

The Impact of a Vape Ban on Cigarette Smoking and Life Expectancy

Kathleen Hui

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*Researcher(s)' own analyses calculated (or derived) based in part on data from Nielsen Consumer LLC and marketing databases provided through the NielsenIQ Datasets at the Kilts Center for Marketing Data Center at The University of Chicago Booth School of Business. The conclusions drawn from the NielsenIQ data are those of the researcher(s) and do not reflect the views of NielsenIQ. NielsenIQ is not responsible for, had no role in, and was not involved in analyzing and preparing the results reported herein.

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No tobacco related funding in last 10 years

Vapes: a controversial tobacco product

- Vapes are believed to be less harmful than cigarettes (CDC, NASEM)
- Vapes may help older smokers quit smoking cigarettes, but may also encourage youth to become addicted and vape/smoke throughout life
- Policymakers have banned the sale of vapes
 - In 34 countries (e.g. India, Brazil, Japan)
 - Within the US (e.g. Massachusetts, San Francisco, Beverly Hills)
- Health harm depends on smoking and vaping persistence and the age of use
 - Smoking at older stages of life is particularly detrimental to life expectancy (Darden et al 2018, Doll et al 2004, Jha et al 2013)

Research question

Q: Would banning the sale of vapes in the US benefit public health?

Key idea: Vape ban \rightarrow Δ Life cycle profile of tobacco use \rightarrow Δ Health

Key considerations:

- Substitution between cigarettes and vapes
- Addictiveness of cigarettes and vapes
- Age-specific health effect

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- Document patterns of substitution, addiction, and use over life cycle
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- Compare recommendation to shorter term analyses that do not simulate life cycle choices

Preview of results

Impact of a US vape ban

- Average life expectancy in current US population ↓ by 26 days (total 12M life-years)
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What drives these findings?

- Older individuals are more likely to substitute to cigarettes when vapes are banned
 - Effects range from 1% of 14 year old vapers to 75% of 45 year old vapers
- However, vapers who substitute to smoking smoke more persistently than they vaped
- Individuals vape more in youth than in adulthood, so a vape ban prevents vaping earlier in life but generates smoking later

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Shorter term analysis can underestimate long term cumulative health impacts

- Do not fully capture differences in persistent and age-specific health harms between cigarettes and vapes

Related literature

- Impact of vape regulation on smoking
 - Existing state and local policies Abouk Adams 2017, Abouk et al 2023, Cotti et al 2022, Dave Feng Pesko 2019, Friedman 2015, Friedman 2021, Friedman Pesko 2022, Pesko Warman 2022, Pesko 2023, Pesko Currie 2019, Saffer et al 2020
 - Proposed advertising bans and price changes Chen Rao 2020, Tuchman 2019
 - Optimal taxation Allcott Rafkin 2022

This paper: [Impact of national vape ban on tobacco use over life cycle. Implication for life expectancy. Differential impacts on youth and adults.](#)
- Addictive goods: Arcidiacono Sieg Sloan 2007, Becker Murphy 1988, Becker Grossman Murphy 1991, Chaloupka 1991, Choo 2001, Gordon Sun 2015, Gruber Koszegi 2001, Orphanides Zervos 1995, Suranovic Goldfarb Leonard 1999

This paper: [Allow product addictiveness to reflect changing nicotine levels of new good.](#)

- Harm reduction: Burton 2020, Cawley Dragone 2023, Clarke et al 2019, Dave et al 2022, Deza 2015, Doleac Mukherjee 2022, Goonetilleke et al 2023

This paper: [Study health impact of national ban on harm reduction method.](#)

- Unobserved heterogeneity: Heckman Singer 1984, Berry Levinsohn Pakes 1995, Nevo 2001, Pakes et al 2022

This paper: [Application to vape regulation.](#)

Why a national vape ban? Why a structural model?

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- Only New Zealand has implemented a cigarette ban
- US Food and Drug Administration (FDA) has increasingly acquired authority to regulate and ban vaping products
 - Authorized 23 vape products, denied >99% of applications, authorization can be rescinded

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- Natural experiment: State-level vape bans in 2019
(Katchmar Gunawan Siegel 2021, Xu et al 2022)
 - Can identify impact of state-level vape ban within time frame and population studied

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 - Can identify impact of state-level vape ban within time frame and population studied
- This paper: Impact of national vape ban on life cycle tobacco use and life expectancy

Questions?

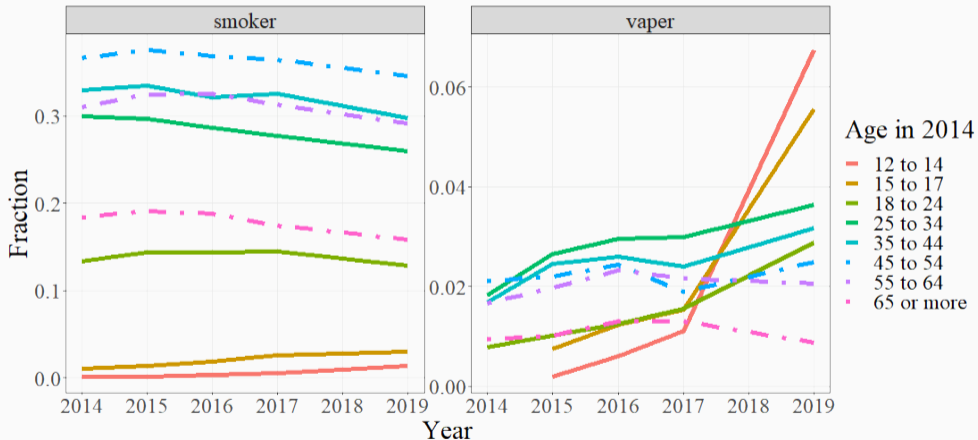
Population Assessment of Tobacco and Health

