

Tobacco industry governance and responsibility discourses in Bangladesh

Jude William R. Genilo¹, M. Rizwan Sharif²

¹Head; ²Senior Lecturer; Department of Media Studies and Journalism, University of Liberal Arts Bangladesh, Dhaka, Bangladesh.

Abstract

During the past decade, academics, bloggers, media practitioners and civil society groups in Bangladesh have criticized the tobacco industry for bringing about negative effects on societal health, environment, agriculture and education. Moreover, several newspaper reports have suggested these companies to be corrupt – engaging in bribery, breaking of government regulations and laundering of money. In reply to these criticisms, tobacco firms have propagated discourses through the art of rhetoric in the public domain and initiated corporate social responsibility (CSR) activities to project themselves as caring and responsible entities. In light of this, the paper studied and evaluated the discourses on governance, transparency and responsibility as well as the CSR undertakings of the leading tobacco firms in the country – British American Tobacco Bangladesh (BATB), Dhaka Tobacco Industries (DTI), Akij Group and Nasir Tobacco Industries. We searched related electronic and/or printed documents using a snowball technique and discourse analysis approach to review the documents. Findings indicated that tobacco companies highlighted in their communication materials (websites, annual reports, news releases, brochures, etc.) the following: ethical business practices, social responsibility, sound corporate governance, quality management and economic success. They likewise made it a point to associate themselves with important events in the nation's history, particularly the 1971 Liberation War. More importantly, these companies conducted CSR activities in the areas stakeholders criticized them the most – environmental protection (afforestation, biodiversity conservation and renewable energy), health (hospitals), education (primary education, youth development and scholarships) and agriculture (extension services). In so doing, these firms have managed to divert criticisms and instead, create a buzz regarding their social initiatives and governance practices. In this sense, the tobacco industry had succeeded in placing itself at a high moral ground in the country. In this light, it is recommended that further studies should be conducted regarding the CSR projects of tobacco companies in the country analyzing whether these fit to the relevant criteria and acceptable standards of a CSR.

Keywords: Corporate social responsibility, Tobacco industry, Governance, Responsibility, Bangladesh.

Introduction

For many years, tobacco companies have been criticized as 'evil'- selling harmful products and engaging in unethical practices.¹ In response to these, tobacco companies have propagated discourses that put themselves on a high moral ground in an effort to win the hearts and minds of consumers.² The introduction details the vilification of the tobacco industry by various groups and explains why corporate social responsibility (CSR) has become a weapon of choice for these companies to show that such criticisms are unfounded.²

The word 'vilified' most appropriately describes the tobacco industry in Bangladesh. During the past decade, academics, bloggers, media practitioners and civil society groups have criticized tobacco cultivation, production and consumption for bringing about negative effects on societal health, environment, agriculture and education.¹⁻³ Moreover, they have accused the industry for poor business ethics and corporate governance. As a consequence, the government has imposed strict measures to regulate the industry, most notably the Smoking and Tobacco Products Usage (Control) Act 2005 and its 2013 amended version.^{4,5}

Practice Points

- The tobacco industry in Bangladesh has been vilified and attacked by various stakeholders for creating negative effects on societal health, environment, agriculture and education.
- In response to these vilifications, the tobacco industry initiated CSR activities to project themselves as caring and responsible entities.
- Tobacco companies claim to apply high ethical standards in production, management and compliance with government and quality assurance bodies highlighting values such as transparency, honesty and accountability.
- Tobacco companies undertook CSR activities on issues they are criticized e.g. conducting reforestation, running schools and hospitals, providing safe drinking water, conserving energy, undertaking agricultural extension work and developing the youth.
- Further studies should be conducted regarding the CSR projects of tobacco companies analyzing whether these fit the relevant criteria and acceptable standards of CSR.

Correspondence: Prof. Jude William R. Genilo, Head, Department of Media Studies and Journalism, University of Liberal Arts Bangladesh, Dhaka, Bangladesh. Email: jude.genilo@ulab.edu.bd.

The tobacco industry in the country, however, has not taken such vilification sitting down. In fact, it is very active in neutralizing (if not diverting or falsifying) negative discourses about them. It places itself on a moral high ground vis-à-vis ethics, transparency and governance. Its weapon in all these is corporate social responsibility (CSR).

