



Short Case study

A case study on consumption of cigarettes in district Anantnag, India: with an economic point of view

Towseef Mohi Ud Din^{1*}, Tariq Ahmad Bhat¹ and Suhail Ahmad Reshi²

¹School of Studies in Economics, Vikram University Ujjain, MP, India

²School of Studies in Economics, Kashmir University, J&K, India

towseefeco@gmail.com

Available online at: www.isca.in, www.isca.me

Received 16th June 2019, revised 11th March 2020, accepted 21st April 2020

Abstract

A prospective study was conducted with the purpose to determine cigarette industry generates the income of the people in Kashmir valley, because cigarette is most exactable good in day to day world. A total of number of hundred smokers has been included in the study from district Anantnag both young and old ones, and also observed that different smokers are using different brands of cigarettes. Apart from primary data, secondary data is also used e.g. journals, books, research papers etc. It has been observed that lot of money has been spend on the consumption of cigarettes every day. Cigarettes become a necessary good for a smoker, on any cost he is going to consume it because of its addiction, with which we can say that it's this industry generate more and more income in near future.

Keywords: Cigarettes, conception, income, good, addiction.

Introduction

The valley of Kashmir nestled in north-western folds of Himalayas is a transverse valley, surrounded on all sides by high mountain ranges, characterized by snow covered lofty peaks. Kashmir valley have ten districts among them Anantnag is one of the main district after Srinagar. Anantnag is known as the granary of Kashmir valley as also known as the largest town in the valley. It spread over an area of 3574sq kms with population of 1078692¹, which is third populous district of Jammu and Kashmir according to census 2011. In Kashmir valley there are large numbers of cigarette consuming population as compare to other states of India, as it has been seen during the comparative study of district Ujjain of Madaya Pardash and district Anantnag of Jammu and Kashmir which means that there are many alternatives of cigarette consumption in other states like *paan*, *gutka*, *khane*, *chewing of Tabaco* etc. People of Kashmir valley are not using these alternatives that are the reason the people of Kashmir valley consume much cigarettes as per field survey concerned.

Effects of smoking on human health have been extensively studied worldwide². Now it has seen by public health officials as a global tobacco epidemic (affecting or tending to affect a disproportionately large number of individuals within a population, community, or region at the same time)³. Tobacco use kills 5.4 million people in a year⁴. This is likely to increase over the next decades as tobacco consumption in developing countries. In addition it has health impacts; smoking diverts poor households' resources away from other more productive use⁵.

On the other hand there are pros and cons of its own such as, on the pro side, smoking can result in adverse health consequences for some consumers and employees. The disadvantage is that, arguments based on harm to tobacco manufacturers or libertarian viewpoints focusing on individual freedom are often partially or completely discarded by politicians. This leaves only one potential disadvantage that could have significant appeal to legislators: A ban could reduce the profits of employment by bars and restaurants and, in particular, may harm small business owners. In a peer-reviewed research article, published on the proposed smoking ban in India that examined its economic impact by looking at stock market prices⁶.

Now in this modern world where technology is on its zeal, electronic cigarettes (ECs) or electronic nicotine delivery systems (ENDS) is also used instead of ordinary cigarettes, it may be defined as devices whose function is to vaporize and deliver to the lungs of the user a chemical mixture typically composed of nicotine, propylene glycol and other chemicals, although some products claim to contain no nicotine. Each device contains an electronic vaporization system, rechargeable batteries, electronic controls and cartridges of the liquid that is vaporized. These products are not currently regulated or monitored, so the contents may vary between different e-cigarettes and may not be known to the consumer. ENDS initially emerged in China in 2003 and have since become widely available globally, particularly over the Internet⁷. Now the world is thinking about the most adverse health effects of cigarette smoking are attributed to the products of combustion.

Efforts to avoid the adverse health effects of cigarette smoking have led to the promotion of alternative products that are perceived to be less harmful⁸. Tobacco use is dominated by cigarette smoking. Most toxicity due to cigarette smoking is related to the burning process. Several observations suggest that unburned or oral tobacco is less harmful than cigarette smoking⁹. Cigarette companies increasingly promote novel smokeless tobacco products to smokers, encouraging them to use smokeless tobacco in smoke-free environments¹⁰. Many adolescents and young adults use alternative tobacco products, such as water pipes and snus (is a moist powder tobacco product originating from a variant of dry snuff in early 18th century Sweden.), instead of cigarettes. To assess whether prior water pipe tobacco smoking and snus use among never smokers are risk factors for subsequent cigarette smoking¹¹. In 2010, young adults aged 18–25 reported the highest prevalence of current use of a tobacco product (40.8%) compared to youth (ages 12–17) or adults (ages 26 and older)¹². In the above discussion we observe that large part of income is spend on these products all over in world.

