone who shops at commissaries.”

The Army also used “benefits” language, as did DoD, which claimed that raising cigarette prices “reduced the compensation benefit”. They were concerned about not providing tobacco to service members and about economic repercussions. The House Armed Services Committee (HASC), which oversaw commissaries, believed non-tobacco revenue would be lost if patrons, no longer drawn by cheap cigarettes, shopped elsewhere. (Members from tobacco-producing states were over-represented on the Committee.) The tobacco industry claimed that higher-priced cigarettes would cause shoppers to “become indifferent about where to purchase groceries”, thus reducing commissary patronage. DoD projections also assumed reduced commissary patronage. Higher-priced cigarettes would cause shoppers to “become indifferent about where to purchase groceries”, thus reducing commissary patronage. Higher-priced cigarettes would cause shoppers to “become indifferent about where to purchase groceries”, thus reducing commissary patronage. The belief that lack of tobacco products would damage the military market was contradicted by the successful, traditionally tobacco-free Navy and Marine Corps commissaries.

DoD’s internal conflict
DoD was not unified in its tobacco pricing position. Although health officials supported increases, many resale system personnel opposed them. In 1986, Assistant Secretary of Defense for Force Management Policy Anthony Lukeman, who was in charge of commissaries, told Military Market that rather than raising prices, it would be better to sell cigarettes only in exchanges. However, Tobacco Institute Legislative Representative Rita Walters described this as a “fallback” position, taken “so as not to totally lose the revenues generated by tobacco sales.” The Office of the Secretary, she told Tobacco Institute executives, “will not push this alternative unless forced.”

In 1987 Walters and Tobacco Institute attorney Jim Juliana met with the heads of the commissary and exchange systems; all (except the Air Force commissary commander, who was non-committal) supported the status quo. All the exchange services leaders opposed raising prices on any single item. One of them saw selling tobacco as a “freedom of choice” issue. Others believed that cheap cigarettes drew customers, and one mentioned that the tobacco companies paid for shelf space.

An Air Force memo illustrates the services’ internally contradictory positions. It suggested “more aggressive anti-smoking” education to “reduce smoking”, but opposed price hikes that might “jeopardize sales”. A 1990 Army report admitted that tobacco’s costs to the military healthcare system far exceeded the revenues it brought, but voiced reluctance to stop selling it because “sales will simply shift to the civilian sector, taking their revenue production with them.”

Directive 1010.10 initiatives also were used to argue against price increases. Less than a year after 1010.10 was released, the Air Force reported that smoking prevalence had reduced from 39% to 31%, although only one third of personnel were even aware of the new programme and only 6% had attended training. The same survey reported that smokers claimed they “could not be influenced to quit by raising prices”. The Army and Representative Daniel said in 1987 that, since 1985, smoking prevalence had been reduced from 52% to 41%, therefore no further action was needed.