- Annual panel survey of youth age 12-17 and adults (5 waves, 2014-2019)
 - Entering in 2014: Main cohort age 12 to 65+
 - Entering in 2017: Replenishment cohort age 12 to 65+
 - Entering in other years: Youth age 12-14
- Current consumption: Days smoked and vaped in last 30 days
- Consumption history: Ever tried cigarettes (vapes), smoked 100+ cigs in life, ever vaped regularly
- Addiction: e.g. My use of cigarettes (vapes) is out of control (1-5)
- Health: e.g. high blood pressure, asthma, lung cancer, reported health
- Demographics: Age, education, race, sex, census region (midwest, south, northeast, west)

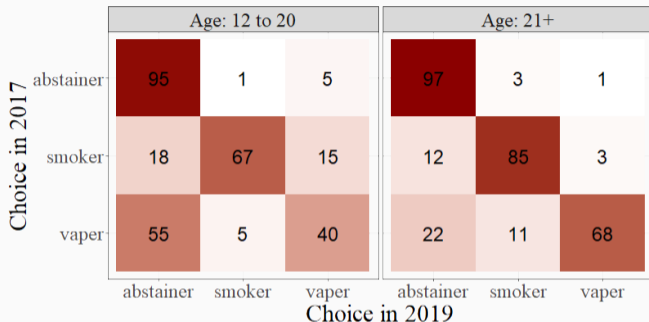
Nielsen Retail Measurement Services

- Cigarette and vape prices at census region level, 2014-2019

Smoking prevalent among ages 25-54, vaping prevalent among youth

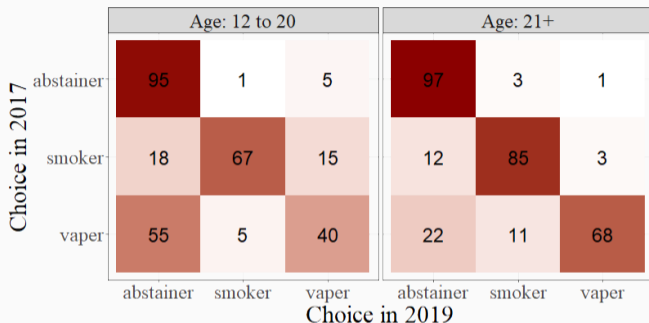


Vaping appears less addictive than smoking



- More young abstainers transition to vaping than smoking
- However, more young vapers transition to abstaining than continue vaping
- In contrast, more young smokers continue smoking than transition to abstaining
- Smoking and vaping are persistent but smoking is more persistent than vaping

Vapers are more likely than abstainers to transition to smoking



- Vapers are more likely than abstainers to transition to smoking
- If vaping caused smoking, vape regulation should also decrease smoking
- However, natural experiments find that vape regulation increases smoking
- Possible explanation: individuals who like to vape also like to smoke

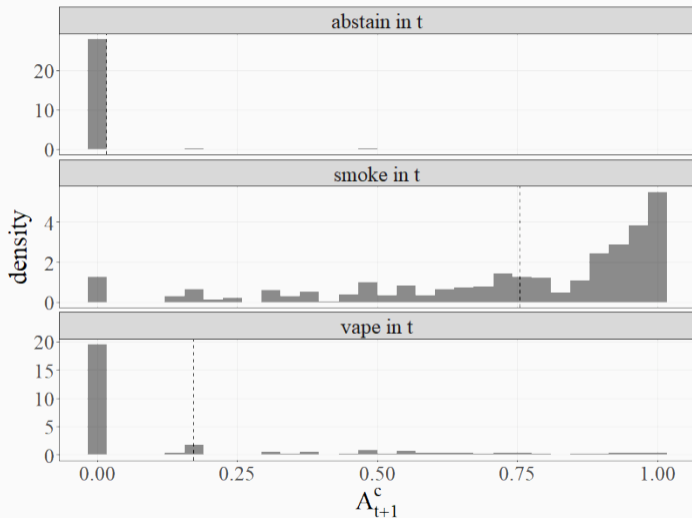
How is addiction measured?

- 5 survey responses measuring addiction to $j \in \{\text{cigarettes, vapes}\}$.
 - Do you ever have strong cravings for j ? (0 no, 1 yes)
 - I frequently crave j . (1 not at all - 5 extremely like me)
 - Have you ever felt like you really needed to use j ? (0 no, 1 yes)
 - My j use is out of control. (1 not at all - 5 extremely like me)
 - I find myself reaching for j without thinking about it. (1 not at all - 5 extremely like me)
- Reduced to first component from Multiple Correspondence Analysis, $A^c, A^v \in [0, 1]$
- Cigarette (vape) addiction available for individuals who smoked (vaped) this or last year
- Allows products to change in addictiveness over time in addiction model

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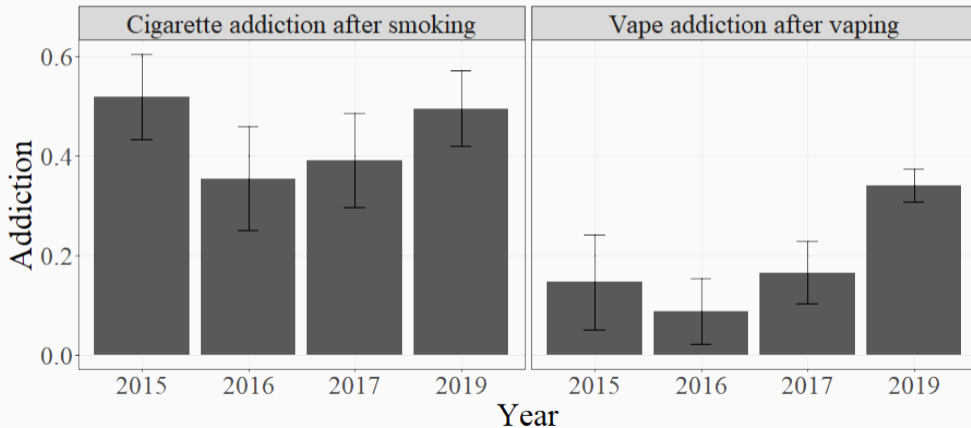
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 - Assume no addiction if don't use for 2 years
- Allows products to change in addictiveness over time in addiction model