The most obvious criticisms against tobacco are health-related. For instance, the 2004 World Health Organization report states that 57,000 people die and 382,000 become disabled each year in Bangladesh from eight leading tobacco-related diseases.⁴ Then, The Independent newspaper (Bangladesh) in a 10th January, 2013 item 'Tobacco firms ignore law, run promotional campaign' shows the extent of tobacco addiction and its costs to the country - from 32.3 million users in 2007 to 41.3 million in 2009; estimating that 43.3% of Bangladeshis, 15 years and older, consume some type of tobacco product. In light of this, 1.2 million cases of illnesses can be attributed to tobacco annually.⁵

Barkat *et al.*¹ in a 2012 taxation study, meanwhile, highlights the 2007 Global Youth Tobacco Survey that indicated 6.9 percent of in-school youth ages 13 to 15 years uses a tobacco product, with 2.0 percent reporting cigarette smoking. In addition, more than one-third of youth are reported to have been exposed to secondhand smoke inside and outside their home. To top it all, the online health platform medindia.net claims that tobacco companies produce fly posters telling Bangladeshi women to smoke in order to make childbirth easier.⁶ The logic goes that women who smoke have smaller babies thereby making childbirth less painful.

Uddin⁷, on another track, explained the health hazards of smoking on human health. Cigarette smoke contains over 4,000 compounds; 200 of which are poisonous and more than 60 are known carcinogens. Uddin⁷, in his study on addiction law and practice, added that smoking cigarettes increased the risk of lung cancer, other types of cancers, cardiovascular diseases, stomach ulcers and sudden death. In addition, Uddin⁸ asserted that money spent on tobacco could have otherwise been directed to food and nutrition. He estimates that consumers spend more on tobacco rather than on gas, education, religion, welfare activities, domestic service and personal care. Such practice lowers the nutritional intake of people.

After health, the anxieties raised about the tobacco focus on the environment, agriculture and education. Regarding the environment, the biggest issue is about deforestation. Uddin⁸ discussed that wood is essential for curing tobacco leaves – six tons of wood to cure one acre of tobacco. Another calculation is that a hundred kilos of tobacco leaves needs 4,000 kilos of wood for drying. He provided as proof the massive cutting of trees in Kushtia and the Chittagong Hill Tracts. Khan *et al.*⁹, on the other hand, talks about deforestation in Khulna brought about by the companies Dhaka Tobacco Industries (DTI), Sonali Bidi, Afil Bidi and Gopal Bidi. The authors mentioned that 4.6% of national deforestation can be traced to the need to cure tobacco,

build curing barns, supply paper for cigarettes and provide packaging of tobacco products.

Aside from deforestation, they enumerate other environmental hazards. During tobacco manufacturing, waste products (such as solvents, slurries, oils, plastics, paper, wood and toxic chemicals) are produced. In the growing of tobacco, soil nutrients are depleted given that the tobacco plant is hungry for potassium, phosphorus and nitrogen. In a blog, Zafar Chowhury³ revealed that 'no other crop can be cultivated with tobacco leaf and it would take about five years for the land to regain its fertility after stopping tobacco cultivation.' Moreover, Khan *et al.*⁹ lamented that tobacco required the heavy use of pesticides, which contaminate groundwater, rivers and lakes.

A 3rd July, 2012 report from The Independent newspaper shows the Directorate of Environment imposing a fine worth BDT 40.23 lakh (USD 50, 927) to the Abul Khair Group (a conglomerate that produces tobacco products, among others) for excavating the soil in a hill located in the Sitakunda area of Chittagong.¹⁰ The soil was reportedly used as filling material for a highway. The conglomerate was directed to fill up the excavation, plant trees and bring the hill back to its previous state within 45 days. Although the environmental destruction was not directly related to tobacco growing, it shows the disregard for Mother Earth of a tobacco-producing conglomerate.

Given the increasing demand for tobacco in the country, companies have become aggressive in enticing farmers to cultivate the crop. Uddin⁸ stated that companies were providing in-kind assistance to farmers through the provision of seeds, fertilizers, pesticides and extension services. They provided easy loans, tools and equipment with the assurance of buying the harvest in cash. These tactics were a major attraction for many farmers to grow tobacco. As a result, the Statistics Bureau (2009) reported that 3.2% of triple harvest land (lands which allow three harvests in a year) in the country were dedicated to tobacco cultivation.³ The sad part is, according to Zafar Chowdhury,³ farmers fall victim to the trap as they become more and more dependent on tobacco cultivation. Farmers are made to sign contracts stipulating that they promise to grow tobacco for a certain number of years and for a single tobacco company at a time. The selling price of the leaves is likewise decided by the tobacco company.

A side effect of tobacco cultivation is farmers' children dropping out of school. Uddin⁸ narrates that due to work pressure during harvest time, farmers tell their children to help them in the field. Such a practice causes absenteeism or dropping out of school, thereby reducing the children's opportunity for a better future.

