



# “PRIORITIES OF HEALTH ECONOMICS IN AFRICA”

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## **PT 12**

### **On Social Norms, Regulation and Demand for Cigarettes**

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#### Abstract

This study examines the effectiveness of regulations such as advertising bans and smoking restrictions or bans in public places on demand for cigarettes when an influence of social norms on demand are taken into account. The paper uses panel data from OECD countries in the period of 1990 and 2004, and tests the impacts of regulations on demand for cigarettes.

The results suggest that strong smoking bans in public places have continuous impact on demand for cigarettes. Having strong bans implemented in a country decreases average smoking by 6.6 percent. It is also likely that implementing comprehensive bans would change smoking norms; therefore have indirect impacts on demand. The results show that this indirect effect would be 1.3 percent decrease in smoking for each year strong bans in place.

*Keywords:* smoking, demand for cigarettes, anti-smoking policies, social norms

*JEL Classification:* D12, I18