Cigarette addiction is high for smokers and low for non-smokers

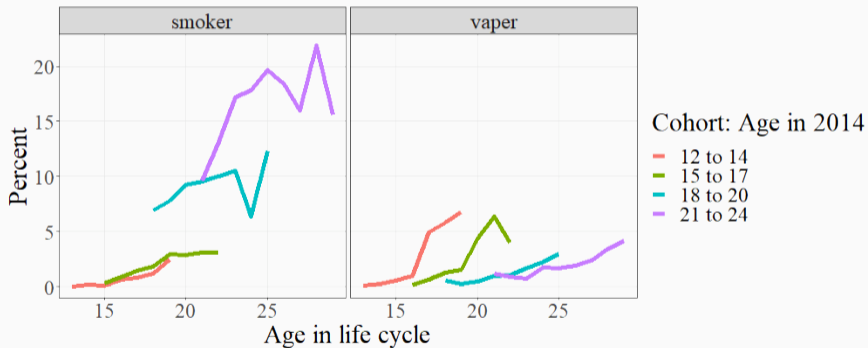


Vapes appear less addictive than cigarettes

Addiction for new tobacco users



At the same age, younger cohorts smoke less and vape more



Data summary: Implications for a vape ban

- Vapers may not vape for long
- Vapers who switch to smoking may smoke longer than they would have vaped
- Vapers are more likely than abstainers to transition to smoking. 2 explanations:
 1. Gateway effect → Vape ban prevents future vaping and smoking
 2. Correlated taste for vaping and smoking → Vape ban drives vapers to smoke
- As they age, young cohorts will vape more and smoke less than current adults

Individuals' choices are driven by personal and product characteristics

- Observable to researcher: addiction, choice last year, ever tried cigarettes, health, demographics, prices, product attractiveness in year t
- Unobservable to researcher: Inherent propensity to enjoy cigarettes and vapes
 - Model two classes of individuals who differ in unobservable taste for cigarettes and vapes

