EXPOSÉS + POLITICS

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MOTHER JONES

INSIDE THE NICOTINE NETWORK

SPECIAL ISSUE

Bob Dole & Big Tobacco's Comeback Strategy

Marlboro's Man

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May/June 1996 MOTHER JONES

"If you stop kids from smoking, in 20 years you're out of business.... Our job was to hold the front."

—VICTOR CRAWFORD, a tobacco lobbyist who died of lung and throat cancer in March 1996.

Left: Getting a fix at the Lollapalooza concert

FEATURES

COVER

DEPARTMENTS

Cover illustration by Philip Burke
Photo (above) by Andrew Lichtenstein/JB Pictures

EDITOR'S NOTE

The Tobacco Election

TOBACCO POLITICS COULD BECOME THE HOTTEST ISSUE IN THIS year's election. After a 100-year history of disinformation, perjury, and fraud, America's most lethal industry is on the verge of being brought under the law. But the tobacco industry has bought the sheriff. Or more precisely, it has secured Congress and is sponsoring the presidential campaign of a longtime ally.

The morality of the issue is clear: Tobacco kills about 420,000 Americans a year. In order to replace these customers, and the 1.3 million who quit each year, tobacco has to find new consumers: kids. Seventy percent of smokers are hooked by the time they are 18, the age when they can legally buy cigarettes.

Throughout our package of articles, you'll keep coming upon stark facts about smoking. Although cumulatively they may desensitize you, we've taken that risk because, frankly, Americans are already numb. The tobacco industry has pacified the public as expertly as it has manipulated the nicotine kick in cigarettes.

Consider the Marlboro Man, Joe Camel, and Virginia Slims. The healthy, active freedom they promise hides an insidious, debilitating addiction. Using the same "big lie" technique, tobacco companies are sponsoring the Republican "get-the-government-off-our-backs" revolution that promises to return power to our communities and states. Meanwhile, behind the scenes, Big Tobacco is strong-arming GOP governors and legislators to override local anti-smoking laws, tobacco excise taxes, and lawsuits brought by state attorneys general.

The tobacco companies want more—not less—centralized power. Faced with revolts throughout the country and defections from their own ranks, they're banking on corrupt politicians to bail them out.

TOBACCO'S NUMBER ONE TARGET IS FOOD AND DRUG ADMINistration Commissioner David Kessler. A pediatrician appointed by President Bush, Dr. Kessler has crossed over the most dangerous line in Washington: He's committed a truth—and an obvious one at that. He's claimed that the masters of nicotine pharmacology need to be regulated because they prey upon our public health. For his crime, the tobacco industry has placed a multimillion-dollar bounty on his head. Bob Dole is the designated bounty hunter.

The media has not only missed Dole's assignment, it has bought into the hype of the phony anti-government revolution. The press is portraying Dole as a freedom-loving, honest loner who sometimes comes across poorly because he's a man of action, not words. In other words, the Marlboro Man. *Newsweek's* Joe Klein expertly propagated the party line in a rundown of Clinton vs. Dole titled "Saxophone vs. Sacrifice." He writes, "Bob Dole represents qualities that seem to have vanished in the cross-fire of modern American dirtball politics: moderation, patience, a respect for tradition."

In fact, Dole is a leading agent of the most dirtball political agenda today. To the proper audiences, Dole has promised that, if elected, he will fire Dr. Kessler. He will likely place a moratorium on federal smoking regulations and defund scientists who are studying smoking or the carcinogenic effects of secondhand smoke. Dole will duplicitously claim that cigarette taxes, health issues, and public space concerns are best handled by the states.

WHAT WOULD BE THE CONSEQUENCES OF THIS "MODERATE" agenda? Consider what happened when Senate Majority Leader Dole took a similar position on smokeless tobacco 10 years ago.

Smokeless tobacco is a healthy sounding euphemism for tobacco products like moist snuff that you chew or put between cheek and gums. Before the top smokeless tobacco company, U.S. Tobacco (now called UST), launched a deliberate campaign to hook kids, the habit was confined to older men and was fast disappearing; fewer than 2 percent of young men ages 17 and 18 chewed or "dipped" tobacco. But then U.S. Tobacco added sweet flavorings like cherry; created product lines with graduated nicotine strength; hired baseball players to flack that chewing tobacco was cool; sponsored rock concerts and rodeos; and through promotions for its starter product, "Skoal Bandits," slyly implied that chew was a cool way for teens to rebel—and one easily concealed from parents and teachers.

During the 1985 federal budget negotiations, a bipartisan bill was introduced in Congress to raise excise taxes on chewing tobacco and make it less affordable to adolescents. Dole defeated the measure (simultaneously slipping in a tobacco growers' subsidy crafted by Sen. Jesse Helms). As *Common Cause* magazine reported, Dole promised he would reconsider the excise tax hike if the pending surgeon general's report linked smokeless tobacco to oral cancer. The 1986 surgeon general's report did; the Kansas senator didn't. "Dole was very loyal to the smokeless tobacco industry," a former industry representative told *Common Cause*. "He was someone that they could rely on in Congress to derail legislation."

UST repaid Dole's loyalty with hard and soft money contributions to his subsequent campaigns; "pacesetter" donations to his charity to help the disabled; stealthy contributions to his short-lived Better America Foundation; and at least 26 subsidized rides (billed at about 5 percent of their actual cost) on UST's corporate jet.

The tobacco companies are sponsoring the Republican "get-the-government-off-our-backs" revolution.

These were sound investments. The tax breaks Dole gave UST cumulatively amounted to at least $250 million.

In the decade since Dole intervened for UST, the smokeless epidemic among kids hasn't abated. Almost as many teenage boys now use chewing tobacco as cigarettes. More than half start by eighth grade. A 1992 report by then-Surgeon General Antonia Novello concluded that smokeless tobacco is more addictive than cigarettes because users start earlier and absorb twice as much nicotine. Half of all young users grow precancerous lesions in their mouths while they're still teenagers; about 5 percent of these lesions will develop into oral cancer.

Today Dr. Novello believes the favorable tax treatment given smokeless tobacco is the main reason the epidemic is spreading. "Spit tobacco is cheap, and teens are sensitive to price."

Dole's hidden work on behalf of tobacco has had an even more deleterious effect on foreign youth. Dole directly helped the tobacco industry penetrate overseas markets, particularly in Asia. Again in partnership with Jesse Helms, he quietly muscled foreign governments to allow the seductive tobacco advertising they'd previously banned. For example, Dole personally lobbied the Korean ambassador on this issue and was thanked for his help in killing a bill that would have imposed a tariff on Korean textiles. A year after American cigarettes burst into the Korean market, smoking rates among Korean teenage boys rose from 18 to 30 percent and among teenage girls from 2 to 9 percent.

THE TOBACCO INDUSTRY HAS CREATED A POLITICAL INFLUENCE network almost Bolshevik in its secrecy. By contrast, I want to be completely open about the reform agenda we're advocating: First, any politician who takes tobacco money should be ousted. All seekers of public office should be asked to sign the bipartisan Tobacco Cash Pledge (now being circulated in Congress by the Campaign for Tobacco-Free Kids), promising they won't ever take tobacco contributions, direct or indirect.

Our politicians don't have to punish tobacco; it would be enough if they merely kept their hands off the pending FDA and court cases. If justice prevails in these arenas, the tobacco industry will be forced to finance independent anti-smoking campaigns and pay massive reparations to cover its share of our national health bill—about $50 billion a year caused by tobacco-related illnesses.

The tobacco companies may seriously consider such a deal once their former chief executives find themselves facing jail time for the perjury they committed in 1994, when they told Rep. Henry Waxman's congressional subcommittee that they did not believe nicotine to be addictive. These executives thought they could get away with what seems like a conspiracy to defraud because they'd bought off 70 percent of the subcommittee members below Waxman and all the leadership above him.

Although the industry has dramatically shifted its financial support to the GOP Congress, many key Democrats are still in tobacco's pouch. For example, a leading Democratic recipient, Minority Leader Dick Gephardt, has secretly lobbied the White House to rein in Dr. Kessler. As of this writing, despite almost daily exposés of the industry's malfeasance, this Congress has not held a single hearing concerning tobacco.

DR. KESSLER'S IMMINENT RULING THAT NICOTINE IS A DRUG will up the ante for tobacco. The industry is already gearing up its disinformation campaign to label opponents un-American health nazis who want "big government" to curtail natural freedoms. But we're not calling for prohibition. Adults have a choice whether to smoke. Yet even most adult smokers want curbs on tobacco marketing so that it won't hook a new generation.

The tobacco industry knows which curbs work and which don't. The most effective anti-smoking campaigns expose Big Tobacco's cynical manipulation of a public it deems gullible. Such ads had a considerable effect in California until they were yanked from the airwaves by one of tobacco's stealth allies, Gov. Pete Wilson. He and the industry prefer finger-wagging ads that encourage adults to call an 800 number if they see youngsters buying cigarettes. The first type of campaign tells kids they're suckers if they light up; the second subtly encourages them to rebel.

THE PUBLIC SHOULD KNOW IF A NEWLY CONTRITE TOBACCO industry is merely suckering us again. Here's a litmus test: Any "moderate" solution that lets the tobacco industry retain political influence is unacceptable. One hundred strikes and you're out.

Should the nation's politicians prove less committed to the public health than to tobacco's dirty money, a serious reform movement should be formed drawing from both progressive *and* conservative ranks. Here's one idea for how it might proceed, taken from a speech titled "The New Nationalism": "It is necessary that laws should be passed to prohibit the use of corporate funds directly or indirectly for political purposes: It is still more necessary that such laws should be thoroughly enforced."

The author of this speech was neither Jerry Brown nor Pat Buchanan; it was Teddy Roosevelt. His cousin, FDR, tempered Teddy's prosecutorial stance when he cut his New Deal with the business community. Business and government agreed to cooperate on a strategy of growth based upon a foundation of consumer protection.

If the business community wants to revoke this deal, then all original terms must be reconsidered. For example, if the National Federation of Independent Business continues to co-conspire against an FDA commissioner who is simply trying to curb the nation's number one cause of preventable disease, then the business community should be kept away from electoral politics altogether.

A campaign finance reform this sober will require leading politicians to take brave steps. In the meantime, if Bob Dole wants to campaign as a heroic Republican calling on individuals to take more personal responsibility for their actions, he should say to the country: "I now realize my mistake in aiding the tobacco industry. From this day on, I'll take no more of their money. If elected, I vow to support Dr. Kessler in his quest to keep addictive nicotine away from our youth."

Only when Bob Dole accepts so elementary a responsibility will he have the moral right to seek the bully pulpit.

—Jeffrey Klein

A MOTHER JONES INVESTIGATION

TOBACCO Strikes Back

BIG TOBACCO—A $45 BILLION INDUSTRY IN the United States—is in the political fight of its life. It faces a hostile American president. Justice Department investigations into perjury charges against top executives. Hundreds of liability suits—including several in which the Liggett Group, the country's fifth-largest tobacco company, broke industry ranks and settled. Whistleblowers on national TV declaring that tobacco companies manipulate nicotine levels to addict smokers. And now the Food and Drug Administration proposing to regulate cigarettes as a drug. Worse, by declaring nicotine addictive, the FDA undermines Big Tobacco's key legal defense: Smokers know the dangers and have no one to blame but themselves.

But the biggest threat to Big Tobacco is you. Large numbers of Americans are no longer content to hand the next generation over to Joe Camel.

Big Tobacco never favored an open fight—it has been secretly buying legislators and threatening scientists and journalists for decades—but this new public censure drives the industry deeper underground. There it can leverage the wealth and political savvy it has built over a century of rigging the game.

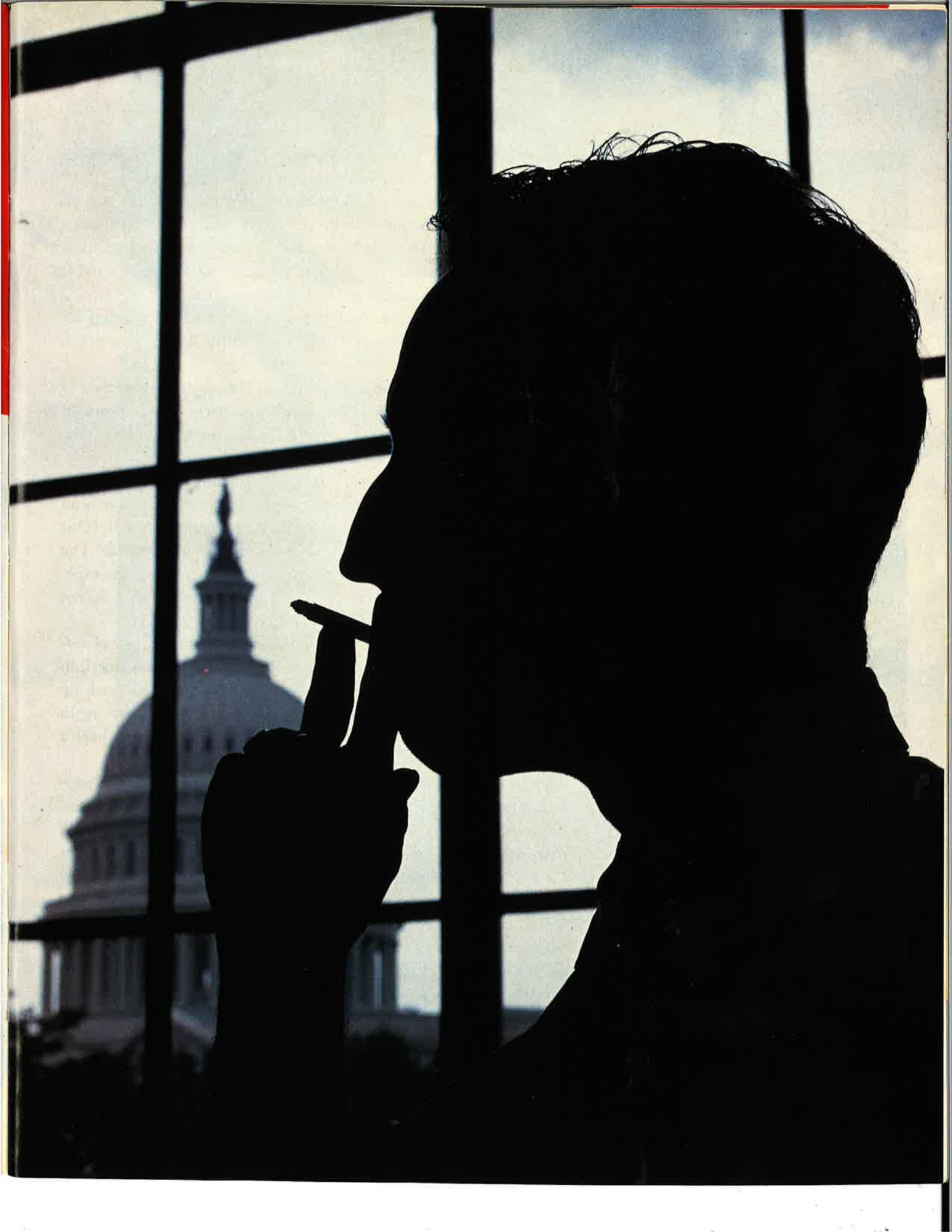
In the following pages, our writers explain how tobacco executives plan to win the game once more. For them, it is a time of legal danger and political opportunity. No industry has a bigger investment or more at stake in the fall elections. Big Tobacco's covert operatives and cash are hard at work in the state capitals and on the campaign trail. Here is the strategy:

1. **Win the presidency.** As Sheila Kaplan reports (page 36), many of Bob Dole's key political operatives as well as some of his largest contributions come from tobacco lobbies. In return, Dole will continue his policy of protecting the industry financially and legally. He has pledged that, if elected, he will fire FDA Commissioner David Kessler, tobacco's number one enemy. (Robert Dreyfuss explains why on page 42.)