Throwing ethics out the window

The angst of stakeholders extends beyond tobacco cultivation, production and consumption; it digs deep into the very nature of a seemingly devil-may-care profit-driven industry. They accuse tobacco-related

companies and conglomerates of violating government regulations and engaging in unethical business practices to include product adulteration, money laundering, bribery, tax evasion and politicking. This section focuses on the unethical behavior.

Saha¹¹ compiles media reports of unethical business practices of one of the leading tobacco-producing conglomerates in Bangladesh. Table 1 provides how the group of company's image has been projected in the country's leading English newspaper.

Aside from these, Saha¹¹ accuses the group of tax evasion and giving poor treatment to their employees, dealers and suppliers. He mentioned that the conglomerate can get away with this since they have close political connections – contributing to political parties during the election period. Speaking of politics, another leading tobacco company owner in Bangladesh was accused by his party mate and rival for using 'black money' to misguide leaders, activists and supporters. The 13th December, 2006 Daily Star (BNP aspirant calls rival an 'Awami League spy' in party, 2006) reports that the owner was accused by his party rival of illegally amassing wealth by not paying taxes, cheating people and smuggling tobacco products into India.¹²

CSR as the weapon of choice

CSR has been defined in many ways by business leaders and academic experts.² Common to these definitions is that CSR is done by companies voluntarily (out of the goodness of their hearts) undertaking core businesses in a responsible manner and engaging in activities that benefit human beings and the environment. Although this may hold true in many cases, when it comes to the tobacco industry in a developing country like Bangladesh, CSR becomes a different animal altogether – a tool to ensure the fulfillment of corporate interests. The dichotomy about CSR as conceptualized and CSR as practiced by tobacco companies are presented in this section – thus providing the background on why CSR is a weapon of choice to improve the image of tobacco companies in developing countries and why banning the inclusion of the company logo in promoting CSR

projects is part of the amended tobacco control law.

According to Rahman,⁴ CSR emerged as a concept in order to show that corporations are 'capable of self-regulation and of curing the imbalances of the economy, and that state regulations are generally the cause of economic and social problems because they hamper the capacity of the markets for effective self-adjustment (p. 3).' CSR corrects the notion that since a capitalist system focuses on making profit; it brings about inequalities of income, as well as wealth. It is within this framework that CSR has been defined.

Baker¹³ believes that CSR is about 'how companies manage the business processes to produce an overall positive impact on society.' In other words, CSR is more focused on operating the core business in a socially responsible way. Schwartz & Carroll,¹⁴ meanwhile, expand the concept to include the 'Three-Domain Approach' where CSR must address the economic, legal and ethical interests of its stakeholders. Elkington¹⁵ expressed that with CSR, companies must have a 'Triple Bottom line' – people, planet and profit – not just profit.

For a tobacco company, however, it seems extremely difficult (if not impossible) to undertake such conceptions of CSR given inherent contradictions. Dissing *et al.*² classified tobacco as being one of the 'sin industries' being 'profit organizations that produce products or services, which to some degree are harmful to consumers and/or the environment.' How can these companies behave responsibly if they produce products detrimental to human health and to the environment? These companies may only be able to address the economic domain and the profit bottom line while at the same time, trying to influence what is legal.

Much more, the Global Reputation Pulse 2010 (Global Survey Shows Tobacco is World's Least Reputable Industry, 2010) revealed the obvious: tobacco is the world's least reputable industry.¹⁶ Based on 80,000 consumer interviews in 32 countries,

Table 1: Unethical business practices by tobacco companies in media¹¹

Newspaper	Date	Malpractice	Description
Daily Star	7 Aug 2011	Money Laundering	Customs officials in the Chittagong Shah Amanat International Airport detained the General Manager of the tobacco company in question for illegally possessing USD 50,000 and 100 grams of gold ornaments.
Daily Star	2 Feb 2010	BSTI Rule Violation	The mobile court fined the tobacco company BDT3.4 lakh (USD 4307) for violating rules of the Bangladesh Standards and Testing Institution (BSTI). The company did not mention the maximum retail price on packets of its powdered milk, mango juice, tea and chanachur (spicy snacks mix).
Daily Star	1 Feb 2007	Food Adulteration	Joint forces busted a major food adulteration ring; seizing 1.75 lakh (175,000) sacks of low-grade and adulterated wheat, sugar, lentil, peas and mustard seeds and identified one of the sister concerns of the said tobacco company as an owner of the seized goods.
Daily Star	1 Feb 2007	Bribery	Three police officers were caught in the act of taking a BDT 15 Lakh (USD 19,000) bribe from the same tobacco group officials.

tobacco companies ranked bottom in terms of trust, esteem, admiration and good feeling perceptions among 600 of the largest global organizations. With such results, it is apparent that government actions to curb tobacco company activities will receive public support. Hence, as shown in the earlier section, tobacco companies in Bangladesh have been vilified and attacked by various stakeholder groups. So, when tobacco companies conduct CSR, it is about legitimizing their right to exist and thrive more than undertaking voluntary endeavors to give back to society. They need to face critical and skeptical stakeholders who question their credibility and sincerity.