Model

age_0
 p_0, ξ_0

age_1
 p_1, ξ_1

age_2
 p_2, ξ_2

class

cohort

t_0

t_1

t_2

Model

$$\begin{array}{l} \text{age}_0 \\ p_0, \xi_0 \end{array}$$

$$\begin{array}{l} \text{age}_1 \\ p_1, \xi_1 \end{array}$$

$$\begin{array}{l} \text{age}_2 \\ p_2, \xi_2 \end{array}$$

class

cohort

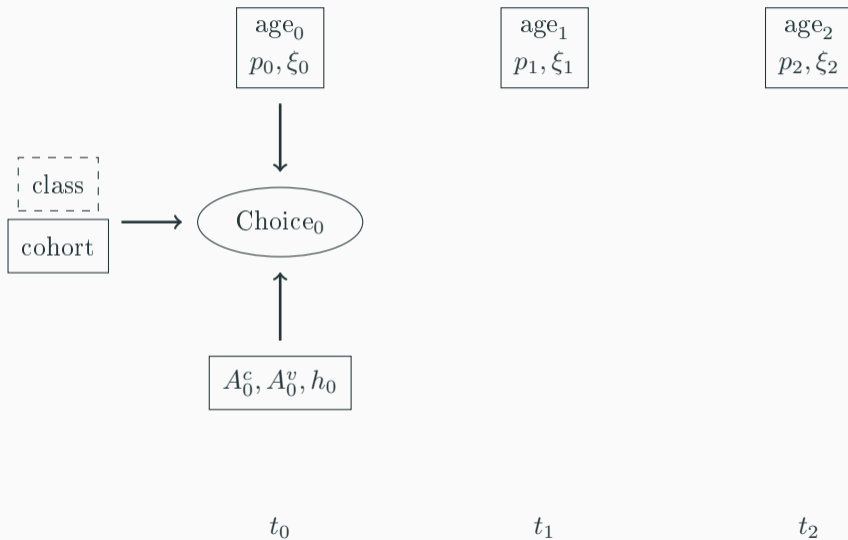
$$A_0^c, A_0^v, h_0$$

t_0

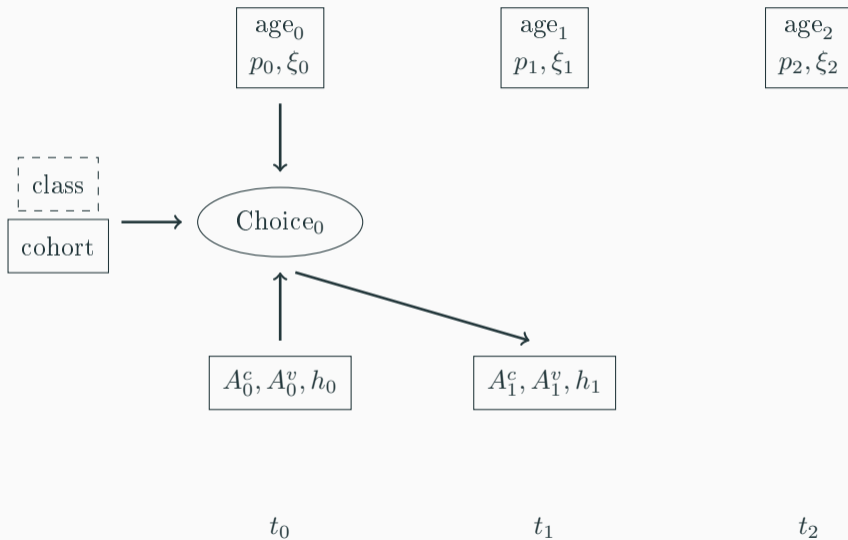
t_1

t_2

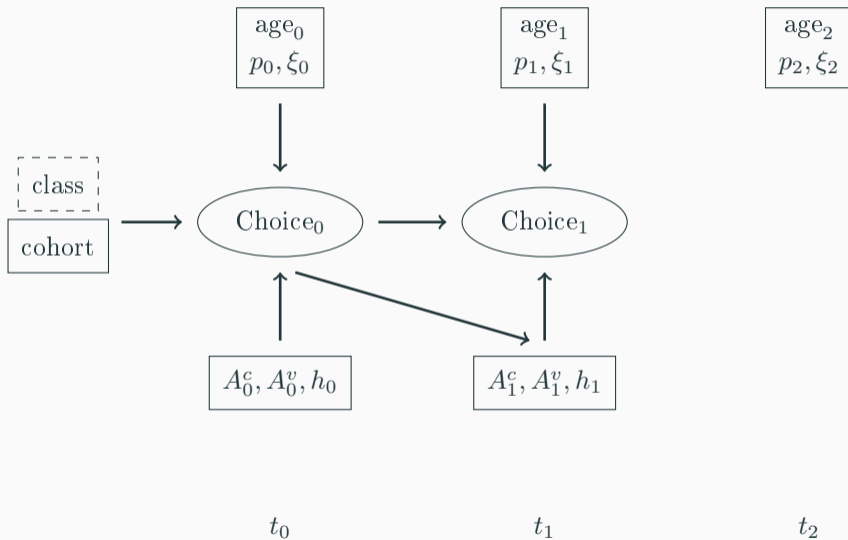
Model



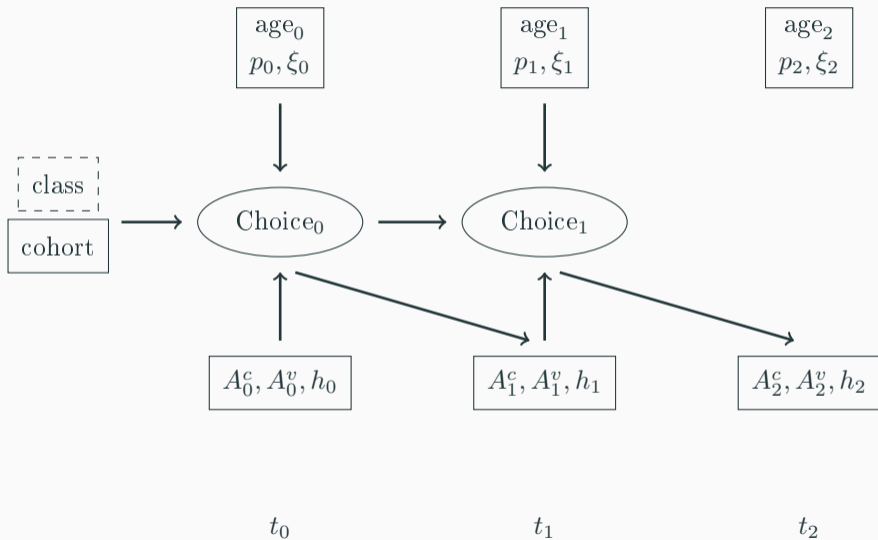
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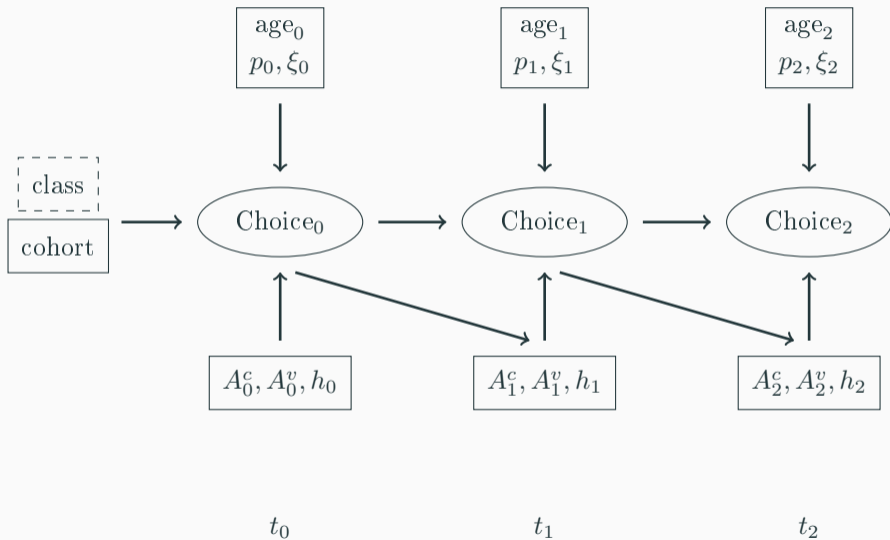
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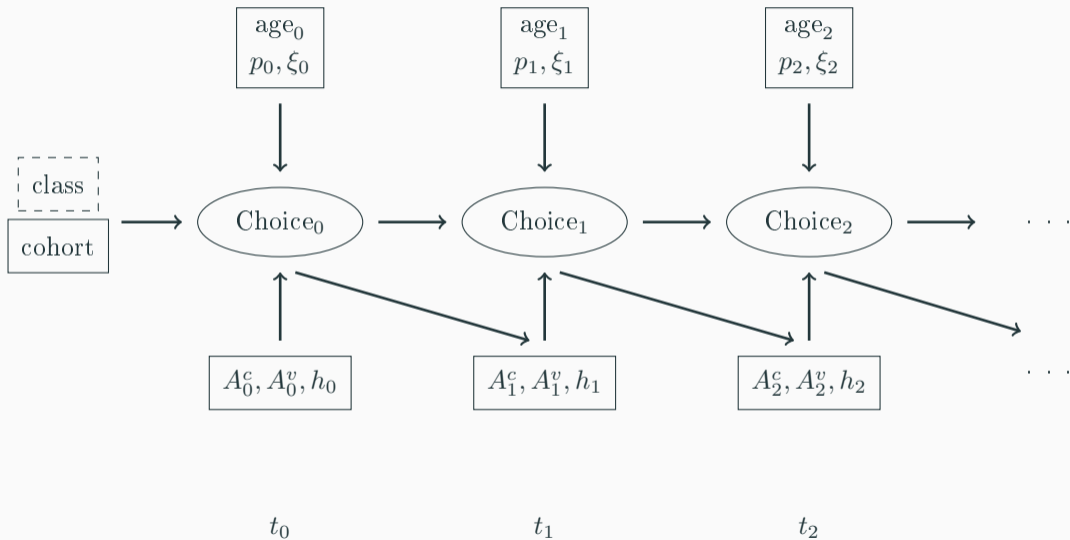
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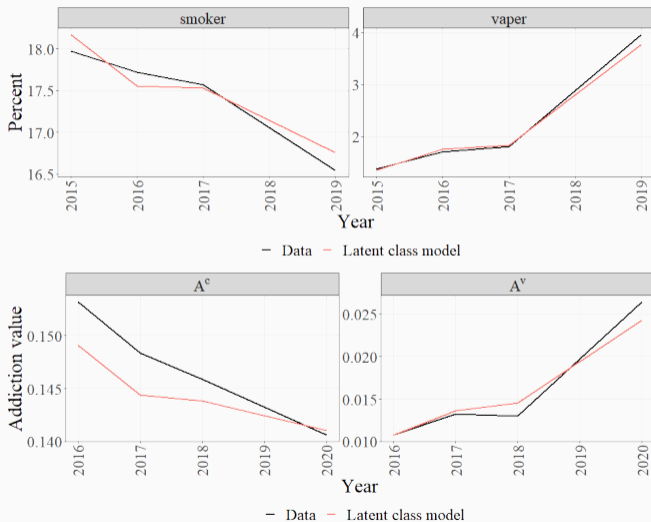
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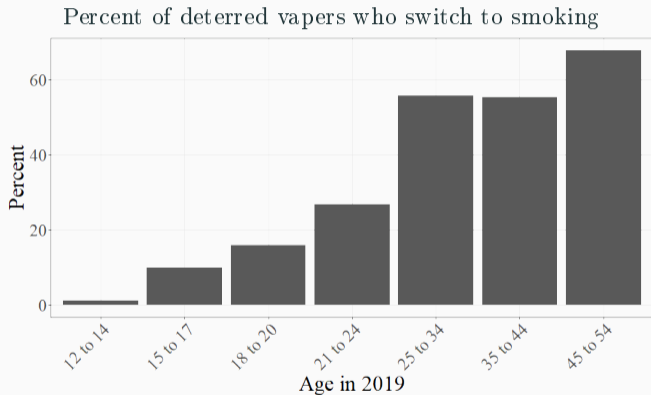
Model fit



