The New York Times

National Edition

Southwest: Ample sunshine and continued unseasonably warm. Highs upper 70's eastern Louisiana, 80's elsewhere, low 90's parts of western Texas. Weather map is on page A15.

Copyright @ 1997 The New York Time

FRIDAY, MARCH 21, 1997

Printed in Texas

ONE DOLLAR

Margin, Backs of Late Abortion

Votes to Override a Veto

E Q. SEELYE

and often on healthy women with healthy fetuses.

Reflecting the new light in which the House considered the bill, Representative James P. Moran, Democrat of Virginia, summed up where the debate had been and where it is now: "It's not about a woman's right to choose," he asserted. "It's about a baby's right to life."

Representative Christopher Shays, Republican of Connecticut, was one of those abortion-rights supporters who changed his vote from last time and today voted to support the ban. "If I knew then what I know today, I would have voted for it," he

told reporters.

Mr. Shays was one of five who switched his vote from last year. The others were Representatives Rodney Frelinghuysen of New Jersey and Sue W. Kelly of New York, both Republicans, and Martin Frost of Texas and Peter J. Visclosky of Indiana, both Democrats.

The Senate does not plan to take the matter up until late April because it is still about seven votes shy of being able to override a Presidential veto. Senator Trent Lott, the Republican leader and a supporter of the ban, said he was looking to the House for momentum before he proceeded. "We need a little more steam to build up," he said.

President Clinton has said he would veto the ban again as he did last year if it did not provide an exception for women who would face serious health consequences if they continued their pregnancies to term.

The bill passed by the House today would ban the procedure except to save the life of the mother, making no exception for her health. It calls for a fine and up to two years in prison for any doctor who performs it. And it allows the father of the fetus to sue a woman who has the procedure, but only if he is married to her

Intense lobbying on both sides con-

Continued on Page A14, Column 1

After a Long Reign, A Face-Off in Zaire

Returning home from a recuperation abroad, President Mobutu Sese



Associated Press

President Yeltsin of Russia and President Clinton posed for photographers before a dinner at the Presidential Palace in Helsinki.

A Cooperative Air in Helsinki As Clinton and Yeltsin Meet

By ALISON MITCHELI

HELSINKI, Finland, March 20 — President Clinton and President Boris N. Yeltsin of Russia began a two-day summit meeting here today, with the United States signaling its willingness to make further arms control concessions and a conciliatory Mr. Yeltsin stressing that the two leaders must "depart as friends as we've done in the past."

In their first meeting in nearly a year, the two men dined together for more than two hours on salmon and reindeer, red and white wine and Champagne in the Finnish presidential palace along with their host, President Martti Ahtisaari.

The evening was a prelude to two sets of negotiating sessions planned for Friday that are widely viewed as some of the most crucial talks between Russia and America since the end of the cold war. For days leading up to this meeting, the Russians have been emphasizing their opposition to NATO expansion. But when he arrived at Helsinki's airport today, Mr. Yeltsin made clear that he was not looking for confrontation with the American President he has met with 11 times before.

"We have difficult and serious talks ahead of us," he said. "I think that Bill Clinton and his team are in the same mood of looking for constructive approaches, to find compromises to all controversial questions, so that we can depart as friends as we've done in the past."

Mr. Yeltsin expressed hope that he and Mr. Clinton would be able to "play a peaceful note" and ease tensions over NATO and other issues.

Mr. Clinton had a more unusual arrival in Helsinki, particularly for a

CIGARETTE MAKER CONCEDES SMOKING CAN CAUSE CANCER

Liggett, in an Accord, Also Admits That Tobacco Is Addictive

By JOHN M. BRODER

WASHINGTON, March 20 — In an extraordinary admission, one of the nation's major cigarette makers acknowledged today that tobacco is addictive and causes cancer, and said tobacco companies had for decades consciously marketed their products to children as young as 14.

Those concessions by the company, the Liggett Group Inc., the smallest of the country's five leading cigarette makers, are central provisions in its agreement to settle lawsuits filed by 22 states that accuse the industry of hiding knowledge of the adverse health effects of tobacco. The suits seek compensation from the industry for the estimated \$6 billion in annual state health care costs tied to smoking.