Shawki¹⁷ in an opinion piece published in the New Age newspaper curtly declares that CSR in Bangladesh is all about corporate hypocrisy. He muttered that big corporations have undertaken irregularities, frauds and environmental destruction but find shelter under giant billboards highlighting their CSR activities. Since the government fails to provide citizens with basic needs, it shifts this responsibility to the business sector – enticing them with tax rebates and recognizing their efforts with awards. 'The ruling class in Bangladesh is increasingly accumulating more and more property by grabbing common resources like land, river, forests, etc.' he stated.¹⁷

What has become of CSR then in the context of the tobacco industry in a developing country? First, CSR has become a tool to balance stakeholder criticism. Dissing *et al.*² explained that CSR is a tool where stakeholder relations are fostered; establishing a mutually beneficial relationship in order to balance stakeholder criticism and vilification. Second, CSR has transformed into a tool for company and brand promotion. Shawki¹⁷ questioned that if CSR is about social welfare, what all the media stunt and publicity is about. The 10th January 2013 Independent newspaper investigative report alleged such hypocrisy in the case of the British American Tobacco Bangladesh (BATB).⁵ To increase tobacco cultivation in the Bandarban, it installed solar power systems in over 500 households who live near the plantations. Then, the company reports the initiative as a CSR project. Third, CSR is now a tool for survival. Gable¹⁸ argued that 'intangible assets such as reputation may provide companies with a more enduring source of competitive advantage.' Reputations support company growth and 'help deflect or minimize negative events or attacks.' In other words, businesses undertake CSR not because of benevolence 'but more for survival in a globally competitive and legally complex modern environment.'¹⁸

The aims of the present study were to investigate the discourses of select tobacco companies regarding their philosophy and history as well as their position on ethics, corporate governance, human resources management, responsibility and tax payment; and to discuss the CSR activities of select tobacco companies, including their claims of giving back to society in the domains of health, environment, agriculture, education and other development related endeavors.

Methods

In order to investigate the aims of the study, we searched related electronic and/or printed documents using a snowball technique from April to May 2013. In the search engines 'Google' and 'Google Scholar' we used relevant key words to search and identify appropriate documents. From these searches, we examined the initial search results and using hyperlinks, found other relevant documents. Utilizing the snowball technique¹⁹ of going from initial document and obtaining other relevant materials from initial documents, a vast amount of online materials on the topic was generated. However, not all materials were relevant and many of the references were old. There were also materials that were not accessed/retrieved online. For these documents, we contacted the Securities and Exchange Commission (Bangladesh) and the offices of the tobacco companies. Once identified and selected, we used the discourse analysis²⁰ approach to review the documents. Discourse analysis is used as a powerful toolbox to analyze written, vocal, or sign language used in texts and contexts,²⁰ In reviewing, we conducted the following steps of discourse analysis:²⁰ (i) coded the materials; (ii) examined text structure and discursive statements; (iii) identified cultural and linguistic references to governance, transparency and CSR; and (iv) presented the findings. But the method also has its limitations. It is very work-intensive and is unable to present the viewpoint of audiences as it is limited to the text.

To investigate the discourses of select tobacco companies regarding their philosophy and history as well as their position on ethics, corporate governance, human resource management, responsibility and tax payment. the following procedures were performed:

- Searched and compiled documents using key words such as 'corporate governance', 'ethics' and 'responsibility' of tobacco companies whether in electronic form or printed documents; and the said documents were then examined using discourse analysis, bearing in mind authors, intentions, tools, treatments, etc.

To assess the CSR activities of selected tobacco companies [BATB, Dhaka Tobacco Industries (DTI), Akij Group and Nasir Tobacco Industries], including their claims of giving back to society in the domains of health, environment, agriculture, education and other development-related endeavors, the following procedures were conducted:

- Searched and compiled documents relating to CSR of tobacco companies whether in electronic form or printed documents using a snowball technique: papers, reports and documents with key words 'CSR', 'corporate responsibility', 'corporate social responsibility', 'social reporting', 'socio-cultural activities', 'strategic issues', etc. to identify the documents. The said documents were then examined using critical discourse analysis, bearing in mind authors, intentions, tools, treatments, etc.

The study obtained an ethical approval from the Bangladesh Medical Research Council (BMRC).

