

- ISSUE BRIEF -  
**THE TOBACCO INDUSTRY'S USE OF  
CORPORATE SOCIAL RESPONSIBILITY  
RHETORIC & TACTICS**

*This issue brief details why the tobacco industry engages in corporate social responsibility programs and how such programs actually facilitate the industry's evasion of responsibility.*

## **THE ISSUE**

Corporate Social Responsibility has become a potential path to legitimacy and improved public relations for both companies that produce mainstream products and those that sell vice, such as the tobacco industry. Since the early 1990s, the tobacco industry in particular has sought to bridge the gap between the perception it has earned as a merchant of death and its goal of gaining corporate legitimacy and normality by promoting programs, positions and policies it hopes the general public will believe are aimed at preventing or mitigating some of the societal ills that smoking causes, such as addiction, youth smoking, and secondhand smoke. The tobacco industry's corporate responsibility efforts are contradicted by its continued use of personal responsibility rhetoric which aims to shift responsibility away from the corporations and back onto the public.

## **THE EVIDENCE**

### *The Industry's Image Problem*

\* The tobacco industry is keenly aware that its public image has suffered a tremendous hit over the years, and it is using corporate social responsibility rhetoric and tactics to try to repair the damage.

- The tobacco industry knows it has a negative public image as a greedy and reckless purveyor of a deadly product that denies all responsibility for the damage and injury it causes.<sup>1,2</sup>
- R.J. Reynolds public relations executive Seth Moskowitz wrote in a 1997 memo to his colleagues: "The anti-smokers have been very effective in fostering a widespread public perception of the industry as a group of two-headed, two-faced, conscience-less killers who trade lives for dollars. Nothing could be further from the truth, but the public doesn't know this."<sup>3</sup>
- An August 2001 summary of a corporate social responsibility survey Philip Morris commissioned told the company that the tobacco industry as a whole was seen as "the worst in fulfilling its responsibility to society," and that Philip Morris in particular was seen as one of the "least socially responsible . . . companies among respondents in the United States," and that its "net responsibility rating" was a minus one.<sup>4</sup>
- British American Tobacco (BAT) Chairman Martin Broughton wrote a letter to division heads on the company's corporate social responsibility strategy which stated that "[t]he group's image and reputation as an honest and open organisation have suffered recently, mainly as a result of the litigation in the U.S."<sup>5</sup> Citing what it called a "communication breakdown," a BAT presentation on corporate image strategy compared how the company was seen versus how it wanted to be seen. In the column labeled "How we are seen" was listed "Dishonest; Conspiring, greedy, exploitative; Impersonal, faceless; Uncaring, evil." The list entitled "How we want to be seen" included "Open minded; Enterprising spirit; Strength from diversity; Freedom through responsibility."<sup>6</sup>
- A 2000 survey conducted for Philip Morris on its corporate image, which canvassed the views of smokers, former smokers, and never-smokers, revealed deep distrust of the company among all of the participants.<sup>7</sup> The participants believed that the tobacco industry lies and is motivated by profit, calling Philip Morris's corporate social responsibility efforts "disingenuous, duplicitous, ambiguous and sneaky."<sup>8</sup> Asked about one

of Philip Morris's marquee corporate social responsibility programs, a youth smoking prevention initiative, the participants stated that they believed that the company was using "reverse psychology" with its youth smoking prevention programs, in order to "create a situation through which they can continue to in fact keep youths aware that smoking is a desirable activity, thereby reinforcing youthful tendencies to want to sample a forbidden fruit."<sup>9</sup> The survey report's conclusion was grim, stating:

The efforts of the PM messages about its activities and programs to portray the company and the industry in a more favorable light did not resonate with many participants. They found it incongruous to try to portray a manufacturer of an inherently 'bad' product in any kind of positive light. They believe the inherent nature of the product itself precludes the company from portraying itself as having any concern for consumers whatsoever. Based on a long history of public denial of the perils of smoking, people are suspicious and cynical about the activities of tobacco companies. People have become conditioned over time to not believe what tobacco companies say. As a result, people distrust the motives of tobacco companies. How is it possible, they ask, for a business to voluntarily discourage any consumers from using its product. . . . Therefore, attempts to present a more responsible corporate image will fall on deaf ears.<sup>10</sup>

Nevertheless, Philip Morris continues to pursue corporate social responsibility programs, including those that address youth smoking.