Liggett's public confession, announced at a news conference here called by the attorneys general of the 22 states, was the first in which any American tobacco marketer had ever admitted knowledge of the addictive nature of nicotine or drawn a direct causal link between smoking and cancer. It was also the first in which a cigarette maker had ever acknowledged a conscious industry strategy of luring teen-agers into a lifelong cigarette habit.

Under its agreement with the states, the company, whose cigarette brands include Chesterfield, L&M and Lark, will also turn over thousands of pages of internal documents that the attorneys general believe will prove their charge that the industry has carried out a willful 30-year conspiracy of silence and deceit.

And, for the first time ever, a major cigarette maker will place a warning label on all its brands stating that smoking is addictive. That warning will be in addition to the one, long required by the Government, that alerts consumers to smoking's health hazards.

Liggett's settlement agreement leaves the company free to keep

making and selling cigarettes, however.

Vice President Al Gore called the settlement "a historic victory for the American people" and said Liggett had "publicly acknowledged what we have all known for years" about the behavior of the tobacco industry and the effects of smoking.

But the company's four bigger rivals accused Bennett S. LeBow, chairman of Liggett's parent,

Continued on Page A12, Column 1

In exchange for release from liability for the cost of treating smokers' health problems incurred by 22 states, Liggett has agreed to:

- Acknowledge that smoking is addictive, and say so in warning labels on cigarettes.
- Acknowledge that smoking causes cancer.
- Acknowledge that some tobacco marketing has been directed toward minors, and avoid doing so in the future.
- Cooperate in suits against other companies, turn over documents, and allow its employees to testify freely.
- Pay a quarter of its **pretax profits**, plus up to \$25 million, to the states annually for the next 25 years.



TOR ACCO AND SOCIETY



Stephen Crowley/The New York Times

Some of the attorneys general of 22 states at a news conference yesterday in Washington after the Liggett Group admitted that tobacco is addictive and causes cancer. Behind the lectern was Grant Woods, left, Arizona's Attorney General, and Mike Moore, the Mississippi Attorney General.

THE OVERVIEW

Cigarette Maker Admits That Smoking Can Cause Cancer

Continued From Page A1

Brooke Group Ltd., of reversing earlier sworn testimony in court on whether tobacco was addictive and accused him of legal "shenanigans" motivated by self-interest.

"We suspect he is simply brokering this deal in a desperate attempt to force one of the other cigarette manufacturers to take over his financially troubled and failing tobacco-interests," those four companies said in a joint statement issued by the public relations department of the R. J. Reynolds Tobacco Company.

ny.

The companies vowed to fight the attorneys generals' effort to use the documents that Liggett has agreed to provide. The companies contend that the papers are shielded by attorney-client privilege and other legal protections.

Mr. LeBow first breached the solid wall of tobacco industry refusal to negotiate legal settlements a year ago, when he reached accord with 5 of the 22 states that struck a far broader agreement with him today. He said in a statement today that the tobacco companies' longstanding health and marketing claims were false.

"We are pleased to have reached these historic settlements that will protect Liggett from virtually all smoking-related claims," Mr. Lebow's statement said. "We believe that peaceful coexistence on reasonable terms makes far more sense for the tobacco industry than continuing denial of the legal and political reality of today's situation."

The attorneys general applauded Mr. LeBow's concession and said his agreement to waive the confidentiality of company documents and discussions with lawyers would allow them to pierce industry secrecy.

"Someone is finally telling the truth," Grant Woods, Attorney General of Arizona, said at the news conference here.

"Using their own documents interpreted by their own people," Mr. Woods said, "we will break the back of this conspiracy of lies and deception by the tobacco companies."

The documents that Liggett has agreed to turn over to the states

chronicle not only the company's own research results and marketing plans but also confidential discussions involving the four other big tobacco companies.

Those competitors quickly went to court today in North Carolina, where Liggett is based, to try to block the release of the documents, which include notes of the Committee of Counsel, a group of in-house tobacco company lawyers that coordinates industry strategy under the auspices of the Tobacco Institute, a trade association.

As a result of the companies' move, Judge William Freeman of

From other tobacco makers, there are accusations of legal 'shenanigans.'