2. **Control the GOP Congress.** The tobacco industry played a crucial role in the "Republican revolution." As Peter H. Stone reports (page 50), campaign contributions and a revolving door of operatives—working jointly for tobacco and for key Congress members—have locked the industry and the top Republican leadership in a tight embrace. For instance, Stone relates how Majority Whip Tom DeLay has put a tobacco operative in charge of his main political organization, ARMPAC.

3. **Buy influence with governors and state legislators.** Big Tobacco has focused attention on state politicians (page 38). In one example, *Mother Jones* obtained a particularly revealing memo regarding California Gov. Pete Wilson's efforts on behalf of Philip Morris. The industry also pressured state officials to overturn tough, local anti-smoking measures by "pre-empting"

 PHOTO BY BRAD MARKEL/GAMMA LIAISON



Tobacco Strikes Back

KUWAIT: 400,000 smokers

HONG KONG: 880,000 smokers

CHINA is the big prize: 300 million smokers

Cigarette makers see their future in bigger markets abroad, especially Asia. U.S. trade representatives have helped them by forcing countries to accept American cigarettes and marketing.

PHOTOS FROM TOP: ABBAS/MAGNUM, RICHARD KALVAR/MAGNUM, EVE ARNOLD/MAGNUM. OPPOSITE PAGE: KUNI TAKAHASHI/*BOSTON HERALD*/IMPACT VISUALS

milder statewide measures. The strategy succeeds when tobacco companies manage to hide it but backfires when it becomes public (page 55).

4. **Create and fund phony grassroots front groups.** Since there are no natural grassroots movements to protect tobacco profits, the companies have to invent them. Ted Gup tells how the industry covertly organized its less-than-effective "smokers' rights movement," then transformed it into a far more successful "anti-tax" movement (page 53).

5. **Use political allies to silence moral critics, including religious conservatives.** William Saletan found that Ralph Reed's Christian Coalition (page 58) is particularly cooperative.

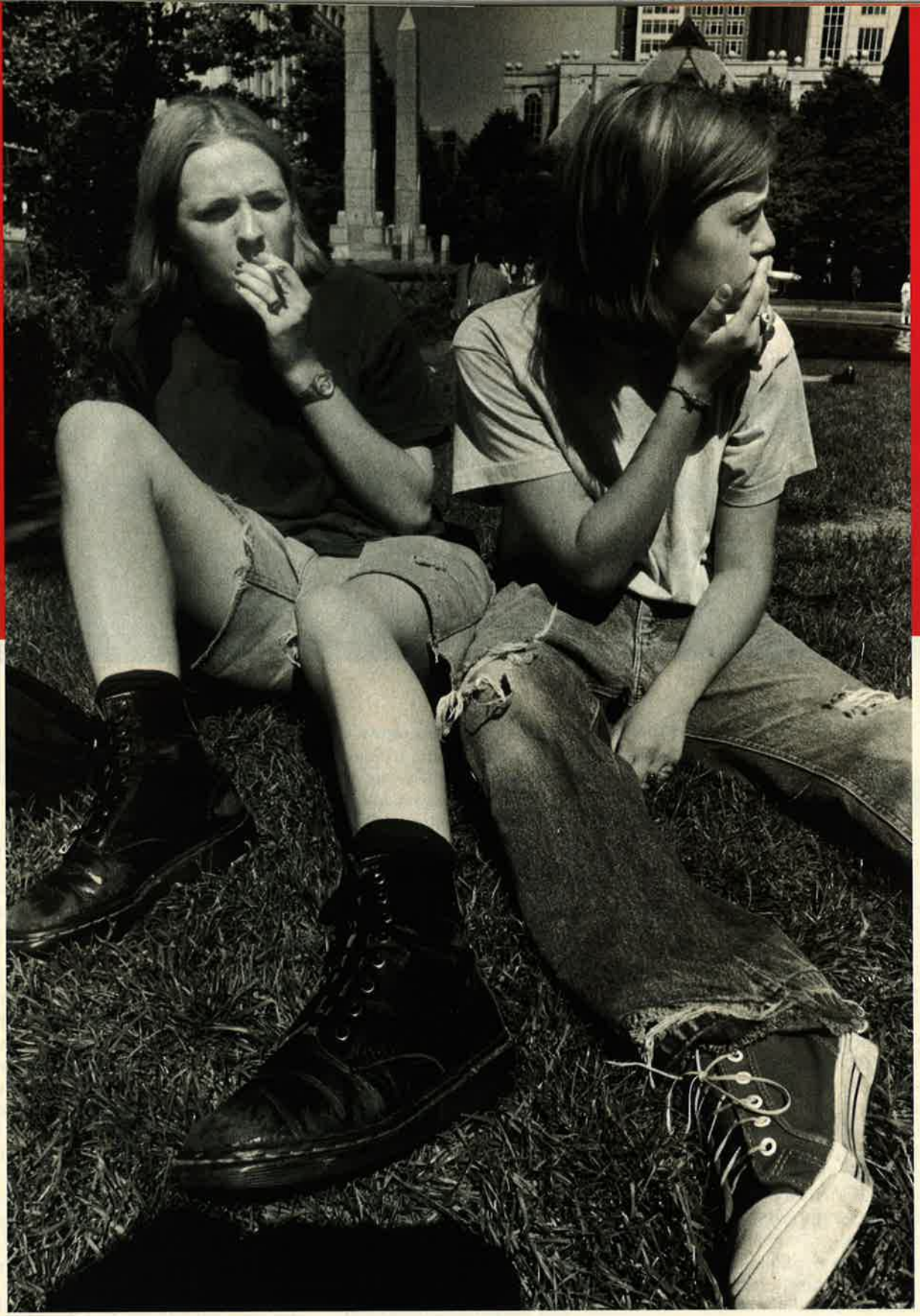
6. **Manage the media.** Big Tobacco's advertising dollars muffle criticism in the print media, while its lawyers intimidate broadcasters with lawsuits. In one historic case, ABC killed an outstanding TV documentary. *Mother Jones*, which was leaked a copy of the tape, prints the edited transcript (page 63).

7. **Move abroad, beyond the reach of U.S. regulators.** Tobacco's future depends on increasing sales overseas; protecting the domestic market is an interim maneuver. As former tobacco lobbyist Victor Crawford put it, "Our job was to hold the front until they could flood the Third World." The industry persuaded Reagan and Dole to strong-arm other countries, especially in Asia, to allow the import of American cigarettes and to accept tobacco ads on TV—advertising prohibited here.

8. **Target teens.** Crawford's phrase, "Hold the front," is another way of saying "addict teenagers": The industry must replace the 1.7 million American smokers each year who quit or die. It does—3,000 new teenagers pick up the habit every day. Robert Dreyfuss (page 44) tells how the FDA is trying to curb kids' smoking. Michael Castleman (page 68) describes the health tragedy teen smokers face.

9. **"Give an inch, gain a decade."** As Richard Kluger's history shows (page 40), the industry often fights regulation ferociously, then compromises to its own advantage. Tobacco companies fought health warnings, then used them to deny legal liability to consumers. When they were losing the fight over TV ads, they proposed their own ban and used it to prevent new brands from taking market share. When cigarette excise taxes passed, the tobacco companies raised prices and profits, while blaming the hike on bureaucratic government.

In the current climate, the industry may agree to some new restrictions on teen marketing—like ineffective anti-smoking education programs—and a few new taxes. Tobacco hopes these taxes will make our government *more* dependent on cigarette sales and *more* willing to compromise. We can't compromise. The challenge to our democracy couldn't be more clear: Can we control a politically corrupt industry whose products kill our citizens?



Teens consider smoking a "safe" rebellion. It is a rebellion the tobacco companies depend on. Even their PR against teen smoking makes the habit seem forbidden–and therefore appealing.

The Campaign for the Presidency

Tobacco Dole

What do Bob Dole's telemarketer, his chief California strategist, and one of his national co-chairs have in common? Big Tobacco.

By Sheila Kaplan

TEXAS ATTORNEY GENERAL DAN MORALES broadcast a clear message last fall: If tobacco companies were making millions in Texas, then they could help contribute to the billions in Medicaid costs spent in Texas for smoking-related illnesses. Several other attorneys general already had filed lawsuits against the tobacco industry to recover such health care costs. But before Morales could follow their lead, half a dozen tobacco industry lobbyists visited him and delivered a private poll from the political consulting firm Public Opinion Strategies.

The poll, commissioned in January by the Covington & Burling law firm on behalf of the four largest tobacco firms and the industry's advocacy group, The Tobacco Institute, claimed the people of Texas wouldn't support Morales if he filed the suit. The proof? Two-thirds of the more than 800 Texans polled had said they wouldn't favor the proposed lawsuit.

But then Morales took a closer look at the poll. He discovered it was actually a "push-poll," designed not to gauge public opinion but sway it. The poll's telemarketing script began with basic, unobtrusive political questions—then quickly zeroed in on Morales. "Elected officials are held to high standards in public life," the script read. "Here are some reasons people are giving to vote against Dan Morales."

Among the reasons: Morales was "pro-affirmative action"; he "supports gun control"; and his 1994 campaign contributed money to Louis Farrakhan's Nation of Islam. (Morales' staffers had purchased two tickets to a dinner thrown by a local chapter of the Nation of Islam.) Those polled were also told that Morales' proposed lawsuit could cost thousands of jobs, prevent the attorney general from fighting crime, and reward only a few wealthy personal injury lawyers. Finally—the spin complete—those polled were asked what they thought of the suit. It's hardly surprising that they overwhelmingly opposed it.

Despite its bias, the poll served its purpose: to deliver a not-so-veiled threat that, on a moment's notice, the tobacco companies could make many more such calls throughout Texas and, through strategies such as push-polling, mobilize an untold number of voters against the suit—and against Morales.

Still, Morales proceeded with the suit.

And the man who runs the polling firm, William McInturff, went back to his day job—as chief pollster for Republican presidential candidate Bob Dole.

THIS PARTICULAR TIE BETWEEN TOBACCO AND THE DOLE CAMPAIGN ended in February when Dole fired McInturff because of his failure to predict the majority leader's embarrassing loss to Steve Forbes in the Delaware primary—not because of his tobacco connections.

Dole and the tobacco industry share the need to win at all costs, which has forged a mutually beneficial relationship. By March, nearly every major media outlet reported the increase in Big Tobacco's contributions to the Republican Party: from $546,224 in "soft" donations in 1993 to $2.4 million in 1995. But few have investigated Dole's current ties to the industry. As one of tobacco's top congressional allies, the powerful Kansas senator has helped the industry broaden its overseas markets and battle domestic foes, such as Food and Drug Administration Commissioner David Kessler.

Now, as Dole wages his campaign for the presidency, many of the tobacco industry's biggest hitters are whispering in his ear.

Lobbyists for businesses, trade groups, and other special interests often attach themselves to presidential campaigns, seeking future jobs and political chits. Tobacco operatives are no exception. But the sheer number of tobacco lobbyists,

PHOTOS BY DAN HABIB/IMPACT VISUALS (DOLE), RICHARD A. BLOOM/*NATIONAL JOURNAL* (DEARMENT), RICH PEDRONCELLI (MERKSAMER)

lawyers, and pollsters working for the Dole team sets a new standard. For example:

• Roderick DeArment, a former Dole chief of staff, is chairman of Lawyers for Dole, a group of about 700 lawyers raising funds for Dole's campaign. DeArment is a law partner at Covington & Burling, which represents the major tobacco companies (Philip Morris, R.J. Reynolds, Lorillard, and Brown & Williamson), as well as The Tobacco Institute. Covington & Burling spent more than $1 million in Philip Morris money to fund *Healthy Buildings*, an international magazine using phony science to promote the tobacco industry's idea that indoor smoking bans are unnecessary. Covington & Burling also commissioned a dubious 1996 study purporting federal tobacco restrictions could cost the nation 92,000 jobs and $7.9 billion in lost output. Another Covington & Burling partner, Keith Teel, commissioned the push-poll used to threaten Morales, and is traveling the country trying to strong-arm other attorneys general (see "Our Good Friend, the Governor," page 38).

• Paul Manafort, Dole's convention manager, was co-founder of the Washington lobbying firm Black, Manafort, Stone, and Kelly, which represents Philip Morris. Black, Manafort is a subsidiary of Burson-Marsteller, the public relations firm for Philip Morris and the headquarters for the National Smokers Alliance. Last year, Manafort launched DMS, a consulting firm in Virginia, with Rick Davis, also from Black, Manafort and a Dole convention official.

• Tom Collamore, a Dole campaign fundraiser and assistant secretary of commerce during the Bush presidency, is vice president of corporate affairs for Philip Morris. "Mr. Collamore," confirms Philip Morris spokeswoman Darienne Dennis, "is an avid supporter of Sen. Dole, and I know that on his personal time he has done work with the Dole campaign."

• Jeanie Austin, one of Dole's national co-chairs, is an active member of the National Smokers Alliance advisory board.

Roderick DeArment (left) and Steve Merksamer are both lawyers and high-level Dole advisers. They also both have major ties to the tobacco industry.

OTHERS WORKING FOR DOLE ARE LESS well-known within the Beltway, but play important roles in the tobacco industry's emerging national strategy. Steve Merksamer, for example, joined the Dole campaign last fall as a senior adviser and California strategist. His Sacramento law firm, Nielson, Merksamer, Parrinello, Mueller & Naylor, has collected $1.9 million from the industry since 1988, more than any other California firm.

In 1994, Nielson, Merksamer was paid an additional $350,000 to write Proposition 188, called the Tobacco Control Act. The proposition promised tough statewide restrictions, but its language actually weakened state law by acting as a "pre-emption law" to kill dozens of tougher local restrictions throughout the state. When the media exposed Proposition 188 as a tobacco industry ploy, voters defeated it.