Table 1

<table>
<thead>
<tr>
<th>Year</th>
<th>Source</th>
<th>Proposal</th>
<th>Response</th>
<th>Outcome</th>
</tr>
</thead>
<tbody>
<tr>
<td>1985</td>
<td>Congress; Senators David Boren (D-OK) and Jeff Bingaman (D-NM)</td>
<td>Raise prices to civilian levels</td>
<td>Industry organised lobbying efforts by military resale system, groups of veterans and service members; opposition from Secretary of Defense</td>
<td>Failure of bill; DoD instructed to investigate effects of prices, report to Congress by 1 April 1986</td>
</tr>
<tr>
<td>1986</td>
<td>Department of Defense; Secretary of Defense Caspar Weinberger</td>
<td>Health Promotion Directive 1010.10</td>
<td>Pricing policies delayed; industry relieved</td>
<td>Goals set for reduction of use; no change to pricing</td>
</tr>
<tr>
<td>1986</td>
<td>Congress; Senator Bingaman</td>
<td>Raise prices to civilian levels</td>
<td>Industry organised Military Coalition for lobbying purposes</td>
<td>Failure of bill; industry allies pass law prohibiting DoD from raising prices without Congressional approval</td>
</tr>
<tr>
<td>1988</td>
<td>Department of Defense; Secretary of Defense William H Taft</td>
<td>Raise prices in exchanges; remove tobacco from commissaries</td>
<td>Congressional opposition</td>
<td>Policy not implemented</td>
</tr>
<tr>
<td>1989</td>
<td>Congress; Senators Boren and Bingaman</td>
<td>Raise prices to civilian levels</td>
<td>Industry opposed; activity unknown</td>
<td>Failure of bill</td>
</tr>
<tr>
<td>1991</td>
<td>Congress; Senator Bingaman</td>
<td>Raise prices to civilian levels</td>
<td>Industry and military resale system representative lobbied in opposition</td>
<td>Failure of bill</td>
</tr>
<tr>
<td>1993</td>
<td>Congress; Senator Bingaman</td>
<td>Raise prices to civilian levels</td>
<td>Industry opposition, military resale system representative lobbying in opposition</td>
<td>Failure of bill</td>
</tr>
<tr>
<td>1996</td>
<td>Department of Defense; Assistant Secretary of Defense Frederick Pang</td>
<td>Have commissaries sell tobacco products on consignment for exchanges, at exchange prices</td>
<td>Opposed by services, industry and House Armed Services Committee; support of executive branch</td>
<td>Policy implemented</td>
</tr>
<tr>
<td>1998</td>
<td>Congress; Senator John McCain</td>
<td>Raise prices to local prevailing prices</td>
<td>Opposed by military resale system and industry</td>
<td>Failure of bill</td>
</tr>
<tr>
<td>2001</td>
<td>Department of Defense; Secretary of Defense William S Cohen</td>
<td>Directive 1330.9; raise prices to within 5% of local civilian price</td>
<td>Unknown</td>
<td>Policy implemented</td>
</tr>
</tbody>
</table>

Health and readiness
The Directive 1010.10 report mentioned that smoking decreased the physical fitness of personnel, but DoD rarely emphasised...
this. The industry’s Congressional allies took advantage of this omission. Representative Daniel claimed that unidentified “scientists” agreed that in the stressful environment of war, “the positive effects [of smoking] offset the negative.” Senator Mitch McConnell (Kentucky) asserted in 1991 that there was “no proven link between smoking and reduced productivity” although he used a civilian study, which did not assess fitness, as evidence. Military newspapers, including the *Stars and Stripes* and *Army Times*, sometimes mentioned the troop readiness issue, but it played a minor part in pricing debates.

**Turf wars**

Another obstacle to policy change was that Congress and multiple DoD offices were involved. Congress, particularly the HASC, tended to be sympathetic to the tobacco industry. The industry regarded as “reliable allies HASC members Representatives Daniel and Marvin Leath (Texas) and their staffer, Will Cofer.” A Tobacco Institute official called Cofer “one of the driving forces that kept tobacco products for sale in military stores.” Whether the issue was truly tobacco or Congressional authority, the HASC repeatedly blocked DoD efforts to raise prices.

For example, in 1988, Deputy Secretary of Defense William H Taft attempted to increase prices in exchanges and ships’ stores to commercial levels and prohibit commissary tobacco sales. (Whether he did so in ignorance or defiance of the bill reserving this power for Congress is unknown.) The Tobacco Institute predicted, correctly, that the MWR panel of the HASC would “not be pleased that DoD has bypassed Congress.” Panel member Leath circulated a letter to the Secretary of Defense opposing the policy, signed by 92 members of the House, including his HASC colleagues, and 16 Senators. Letters from the House warned that such change would “irreparably harm our mutual interests”, and referred to “Congressional prerogatives”. Senators described the policy as “circumventing the will of Congress”. Tobacco Institute President Frank Resnik, pleased with this reaction, thanked Senator Warner for his “forceful leadership role” on the issue. The policy was not implemented.

**Incremental change in the military**

Military tobacco control efforts expanded in the next decade. The Surgeons General of the services more aggressively promoted healthier environments. A 1994 DoD Directive made military workplaces smoke free. The tobacco industry was frustrated by decentralised tobacco control initiatives. Tobacco Institute’s Rita (Walters) O’Rourke wrote of naval commanders ordering smoke-free ships, “we can expect continued proliferation of different policies about the sale and use of tobacco products aboard ships and Navy exchanges [sic] without anyone being ‘responsible’ for such policies”. However, the industry also sometimes effectively stymied such individual initiatives (see case study: countering cessation messages in commissaries).