Results and Discussion

This section is divided into three parts: i) profile of select tobacco companies; ii) discourses and position on good corporate governance and responsibility; and iii) discourses on CSR and on particular societal issues. The companies selected include BATB, DTI, Abul Khair Tobacco Company and Nasir Tobacco Industries as these are the largest tobacco companies in the country.¹

Profile of Select Tobacco Companies

This sub-section provides the profile of the four select tobacco companies in Bangladesh in terms of their products, ownership, market performance and vision/mission statements.

BATB's premium brand is Benson & Hedges. Its high segment brands consist of John Player Gold Leaf, Pall Mall and Capstan. Its medium segment includes Star, Scissors and the newly launched Starlight while its low segment brands are Bristol, Pilot and Hollywood.

Abul Khair Tobacco Company goes for the medium and lower segments while Nasir Tobacco Industries competes only in the lower segment. DTI's premium brand is Marlboro. Its high brand is Castle (full flavor and lights) while its medium segment brand is Navy. The low segment brands include Legend White, Surma and Diamond, Red & White, Gold Mine, Sheikh and K2. Abul Khair Tobacco Company only produces cigarettes for the medium and lower segments. These are Marise for the medium segment; and Rally and Sun Moon for the lower segment. Nasir Tobacco Industries brands are Nasir Gold, Asia and Top 10. All are for the lower segment.

As for the production profile of these companies, BATB is the only one focusing on the cigarette market. The other three also produces bidi with DTI's sister concern Akij Bidi capturing 29.1% and Nasir Bidi Industries gaining 4.7% of the market in 2010.¹ Overall, the Akij Group (which includes DTI and Akij Bidi) is the market leader. DTI has 10% market share of the high cigarette segment with one billion cigarettes produced monthly, 48% of the medium segment and 50% of the low segment.¹

In terms of ownership, BATB is the only multinational

corporation in the group. Approximately 73% of its shares are owned by British American Tobacco Group; 12% is owned by Investment Corporation of Bangladesh; and 5% owned by Shadharan Bima Corporation, Bangladesh Development Bank Limited, Government of People's Republic of Bangladesh, Sena Kallyan Sangstha (Ex-Armed Forces Personnel Welfare Organization). Other shareholders owned 10.91%. The other three tobacco product manufacturers are local business conglomerates whose founders started in the tobacco business but eventually expanded to other concerns.

If we look at the market performance as reported by the select tobacco companies, it can be gleaned that all companies sell their tobacco products locally and abroad. Overall, the cigarette industry grows annually on the average at 3%.¹ All companies have developed strong distribution networks as their products are commonly seen in general outlets around the country.

Furthermore, looking at the vision/mission statements of the companies, it is clear for both BATB and DTI that emphasis should be given to both economic success and societal responsibility. Nasir Tobacco Industries takes a more nationalist stance; focusing on the need to benefit Bangladesh. Abul Khair Tobacco, meanwhile, puts importance to leadership using innovative technologies. The vision/mission statement of the selected tobacco companies are presented in Table 2.

Discourses & Position on Governance & Responsibility

This sub-section discusses the discourses of the four select tobacco companies regarding their philosophy and history as well as their position on ethics, corporate governance, human resource management, responsibility, and tax payment.

The corporate philosophies of the leading tobacco companies in Table 3 highlight the "triple bottom line" and "three domain approach" in CSR. BATB emphasizes growth, productivity, responsibility and winning organization. DTI goes for business expansion and socio-developmental engagement. Abul Khair Tobacco invests in people, processes and technology. Nasir Tobacco Industries focuses on innovative import substitution to save foreign currency for the country. In all these, the companies show that they are not only concerned about themselves but for people, environment and their country.

Table 2: Vision/mission statements of selected tobacco companies in Bangladesh

Company	Description
BATB	To extend its leadership through world class performance with the slogan: success and responsibility go together.
Dhaka Tobacco Industries	To continue its commendable presence, spread out and broaden in several sectors but at the same time, remain committed to corporate social responsibility.
Abul Khair Tobacco	To attain quantitative and qualitative leadership in all the sectors. They operate through pioneering innovative new technologies.
Nasir Tobacco Industries	To create a strong and sound future for accelerated growth benefiting everyone in Bangladesh, particularly in providing substitutes for imported products.

Table 3: Discourses relating to corporate philosophy of select tobacco companies in Bangladesh

Company	Discourse
BATB	Its key strategic pillars are growth, productivity, responsibility and winning organization. It believes that success and responsibility go hand in hand.
Dhaka Tobacco Industries	It aims to expand its businesses and continue to engage in socio-developmental activities.
Abul Khair Tobacco	It seeks to consolidate its position in areas they lead and continue to invest in people, processes and technology to enhance organizational capability to ensure long-term and substantial growth.
Nasir Tobacco Industries	The owner believes in innovation. He believes in import substitutes that save the country's foreign currency.

