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Does Mass Product Tort Litigation Facilitate or Hinder Social Legislative Reform? A Comparative Study of Tobacco Regulation

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DOES MASS PRODUCT TORT LITIGATION FACILITATE OR HINDER SOCIAL LEGISLATIVE REFORM?  
A COMPARATIVE STUDY OF TOBACCO REGULATION

Jeffrey S. Quinn

I. INTRODUCTION

Michael Moore, Mississippi State Attorney General, triumphantly proclaimed the settlement of the tobacco litigation as, “‘the most historic public health agreement in history.’”¹ Since that moment, numerous scholars and public health advocates have lined up to debate the effectiveness of litigation in accomplishing public health policy objectives.² No scholar denies the fact that litigation can have an impact on social policy.³ Instead, the debate has tended to center around the appropriateness


³ See R. Shep Melnick, Tobacco Litigation: Good for the Body but not the Body Politic, 24 J. HEALTH POL’Y & L. 805, 805 (1999) (“That courts can bring about significant policy changes should be evident to everyone, even academics.”).
of intentionally using the judiciary as a tool in creating new social policy regimes in place of legislative action.\textsuperscript{4}

The Master Settlement Agreement is hailed as the most substantial public health regime ever created with the aid of litigation.\textsuperscript{5} For that reason, the regulation of tobacco has been widely examined by scholars to prove or rebut the assertion that litigation should be used to create social policy.\textsuperscript{6} The goal of this Article is to examine the scholarly debate by applying the real world experience of tobacco regulation in the United States and United Kingdom to the theoretical arguments on both sides of the debate. The United States is a true mix of legislation and litigation including a mass product tort system far greater in scope and size than any place in the world.\textsuperscript{7} The United Kingdom, on the other hand, is almost completely a legislative state whose mass product tort litigation is nearly nonexistent.\textsuperscript{8} These dramatically differing approaches to the regulation of social policy create the ability to compare and contrast the effectiveness of using litigation to create social policy in the United States, while relying on legislation in the United Kingdom. After examining the scholarly debate within the context of tobacco regulation in the United States and United

\textsuperscript{4} See infra Part III (analyzing the arguments in favor of and against the use of the judiciary to create social reform).

\textsuperscript{5} See Mollenkamp, supra note 1, at 231 (quoting Moore’s statement that the settlement is “the most historic public health agreement in history”); Jacobson & Soliman, supra note 2, at 230 (“Whatever its shortcomings, however, there is no question that these [public health] gains would not have been achieved absent the states’ Medicaid litigation.”); Rahul Rajkumar et al., Is the Tobacco Settlement Constitutional?, 34 J.L. MED. & ETHICS 748, 748 (2006) (stating that “the MSA was widely hailed as a victory for public health”).

\textsuperscript{6} See, e.g., Jacobson & Warner, supra note 2, at 771 (“In this article, we examine the relationship between litigation and public health policy formulation in the context of the debates over tobacco control policy.”); Arthur B. LaFrance, Tobacco Litigation: Smoke, Mirrors and Public Policy, 26 AM. J.L. & MED. 187, 188–89 (2000) (“By its nature, private litigation does not adequately address public health concerns, and therefore will not create a comprehensive national tobacco policy.”); Lytton, Using Litigation to Make Public Health Policy, supra note 2, at 557 (stating that advocates and opponents have used the tobacco litigation as a case study in arguing for or against the use of the judiciary); Mather, supra note 2, at 900 (“I address several substantive and theoretical issues about the power of courts to effect change, using tobacco law and politics as a case study.”).


\textsuperscript{8} See Andrei Sirabionian, Why Tobacco Litigation has not been Successful in the United Kingdom: A Comparative Analysis of Tobacco Litigation in the United States and the United Kingdom, 25 NW. J. INT’L L. & BUS. 485, 506 (2005) (“The United Kingdom uses legislative means to dictate its public policy and thus is hesitant to punish private parties in order to send a message out to the public.”).
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Kingdom, this article finds that litigation ultimately hinders social legislative reform.

Part II of this Article examines the history of tobacco legislation and litigation in the United States and United Kingdom. Part III analyzes the scholarly debate by applying the comparison of tobacco regulation in the United States and United Kingdom. Part IV concludes by summarizing the findings of this Article.

II. THE HISTORY OF TOBACCO REGULATION IN THE UNITED STATES AND UNITED KINGDOM

This Article undertakes a comparative analysis of the differing experiences of tobacco regulation within the United States and United Kingdom. These two countries are sufficiently similar to drawn comparisons, but at the same time contain two very different perspectives on how to solve social problems: the United States relies heavily on the tort system, while the United Kingdom relies heavily on legislation and social welfare programs. To provide the proper context to the scholarly debate, it is important to understand the regulation of tobacco through both legislation and litigation in the United States and United Kingdom.

A. The United States

The United States is generally known for its prevalence of mass tort litigation; however, the United States has a long history of both legislation and litigation regarding the regulation of tobacco. This Article examines the history of tobacco regulation in the United States since the mid-1900s.

1. Legislation of Tobacco

For all intents and purposes, the history of tobacco legislation in the United States started on January 11, 1964, when the United States Surgeon General Luther L. Terry released the report on Smoking and Health. The Surgeon General found that “[c]igarette smoking is causally related to lung cancer in men; the magnitude of the effect of cigarette smoking far

9. See supra notes 7–8 and accompanying text (explaining the different approaches to regulation taken in the United States and United Kingdom).
10. See supra note 7 and accompanying text (stating that the prevalence of litigation in the United States is far greater than anywhere else in the world).
outweighs all other factors.”

The Surgeon General stated that “[c]igarette smoking is a health hazard of sufficient importance in the United States to warrant appropriate remedial action.”

Spurred on by the findings of the Surgeon General’s Report, in June of 1964, the FTC promulgated a rule which required all cigarette ads and cigarette packages to include the following warning: “Caution: Cigarette smoking is dangerous to health and may cause death from cancer and other diseases.”

Congress chose to preempt the FTC’s rule, however, when it passed the Federal Cigarette Labeling and Advertising Act (FCLLA). The FCLLA required all cigarette packaging to include the following warning, “Caution: Cigarette Smoking May Be Hazardous to Your Health.” Congress used this language to draw a balance between informing the public about the negative effects of smoking, and implementing uniform requirements to protect commerce. In May of 1969, the FTC announced a new proposed rule that would require all cigarette advertising, in print and broadcast, to require the warning: “Cigarette smoking is dangerous to health and may cause death from cancer, coronary heart disease, chronic bronchitis, pulmonary emphysema, and other diseases.” Congress once again chose to weigh in on the issue, and amended the FCLAA by passing the Public Health Cigarette Smoking Act (PHCSA). The PHCSA required all cigarette packages to contain the following warning: “Warning: The Surgeon General Has Determined That

13. Id. at 33. See also Heminger, supra note 11, at 1278 (describing the Surgeon General’s report); Sirabionian, supra note 8, at 487 (same).
17. Sirabionian, supra note 8, at 488.
Cigarette Smoking Is Dangerous to Your Health." The PHCSA also prohibited cigarette advertising on all electronic media and included an express preemption clause.

Congress amended the FCLAA for a second time in 1984 by passing the Comprehensive Smoking Education Act (CSEA). The CSEA required more stringent health warnings to be included on all cigarette packages and advertisements. Four explicit warnings were required to be rotated on every package and advertisement in accordance with a plan submitted by the manufacturer to the FTC. The CSEA also created the Interagency Committee on Smoking and Health which was designed to monitor the effects of smoking and to make recommendations to Congress.

In April of 1994, seven tobacco executives then appeared in front of Congress and swore under oath that nicotine was not addictive. Later that month, however, the “Cigarette Papers” were anonymously leaked by a former paralegal of the law firm representing Brown & Williamson Tobacco Co. to a University of California professor. These documents clearly showed that the tobacco executives knew for several decades that nicotine was addictive and that cigarettes caused cancer and other deadly diseases. The documents also unveiled a massive conspiracy orchestrated by the tobacco companies to secure their respective market shares by intentionally increasing the levels of nicotine in their cigarettes to addict smokers.

20. Pub. L. No. 91-222 § 4; Bump, supra note 14, at 1276; Kelder, supra note 14, at 67; Sirabionian, supra note 8, at 487.
24. Pub. L. No. 98-474 § 4; Bump, supra note 14, at 1277–78. The four warnings were: “SURGEON GENERAL’S WARNING: Smoking Causes Lung Cancer, Heart Disease, Emphysema, And May Complicate Pregnancy.” “SURGEON GENERAL’S WARNING: Quitting Smoking Now Greatly Reduces Serious Risks to Your Health.” “SURGEON GENERAL’S WARNING: Smoking By Pregnant Women May Result in Fetal Injury, Premature Birth, and Low Birth Weight.” “SURGEON GENERAL’S WARNING: Cigarette Smoke Contains Carbon Monoxide.” Id. These new warnings were required to meet specific typeface and spacing requirements as well as required to be enclosed in a black border. Bump, supra note 14, at 1278.
25. Sirabionian, supra note 8, at 488.
26. Mather, supra note 2, 913.
27. Id. at 906; Sirabionian, supra note 8, at 492–93.
28. Sirabionian, supra note 8, at 493.
29. Id.
Shortly following the revelation of the Cigarette Papers, the FDA undertook an extensive legal study of the agency’s authority to regulate tobacco.\(^{30}\) The FDA concluded that the nicotine present within cigarettes is in fact a drug, and cigarettes are in fact a drug delivery device.\(^{31}\) President Clinton adopted this interpretation by the FDA, and in 1998, attempted to enact legislation that would have given the FDA the authority to regulate the content of cigarettes.\(^{32}\) This legislation failed in Congress.\(^{33}\)

There was no significant piece of federal tobacco legislation following the failure in 1998 until Congress passed the Family Smoking Prevention and Tobacco Control Act (FSPTCA) in 2009.\(^{34}\) The FSPTCA is unquestionably the most stringent piece of federal legislation regulating the tobacco industry ever passed in the United States.\(^{35}\) For the first time, the FSPTCA provides the FDA with the authority to regulate tobacco, including virtually every aspect of the design, manufacturing, advertising, distribution, and sale of tobacco products.\(^{36}\) The FSPTCA specifically bans the use of flavored tobacco, although there is one exception for menthol.\(^{37}\) Importantly, the FSPTCA actually gives the FDA authority to lower the amount of nicotine in cigarettes, even below the level which causes addiction.\(^{38}\) However, the FDA cannot ban all tobacco products nor completely eliminate nicotine.\(^{39}\)

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\(^{30}\) Kelder, supra note 14, at 68. The FDA has jurisdiction to regulate consumer products which includes drugs and drug delivery devices. \textit{Id.} The term drug is defined as “as article ‘intended to affect the structure or any function of the body,’ and [the term] device [is defined] as an instrument or article intended to accomplish this goal.” \textit{Id.}

\(^{31}\) \textit{Id.} The FDA claimed that it did not require any new legislation to regulate tobacco. The Supreme Court would ultimately disagree with this assessment. \textit{See Part II.A.2.iii.c} (discussing the case in which the Supreme Court invalidated the FDA’s attempt to regulate tobacco).

\(^{32}\) \textit{Id.; } Turley, supra note 7, at 444.

\(^{33}\) Turley, supra note 7, at 444. \textit{See infra} notes 94–101 and accompanying text (describing the failure of the GSA and the McCain bill).


\(^{35}\) \textit{See Ricardo Carvajal et. al., The Family Smoking Prevention and Tobacco Control Act: An Overview, 64 Food & Drug L.J. 717, 717} (2009) (“[T]here is little question that the law’s enactment marks a dramatic shift in the relationship between the federal government and the tobacco industry.”).

\(^{36}\) \textit{Id.; } Olga Yevtukhova, \textit{The Food and Drug Administration Kicks the Habit—The FDA’s New Role in Regulation of Tobacco Products, 35 AM. J.L. & MED. 700, 700} (2009).

\(^{37}\) Yevtukhova, supra note 36, at 702. Menthol was excluded from the ban so that Congress could ensure the support of Philip Morris for the legislation. \textit{Id.} This is regardless of the fact that menthol is clearly the most popular flavor of cigarettes and is actually more addictive than regular cigarettes. \textit{Id.}

\(^{38}\) \textit{Id.}

\(^{39}\) \textit{Id.}
2. Litigation of Tobacco

Tobacco litigation in the United States has a long history. This Article does not claim to provide a full analysis of all litigation involving tobacco, but instead provides an overview of the most important events of the litigation. The history of tobacco litigation can be broken down into three main timeframes. This Article provides a general summary of each of the three waves of litigation and the important events that took place at each stage.

i. The First Wave of Litigation

The first wave of tobacco litigation in the United States lasted from 1954 to 1973. The first tobacco case, brought in 1954, was *Pritchard v. Liggett & Myers Tobacco Co.* Typical of all of the cases brought during the first wave of litigation, *Pritchard* involved an individual plaintiff who alleged that his lung cancer had been caused by smoking the defendant’s cigarettes. Cases during the first wave of litigation were generally brought under theories of deceit, breach of express and implied warranties, and negligence. Tobacco companies continually defeated these cases by maintaining that cigarettes were not harmful, that smoking related illnesses were unforeseeable, and that individual smokers assumed the risk of smoking.

ii. The Second Wave of Litigation

The second wave of tobacco litigation lasted from 1983 to 1992. Again, this wave was characterized by individual plaintiffs bringing tort claims against large tobacco companies. During the second wave,
plaintiffs added claims of failure to warn and strict liability as theories of the tobacco companies’ culpability. Courts during the second wave continually rejected claims based on design and manufacturing defects, and continued to dismiss lawsuits based on assumption of the risk and the unforeseeability of the disease.

Plaintiffs did receive some hope at the end of the second wave in *Cipollone v. Liggett Group, Inc.* For the first time in the history of the tobacco litigation, the jury in *Cipollone* actually found for the plaintiff, and awarded a verdict of $400,000. The jury found that the tobacco company had failed to warn about the health risks of cigarettes and breached an express warranty. The jury verdict was overturned on appeal by the Third Circuit which held that the FCLAA preempted state law tort claims. In 1992, the Supreme Court held that the FCLAA only preempted those claims based on failure to warn, but did not preempt those claims based on express warranty, fraud, misrepresentation, or conspiracy. However, neither the family nor the law firm could afford to continue the litigation after the Supreme Court’s ruling.