**Military health leadership**

In August 1996, Assistant Secretary of Defense for Force Management Policy Frederick Pang, urged by Assistant Secretary of Defense for Health Affairs Stephen Joseph, announced that on 1 November commissary cigarette prices would rise to the marginally higher, although still discounted, exchange prices. In a procedural end run around the law forbidding raising commissary prices without the approval of the Congress, the policy required commissaries to sell cigarettes on consignment for exchanges. Thus, commissaries would continue to stock cigarettes but exchanges would set prices, keeping commissaries nominally in compliance with laws prohibiting them from unilaterally removing products or raising prices.

In August 1996 the Congressional Budget Office produced a report supporting Pang’s policy, which noted that commissary patrons saved disproportionate amounts on tobacco: about 41% vs 28% on other goods. In addition, an Inspector General’s report found that tobacco-related healthcare and lost productivity costs totalled 8 times the revenue tobacco products generated.

Still, even advocates of price increases such as Pang and Steve Rossetti, Executive Director of MWR and Resale Activities, opposed removing tobacco from commissaries and exchanges. Pang thought service members “should have the ability to purchase whatever ... they would like to consume”. Rossetti said subsidised tobacco was “inconsistent” with DoD health goals, but eliminating tobacco would have been “treating military different from” civilians, who could conveniently buy cigarettes.

**DoD and industry response**

Pang’s policy was opposed by the Assistant Secretaries of Manpower at all three services. They argued, again, that it would erode benefits, and warned of lost MWR income. However, Pang noted in an interview that eventually “certain groups” in DoD “acquiesced” to the new policy. Their acquiescence may have been affected by an *Army Times* article reporting that the tobacco companies had been planning to raise prices themselves. Philip Morris described this proposal as an attempt to be “helpful” to DoD’s efforts to “address the issue of deeply discounted tobacco products”. However, under DoD policy, increased profits went to the MWR programmes, whereas the companies’ planned price increase meant that “tobacco companies would have pocketed the extra money”. Philip Morris denied such intentions, claiming that “additional revenues generated by increased prices would accrue” to the military, although how this would happen was not stated.

Despite their own plans to raise prices (which Philip Morris reportedly told DoD “may not require legislative action”), tobacco companies claimed that Pang’s policy “violate[d] the law”, and thwarted Congressional oversight. Some Congressional representatives also asserted that the policy contravened the 1986 law. The MWR panel of the HASC accused DoD of “damage[ing] a heretofore productive working relationship”, and expressed “hope ... that specific legislation would not be necessary”. Oddly, the panel objected even though Pang’s policy increased MWR funding, the panel’s ostensible priority.

But by 1996, the industry had fewer allies. An association of wholesalers to the military, which previously opposed price increases, now declined to take a position, calling the new policy “the best of a worst case scenario in that tobacco is still available at reduced prices”. In addition, Pang was supported by both Secretary of Defense William J Perry and the Clinton White House. Nevertheless, Pang later described his decision to implement the policy as “putting all five fingers of one hand into the pencil sharpener”, whereas Rossetti said, “when we did it, we put our fingers in our ears and shut our eyes, because we knew that there was a very powerful [tobacco] lobby”. The MWR panel framed the issue as a matter of oversight, but the *New York Times* reported that 11 of 12 members of the panel took tobacco money. After the issue was raised, panel chairman John McHugh (New York) returned a $500 contribution from tobacco company Brown & Williamson. However, the panel could not stop Pang without the entire HASC, which
declined to act before Congress adjourned. He conceded that commercial retail prices (this figure probably includes taxes). He found that cigarettes at exchanges could cost less than half the problems'' as another advantage. A Pentagon spokeswoman support the Pentagon.'' took a vote on this committee, I would be surprised if we didn’t take a vote on this committee, I would be surprised if we didn’t support the Pentagon.”

Representative McHugh demanded that Pang not implement the policy, according to an industry memo, Pang replied that no dangerous precedent was being set because “the reasons for our tobacco policy do not apply to any other commissary products”. The industry memo interpreted this as Pang telling the panel “to pound sand”. Furthermore, Pang told McHugh and the New York Times that if the commissary and exchange systems did not implement the policy, all tobacco products would be removed from commissaries.