But the tobacco industry's behind-the-scenes maneuvers in California may well be the model for a national strategy under a Dole presidency and a Republican Congress: Defeat popular grassroots anti-smoking measures with secret legislative and executive overrides, pre-emptions, and subversions. For example, the tobacco industry is using California Gov. Pete Wilson and the Republican California Assembly to gut anti-smoking education efforts financed by the state's 25-cent-per-pack cigarette tax. Tobacco companies, in a convenient alliance with the California Medical Association, lobbied legislators to divert money out of California's anti-smoking efforts (which activists call the single greatest threat to the tobacco industry) and into low-income health care programs—effectively using financially needy programs as a cover to derail anti-smoking campaigns (see "The War in the States," page 55).

OTHER OPERATIVES LINK DOLE TO THE TOBACCO INDUSTRY'S secretive grassroots campaign, specifically, Midwest strategist Tom Synhorst and Alaska campaign coordinator Frank Bickford, who were both field coordinators for RJR's "grassroots" efforts in the states (see "The Nicotine Network," page 50, and "Fakin' It," page 53).

Synhorst has particularly close ties to Dole. A star in the majority leader's 1988 presidential campaign, Synhorst masterminded Dole's primary win in Iowa. In between stints for Dole's two *(Continued on page 40)*

Our good friend, the Governor

A CASE OF GREAT MINDS THINKING ALIKE?

November 26, 1995: Lt. Gov. Eddie J. Briggs of Mississippi

...the traditional authority of the states. In his August 10 speech, President Clinton stated that he was authorizing federal action against tobacco products "to protect the young people of the United States." This insinuates that I and the other members of Mississippi government cannot look out for the well-being of our children, and that we therefore must rely on the paternal hand of our federal government. I resent the suggestion that Mississippi is unable to care for its children. The FDA must withdraw these unnecessary and illegitimate regulations.

Before discussing the proposed regulations, I need to be clear about one basic point. Do not take my participation in this comment process to mean that I recognize FDA authority to regulate the sale, distribution, marketing and advertising of tobacco products. I do not. For decades, the FDA has declared that it lacks jurisdiction to regulate tobacco products as traditionally marketed. Now, however, the FDA simply has reversed course. I cannot accept this display of federal arrogance. The regulations must be withdrawn.

December 15, 1995: Lt. Gov. Dennis R. Rehberg of Montana

In authorizing this federal action, President Clinton said he did so "to protect young people of the United States." This statement implies that we here in Montana cannot look out for the well being of our own children, and therefore must rely on assistance from the omnipresent federal government. Quite frankly, I resent this implication, and I firmly reject this unwarranted federal intrusion into our business.

January 2, 1996: Gov. David M. Beasley of South Carolina

First of all, I must be clear on one basic point. I do not recognize FDA authority to regulate tobacco products. The FDA repeatedly has declared that it lacks jurisdiction to regulate tobacco products as traditionally marketed. Now the FDA has reversed course and asserted jurisdiction where it has none.

...would impose unprecedented restrictions on tobacco...

At the Republican Governors Association meeting in November, tobacco lobbyists offered financial support to governors who protested the FDA's pending regulation of nicotine. The FDA subsequently received several letters from GOP governors' offices. Some obtained by *Mother Jones* use nearly identical phrasing. An official for the governor of North Dakota admits his governor's letter was written by a tobacco industry lawyer. And the others? "There's no connection between my letter and the tobacco industry," claims Montana Lt. Gov. Dennis R. Rehberg. "I stand on the principle of individual responsibility." Left: a few sample similarities.

On February 5, Geoffrey Bible, CEO of Philip Morris Cos. Inc., chaired a little-noticed dinner for the Republican Governors Association in Washington that smashed records by raking in $2.6 million. At the gala, which Philip Morris underwrote to the tune of about $100,000, Bible spoke passionately to the governors about tobacco's benefits to the economy. Both Philip Morris and R.J. Reynolds are members of RGA's elite board, each chipping in about $40,000 annually to the group's campaign coffers.

Big Tobacco is now betting its future heavily on the Republican Party. Last year, tobacco companies gave the GOP an unprecedented $2.4 million in "soft" dollars. In fact, the top two soft money contributors to the GOP in 1995 were none other than Philip Morris ($975,149) and RJR Nabisco ($696,450). Similarly, tobacco industry PACs gave $841,120 to Republican members of Congress, about twice the $422,221 they gave in 1993.

While these numbers are dramatic, they are more or less out in the open. Meanwhile, the tobacco industry's political strong-arming on the state level has gone largely unnoticed:

• Philip Morris' February bash for the Republican governors was not an isolated incident: The tobacco industry has gone all out to enlist governors—especially Republicans—in its fights. Last November, at the annual RGA meeting in Nashua, New Hampshire, tobacco lobbyists were out in force, according to a North Dakota official who attended the event. The lobbyists were trying to get governors to send letters to the FDA arguing against the agency's proposed regulation of tobacco on states' rights grounds.

Tobacco lobbyist Kerry Paulsen reminded the North Dakota official that his company, UST (formerly U.S. Tobacco), had long supported North Dakota Gov. Edward Schafer, and that 1996 was an election year. When the official asked whether Paulsen was threatening to withhold funds if the governor didn't sign the letter, Paulsen said, "I'd never do that." But he went on to add, "You know we have PAC money, we like the governor, and we want him to be re-elected." Ultimately, Gov. Schafer signed the letter, drafted by a North Dakota tobacco industry lawyer.

Schafer was not the only governor to heed the industry's call for help. The FDA received letters opposing tobacco regulation from governors or lieutenant governors in several states, including Kentucky, South Carolina, Connecticut, Montana, and Mississippi. Copies of the letters obtained by *Mother Jones* show marked similarities, in some cases using virtually identical language (see box).

• Nor has writing letters been the only mission governors have performed for the tobacco industry. On February 16—less than two weeks after the Philip Morris-funded GOP governors' bash—Gov. Kirk Fordice (R-Miss.) took the highly unusual action of suing his own attorney general, Mike Moore, to block litigation Moore had initiated against the tobacco industry.

By Peter H. Stone

Moore's landmark suit would require tobacco companies to pay for smoking-related Medicaid costs incurred by the state. Filed in May 1994, it has since been emulated by six other states; jointly the suits seek to recover approximately $10 billion in smoking-related health care costs, plus billions more in punitive damages.

Last fall, in an effort to unseat Moore, the Republican National Committee contributed $80,000 to Bill Jordan, Moore's opponent in the attorney general's race, or *more than two-thirds* of the amount Jordan had raised by October 28. (Nonetheless, Moore won the race handily.)

• Covington & Burling, the tobacco industry's premier law firm in Washington, has assembled a small team of politically well-connected lawyers to travel around the country pressuring other state attorneys general not to sue to recover Medicaid expenses in their own states. The team, led by Covington partner Keith Teel, includes at least one former attorney general, Andy Miller from Virginia.

Top Republicans and industry lawyers have threatened state officials who fight tobacco. One group of lawyers told a state attorney general they'd send more lawyers "than you'd ever want," but admitted, "no one's kidding themselves that nicotine's not addictive."

Meeting with state attorneys in Boston, the legal team warned that "it would take scores and scores of state employees" to handle the legal discovery if Massachusetts went ahead with a suit, according to one of the state's lawyers. The meeting, however, failed to deter the Massachusetts state attorneys, who filed a suit last December.

A meeting in another state currently considering a suit against tobacco was described for *Mother Jones* by an assistant attorney general who was present: "It was bare knuckles. Teel ran the meeting. He said, 'If you do this, you'll have more lawyers coming at you than you'd ever want.'" According to the attorney, Teel threatened to depose every Medicaid recipient in the state. To make his point, Teel brought along lawyers from three of the state's biggest firms. One of them, according to the assistant attorney general, blurted out, "No one's kidding themselves that nicotine's not addictive." Teel quickly interrupted, explaining, "Of course, it's the industry's position that nicotine's not addictive."

• Richard Blumenthal, Connecticut attorney general, told *Mother Jones* that the industry has worked hard to quash opposition: "The tobacco industry is not in the least bit reluctant to express itself directly or indirectly to law enforcement officials it regards as foes. There have been repeated contacts with me and other attorneys general to deter us from efforts the industry regards as hostile. They've varied in degrees...of antagonism and overtness."

• The tobacco industry has also been making quiet contributions to state legislators. For example, they make hefty donations to the American Legislative Exchange Council, a group of about 3,000 conservative legislators. Philip Morris and RJR sit on the council's board, which fights excise tax increases. Philip Morris gives the group about $50,000 per year; RJR about $25,000; and UST about $15,000.

Philip Morris also contributes to the bipartisan National Conference of State Legislatures, a group of more than 7,000 state legislators. In 1995, Philip Morris gave $150,000 for the group's annual meeting, doubling its 1994 contribution. □

THE WILSON MEMO

California's governor shows that he, too, is a secret friend of tobacco

"Buffy" and "Jim" are most likely: Kathleen M. "Buffy" Linehan, who works overseas for Philip Morris; James W. Dyer, Philip Morris lobbyist, currently staff director for the House Appropriations Committee. The two worked in the same office in 1990.

Pete Wilson is the GOP governor of California. During the 1990 election, Wilson publicly said he would not take tobacco money, but later attended a Philip Morris-sponsored fundraiser that raised $100,000 for the state GOP. Later he claimed he was unaware of the company's involvement.

PHILIP MORRIS COMPANIES INC. INTER-OFFICE CORRESPONDENCE

1341 G STREET, N.W., SUITE 900, WASHINGTON, D.C., 20

TO: Buffy **DATE:** 4/24/90

FROM: Jim

SUBJECT: Pete Wilson

Wilson is only sending about 16K of the 100K he collected. This 16K includes checks he received from either a tobacco company or anyone working directly for a tobacco company, i.e., Hamish Maxwell, Mrs. Ehud, Bill Murray.

Apparently, he has also done this with other "controversial" industries such as lumber, chemical, and others. The decision to do this was Wilson's alone, and in the response to a wave of negative campaigning in California that not only attacks the candidates, but those who give to them as well.

You will be pleased to know that Pete called Hamish to explain that he was doing this to protect Hamish as well as himself. You will also be pleased to know that Pete is still "pro-tobacco".

Hamish Maxwell, former CEO of Philip Morris, is the chairman of the executive committee; Mrs. Ehud is the wife of Ehud Houminer, CEO of Philip Morris USA; Bill Murray is the former president of Philip Morris.

The remaining $84,000 is unaccounted for. These contributions may not be traceable to tobacco.

Wilson has repeatedly tried to divert funds from California's highly successful anti-smoking campaign. Court orders and lawsuits (brought by the American Lung Association, among others) have thwarted his efforts.

Leaked to Americans for Nonsmokers' Rights, who gave it to *Mother Jones*.

See Hotlmedia, page 87.

THE TOBACCO WARS

The following timeline was drawn from the substance of Richard Kluger's monumental and gracefully written new history of the tobacco industry, *Ashes to Ashes: America's Hundred-Year Cigarette War, the Public Health, and the Unabashed Triumph of Philip Morris*. Kluger brilliantly illuminates the corporate strategies that allowed Philip Morris, which held only .5 percent of the U.S. cigarette market in 1925, to emerge as the titan of the industry by hyping Marlboro Country, sabotaging critics with disinformation campaigns, buying political and philanthropic allies, and masterminding legislative strategies to limit its liability. For more information on the book, see Hot!media (page 87).

1492

Columbus gets a gift

Within a week of his landfall, Christopher Columbus notices the natives' fondness for chewing the aromatic dried leaves or inhaling their smoke through a Y-shaped pipe called the "toboca" or "tobaga." In short order, his sailors are sharing the local custom. Foreshadowing both the delight and danger attributable to the plant, Columbus scolds his men for sinking to the level of the savages, only to discover, as he reportedly said, "it was not within their power to refrain from indulging in the habit."

Tobacco spreads throughout the globe, eventually recognized along with coffee, chocolate, and cane sugar as one of the treasures of the New World.

1850s

Philip Morris, a London tobacconist, caters to English smokers who picked up smoking after trying French and Turkish cigarettes during the Crimean War.

1900s

Buck Duke builds a trust

Pioneer botanist Luther Burbank captures the growing distress among scientists when he remarks that smoking is "nothing more or less than a slow, but sure, form of lingering suicide."

Buck Duke

American Tobacco Co. founder Buck Duke fields a small army of lawyers, lobbyists, and others who appeal to the pocketbooks of legislators being asked to crack down on cigarettes. Three members of the key Senate Finance Committee own tobacco stock, including its chairman, Nelson W. Aldrich of Rhode Island, who holds stock worth more than $1 million.

Four years later, when Congress passes the Pure Food and Drug Act, Sen. Aldrich and other federal lawmakers do Buck Duke's bidding. Although no other ingested product is subject to heavier processing, more additives, or as many known or suspected toxins, tobacco is egregiously excluded from regulation. The industry will argue forever after that tobacco is neither a food nor a drug and thus properly exempted.

(1492) ARCHIVE PHOTOS; (1900) DUKE UNIVERSITY ARCHIVES; CIGARETTE ILLUSTRATIONS BY PHILIP KRAYNA; TIMELINE DATA FROM *ASHES TO ASHES* © 1996 BY RICHARD KLUGER

(*Continued from page 37*) presidential campaigns, Synhorst has been a grassroots organizer for RJR. He co-founded his telemarketing firm, Direct Connect, with top RJR lobbyist Read deButts.

Direct Connect is the Dole campaign's telemarketing firm of choice, with monthly billings exceeding $60,000. Dole's former leadership PAC, Campaign America, also paid Direct Connect more than $20,000 a month last year.

Synhorst and Bickford illustrate an important aspect of the tobacco industry's survival plan: Create grassroots front groups to make pro-tobacco legislation handed down by state and national politicians appear to be the public's will. These groups, many posing as "anti-tax" organizations, are key to the tobacco industry's efforts to win over the anti-big government segment of the electorate. This is also a crucial audience for Dole, who writes in his campaign brochure's "personal message": "My mandate as President would be to rein in the Federal government in order to set free the spirit of the American people."

TOBACCO DOESN'T SEEM AN OBVIOUS BENEFACTOR FOR A SENATOR from Kansas, where there are plenty of wheat fields but few tobacco farms. Still, Dole has received more than $330,000 directly from RJR, Philip Morris, and U.S. Tobacco during his career, in addition to untold tobacco soft money through the Republican National Committee. Meanwhile, Dole has consistently fought tobacco tax increases—even when proposed by fellow Republicans.