By the end of the second wave of litigation, over 700 lawsuits had been filed against tobacco companies alleging damage from smoking cigarettes; however, *Cipollone* was the only case to return a verdict for the plaintiff. From 1954 to 1995, the tobacco companies did not pay one penny to a single plaintiff.

***iii. The Third Wave of Litigation***

The third wave of litigation began in 1994 with the introduction of the class action as a tool used against the tobacco companies. This wave of litigation changed drastically from the first two waves, as the cases after 1994 focused almost exclusively on two new theories: (1) that tobacco companies had knowledge that nicotine was highly addictive and hid this

49. *Id.; Heminger, supra* note 11, at 1280; Sirabionian, *supra* note 8, at 486–87.
50. 505 U.S. 504 (1992); Heminger, *supra* note 11, at 1280.
51. *See Mather, supra* note 2, at 904–05 (explaining that of all the cases filed between 1950 and 1995 only the *Cipollone* case returned a guilty verdict); Turley, *supra* note 7, at 446–47 (stating that the jury in *Cipollone* broke the near perfect record of the tobacco companies).
56. *Id. at 904–05.
57. *Id.*
knowledge, and (2) that tobacco companies intentionally doped their
-cigarettes with increased levels of nicotine to addict smokers.59 The third
-wave of litigation saw three main types of litigation: private class actions,
-state parens patriae actions, and litigation over the authority of the FDA.

a. Private Class Actions

The era of class actions began in 1994 with the Florida appellate
-opinion in Broin v. Philip Morris Cos., Inc.60 and the filing of Castano v.
-American Tobacco Co.61 Broin involved a class action of thirty non-
-smoking flight attendants, representing a proposed class of 60,000, alleging
-that they suffered from diseases caused by their exposure to secondhand
-smoke.62 The Florida appellate court reversed the trial court, and held that
-the complaint did in fact meet the requirements of class action certification
-under FRCP 23.63 Broin ultimately settled for $300 million to be placed in
-a fund for the establishment of a research center on tobacco related
diseases.64 Castano involved the overly optimistic attempt to certify a class
-action representing every nicotine addicted individual in the United
-States.65 The case was financed by the combined efforts of sixty private
-law firms, each contributing $100,000 to the class action.66 Initially, the
-trial judge conditionally certified the class in regards to particular liability
-issues.67 The Fifth Circuit decertified the Castano class, stating that the
-central allegation of the complaint was a “novel and wholly untested

59. Id.
60. 641 So. 2d 888 (Fla. Dist. Ct. App. 1994).
62. Broin, 641 So. 2d at 889.
63. Id.
64. Heminger, supra note 11, at 1282. Notably, none of the settlement money went to the
-individual plaintiffs. Geraint Howells, Tobacco Litigation in the U.S.--Its Impact in the United
65. Castano, 160 F.R.D. at 549. The proposed class was defined as:
(a) All nicotine dependent persons in the United States, its territories and possessions and the
-Commonwealth of Puerto Rico who have purchased and smoked cigarettes manufactured by the
-Tobacco Companies;
(b) the estates, representatives, and administrators of these nicotine dependent cigarette smokers;
and,
(c) the spouses, children, relatives and “significant others” of these nicotine dependent cigarette
-smokers as their heirs or survivors. Id.
66. Heminger, supra note 11, at 1280–81; Mather, supra note 2. at 910.
67. Castano, 160 F.R.D. at 560 (explaining that the class is limited to deciding the liability
-regarding “fraud, breach of warranty (express or implied), intentional tort, negligence, strict
-liability and consumer protection and punitive damages issues”).
theory.” The court felt that it would be improper to commit the fate of the entire tobacco industry to one jury.

The failure of the Castano case caused the plaintiffs’ lawyers to change their strategy from nation-wide class actions to multiple state-wide lawsuits. For example, a class action originally filed in Florida representing all United States citizens was subsequently limited to include only Florida smokers. In that case, Engle v. RJ Reynolds Tobacco, the jury found for the plaintiff class, awarding $12 million in compensatory damages and $145 billion in punitive damages. A Florida appellate court subsequently overturned the verdict and ordered the entire class to be decertified. The court stated that the class failed “the requirements of predominance and superiority” while also destroying any “imagined savings of judicial resources.” The Florida Supreme Court upheld some of the trial court’s findings, but ultimately agreed with the appellate court’s decision to decertify the class. The Florida Supreme Court believed that the issues of causation and apportionment of fault among the defendants were to “highly individualized” to be properly resolved in a class action.

b. State Parens Patriae Lawsuits

The era of state parens patriae lawsuits against the tobacco companies began on May 23, 1994 when Mississippi’s Attorney General Michael Moore filed a lawsuit on behalf of the taxpayers of Mississippi to recover the state’s Medicaid expenditures spent on tobacco related illnesses. Moore decided to sue in equity under theories of unjust enrichment and restitution. Moore’s claim was that the State of Mississippi had been directly injured by the tobacco companies in forcing the state’s taxpayers to pay for the Medicaid costs associated with tobacco related disease. By

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69. Id. at 752 (“The collective wisdom of individual juries is necessary before this court commits the fate of an entire industry or, indeed, the fate of a class of millions, to a single jury.”)
70. Kelder, supra note 14, at 72.
73. Id. at *9.
74. Liggett Grp., Inc., 853 So. 2d at 470.
75. Id.
76. Engle v. Liggett Grp., Inc., 945 So. 2d 1246, 1276–77 (Fla. 2006) (describing the findings of the trial court which were found to be appropriate and have res judicata effect on any subsequent litigation).
77. Id. at 1254.
78. Kelder, supra note 14, at 73.
79. Id.
80. Id.
September of 1996, fourteen other states had filed similar suits, \(^{81}\) and almost every state would shortly follow thereafter.\(^ {82}\)

The pressure of these lawsuits subsequently caused Liggett & Myers Corporation to settle claims with twenty-two plaintiffs.\(^ {83}\) Liggett proceeded to publically admit that cigarettes cause deadly diseases, including cancer, and that cigarette companies were in fact targeting youth.\(^ {84}\) Liggett then turned over thousands of documents corroborating the Cigarette Papers and revealing an industry-wide cover-up.\(^ {85}\)

The major tobacco companies were finally willing to talk about settlement with the mounting public outrage and states’ \textit{parens patriae} litigation.\(^ {86}\) On June 20, 1997, negotiations between representatives of the tobacco industry, state attorneys general, and the plaintiffs’ bar produced the Global Settlement Agreement (GSA).\(^ {87}\) The proposed GSA required the tobacco companies to pay $368.5 billion to the states, and to submit to three main categories of public health regulation.\(^ {88}\) First, the tobacco companies agreed that the FDA had authority to regulate tobacco and tobacco products.\(^ {89}\) This included the acknowledgement that the FDA had the ability to gradually reduce, but not eliminate, the level of nicotine.\(^ {90}\) Second, the GSA severely restricted advertising and promotion of tobacco products, prohibited outdoor advertisements, banned “Joe Camel” and the “Marlboro Man,” and would have provided for more stringent rotating health warnings on cigarette packages.\(^ {91}\) Third, tobacco companies were responsible for reducing underage smoking in the United States.\(^ {92}\) The GSA contained specific “look-back” provisions which required the tobacco

\(^{81}\) Id.

\(^{82}\) Turley, supra note 7, at 448.

\(^{83}\) Sirabionian, supra note 8, at 493.

\(^{84}\) Id.

\(^{85}\) Id.


\(^{87}\) Id. at 132.


\(^{89}\) Id.

\(^{90}\) GIFFORD, SUING THE TOBACCO, supra note 86, at 174. Under the proposed GSA regulation, the FDA must first prove that lowering nicotine would decrease health risks, was feasible, and would not create contraband markets. \textit{Id.}

\(^{91}\) Id. at 173. Smoking would also have been banned in the workplace and indoor public buildings, and would have restricted the tobacco industry’s ability to lobby Congress. \textit{Id.}

\(^{92}\) Bianchini, supra note 88, at 708.
companies to make additional payments if they failed to meet specific target deadlines for reducing youth smoking.\textsuperscript{93}

The GSA was a privately negotiated settlement agreement, but it required congressional action to implement.\textsuperscript{94} In November of 1997, Senator McCain introduced a duplicative copy of the agreement in the Senate that would implement the GSA.\textsuperscript{95} Ironically, the largest critics of the GSA were the public health advocates, denouncing the agreement as a “sweetheart deal” for the tobacco industry.\textsuperscript{96} With increasing pressure coming from the bill’s opponents in combination with the information revealed in the Cigarette Papers, politicians feared that they would quickly lose political support for the bill.\textsuperscript{97} By March of 1998, the legislation implementing the GSA had been removed from the Senate.\textsuperscript{98} In place of the original legislation, Senator McCain introduced a much tougher piece of legislation which required $516 billion in payments, additional advertising restrictions, and greater authority for the FDA to regulate.\textsuperscript{99} The tobacco industry immediately withdrew their support and began an extensive lobbying campaign to defeat the bill.\textsuperscript{100} The new bill died on the Senate floor on June 17, 1998.\textsuperscript{101}

While Congress debated what to do about the GSA, the tobacco companies, the state attorneys general, and the plaintiffs’ bar began to discuss a new settlement that would not require congressional approval.\textsuperscript{102} These second negotiations quickly began to focus on money because of the parties’ inability to provide for a nationwide shield from liability.\textsuperscript{103} On November 16, 1998, the parties agreed on the Master Settlement Agreement.

\textsuperscript{93} GIFFORD, SUING THE TOBACCO, supra note 86, at 174.

\textsuperscript{94} Id. at 132. The GSA would have completely reduced or eliminated the legal rights of several groups not party to the agreement. Id. at 174. Specifically, the GSA would have banned all class actions, all individual claims based on addiction, any evidence of “reduced risk” products, all punitive damage awards, and capped the total liability that the companies would have to pay in any single year. Bianchini, supra note 88, at 708–09.

\textsuperscript{95} Bianchini, supra note 88, at 713–14. Congress characterized the bill as a means of putting an end to youth smoking. Id. Whereas, the tobacco companies made clear that they only supported the negotiated GSA, and if the legislation contained no benefits for the industry, they would withdraw their support. Id.

\textsuperscript{96} GIFFORD, SUING THE TOBACCO, supra note 86, at 175 (“Following the announcement of the settlement agreement, many public health advocates blasted it as a sweetheart deal for the tobacco companies.”).

\textsuperscript{97} Bianchini, supra note 88, at 714.

\textsuperscript{98} Id.

\textsuperscript{99} GIFFORD, SUING THE TOBACCO, supra note 86, at 175.

\textsuperscript{100} Id.

\textsuperscript{101} Id.

\textsuperscript{102} Id. at 175–76.

\textsuperscript{103} Id. at 176.
The MSA, agreed to by forty-six states and the five largest tobacco companies, settled all claims made by the states for a payment of $206 billion. The primary purpose of the MSA was to prohibit the targeting of youth by the tobacco companies. To this end, the MSA prohibited the use of cartoons, such as Joe Camel; sponsorship of concerts, sports, or events primarily attended by youth; advertising outdoors, such as the use of billboards; paid placements in movies; distribution of tobacco merchandise unless in adult only locations; and gifts or free samples where available to youth. The MSA also created the American Legacy Foundation, the primary goal of which is to education youth about the health effects of tobacco.

The MSA lacked several key provisions previously included in the GSA. First, the MSA did not directly limit sales to youth as did the GSA. The MSA lacked any look-back provisions, and the MSA’s restrictions on advertising and promotion were weaker than those originally included in the GSA. Second, the MSA “tied anticipated state revenue to sales of tobacco, making the states even more dependent on continued smoking patterns and consumption.” This arguably limited the extent to which state governments implemented regulations to prohibit smoking. Third, and possibly the most important shortcoming of the MSA, the agreement did not grant the FDA authority to regulate tobacco and tobacco products.

### c. The FDA’s Attempt to Regulate Tobacco

Occurring simultaneously with the states’ *parens patriae* actions was the FDA’s renewed attempt to regulate tobacco. After having previously denied any authority to regulate tobacco, the FDA promulgated regulations aimed at reducing tobacco consumption among youth. The FDA’s

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104. *Id.*
106. *Id.* at 601.
108. Williamson, *supra* note 105, at 602. The American Legacy Foundation is the group responsible for “thetruth.com” anti-smoking ads currently available in print or on television. *Id.*
112. GIFFORD, SUING THE TOBACCO, *supra* note 86, at 176.
113. *See supra* notes 30–31 and accompanying text (describing the FDA’s finding that tobacco is a drug and cigarettes are a drug delivery device).
authority to create such regulations was then challenged in court. In *Food & Drug Administration v. Brown & Williamson Tobacco Corp.* the Supreme Court held that the FDA lacked authority to regulate tobacco and tobacco products. The Court stated that Congress expressed a clear intent to preclude the FDA from exerting the exact authority the agency claimed to have in this case. To allow the FDA to have authority to regulate tobacco would be wholly inconsistent with the FDCA’s regulatory scheme and the tobacco-specific legislation passed after the FDCA. In light of this clear congressional intent, the FDA lacked the required authority to regulate tobacco.

**B. The United Kingdom**

The United Kingdom is often thought of as a highly regulated culture with generous social welfare programs as compared to the United States. The United Kingdom has had almost no experience with tobacco litigation until very recently, and even that has been extremely sparse. This Article examines the history of tobacco regulation in the United Kingdom since the mid-1900s.