Objectives: i. To study the economic importance of the cigarette industry in Kashmir valley.

Methodology

This study is based on both primary and secondary data. The primary data is collected through random sampling, by direct communication with one hundred persons who are consuming cigarette, and many sellers have also interviewed during field survey in district Anantnag. On the other hand, secondary data has been collected from, books, journals, newspapers, and various search engines, are also used.

Results and discussion

Jammu and Kashmir is one of the leading state where the consumption of Cigarette has been done most.

It has been seen that Kashmir consumes 190 million cigarettes a month, by which this industry become the most growing one with respect in earning profit, as per government records, one thousand crores have been spending by smokers annually on purchasing cigarettes and tobacco in the state. According to a Kashmir Centre for Social and Developmental Studies, member, Jammu and Kashmir imports 260 million cigarettes monthly apart from the crude tobacco products. Out of this, 190 million cigarettes are consumed by the Kashmir region.

Jammu and Kashmir consists on twenty-two districts, Jammu got ten districts Kashmir have ten districts and Ladakh got two districts. Anantnag is one among the districts of Kashmir valley, having population of 1078692, sex ratio 927 females, population density 302 person per Sq. Km and literacy rate 62.69% (census 2011). As per our sampling 100 male smokers have been interviewed during the collation of data and it has been observed that in every 10 persons 4 persons are smokers. During the collation of data, it has been proved that smokers are using different brand of cigarette according to their tastes, the main brands of cigarette in Kashmir valley are gold flag (price 110 Rs), four square (price Rs 50) and cavander (price Rs 35) per packet which contain ten cigarettes each.

In the Figure-1 it clearly shows that among hundred respondents 50 respondents are consuming the four square brand, 40 respondents are using cavander brand, 8 persons are using gold flag brand and 2 respondents say other brands.

As per primary survey in district Anantnag is concerned out of 1,078,692 total population 200,000 males are consuming cigarettes. It has been observed on an average every smoker has spent minimum 30 rupees per day on purchasing of cigarettes. Which means 7,000,000 rupees have been spend every day on consumption of cigarettes in district Anantnag.

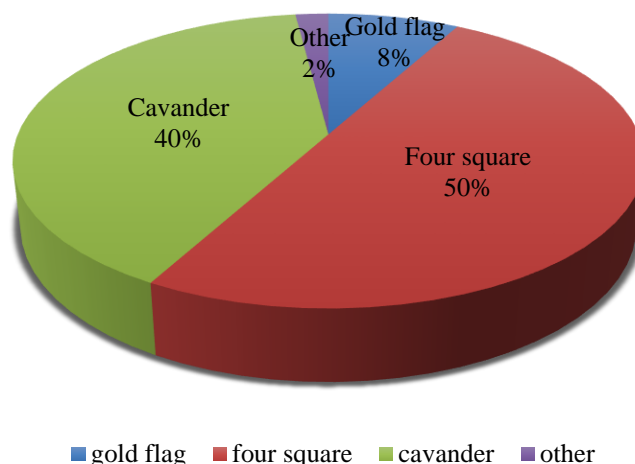


Figure-1: Different brands of cigarettes consumed by smokers.

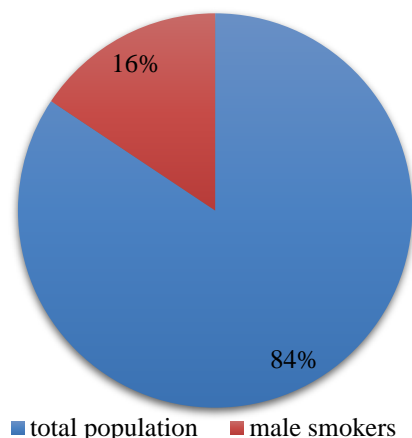


Figure-2: Total population and smokers in district Anantnag.

In the Figure-2 it has been shown that 16% of total population of district Anantnag has been indulging in smoking and rest 84% are non-smokers. If we calculate this industry sales 210,000,000 per month which is very huge amount.

During the study one additional information have been come out that during the winters the consumption of cigarettes is going to be increased because smokers experience the warmth from smoking during the cold season of Kashmir. Apart from the consumers side the sellers have also been interviewed during the field survey. A seller earns 4 to 5 rupees' margin on every packet of cigarette, on an average he sells 10 to 20 packets every day.

