**What If Tobacco Was Too Expensive to Be a Killer?** (682 words)

Siti tried his first cigarette at age 17. His parents smoked, and when he was a teen, he wanted to look cool with his friends. Cigarettes were very cheap, easy to afford even if he did not earn a full salary and no one seemed to mind. In his 20s, Siti got married and had three children. He worked as a carpenter. As his family grew and his household costs went up, so did his smoking – to 13 kretek sticks per day. He considered quitting – many times – but he enjoyed smoking, and he could always afford cigarettes. Eventually, however, the costs began to add up. Soon Siti was spending a larger share of his paycheck on tobacco than on food. In his 30s, Siti began coughing and becoming short of breath. He consulted a doctor, and the diagnosis was worst: it was too late, he had lung cancer. Siti cannot afford treatment and worries he will not be able to continue working as a night security guard as his health declines. How will he support his family?

Siti is not unique – in fact, he’s the average Indonesian male. Sixty-seven percent of men (and 4.5 percent of women) in the country smoke cigarettes. [240,000 Indonesians die every single year from smoking-related causes](https://www.pri.org/stories/number-children-smoking-indonesia-getting-out-control). You’ve probably already encountered Siti on a street today, a kretek in hand on the way to work or a shop. Hundreds of millions of Sitis exist because smoking is so affordable, and a very easy habit to start.

But what if Siti had never been able to afford his first cigarette? Would his life have been different? Would he have had a better job, earn more money, enjoy more years of good health? The statistics say it’s likely he would.

Raising the price of tobacco paid by consumers by increasing taxes is an effective policy tool that can give hundreds of millions of Indonesians a chance at a better life and fate than Siti’s. Higher, well-designed tobacco taxes on all tobacco products – which result in a substantial increase in the final retail price – make them less affordable to the youth prevent them from starting to smoke, and save lives by encouraging smokers to quit. Around the world, evidence has demonstrated that increasing tobacco taxes is the most effective way to reverse the tobacco epidemic. [On average for every 10% increase in prices, youth smoking declines by 6 or 7% and overall use by 4%](https://www.tobaccofreekids.org/assets/factsheets/0146.pdf).

While improvements in health are the most important consequence of tobacco taxes, they are not the only benefit. If cigarettes were less affordable, hundreds of millions of Indonesian workers who are currently sick could contribute productively to the growth of the Indonesian economy. Hundreds of millions of healthy Indonesian young workers could use the budget that they currently waste on cigarettes – to get a better education, protect their health, and develop their futures. In addition, the Indonesian government would have collected more tax revenue from productive workers’ incomes and spent less money on social and health government-funded programs. In sum, a triple-win: for the society, for the economy, and policymakers.

Currently, specific taxes on cigarettes in Indonesia very low, are ranging from 27 to 46 percent of the retail price, which varies from XXX to XXX rupees. Furthermore, the tax rates on cigarettes in Indonesia depends on several characteristics making the ratio between [the highest and the lowest per-unit tax quite high at 6.7](http://documents.worldbank.org/curated/en/313111526648544816/The-economics-of-tobacco-taxation-and-employment-in-Indonesia). In recent years, though Indonesia had increased taxes and simplified the tax system, these efforts have not been enough to reduce the affordability of cigarettes and disincentivize millions who currently use them regularly. Tobacco taxes need to be increased more than income growth and inflation to generate short and long-term benefits to workers’ productivity and our country’s continued economic growth.

Siti was able to afford his first cigarette, and it led him to a lifetime of addiction and eventually disease.

By adopting aggressive tax policies now, Indonesia has an opportunity to transform the lives of the next generation and create a world where Siti can grow up, free from crippling tobacco addiction.