1. Legislation of Tobacco

Legislation of tobacco within the United Kingdom began in 1964, prior to legislation in the United States, with a voluntary agreement between the legislature and the tobacco industry which banned the advertising of cigarettes on television and radio. A subsequent voluntary agreement in the 1970s placed additional restrictions on the amount of money spent on advertising, the content of the advertising, and the placement of the advertising. In 1986, the Voluntary Agreement on

117. Id. at 126.
118. Id.
119. Id.
120. Id. In 2009, the FDA received congressional authority to regulate tobacco for the first time. Yevtukhova, supra note 36, at 701.
121. See supra note 8 and accompanying text (explaining that the United Kingdom relies on legislation to regulate public policy and not litigation).
123. Williamson, supra note 105, at 599.
Advertising, Promotion and Health Warnings Act\textsuperscript{124} prohibited all advertisements in cinemas, restricted the amount of poster advertising, prohibited posters near schools, and prohibited advertisements in any magazine whose readers consisted of at least one-third young women.\textsuperscript{125} The 1986 agreement also created a system of six rotating health warnings that were required on all cigarette packages and in all advertisements.\textsuperscript{126} These warnings were very similar to the warnings legislatively required in the United States in 1984.\textsuperscript{127} In 1987, the United Kingdom then entered a Voluntary Agreement on Tobacco Sponsorship.\textsuperscript{128} This agreement prohibited tobacco companies from sponsoring activities in which the majority of participants are under the age of eighteen.\textsuperscript{129} The 1987 agreement placed further restrictions on expenditures by tobacco companies and imposed additional health warnings.\textsuperscript{130}

In addition to legislation specifically passed by the United Kingdom, the European Community also passed legislation through the European Union (E.U.).\textsuperscript{131} The E.U. has the authority to pass Directives which effect legislation in the individual member states.\textsuperscript{132} Directives establish E.U. policy, but allow each member state to adopt its own national legislation within the established requirements.\textsuperscript{133} The E.U. began to implement tobacco control measures in 1989.\textsuperscript{134}

The E.U. passed Directive 89/552/EEC in 1989 which prohibited all forms of television advertising for cigarettes and any tobacco products.\textsuperscript{135}

\begin{footnotes}
\item[124] AM. CANCER SOC’Y INC., supra note 122, at 503 app. B; Bump, supra note 14, at 1293.
\item[125] AM. CANCER SOC’Y INC., supra note 122, at 503 app. B; Bump, supra note 14, at 1293. The 1986 agreement created the independent Committee for Monitoring Agreements on Tobacco Advertising and Sponsorship. AM. CANCER SOC’Y INC., supra note 122, at 503 app. B.
\item[126] AM. CANCER SOC’Y INC., supra note 122, at 503 app. B; Bump, supra note 14, at 1293 & n.257. The six warnings were: “Smoking can cause fatal diseases.” “Smoking can cause heart disease.” “Smoking when pregnant can injure your baby and cause premature birth.” “Stopping smoking reduces the risk of serious diseases.” “Smoking can cause lung cancer, bronchitis and other chest diseases.” “More than 30,000 people die each year in the UK from lung cancer.” BBC, Timeline: Smoking and Disease, BBC NEWS, http://news.bbc.co.uk/2/hi/health/4377928.stm (last updated June 30, 2007).
\item[127] Compare supra note 126 (listing the 1986 health warnings in the United Kingdom) with supra note 24 (listing the 1984 health warnings in the United States).
\item[128] AM. CANCER SOC’Y INC., supra note 122, at 503 app. B.
\item[129] Id. This contributed to limiting the sponsorship of sports teams and stadiums. Williamson, supra note 105, at 599.
\item[130] AM. CANCER SOC’Y INC., supra note 122, at 503 app. B.
\item[131] Bump, supra note 14, at 1294.
\item[132] Id.
\item[133] Id. at 1294–95 (“Thus, directives are binding as to the end result achieved within each of the E.U. member states, but allow the states to design the means to reach those ends.”).
\item[134] Id. at 1294.
\end{footnotes}
The United Kingdom implement the E.U. directive by passing The Broadcasting Act, although this was previously governed by the 1964 voluntary agreement. Also in 1989, the E.U. passed directive 89/662/EEC which required all cigarette packages to contain health warnings covering at least 4% of the package. The United Kingdom passed the Tobacco Products Labeling (Safety) Regulations of 1991 which required 6% of the package surface to contain the required health warnings. The United Kingdom also passed the Children and Young Persons (Protection from Tobacco) Act in 1991 which made it illegal to sell cigarettes to any person under the age of sixteen, and increased the penalties for anyone selling to minors. In 1992, the United Kingdom also amended its 1986 agreement to prohibit advertising in magazines whose readers consisted of at least one-fourth young women, and began to phase out permanent external advertisements by 50% over the next five years.

The United Kingdom strengthened their tobacco regulation, in response to E.U. directive 90/239/EEC, when it implemented The Cigarettes (Maximum Tar Yield) (Safety) Regulations of 1992. These regulations for the first time set limits on the amount of tar legally allowed in cigarettes. Cigarettes could contain no more than 15mg of tar sold before 1998, and no more than 12mg of tar sold after 1998. The United Kingdom then took two important steps in strengthening their regulation of tobacco. First, the United Kingdom required that any manufacturer seeking to introduce a new additive into a tobacco product get approval from the Department of Health. Second, the United Kingdom began to regulate the amount of nicotine in cigarettes, requiring that no cigarette contain more than 1.5mg of nicotine sold before 1998, and 1.2mg nicotine sold after 1998.

137. AM. CANCER SOC’Y INC., supra note 122, at 503 app. B.
140. AM. CANCER SOC’Y INC., supra note 122, at 503 app. B; Williamson, supra note 105, at 599.
142. Id.; AM. CANCER SOC’Y INC., supra note 122, at 503 app. B. The 1991 Act also made it illegal to sell unpackaged cigarettes or packs with less than ten cigarettes, and required all retailers to post warning signs of the legal age. Id.
143. AM. CANCER SOC’Y INC., supra note 122, at 503 app. B; Bump, supra note 14, at 1293.
145. Id.
146. Id. at § 2(1)(a)–(b).
147. AM. CANCER SOC’Y INC., supra note 122, at 503 app. B.
148. Id.
The United Kingdom’s regulation of tar and nicotine was followed by the E.U. in 2001. The E.U. Directive on Tobacco Products placed maximum limits on the amount of tar, nicotine, and carbon monoxide permissible in a cigarette. The 2001 Directive required that no cigarette contain more than 10mg of tar, 1mg of nicotine, and 10mg of carbon monoxide sold after January 1, 2004. The United Kingdom subsequently passed The Tobacco Products (Manufacture, Presentation and Sale) (Safety) Regulations of 2002 to carry out the 2001 E.U. Directive and set up the required maximum ceilings. The 2002 regulations further required that each package contain a statement of the levels of tar, nicotine, and carbon monoxide present in the cigarettes, and that at least 30% of the surface of all cigarette packages display the required health warnings. Tobacco companies were required to disclose all ingredients, the reason for including those ingredients, and the toxicological data concerning those ingredients on a yearly basis to the Secretary of State. This stringent regulation of the ingredients of cigarettes has yet to be accomplished in the United States.

The Tobacco Advertising and Promotion Act of 2002 increased the United Kingdom’s regulation of tobacco advertising. The 2002 Act prohibits any person in the course of a business from publishing or causing to be published a tobacco advertisement in the United Kingdom. This includes the distribution of tobacco advertising in electronic format. Later regulations made clear that it is not a violation of the 2002 Act to publish advertisements at the direct location of the point-of-sale.

The Health Act of 2006 required that all places open to the public or used for

150. Id. at art. 3(1).
151. Id.; Williamson, supra note 105, at 607–08.
153. Id. at § 3(2).
154. Id. at § 4.
155. Id. at § 8(1)(a)–(b).
156. Id. at § 12.
157. See supra notes 34–39 and accompanying text (explaining that, for the first time, the FDA was given authority to regulate the ingredients of cigarettes in 2009).
159. Id. at § 2(1).
160. Id. at § 2(3). It is not a violation of the 2002 Act if the person does not carry on business in the United Kingdom. Id. at § 2(4).
work be smoke free. The Health Act of 2009 eliminated all tobacco vending machines and provided for the phased out elimination of tobacco displays, including price lists, in stores between 2011 and 2013. The 2009 Act provided that retailers selling tobacco must do so in a segregated part of the store out of the view of the rest of the public.

2. Litigation of Tobacco

Tobacco litigation in the United Kingdom has been extremely unsuccessful and nearly nonexistent. A typical example of tobacco litigation in the United Kingdom is Hodgson v. Imperial Tobacco Ltd.; the first tobacco class action filed in the United Kingdom. The case began in 1992 under the plaintiffs’ claim that Gallaher and Imperial Tobacco had been negligent in not reducing the level of tar in their cigarettes. After six years of lengthy pretrial proceedings, forty-six of the fifty-two plaintiffs admitted that they were willing to give up on the lawsuit. The case officially ended on February 26, 1999, when the trial judge ruled that thirty-six of the plaintiffs were barred by the three year statute of limitations. The trial judge described the plaintiffs’ negligence claims as “speculative.”

By October 2003, not a single case against the tobacco companies in the United Kingdom had made it past pretrial proceedings. That was until McTear v. Imperial Tobacco Ltd. This case was advanced by a widow on behalf of her husband, who, since 1964 at the age of twenty, had smoked two packs of cigarettes a day. The husband had been diagnosed with lung cancer in 1992 and promptly filed suit against Imperial

163. Id. at pt. 1, ch. 1 § 2.
166. Id.
167. Martyn Day, Tobacco Litigation, 2006 J. PERS. INJ. L. 1, 4; Sirabionian, supra note 11, at 498 (explaining that the case has been commonly referred to as The Leigh Day Case, after the law firm who represented the plaintiffs).
168. Sirabionian, supra note 8, at 499.
169. Id. at 498.
170. Id. at 499 (explaining that thirty-six of the plaintiffs had been diagnosed with lung cancer more than three years before filing the lawsuit). Under § 33 of The Limitations Act (1980), the judge was allowed to use his discretion in deciding to allow the case to go forward regardless of the statute of limitations if it would be in the “interest of justice.”
171. Id. at 498.
172. Id.
174. Sirabionian, supra note 8, at 500.
Tobacco. Legal Aid twice rejected the case. Much about the McTear case resembles the early American litigation of the 50s, 60s, and 70s. Fearful that one case would spur an avalanche of lawsuits similar to the United States, Imperial Tobacco refused to accept any connection between smoking and cancer. Imperial Tobacco argued that epidemiology is not an adequate branch of science to prove causation, that the tobacco companies had no knowledge of the dangers of their product, and that the plaintiff had sufficient knowledge about the health risks of smoking to make an informed decision.

On May 31, 2005, the Scottish trial judge ruled that Imperial Tobacco was not liable for the death of the plaintiff. The judge found that, in 1964, the general public was well aware of the health risks of smoking, including that smoking can cause cancer. The judge also found no evidence that Imperial Tobacco had ever accepted the causal connection between smoking and cancer. The judge stated that epidemiology was not a sufficient branch of science because the plaintiff’s expert witnesses lacked credibility. Specifically, the judge thought that the expert witnesses, in combination with the advocacy group Action on Smoking and Health, were using the case to push forward their own policy objectives through biased testimony. As a result, the judge ruled that the plaintiff had failed to prove individual causation.

III. THE IMPACT OF TORT LITIGATION ON LEGISLATIVE SOCIAL REFORM

Numerous scholars have weighed in on the question of whether litigation should be used as a tool for creating social policy. The abundance of literature floating between numerous law reviews has created an academic debate between those who answer the present question in the

175. Id. Mr. McTear died just three months after his diagnosis. Id.
176. Id.
178. Sirabionian, supra note 8, at 500.
179. L. Friedman and R. Daynard, Scottish Court Dismisses a Historic Smoker’s Suit, 16 TOBACCO CONTROL 1, 2–3 (2007).
181. Id. at ¶ 9.4, 567–68.
182. Id. at ¶ 9.6, 568.
183. Id. at ¶ 9.9–9.10, 568–69. The judge reasoned that because the plaintiff’s expert witnesses were not being paid, they lacked credibility. Friedman, supra note 179, at 2.
184. Friedman, supra note 179, at 2.
affirmative and those who answer it in the negative. Advocates and opponents have made various arguments for and against the use of litigation as each side attempts to constantly counter one another. These arguments tend to fall into one of three broader thematic categories: (1) the structure of democracy and the ability of the legislature to function properly,\(^{186}\) (2) the cooperation between the legislature and judiciary in possibly creating reform together,\(^{187}\) and (3) the general deterrent effects of tort law in creating compliance with social policy objectives.\(^{188}\) Each argument will in turn be explained and subsequently evaluated using a comparison of the contrasting styles of regulation used in the United States and United Kingdom. After applying the experiences of tobacco regulation, in the litigation-focused United States and the legislatively-driven United Kingdom, to the current scholarly debate, this Article concludes that the use of the mass product tort system hinders the legislature from creating social reform.

A. The Structure of Democracy and the Ability of the Legislature to Function Properly

The first broad thematic category in which scholars debate the use of the judiciary to create social reform deals with the structure of democracy and the ability of the legislature to function properly. Public health advocates argue that the legislative systems are controlled by special interest and have failed to function properly. The judiciary can be used to circumvent these failed legislative bodies because the courts are able to impose substantial damage awards and equitable relief. Opponents to the use of the judiciary argue that the courts face procedural constraints which inhibit their ability to create adequate reform. Attempting to circumvent the legislature through the judiciary will violate the structure of a democracy and create undemocratic results.

1. The Legislative and Regulatory Systems

The most often cited justification for the need of judicially created social reform is that the legislative and regulatory systems have failed to

\(^{186}\) See infra Part III.A (describing the arguments of advocates and opponents which fall into the broad category of democracy and legislative failure).

\(^{187}\) See infra Part III.B (describing the arguments of advocates and opponents which fall into the broad category of legislative and judicial cooperation).

