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EDITORIALS

House of packs

A chink in tobacco industry's armor

Holy clean air! The once-monolithic tobacco industry is no longer invincible. The makers of Chesterfield and Eve cigarettes have defected; the first crack has opened in the industry's wall of solidarity against lawsuits. One manufacturer, the Liggett Group, has offered to settle its part of a lawsuit against various tobacco companies. The deal? It has agreed to hand over five percent of its annual pre-tax profits up to \$50 million over 25 years.

The suit was filed on behalf of some 50,000 smokers and former smokers. They accused the major cigarette makers of concealing research showing that nicotine is addictive, and of manipulating nicotine levels to keep smokers hooked.

Liggett admitted no wrongdoing. Nor was the offer made without strings: If the other companies win in court, the settlement is off. And no payment will be due in any year that the company makes no profit.

One thing is certain: Liggett has put in doubt the tobacco interests' oft-repeated claim that they've never lost a smoking-related lawsuit. (More than 400,000 people die every year from smoking-related diseases, says the American Cancer Society, but these companies have never paid a dime.)

Two days later, Liggett widened its breach with the rest of the tobacco industry. The company agreed to settle lawsuits with five states that went to court against Big Tobacco. They'll be reimbursed their Medicaid costs for treating illnesses related to smoking. Florida, Massachusetts, Minnesota, Mississippi and West Virginia will divide the first payment of a million dollars next week. The company

will pay them a total of \$10 million plus 7.5 percent of its pre-tax profits annually for 25 years.

In the wake of Liggett's startling offer, other makers of the weed put the best face they could on the news and insisted that they would win in court. Their attitude doesn't surprise. These companies wrote the book on solidarity, and their code of silence is legendary. Their philosophy could have been simpler: never settle, never pay. And for forty years they beat lawsuit after lawsuit.



The tobacco companies' generosity to politicians is also well known. So are the breaks they've gotten from lawmakers in tobacco states and key members of Congress. That's no surprise. Tobacco companies handed out \$1.5 million in political contributions last

year alone.

Now the \$45-billion-a-year industry's once impregnable walls begin to crack under an avalanche of lawsuits. The common accusation? That the companies are liable for the harm tobacco has done because they knew smoking was dangerous and addictive. R.J. Reynolds, for one, is defending 144 active lawsuits over the damages of smoking—many of them in Florida.

Remember when Joycelyn Elders had her eyes on cigarette makers when she was surgeon general of the United States? She proposed a tax on cigarettes of up to \$2 a pack. The proceeds would have reimbursed state their costs for treating smoking-related illnesses. Dr. Elders had a good idea then, and it's a good idea now.

Note to the Legislature come 1997: Why not revive that good idea in her home state?