



This article was printed from the Local Stories section of the *Reno News & Review*, originally published August 11, 2011.

This article may be read online at:

<http://www.newsreview.com/reno/content?oid=3185373>

Copyright ©2011 Chico Community Publishing, Inc.

Printed on 2011-08-15.

## Smoke and mirrors

### Big tobacco and big casino sold Nevadans a bill of goods

By [Dennis Myers](#)

A new book charges that chambers of commerce in Washoe and Clark counties agreed in 1996 to serve as front groups for an influential University of Nevada, Reno study that was actually paid for by the tobacco industry.

The study, on the economic impact of no-smoking policies on the state's casino industry, was cited repeatedly in subsequent years as justification for inaction by the Legislature and for casinos subjecting their workers to workplace toxins.

The book, *Casino Women* by Susan Chandler and Jill B. Jones, will be published this month by the Cornell University Press. It examines the way women in the casino industry have been treated and how they have responded, particularly since enactment of the Nevada corporate gambling acts of 1967 and 1969. Those acts allowed massive capital and large corporations to enter the gambling industry in the state.

The study at issue was done by economist John Dobra at a time when federal officials were



Susan Chandler in her office in Reno. She and Jill Jones coauthored a new book, *Casino Women*.

Photo By dennis myers

*Casino Women* will be published the third week of August. There will be a book signing by the authors on Sat., October 22 at Sundance Books, 121 California Ave.

looking at workplace limits on smoking. In the study, Dobra contended that banning smoking from Nevada casinos would cause significant economic harm to gambling corporations, including the loss of between \$1.9 billion and \$3.5 billion and of 20,000 and 30,000 jobs.

“In a state which depends on sales and gaming taxes for 75 percent of its general fund revenues, the effects of a workplace smoking ban are gargantuan,” Dobra wrote. He predicted that governments in the state could lose as much as \$95 million within a year of a smoking ban.

Dobra’s study was released on Dec. 4, 1996, at a gambling conference in Las Vegas amid careful preparations to keep the tobacco industry’s funding for the study hidden. A copy supplied to Associated Press resulted in a story that was carried by many news outlets and set the tone for much subsequent coverage: “The study, conducted by John Dobra, an associate economics professor at the University of Nevada, Reno and director of the Natural Resource Industry Institute, was commissioned by the Reno and Las Vegas chambers of commerce to analyze the impacts of regulations being considered by the federal Occupational Safety and Health Administration.”

But authors Chandler and Jones located corporate documents in a Phillip Morris collection of records at the University of California, San Francisco medical school that indicated the study was commissioned by a tobacco lobby group and that there was a cozy working relationship between the American Gaming Association (AGA) and the tobacco group. In fact, there was also evidence that other businesses, including the ventilation industry, were involved in this effort to promote smoking.

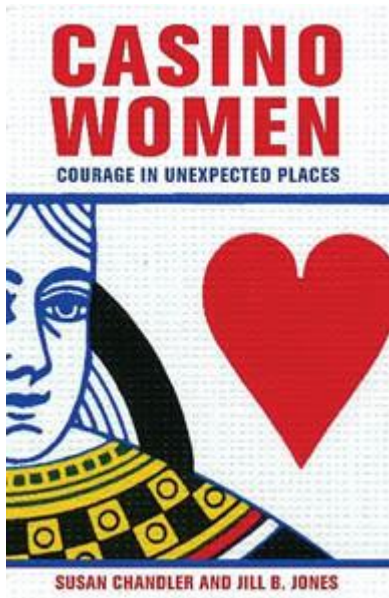
While some of the documents quoted by Chandler and Jones have appeared in print before, they have mostly been in scholarly papers—always a good way to hide information—or obscure websites. The book will likely bring them to a wider Nevada audience.

Chandler and Jones report that early in 1996, R.J. Reynolds director of public policy Robert Meyne wrote to AGA president Frank Fahrenkopf: “R.J. Reynolds and the American Gaming Association have a common interest in this issue. . . . R.J. Reynolds is prepared to offer any assistance we can to you, your board, and members.”

The authors also quote the chair of the Communications Group, a tobacco industry committee formed to deal with the OSHA “problem,” who wrote in one document on July 18, 1996, “We have reached an agreement in principle with Dr. John Dobra of the University of Nevada to conduct a separate survey of the gaming industry. Efforts are underway to identify an appropriate sponsor for this survey.”

On Aug. 1, a second Communications Group document reported that a way had been found to conceal tobacco industry involvement: “The Reno Sparks County [sic] Chamber of Commerce has agreed to sponsor the economic study of the gaming industry by Dr. John Dobra.”