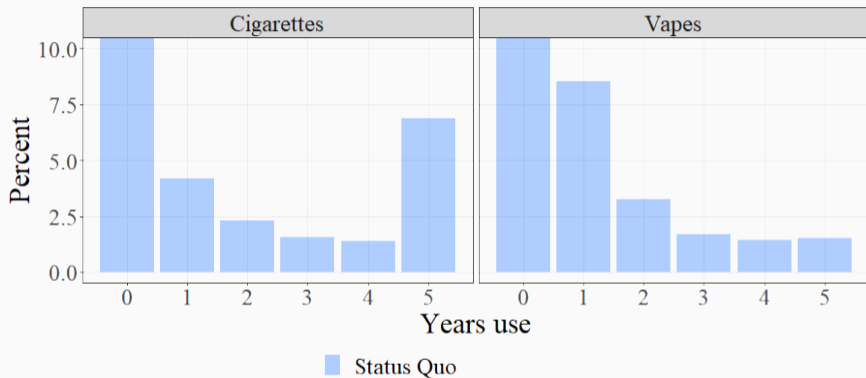
Questions?

- Cohort of individuals age 12+ in 2019
- Fix price and product quality (FE) at 2019 levels
- Simulate future choices with and without a 2019 vape ban over 1 year, 5 years, life cycle
- Map tobacco life cycle profile to life expectancy

