Why do people continue to smoke cigarettes?

Over the past 30 years, progress has been made in reducing harmful tobacco use by Americans. However, cigarette smoking has remained high especially among youths and young adults. Why do these people continue to smoke while knowing about the harmful effect tobacco has on one’s health? Why don’t these smokers quit? Figure 1 shows the percentage of women and men broken down by race that smoke cigarettes. A larger percent of men smoke than women. The traditional economic model of smoking follows the standard approach to modeling any decision that involves tradeoff over time. It assumes that the consumer is fully informed, forward-looking and rational when deciding whether to smoke. Here they weigh the...
benefits and costs of smoking to make a decision. However, new approaches account for “self-
control” problems that smokers face. Gruber presents evidence that challenges the rational
addiction model and allows smokers to be time inconsistent. (top)

**Traditional Model**

Becker and Murphy argue that a rationally-addicted smoker will choose not to smoke
based on a trade off between two considerations in maximizing the present discounted value of
current and future utility. Utility is the happiness that acquiring goods brings to consumers.
According to the model a smoker is fully informed, forward looking and rational when weighing
the costs and benefits of quitting smoking. If the benefits of quitting smoking outweigh the costs
of quitting then one should quit.

**Benefits**

The benefits of quitting smoking may include the savings in costs of cigarettes and
additional earning power. The money that was previously used to purchase cigarettes can now
be used for other purchases or investments. In addition, this money can be invested, which may
increase your earning power. Other benefits of quitting smoking include higher utility from better
health in the long run and a longer life over which to enjoy consumption. The American Cancer
Society published data showing the short-term benefits of quitting smoking. Twenty minutes after
quitting smoking one’s blood pressure and heart rate drop to normal. In 24 hours, the chance of
a heart attack drops, and in 3 days, it gets easier to breathe and your lung capacity increases.

**Costs**

The costs of quitting smoking may vary from smoker to smoker. There is a significant cost to
quitting (especially in the near term), the high marginal disutility of foregoing cigarettes. The
smoker may experience withdrawal from not smoking, making them less happy. They may miss
the feeling and motions of smoking a cigarette, along with the way it makes them feel. Others
fear they will begin to gain undesirable weight due to an increased appetite. (top)
Time Inconsistent Model

Gruber has presented a new approach to the traditional economics of smoking that accounts for the “self-control” problems faced by smokers. “Eight in ten smokers in America express a desire to quit the habit, but many fewer than that actually do quit” (Gruber). Unlike the rational addiction model, this new model allows the smoker to be time inconsistent. There is conflict between what the smoker would like for himself today and what he would like for himself tomorrow. Today’s self is impatient. Faced with the tradeoff between the short-term pleasures of smoking and the long-term health damages of doing so he will greatly discount the latter and decide to smoke. Tomorrow’s self is more patient and would prefer to quit smoking. However, tomorrow never comes. The next day arrives and one’s future self is now the current self who is impatient. So the smoking continues, to the long-term regret of the smoker. The traditional rational economics model does not allow for these time inconsistencies. In that respect, “today’s self and all future selves are in agreement about the advisability of smoking, leading to no regret or inability to carry out plans to quit.”

References


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