This care for the country is shown in their discourses about their history. BATB has changed its name several times to adjust with the changing scenario in Bangladesh being Imperial Tobacco during the British era, Pakistan Tobacco Company after the Partition, Bangladesh Tobacco Company after the Liberation War and BATB in the period of globalization. Since it is a multinational corporation, BATB tried to show its connectedness with Bangladesh. The other three companies showcase themselves as examples of what Bangladeshi businessmen are capable of. They describe their humble beginnings as small entrepreneurs doing their best to make ends meet. They emphasize on their rags-to-riches stories; of starting out with a single tobacco business venture and expanding into a big conglomerate with various concerns.

Table 4 shows how the select tobacco companies also explicitly address the issue of ethics – showing that they abide by high standards of business conduct. This is shown in a variety of ways. First, they highlight compliance to government regulations and quality standards. BATB has a policy document that employees must observe – one of the key provisions is the need to comply with laws and regulations applicable to them. Abul Khair Tobacco assures compliance with ISO, Halal and HCCAP. Second, they point out that they act in the best interests of its stakeholders. DTI cares about customer satisfaction by ensuring its supply chain and utilizing modern technologies. Nasir Tobacco Industries explains that it is also acting in the best interest of Bangladesh (not just their stakeholders).

Third, they identify that they follow the highest standards of professional conduct. BATB speaks about business integrity in their policy document while Abul Khair Tobacco says that professionalism remains the key focus of management and their employees.

In terms of discourses relating to ethics of select tobacco companies in Bangladesh, the leading tobacco companies detach themselves from the accusations hurled at them in the media by various stakeholder groups whether it was about money laundering, bribery, product adulteration and skirting tobacco control regulations. They picture themselves as being mindful of the law, acting in the best interest of their stakeholders and ensuring the highest standards of professionalism.

The leading companies also boast about their excellent corporate governance. First, they identify the values needed to manage business responsibly. BATB speaks about honesty, transparency and accountability. Abul Khair Tobacco talks about commitment and confidence. Second, they put as an indicator of good corporate governance the capacity of the managerial team. DTI describes its management as able and professional while Abul Khair Tobacco notes that they have expatriates in their management team. Third, they put forward their achievements, awards and recognition as proof of excellent corporate governance.

Since they are companies with high standards of ethics and corporate governance, it is but natural that people

Table 4: Discourses relating to ethics of select tobacco companies in Bangladesh

Company	Discourse
BATB	It has a document specifying standard of business conduct for its employees, contractors, agents and consultants. The fundamental policies are that employees must observe and comply with the laws and regulations applicable to them; and act with high standards of business integrity.
Dhaka Tobacco Industries	It cares about the satisfaction of its customers. It is actively engaged in ensuring the quality of its products by ensuring its supply chain and utilizing modern technologies in manufacturing.
Abul Khair Tobacco	It embraces change at every level to achieve highest level of professionalism and making sure it remains as the key focus of its employees. It assures the quality of its products as per the demand of their customers. It has many certificates (ISO, Halal and HCCAP) as proof of compliance to certain standards.
Nasir Tobacco Industries	It continues to act in the best interests of its customers, employees, shareholders and Bangladesh.

would like to work for them. Table 5 shows how all these tobacco companies highlight the number of people they directly employ and indirectly give business opportunities to. They explain that this is one way where they help the Bangladeshi economy – as a source of employment generation. In a subtle manner, they assert the employment benefits of the tobacco industry. Moreover, they indicate that they have created safe working environments. DTI argues that the work atmosphere in their company is congenial. BATB even launched a campaign in November 2012 to reduce the number of work accidents to zero. It even proudly announces that they are one of the most preferred employers in the country.

As for discourses relating to human resources of select tobacco companies in Bangladesh, BATB organizes various activities for its employees and their families. They have an annual football tournament where eight departmental teams compete. The winning team gets a champion's trophy and gift items. They have a kid's carnival where the employee's children enjoy rides in an amusement park and select children of non-management employees receive a post-Secondary School Certification (SSC) scholarship. In addition, they have an annual family day where employees and their families play games and enjoy cultural programs. Employees are recognized with retirement gifts, long service awards and good attendance awards.

The high standards of ethics and corporate governance are likewise reflected in their statements on responsibility and tax payments. All select tobacco companies follow the CSR "triple bottom line" and 'three domains approach'.¹⁵ They believe in playing an important role to help society in terms of economics, environment and social welfare. Particular to the Abul Khair Tobacco, it ensures good relations with local government bodies on the environment and transportation as well as with employee welfare departments. They also know that tobacco is one of the primary sources of government taxes. In this light, they announce how much they have given to the national treasury. Such statements show their important

economic contributions to the country and their willingness to comply with the law in a transparent manner. It should be noted that government taxes reach 70% of tobacco sales.