Forsythe County Superior Court in Winston-Salem issued a temporary restraining order that limits disclosure of proprietary information about the four companies: Philip Morris, R. J. Reynolds, Lorillard and Brown & Williamson.

The four companies, which control 98 percent of the domestic market, were not offered the same settlement terms as Liggett and most likely would not have accepted them anyway, said Mississippi's Attorney General, Mike Moore.

Mr. Moore said he was preparing to go to trial in June against the companies, newly armed with the Liggett documents and with current and former Liggett executives who have agreed to testify on tobacco industry science, sales practices and legal tactics.

"Today we're knocking down Liggett," said Mr. Moore, who was the first state law enforcment official to take on the tobacco industry. "Tomorrow we're knocking down the other four."

other four."

He said he would not consider dropping his case against Philip

Morris, the biggest of the companies,

and the others unless they agreed to submit to regulation by the Food and Drug Administration and paid "tremendous amounts of money" in criminal penalties and compensation to millions of victims of smokingrelated diseases.

Despite the claims of the state officials, several legal and tobacco industry experts said they did not expect the Liggett settlement to have a major effect on the course of lawsuits against the cigarette makers, in part because many damaging tobacco company documents have already emerged.

Even Liggett's acknowledgement under today's settlement that cigarettes are addictive may have little value for plaintiffs' lawyers in the

courtroom.

"Addiction is not a scientific term," said Richard Kluger, the author of "Ashes to Ashes," a history of the public health and legal battles over smoking. "It leaves a lot of fudge room. The defense can say, "We recognize it's a hard habit to break, but millions have done it."

Under another term of the agreement announced today, Liggett will pay 25 percent of its pretax profits for the next 25 years to the 22 states. But the company has been struggling for several years, and the payments are not expected to yield much revenue.

The Liggett settlement, which was negotiated over the past several months with the 22 attorneys general and does not require court approval, includes the states of Arizona, Connecticut, Hawaii, Illinois, Iowa, Kansas, Maryland, Michigan, Minnesota, New Jersey, New York, Ohio, Oklahoma, Texas, Utah, Washington and Wisconsin.

The deal expands upon Liggett's previously announced agreement with Florida, Louisiana, Massachusetts, Mississippi and West Virginia. That deal, reached last year, provided for the company to pay these five states \$1 million immediately, \$440,000 a year over the next nine years, and 2.5 percent of annual pretax income over the next quarter-century.

Representative Henry A. Waxman of California, who has waged a campaign against the tobacco industry for years, said that he was gratified by Liggett's admission and that it proved that top industry executives lied before his subcommittee three years ago. That hearing produced the memorable picture of seven dark-suited tobacco chiefs being sworn in as witnesses with their right arms upraised.

"I have to give LeBow credit," Mr. Waxman said. "But he's not doing this because he's a great humanitarian. He's doing this because he thinks it's in his interest to have these issues resolved. The other companies have been stonewalling for 30 years. They ought to follow Liggett."

Shortly after Mr. Waxman's hearing, the Justice Department opened an investigation into whether the tobacco executives had committed perjury before Congress; that and several other Federal investigations of the industry remain open, a Government official said today.

A number of the state officials at today's news conference likened Liggett's action to a low-level drug dealer's pleading to lesser charges in exchange for testimony against major traffickers.

"We got the least important culprit to turn state's evidence and give testimony against the really bad guys," said Frank J. Kelley, Attorney General of Michigan, who filed a \$14 billion lawsuit against the tobacco companies last August. "If by giving Liggett some concessions we can obtain incriminating documents, it will aid us immeasurably in the lawsuits we are going to be trying."

PROFILE

An Entrepren

By GLENN COLLINS

In settling tobacco lawsuits brought by 22 states, the cigarette baron Bennett S. LeBow looks like both a traitor to the close-knit tobacco fraternity and an improbable hero to the antitobacco movement.

Mostly, though, Mr. LeBow is a wily entrepreneur, making a high-stakes gamble to save his failing tobacco company, the tiny Liggett Group Inc.

"A traitor to the tobacco industry

— I don't know what that means,"
said the 59-year-old Mr. LeBow, an