1 year after ban: Older vapers are more likely to switch to smoking

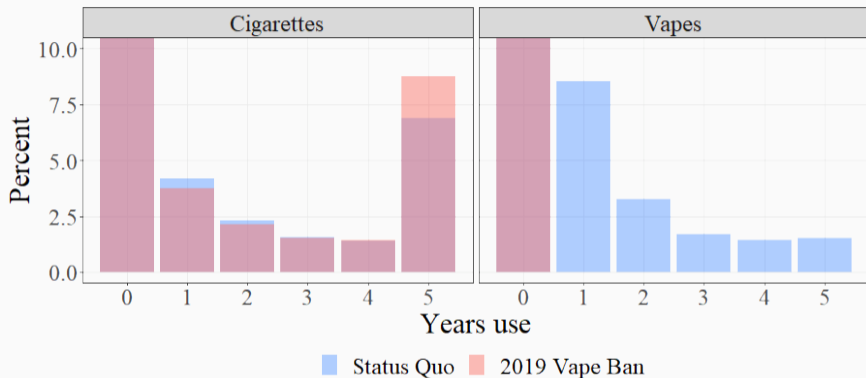


5 years after ban: Temporary vaping ↓ and persistent smoking ↑



- Most vape use is temporary

5 years after ban: Temporary vaping ↓ and persistent smoking ↑

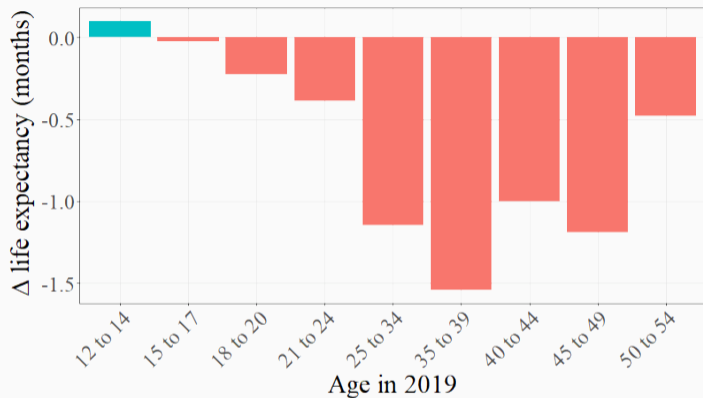


- Of individuals that now smoke all 5 years, 15% increased the number of years they smoked by more than the decrease in number of years they vaped

Calculating life expectancy

- Map Δ persistence and age of tobacco use over life cycle to Δ life expectancy
 - Smokers that quit before 40 have similar life expectancy as never smokers (Darden et al 2018, Doll et al 2004, Jha et al 2013, Pirie et al 2013)
 - Darden et al (2018): Smoking from 18 to death decreases life expectancy by 4.3 years
- I focus on tobacco use from age 49-59
- Assumptions
 - Smoking and vaping before age 40 does not decrease life expectancy
 - Starting at age 40, each year of smoking decreases life expectancy by 1.6 months
($\underbrace{1.6/12}_{\text{annual harm}} \times \underbrace{(75.5 - 39 - 4.3)}_{\text{years smoked}} = \underbrace{4.3}_{\text{total harm}}$)
 - Each year of vaping decreases life expectancy by $1.6 * \text{RR}$ months (Relative Risk of harm)
 - $\text{RR} = .25$ from survey of tobacco scholars (Allcott Rafkin 2022)
 - Pattern of smoking and vaping from 55-59 persists until death

Vape ban decreases life expectancy for all but the youngest cohort



- For youngest cohort, benefit from decreased vaping outweighs increase in smoking
- Across cohorts, life expectancy decreases by 26 days on average (12M life-years total)

Implications for other vape regulations

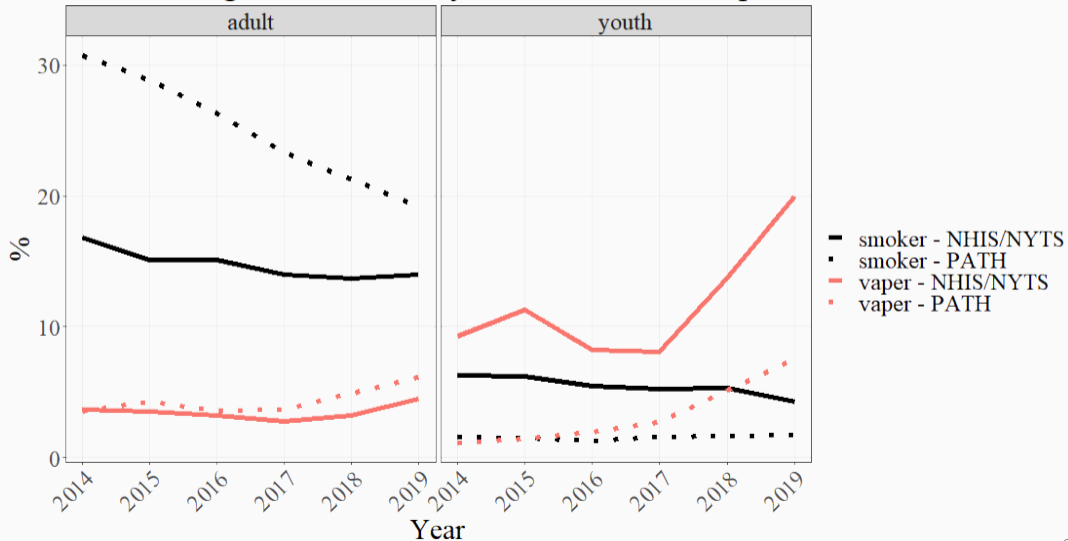
- Subsidizing vapes for existing smokers may improve health (eg prescription model)
- Flavor bans may improve life expectancy if only young cohorts enjoy flavors
- Next steps: Alternative policies
 - Nicotine product standards
 - Taxes and subsidies
 - IV using state taxes, minimum age of sale laws
 - Prescription model
 - Vapes available when individual meets threshold for cigarette addiction

Conclusion

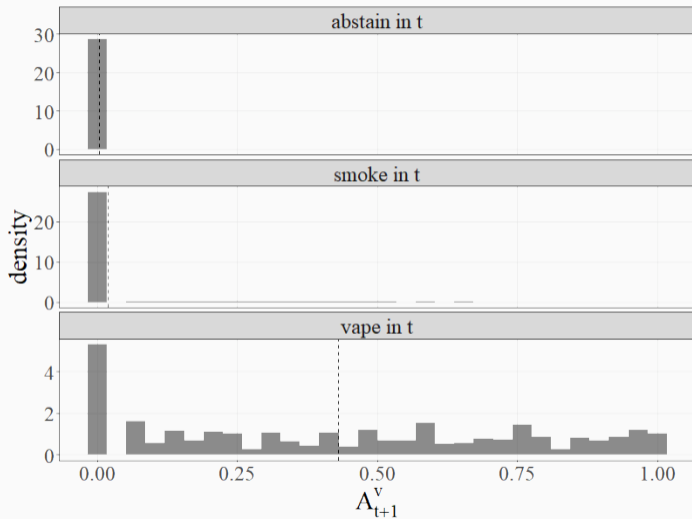
- I develop and estimate a dynamic panel model of cigarette and vape demand
- I simulate the effect of a vape ban on tobacco use over the life cycle and life expectancy
- A vape ban would not improve average life expectancy
 - Decrease of 26 days on average (12M life-years total), assuming vapes are 25% as harmful as cigarettes
 - Life expectancy decreases for all but the youngest cohort
- Vape regulation should consider persistence and age of tobacco use over the life cycle
 - Shorter term analyses would underestimate the negative impact of a vape ban

