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First Do No Harm:

It Might Surprise You Who Else Holds Tobacco Stock

By Alan Blum, MD

Last week Dr. Brenda Fletcher, director of the Centers for Disease Control and Prevention (CDC), the nation's health watchdog, resigned after the muckraking publication *Politico* reported that she had purchased shares in a tobacco company shortly after taking over the reins at the CDC in July.

The administration was embarrassed and the medical community was astounded, as well they should be.

More than 50 years after the landmark Surgeon General's report on smoking and health was released by Alabamian Dr. Luther Terry, cigarette smoking remains the leading cause of death and disease in the U.S. Each year more Americans die from diseases caused by smoking (mainly heart disease, lung cancer, and emphysema) than from motor vehicle accidents, AIDS, pneumonia, alcohol, illegal drugs, opioids, homicide, and suicide combined. In the US the annual death toll from smoking has continued to rise to 480,000 in the US and to more than 4 million worldwide.

For the top physician of the agency that oversees the federal government's smoking prevention efforts to profit from the sale of cigarettes suggests a moral lapse—and a lack of common sense.

Concerns about the ethics of profiting from investments in so-called sin stocks were first raised in the mid-19th century by various religious orders. In the 1970s the Interfaith Center for Corporate Responsibility (ICCR) began telling investment brokers not to put the money of its affiliated churches into alcohol, gambling, or tobacco stocks, nor into manufacturers of nuclear weapons or firms doing business in apartheid South Africa.

In 1981 a group of physicians that I led succeeded in persuading the American Medical Association (AMA) to eliminate several million dollars' worth of stock in Philip Morris and RJ Reynolds tobacco companies from its members' retirement fund. We were aided by the media, which ridiculed the doctors' organization for profiting from investments in tobacco.

Over the next decade we turned our attention to getting universities with medical schools to divest tobacco stocks, but our group DOC (Doctors Ought to Care) and our Project S.N.U.F.F. (Stop Noxious University Funding Forever) had little success.

In 1990 Harvard University did sell its $5 million in tobacco stock holdings, but it wasn't prompted by a moral imperative. A local newspaper had pointed to the university's hypocrisy in profiting from tobacco while collecting $54 million in research grants from the National Cancer Institute.

Overall, a relative handful of public universities gave up their tobacco investments—including City University of New York, Wayne State University, the University of California, the University of Michigan, the University of Vermont, and the University of Washington. By my count, barely a dozen private universities and colleges have divested tobacco stocks from their endowments—including Johns Hopkins, Stanford, Smith, and Tufts. A few schools, notably Notre Dame and Northwestern, have never owned shares in tobacco companies.

Like the vast majority of universities, academia's largest retirement provider of financial services, TIAA (Teachers Insurance and Annuity Association), hasn't sold its tobacco stocks, which are simply too lucrative. This means that thousands of physicians and other public health professionals who teach in medical schools—including myself--also benefit from tobacco stock profits as members of TIAA.

In 1996, at the height of the lawsuits brought by the state attorneys-general against the tobacco industry and when public enmity toward Big Tobacco was growing, TIAA created a separate investment fund, the Social Choice Account, as a tobacco-free vehicle for retirement investors. But TIAA has rebuffed all calls to sell its vast tobacco stock holdings. In its 2017 annual report, TIAA lists investments totaling more than $450 million in Philip Morris International, maker of Marlboro, the world's best-selling cigarette by far, and its American counterpart Altria, which controls over 50% of the US cigarette market. TIAA is thus one of the biggest investors in Big Tobacco.

But I confess that I also own a few shares outright in each of the major tobacco companies. These have enabled me to stand up at shareholders' meetings to protest company policies and to join with others such as Father Michael Crosby of the Interfaith Center for Corporate Responsibility to introduce resolutions aimed at curbing the tobacco industry's aggressive expansion into the developing countries of Asia, Africa, and Eastern Europe. TIAA has not stood with us on these shareholders resolutions. Like the newly departed CDC director, it remains addicted to tobacco money.

Alan Blum, MD is Gerald Leon Wallace MD Endowed Chair in Family Medicine at the University of Alabama, Tuscaloosa, where he also directs the Center for the Study of Tobacco and Society.