

# [Higher cigarette taxes make smokers happier](https://assignbuster.com/higher-cigarette-taxes-make-smokers-happier/)

Higher cigarette taxes make smokers happier Cigarette smoking is the most addictive practice in the world. This is given more credence by the factthat it contains Nicotine which has high addictive power. Despite the fact that it has been proven overtime that Cigarette has an exceptionally high incidence of disease and death, yet, it gain nothing less than 3000 new converts daily! In 1988, The U. S Surgeon General's report concluded that " Cigarettes and other forms of tobacco are addicting . . . and nicotine is the drug in tobacco that causes addiction. The epidemic of addiction to nicotine among people has enormous consequences for public health. Each year in the United States, more than 400, 000 smokers die of smoking-related illnesses. Smoking kills more people than AIDS, car accidents, alcohol, homicides, illegal drugs, suicides, and fires combined! Diseases associated with smoking include heart disease, lung cancer, chronic bronchitis, and emphysema. Smokeless tobacco is linked to oral cancers and can cause tooth abrasion, gum recession, and leukoplakia. Yet, despite these frightening and startling revelations, people still persists and the few that quit are replaced in many folds by new entrants. This inevitably leads to the question of what could be done to control cigarette consumption by Government in view of the challenges it poses to public health and the Nation manpower development.
Government all over the world has toiled with the idea of levying high tax on tobacco products like cigarette in a bid to discourage its consumption. However, whether this has been achieved or not is evidenced in the increase turnover of Tobacco companies. Consider the scenarios below which tend to provide more insight into the effect of higher taxes on the average smoker.
Adeolu is 47 years old. He has been smoking cigarette for the past 30 years. He is educated and enlightened and also averagely comfortable making him aware of the dangers inherent in smoking cigarette and the high casualties it has recorded in the world overtime. He said that he has tried 15 times to stop smoking cigarette without success. He revealed that the first time he heard of higher tax on cigarette, he felt actually happy that maybe the time has come for him to quit knowing fully well that as a rational being, he will at least reduce consumption as a prelude to outrightly stopping it. However, his initial happiness was short-lived and represented by another form of happiness that could only be derived from nicotine. He summarized that after fluttering for about 3 to 4 days; His initial happiness waned and was replaced by sadness. He felt bad about the authorities for trying to control people from taking what they want to take. By the end of the week, he has become happy again as he has adjusted his income and spending to accommodate his cigarette consumption level.
James Aslye, an Irish believe that increasing the tax on cigarette will make him happy but not in the context of the happiness contemplated by policy makers which is directed towards discouraging him from smoking. A 69 year old pensioner who has been smoking since his teenage days, he opined that the only reason why he is happy when the price of tobacco increases(the effect of high price)is because of the fact the tobacco companies are doing well and fine. They are breaking-even and that he is contributing to creating employment for many people and putting food on the table for many families. He reacted to the question of risks associated with cigarette smoking by saying that everyone and every body in the world will have to die of something. Whether you smoke or you don't smoke. He ensued further that disease or dying is not the exclusive preserve of cigarette smokers.
Aslye's position would better be appreciated if one understands his background. He would be 70 next year and he has no evidence of any chronic disease or affliction troubling him. Apart from looking a bit frail which he said is due to the culture of regular exercising he has cultivated since childhood, he look hale and hearty. That is why he is considered to be an isolated case of luck.
Thus, one can safely conclude that higher cigarette taxes tend to make smokers happier. Jonathan Gruber of MIT and Sendhil Mullainathan of Harvard University captured the whole essence of smokers happiness in relation to high cigarette tax when they concluded after research conducted in U. S and Canada that Some policy makers has justify cigarette taxes by arguing that they actually make smokers better off. This argument has been hard to evaluate because behavioral data, such as that showing reduced cigarette consumption following a tax hike, cannot resolve the issue of whether smokers are made better off by the reduction or not. In the research, they directly assess the effect of cigarette taxes on well-being, using subjective well-being data. We model the differential impact of excise taxes on those with a propensity to smoke, relative to others, in order to control for omitted correlations between happiness and excise taxation. Using US data on happiness and state-level changes in excise taxes, they found consistent evidence that excise taxes make those who have a propensity to smoke happier. To assess robustness, they repeated the exercise using Canadian data, which has independent information on well-being and also much larger tax changes, and found the exact same pattern. Moreover, these impacts are present for cigarette excise taxes, but not for other excise taxes. These results suggest that the welfare effects of cigarette taxation are far more complex than simple rational economic models might predict
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