During this presidential campaign, Dole has gone after FDA Commissioner David Kessler, promising an audience of pharmaceutical giants at a GOP fundraiser last September that Kessler would be out of a job if Dole were elected. Three months later, Dole was one of 32 senators who signed a letter to the FDA protesting its proposed crackdown on tobacco advertising (see "Tobacco Enemy Number One," page 42). Dole also spoke out against Kessler's plans to limit cigarette advertising at sporting events. Before an appreciative crowd at a NASCAR auto race in Darlington, S.C., he waved a T-shirt that read, "Let Winston Cup make the rules for NASCAR, not the FDA."

In less dramatic fashion, Elizabeth Dole has also earned Big Tobacco's appreciation. In 1987, while serving as secretary of transportation, she refused to ban smoking on airplanes, ignoring recommendations from Surgeon General C. Everett Koop and the National Academy of Sciences. Perhaps coincidentally, tobacco contributions to the American Red Cross, which she heads, have escalated. Philip Morris, Brown & Williamson, and RJR gave the charity a combined $265,530 in 1995, compared to a total over the previous five years of $231,427.

BUT BOB DOLE'S FRIENDSHIP WITH THE TOBACCO COMPANIES IS NOT limited to the industry's domestic battles. With tobacco's popularity dying in the United States, companies must hook foreign populations. For this, the industry needs unfettered access to large global markets. Dole has been crucial in helping them get it.

In 1985, Reagan trade representatives focused their attention on Japan, South Korea, Taiwan, and Thailand, threatening retaliatory tariffs on their exports if they declined to open their tobacco markets. Tobacco lobbyists actually sat in on the official trade negotiations.

During talks with South Korea in 1987, Brown & Williamson's lobbyist, Thomas Humber (now the chief of

Philip Morris' National Smokers Alliance), wrote the office of the U.S. trade representative corporate liaison Sandy Kristoff to inform her of a favorable meeting between South Korea's U.S. ambassador, Dole, Sen. Jesse Helms, and senators from four other tobacco states. According to the letter, the senators expressed "their support for fair market conditions in Korea" during the meeting. The ambassador, in return, thanked Dole and Helms for voting against threatened trade sanctions against Korea. Then, Humber wrote, "[The ambassador] assured the Senators of 'best efforts' toward market expansion" for U.S. tobacco companies.

Trade agreements on tobacco have shifted under Clinton. Last year, U.S. trade representatives allowed South Korea to enact tobacco advertising restrictions after approval from the Department of Health and Human Services and the Environmental Protection Agency. Officials from both agencies now sit in on trade proceedings to decide whether tobacco restrictions reflect health and environmental concerns.

Under a Dole presidency, this would probably change. Helms would play a dominant role in foreign trade policy, as would Robert Lighthizer, a former top Dole aide and Dole's rumored choice for his chief of staff or U.S. trade representative. Lighthizer, currently an attorney with Skadden, Arps, Slate, Meagher & Flom, used to work for Covington & Burling and served as deputy U.S. trade representative from 1983 to 1985. During that period, the United States began bullying countries to open their tobacco markets. Should Lighthizer have a prominent trade role, he might turn back the clock to a time when tobacco lobbyists, not health officials, sat in on trade negotiations.

THE GOP CONVENTION IN SAN DIEGO THIS AUGUST PROMISES TO be even more of a tobacco-fest than the 1992 convention. Ken Rietz, president and CEO of the Washington, D.C., office of the public relations firm Burson-Marsteller, is a vice chairman of this year's convention host committee. Rietz oversaw the California chapter of the National Smokers Alliance, which worked against tobacco control ordinances in Los Angeles and San Diego.

Rietz candidly admits convention sponsors get opportunities for private meetings with political bigwigs. But he calls the high number of tobacco lobbyists involved with the convention and the Dole campaign pure coincidence. "If you look at Burson-Marsteller, [tobacco is] only one of thousands of clients," Rietz says. But of those thousands, Philip Morris and NSA sit comfortably among the firm's top five Washington clients.

As *Mother Jones* went to press, GOP convention plans were still being negotiated, but Philip Morris had already scored one coup, signing a letter of intent to rent the sought-after space at the San Diego Museum of Art, and was reportedly trying to book the San Diego Zoo for another event. The company has yet to decide on specific receptions but is likely to sponsor the high-profile reception for the GOP's Team 100 (party contributors who give $100,000 or more) and the reception for the Republican Governors Association.

But ultimately, if the tobacco industry achieves what it wants, these festivities will be only a warm-up. The real tobacco party will come in January, at Bob Dole's inauguration. □

Sheila Kaplan is a Washington, D.C.-based journalist.

For more resources, see **Hot!media** (page 87).

THE TOBACCO WARS

1902

Teddy Roosevelt hunts a Buck

Teddy Roosevelt

After succeeding McKinley as president, Theodore Roosevelt initiates more than 40 anti-trust actions directed at, among others, Standard Oil, DuPont, Union Pacific—and the American Tobacco Co.

Buck Duke, testifying in federal court, says every deal he ever made was intended not to destroy competition but only to "round out" his own company and to "get our fair share of the trade." Nonetheless, in 1911, the Supreme Court rules against American Tobacco, noting, "[We] think the conclusion of wrongful purpose and illegal combination is overwhelmingly established." American Tobacco is broken up and the constituent parts reassembled in smaller units. R.J. Reynolds emerges as the strongest competitor of the resulting companies.

Duke, morose and drinking heavily now, earns the high regard of posterity by turning to philanthropy. Most notably, he endows little Trinity College (not far from his Durham, North Carolina, birthplace) with the money to become a university of national rank when the school agrees to exchange its name for his.

1913

New cigarettes in the ashtray

GIs get smokes

Camel introduces the first blended cigarette in the U.S. Highly flavorful, the cigarette is an instant success. American Tobacco follows in 1916 with Lucky Strike, and the advertising battle begins. For the next 30 years, tobacco companies lure customers with wildly false claims of health as well as social benefits from smoking.

1950s

Three epidemiological studies demonstrate the exponential health risks associated with smoking, leading to the introduction of cigarette filters.

1957

Congressman Blatnick gets filtered out

John Blatnick, a five-term liberal representative from Minnesota—and a devoted smoker—leads the subcommittee on government operations through hearings on the Federal Trade Commission's oversight of cigarette advertising. Blatnick bristles as the testimony, the first ever presented to federal lawmakers on the relationship of smoking to health, reveals that the new filtered brands use stronger tobaccos, and so yield about as much tar and nicotine as the old unfiltered brands—a fact never noted in the industry's advertising.

In the aftermath of the hearings, Blatnick introduces a bill in the House to limit the tar and nicotine yields of cigarettes and grant the FTC injunctive powers against deceptive tobacco advertising. So powerful is the tobacco industry, however, that the House not only denies the Blatnick bill a hearing but strips its sponsor of his subcommittee chairmanship and dissolves the subcommittee itself.

(Continued on page 45)

(1902) ARCHIVE PHOTOS

TOBACCO ENEMY NUMBER 1

By Robert Dreyfuss

EVER SINCE THE REPUBLICAN TAKEOVER OF CONGRESS IN November 1994, the Food and Drug Administration has been under fire from critics on the right who claim the agency is slow to approve lifesaving drugs and medical devices. Newt Gingrich has called FDA Commissioner David Kessler "a bully and a thug." The conservative Washington Legal Foundation runs ads that say: "If the FDA kills you, it's just being cautious." Similarly, Citizens for a Sound Economy, an anti-tax group, sponsors ads claiming, "A better quality of life—even life itself—is being denied to too many Americans because of the FDA's misplaced priorities."

Meanwhile, the Competitive Enterprise Institute, a right-wing think tank, has put forward a radical plan that would end the FDA's power to veto new drugs and medical devices. Gingrich's own Progress & Freedom Foundation has likewise recommended "replacing" the FDA with a private drug-approval system. Following their lead, Republicans in both the House and Senate have introduced legislation to reduce the FDA's regulatory authority.

Yet, for the most part, these proposals are far more radical than any called for by drug and medical device manufacturers—the supposed beneficiaries of a scaled-down FDA. Tom Lenard, the Progress & Freedom Foundation's director of regulatory studies, puts it bluntly, "The drug companies are not particularly radical. Our proposal is beyond where most of them seem to want to go."

A top FDA official concurs: "The drug companies are happier than they have been in 10 years." In fact, changes instituted by Kessler over the last five years have actually cut approval time by 30 to 40 percent.

Nor are medical device manufacturers driving the attack against the federal agency. "The device industry doesn't want to see the FDA go away or be weakened," says Jim Benson, senior vice president of the Health Industry Manufacturers Association.

So where is the pressure to gut the FDA coming from? "If you look at the people who are pushing for reform of the FDA," says one FDA official, "behind the scenes you will see the tobacco industry."

WHAT'S AT STAKE

The clock is now ticking down toward a summer showdown between the tobacco industry and the FDA. With the FDA set to unveil a precedent-shattering rule that defines the nicotine in tobacco as a drug and sets strict controls over its sale and advertising, the $45 billion tobacco industry is waging a life-or-death struggle to preserve its unfettered right to sell cigarettes and chewing tobacco.

The stakes are immense. The FDA's proposal could be the beginning of the end for the American tobacco industry. Already, the disorder in tobacco's ranks led the Liggett Group, the nation's fifth-largest tobacco company, to make a stunning break with the rest of the industry. In March, Liggett settled a range of lawsuits over the health impact of smoking—the first time any tobacco company has consented to pay damages—and agreed to abide by some proposed FDA tobacco marketing regulations.

For the Clinton administration, the battle with tobacco means an election-year showdown with what a key congressional aide calls "the most powerful special interest in America," one that has forged a close alliance with the Republican leadership and its putative presidential nominee, Senate Majority Leader Bob Dole.

THE FDA TAKES ON TOBACCO

On August 10, 1995, President Bill Clinton made a historic announcement: The FDA proposed to make a rule, probably by the summer of 1996, regulating the nicotine in tobacco as a drug.

Unlike other efforts to control tobacco

PHOTO BY MARTIN SIMON/SABA

The Campaign Against the FDA

FDA Commissioner David Kessler

Gingrich calls Kessler "a bully and a thug." Dole has pledged to fire him. When you look behind these attacks, says one top FDA official, "you will see the tobacco industry."

Joe Camel's Tracks

The FDA can prove tobacco companies put cigarettes where kids are likely to be.

WHY IS THE TOBACCO INDUSTRY RESISTING the Food and Drug Administration's efforts to crack down on tobacco sales to minors?

Because the tobacco industry needs kids. Each year, about 1.3 million smokers kick the habit. Another 420,000 die. To replace these ex-smokers, the tobacco industry works hard to recruit young people. "Each and every day, another 3,000 teenagers become smokers," says FDA Commissioner David Kessler. "Young people are the tobacco industry's primary source of new customers in this country."

The average smoker begins by age 15, and is a daily smoker by age 18. Though smoking levels are declining among adults, smoking is on the rise among those under 19. Michele Bloch of the American Medical Women's Association warns that kids who start smoking every day end up as statistics a few decades later. "Fully half of all long-term smokers, especially those who begin in their teenage years, will be killed by tobacco," Bloch says. "Of those, half will die early, in middle age."

The FDA has amassed enormous quantities of evidence that prove tobacco companies deliberately target kids. An R.J. Reynolds subsidiary in Canada, in a report titled "Youth 1987," studied the attitudes of "young men and women in the 15 to 24 age range," noting that the research could be "applied to better decision-making in regard to products and programs directed at youth." An earlier Philip Morris report stated, "The 16- to 20-year-old begins smoking for psychosocial reasons. The act of smoking is symbolic: It signifies adulthood. He smokes to enhance his image in the eyes of his peers."

Similarly, in a memo from 1990, R.G. Warlick, an RJR division manager in Oklahoma, urges his tobacco sales representatives to emphasize sales calls to stores "located across from, adjacent to, [or] in the vicinity of the High Schools." And no wonder: RJR's Joe Camel campaign, backed by a company research program called FUBYAS (First Usual Brand Young Adult Smokers), pushed Camel's share of the youth market from roughly 3 percent in 1988 to 13 percent in 1993. A 1991 survey in the *Journal of the American Medical Association* found that Joe Camel is as recognizable to 6-year-olds as Mickey Mouse. —*R.D.*

use—higher taxes, restrictions on smoking in restaurants, etc.—the FDA's proposed action represents a fundamental challenge to the very existence of the tobacco industry, which has maintained for nearly 100 years that tobacco is neither food, drug, nor cosmetic, and is therefore not subject to regulation.

The FDA based its decision on three landmark conclusions that strike at the very heart of the tobacco industry:

- Nicotine is addictive and has other pharmacological effects on the structure and function of the body.
- Tobacco manufacturers know consumers use tobacco for the pharmacological effects of nicotine.
- Nicotine meets the legal definition of a "drug" because tobacco manufacturers "intend their products to have these effects" and manipulate nicotine levels to ensure they do.

In an October speech in Memphis, Tennessee, Kessler detailed the effort that led to the FDA's conclusions. "Our first clue...came from a search of the industry's patents," he said. The patents contained extensive research on ways the tobacco companies could control the precise amount of nicotine in their products. The industry could raise the content of addictive nicotine by carefully selecting which parts of the tobacco plant to use and by developing certain strains of tobacco leaves. One such effort uncovered by the FDA was Brown & Williamson's Brazilian patent, written in Portuguese, for a plant called "Y-1 tobacco" that had twice the usual nicotine content. Finding shipments of Y-1, said Kessler, "was like finding a needle in a haystack."

Other evidence compiled by the FDA concerned the chemical additives tobacco companies use to increase the amount of nicotine absorbed by the smoker. For example, an industry handbook acquired by the agency described how companies use ammonia to increase the absorption of nicotine into the lungs.

The FDA combined its scientific evidence with unambiguous statements by industry insiders that tobacco companies design cigarettes to hook consumers on the addictive power of nicotine. (The FDA quoted one tobacco industry official who said, "Think of the cigarette pack as a storage container for a day's supply of nicotine. Think of the cigarette as a dispenser for a dose unit of nicotine. Think of a puff of smoke as the vehicle for nicotine.")

Bolstered by this mountain of evidence, the FDA proposed to define nicotine as a drug, and regulate cigarettes as "drug-delivery devices." Specifically, the FDA proposed restricting the sale of tobacco to minors (see sidebar).

Backed by the White House and the Department of Health and Human Services, the FDA proposed to require age verification and face-to-face sales for tobacco products, eliminating all mail-order and vending machine sales. To reduce tobacco's appeal to kids, the FDA also proposed banning billboards that promote tobacco near schools; limiting tobacco advertising to black-and-white text in magazines that have a "significant youth readership"; forbidding tobacco-brand logos on teen-oriented products like caps and gym bags; and prohibiting brand-name sponsorship of sporting events, races, and concerts.