### ***Image Enhancement***

\* The tobacco industry uses corporate social responsibility rhetoric and tactics to try to improve its image and preserve its viability. Like many other corporations, the industry has used corporate social responsibility activities not only as a shield when publicly attacked but as a sword to try to change the perception of its very nature in order to hold on to its customer base and stave off litigation and regulation.<sup>11</sup> Only in an actual litigation setting or before a regulatory body does the industry drop the pretense that it has changed its views and practices.<sup>12,13</sup>

- The Leo Burnett advertising agency, which created the iconic Marlboro Man campaign for Philip Morris, was called in in 1999 to consult on how to improve Philip Morris's corporate image with the following mission: "We hope to change the public's perception of PM and improve the public's attitude towards our company and the people who work with it."<sup>14</sup> The agency surveyed opinions on various corporate social responsibility initiatives, including youth smoking prevention programs and the secondhand smoke accommodation strategy.<sup>15</sup> The Burnett PR agency rejected the suggestion that the company acknowledge its past bad behavior, stating that "an acknowledgement just doesn't help" because it would engender "intense negatives" and "[r]aise a negative focus on [the] past" when the public is "ready to compartmentalize and move ahead."<sup>16</sup> Taking responsibility for its past actions would be risky, considering it could imperil the industry in the litigation context.<sup>17</sup>
- A 2002 Philip Morris "Corporate Affairs Gameplan" presentation stated that "We are gaining in some areas, i.e., litigation; however, there is still anger and distrust and a lack of credibility with the public."<sup>18</sup> The 2001 working notes of Philip Morris's Corporate Responsibility Taskforce posed the question "How do we reconcile our own need to defend ourselves in litigation, with our responsible posture and positions in a way that does not leave us out of alignment again?"<sup>19</sup>
- An undated BAT corporate image presentation stated its true goal for corporate social responsibility as being much more about being allowed to do business as usual than trying to change and be a more socially conscious business: "If we can demonstrate that we are operating in a way that meets society's expectations and beliefs about how a tobacco company should operate, the controversy will subside and with it the pressure for external regulation."<sup>20</sup>

### ***Corporate Normalcy***

\* One of the tobacco industry's main objectives in launching corporate social responsibility initiatives is to "normalize" its image and fit in with the mainstream business community.

- In 1995, a Philip Morris senior vice president warned that the company needed to normalize its image through advertising or else “our products will become relegated to the same position in the society as condoms and pornography – sold in plain wrappers from under the counter.”<sup>21</sup>
- Philip Morris has employed a strategy it calls "societal alignment" not only to convince the public it has changed its business model,<sup>22</sup> but to try to proactively shape society's expectations of the type of change that is acceptable.<sup>23</sup>
- A 2001 Philip Morris corporate affairs presentation listed “attaining corporate normalcy” as key to” an environment for business success and flexibility.”<sup>24</sup> In order to achieve this goal, the presentation listed factors such as predictable/uniform regulation (presumably shaped by the tobacco industry), societal alignment, and image enhancement.<sup>25</sup> Specific corporate social responsibility programs, like youth smoking prevention and accommodation of secondhand smoke, were listed as being key to achieving the desired societal alignment and thus corporate normalcy.<sup>26</sup>
- A memo about Philip Morris’s corporate image, written in 2001, enumerated a “three-pronged communications strategy to build the [Philip Morris corporate] image,” which included “1. Shared values; 2. Responsible Marketer/Manufacturer of Tobacco; 3. Normalization.”<sup>27</sup> Explaining this concept in a speech given during that same year, Steven Parrish, Philip Morris’s Senior Vice President and General Counsel, stated:

*Recently, however, I have come to equate Societal Alignment with what I call corporate normalcy. That’s because, at the end of the day, we want to be seen as a normal corporation, one with legal, regulatory and public opinion challenges to be sure, but with challenges that are manageable and do not threaten the legitimacy of the company. For the past three years, we have been working hard to normalize our company.*<sup>28</sup>

- A 2004 presentation on Philip Morris’s corporate responsibility initiatives placed emphasis on Philip Morris taking its place among more respected corporations, and concluded that corporate social responsibility and societal alignment were key to gaining social acceptance, stating “. . . we believe this expanded corporate view of societal alignment will indeed help us on our path to ‘normalization’ because we will be taking actions beyond the sum of our operating companies and on par with other well-managed global businesses.”<sup>29</sup> The minutes of a 2001 meeting of Philip Morris’s Global Corporate Affairs Council posed the question “How will we know we’ve succeeded?” and the answer that followed was “When we are invited to the table because we are credible and they trust us. Tobacco wants to be where [the food industry] is.”<sup>30</sup> Another speech by Steven Parrish summed up the company’s challenge thusly: “We need to ensure that we are heard and that we are believed. We need to construct a platform of credibility so we can speak up, state our case, and take our rightful place in the social, political, and economic mainstream.”<sup>31</sup>

## **Personal Responsibility**

\* The tobacco companies continued to emphasize themes of personal responsibility within the context of their corporate responsibility initiatives. Usually, the companies would say they were taking responsibility for the problems smoking created, but their solution would always rely on shifting the onus of responsibility back on to the public and consumers.

“Because both addiction and youth advertising go to negating the ‘free will’ element they are particularly troubling.”

- The tobacco companies decided to begin using corporate social responsibility rhetoric and tactics to try to improve their image<sup>32,33,34</sup> and gain a measure of corporate “normalcy,” but even as they attempted to rehabilitate their image, they continued to use the rhetoric and concept of personal responsibility to deflect responsibility from themselves and back onto the general public and their customers.<sup>35</sup>
- A 1996 memo from a public opinion research and strategic message consulting firm to Steven Parrish, Philip Morris’s Senior Vice President and General Counsel, concluded that the public’s attitude that the right to smoke was an “issue of individual freedom” and “not support for the rights of tobacco companies or support of smoking” would “result in us being able to sustain our position with the public.”<sup>36</sup> The report claimed that

former smokers were strong advocates for the tobacco industry's position on personal responsibility because they felt that if they could quit, so could others.<sup>37</sup> The memo pointed out, however, that the issues of addiction and youth smoking could challenge the personal responsibility and freedom of choice argument, warning "Because both addiction and youth advertising go to negating the 'free will' element they are particularly troubling."<sup>38</sup>

- A 2000 survey on Philip Morris's attempts at improving its corporate image revealed the company's dismal image with the survey takers, but emphasized that arguments based on personal responsibility and freedom of choice still continued to garner support for the company: "Freedom of choice and free enterprise are particularly salient examples of areas where there is some residual goodwill among the public."<sup>39</sup>

## THE MESSAGE

- The tobacco industry realizes that its public image is dismal, and has turned to corporate social responsibility rhetoric and tactics to try to improve it.
- The corporate social responsibility strategy is more flash than substance, and internally the industry views it as a way of whitewashing its past bad behavior more than turning over a new leaf and changing the way it does business. Protecting profits and fighting off litigation and regulation are still more important than doing the right thing.
- The tobacco industry is concerned about normalizing its image and shedding its pariah status. It would like to fit in with other large industries and attain corporate normalcy, instead of being vilified as a purveyor of human suffering.
- The companies' corporate social responsibility programs still emphasize personal responsibility, a traditional standby which the industry has always used to absolve itself of responsibility for any negative consequences its products cause. This contradiction serves to shift the burden of responsibility back onto the public and away from the tobacco companies, an ironic but intended goal of the industry.

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### Citations

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