\(^{188}\) See infra Part III.C (describing the arguments of advocates and opponents which fall into the broad category of the deterrent effects of tort law).
function properly. Legal scholars and public choice economists argue that special interest groups, backed by “Big Business,” dominate and control the legislative and regulatory branches of government. Special interests are able to “capture” the law-making body through their superior resources and greater access to the law making process. Public health advocates argue that the large tobacco companies were able to exert extremely powerful economic and political influence over the legislature. Health advocates argue that the legislative bodies continually declined to adopt tobacco reform in the face of clear and widely held public support for stricter regulation. This claim leads to the conclusion that the legislative and regulatory systems must have failed since both bodies refused to adopt reform that was widely supported by the public. Public health advocates support this conclusion by pointing to several specific examples from the American experience. In 1965 and 1969, Congress explicitly preempted agency action by implementing legislation which was much weaker than the proposed agency regulations. In 1998, after the release of the incriminating Cigarette Papers, Congress rejected legislation that would have given the FDA authority to regulate tobacco. Public health advocates look to these examples as evidence demonstrating the tobacco companies’ control over, and the failure of, the legislative system.

The argument of legislative failure needs to be taken with a grain of salt and critically evaluated because almost every group who loses the debate in Congress will claim that they in fact have the support of the public and the legislative process must have failed. It is easy to now look back in time and argue that there was a clear need for stricter regulation of tobacco. But the realization now that regulation was needed,

189. Jacobson & Warner, supra note 2, at 793 (“The principle pragmatic argument in favor of using litigation to seek tobacco control policy objectives emerges from proponent’s perceptions that the legislative and regulatory systems have failed.”).
191. Id. at 45–46.
192. Jacobson & Warner, supra note 2, at 793.
193. Id.
194. Id.; Jacobson & Soliman, supra note 2, at 225. See also Lytton, Using Litigation to Make Public Health Policy, supra note 2, at 558 (explaining that legislatures and agency may fail to properly regulate and industry after becoming captured by special interest).
195. See supra notes 14–21 and accompanying text (describing how Congress twice preempted FTC action by passing the FCLLA and the PHCSA).
196. See supra notes 94–101 and accompanying text (explaining Congress’ failure to pass the GSA and the more stringent McCain bill).
197. See, e.g., Kelder supra note 14, 66–67 (describing the failure of the legislative system and specifically Congress’ preemption of more stringent agency action).
198. Melnick, supra note 3, at 807.
does not by itself justify the claim that the system must have been broken at that earlier time. It is important to remember that tobacco was the source of a livelihood for a large segment of the population. Regulation would have affected far more people than just the big tobacco companies.

There is no doubt that tobacco companies contributed large sums of money to political campaigns. In contrast to the claims of public health advocates, however, these large sums of money may not have had such a large effect on congressional voting. John Wright, a political scientist specializing in special interest groups, undertook the most comprehensive study on this subject by analyzing every tobacco related roll call vote in both the House and Senate between 1980 and 2000. Wright found that contributions to political campaigns provided no advantage to the tobacco companies. Instead, the legislative success of the tobacco companies was more the result of legislators’ regulatory and pro-business ideologies than of campaign money or a geographic voting bloc.

Wright’s conclusion that legislative voting was the result of the legislator’s personal ideology appears to be supported by an analysis of the tobacco regulation within the United Kingdom. Similar to the United States, the United Kingdom consistently passed legislation regulating the advertising and promotion of cigarettes between the 1960s and the 1990s. Beginning in 1998, the United Kingdom strengthened its legislation to begin regulating the amount of tar and nicotine within cigarettes at the same time that the American Congress rejected legislation that would have given the FDA similar authority. The possible explanation for this divergence between the countries is the political ideology of the United Kingdom’s

199. See Bryce A. Jensen, From Tobacco to Health Care and Beyond--A Critique of Lawsuits Targeting Unpopular Industries, 86 CORNELL L. REV. 1334, 1383 (2001) (“[W]hen democratically elected representatives choose not to implement regulations, it is not because they are ‘captured’ by powerful lobbyist groups, but because they are simply better informed or have a greater awareness of the larger political context.”).


201. See, e.g., Kelder, supra note 14, at 68 (stating that the tobacco industry contributed $2.3 million in “soft money” in 1995).

202. John Wright, Campaign Contributions and Congressional Voting on Tobacco Policy, 1980-2000, 6 BUS. & POL. 1, 2–3 (2004). 1980 is the earliest possible year in which data on campaign contributions can be paired with the voting record. Id.

203. Id. (“On most bills that directly affect tobacco, the effect of campaign contributions on voting is statistically indistinguishable from no effect.”).

204. Id.

205. Compare supra notes 144–157 and accompanying text (explaining regulation in the United Kingdom which instituted maximum ceilings on the level of tar and nicotine) with supra notes 94–101 and accompanying text (explaining the failure of Congress to pass legislation in 1998 that would have given the FDA authority to regulate nicotine).
The United Kingdom is widely viewed as being a pro-regulatory state, with greater emphasis on social welfare programs as compared to their American counterparts. The United Kingdom, for example, considers health care to be a public good; and therefore, provides universal care through social welfare programs. As such, the culture of the United Kingdom and political ideology of its legislators is more likely to be pro-regulation than pro-business. It is not surprising then that the United Kingdom would be more likely to pass legislation in favor of public health, whereas the United States would be more likely to pass legislation in favor of business. This explains why the United Kingdom was successful in adopting legislation limiting the level of nicotine in cigarettes, without the aid of litigation, and the United States failed to adopt similar legislation, with the aid of litigation. The United Kingdom was successful in passing legislative tobacco regulation because of the political ideology of its legislators, not because the tobacco companies in the United Kingdom were somehow weaker than the tobacco companies in the United States.

Comparing the regulation of tobacco between the United States and United Kingdom, it appears clear that neither of the countries’ legislative systems failed. Instead, what was truthfully frustrating public health advocates was that the legislative systems did not pass stringent enough regulation. The history of tobacco legislation in the United States and the United Kingdom is more likely the result of the particular political ideology held by the countries’ legislators.

2. Judicial Remedies and Procedural Constraints

Public health advocates argue that, in place of the failed legislative system, the judiciary should be used to create social reform because courts have the ability to impose remedies which will create or facilitate their policy objectives. First, advocates argue that courts possess the ability to impose substantial damages upon an industry. Public health advocates

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206. Cf. Wright, supra note 202, at 188 (stating that the legislative success of tobacco companies in the United States was the result of the legislators’ political ideologies).

207. See supra notes 7–8 and accompanying text (explaining that the United Kingdom relies on legislation to pass policy reform while the United States is much more reliant on litigation).

208. See Howells, supra note 64, at 702 (“Tort Law in the United States performs a more political function than it does in the United Kingdom. This is because compensation in the U.S. covers certain items which are considered public goods in the United Kingdom (such as health costs).”).


view damage awards in litigation as the substitute for excise taxes.\textsuperscript{211} Advocates argue that these taxes should be imposed on the industry and, absent the capture of the legislative bodies by special interest, that these taxes would have been imposed by Congress.\textsuperscript{212} Courts also possess the ability to impose damages far beyond the mere equivalent of a tax as juries may find it appropriate to impose punitive damages upon industries.\textsuperscript{213} Second, advocates argue that courts possess the ability to impose equitable relief.\textsuperscript{214} Acting in a legislative or regulatory function, courts can impose injunctions or restraints on the activities of the tobacco companies.\textsuperscript{215} Acting in this capacity, courts are able to correct market failures that have not been addressed through legislative means.\textsuperscript{216} Advocates of litigation view the MSA as the prime example of how litigation, or even a settlement, can create both damages and equitable relief to further a social policy objective.\textsuperscript{217} A careful examination of the MSA, however, as well as other examples of tobacco litigation shows that courts face serious procedural constraints in changing social policy.

\textit{i. Examining the Master Settlement Agreement}

Contrary to the belief of public health advocates, the MSA failed to create substantial damages or equitable relief that were imposed on the tobacco industry. First, the damages contained within the MSA have not been effective. Although $206 billion may at first glance appear to be a significant figure, several anticompetitive provisions of the MSA greatly reduced its effectiveness.\textsuperscript{218} The MSA created high barriers to entry, guaranteed current market shares, eliminated price competition, and permitted price fixing.\textsuperscript{219} Many scholars have commented that the MSA effectively allows tobacco companies to meet in private and agree on whatever price of cigarettes they wish to set—a practice commonly known

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\item \textsuperscript{211} Jacobson & Warner, supra note 2, at 794; Jacobson & Soliman, supra note 2, at 225; Lytton, \textit{Using Litigation to Make Public Health Policy}, supra note 2, at 558.
\item \textsuperscript{212} Jacobson & Warner, supra note 2, at 794; Jacobson & Soliman, supra note 2, at 225.
\item \textsuperscript{213} Jacobson & Warner, supra note 2, at 794; Jacobson & Soliman, supra note 2, at 225; Lytton, \textit{Using Litigation to Make Public Health Policy}, supra note 2, at 558.
\item \textsuperscript{214} Jacobson & Warner, supra note 2, at 794; Jacobson & Soliman, supra note 2, at 225.
\item \textsuperscript{215} Jacobson & Warner, supra note 2, at 794; Jacobson & Soliman, supra note 2, at 225.
\item \textsuperscript{216} Jacobson & Soliman, supra note 2, at 225.
\item \textsuperscript{217} See id. at 230 (“[I]t seems fair to say as an initial assessment that the agreement has achieved some positive public health policy goals, . . . there is no question that these gains would not have been achieved absent the states’ Medicaid litigation.”).
\item \textsuperscript{219} Little, supra note 218, at 1173–74.
\end{itemize}
as collusion.\textsuperscript{220} In fact, the price of cigarettes increased by forty-five cents the very day the settlement was signed and by seventy-six cents within the next few years.\textsuperscript{221} This price increase is in extreme excess of the mere nineteen cent increase estimated to be necessary to cover the payments under the MSA.\textsuperscript{222} New entrants into the market were encouraged to sign onto the MSA by enjoying these price increases, but not becoming liable for any payments under the MSA unless their future revenues exceed 125\% of their current levels.\textsuperscript{223} If any of the four major tobacco companies lost market share to these new entrants, their payments under the MSA would be decreased and possibly eliminated.\textsuperscript{224} The MSA also tied the expected payments of the states directly to the sale of cigarettes.\textsuperscript{225}

By allowing the tobacco companies to greatly increase the price of cigarettes and protect their market share, the MSA was, in actuality, creating a tax on the individual smokers instead of creating substantial damages to be levied on the industry.\textsuperscript{226} Increasing the price of cigarettes through collusion allowed the tobacco companies to pass along the entire cost of the settlement onto their consumers: the individual smokers.\textsuperscript{227} What is worse, is that this new tax acts in a regressive fashion.\textsuperscript{228} On the whole, poorer people smoke more than people of higher incomes.\textsuperscript{229} This causes the poor to disproportionately pay more of the $206 billion settlement, both in terms of percentage of income and absolute dollars.\textsuperscript{230}

\textsuperscript{220} Gifford, Suing the Tobacco, supra note 86, at 182 (citations omitted); Little, supra note 218, at 1174 (citations omitted).


\textsuperscript{222} Gifford, Suing the Tobacco, supra note 86, at 180.

\textsuperscript{223} Id.

\textsuperscript{224} Id. at 181.

\textsuperscript{225} Turley, supra note 7, at 448. “This raises the fact that the states themselves face a financial conflict of interest . . . That is, in order for the states to maximize their revenue from the MSA, they must ensure that the tobacco industry remains solvent.” Rajkumar, supra note 5, at 750.

\textsuperscript{226} See Raysor, supra note 218, at 529 (stating that “the true brunt of the MSA payments were going to be passed down the supply line as the cigarette companies would charge more for cigarettes and recoup the money from the consumers”).

\textsuperscript{227} See Rajkumar, supra note 5, at 751 (explaining that “little of the actual cost of the settlement has been absorbed by the cigarette manufacturers themselves”); Raysor, supra note 218, at 529 (stating that “the true brunt of the MSA payments were going to be passed down the supply line as the cigarette companies would charge more for cigarettes and recoup the money from the consumers”).

\textsuperscript{228} Gifford, Suing the Tobacco, supra note 86, at 183.

\textsuperscript{229} Id.

\textsuperscript{230} Id.
Not only did the MSA fail to create damages which could be imposed on the tobacco industry, the MSA actually created damages which were imposed on the very people the state attorneys general were claiming to protect.

Second, the supposed equitable relief within the MSA has also been an overall disappointment. The MSA was designed to prevent the targeting of youth and restrict the overall advertisement of tobacco. However, the MSA allowed tobacco companies to “take actions ‘that have as their secondary purpose the initiation, maintenance or increase of youth smoking.’” While Joe Camel was banned by the settlement, R.J. Reynolds was still permitted to use Camels on their packaging and cultural icons such as the Marlboro Man and Newport Lovers were unaffected. There were also no restrictions placed upon media creators to use tobacco products without compensation. The MSA failed to adequately define the phrase “a significant percent of youth” in determining event sponsorship, tobacco companies were permitted to advertise outdoors when sponsoring an event, and tobacco retailers were permitted to advertise outdoors at any of their store locations. The MSA attempted to restrict the activities of tobacco companies, but the agreement contained so many loopholes as to permit the tobacco companies to continue with business as usual.

Public health advocates often claim that the MSA was a historic and successful public health agreement. Examining the MSA closely reveals that the agreement was ultimately unable to create damages or adequate equitable relief which could then be imposed on the tobacco industry. The failure of the MSA has caused some commentators to say that the only people to lose under the settlement were in fact the sick smokers.

231. Rajkumar, supra note 5, at 750 (“The impact of the MSA on the tobacco industry’s marketing practices has been similarly disappointing.”).
232. See supra notes 106–108 and accompanying text (describing the purpose of the MSA).
234. Id. at 629.
235. Id.
236. Id. at 627.
237. See Jensen, supra note 199, at 1380 (“Thus, it would appear that the industry essentially bought a license to continue business as usual.”).
238. See Little, supra note 218, at 1174 (quoting Thomas O’Brien, Constitutional and Antitrust Violations of the Multistate Tobacco Settlement, POLICY ANALYSIS, May 18, 2000, at 1, 1–2).
ii. Examples of Other Procedural Constraints

Beyond the failures of the MSA, the litigation of tobacco in the United States and United Kingdom has much more to tell about the constraints which courts face. Throughout the history of tobacco litigation, courts have struggled with aggregating individual cases and the decisions of whether to certify a class. Individual suits within the United States and United Kingdom have faced numerous challenges—specifically, dealing with individual causation and affirmative defenses. The inability of the courts to certify class actions extremely limits the courts’ ability to have any substantial impact on social policy. The ruling in an individual claimant’s case simply does not have the same affect on the social policy of an entire nation as would a class action of potentially hundreds of thousands of people.