TOBACCO COUNTERATTACK

The tobacco industry was prepared for the FDA action. "Prior to December 1993, they may well have been caught by surprise," says a senior FDA official, "but by February '94, they knew we were serious." As soon as the FDA made its announcement, the five largest tobacco companies (Philip Morris, R.J. Reynolds, Lorillard, Brown & Williamson, and Liggett) launched a massive lawsuit challenging the FDA's

authority to govern tobacco. (As *Mother Jones* went to press, Liggett was still part of the FDA lawsuit despite speculation it would drop out.)

In record time, the industry prepared a 2,000-page legal reply to the FDA's announcement, with 45,000 pages of supporting documents. "It is mind-boggling that the tobacco industry was able to assemble this response so quickly," says an attorney close to the FDA. "They must have had countless lawyers working on this."

Some of those lawyers may themselves be former FDA attorneys. Over the years, the tobacco industry has assembled a legal team that includes five former FDA general counsels or deputy counsels. "It is astonishing. These lawyers are the experts in the field, and they know where everything is buried at FDA," says an FDA official. "When they talk to their clients, they say, 'Ask for this document,' and they know about the document because they are the ones who wrote it."

THE HIDDEN WAR AGAINST THE FDA

The tobacco industry hasn't confined its counteroffensive against the FDA to the courts. "Quietly, behind the scenes, the industry is helping to support a much broader attack on the FDA," says Cliff Douglas, a longtime anti-tobacco activist.

The tobacco industry's giant legal team includes five former FDA counsels who know exactly which agency files to ask for.

The attack has three major components:

• The industry has provided generous support to a host of Washington think tanks and advocacy groups that have led the effort to gut the FDA. The Competitive Enterprise Institute, for example, has received $50,000 to $100,000 or more from tobacco companies, according to the group's general counsel, Sam Kazman. Tobacco has also contributed hundreds of thousands of dollars to Citizens for a Sound Economy, and has made substantial donations to Gingrich's Progress & Freedom Foundation and the Washington Legal Foundation.

• Tobacco companies have directed a massive letter-writing campaign against the FDA. Between the FDA's August 1995 decision to regulate tobacco as a drug and January 1996, when the official period for public comment on the plan ended, the agency received nearly 700,000 pieces of mail overwhelmingly condemning the FDA's stance on tobacco. The avalanche of mail was the result of an emergency push by Philip Morris, R.J. Reynolds, and The Tobacco Institute to create the impression of a citizens' uprising against the FDA, but most of it was organized, funded, and even written by the tobacco companies. It is widely seen as an effort to intimidate Washington. "The tobacco companies think it will have some psychological effect on the FDA, on the courts, and on Congress," says Alan Morrison, an attorney with the consumer advocacy group Public Citizen. "These guys are used to sparing no expense. This is war."

• As it became clear that Clinton's FDA was going after them, the tobacco companies shifted their political support—

THE TOBACCO WARS

1959

Doctors make a deal

Surgeon General Leroy E. Burney, emboldened by the publication in the *Journal of the National Cancer Institute* of a 30-page article on the health risks of smoking, writes in the *Journal of the American Medical Association*, "The weight of the evidence at present implicates smoking as the principal etiological factor" in the increased incidence of lung cancer.

Leroy Burney

Two weeks after the surgeon general's statement appears in the journal, the AMA shocks Burney by publishing an editorial that insists there are not yet enough facts to "warrant the assumption of an all-or-none authoritative position" on causation.

Observers believe the AMA downplays the smoking issue because it needs allies to fight the implementation of Medicare. Morton Levin, the top New York state health officer, recalls attending an executive session of the AMA's 1960 convention and hearing a trustee demand the organization remain mute on the smoking issue because "the senators from the tobacco states have threatened to vote against us on Medicare if we take any formal stand whatever—and, gentlemen, we simply cannot have Medicare."

1964

The scientist and the lawyer

On January 11, 1964, some 200 members of the press are handed a 150,000-word report by Surgeon General Luther Terry's blue-ribbon advisory committee on smoking. The report concludes that "many kinds of damage to body functions and organs, cells and tissues occur more frequently and severely in smokers" than in nonsmokers. The *New York Times* calls the findings "a severe blow to the rear-guard action fought in recent years by the tobacco industry. It dismisses, one by one, the arguments raised to question the validity of earlier studies."

Helmut Wakeham

In a remarkable February 18, 1964, memo to his superiors, Philip Morris research director Helmut Wakeham writes: "The industry must come forward with evidence to show...its products, present and prospective, are not harmful.... The industry should abandon its past reticence with respect to medical research."

Wakeham's proposal angers Paul Smith, Philip Morris' ultraprotective general counsel. "I'd hear from Smith every day," Wakeham says later. "The legal department's view of it was that you couldn't be criticized for not knowing something."

At the annual shareholders' meeting in April 1964, Philip Morris President Joseph Cullman says his company scientists and outside experts feel the surgeon general's prime conclusion linking lung cancer to smoking is unjustified—not at all what Wakeham's memo stated. Years later, Wakeham's subpoenaed memo would provide compelling evidence in a critical liability lawsuit against the company.

(1959) UPI/CORBIS-BETTMANN, (1964) UPI/CORBIS-BETTMANN

THE TOBACCO WARS

1964

A cowboy is born

The phrase "Marlboro Country" lodges in the collective consciousness of the Leo Burnett ad agency team as it struggles to break Marlboro—a cigarette really no better than any other brand—out of its lethargic sales. Then one day a member of the Burnett team brings in a recording of the score for the 1960 Western *The Magnificent Seven.* Video footage rolls as the narrator speaks over the rousing movie music. The net effect is electrifying: A cigarette as larger-than-life hero, its virtues made manifest by thundering hoofbeats and soaring brass horns.

Thirty years later, even though restricted by law to print media only, "Marlboro Country" has survived as one of the most successful advertising campaigns ever devised. The overworked metaphor's enduring appeal: "Marlboro Country" is unpolluted, free of hazards to one's moral and physical health—precisely the opposite of what science says about smoking cigarettes.

1969

Give an inch, gain a decade

The Senate moves to ban cigarette advertising on TV and place health warnings in other ads. Philip Morris President Joseph Cullman sees the silver lining in the dark cloud over the industry's head: Voluntarily agreeing to remove tobacco TV advertising would effectively end competition from new companies because, without TV, the introduction of new brands would prove prohibitively expensive. In the subsequent bargain Cullman cuts with Congress, specific references to cancer or other diseases are removed from warning label language, and industry lawyers quietly insert a "pre-emption" section in the law, essentially preventing states from awarding any damages in tobacco liability lawsuits. This section, along with package warning labels, becomes the companies' key defense against liability lawsuits brought by smokers over the next 20 years.

1970

Dr. Auerbach's beagles are turned on him

On February 6, 1970, a front-page *New York Times* article reports a breakthrough that panics tobacco apologists: "12 Dogs Develop Lung Cancer in Group of 86 Taught to Smoke." The study, by Dr. Oscar Auerbach and Cuyler Hammond, proves that exposure to cigarette smoke produces malignant tumors in large animals. The American Cancer Society, which funded the study, claims the findings "effectively refute" the contention that there is no proven link between cigarettes and cancer. Every TV network news show leads with the story of the smoking beagles. Caught off guard, The Tobacco Institute initially appeals to offended animal lovers and then claims the findings are unrelated to human smokers.

The *New England Journal,* which carried earlier smoking studies by Auerbach and Hammond, has a (*Continued on next page*)

Dr. Auerbach

(1970) UPI/CORBIS-BETTMANN

traditionally bipartisan—to the Republicans. In 1993-94, the industry contributed an unprecedented $1.8 million in soft money to the GOP takeover of the House and Senate. Not only did the victory defang Democratic members of Congress who had harried the industry for decades, it also catapulted friends of tobacco into positions of power. Rep. Thomas J. Bliley Jr. (R-Va.), the new head of the Commerce Committee, wasted little time announcing an end to all congressional investigations into tobacco.

Other tobacco allies on Capitol Hill are less visible. Alan Slobodin, a lawyer at the Washington Legal Foundation before the Republican landslide, now is counsel to the Commerce Committee's Subcommittee on Oversight and Investigations, which has jurisdiction over the FDA. In his new post, Slobodin wages an unrelenting campaign against the agency, holding innumerable hearings and draining agency resources with his demands for documents and testimony. "Slobodin is constantly saying, 'Give us all your documents on this or that,'" says an attorney close to the FDA. "And then all of a sudden these papers show up in the hands of the Washington Legal Foundation."

So far, tobacco companies have not pressed their allies in Congress for legislation that would undermine the FDA's nicotine policy. Sources on both sides say the companies are unlikely to do so until after the industry's lawsuit against the FDA is decided. Part of the reason is that any effort to restrain the FDA through new legislation would lend credibility to the idea that the FDA does indeed have the power to regulate tobacco. Further, despite its alliance with the GOP leadership and a few key Democrats in Congress, the industry would find it difficult to raise majorities in both houses for a bill overturning the FDA's nicotine proposal, let alone gather enough votes to override a certain White House veto. For these reasons, Big Tobacco has thus far used its congressional influence primarily to intimidate the White House and the FDA.

In December, 124 members of the House sent a sharply worded letter to the FDA, claiming the agency's tobacco proposal would put 10,000 jobs at risk and "trample First Amendment rights to advertise legal products to adults." Two weeks later, 32 senators signed a virtually identical letter. (According to Common Cause, those senators who signed the letter had received an average of $31,368 from tobacco, compared to $11,819 for those senators who did not sign. Similarly, the House signatories received an average of $19,446, in contrast to $6,728 for other Congress members.)

THE COMING BATTLE

The FDA has moved rapidly on its proposal to regulate nicotine. Though FDA officials will not predict exactly when the final rule will be announced, sources close to the agency say that it is likely by early summer. In March, the FDA stunned Philip Morris—and the rest of the industry—by releasing three devastating statements by former Philip Morris employees, stating that the company routinely manipulated nicotine levels in its products. These three statements were so important that the FDA took the unusual step of reopening the period for public comment on the proposed rule for another 30-day period, though the extension is not expected to cause any delay in the FDA's push to issue its final rule by this summer. "This is information that we believe the public should know," said Kessler in releasing the statement. "These

documents shed light on the role of nicotine in the design and manufacture of cigarettes."

Though the industry has already challenged the FDA in court, it could be months before the judge in the case takes any action. In going to court, the industry chose the most friendly venue it could find, the Federal Middle District Court in Greensboro, North Carolina, in the heart of tobacco country. The judge in the case, William L. Osteen Sr., once worked as a lobbyist for the tobacco industry. In 1994, he delivered a ruling favorable to tobacco in a case involving the Environmental Protection Agency and secondhand smoke.

But anti-tobacco activists say that initial signs from the judge do not show obvious favoritism toward the tobacco industry. And despite the industry's urgency in pressing its legal argument, Osteen probably won't act before the FDA issues its rule. The FDA, in turn, intends to craft its rule with built-in waiting periods for the various provisions to take effect, in order to give the industry adequate time to comply.

In December, 124 members of the House and 32 senators sent letters to the FDA protesting its plan to regulate nicotine as a drug.

That means the FDA's anti-tobacco rule will be an issue throughout the presidential election. President Clinton strongly backs Commissioner Kessler. He even traveled to Kentucky the day after his January State of the Union address to reaffirm the White House's support. But, if elected, President Dole would be certain to fire Kessler as one of his first actions in the Oval Office. Conceivably, a Dole-appointed FDA commissioner might reverse the FDA's anti-nicotine rule, though doing so would be politically explosive.

For now, the U.S. tobacco industry is on the defensive. The Liggett Group's controversial decision to settle and to comply with some of the FDA's proposed regulations rocked Philip Morris and RJR Nabisco. In just a week, the value of their companies on the New York Stock Exchange dropped by nearly one-sixth. Though it is just the first break in tobacco's ranks, Liggett's move signals the industry's potential vulnerability to the combined assaults from the FDA, the Justice Department, and a host of consumer injury cases piling up in the courts. "It's like a murder case," says Phil Schiliro, chief of staff for Rep. Henry Waxman (D-Ca.). "You have five people accused of murder and one of them tries to get a break by cutting a deal with the D.A. Now maybe one or two more may start talking. Who knows where this will end?"

Indeed, anti-tobacco activists do not yet know the full ramifications of the Liggett Group's settlement. But it makes their job easier. "At least it allows us to say to members of Congress, 'Look, the fifth-largest tobacco company has said that these regulations are reasonable,'" says Phil Wilbur of the Advocacy Institute. "'How can you as a member of Congress disagree?'" □

Robert Dreyfuss is a contributing writer to Mother Jones. *He co-authored the "Medikill" story on Golden Rule Insurance that appeared in our January/February 1996 issue.*

Joseph Cullman

policy of accepting only "unpublicized results," and the beagle study has already been disclosed at a press conference. The *Journal*'s editor returns the paper, saying the decision to reject it on procedural—not substantive—grounds has been "agonizing."

Though the paper is later published elsewhere, cigarette companies employ this technical rejection in a broad media campaign to discredit the study and its authors, calling it the "beagles fiasco."

Kentucky Congressman Tim Lee Carter, a champion of the tobacco industry, claims the *Journal* "had rejected the [beagles] research papers outright." The president of The Tobacco Institute declares the study "may be one of the great scientific hoaxes of our time."

In early 1971, Philip Morris head Joseph Cullman tries to bury the beagles study for good. As a guest on CBS's "Face the Nation," he falsely claims that criticism has forced the researchers to back off their central finding that the beagles got lung cancer from smoking cigarettes. Cullman also states, "We do not believe that cigarettes are hazardous; we don't accept that." And when asked about another recent study, which found that smoking mothers gave birth to smaller babies, Cullman remarks, "Some women would prefer having smaller babies."

1978

The sounds of silence

In the January 1978 issue of the *Columbia Journalism Review*, R.C. Smith reports on his survey of how magazines covered smoking in the seven years since the ban on broadcast advertising of cigarettes—during which time the proportion of cigarette ads in magazines had doubled.

The survey, Smith writes, reveals "a striking and disturbing pattern. In magazines that accept cigarette advertising I was unable to find a single article, in seven years of publication, that could have given readers any clear notion of the nature and extent of the medical and social havoc being wreaked by the cigarette smoking habit." Neither *Time* nor *Newsweek*, to cite two of Smith's examples, "has published anything resembling a comprehensive account of the subject," while carrying six to eight pages of cigarette advertising per issue. Smith concludes that "advertising revenue can indeed silence the editors of American magazines."

1979

Carter sacrifices his Secretary

Joseph Califano with Jimmy Carter

Near the end of 1978, Speaker "Tip" O'Neill warns Department of Health, Education, and Welfare Secretary Joseph Califano, the nation's most vocal anti-smoking advocate: "You're driving the tobacco people crazy. These guys are vicious—they're out to destroy you." Democrats worry that Carter can't carry North Carolina and perhaps other Southern states if Califano remains in office. A few months later, the president makes Califano walk the plank. Tobaccoland cheers.

