

“The Economic Impact of Smoking Bans in Hospitality Venues”

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Abstract

Two research literatures – “public health studies” and “economic studies” – have evolved that examine economic effects of smoking bans in public places. “Public health studies” are conducted primarily by non-economists and published in public health and medical journals. A widely-cited literature review of “public health studies” concludes: *“The vast majority of scientific evidence indicates that there is no negative economic impact of clean indoor air policies, with many studies finding that there may be some positive effects on local businesses.* (M. Eriksen and F. Chaloupka, “The Economic Impact of Clean Indoor Air Laws. CA: A Cancer Journal for Clinicians, 2007). “Economic studies” are conducted by economists who publish in economics journals and conclude that there is no theoretical or empirical logic to claims of no economic harm. While some businesses may benefit from bans, this paper discusses why it defies both economic theory and careful empirical research to argue that no businesses suffer harm. This paper concludes with a discussion of the unfortunate consequences of misleading the public about the economic effects of smoking bans.