Even assuming that a court is able to produce a ruling which has the potential to change social policy, courts still face the challenge of how the social change will be implemented. The failure of the GSA is a great example of this challenge. In the late 1990s, the GSA represented the most stringent regulation of the tobacco industry in the history of the United States at a time when there was immense support for tobacco regulation. All that was required was congressional approval to sign the settlement into law. One would have thought that public health advocates would have been the first group to support such stringent legislation regulating tobacco and punishing the tobacco companies. However, the public health advocates were actually among the most adamantly opposed to the GSA, and were in fact the leading force behind its failure.

239. See, e.g., Castano v. Am. Tobacco Co., 84 F.3d 734, 737 (5th Cir. 1996) (decertifying a nationwide class action); Engle v. Liggett Grp., Inc. 945 So. 2d 1246, 1246 (Fla. 2006) (decertifying a statewide Florida class action); Sirabionian, supra note 8, at 498 (explaining the decertification of Hodgson v. Imperial Tobacco Ltd.).

240. See, e.g., McTear v. Imperial Tobacco Ltd., [2005] CSOH 69 [¶ 9.10]; (2005) S.C. 1, 568–69 (OH) (ruling that the plaintiff had failed to prove individual causation); see also supra note 57 and accompanying text (explaining that not a single plaintiff in the United States defeated the tobacco companies in litigation between 1954 and 1995).

241. See Micah L. Berman, Smoking Out the Impact of Tobacco-Related Decisions on Public Health Law, 75 BROOK. L. REV. 1, 58 (2009) (“The legal developments catalyzed by tobacco decisions—limits on class certification—have severely weakened the ability of personal injury litigation to effectively deter corporate misconduct and protect public health.”).

242. See id. at 42–43 (explaining that class action litigation is “a powerful tool that could address serious public health threats,” while individual litigation “remained extraordinarily expensive and risky, due to the industry’s aggressive litigation tactics”).

243. See supra notes 94–101 and accompanying text (describing the failure of the GSA).

244. See supra notes 87–93 and accompanying text (describing the GSA).

245. See supra note 94 and accompanying text (explaining that the privately negotiated GSA would become law if Congress signed it into law).

246. See supra notes 94–101 and accompanying text (describing the failure of the GSA).
GSA illustrates how courts have no way of knowing if the social policy regimes they create will receive political support or whether there will in fact be a political backlash against the new social policy.\footnote{247}

Courts can impose damages and equitable relief, but courts also face severe procedural constraints when imposing such damages and equitable relief for the purpose of creating new social policy. The failures of the MSA, the class actions in the United States and United Kingdom, and the failure of the GSA illustrate the difficulty that courts face in overcoming the procedural constraints of the judiciary in attempting to create or facilitate social reform.

3. The Conceptual Structure of Democracy

Opponents to the use of the judiciary most often respond to the claims of public health advocates by relying on “the conceptual structure of governance in our democracy.”\footnote{248} Opponents argue that the government was setup with an intentional separation of powers in which policy decisions were vested in a popularly elected legislature.\footnote{249} Within this framework, the role of the courts is to guarantee that the procedural requirements of the Constitution are adhered to, not to create social policy.\footnote{250} Courts are unable “to define policy objectives, interpret empirical data, [and] select the ‘right’ parties to the litigation or the ‘right’ cases for policy judgments.”\footnote{251} Courts do not have the necessary information to resolve conflicting policy choices, lack the ability to understand the implications of a policy decision, and lack the ability to assess the economic impact of such a decision.\footnote{252} Opponents argue that courts are a public device for resolving disputes, not “a lobbying tool for advancing an otherwise unsuccessful legislative agenda or a means of circumventing the legislative process altogether.”\footnote{253} Litigation, as a tool for implementing social policy, is undemocratic.\footnote{254} Whether public health advocates like it or not, creating social policy was deliberately left to the legislature.\footnote{255}

A study of tobacco regulation does indeed raise concerns about the undemocratic nature of judicially created reform. The negotiations leading
up to the GSA and MSA were characterized by two and half years of private closed-door meetings.\textsuperscript{256} Although countless lawyers attempted to negotiate part of the settlement for themselves,\textsuperscript{257} the real bargaining occurred between a small number of state attorneys general, several powerful plaintiffs’ lawyers, and tobacco’s general counsel.\textsuperscript{258} At particular points in the negotiations, the states would be represented by a single plaintiff’s attorney with no attorneys general present.\textsuperscript{259} There were even moments of heated tension between the state attorneys general, seeking Medicaid reimbursement, and the private plaintiffs’ lawyers, seeking large fees.\textsuperscript{260} As soon as the GSA was announced, public health advocates immediately began criticizing the settlement as a “sweetheart deal for the tobacco companies.”\textsuperscript{261} Some advocates tellingly remarked, “[w]ho gave you the right to make health policy for the country?”\textsuperscript{262} These criticisms were largely the result of the undemocratic nature in which the GSA and MSA were created. The negotiations occurred in private meetings in which the public health advocates were excluded, and only a select few individuals were represented.

These same concerns over the democratic nature of tobacco regulation have not been evident in the United Kingdom. This is because all of the United Kingdom’s tobacco regulations have been the result of the legislature and not the judiciary.\textsuperscript{263} Tobacco litigation in the United Kingdom has been extremely sparse and unsuccessful.\textsuperscript{264} Instead, the United Kingdom has addressed the public health problem of tobacco completely through legislative measures.\textsuperscript{265} Addressing a public health problem through legislation avoids concerns of undemocratic reform.\textsuperscript{266} Legislation is debated in a public and open arena where all people are

\begin{itemize}
\item\textsuperscript{256} GIFFORD, SUING THE TOBACCO, supra note 86, at 177–78; LaFrance, supra note 6, at 195 (stating that the MSA was created through secret negotiations).
\item\textsuperscript{257} MOLLENKAMP, supra note 1, at 171–72.
\item\textsuperscript{258} GIFFORD, SUING THE TOBACCO, supra note 86, at 177.
\item\textsuperscript{259} \textit{Id.}
\item\textsuperscript{260} \textit{Id.} at 177; MOLLENKAMP, supra note 1, at 76, 171–72.
\item\textsuperscript{261} GIFFORD, SUING THE TOBACCO, supra note 86, at 175.
\item\textsuperscript{262} \textit{Id.} (citations omitted). Opposition also came from tobacco farmers and other private plaintiffs’ lawyers—all parties who were left out of the negotiations. \textit{Id}.
\item\textsuperscript{263} Compare \textit{supra} Part II.B.1 (describing the legislation of tobacco in the United Kingdom) with \textit{supra} Part II.B.2 (describing the litigation of tobacco in the United Kingdom).
\item\textsuperscript{264} See \textit{supra} Part II.B.2 (explaining the unsuccessful litigation of tobacco in the United Kingdom).
\item\textsuperscript{265} See \textit{supra} Part II.B.1 (explaining the United Kingdom’s efforts to regulate tobacco through legislation).
\item\textsuperscript{266} See Dimitrios Kyritsis, \textit{Representation and Waldron’s Objection to Judicial Review}, 26 OXFORD J. LEGAL STUD. 733, 738–39 (2006) (explaining that the citizens of democracies elect their legislators through a system of majority vote).
\end{itemize}
represented. National legislative policy is not decided by a select few in private closed door meetings or randomly selected juries.

A comparison of tobacco regulation in the United States and United Kingdom shows that judicially created social reform can raise serious implications for the conceptual structure of a democracy. In the United States, public health advocates wanted to move the social policy debate out of Congress because of the perceived control by the tobacco companies. But in the end, the debate was shifted to closed-door private meetings where tobacco companies had even more power and absolutely no accountability for the deals that were ultimately cut by the parties. In contrast, the United Kingdom reform has consistently been subject to public debate in the open arena of the legislature. The private negotiations which took place in the United States are clearly not the picture of the democratic process envisioned in a democracy of checks and balances and separation of powers.

4. First Thematic Conclusion

Comparing tobacco regulation within the United States and United Kingdom reveals that opponents are correct in arguing that courts face procedural constraints and raise serious implications about the conceptual structure of democracy. The evidence shows that the legislative systems did not fail and courts do face procedural constraints that can severely limit the effectiveness of any damage awards or equitable relief. Attempting to use the judiciary as a means of creating social reform creates an undemocratic forum in which only selected individuals are represented. Analysis of the arguments within the first broad thematic category supports the assertion that using the mass product tort system ultimately hinders social legislative reform.

B. The Cooperation of the Legislature and Judiciary to Create Reform Together

The second broad thematic category in which scholars debate the use of the judiciary to create social reform focuses on the cooperation of the legislature and judiciary in possibly creating reform together. Public health

267. See id. at 739 (explaining that the representatives of a nation’s citizens debate legislation to exchange arguments, reveal issues, and reach a better decision).

268. Turley, supra note 7, at 434 (“[T]hose who want social change must face the representatives of the public, not a randomly selected jury of six.”).

269. GIFFORD, SUING THE TOBACCO, supra note 86, at 177–78.

270. Id. For a more detailed description of the entire negotiations, see MOLLENKAMP, supra note 1, at ch. 4–11.

271. GIFFORD, SUING THE TOBACCO, supra note 86, at 177.
advocates argue that litigation provides a means for reframing and redefining a policy problem. Redefining a policy problem through litigation can bring added media coverage which can place an issue on legislator’s agendas, mobilize political support, and create new alliances. These positive benefits of media coverage can then change the legislative bargaining power of public health advocates. Advocates also see the judiciary as a means of revealing relevant policy information and filling gaps left in legislation. Opponents argue that litigation can hinder legislative reform by creating a feeling amongst the public that the problem has been solved, and that using the judiciary as a second version of the legislature will erode the public’s respect for the courts. Creating social policy through courts will be hindered by the lure of financial concessions, and is an inefficient method of creating social policy because litigation is long, drawn out, expensive, and offers no guarantee of success.

1. Reframing and Redefining the Policy Problem

Public health advocates argue that the judiciary can help the legislature pass reform because the filing of a lawsuit offers an “unusually rich potential for framing an issue and defining a policy problem.”

Switching the venue of a debate may provide new methods of approaching and responding to a public health problem.

Litigation presents the lawyers and litigants with the opportunity to articulate a narrative and tell their story in a way that affixes blame to their opponent. This method of reframing the issue can change the way the public views the public health problem by making some policy choices appear more attractive than others. This provides public health advocates the chance to “excite public interest and engender pressure for policy reform.”

Public health advocates argue that the tobacco litigation presented the opportunity to reframe the issue as one of institutional failure and the need for judicially created reform.

The story was no longer about individuals who assumed the risk of smoking while tobacco companies were innocent parties producing a legal product.

272. Mather, supra note 2, at 918.
274. Mather, supra note 2, at 918–19.
275. Lytton, Using Litigation to Make Public Health Policy, supra note 2, at 558.
276. Lytton, Enhance Regulatory Policy, supra note 273, at 1841.
277. Id. at 1842.
famously said: "The state of Mississippi never smoked a cigarette." The tobacco companies faced a "truly sympathetic plaintiff: a state trying to recover its expenses for taking care of its sick citizens and trying to protect its children from becoming future victims." The Medicaid litigation allowed public health advocates, plaintiffs’ lawyers, and attorneys general to successfully paint a picture of industry-induced addiction. Tobacco companies became the "cynical capitalist who would stoop to anything [to make a buck or] contest the charges against them." The state attorneys were seen as the white knights fighting for public health.

While this is all true, it is also true that public sentiment regarding tobacco had begun to change prior to the state Medicaid lawsuits. The release of the Cigarette Papers, the perjury of the tobacco executives, the FDA’s decision to regulate tobacco, increasing media coverage, and increasing state regulation all contributed to changing the public’s perception of the tobacco companies. It is arguable that the states’ Medicaid litigation was actually filed because of the public’s changing perceptions, not that the Medicaid litigation changed the perception.

This theory appears to be supported by an examination of the tobacco litigation in the United Kingdom. Tobacco litigation within the United Kingdom has been completely unsuccessful in redefining the policy problem. In McTear, the most recent case, the tobacco companies defeated liability on the same traditional arguments of assumption of the risk and causation. In Hodgson, the trial judge described the plaintiffs’ negligence claims as wholly "speculative." The United Kingdom litigation has been unable to change the story from one of assumption of the risk to one of cynical capitalists. Instead, the culture of the United Kingdom has continued to place "more importance on the idea of ‘personal responsibility’ for one’s actions." The United Kingdom has nevertheless passed increasingly strict tobacco regulations, including the regulation of

280. Id.
281. HALTOM & MCCANN, supra note 278, at 238; Lytton, Using Litigation to Make Public Health Policy, supra note 2, at 558.
282. Mather, supra note 2, at 922.
283. Id. at 920.
284. GIFFORD, SUING THE TOBACCO, supra note 86, at 190.
285. See supra Part II.B.2 (describing the failure of tobacco litigation in the United Kingdom).
286. See supra notes 180–185 and accompanying text (describing the Scottish court’s reasoning in McTear v. Imperial Tobacco Ltd.).
287. Sirabionian, supra note 8, at 498.
288. Id. at 506.
the levels of nicotine and tar present in a cigarette.\textsuperscript{289} The tobacco litigation in the United Kingdom failed to redefine the policy problem, but public sentiment continued to shift against the tobacco companies resulting in stricter legislation.\textsuperscript{290}

Coinciding with the states’ Medicaid litigation, there was a transformation in how the American people viewed the public health problem of tobacco. It is unclear that this redefining of tobacco regulation was caused by the litigation. The American perception of tobacco regulation had begun to change well before the first Medicaid lawsuit was filed. The United Kingdom tobacco litigation has been an obvious failure in redefining the policy issue. It may never be conclusively known if the states’ Medicaid litigation was the driving force which led to the reframing of tobacco regulation in the United States. Applying the experience of the United Kingdom and the building momentum against tobacco that had begun well before the Medicaid lawsuits, it is reasonable to argue that the change in the public’s perception of tobacco regulation would have happened regardless of the litigation.