On 1 November price increases were finally implemented, apparently with no ill effects. There were no reported efforts by patrons to stock up before prices rose. A draft PM press release claimed that the policy was “met with outcries of disapproval from affected military personnel”, but a later version carried the notation, “please substantiate or delete—articles do not show this”. DoD’s public communications about the new policy focused on health. Pang said, “We are taking this step to enhance our personnel readiness.”

The Health Affairs Secretary cited reduction of “lost time and associated costs due to medical problems” as another advantage. A Pentagon spokeswoman said, “asking taxpayers to subsidize tobacco products and pay for the health problems” resulting from their use was “hitting the public with a double whammy”. The Inspector General’s report of December 1996, The economic impact of the use of tobacco in DoD, found that in FY95 DoD made US$103 million from tobacco; however, healthcare and lost productivity cost US$930 million. The report also found that cigarettes at exchanges could cost less than half the commercial retail prices (this figure probably includes taxes). Despite Directive 1010.10’s longstanding policy of prohibiting promotions primarily directed at military personnel, discount coupons were available as much as five times more often at exchanges than at civilian stores.

HASC retaliates
On 20 March 1997, the HASC MWR panel held a hearing on commissary pricing. McHugh emphasised that the problem was “[in]sufficient congressional consultation”. Pang recalled that the panel was “very careful about saying ‘this is not about tobacco’”, but said when he heard this, “I would just smile, because it was about tobacco, for crying out loud.”

Pang told the panel that the “fundamental principles” guiding his decision were “taking care of our people [ie, servicemembers], fairness to our people, and taking care of our taxpayers”. He raised the “serious readiness concerns” of the Secretary of Defense for Health Affairs and the Surgeons General of the services and also referred to the health costs found in the Inspector General’s report. He pointed out that the new policy meant increased MWR funds, which was seconded by the Commander of the Army and Air Force Exchange Services. The panel was not mollified.

At the hearing, Congressmen Norman Sisisky (Virginia), Walter Jones (North Carolina) and Saxby Chambliss (Georgia)—all tobacco-growing states—objected to Pang’s actions. Sisisky threatened to establish new rules preventing Pang from taking such action again. Chambliss accused Pang of “operating outside the law”. He conceded that although the panel might not be able to reverse Pang’s tobacco policy, if Pang attempted to raise prices on other products without Panel approval, “you are going to get called not just on the carpet, but before some higher authority”. Chambliss also attempted to extract from Pang assurance that he would not restrict tobacco promotion. Pang said he had not seen the proposed policy.

Although Pang’s critics emphasised his violation of their authority, they also had other objections. Sisisky and Chambliss both invoked the fear that tobacco was just the beginning of higher prices in the commissary. Pang’s assertions about health and readiness were also challenged. Chambliss was “just appalled” by these arguments, saying, “I don’t know of any battle we have ever lost because somebody was smoking a cigarette along the way.” McHugh argued that if health was the real concern, removing tobacco from the commissaries altogether would make more sense—however, he hastened to add, he was not arguing for that.

McHugh and Jones were also strangely concerned about the economic implications. McHugh argued that commissaries would lose money if not allowed to sell tobacco on their own behalf (rather than for the exchanges), and Jones worried about the “loss of sales” from higher prices (although he and Chambliss also insisted that the policy would not actually reduce smoking). Pang pointed out that as the commissaries priced goods only to cover costs, not to generate revenue, ceasing to sell tobacco did not hurt them. And he reminded Jones that exchanges, and hence the MWR fund (the panel’s chief focus), profited from the new policy as all military cigarette sales now accrued to them.

McHugh claimed that the true issue was not tobacco, but procedure. Although Pang believed that “deep down inside they knew this was the right policy”, he regarded the hearing as political theatre, staged for tobacco industry lobbyists. At the hearing, Pang later said, “I was chastised ... I could hear the snickers [of tobacco lobbyists] behind me ... I think they were the ones that got these guys to have this hearing.” Pang conjectured that some representatives thought of the tobacco lobby, “these guys, they contribute ... they wanted me to take this guy, take him over the coals. I did. I got my contribution. Let’s move on.”

However, McHugh continued efforts to rein in Pang’s tobacco control efforts. In early June, Pang wrote to McHugh, reminding him that Chambliss had objected to a proposed tobacco merchandising memorandum. At the time, Pang had not yet seen the memo, but now, he informed McHugh, he “found the proposed policy to be appropriate.”