PATH vs other national surveys

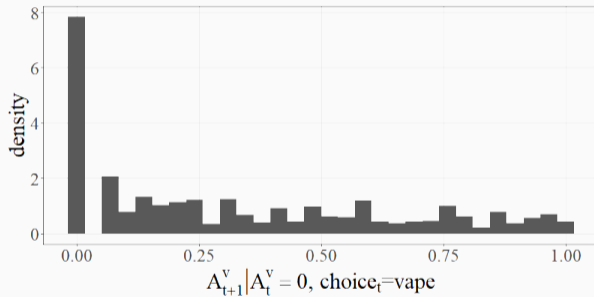
Percentage of adults and youth who smoke/vape



Vape addiction distribution



Vape addiction transition



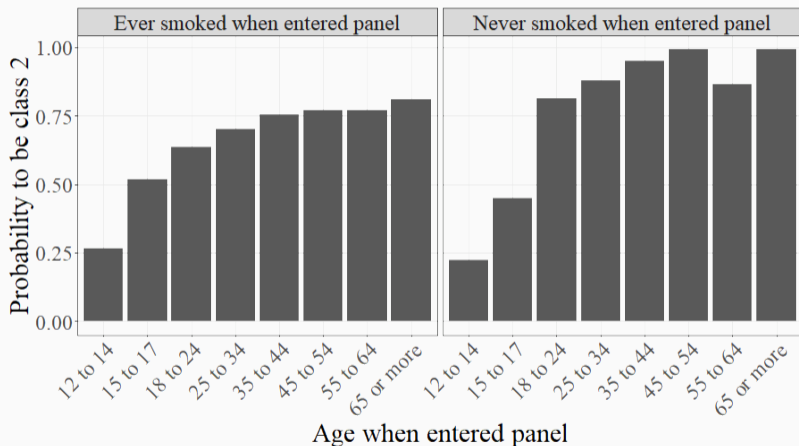
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Choice Estimates

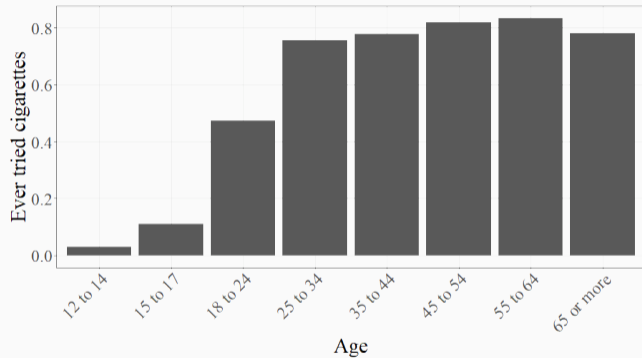
| Coefficient Type | Variable | Latent Class Model | | | |
|----------------------------|-----------------------------------|--------------------|--------|----------|--------|
| | | Class 1 | | Class 2 | |
| Cigarette and vape utility | price | 0.01 | (0.3) | -0.27 | (0.26) |
| Cigarette utility | intercept | -7.63*** | (1.98) | -5.92*** | (1.85) |
| | ever try cigarette _{t-1} | 2.63*** | (0.2) | 2.93*** | (0.26) |
| | smoker _{t-1} | 1.31*** | (0.13) | 5.85*** | (0.25) |
| | vaper _{t-1} | 0.61** | (0.25) | 3.68*** | (0.23) |
| | A _t ^c | 1.73*** | (0.13) | 4.7*** | (0.33) |
| | A _t ^v | 0.92** | (0.37) | 1.44*** | (0.51) |
| | bh _t | -0.11 | (0.34) | 1.1** | (0.53) |
| | 2019 | -0.39*** | (0.13) | -0.81*** | (0.23) |
| Vape utility | intercept | -6.19*** | (1.32) | -4.59*** | (1.28) |
| | ever try cigarette _{t-1} | 1.41*** | (0.12) | 1.19*** | (0.22) |
| | smoker _{t-1} | 0.59** | (0.24) | 3.78*** | (0.25) |
| | vaper _{t-1} | 0.29 | (0.37) | 5.68*** | (0.22) |
| | A _t ^c | 1.24*** | (0.29) | 3.83*** | (0.33) |
| | A _t ^v | 2.11*** | (0.48) | 3.98*** | (0.46) |
| | bh _t | -1.35 | (1.1) | -0.27 | (0.6) |
| | 2019 | 2.36*** | (0.31) | -0.48 | (0.28) |

Class probability

Younger cohorts are more likely to be in class 1, and strongly prefer vapes over cigarettes