2. Agenda Setting, Mobilization of Political Support, Alliance Creation, and the Public’s Perception that the Problem is “Solved”

Public health advocates believe that redefining the policy problem through litigation will be effective in accomplishing their policy goals because litigation can bring increased media coverage to a particular public health issue.\textsuperscript{291} Public health advocates argue that the increased media coverage of litigation is capable of placing an issue on legislators’ agendas, mobilizing political support, and creating new alliances.\textsuperscript{292}

First, advocates argue that increasing media coverage can place a specific issue on the agenda of legislators, agency officials, and the public.\textsuperscript{293} Studies have shown that media coverage of tobacco in the 1990s increased proportionately with the pace of litigation.\textsuperscript{294} The media coverage tended to spike directly following a trial court’s decision.\textsuperscript{295} This increased coverage led to increased negative publicity which in turn

\textsuperscript{289}. See \textit{supra} notes 144–157 and accompanying text (explaining the tobacco legislation in the United Kingdom which limits the amount of tar and nicotine legally allowed in cigarettes).
\textsuperscript{290}. See Rogers, \textit{supra} note 177, at 201 (describing the public’s outrage against the tobacco companies for intentionally hiding knowledge about the harmful effects of cigarettes and purposefully addicting smokers to their products).
\textsuperscript{291}. Mather, \textit{supra} note 2, at 913.
\textsuperscript{292}. \textit{Id.} at 914: Lytton, \textit{Using Litigation to Make Public Health Policy, supra} note 2, at 558.
\textsuperscript{293}. Lytton, \textit{Using Litigation to Make Public Health Policy, supra} note 2, at 558.
\textsuperscript{294}. Mather, \textit{supra} note 2, at 913.
\textsuperscript{295}. \textit{Id.} at 916.
contributed to keeping tobacco regulation on the public agenda. Second, advocates argue that increasing media coverage of litigation can mobilize political support by "encouraging more lawsuits, energizing otherwise diffuse and unorganized constituencies, and serving as a basis for fundraising." Studies of public opinion show that attitudes were gradually becoming more negative over several decades. This was accelerated in the 1990s as public attitudes greatly shifted to an unfavorable opinion of the tobacco industry. This negative attention led to a shift in Congress, as even Republican politicians began to support tobacco regulation.

Third, advocates argue that increasing media coverage of litigation can create new alliances by highlighting common ground among different groups of people. As the political support for an issue increases, groups of individuals begin to form new alliances in an effort to promote or oppose an issue. During the 1990s, doctors and the medical community finally became more vocal about the terrible effects of smoking, state attorneys general became involved in public health, and the plaintiffs’ bar began to unify.

It is clear that there was agenda setting, mobilization of political support, and alliance creation centered on the issue of tobacco regulation at the same time as the states’ Medicaid lawsuits. However, it is not clear that these benefits were the result of the litigation. The states’ lawsuits did not occur until after the FDA decided to regulate tobacco, the release of the infamous Cigarette Papers, and the obvious perjury of the tobacco executives lying in front of Congress. There was also an ever increasing public awareness of the negative health risks of smoking, of the negative attitudes towards the tobacco companies, and a movement of state and local regulations against smoking. These important events happened so close in time with the litigation that it may never conclusively be known that

296. Id. at 916, 918.
297. Lytton, Using Litigation to Make Public Health Policy, supra note 2, at 558.
298. Mather, supra note 2, at 923.
299. Id. at 923–24.
300. Id. at 918; Gifford, SUING THE TOBACCO, supra note 86, at 175, 177.
301. Mather, supra note 2, at 914 (explaining that litigation allows for the possibility of creating common interests and new identities).
302. Id.
303. Haltom & McCann, supra note 278, at 228 (describing the alliance created between attorneys general and private plaintiff's lawyers); Heminger, supra note 11, at 1281–82; Mather, supra note 2, at 925. Interestingly, the 1990s also saw the cigarette manufacturers creating alliances, such as with the governor of Mississippi, in an attempt to stop the filing of the Medicaid lawsuit. Mather, supra note 2, at 925.
305. Patel, supra note 233, at 625 ("Essentially, attitudes towards smoking had been changing for many years before the MSA was negotiated.")
litigation caused the agenda setting, mobilization of political support, and alliance creation.\textsuperscript{306}

Examining tobacco regulation in the United Kingdom may give reason to think that these positive benefits would have occurred regardless of the litigation. Tobacco litigation in the United Kingdom was so overwhelming unsuccessful that no possible claim can be made that the litigation contributed to agenda setting, mobilization of political support, or alliance creation.\textsuperscript{307} Nevertheless, in the late 1990s and early 2000s, the United Kingdom successfully passed legislation that placed limits on the levels of tar and nicotine in cigarettes.\textsuperscript{308} The authority to regulate the ingredients of cigarettes was not accomplished in the United States until 2009.\textsuperscript{309} The ability of the United Kingdom’s legislature to pass such strict tobacco reform without the aid of litigation may provide evidence that the agenda setting, political support, and alliance creation experienced in the United States was not the result of the Medicaid litigation.

Even if one were to assume that litigation did at least contribute to the agenda setting, political support, and alliance creation, the regulation of tobacco still raises questions about the long-term effectiveness of these benefits. With all of the negative media coverage, negative public attitudes, political support, and alliance creation, there was no national legislative tobacco reform in the United States.\textsuperscript{310} In fact, both the GSA and the harsher McCain bill failed in Congress.\textsuperscript{311} This unexplainable lack of legislative reform is possibly the result of the public’s perception that the problem had been solved.\textsuperscript{312} The evidence shows that in 1994, with the release of the Cigarette Papers and the filing of the Mississippi Medicaid lawsuit, media coverage of tobacco spiked.\textsuperscript{313} The very next year, in 1995, the media coverage of tobacco returned to the same level as in 1993.\textsuperscript{314} There is also evidence to show that the media coverage is highest directly following a trial court’s decision, but that the momentum does not follow the subsequent appellate proceedings.\textsuperscript{315} The evidence found by William

\begin{enumerate}
\item \textsuperscript{306} GIFFORD, SUING THE TOBACCO, supra note 86, at 190.
\item \textsuperscript{307} See supra Part II.B.2 (describing the unsuccessful tobacco litigation in the United Kingdom).
\item \textsuperscript{308} See supra notes 144–157 and accompanying text (explaining the legislation in the United Kingdom that regulated the amount of tar and nicotine legally permissible in a cigarette).
\item \textsuperscript{309} See supra notes 34–39 and accompanying text (stating that the FDA first received authority to regulate nicotine in cigarettes in 2009 when Congress passed the FSPTCA).
\item \textsuperscript{310} See supra text accompanying note 34 (describing the lack of tobacco legislation in the United States from 1998 to 2009).
\item \textsuperscript{311} See supra notes 94–101 (explaining the failure of the GSA and the McCain bill).
\item \textsuperscript{312} Jacobson & Warner, supra note 2, at 797; Jacobson & Soliman, supra note 2, at 227.
\item \textsuperscript{313} Mather, supra note 2, at 913.
\item \textsuperscript{314} Id.
\item \textsuperscript{315} Id. at 916.
\end{enumerate}
Haltom and Michael McCann supports the conclusion that the negative media coverage of the tobacco companies was limited in both effect and duration. One problem found by Haltom and McCann is that the media coverage of the litigation did not create any real winner. The tobacco companies clearly became villains, but so too did the plaintiffs’ attorneys who stood to make millions while the actual victims received next to nothing. From 1997 to 2001, fifty-five to sixty-four percent of the public still blamed individual smokers for their diseases.

These findings may help to explain the obvious lack of national legislative tobacco reform. The public is well aware and informed about important trials regarding tobacco and the multi-million/billion dollar verdicts being levied against the large tobacco companies. However, the public may not follow up with any subsequent proceedings. The public may not be aware that a class was later decertified, a jury verdict was overturned, or the MSA has so many loopholes as to be ineffective. Without knowing the end of the story, the public may reasonably believe that the tobacco companies have been adequately punished and the social problem of tobacco has been “solved.” This causes the media coverage and public pressure to disappear, taking with it all of the momentum and political support that had been built up for legislative reform.

During the state Medicaid litigation, tobacco was on legislators’ agendas, political support was mobilized in favor of regulation, and new alliances opposing tobacco were formed. It is extremely difficult, however, to untangle the interplay of media coverage, legislative proceedings, and litigation. It may never conclusively be known whether tobacco litigation created or even contributed to these benefits. Evidence from legislation in the United Kingdom may show that these benefits were not the result of litigation. Even if one were to assume that litigation did have some impact, there is still evidence to show that the long-term impact of agenda setting,

317. Id. at 241.
318. Id.
319. Id. at 255.
320. Mather, supra note 2, at 916 (stating that media coverage of litigation appears to peak following the trial judge’s decision).
321. See Haltom & McCann, supra note 278, at 261 (“It is noteworthy that this momentous reversal received only minimal news coverage.”); Mather, supra note 2, at 916 (“[T]he sharpest increase in news coverage [was] following the trial judge’s decision, in contrast to the periods following the appellate actions.”).
322. See Haltom & McCann, supra note 278, at 261 (explaining how monumental reversals on appeal received only minimum media coverage).
323. See Mather, supra note 2, at 916 (“Cigarette makers . . . may have succeeded in pushing tobacco issues to the back burner, to less visible political arenas in which tobacco interest historically have dominated.”).
political support, and alliance creation is diluted by the public’s perception that the problem has been solved.

3. Legislative Bargaining Power

Public health advocates view the benefits of increased media coverage as instrumental to achieving their policy goals because litigation will help strengthen their bargaining power within the legislative and regulatory bodies.  

A positive litigation outcome, the threat of potential liability, or just the extreme cost to defend a mass product lawsuit increases the public health advocates’ ability to force their political opponents, agency officials, or the industry itself into a compromise. The tobacco industry may voluntarily agree to change their policy simply to avoid potentially negative outcomes in litigation and the possible huge damage awards that come along with those outcomes.

Public health advocates claim that the MSA is a great example of how litigation can change a party’s respective bargaining power. It is true that the states’ Medicaid litigation successfully forced the tobacco industry to compromise at a point in time when the industry had never once paid a single plaintiff in any case. However, the MSA was not in reality a compromise by the tobacco industry even though it may at first glance appear to be. The MSA guaranteed the tobacco companies their respective market shares while allowing the industry to engage in legal collusion. The MSA also failed to have an impact on the tobacco industry’s promotion and advertising. Although, the tobacco companies agreed to give up some forms of advertising, the MSA simply diverted the tobacco industry’s resources into other avenues. What appears to be a severe compromise by the tobacco industry is really just a document that...

324. Lytton, Using Litigation to Make Public Health Policy, supra note 2, at 558.
325. Id.
327. See supra notes 56–77 and accompanying text (showing that no individual plaintiff had ever received a payment from the tobacco industry prior to the industry’s decision to settle).
328. Raysor, supra note 218, at 528–29. “At first blush, this may seem like a major blow to the profits of the tobacco companies. However, the true brunt of the MSA payments were going to be passed down the supply line as the cigarette companies would charge more for the cigarettes and recoup the money from the consumers.” Id.
329. See supra notes 218–225 and accompanying text (explaining how several anticompetitive provisions of the MSA allowed the tobacco companies to agree on a set price for cigarettes).
330. See supra notes 231–237 and accompanying text (describing how the MSA’s restrictions on advertising contained so many loopholes as to make the regulations meaningless).
331. Bump, supra note 14, at 1304 (“When banned from one particular medium, the tobacco industry merely transfers its marketing expenditures to another medium.”). A study of the MSA’s prohibition on billboard advertising concluded that the tobacco industry simply shifted its expenditures to point-of-sale advertising. Id.
takes away the negative political and media coverage of tobacco, but allows the industry to continue with business as usual.332

Examining the additional tobacco litigation in both the United States and United Kingdom makes clear that the litigation failed to change any legislative bargaining power. In the United States, the tobacco litigation initially resulted in the GSA.333 However, this document failed to become law because Congress could not gather the required political support.334 Public health advocates had claimed that the tobacco industry’s control over the legislative bodies had stopped the Congress from passing tobacco reform.335 The GSA, however, is an example of where the entire tobacco industry supported tobacco reform; yet, Congress still could not pass the reform into law.336 It is hard to see how the litigation could have changed the legislative bargaining power of public health advocates if tobacco reform could not be passed even when such reform was not being opposed by the industry. Similarly, after the tobacco litigation settled, it took another eleven years for Congress to finally pass legislative tobacco reform.337 It is difficult to argue that the tobacco litigation changed the legislative bargaining power of the parties when it took public health advocates more than an entire decade after the settlement to finally pass legislative reform.