The tobacco industry is also a major tax payer in the country and positions itself as a contributor to the overall economic growth of the country.

Discourses on CSR and on Societal Issues

This sub-section discusses the CSR activities of select tobacco companies, including their claims of giving back to society in the domains of health, environment, agriculture, education and other development-related endeavors. Stakeholders have criticized tobacco products as being detrimental to health, environment, agriculture and education. Ironically, the CSR projects of the leading tobacco companies are precisely on these development areas – thereby, deflecting such harsh disparagements against them. They genuinely know that CSR is a tool to balance stakeholder attacks and improve their reputation to ensure long term competitiveness.

Table 6 lists the types of CSR activities of the leading companies. BATB puts prime importance on the environment with afforestation as its flagship project. DTI highlights health and education given that it has established pro-poor hospitals, high schools, colleges and institutes. Nasir Tobacco Industries follows the same activities (health and education) as DTI but in a much smaller scale. It should be noted that in the past, Biswas had very close relations with the founder of AKij Group (the mother company of DTI). Abul Khair Tobacco just focuses on education.

The government encourages private companies to conduct CSR activities. It has approved a tax exemption facility at the rate of 10 percent on part of the corporate income to be spent as CSR. In this way, CSR activities should not be seen as fully philanthropic on the part of tobacco companies. These tax rebates, however, are nowhere mentioned in the communication materials of any of the select tobacco companies.

Table 5: Discourses relating to human resources of select tobacco companies in Bangladesh

Company	Discourse
BATB	BATB is one of the most preferred employers in the country. In 2012, it employed more than 1,100 people directly and about 50,000 people indirectly as farmers, distributors and local suppliers. It believes in creating an inspiring, motivating and high performing working environment for all its employees. It has launched a campaign in November 2012 entitled "Closing the Gap to Zero" with the vision to reduce the number of accidents to zero level.
Dhaka Tobacco Industries	It indirectly provides job opportunities to more than 32,000 people in its cigarette business. It employs 1,200 people who work in a congenial atmosphere to deliver the right quality to satisfy millions of smokers, particularly their taste and needs.
Abul Khair Tobacco	It contributes significantly to employment generation in the country. It has created 10,000 plus direct and indirect employment as a result of its tobacco business.
Nasir Tobacco Industries	It directly employs 300 persons in its factory. It provides opportunities to earn for some 1,700 people.

Table 6: CSR activities of select tobacco companies in Bangladesh

Company	Description
BATB	The flagship activity is the afforestation program. It has community projects relating to safe drinking water due to arsenic contamination, sustainable agriculture, biodiversity conservation and renewable energy. To ensure a quality workforce and to help the country's youth, it has launched a talent search program called Battle of Minds.
Dhaka Tobacco Industries	The Akij Group has several philanthropic ventures to include high schools, colleges, institutes, hospitals, orphanages and micro-credit activities.
Abul Khair Tobacco	It supported Musa Ibrahim to conquer the world's six tallest peaks after being the first Bangladeshi to scale Mount Everest. It conducted a talent hunt for school children to boost their creativity. The primary selection for the competition is in drawing, poetry recitation, dancing, acting and singing.
Nasir Tobacco Industries	It spends 5 crore taka (USD 633,421) a year for social welfare projects such as schools and colleges. It also has a hospital to help the poor.

Stakeholders vilify tobacco as being a product that endangers human health. To counter this, the leading companies mention CSR initiatives to improve the country's health situation. DTI has established low cost but standard health services for the urban population and community-based centers for the rural population. Nasir Tobacco Industries has a modern hospital for the poor. Abul Khair Tobacco ensures basic health care for its employees with a tie up with Apollo Hospital (considered as one of the best in the country). On 6th July 2013, their employees attended a health briefing session with complementary check-up. BATB provides rural communities with safe drinking water as millions of Bangladeshis have no choice but drink water laced with arsenic. In its 2012 Annual Report, it mentioned the use of government-approved community-based technology in its 18 water filtration plants in various parts of the country. Combined, it provides approximately 95,000 liters of pure drinking water for 47,000 people every day.