THE TOBACCO WARS

1980

Lois Lane lights up

Philip Morris pioneers another form of brainwashing, this one involving subliminal advertising.

For a reported payment of $42,000, the company purchases 22 exposures of the Marlboro logo in the 1980 movie *Superman II*, which is aimed largely at the youth market.

Lois Lane, a newspaper reporter and role model for teenage girls, has a Marlboro pack on her desk and is shown puffing merrily away. At one point in the film, a character is tossed into a van with a large Marlboro sign on its side, and in the climactic scene the superhero battles foes amid a maze of Marlboro billboards before zooming off in triumph, leaving in his wake a solitary taxi with a Marlboro sign on top.

1980s

You've gone the wrong way, baby!

Philip Morris' colorful ads at sporting events evade the TV broadcasting ban and purchase easy access to young people without appearing to target them. ABC's sports program director, Lydia Stephans, says of Philip Morris' access to millions of potential customers through its sponsorship of the televised Virginia Slims tennis circuit, "I think it's clever. They've found a loophole."

Philip Morris also prances so gracefully through the visual and performing arts that the *Wall Street Journal* anoints it "the art world's favorite company." Philip Morris Chairman George Weissman remarks, "We hope people will come away with favorable impressions of the company—that we are cultured human beings like everyone else, not a bunch of barbarians."

Philip Morris selects groups in dire need of financial support who can't afford to be fussy about their benefactors. "To tell you the truth, I'm not that interested," Alison Dineen, of the Women's Research and Educational Institute, responds when asked if she suffers any qualms about accepting tobacco money. Notes Caren Brooks Hopkins, of the Brooklyn Academy of Music, a prime recipient of Philip Morris largesse, "There are so many people who do absolutely nothing for the arts. Let's go after them."

1982

Excise profits

Congress doubles the excise tax on cigarettes to 16 cents a pack. The tobacco companies enter a lipservice protest—claiming it discriminates against smokers, who are poorer on average than nonsmokers. They then use this cover to boost the price of cigarettes at a rate never before contemplated. Their profit margin soars to well over 20 percent, twice the average return on equity in corporate America.

(1980) PHOTOFEST; (1980s) KEN LEVINE/ALLSPORT

Secondhand Mail

Big Tobacco's pre-fab letter campaign against OSHA got results—some unexpected

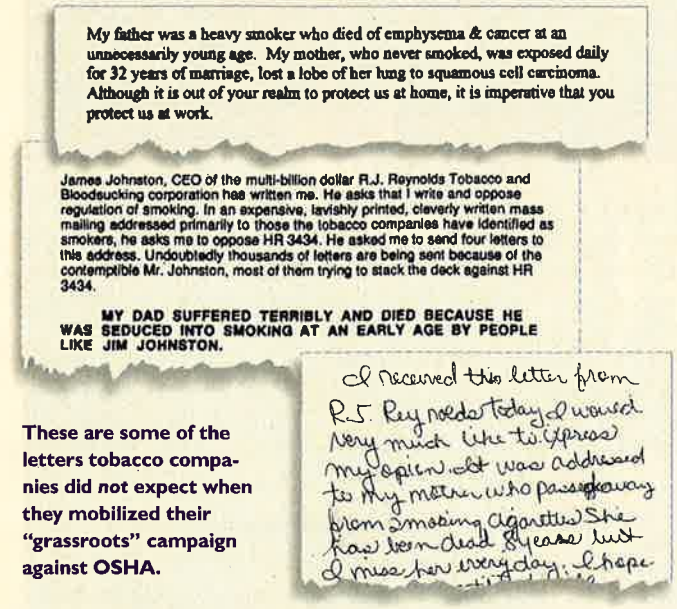
While tobacco's assault on the Food and Drug Administration has drawn more publicity, the industry has quietly won an equally important battle against the Occupational Safety and Health Administration. In 1994, OSHA proposed restrictions on smoking in the workplace. The proposal, intended to protect nonsmokers from the dangers of secondhand smoke, is in limbo due to a concerted attack by the tobacco companies. As in their war on the FDA, they orchestrated a massive letter-writing campaign in order to create the impression of an "anti-big government" citizens' uprising against OSHA. That impression worked only too well: Insiders at OSHA report getting death threats, and U.S. marshals monitored packages delivered to the agency.

Of the more than 100,000 comments OSHA received, the vast majority criticized the rule. This postal blitz was organized, funded, and, in many cases, even written by the tobacco industry. Tobacco also succeeded in dragging out OSHA's public hearings on the proposed rule for months, by calling numerous witnesses and submitting thousands of pages of testimony.

The issue of secondhand smoke is particularly dangerous for the tobacco industry, because it moves smoking—and its corollary health risks—out of the realm of personal choice. Anti-smoking activists know that their best weapon is the anger nonsmokers feel over breathing secondhand smoke. The tobacco industry knows it, too. As far back as 1978, a Roper Poll commissioned by The Tobacco Institute concluded that the nonsmokers' rights movement is the "single greatest threat to the viability of the tobacco industry." But, while the FDA and large anti-smoking coalitions like the Campaign for Tobacco-Free Kids garner significant attention for their attacks on tobacco advertising to children, campaigns that focus on the dangers of secondhand smoke seem to have been derailed.

OSHA's rule on smoking in the workplace has stalled, and agency officials, who once expected to have the rule in place by the end of 1995, now say they can't predict when it might happen. One source close to the agency says the combined effect of tobacco's assault, a lack of support from anti-smoking groups, and the GOP takeover and subsequent budget stalemate—which has left federal agencies underfunded and uncertain of the future—may have made OSHA nervous about moving forward on the controversial ban.

But the letter-writing campaign inadvertently tapped into the groundswell of grief and suffering for which the tobacco industry has always denied responsibility. In more than a hundred instances, the industry's campaign backfired:



These are some of the letters tobacco companies did *not* expect when they mobilized their "grassroots" campaign against OSHA.

• Paul Azevedo wrote OSHA: "James Johnston, CEO of the multi-billion dollar R.J. Reynolds Tobacco and Bloodsucking corporation has written me.... My dad suffered terribly and died because he was seduced into smoking at an early age by people like Jim Johnston.... Do not be buffaloed by Mr. Johnston and those fools who follow his lead."

• Faye Diffler, reacting to a solicitation from R.J. Reynolds, wrote OSHA: "It was addressed to my mother who passed away from smoking cigarettes. She has been dead eight years but I miss her every day. I hope we can stop this horrible habit we force on the American people. Please ban cigarettes altogether everywhere."

• Gardner Roberts of Haverhill, Mass., declared: "My father died of lung cancer.... I am an ex-smoker myself and fear I have a time bomb in my own chest. Eliminating smoking will help future generations avoid what we went through as a family with my dad, and what I go through personally with my own fears."

• Charles L. Smith, administrator of Parr's Rest, a home for elderly women in Louisville, Ky., received a fax from Philip Morris offering "important information that could cost you thousands of dollars, affect your employees and customers, and put you at risk of fines that could exceed $70,000. It is crucial that you write immediately." He did. He wrote to OSHA: "Under the guise of a 'grassroots effort' from businesses around the country, a disinformation lobbying campaign has been launched by this tobacco company which must be challenged for its self-serving distribution of biased misinformation." Smith added that the cost of complying with OSHA's proposed regulation paled when compared to the impact smoking had on his workers' health, productivity, and morale. —*Ted Gup*

1984

The Waxman cometh

Henry Waxman

After a bitter struggle, California Rep. Henry Waxman engineers a bill that forces tobacco companies to list their ingredients and toughen the warning labels on cigarettes. The bill marks a turning point in the industry's hold on the federal legislative machinery; smoking is no longer an issue that can embarrass a congressperson. A Philip Morris attorney dubs Waxman "a very dangerous adversary." Nonetheless, the bill does nothing to restrict the manufacture or marketing of cigarettes.

1987

A Texas-size payoff

Philip Morris initiates a six-year effort for "tort reform" in Texas. In essence, the bill provides the tobacco companies with retroactive protection: It claims that, if customers are forewarned by a label of a product's danger, the company cannot then be held responsible after purchase—thus relieving tobacco companies of liability to diseased smokers. According to one Philip Morris lobbyist, the company's Washington operatives, coordinating the Texas effort, are repeatedly heard to remark, "We'll pay whatever's necessary."

Bob Bullock

Working through a front group, the Texas Civil Justice League, Philip Morris lobbyists use family and political connections to entice Lt. Gov. Bob Bullock to broker a deal in the Texas Senate removing tobacco, liquor, and firearms from the list of actionable products. The victory costs cigarette companies $5 million to $10 million, in exchange for the "biggest gift any legislature has ever given the tobacco industry," according to one critic of the deal, who also blasts Bullock for accepting campaign funds from the industry. Bullock's spokeswoman replies that the $7,500 he had taken is peanuts compared to what others have accepted.

1988

Black lungs

Willie Brown

Philip Morris is an early contributor to black causes. One company official suggests, "The real issue isn't smoking against nonsmoking—it's discrimination against intolerance." Officials like former California Assembly Speaker Willie Brown (now the mayor of San Francisco), who took $200,000 from tobacco companies over a five-year period, offer other rationalizations: "I'm not concerned about smoking—it's not my issue. I'm concerned about substance abuse."

Other black leaders, however, understand their community's vulnerability to the smoking peril and begin speaking out. Reed V. Tuckson, commissioner of public health for the District of Columbia, labels the tobacco industry's philanthropic programs among blacks a "predatory strategy" with the sole goal of making money: "They go to the people of color; they go to women; they go to the poor.... There is a meanness to this greed that is unprecedented in its intensity, tenacity, and consequences. It is unjustified by any standard of humanity."

(1984) REUTERS/MIKE THEILER/ARCHIVE; (1987) TEXAS STATE LIBRARY; (1988) RON SACHS/ARCHIVE

THE Nicotine Network

JUST FOUR BLOCKS FROM THE HEADQUARTERS OF RJR Nabisco in Winston-Salem, N.C., is a small company called the Ramhurst Corp., which has been playing an instrumental role in the beleaguered tobacco behemoth's political fortunes. Its key mission: to quash the biggest political and financial challenges the tobacco industry has ever faced—from federal efforts to regulate tobacco at the Food and Drug Administration to state attempts to impose excise taxes and smoking restrictions.

Launched in 1993 with the support of RJR, Ramhurst—which coordinates many of its activities closely with RJR—combines "grassroots" lobbying with inside-the-Beltway influence-peddling. "Grassroots" coalitions have become a vital tool for tobacco's survival because of the industry's increasingly negative public image. By forming coalitions with business groups, conservative activist organizations, and other industries, tobacco companies like RJR obtain useful cover and, in effect, go from being a "black hat" to a "white hat" in the political world.

Ramhurst occupies a special niche among grassroots organizers for tobacco, however: Its operatives have also forged ties with some of the most powerful GOP leaders in Washington, including Senate Majority Leader Bob Dole, House Majority Leader Dick Armey, and Arizona Rep. John Shadegg, Newt Gingrich's hand-picked choice to succeed him as director of the powerful political action committee GOPAC.

Most significantly, a key Ramhurst operative has been tapped to head House Majority Whip Tom DeLay's leadership PAC, considered by many the pre-eminent fundraising vehicle in the GOP, after Newt Gingrich's money machine.

MARRYING GRASSROOTS & INFLUENCE-PEDDLING

Ramhurst grew out of an earlier operation, set up by RJR executive Mike Phillips in the mid-1980s. Phillips' team hosted dozens of smokers' rights group meetings around the country; those groups grew rapidly and were coordinated by an RJR team of field operatives and consultants, some of whom had strong backgrounds in conservative and GOP politics.

Two of these operatives, James Ellis, 39, and Doug Goodyear, 36, came up with the idea of launching Ramhurst in late 1993. Ellis, who had worked for Paul Weyrich's ultra-conservative Free Congress Foundation before going to RJR in the late '80s, became Ramhurst's president; Goodyear, a former GOP political operative in Colorado and New Jersey, became the company's vice president and treasurer. Ramhurst is secretive about some pertinent details—such as how much money it receives from RJR yearly, and the size of the RJR mailing lists it taps to develop its campaigns.

From its inception, Ramhurst worked to refine the grassroots lobbying techniques used by RJR and the tobacco company's longtime consultant, Walt Klein & Associates. But to help RJR get more bang for its buck, Ramhurst married that strategy to some aggressive influence-peddling within the GOP.

THE DELAY CONNECTION

Ramhurst, which has a full-time staff of just three, boasts a sophisticated nationwide network of about two dozen independent contractors who help mobilize coalitions of smokers, conservative activists, and business allies to block regulations and expensive new taxes on tobacco products. These operatives, some of whom have their own firms, spend about half their time handling Ramhurst work for RJR and several other business and political clients; the rest of the time, they're free to conduct their own grassroots work. In fact, several of Ramhurst's grassroots gurus also are playing growing roles in the political fortunes and campaigns of leading GOP members.

The biggest coup for Ramhurst so far has been its relationship with Majority Whip Tom DeLay (R-Texas). Last summer, DeLay's leadership PAC, Americans for a Republican Majority (ARMPAC), contracted with Ramhurst to hire its operative Karl Gallant, a former lobbyist for the anti-union National Right to Work Committee and an old friend of DeLay's. ARMPAC named Gallant, who continues to work for Ramhurst, as its executive director. His hiring represents a kind of package deal: When DeLay does fundraising appearances around the country, Gallant can call on other Ramhurst operatives to help out.

Nor is this Gallant's first connection to top congressional Republicans. In the second half of 1994, Gallant had an outside consulting contract with Bob Dole's leadership PAC, Campaign America, advising the PAC on which GOP candidates to support in Pennsylvania and Ohio.

The Ramhurst-DeLay connection has already yielded dividends for both. In December, DeLay figured prominently among the 156 members of Congress who signed letters opposing FDA regulation of tobacco. Meanwhile, the tobacco money flowing into ARMPAC has helped DeLay become the most successful—and influential—fundraiser in the GOP Congress after

HOW BIG TOBACCO AND REPUBLICAN CONGRESSIONAL LEADERS HELP EACH OTHER GAIN POWER • BY PETER H. STONE

The Big Three House Majority Whip Tom DeLay *(center)* uses a tobacco-funded operative from a firm called Ramhurst Corp. to run his political fundraising organization. Ramhurst has also hired the son of Majority Leader Dick Armey *(right)* as a contractor. Last August, Speaker of the House Newt Gingrich *(left)* was feted at a "Salute to Newt" banquet that netted $100,000 apiece from the chairmen of Philip Morris, R.J. Reynolds, and Brown & Williamson.

Newt Gingrich. By doling out hundreds of thousands of dollars from ARMPAC to Republican candidates in need, DeLay has dramatically increased his clout with fellow Republicans.