Ever tried cigarettes when enter panel \times Age when enter panel



◀ Interpretation

◀ Class probability

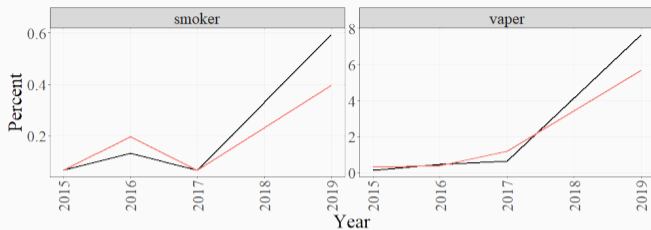
Vape addiction estimates

| | $P(A_{t+1}^v > 0)$ | $A_{t+1}^v A_{t+1}^v > 0$ |
|---|--------------------|-----------------------------|
| | <i>Logistic</i> | <i>OLS</i> |
| | (1) | (2) |
| Constant | -6.52*** (0.14) | 0.25*** (0.03) |
| ever tried vape _{t-1} | 2.30*** (0.07) | 0.02 (0.02) |
| smoke _t | 2.66*** (0.21) | 0.06 (0.05) |
| vape _t | 7.53*** (0.24) | 0.11** (0.04) |
| A _t ^v | 6.38*** (0.27) | 0.22*** (0.04) |
| smoke _t × ever tried vape _{t-1} | -0.39** (0.15) | -0.04 (0.04) |
| vape _t × ever tried vape _{t-1} | -2.40*** (0.15) | -0.02 (0.02) |
| smoke _t × A _t ^v | -1.58*** (0.32) | 0.03 (0.05) |
| vape _t × A _t ^v | -2.48*** (0.49) | 0.18*** (0.04) |
| Age FE | Y | Y |
| Age-choice interaction | Y | Y |
| Year FE | Y | Y |
| Year-choice interact | Y | Y |
| Observations | 111,286 | 4,296 |
| R ² | | 0.28 |
| Log Likelihood | -9,264.20 | |

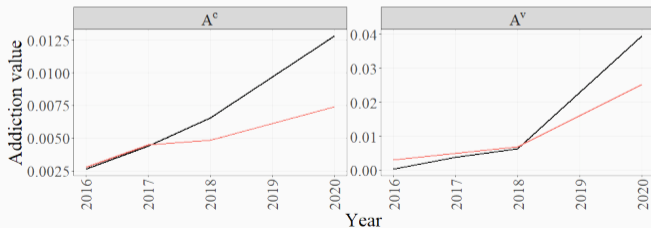
*p<0.05; **p<0.01; ***p<0.001

Note: Reference age is 18-24 and reference year is 2015.

Model fit: Cohort age 15-17 in 2019

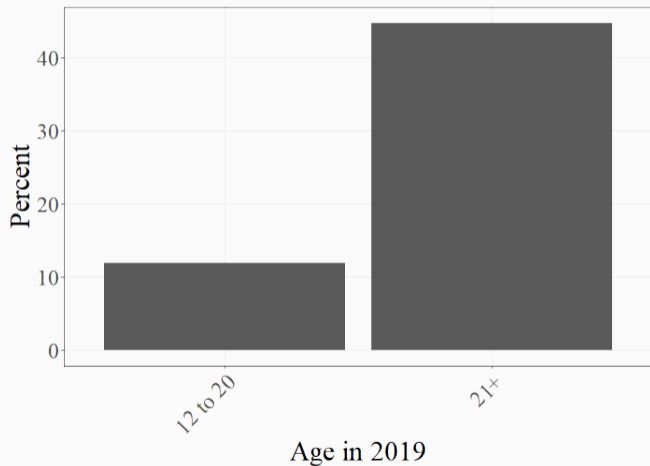


- Data - Latent class model



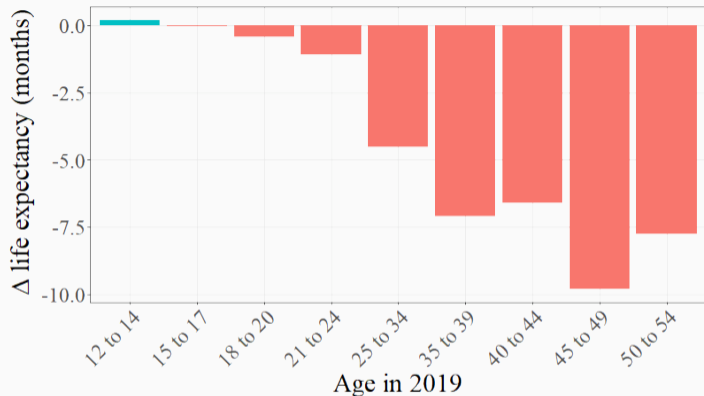
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Short run: Older vapers are more likely to switch to smoking



◀ Back

Older vapers lose several months of life expectancy



Many older individuals would not have vaped, but among older vapers, life expectancy decreases by up to 10 months

Vape ban decreases life expectancy for all but the youngest cohort

| Age in 2019 | Avg change in years vaped | | Avg change in years smoked | | Avg change in months lived |
|-------------|---------------------------|-----------|----------------------------|-----------|----------------------------|
| | Before age 40 | Age 40-59 | Before age 40 | Age 40-59 | RR = .25 |
| 12 to 14 | -3.4 | -3.0 | 0.6 | 0.7 | 0.10 |
| 15 to 17 | -3.3 | -2.8 | 0.6 | 0.7 | -0.03 |
| 18 to 20 | -2.6 | -2.0 | 0.5 | 0.6 | -0.23 |
| 21 to 24 | -1.1 | -0.6 | 0.3 | 0.3 | -0.39 |
| 25 to 34 | -0.5 | -0.4 | 0.3 | 0.6 | -1.15 |
| 35 to 39 | -0.1 | -0.8 | 0.1 | 0.8 | -1.54 |
| 40 to 44 | 0.0 | -0.6 | 0.0 | 0.5 | -1.00 |
| 45 to 49 | 0.0 | -0.4 | 0.0 | 0.4 | -1.19 |
| 50 to 54 | 0.0 | -0.2 | 0.0 | 0.1 | -0.48 |

- Vaping prevents more vaping before middle age than during middle age
- Vape ban generates more smoking in middle age than before middle age