Perhaps provoked by Pang’s continued independence, on 19 June the House National Security subcommittee, chaired by McHugh, inserted language into the defense authorisation bill “shifting responsibility for overseeing the military stores from Pang’s force management office to the comptroller.” This would have eliminated Rossetti’s job. McHugh claimed this was “an attempt to respond better to MWR programs”, but Pang and others said it was “retaliatory” and didn’t “make any sense”. Military families, whose interests the panel claimed to be protecting, opposed it. Ultimately, the Senate did not approve the change.

Vindication
Commissaries and exchanges survived the cigarette pricing change. In 1998 the Under Secretary of Defense for Personnel and Readiness testified that the price increase had reduced sales by 27%. However, revenues had increased by US$75 million—almost exactly what Stevens had estimated more than a decade previously.

That year, Senator John McCain (Arizona) proposed that tobacco be sold at local civilian prices. Again, the tobacco industry and military retail system successfully opposed the measure. However, in 2001, DoD Directive 1330.9 established that tobacco prices on US bases should be “no lower than 5 percent below the most competitive commercial price in the...
local community. Overseas prices were to be “within the range” established at US bases. Today, commissary purchases are still free of state or local tobacco taxes, which range from US$0.01 to $2.46, so actual savings may remain >5%.

Discuss

The military is unique as a tobacco retailer: it pays for the health consequences of tobacco use for many of its customers, making it perhaps the only tobacco retailer consistently losing money. Unlike most retailers, the military has a special interest in its patrons, whose fitness is necessary to the military’s mission. In fact, in 1983, DoD raised exchange liquor prices to discourage drinking. In 1998, DoD and the services successfully opposed selling beer and wine in commissaries, arguing that this policy would reduce MWR funds from exchange sales, and would counteract their efforts to deglamourise alcohol use. In 1999 “adult publications” were removed from Marine exchanges. However, selling tobacco was described by these authorities as a “responsibility” and using tobacco as “an inherent, legal right”.

Despite implementation of other tobacco control policies, such as clean indoor air in workplaces, the military has done little about its role as tobacco supplier. This may be partly because of ambivalence towards tobacco use in both DoD and Congress. DoD’s interest in a healthy force and lower healthcare costs led some to promote increased prices as a tobacco control measure. But others within DoD saw increased prices as a threat to a resale system that was already under scrutiny and possibly in danger of dissolution. In addition, even supporters of tobacco control measures sometimes still perceived cigarettes as a promised “benefit” to service members. A similar schism existed in Congress, where some saw higher prices as a tobacco control strategy, and some also saw them as a way to substitute tobacco profits for appropriated funds, feeding anxieties about declining financial support for commissaries.

The tobacco industry uses these divisions to keep the price of cigarettes in commissaries low. The industry’s power over Congress is shown by its alliance with the HASC and MWR panel, the bodies responsible for military oversight. Proposals to raise prices in commissaries—particularly, proposals to sell tobacco only in exchanges or on behalf of exchanges—promised to improve service members’ health by discouraging smoking and to raise additional MWR funds for quality of life services. Still, the MWR panel consistently and vigorously opposed the policies.

Without policy entrepreneurship and determination from those at the highest ranks, efforts to raise prices were consistently stymied by the industry, pro-tobacco members of Congress and the military sales system. After more than 10 years of struggle, DoD health leaders had to resort to procedural manoeuvering to institute even modest tobacco price increases.

This case shows that unanimity of purpose is critical to successful tobacco control policy making in the military. Ideally, the top of the military hierarchy should be supportive. The Secretary of Defense and White House oversee the military and its budget as a whole, and thus should be aware of the cost of tobacco use to healthcare and personnel readiness. At lower levels, the losses may not be obvious—for example, tobacco use does not directly harm the resale system. High-level advocacy also facilitates compliance and could enable DoD to confront tobacco industry allies in Congress. Pang had the approval of the Secretary of Defense and the White House; thus he was able to raise prices despite fierce industry-allied opposition.

Support from multiple parts of the military bureaucracy, not only DoD health components, is also important. Tobacco control efforts were thwarted with the collusion of the commissary and exchange systems. Policies might be more easily implemented by enlisting those in the resale bureaucracy, possibly through clear directives and incentives. Tobacco control programmes should be part of judging base performance.