Part of ARMPAC's power comes from its unique structure as both a federal and a state PAC. That flexibility has allowed RJR to direct huge corporate contributions in at least one state—Virginia—in an effort to gain political ground for tobacco interests in the state legislature. Last year, ARMPAC raised at least $175,000 from corporations in Virginia to support GOP candidates. A whopping $73,000 came from RJR, and Philip Morris also kicked in $10,000.

Virginia—in the heart of tobacco country—was not picked as a battleground by accident. Two PACs run by GOP leaders and some big business PACs invested heavily in the state's Republican challengers because the legislature, long under Democratic control, seemed as though it might be up for grabs and could become even more tobacco-friendly. ARMPAC gave $27,500 to 15 GOP candidates for the Virginia legislature and reported that it spent about $48,000 on fundraising expenses. (Only two of the 15 candidates backed by ARMPAC won seats, and the effort to take control of the legislature failed.)

This year, ARMPAC has already made contributions to GOP challengers in a few states, including California, Kentucky, and Tennessee, where the Republicans hope to gain more seats. To keep its coffers well stocked, DeLay held a big bash in Houston in January to honor Gingrich; the event pulled in about $280,000. Gallant and ARMPAC also plan to be active at the August GOP convention in San Diego.

Where else will ARMPAC be at work? Gallant declined to discuss his activities for Ramhurst with *Mother Jones*. Last year, he told the *National Journal* that ARMPAC will comply with all regulations about reporting donations in states that require it. But he made it clear that he is hardly going to provide information where the law doesn't mandate it. "Why give the enemy your blueprint for action?" he asked. "We're not going to unilaterally disarm."

OTHER FRIENDS IN CONGRESS

Like Gallant, other Ramhurst operatives have capitalized on the company's loose structure to develop ties to the top echelon of the GOP Congress:

PHOTO BY STEPHEN JAFFE/JB PICTURES

• Dole, besides having employed Gallant as a consultant, has long turned to grassroots specialist Tom Synhorst for campaign advice. Synhorst, who runs the Kansas City-based telemarketing company Direct Connect, is also one of Ramhurst's most important operatives. Direct Connect works for Ramhurst in several states, including Missouri, Iowa, Kansas, and Nebraska.

• Ramhurst's Gallant was retained to consult and raise funds for the campaign coffers of freshman Rep. John Shadegg (R-Ariz.). Shadegg's star rose last year when he became chairman of GOPAC, the powerful PAC formerly run by Speaker Newt Gingrich. (According to Common Cause, RJR has also aided GOPAC, with contributions of at least $50,000 in recent years.)

• For extra political cachet, Ramhurst last year signed on David Armey, the 20-something son of House Majority Leader Dick Armey (R-Texas), as an operative. "We're looking for new blood all the time," says Mike Phillips, RJR's director of field operations who oversees Ramhurst. "He's a sharp kid."

Thus far, Armey (who didn't return *Mother Jones'* phone calls) has worked on local issues in a few states, including Texas, Florida, and Montana, according to Phillips. One of his first battles was in Texas last spring, where he helped drum up support for an unsuccessful effort to overturn a local smoking ban in Wichita Falls (see "Texas," page 56).

"GRASSROOTS" CAMPAIGNS

In addition to creating close ties with GOP politicians, Ramhurst also has been artful at linking tobacco interests to other, more broad-based efforts. According to RJR's Phillips, as much as 75 percent of Ramhurst's work is at the state level. During 1994, for example, Ramhurst and RJR took part in the successful all-out assault by GOP, business, and conservative groups nationwide to kill the Clinton proposal that would have raised excise taxes 75 cents per pack to pay for health care reform.

"We held meetings with smokers and retailers," recalls Goodyear, Ramhurst's vice president. "We did town hall meetings with congressmen. We encouraged letters to members. I think that was one of our biggest accomplishments. Tobacco looked like it was going to take a big hit."

Ramhurst also maximized RJR's political leverage by working with powerful trade associations like the National Federation of Independent Business Inc., Washington's top small-business lobbying group. In the 1994 elections, NFIB retained Ramhurst to organize in about 14 congressional districts where NFIB hoped to elect GOP candidates.

Increasingly, Ramhurst is working with anti-tax groups, including Americans for Tax Reform, the National Taxpayers Union, and Citizens for a Sound Economy, says Goodyear. Last year, for example, Ramhurst helped derail a proposed New Jersey excise tax hike backed by Republican Gov. Christine Todd Whitman. Key to Ramhurst's success was forming alliances with groups opposed to taxes in general. "We try to reach out to like-minded people," says Goodyear. "Anti-tax groups are natural ones for us to reach out to."

Some of these groups, besides being ideological foes of tax hikes, have also been funded by the tobacco industry. Citizens for a Sound Economy (CSE), which led the New Jersey lobbying drive, received between $100,000 and $200,000 from Philip Morris in the early '90s. RJR also gave CSE an unknown amount of direct funds and provided the group with the use of its field operatives to fight the Clinton health plan. Similarly, the National Taxpayers Union, which has an annual budget of about $5 million, has received "significant" contributions from Philip Morris, according to director David Keating.

Ramhurst Corp. exemplifies the new kind of secret political organization employed by Big Tobacco, in this case RJR. Run by James Ellis and Doug Goodyear *(above)*, Ramhurst marries inside-the-Beltway influence-peddling to "grassroots" lobbying techniques in the states. It also channels funds and logistical support to state lobbyists and politicians working to overturn or pre-empt anti-smoking laws.

THE MOVE TO THE STATES

Though it has grown quickly, the Ramhurst operation still remains just one facet of Big Tobacco's multimillion-dollar-a-year jihad against government efforts to control tobacco. For Ramhurst and the tobacco industry, the stakes keep getting higher and the fights more intense. "The nature of the battle keeps changing," says Goodyear.

One of the most significant challenges the industry faces is the recent proliferation of local efforts to control tobacco. Victor Crawford, a former lobbyist for tobacco interests who became an anti-smoking advocate, summed up the problem in an interview early this year. "We started getting killed when the consumers started moving from the national level to the state and local levels," recalled Crawford, a longtime chain-smoker who died of lung and throat cancer in March. "We started getting a shellacking." □

Peter H. Stone covers lobbying and campaign finance issues for the National Journal.

For more resources, see **HotImedia** (page 87).

 PHOTO BY FRANK DOUGHERTY/*NEW YORK TIMES*

Fakin' It

INSIDE "SMOKERS' RIGHTS" GROUPS—BIG TOBACCO'S FIRST EFFORT TO SPEAK ON BEHALF OF THE PEOPLE

BY TED GUP

NOT LONG AGO, HE REPRESENTED R.J. REYNOLDS ON the front lines of its war against proposed smoking restrictions and taxes on tobacco products. Today he insists his name not be used, given all the threats he has received for championing the cause of the tobacco giant. Besides, he says, he signed a confidentiality statement.

Secrecy aside, his mission, he says, was to help assemble the nation of smokers into something that would pass for a grassroots movement capable of fending off regulation, excise taxes, and any other threat to RJR's bottom line. A "field coordinator," he was one of some two dozen assigned to hold the line in their respective regions of the country.

Each region, in fact, *had* a genuine popular uprising made up of legislators, physicians, consumers, parents—all decrying the death and disease wrought by cigarettes. RJR's response, far from merely providing information to a voluntary movement of smokers' rights advocates, sounds more like conscription. Sometimes he had to contact hundreds of smokers to field a ragtag army of 20 or 30 people for a smokers' rights meeting. He likens it to the old Marxist practice of party-building, one cell at a time.

"You try not to ever let your link be known," he says. "If your name never pops up in the paper, you're doing your job." The more the smokers' rights movement could be presented as a spontaneous grassroots movement independent of the tobacco industry and its obvious vested economic interests, the greater the movement's credibility and chances for success. For this, RJR paid him handsomely—more than $60,000 a year plus hefty bonuses. Not bad for part-time work.

But when he fought anti-tobacco measures directly, outright legislative victories were few and far between. Often he had to settle for delaying the opposition, putting up roadblocks in what seemed the inexorable advance of the forces arrayed against those who manufacture, sell, and use cigarettes.

THIS IS THE STORY OF SOME OF THOSE WHO, OVER THE LAST decade, helped RJR put in place an apparatus to help stem the erosion of tobacco's domestic market. (The movement was industrywide and still is. See the memo leaked to *Mother Jones*, page 57.) It began with the organization of smokers' rights groups. But then, sometime around 1990, the tobacco industry—and RJR in particular—began to change its focus, embracing the anti-tax movement. The rationale was clear: Smokers' rights had achieved only limited success, and the stigma of being associated with the tobacco industry was on the increase.

The stakes were obvious to all. "If you had a tax or a smoking restriction, the tax was always more important because it directly impacted how much money your company was making," said a former field coordinator. "In about the third year, there was an emphasis on coalition-building—anti-tax groups were a natural. You didn't have to defend your position on tobacco because a tax is a tax is a tax to these guys. They don't care what it is."

In the late 1980s, RJR had devised a formal plan to mobilize a smokers' rights movement, using a cadre of field coordinators. The plan called for bringing together political operatives from around the country—Republicans and Democrats alike—who were plugged into their party's machines, knew their way around computer mailing lists, and understood how to organize disparate entities into a significant force.

The roster of field coordinators, past and present, reads like a who's who of political operatives: Tom Synhorst, now helping to run the Dole campaign in several Midwest states; Bob Schuman, a senior Republican strategist in Southern California who acted as political director of Jack Kemp's '88 presidential campaign and more recently of millionaire Michael Huffington's unsuccessful Senate bid; Karl Gallant, head of Majority Whip Tom DeLay's political action committee, ARMPAC; Frank Bickford, a campaign coordinator for Bob Dole; Elizabeth Gallagher, a one-time party worker for Gary Hart, then deputy field director for Sen. Joseph Biden's '88 presidential campaign; Matthew Dowd, a leading Texas Democratic strategist; Bill Paschall, a Little Rock, Arkansas, consultant to Democratic campaigns; and Martin Mayfield, formerly with the National Right to Work Committee and a consultant to the National Republican Senatorial Committee.

The entire operation was supervised from Winston-Salem—RJR's headquarters in North Carolina—by RJR Vice President Thomas Griscom, the former White House communications adviser to President Ronald Reagan and a one-time aide to former Senate GOP leader Howard Baker. Soon, the company drew in a closely associated partner, Walt Klein & Associates, which moved from Colorado to Winston-Salem. Griscom and his lieutenants, working with the Walt Klein group, issued directives to the field coordinators, advising them how to respond to an ever-rising tide of resistance to cigarettes—local ordinances threatening to ban cigarettes from restaurants and other public places, federal excise and sin taxes, even a ban on smoking on domestic commercial flights.

In one 1989 memo, from RJR supervisor Tim Hyde to his field coordinators, the company spells out one of several concurrent strategies: "Our program will now target members of the House Ways & Means, Senate Finance, House Energy and Commerce, and Senate Commerce committees (in that order). Our primary objective, though by no means our only one, is to prepare ourselves to fight the various

proposed federal excise tax (FET) increases on cigarettes in the next year or so."

To organize the troops, RJR assembled smokers in rented meeting rooms. A field coordinator would personally conduct the meeting—at least in the initial stage—and would instruct them in the use of the thick red-white-and-blue notebook titled "Smokers' Rights Leadership Manual." The slick collection of strategies comes complete with sample letters to public officials and local editors, petitions, and agendas for subsequent meetings. It even features a script to use verbatim when phoning local officials.

But the recruits, known as "partisans" inside RJR, could be prickly and unsophisticated. For example, an internal RJR memo referred to a message left with the organization's communications center: "Helen S. is really angry that you haven't returned any of her calls about the three lighters you promised her a month ago. She also called you a Dickhead."

A hidden TV camera documents RJR operative Elizabeth Gallagher leading a "smokers' rights" group meeting, and telling the participants it is essential—for political reasons—that they not mention the group's association with RJR. ABC execs refused to air this tape (see page 63).

And then there is this less-than-respectful reference to those RJR was attempting to recruit: "We all realize that some of our activists are odd birds, some with poor memories and the like, some with an imperfect understanding of what is feasible, some just loons." So much for the revolution.

Equally difficult, report former field organizers, was the relentless grief they endured from anti-smokers. One particular incident has become well known among organizers. RJR had sent out letters to smokers throughout the area. Only a couple of dozen people showed up, less interested in mounting a political challenge than in filling their pockets with the cigarettes, ashtrays, lighters, and other freebies RJR had promised.

At the end of the meeting, the field organizer looked out across a room of empty chairs and saw a woman sitting in the back, clutching a shoe box. He approached her and asked her who she was. "I want you to know my mother got an invitation to this meeting," she said. "She died of lung cancer. I brought my mother to your meeting." She held out the shoe box, presumably containing the ashes of her mother.

Smokers' rights groups have given way to more effective—and more covert—coalitions with anti-tax groups.

AS TIME WENT ON AND A MASSIVE federal excise tax on tobacco loomed, RJR found a natural ally to help its field coordinators avoid such nastiness: the anti-tax movement. RJR could support the movement with company resources, yet not have its efforts undermined because of an association with tobacco. The tobacco industry embraced anti-tax activism—and largely shed its bipartisan mask, more fully aligning itself with the Republicans.

One former field coordinator recalls that he and his colleagues offered anti-tax groups RJR's full panoply of organizational assistance—faxes, sample letters to the editor, phone calling, computer lists, and so on. Field coordinators sought out anyone who might be opposed to taxes, ingratiating themselves with local chambers of commerce, heads of business, and political contributors. Internal RJR memos also hint that the attack on the proposed federal excise tax included a strategy to put the heat on legislators by having field coordinators work with RJR lobbyists.

In their zeal, RJR strategists even studied what happened to former Sen. Bob Packwood whenever he returned to his home state of Oregon. Under intense criticism for alleged sexual harassment, he would be followed at every stop by demonstrators with placards protesting his conduct and calling for his resignation.

Noting this, RJR conceived a plan to get the itineraries of various members of Congress who supported, or waffled on, proposed tax increases—particularly a cigarette excise tax—and to dog their every move with protesters carrying signs opposing any tax increase. To the untrained eye, it appeared to be a local protest, devoid of any connection to the tobacco industry. But in at least one instance, says a former field coordinator, the placards for a choreographed demonstration were literally FedExed from Winston-Salem.

These days, RJR still staffs smokers' rights 1-800 lines five days a week. An operator takes down information about emerging anti-smoking threats and forwards it to a field coordinator. But "coalition-building," once reserved for smokers' rights groups, now has become synonymous with organizing and contributing to the efforts of anti-tax groups.

Most of the RJR field representatives, while admitting their link to the tobacco company, privately acknowledge they're more effective if that relationship stays secret. "I usually don't get my name in the paper," says Bruce Hennes, a Cleveland-based consultant and field coordinator for RJR. One of the few remaining Democrats among the field operatives, he admits to getting ribbed by his Republican peers. "They call me baby-killer from time to time," he says.