Advocates may attempt to counter the failure of the GSA by pointing out the fact that the make-up of Congress had changed.338 The late 1990s saw the Republicans sweep into power and take control of the Congress. However, this claim appears to directly confirm the findings of Wright and directly refute the claim of public health advocates. If the claim by advocates is that litigation can change legislative bargaining power, then why did the Medicaid lawsuits not change the position of Republicans? This is especially perplexing when one considers the fact that the tobacco industry supported the proposed reform.339 The support of the tobacco industry removes from the equation the claim of public health advocates

332. Jensen, supra note 199, at 1380 (“Thus, it would appear that the industry essentially bought a license to continue business as usual.”).
333. See supra notes 87–93 and accompanying text (describing the creation of the GSA).
334. See supra notes 94–101 and accompanying text (describing the failure of the GSA).
335. See supra notes 189–197 and accompanying text (explaining the argument of public health advocates that the legislative systems had failed).
336. See supra notes 94–101 and accompanying text (explaining the failure of the GSA even though it was supported by the tobacco industry).
337. See supra text accompanying note 34 (describing the failure of Congress to pass tobacco legislation following the failure of the GSA until the FSPTCA in 2009).
338. GIFFORD, SUING THE TOBACCO, supra note 86, at 190 (“[T]his failure can be laid at the feet of a Republican administration and a Republican Congress that were pervasively anti-regulatory in economic matters.”).
339. See supra note 95 (describing the tobacco industry’s support for the GSA).
that the tobacco industry prevented reform by controlling Congress. Instead, the fact that the GSA failed in a Republican Congress even with the support of the tobacco industry appears to support the conclusion of Wright, that the history of tobacco legislation is a story of the legislators’ political ideologies. The GSA most likely failed because of the political ideology of the Congress. Some legislators who opposed the bill wanted no regulation, while other legislators who opposed the bill wanted more stringent regulation. The Medicaid lawsuits did not change the legislative bargaining power of the members of Congress because legislators continued to vote according to political ideology.

The same can be said of the tobacco litigation in the United Kingdom. The tobacco companies in the United Kingdom have never been forced to pay a plaintiff, and only once have they actually been required to go to trial. This clear failure could not possibly cause supporters of the tobacco industry to begin making concessions to public health advocates. Nonetheless, the United Kingdom has consistently passed tobacco reform. This cannot reasonably be claimed to be the result of the massively unsuccessful litigation. Instead, this is most likely the product of the legislators’ political ideology; not some legislative advantage gained through litigation.

Public health advocates argue that the MSA is a great example of how litigation can change the respective bargaining power of the parties. A careful examination, however, reveals that the MSA was not a compromise by the tobacco industry. Further study of the tobacco litigation in the United States and United Kingdom makes clear that the litigation did not change the legislative bargaining power of the respective parties. The legislators in both countries continued to vote consistent with their political ideology.

4. Revealing Relevant Information but Eroding Respect for the Judiciary

Public health advocates argue that litigation can facilitate the legislature in creating reform because courts are able to reveal policy-relevant information. Public health advocates argue that legislators and regulators do not always have a comparative advantage as against the regulated industry in obtaining vital information relevant to public health regulation. In these cases, the courts may be the only institution capable

341. See supra Part II.B.2 (describing the failure of tobacco litigation in the United Kingdom).
342. Lytton, Enhance Regulatory Policy, supra note 273, at 1842.
of lowering the information costs which currently preclude the legislative bodies from obtaining this information.\textsuperscript{344} Advocates view the courts as “the best institution for penetrating social problems characterized by badly asymmetrical information and a high level of complexity.”\textsuperscript{345}

Opponents of litigation argue that using the judiciary as a “second front in legislative battles” may ultimately erode the public’s respect for the judiciary and the rule of law.\textsuperscript{346} The discovery process can be extremely costly.\textsuperscript{347} This process is a justified use of public and private resources when it is designed to uncover the necessary information to resolve a dispute between parties that are currently before the court.\textsuperscript{348} However, the judiciary loses integrity and threatens their legitimacy as impartial arbitrators when expensive discovery requests are used to advance a particular plaintiff’s policy agenda without regard to the merits or outcome of the lawsuit.\textsuperscript{349}

Public health advocates cite to the Cigarette Papers as proof of how litigation can produce relevant policy information.\textsuperscript{350} However, the Cigarette Papers were not revealed through litigation.\textsuperscript{351} Instead, they were stolen and leaked by a former paralegal.\textsuperscript{352} There is also no guarantee that these papers would have been turned over during discovery. The Cigarette Papers showed that tobacco executives had “specified scores of documents that were to be shipped out of the country, presumably to escape the reach of the legal process.”\textsuperscript{353} Tobacco companies were also “channeling their scientific research through their lawyers, for example, by labeling scientific reports ‘attorney work product’ to shield them through attorney-client privilege or by directing their lawyers to screen and suppress industry research.”\textsuperscript{354} These same practices were being used in the United Kingdom as well. Counsel of a prominent English law firm actually wrote to the chief scientist of British American Tobacco stating: “Because correspondence on the subject of Buerger’s disease might not be privileged,

\textsuperscript{344} Id.

\textsuperscript{345} Id.

\textsuperscript{346} Lytton, Using Litigation to Make Public Health Policy, supra note 2, at 559.

\textsuperscript{347} Id.

\textsuperscript{348} Id.

\textsuperscript{349} Id.

\textsuperscript{350} Cf. Wendy Wagner, Rough Justice and the Attorney General Litigation, 33 GA. L. REV. 935, 948 (1999) [hereinafter Wagner, Rough Justice] (“[T]he attorney general litigation has begun to reverse the manufacturers’ long-enjoyed immunity regarding the undisclosed and preventable hazards of cigarettes.”).

\textsuperscript{351} See supra note 27 and accompanying text (describing how the Cigarette Papers were leaked).

\textsuperscript{352} Id.

\textsuperscript{353} GIFFORD, SUING THE TOBACCO, supra note 86, at 108.

\textsuperscript{354} Mather, supra note 2, at 903.
it is important that contact between the scientists should be routed through
the lawyers.” If tobacco companies in the United States and United
Kingdom were willing to dope their cigarettes with nicotine and abuse the
professional privilege of their lawyers, it may not be safe to assume that a
simple discovery request would have forced the tobacco companies to
willingly turn over incriminating evidence.

The litigation process, through the use of discovery, is capable of
revealing documents which may contain information relevant to regulation.
In many circumstances, however, regulatory agencies and legislative bodies
will be just as capable of finding the same information. It was not the case
that the legislative bodies were unable to discover information about the
negative health effects of tobacco without the use of litigation. Congress
did not possess the information because Congress willingly chose not to
research tobacco nor create an agency to monitor tobacco. There is no
evidence to show that the tobacco industry held a serious comparative
advantage over the legislative bodies that would justify the use of litigation
instead of requiring an agency to undertake their own scientific studies. In
fact, as early as 1964, the United States Surgeon General had already
undertaken their own study in which they found a connection between
smoking and lung cancer. This demonstrates that if Congress so desired,
the government could have undertaken their own studies, or provided funds
for private organizations, to research the health effects of tobacco. Using
litigation as a means of forcing parties to undergo expensive discovery
request when the desired information could just as easily be obtained
through other means is an abuse of the discovery process which threatens to
erode respect for the judiciary.

5. Filling Gaps in Legislation

Public health advocates argue that the judiciary can help the legislature
in creating reform because litigation can fill the gaps left in the legislation

356. See, e.g., supra notes 11–13 and accompanying text (explaining the 1964 report of the
United States Surgeon General).
357. See supra Part III.A.1 (describing the history of tobacco legislation in the United States);
see also Wagner, Rough Justice, supra note 350, at 950 (describing “[c]ongress’ consistent failure
to hold the tobacco industry accountable for the hazards of cigarettes”).
358. See supra notes 11–13 and accompanying text (describing the findings of the 1964
Surgeon General’s report).
359. See Lytton, Using Litigation to Make Public Health Policy, supra note 2, at 559 (stating
that the judiciary appears to lack integrity when discovery requests are enforced for the purposes
of advancing a plaintiff’s policy goals).
or regulation.\textsuperscript{360} Lawmakers will never be capable of anticipating all the ways in which an industry will be able to legally evade regulation.\textsuperscript{361} This necessarily implies that all legislation and regulation will unavoidably contain gaps and loopholes for industries to exploit.\textsuperscript{362} Public health advocates see litigation or even the threat of litigation as a means of forcing the industry into voluntary compliance with the advocates’ ultimate public health objectives.\textsuperscript{363}

It is absolutely true that no single piece of legislation will ever be completely comprehensive and contain the answer for every possible factual scenario that occurs in the real world. It is also true that the judiciary properly fills any gaps in the legislation by interpreting the intent of the legislators.\textsuperscript{364} However, the judiciary must interpret the laws that are actually passed in accordance with the actual legislative intent of that law.\textsuperscript{365}

The tobacco litigation shows that the judiciary will not interpret a law to achieve a public health advocate’s policy goals which have been rejected by Congress or are inapposite to the statutory scheme. In the late 1990s, the FDA attempted to claim the legal authority to regulate tobacco as a drug.\textsuperscript{366} However, the Supreme Court held that Congress had expressly intended to preclude the FDA from exercising such authority and refused to interpret the law so as to achieve the goals of the public health advocates.\textsuperscript{367} The same has been true in the United Kingdom where public health advocates have been even less successful in using litigation. Only one case against the tobacco companies has even made it to trial, where the judge held that the tobacco company possessed no liability for the death of the plaintiff.\textsuperscript{368}

The judiciary plays a proper role when it interprets the law in front of it with the actual legislative intent of that law. But as the tobacco litigation reveals, courts are not willing to interpret laws for the sole purpose of achieving public health policy goals. The judiciary will not act to

\textsuperscript{360} Id. at 558; Lytton, \textit{Enhance Regulatory Policy}, supra note 273, at 1842.

\textsuperscript{361} Id.

\textsuperscript{362} Id.

\textsuperscript{363} Id.

\textsuperscript{364} See \textit{2A SUTHERLAND STATUTORY CONSTRUCTION} § 45:5 (7th ed.) (“For the interpretation of statutes, ‘intent of the legislature’ is the criterion that is most often cited.” (citations omitted)).

\textsuperscript{365} See id. (“None of these methods can be criticized if they in fact reflect the intent of the legislature, but none can be supported when they result in a finding of legislative intent which did not in fact exist within the legislature.”).

\textsuperscript{366} See supra notes 30–31 (explaining the FDA’s attempt to regulate tobacco).


\textsuperscript{368} See supra notes 173–185 and accompanying text (describing the \textit{McTear} case).
6. Attraction of Financial Rewards

Opponents to the use of the judiciary argue that litigation will hinder legislative reform because litigation’s focus on proving damages in terms of monetary awards will distort any attempt at creating social policy. Litigation is traditionally an arena in which individuals can redress their injuries. This causes the judicial process to focus largely on money. Contingency fees, for example, are a great mechanism for enabling people to bring cases that otherwise would not be initiated. Contingency fees, however, also create powerful incentives based solely on money. Whether based on greed or not, it is extremely realistic and likely that litigation will focus on financial recovery instead of public health objectives.

An examination of the tobacco litigation in the United States, and specifically the MSA, appears to support this argument. As the negotiations leading up to the MSA progressed, the focus became more and more centered around money. The state attorneys general were most interested in recovering taxpayer dollars which had been spent on treating victims of tobacco related illnesses. The private plaintiffs’ attorneys focused on recovering their large fees. As one negotiator of the MSA stated: “‘The money in the tobacco settlement is as addictive to states as the nicotine in cigarettes is to smokers.’” With this added attention on money, the MSA contained several public policy flaws by omitting provisions which had initially been included in earlier negotiations. Specifically, the MSA failed to contain look-back provisions, tied state revenues to tobacco sales, and did not give the FDA authority to regulate tobacco products.

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370. Jensen, supra note 199, at 1379.
371. LaFrance, supra note 6, at 202.
372. Id. “Large attorneys’ fees give class counsel a financial interest to settle that is independent of the class claimants’ interest.” Bianchini, supra note 88, at 723.
374. Jacobson & Warner, supra note 2, at 797; Jacobson & Soliman, supra note 2, at 228; Jensen, supra note 199, at 1379.
375. GIFFORD, SUING THE TOBACCO, supra note 86, at 176.
376. MOLLENKAMP, supra note 1, at 171.
377. Id. at 172.
378. GIFFORD, SUING THE TOBACCO, supra note 86, at 179 (quoting Rick Hampson, States Squander Chance to Fight Smoking, USA Today, Mar. 11, 2003, at 1B (quoting Christine Gregoire)).
379. See supra notes 108–112 and accompanying text (explaining the several flaws of the MSA).
tobacco.\textsuperscript{380} The MSA also created high barriers to entry, guaranteed current market shares, eliminated price competition, and permitted price fixing\textsuperscript{381}.

In comparison, tobacco regulation in the United Kingdom has not fallen victim to the allure of wealth. One reason for this is the lack of a contingent fee system equivalent to the one used in the United States.\textsuperscript{382} Conditional fees in the United Kingdom permit lawyers to enter into “no win, no fee” arrangements with clients.\textsuperscript{383} However, attorneys in the United Kingdom “may not contract for a percentage of damage awards as compensation for their work.”\textsuperscript{384} Prohibiting this type of fee arrangement eliminates the potential incentives based on financial rewards because the attorney’s fee is not determined by the damage award of the case.\textsuperscript{385} An attorney may still attempt to negotiate a settlement for their client, but this attempt is not motivated by the attorney’s interest in personal wealth. A second reason why tobacco regulation in the United Kingdom has not fallen victim to the allure of wealth is the fact that the United Kingdom has addressed the public health problem of tobacco completely through legislation.\textsuperscript{386} Legislators do not face the same monetary incentives as do plaintiffs and their lawyers.\textsuperscript{387} This allows legislators to focus on the desired social policy. Legislators are not put in a position where they could potentially compromise certain policy provisions in exchange for direct monetary awards as were the negotiators in the MSA.

A comparison of tobacco regulation in the United States and United Kingdom reveals that litigation does have a tendency to focus on large monetary awards. The negotiators of the MSA compromised on some of the original public health provisions in exchange for money. In contrast,

\textsuperscript{380} Id.  
\textsuperscript{381} See supra Part III.A.2.i (examining the MSA).  
\textsuperscript{382} See Rogers, supra note 177, at 227 (“The British version of contingency fees, however, is not identical to the American version.”).  
\textsuperscript{383} Id.  
\textsuperscript{384} Id.  
\textsuperscript{385} Cf. Bianchini, supra note 88, at 724 (“B[ecause mass tort cases are litigated on a contingency fee basis, attorneys have significant incentives to settle.]”). “Moreover, with their own financial interest at stake, class counsel may be less aggressive in challenging settlement terms favored by the defendants. Clients’ interests in maximizing recovery . . . thus diverge from the interests of their attorneys in collecting fees through settlement.” Id.  
\textsuperscript{386} See supra Part II.B.1 (describing the tobacco legislation in the United Kingdom).  
\textsuperscript{387} Compare Kyritsis, supra note 266, at 738–39 (“Legislators, we tend to think, have a special duty to heed the interests and convictions of the people who elect them . . . They are also under institutional pressure to do so, since, if they fail to heed their interests and convictions, they are likely not to get re-elected.”) with Bianchini, supra note 88, at 724 (“Large attorney’s fees give class counsel a financial interest to settle that is independent of the class claimants’ interests. When the attorneys’ interests diverge from those of the class, the resulting settlement agreement may enrich class counsel . . . but provide little, if any, recovery for the class members.”).
legislators do not face the same dilemma of competing interests between money and public health. Unlike plaintiffs and their attorneys, legislators can focus the debate exclusively on the merits of the public health issue.

