Tobacco Smuggling: A Review of the Literature

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Introduction

Tobacco smuggling has received considerable academic coverage and this paper seeks to bring together the dominant themes and features of the research literature by way of an introduction to this market place. The first section seeks to contextualise the rest of the article by providing a brief discussion of the alleged growing physical and economic threat of smuggled tobacco and its reach across the globe. The second section presents the results of European-based empirical studies outlining smuggling/bootlegging methods as the typology of offenders and why they partake in this illegal activity. The third section considers the structures of smuggling, how actors and groups work together and the types of collaborations evidenced in case file analyses. The fourth section examines the socially embedded nature of tobacco smuggling across the entirety of the market place and considers why this ambivalence has developed, thanks to a combination of socio-economic factors. The fifth section analyses the interface between legal and illegal actors in smuggling enterprises and includes a discussion of the complicity of tobacco manufacturers in smuggling. Finally, the sixth section considers the existence of violence in tobacco smuggling and questions whether it reflects the alleged centrality of violence in other illicit markets.

In its previous life, this literature review formed part of this author’s doctoral thesis. The thesis concerned a European-based tobacco smuggling enterprise and sought to critically assess the European tobacco smuggling market place. Consequently, the literature discussed below focuses heavily on European empirical

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studies. The countries featured most prominently are the United Kingdom, the Netherlands, Germany and Belgium (though studies in Greece and Estonia are also cited). As the research below may show, the focus upon these countries is a natural consequence of their roles as central hubs in the dynamics of tobacco smuggling. All the studies cited are sourced from a mixture of scholarly peer reviewed articles, academic books, websites (of expert parties such as the World Health Organization and the Tobacco Manufacturers Association), media articles and state-sponsored reports. Given the purported fluidity and mutation of illicit markets in general, the temporal scope of the research cited ranges from current research to that conducted up to fifteen years ago in order to ensure, as much as possible, topical conclusions. Despite the focus on European studies in this article, it is readily recognised here that the tobacco smuggling market place reaches far beyond European borders and as such some non-European literature is referenced in the following section to reflect this reality. Nevertheless, this review should be considered as providing a chiefly European perspective and as a result several blind spots are acknowledged including literature on the United States, South America, the Middle East, Africa and Asia (with some exceptions including China).

Background & Context

Joossens and Raw ominously assert that ‘cigarette smuggling is now so widespread and well organised that it poses a serious threat to public health, and to government treasuries, which it is costing thousands of millions of dollars in lost tax revenue’. Research conducted by Joossens et al. has estimated the global illicit market share at approximately 11.6%. The illicit tobacco market is said to cost governments around the world USD 40.5 billion, with a heavy emphasis upon low and middle income countries. As a result, it is the poorer countries which seemingly pay the highest price in the context of lost revenues as a result of the untaxed cigarette market. Tobacco smuggling has undoubtedly become a global phenomenon and Joossens et al. have highlighted the worldwide reach of this activity in listing a sample of 84 countries in which can be located a sizeable illicit market in smuggled cigarettes.

4) L. Joossens et al., loc. cit. (2009).