In response to attacks that the tobacco industry is destructive to the environment, the leading companies showcase projects on afforestation, biodiversity and renewable energy. BATB has been undertaking afforestation since 1980 – showing itself as being responsible as it replaces wood needed to dry tobacco. It also educates farmers about the balance of the ecosystem with the establishment of 37 biodiversity corners. Three tobacco companies have programs on renewable energy – BATB installs solar systems in remote and off-grid homes, DTI uses a biomass thermal energy project to reduce the amount of fossil fuel to generate heat for producing particle boards and Nasir Tobacco Industries produces energy saving light bulbs. Moreover, DTI has a recycling program to reduce industrial wastes. The companies do not specify where the activities are undertaken and who specifically benefits. It did not mention if these CSR activities were undertaken to support their supply chain, complement their rural infrastructure, ensure continuous company operations and/or result in savings for themselves. Unlike the other three companies, Abul Khair Tobacco has no environmental program; it simply ensures a hygienic work environment for its employees.

Stakeholders accuse tobacco companies of promoting

agriculture practices that are not sustainable given that tobacco is a hungry crop that depletes soil nutrients. Tobacco companies, in their CSR materials, spin this around – showing that they make important contributions in the field of agriculture. Tobacco companies know that the supply chain starts with collaborations with farmers under a contract farming agreement. The quality of the tobacco product is dependent on the raw materials. Hence, they provide extensive support to the farming community. For this reason, they improve on farmer knowledge and farming technologies in the areas of soil fertility, irrigation management and pest management. BATB and DTI engage in agricultural extension activities to train farmers in these aspects. BATB has introduced tube irrigation to reduce water consumption and the use of dhaincha (*Sesbaniaaculeata*) to ensure soil fertility. DTI runs experimental and trial farms. Nasir Tobacco Industries is contemplating to produce the SoP fertilizer, which is currently imported. It is convinced that establishing a factory will reduce the price of the product as well as save foreign currency for the country. The said fertilizer is used in tobacco cultivation to increase the thickness of the leaf. It also ensures high quality leaves (measured in terms of size and color) and high yields of crops.

When harvest time comes, farmers ask their children to help. As a result, many children absent themselves from school if not drop out altogether. This concern has been leveled against the tobacco companies. To balance this criticism, the leading tobacco companies have done a lot of CSR activities on education. DTI leads the way with numerous schools (high school, college, medical college, nursing institutes and health technology institutes) for women. Abul Khair Tobacco has a high school while Nasir Tobacco Industries has a higher secondary school for girls. The former also conducts talent contests for high school students to boost creativity in drawing, poetry, dancing, acting and singing.

In contrast, BATB has been undertaking a talent promoting platform 'Battle of Minds' for a decade. It engages the best universities across the country to participate as the winning students will have a chance to work at BATB – one of the most preferred employers in

Bangladesh. All contestants are given training to improve on various business and communication skills. They were asked to solve a real life business challenge to help them better transition from academic life to the corporate environment. In 2012, around 1,200 students and 100 faculty members were involved in various stages. The winners are widely publicized in various newspapers and TV channels. In this manner, BATB is able to project its concern for education but at the same time, recruit the best graduates in the country.

The leading tobacco companies undertake other CSR activities. BATB organizes concerts, art exhibitions and book launchings on topics about the country and about poor farmers benefiting from their CSR activities. DTI is involved in micro-lending activities while Abul Khair Tobacco has jointly facilitated a TV game show to hunt for talented sports-minded school children. The companies still consider these as CSR activities and promote them as such.

Conclusion

The four leading tobacco companies are out to stay long term and expand their market share in an environment that is increasingly becoming competitive in terms of players, and restrictive within the regulatory environment. The reason for this is simple: the demand for tobacco products (whether cigarette or bidi) in the country is on the rise. The said tobacco companies are mindful about the industry's vilification by various stakeholders. Due to this, they have adopted vision/mission statements and philosophies that articulate the need to address both economic growth and societal development.

They are aware of stakeholder criticisms against their business conduct and against the negative impacts of their core business to health, environment, agriculture and education. Hence, they articulate and present themselves on a high moral ground; taking pains to show their moral values, professionalism, compliance to various regulatory bodies and good relations with their employees and other stakeholders such as the regulatory bodies, smokers, media, etc.

Intentionally, they undertake CSR activities in the areas they have been criticized for in an attempt to deflect or neutralize such decisions. Thus, it can be said that in the context of tobacco companies operating in Bangladesh, the concept of CSR has been transformed. It has transformed into a tool to balance criticisms from mass media, anti-tobacco organizations and even the users and non-users of tobacco. The more people benefit from CSR, the less critical they become against the tobacco business. Therefore, CSR is now an essential tool for local tobacco businesses to survive because tobacco companies know their reputation is the most enduring competitive edge they can possess.

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Competing interest

None of the authors were ever employed by tobacco companies in Bangladesh or overseas and neither any financial, personal or professional help was sought from individuals related with tobacco business in completing this research.

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