Two other documents, not quoted in *Casino Women*, are also noteworthy. Meyne wrote of his efforts to “coordinate participation of RJR staff and consultants in planning and conducting a seminar to demonstrate how casino operators can effectively address issues related to ETS [environmental tobacco smoke] without losing business.”



And an internal Phillip Morris email message said that a Phillip Morris house economist “spent many hours working with Dr. John Dobra in Nevada to make sure that the economic study showing the impact of smoking bans on the state’s gaming interests would be beyond reproach.”

The announcement of the study came off without a hitch, organized by local tobacco and health care lobbyist Sam McMullen. There were no headlines like “Tobacco-funded study says ...” to contaminate Dobra’s assertions or fully inform the public.

The stories all treated the Dobra assessment as apocalyptic—a smoking ban would “put the gaming industry on the critical list,” is how the Las Vegas Review-Journal put it. “Smoking ban would smother Nevada economy, study says” was the headline in Press of Atlantic City. The Las Vegas Sun used “cripple” and the

Associated Press used “devastate” (which, for some reason, was changed to “decimate” in the Sparks Tribune). The language was so extreme that Gov. Robert Miller spoke out: “There is no need to immediately push the panic button.”

The Review-Journal ran an editorial citing the Dobra study as evidence that a smoking ban “would essentially throw the state into recession.”

Brian Herr, then head of the Reno Sparks Chamber of Commerce who served as spokesperson when the Dobra study was released, said last week that he does not recall whether he knew that it was funded by the tobacco industry. “I don’t really remember the details about that study. ... I really don’t remember that.”

Dobra, who told the authors of *Casino Woman* that he felt used and would not have done the study if he had known all the facts, was more defiant last week, saying it doesn’t matter who paid.

“It still wouldn’t change anything. ... You can dissect all this stuff lots of different ways, and it still ends up, you know, so many people leaving the casino floor for so many minutes per hour will lead to however much loss of casino revenue,” Dobra said.

Dobra is a prominent economist in Nevada, though he is better known for analyses of mining economics. He and a colleague once did a study on the impact of fewer corporate-friendly federal mining laws on the corporations operating in Nevada. He told the two

authors he did not learn of the tobacco funding for his casino study until a decade later.

The study was solely economic. It did not assess the beneficial effects of a smoking ban, such as lives saved and diseases avoided, and the news coverage did not point out that lack. As a result, the study and the publicity it received assisted the tobacco and gambling industries in keeping the focus of public tobacco policy and news coverage on economic impacts in Nevada rather than health effects. Nor did it the study cover all economic factors, since it did not estimate the health care savings by individuals, insurers, employers and Medicaid that would result from a smoking ban.

After the release of the Dobra study, no Nevada reporter asked the obvious question—“Was this study paid for with tobacco money?”—though it certainly occurred to ordinary citizens. In a letter to the editor in Carson City’s Nevada Appeal, resident Harry Schuster wrote, “I’m not really interested in who commissioned and/or funded it [the Dobra study]. The tobacco industry has long ago shown they are quite adept at funding, initiating and concealing their role in studies favorable to the tobacconists and antagonistic to nonsmokers.” Shuster’s skepticism found no echo in the ranks of Nevada journalism.

There were ways in which the news coverage appeared tailored to the sensibilities of the casino industry. The Dobra study was spread across the top of the front page of the Reno Gazette-Journal under the six-column banner headline “Smoking rules could burn tourism.”

That contrasted with what happened the very next day, when another UNR study was released, this one by nutritionist Chris Pritsos. It reported that workers exposed to secondhand smoke suffer DNA damage and “oxidative” stress that boosts their chances of heart disease and cancer. This story appeared in the Gazette-Journal under the four-column headline “Workers harmed by secondhand smoke,” not on the front page but on page B1, below the fold, at the bottom of the page.

News coverage did not scrutinize the study, its methodology, or the health effects of a smoking ban in casinos. Stories were written from handout materials. The Reno Gazette-Journal solicited reactions from critics of the tobacco industry but did not otherwise put the study’s claims under any kind of microscope, and even the reactions were put in a sidebar story and stuck inside.

Although some research said otherwise, casino executives had always had an almost superstitious conviction that smoking is essential to gambling success, and the Dobra study and the accompanying news coverage set that belief in concrete and gave the industry ammunition it would use at the legislature for years. Nevada legislators have never voted to limit casino smoking.