7. Long, Drawn Out, Expensive, and No Guarantee of Success

Opponents next argue that the judiciary will hinder legislative reform because litigation promises to be “long, drawn out, and expensive.”

Litigation offers no guarantee of success in achieving the desired policy objectives. Opponents argue that attempting to change social policy may often include novel and untested legal theories, some policy goals of public health advocates may be unattainable or unaffected by litigation, and using litigation could potentially divert precious government resources away from programs which are actually working towards implementing the desired social policies.

Comparing the tobacco regulation in the United States and United Kingdom shows that litigation can certainly be extremely expensive, time consuming, and often not likely to succeed. Tobacco litigation in the United States is full of examples of cases which were long, drawn out, expensive, and failed not only to achieve the desired social policy goals, but also on the merits. The same has been shown by the little amount of tobacco litigation that has occurred in the United Kingdom. Both countries have demonstrated that litigation is by no means an efficient method of creating social policy. Tobacco litigation in both the United States and United Kingdom has in fact proven to be a waste of time, money, and resources in terms of advancing social policy goals.

8. Second Thematic Conclusion

Comparing the tobacco regulation within the United States and United Kingdom reveals that opponents are correct in arguing that using the

388. Jacobson & Warner, supra note 2, at 796.
389. Id.
390. Id. at 796–97; Jacobson & Soliman, supra note 2, at 227.
391. See, e.g., Cipollone v. Liggett Grp., Inc., 505 U.S. 504 (1992) (a case originally filed in 1983, returned a jury verdict for the plaintiff in 1988, overturned by the Third Circuit in 1990, and reversed by the Supreme Court in 1992; however, the plaintiff and law firm could not afford to proceed after 1992); Castano v. Am. Tobacco Co., 84 F.3d 734 (5th Cir. 1996) (a case originally filed in 1993 financed by sixty different law firms each contributing $100,000, but was decertified by the Fifth Circuit in 1996).
judiciary will hinder efforts to create legislative reform. It is not clear that litigation is capable of redefining the policy problem. Efforts to place the issue on legislators’ agendas, mobilize support, and create new alliances may be hindered by the public’s perception that the problem has been solved. Litigation has not proven to change legislative bargaining power. Using the discovery process solely for social policy goals may erode the public’s respect for the courts. The courts can only fill gaps in legislation that is consistent with the legislative intent. The evidence shows that policy goals can be distorted by the lure of money. And, litigation has proven to be long, drawn out, expensive, and unsuccessful. Analysis of the arguments within the second broad thematic category supports the assertion that using the mass product tort system hinders social legislative reform.

C. The Deterrent Effects of Tort Law

The third broad thematic category in which scholars debate the use of the judiciary to create social reform centers around the general deterrent effects of tort law. Public health advocates argue that the potential of tort liability will cause product manufacturers to act in a less injury producing way which will further their public health objectives. Manufacturers are in the best position to minimize the loss and are able to distribute the loss across all of society. Opponents argue that the deterrent effects of tort law are overstated, and the concepts of loss minimization and distribution are not applicable in the context of latent diseases.

1. Loss Minimization and Loss Distribution

Public health advocates argue that litigation is useful in creating social reform because of the general deterrent effects of tort law and the allocation of loss; referred to generally by tort scholars as loss minimization and loss distribution. Loss minimization captures the idea that the manufacturer is in the best position to minimize the loss. The deterrent theory of tort law is rather simple: tort law threatens people with having to pay for the injuries they produce; therefore, people will alter their behavior, by taking into account the interests of others, in a socially desirable and less injury producing way. Loss minimization captures the idea that the manufacturer of a product is in the best position to minimize the loss. The manufacturer is able to make

393. See, e.g., Jacobson & Soliman, supra note 2, at 234–35 (“[T]ort litigation can be effective in monitoring overall product quality and in punishing manufacturers for producing goods that harm individuals and damage the public health.”).


their products safer or reduce production. Loss distribution reflects the idea that the manufacturer is in the best position to spread the loss across all of society.\textsuperscript{397} Instead of requiring one individual plaintiff to bear the burden of the entire loss, the manufacturer has the ability to increase price and distribute the loss across a large group of consumers.\textsuperscript{398} The theory of loss minimization and loss distribution is not an idea unique to public health advocates wishing to use litigation to further specific public policy objectives.\textsuperscript{399} The theory is viewed, however, by advocates of litigation as a means of forcing companies to make their products safer and reduce production.\textsuperscript{400}

Recently, some scholars have begun to question the effectiveness of loss minimization and loss distribution. Donald Gifford argues that three factors may limit the effectiveness of loss minimization and distribution within the specific context of mass product tort litigation of latent diseases.\textsuperscript{401} First, there tends to be an extended period of time between the manufacture of the product and the imposition of liability.\textsuperscript{402} Second, the litigation of latent diseases is generally unable to assign liability to the specific activity that caused the harm.\textsuperscript{403} Third, actions taken by parties not the product manufacturer are generally contributing causes to the victim’s ultimate illness.\textsuperscript{404} As Gifford argues, the interplay of these three factors makes the analysis of determining which party is in fact the least cost avoider within the context of tobacco related illness much more complicated.\textsuperscript{405} Arguments can be made that the tobacco manufacturers, the individual smokers, the state and federal governments, or a combination of all three could possibly be the least cost avoider.\textsuperscript{406} This determination could turn on when a smoker began smoking, if and when a smoker quit

\textsuperscript{396} Lytton, *Using Litigation to Make Public Health Policy*, supra note 2, at 558.

\textsuperscript{397} See Gifford, *The Peculiar Challenges*, supra note 395, at 629 (explaining Calabresi’s goal of “secondary accident cost avoidance” as distributing the losses which have already occurred across all of society).

\textsuperscript{398} Id.

\textsuperscript{399} Indeed, the ideas were first advanced by the instrumentalists Judge Calabresi and Judge Posner. Id. at 627 & n.80.

\textsuperscript{400} Lytton, *Using Litigation to Make Public Health Policy*, supra note 2, at 558.

\textsuperscript{401} Gifford, *The Peculiar Challenges*, supra note 395, at 613 (explaining that (1) the existence of an extended period of time between the distribution of the product and the imposition of liability, (2) the inability to attribute liability to the specific activity which caused the harm, and (3) the contributing causes of third parties all frustrate the deterrent effects of tort law in the context of latent diseases).

\textsuperscript{402} Id. at pt. IV.

\textsuperscript{403} Id. at pt. V.

\textsuperscript{404} Id. at pt. VI.

\textsuperscript{405} Id. at 662–63.

\textsuperscript{406} Id. at 667–68.
smoking, and a consideration of the government’s subsidies for tobacco and their acquiescence in failing to regulate cigarettes.\textsuperscript{407}

The theories of loss minimization and loss distribution have also been criticized outside of the specific context of latent disease. Stephen Sugarman claims that the deterrent effects of tort law exaggerates the dangerous behavior of individuals and the ability of potential tort liability to reduce such behavior.\textsuperscript{408} The general reason for why this deterrent effect is ineffective is because the “law and economics” rationale, on which the theory is based, depends on the assumption of perfect information.\textsuperscript{409} In the real world, individuals lack perfect information.\textsuperscript{410} Even if individuals possess the required information, they lack the knowledge to properly apply it, improperly discount the threat, feel the need to satisfy immediate needs, believe the benefits of such behavior outweigh the relatively small tort penalty, or purchase liability insurance.\textsuperscript{411} All of these factors greatly reduce the deterrent effects of tort law.\textsuperscript{412}

Examining the history of tobacco in the United States and United Kingdom, there does appear to be evidence to support the idea that the deterrent effects of the tort system are overstated. In the United States, tobacco companies have paid hundreds of billions of dollars in tort penalties.\textsuperscript{413} In the context of the MSA, the tobacco companies were able to pass the entire tort liability onto consumers by raising prices.\textsuperscript{414} However, in the context of the individual smokers and their lawsuits, tort liability has been unable to distribute the loss.\textsuperscript{415} The failure of class actions and individual suits means that the smokers are stuck bearing the entire cost of their injuries.\textsuperscript{416} Tobacco companies have also not reduced production or attempted to make cigarettes any safer by reducing the level

\textsuperscript{407} Id. at 668--72.
\textsuperscript{408} Sugarman, supra note 394, at 561 & n.12.
\textsuperscript{409} Id. at 564--65.
\textsuperscript{410} Paul Horwitz, Free Speech as Risk Analysis: Heuristics, Biases, and Institutions in the First Amendment, 76 Temp. L. Rev. 1, 12 (“Individuals regularly lack perfect information in making decisions, and would not be infinitely skilled at weighing that information even if they had it.”).
\textsuperscript{411} Sugarman, supra note 394, at 565--74.
\textsuperscript{412} Id.
\textsuperscript{413} See, e.g., supra note 105 and accompanying text (stating that the tobacco companies had to pay $206 billion to forty-six states under the MSA).
\textsuperscript{414} See supra notes 219--225 and accompanying text (describing the ability of the tobacco companies to raise the price of cigarettes immediately following the MSA).
\textsuperscript{415} See supra Part II.A.2 (describing the failure of most tobacco litigation in the United States).
\textsuperscript{416} See supra note 391 (explaining the failure of two prominent tobacco cases in the United States).
of nicotine. 417 Individuals have also not stopped smoking, 418 and it took the United States government eleven years to finally pass legislation that allows the FDA to regulate levels of nicotine. 419 It does not appear that tobacco companies have felt any deterrent effects from the imposition of liability or tort law generally. In fact, it appears that the tobacco companies, the federal government, and the individual smokers are all proceeding with business as usual. 420

The tobacco litigation in the United Kingdom similarly brings into question the effectiveness of the deterrent effects of tort law. Tort law in the United Kingdom has been completely unable to hold the tobacco companies liable. 421 Tobacco companies face no deterrent incentives if they know that they are free from liability. 422 Smokers have also failed to change their behavior as they continue to create a huge demand for tobacco products. 423 Tort law has failed to minimize any of the losses, and has failed to distribute those losses. The individual smokers are stuck with the entire cost as they are the ones paying the large cigarette taxes that fund the country’s social welfare programs. 424

The deterrent effects of tort law and the positive benefits of loss minimization and loss distribution were once thought of as given. However, the experience of the tobacco litigation appears to support the recent scholarship that has brought these well accepted concepts into question. Tobacco companies have not been deterred from producing cigarettes, individuals have not stopped smoking, cigarettes have not been made safer, and the majority of losses have not been distributed beyond the individual smokers.

417. LaFrance, supra note 6, at 197 (“[T]he chief activity by which the tobacco companies have inflicted harm will continue, namely, the development and marketing of cigarettes.”).
418. Wendy E. Parmet, Tobacco, HIV, and the Courtroom: The Role of Affirmative Litigation in the Formation of Public Health Policy, 36 Hous. L. Rev. 1663, 1712 (1999) (“The state tobacco reimbursement cases have been settled, but children still smoke and smokers still die.”).
419. See supra note 34 and accompanying text (explaining that Congress did not pass national tobacco legislation following 1998 until the FSPTCA in 2009).
420. Jensen, supra note 199, at 1380.
421. See supra Part II.B.2 (explaining the failure of tobacco litigation in the United Kingdom).
422. See Sugarman, supra note 394, at 560 (“It is first assumed that, absent tort law, people would selfishly pursue their own interest, putting their personal desires ahead of the safety of others.”).
423. See Parmet, supra note 418, at 1712 (explaining that people continue to smoke and die from tobacco related illnesses).
2. Third Thematic Conclusion

Comparing tobacco regulation within the United States and United Kingdom reveals that opponents are correct in arguing that litigation of latent diseases is ineffective in deterring injury producing conduct. Litigation has not forced tobacco companies to minimize their loss or distribute the loss across all of society. Tort liability has been ineffective in forcing the tobacco companies to change their behavior away from injury producing conduct and towards the objectives of public health advocates. Analysis of the arguments within the third broad thematic category supports the claim that the mass product tort system hinders social legislative reform.

IV. Conclusion

This Article has undertaken to answer the question whether mass product tort litigation facilitates or hinders social legislative reform. The United States is viewed as heavily reliant on litigation while the United Kingdom is viewed as a social welfare state which regulates exclusively through legislation. In all three of the broad thematic categories, the arguments of public health advocates failed to show how using the judiciary can facilitate social reform. The legislatures did not fail, and the use of the judiciary created undemocratic results in which only a select few were able to participate. Efforts of the judiciary to work with the legislature to pass reform measures only hindered such reform efforts. The deterrent effects of tort law were ineffective as tobacco companies failed to change their injury producing behavior and were not made to distribute the losses across society. After examining the arguments on both sides of the debate and comparing the real world experience of tobacco regulation in the United States and United Kingdom, this Article has found that litigation hinders social legislative reform.

425. See supra notes 7–8 and accompanying text (explaining that the United Kingdom relies on legislation to regulate public policy while the United States is more likely to rely on litigation).
426. See supra Part III.A (explaining that the legislative systems did not fail and using the judiciary to create social reform is undemocratic).
427. See supra Part III.B (explaining that the judiciary will hinder reform efforts if it attempts to work in cooperation with the legislature).
428. See supra Part III.C (explaining that the deterrent effects of tort law appear overstated in the context of the tobacco litigation).