Conclusion

In the above discussion it is clearly depicts that this industry generates much income in the economy of Kashmir valley. It has been proved that every shopkeeper or we can say every seller in the Kashmir valley sells this good both in city or in village on good margin. Cigarettes become a necessary good for a smoker, on any cost he is going to consume it because of its addiction. It has been observed due to recently implication of GST the prices of cigarette hike up like a big packet of foursquare containing twenty small packets. The price of these twenty packets of cigarettes hike from nine hundred to nine hundred twenty after the implication of GST in India, but still there is no change in the consumption of cigarettes in Kashmir valley, in fact it is increasing day by day. It has been seen that large number of youngsters and school going children both male and female are indulging in this act now. Hence we can conclude with saying that this industry earns a lot of profit which is increasing in near future.

References

1. Mackay J and Eriksen M. (2002). The tobacco Atlas. United Kingdom; WHO: Myriad Edition Limited, 4-5. 32-33, 36.

2. Majid. H., (2015). Systematic Geography of Jammu and Kashmir. Rawat Publications, Jaipur.
3. Kamal Chaouachi (2009). Hookah (Shisha, Narghile) Smoking and Environmental Tobacco Smoke (ETS). A Critical Review of the Relevant Literature and the Public Health Consequences. *Int. J. Environ. Res. Public Health*, 6(2), 798-843.
4. Adda, J and F Cornaglia (2006). Taxes, Cigarette Consumption and Smoking Intensity. *American Economic Review*, 96(4), 1013-1028.
5. S. M. Nasim Azad, Md. Moyazzem Hossain and Rehena Parveen (2011). Impacts of Smoking Habit by Young Generation in Our Society. *AIUB Journal of Business and Economics* , 10 (1), 45-64.
6. Naganathan Venkatesh (2013). Impact of Smoking: Influence on the Society and Global. *Business International Journal of Business and Management Invention*, 2 (3), 46-53.
7. T. S. Bam, W. Bellew, I. Berezhnova, A. Jackson-Morris, A. Jones, E. Latif, M. A. Molinari, G. Quan, R. J. Singh, M. Wisotzky (2014). Position statement on electronic cigarettes or electronic nicotine delivery systems: An official statement of the E-cigarette Working Group of the International Union against Tuberculosis and Lung Disease. *Int. J Tuberculosis Lung Diseases*, 18(1), 05-07.
8. Omole OB, Ogunbanjo GA and Ayo-Yusuf OA. (2011). Review of alternative practices to cigarette smoking and nicotine replacement therapy: how safe are they?. *South African Family Practice*, 53(2), 154-160.
9. Yves Martinet, Abraham Bohadana and Karl Fagerstrom (2006). Would alternate tobacco products use be better than smoking?. *Lung Cancer*, 53(1), 01-04.
10. Lucy Popova, Ganna Kostygina, Nicolas M. Sheon and Pamela M. Ling (2014). A qualitative study of smokers' responses to messages discouraging dual tobacco product use. *Health Education Research*, 29(2), 206-221.
11. Samir Soneji, James D. Sargent, Susanne E. Tanski and MPH; Brian A. Primack (2015). Associations between Initial Water Pipe Tobacco Smoking and Snus Use and Subsequent Cigarette Smoking. *JAMA pediatrics*, 01-08
12. Substance Abuse and Mental Health Services Administration (2011). Results from the 2010 National Survey on Drug Use and Health: Summary of National Findings, in NSDUH Series H-41. HHS Publication No. (SMA) 11-4658.
13. Dar. N.A., Bhat. G.A., Shah. I.A., Iqbal. B., Kakhdoomi. M.A., Nisar. I., Rafiq. R., Iqbal. S.T., Bhat. A.B., Nabi. S., Shah. S.A., Shafi. R., Masood. A., Lone. M.M., Zargar. S.A., Najar. M.S., Islami. F. (2102). Hookah smoking, nass chewing, and oesophageal squamous cell carcinoma in Kashmir, India. *British Journal of Cancer*, Vol. 107

- 14** Kaul R. R., Balwan W.K., Tabish S. A. and Wani F.A., (2013). Tobacco Use in School Going Adolescents of District Srinagar of Kashmir. *International Journal of Science and Research*, Vol. 5
- 15** Parvaiz A. K., Mubashir R. H., Mushtaq A. S., Umar H. K., Azra. S., Yasmin. K., Ahangar A. G, Reyaz A. T. (2011). Hookah Smoking and Lung Cancer in the Kashmir Valley of the Indian Subcontinent. *Asian Pacific Journal of Cancer Prevention*, Vol. 12
- 16** Thakur J.S., Shankar P., Nidhi B., Saroj K. R., Dhirendra N. S. & Poonam K. S., (2015). Widespread inequalities in smoking & smokeless tobacco consumption across wealth quintiles in States of India: Need for targeted interventions. *Indian J Med Res*, Vol. 141