Support from civilian public health advocates is critical, particularly with Congress. Tobacco control advocates and military health personnel should focus attention on health (not commissaries) and challenge the notion that the availability of cheap tobacco is a benefit to service members or to the country. Members of Congress who defy the tobacco industry need support from voting constituents. Publicising the short-term negative consequences of smoking to troop health and readiness, and the “double whammy” to tax payers of sales subsidies and ensuing health costs, may help advocates frame the issue in future debates.

The longstanding military tradition of cheap (or free) cigarettes persists because of the politics of the military resale system, the perception within the military of tobacco use as a right or benefit, and tobacco industry pressure, particularly over Congress. Those responsible for this situation often view it narrowly, putting them at cross purposes. The tobacco industry effectively exploits their differences. Against its own best interests, the US military still makes discount-priced tobacco available to service members.

Case study: countering cessation messages in commissaries

US representative Dan Daniel (Virginia), long-time House Armed Services Committee (HASC) member, told Secretary of Defense Caspar Weinberger in February 1987 that “signs over displays of cigarettes suggesting that shoppers not purchase” them were “not acceptable.” However, in March 1987 General M Gary Alkire, Air Force Commissary Agency Commander, adopted an American Cancer Society “shelf talker” programme, displaying anti-tobacco messages on tobacco shelves. The messages were designed for Air Force personnel—for example, “aim high–stop smoking.”

What this paper adds

- Tobacco use by US military personnel exceeds civilian rates, decreases troop readiness and increases healthcare costs; thus, the US military has attempted to discourage use through numerous tobacco control policies over the past two decades.
- However, the military resale system continues to sell tax-free cigarettes to personnel, and, until recently, at a substantial discount.
- No previous studies have sought to explain this contradiction.
- Between 1985 and 1996, numerous efforts were made by members of Congress and the Department of Defense to raise tobacco prices in military stores.
- However, opposition came from military leaders who believed smoking was a “right”, from those who feared change to the military resale system, and from the tobacco industry and pro-tobacco members of Congress.
- Top-level leadership and procedural manoeuvering resulted in modest price increases in 1996 and further increases in 2001.
- Institutional unanimity and support from leaders is crucial to defeat the tobacco industry, even for an institution as powerful and motivated as the US military.
response, the Tobacco Institute sent questions to HASC staffer Will Cofer, who forwarded them to Alkire on Committee stationery. Many of the questions were confrontational—for example, “what legitimate right” Alkire had to “allow anti-tobacco/anti-smoking lobbying groups to advertise against tobacco?” Alkire defended the programme, noting that it cost almost nothing, as the Cancer Society provided materials.

Information about this conflict reached other military administrators. One general “noted his awareness” of the letter to Alkire and “candidly remarked he hoped he would never receive” one like it, while worrying that the shelf talkers programme would become mandatory. When Alkire raised his problems at a Commissary Executive Board meeting, members complained that Alkire had not consulted them. According to a Philip Morris report, “the attitude was ... you got yourself into this mess, now get out of it by yourself”. Alkire recollected that he had not asked his command to support the programme, trying not to “put the Air Force in the middle of the argument”.

The HASC placed a hold on construction of two Air Force commissaries. According to Tobacco Institute Legislative Representative Rita Walters, no service had ever been singled out for such treatment. Walters reported two phone calls from Alkire, one explaining the shelf talkers “and one to ask that I explain his actions to the HASC and let them know he is planning to discontinue the program at the end of September”.

In July Representative Daniel reportedly phoned Walters, saying that he had “gone to a very high level official” about the shelf talkers and that “our problems with the Air Force have been resolved”. Although the programme lapsed without announcement, Walters noted that the other services and the Office of the Secretary of Defense were “fully aware of actions taken by the HASC”. In 2005, Alkire suggested that the HASC may not have been responding directly to his request.

ACKNOWLEDGEMENTS
We thank David Blackman, Vera Harrell, Patricia McDaniel, Keith Haddock, Carlos Poston, Harry Lando, Teresa Scherzer and Irene Yen for their help and comments.

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Funding: This study was supported by the National Cancer Institute (grant # CA109153).

Competing interests: REM owns a share each of Philip Morris (Altria) and Reynolds American stock for research and advocacy purposes.

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