THE WALL STREET JOURNAL.

PAGE 25
THURSDAY, MARCH 12, 1981

# *Doctor's Dilemma*

In 1953, the American Medical Association banned cigaret advertising from the pages of its Journal. In 1968, the AMA resolved to oppose smoking "with every means at its command." Today the AMA praises periodicals that follow its example in rejecting tobacco ads.

So why are doctors retiring on pensions financed by a fund that includes shares in Liggett Group Inc. (maker of L&Ms and Chesterfields); Philip Morris Inc. (Marlboro and Virginia Slims) and R.J. Reynolds Inc. (Camels, Salems)?

Some angry doctors are raising the question. "I was quite shocked," Dr. Stephen Barrett, an Allentown, Pa., psychiatrist, says of learning of tobacco holdings in the AMA's Members Retirement Plan Equity Fund. Dr. Alan Blum, a Chicago family physician and president of a group called Doctors Ought to Care (DOC), says he's "embarrassed."

Shares in the three companies, which also market products other than tobacco, make up less than 3% of the retirement fund's portfolio. The AMA's executive vice president, Dr. James Sammons, says the AMA has no control over the portfolio under its trust agreement with the Bank of New York; the agreement permits investment "solely on the basis of economic performance," he says.

"That's bull," Dr. Barrett retorts. Nothing prevents the AMA from requesting the trustee to dispose of the shares, he says, and the investments "can't be that critical."

A resolution calling for divestiture of the shares narrowly passed at the July 1980 meeting of the AMA's resident physician section. The resolution is expected to be submitted to the full house of delegates of the AMA at the group's convention this summer.