Hennes ducks questions about the precise nature of his work. "You'd better put down that Hennes declined to comment any further," he laughs. But Hennes says he has no moral reservations about representing tobacco. "I realize there are enormous societal implications about doing business with any company that has these resources, whether it's tobacco or IBM. I'm not trivializing tobacco, but I'm very comfortable with it." □

Ted Gup's profile of America's top political contributor, Fred Lennon, appeared in the March/April 1996 issue of Mother Jones.

For more resources, see **Hot!media** (page 87).

Tobacco's current strategy: Use state politicians to pre-empt local smoking controls

For decades, Big Tobacco focused its political largesse on the U.S. Congress and the presidency. But by 1988, when California voters passed a tough anti-smoking law despite a $15 million campaign against it, the industry knew it needed a more sophisticated strategy. The solution: Fund front groups of consumers or retailers with no obvious ties to tobacco, and use them to push for state "pre-emption" laws.

Tobacco-backed pre-emption laws appear to be stringent anti-smoking measures. The catch is that these measures are weak and supersede any stronger local restrictions on tobacco.

Pre-emption laws generally succeed when voters believe them to be genuine anti-smoking efforts (as was the case in Maine, for example, where a bill recently passed without any mention of the tobacco industry's involvement); the laws usually fail when their connections to Big Tobacco are revealed (as in Minnesota, where a leaked memo exposed the role of the industry and turned the tide against its front group). In all, 28 states have now passed pre-emption laws.

The irony is that while the tobacco industry spouts "local control" rhetoric, it is cynically using front groups and statewide pre-emption laws to snuff out genuine grassroots initiatives to control smoking.

Colorado

ATTACKING "BIG GOVERNMENT" WORKS

In 1994, Colorado earned the dubious distinction of becoming the first state in which Big Tobacco successfully used subterfuge to win a statewide popular vote. Until then, the industry had relied on friendly legislators to derail anti-tobacco proposals.

Tobacco's success came in a battle with a coalition of state health groups that had introduced a referendum for a 50-cent cigarette tax. Early polls showed 72 percent of the public supported the tax. But the tobacco industry had a bold new strategy: It funded a front group to capitalize on the anti-tax, anti-government sentiment buoying right-wing politics and turned a tobacco tax battle into a referendum on "big government."

During the campaign, tobacco's front group, Citizens Against Tax Abuse and Government Waste, portrayed the ballot issue as a power grab by Colorado Department of Health "bureaucrats" who wanted to pad their salaries with the $132 million the new tax would generate. (Actually, the proposal designated half of the funds to health care for the poor and half to educational activities and medical research.) The ploy worked nonetheless. An onslaught of negative advertising turned public opinion around, and the proposal lost 62 to 38 percent.

While the tobacco industry avoided any obvious involvement in the battle, it was tobacco money that funded opposition to the measure. For example, on August 30, 1994, The Tobacco Institute deposited $2 million into the Denver Tri-State Bank account of the Colorado Executive Committee, headed by Colorado lobbyist Frank "Pancho" Hays (of Hays, Hays, and Wilson). The cash was then funneled into the coffers of Citizens Against Tax Abuse and Government Waste, also headed by Hays. From there, the tobacco money flowed to campaign experts, pollsters, advertising executives, direct mail company owners, lawyers, and public relations specialists. In all, the tobacco industry contributed $5 million to defeat the proposal.

Frank "Pancho" Hays (left) called his tobacco-funded front group "Citizens Against Tax Abuse and Government Waste."

The coalition of health groups that launched the initiative, by contrast, raised only $300,000. "The bottom line is that it was money, money, money," says Arnold Levinson, the coalition's campaign coordinator. Citizens Against Tax Abuse and Government Waste, he says, was pure camouflage: "There was not a single citizen in it. Every dime they had was tobacco money."

Hays says he never tried to hide his tobacco funding, but did choose the group's populist-sounding name because it "conveys the message we were trying to get across." Real anti-tax organizations, however, refused to have anything to do with Hays' efforts. "They are political prostitutes," says Douglas Bruce of the Taxpayer's Bill of Rights Committee.

Ironically, Hays' founding partner, James Wilson, died in 1993 from lung cancer. Hays, ever the professional, refuses to acknowledge the 67-year-old Wilson's smoking might have contributed to his death. —*Robert Dreyfuss*

PHOTO BY DEAN KRAKEL/*ROCKY MOUNTAIN NEWS*

THE WAR IN THE STATES

A win? Hiding behind retail groups and misleading laws. A loss? Getting caught doing it.

Burning Issues

- **GOOD** state restrictions on public smoking and/or kids' access to tobacco (through vending machines, etc.)
- **FAIR** state restrictions
- **POOR** state restrictions
- **EXCISE TAXES:** States where legislators are attempting to raise cigarette taxes to pay for health care, schools, etc.
- **PRE-EMPTION LAWS:** States where tobacco companies or allies are trying to replace tough local anti-smoking laws with misleading statewide pre-emption bills
- **LAWSUITS BY TOBACCO COMPANIES** attempting to stop states from suing them for Medicaid or other costs attributable to smoking
- **LAWSUITS BY STATE ATTORNEYS GENERAL** against tobacco companies in order to recover smoking-related Medicaid costs

Source: Coalition on Smoking OR Health; all data current as of April 1, 1996

California

A CROOKED DEAL WITH DOCTORS UNDERCUTS ANTI-SMOKING EDUCATION

The tobacco industry spent an unprecedented $25 million in California's 1993-94 election cycle. On paper, the investment appears to be an enormous loss: An industry-written pre-emption bill was nixed in the state Senate. The bill had previously passed in the state Assembly, shepherded by former California Assembly Speaker Willie Brown, now mayor of San Francisco. (Brown, a Democrat, may be the recipient of more tobacco money than any other politician in the country: $659,492 since 1980.)

Additionally, California voters crushed Proposition 188, a pre-emption initiative funded by the tobacco lobby. The voters turned it down by a 71 to 29 percent margin.

But the tobacco industry won some subtle victories, too. For instance, tobacco companies were the primary contributors during the 1994 election in which the GOP gained a majority in the Assembly for the first time in 24 years. More importantly, tobacco won a behind-the-scenes campaign to divert money away from state-sponsored anti-smoking ads by forming a startling alliance with the California Medical Association.

In 1988, California passed a 25-cent-per-pack cigarette tax, with some of the proceeds going to an anti-smoking advertising campaign. Dr. Stanton A. Glantz, a professor at the University of California San Francisco School of Medicine, estimated in a 1995 report that the campaign lowered cigarette sales by 1.57 billion packs of cigarettes, or roughly $2.14 billion in profits. "It's what hits them hardest," Glantz says.

But between 1994 and 1996, tobacco lobbyists worked with the California Medical Association to divert an annual $73 million from the anti-smoking ad campaign to low-income health care programs. Essentially, tobacco is using the state's underfunded health care programs as a cover for gutting a successful campaign to prevent people from smoking.

"It's politics at its worst," says Mary Adams, chief lobbyist for California's American Heart Association chapter, one of the groups suing to have the money returned to the anti-smoking campaign. They've won twice in the state's Superior Court, but the rulings are currently under appeal. —*Kerry Lauerman*

Texas

A NEWSPAPER SMELLS SMOKE

In 1995, the tobacco industry lost a big public battle with the Texas legislature. Gov. George Bush Jr. vetoed a pre-emption law that would have prohibited communities from drafting their own tough tobacco laws and would have repealed existing local restrictions on cigarette vending machines.

But tobacco also lost smaller, less noticed battles. Last year, after Wichita Falls (population 97,766) passed a smoking ordinance that banned the countertop display of cigarettes, a group calling itself Citizens Against Government Interference sent direct mail letters asking residents to vote for repeal. During the week of the vote, the city's paper, the *Times Record News*, reported that Ramhurst Corp., a company R.J. Reynolds uses to mobilize grassroots groups, provided the mailing list

 MAP BY PHILIP KRAYNA; PHOTO BY JODY DOLE/IMAGE BANK

for the group's mass mailings (see "The Nicotine Network," page 50). It also reported that Walt Klein & Associates, RJR's public relations firm, had bought several radio ads for the anti-tax group. After these revelations about the anti-tax group's links with the tobacco industry, voters rallied behind the smoking ordinance. It remained intact. —*Jeanne Brokaw*

Minnesota

THE SPONSORS OF A PRE-EMPTION BILL ARE FLUSHED OUT

In January, a bill that would fine stores for selling tobacco to minors was heavily endorsed by the Minnesota Coalition of Responsible Retailers—a group made up of the very stores that could face fines. It went virtually unnoticed that the bill offered only mild slaps on the wrist to retailers, and was in fact a pre-emption bill that wiped out local tobacco restrictions.

But in late February, the real backers of the bill were exposed when a memo from the Minnesota Coalition of Responsible Retailers' lobbyist, Thomas Briant, to Philip Morris, R.J. Reynolds, and other tobacco concerns was leaked (see illustration at right). The memo described Briant's efforts to delay local tobacco ordinances until the pre-emption bill passed. For example, in tiny Delano (population 3,065), Briant reported he "wrote retailers to urge them to attend a city council meeting...and oppose a self-service display ban."

State Rep. Matt Entenza (D-St. Paul) says people "were horrified to learn the coalition was one of the primary front groups [of the tobacco industry]." The bill's sponsor removed it from the floor. Nancy Christensen, executive director of the Minnesota Grocers Association and a member of the coalition, claims the "tobacco industry doesn't dictate" what the grocers do. But she admits the group often can't afford Briant's services, and "the tobacco industry helps pay." —*Rachel Burstein*

Michigan

LOCAL LAWS EXTINGUISHED BEHIND VOTERS' BACKS

Michigan's 1994 Proposal A was an initiative to help fund state schools by using a 50-cent cigarette tax. It was vehemently opposed by the Michigan Citizens for Fair Taxes, which promoted itself as an unlikely coalition of citizens, teachers, trade unions, and tobacco companies. "It was a strange bedfellows type of thing," says Richard Flynn, a schoolteacher in Sterling Heights.

In fact, Citizens for Fair Taxes wasn't much of a coalition: According to campaign reports, $3.4 million of the supposedly broad-based coalition's $5 million budget came from tobacco.

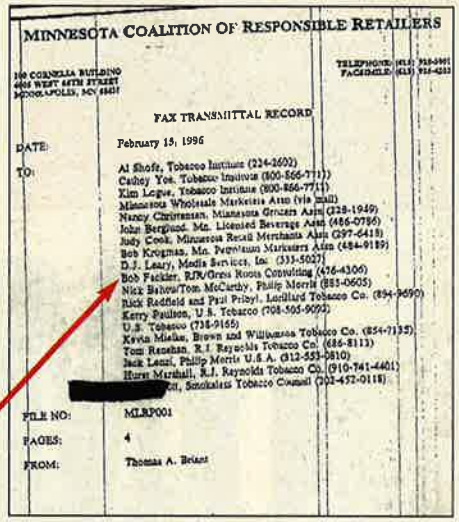
The tobacco tax passed 69 to 31 percent, largely because the alternative would have been increased income taxes. Still, the tobacco lobby may have had the last laugh. Quietly inserted into Proposal A was a pre-emption clause that prohibits communities from enacting their own restrictions on smoking or tobacco sales—a clause that anti-tobacco groups have spent two years trying to repeal. —*Jeanne Brokaw*

Maine

BACKED BY GROCERS, THE PRE-EMPTION STRATEGY PAYS OFF

Last fall, the Maine Grocers Association promised to support a state bill requiring stores to obtain tobacco licenses—on the condition that the legislators tack on a pre-emption law overriding any local regulations on tobacco displays, product placement, or time of tobacco sale. Buoyed by the grocers' backing, the bill passed in February without any mention of influence exerted by the tobacco industry.

THE BRIANT FAX
The list of names in this fax indicates the tobacco companies plan their phony grassroots efforts in concert with each other. The "status report" is being sent by lobbyist Thomas Briant to the Minnesota Coalition of Responsible Retailers—in reality a who's who of tobacco operatives, including Bob Fackler, listed as a "grassroots consultant" to R.J. Reynolds.



MINNESOTA COALITION OF RESPONSIBLE RETAILERS

FAX TRANSMITTAL RECORD

DATE: February 15, 1996

TO:
Al Shoft, Tobacco Institute (224-2602)
Cathy Yee, Tobacco Institute (800-866-7711)
Kim Logue, Tobacco Institute (800-866-7711)
Minnesota Wholesale Marketers Assn (via mail)
Nancy Christensen, Minnesota Grocers Assn (228-1949)
John Berglund, Mn. Licensed Beverage Assn (486-0786)
Judy Cook, Minnesota Retail Merchants Assn (297-6418)
Bob Krogman, Mn. Petroleum Marketers Assn (484-9189)
D.J. Leary, Media Services, Inc. (333-5027)
Bob Fackler, RJR/Grass Roots Consulting (476-4306)
Nick Balmer/Tom McCarthy, Philip Morris (885-0605)
Rick Redfield and Paul Pribyl, Lorillard Tobacco Co. (894-3690)
Kerry Paulson, U.S. Tobacco (708-505-9092)
U.S. Tobacco (738-9165)
Kevin Mielke, Brown and Williamson Tobacco Co. (854-7135)
Tom Reneker, R.J. Reynolds Tobacco Co. (686-8113)
Jack Lenzi, Philip Morris U.S.A. (312-553-5810)
Hurst Marshall, R.J. Reynolds Tobacco Co. (910-741-4601)
[redacted], Smokeless Tobacco Council (202-457-0118)

FILE NO: MLRP001

PAGES: 4

FROM: Thomas A. Briant

Meanwhile, Gov. Angus King, who had opposed the bill, was pressuring legislators to kill it. But an inside source told *Mother Jones* that the association receives heavy funding from tobacco companies. When confronted, Executive Director Ellie Bickmore admitted that tobacco companies contribute to the association's education fund, although she would not specify how much. She did acknowledge that Philip Morris had spent $10,000 in 1995 to participate in the association's convention, trade show, golf tournament, and legislative reception. And one tobacco company—she wouldn't say which—sponsored a convention cocktail party at the Samoset Resort. (The resort's banquet director estimates it cost about $4,200.)

Bickmore insists the tobacco money in no way affects the association's agenda. "Our goal is to promote and protect retailers in this state," she says. "We are not going to be used as a front group for any industry." —*Rachel Burstein*

Vermont

PHILIP MORRIS HIDES BEHIND THE FAMILY GROCER

After Gov. Howard Dean announced plans to expand Medicaid by raising the cigarette tax 24 cents, the Vermont Grocers' Association ran a series of ads in local newspapers. One, showing a three-wheeled shopping cart holding packages with "hospital sales tax," "lost jobs," and "tobacco tax" written on the sides, carried the headline: "Vermont—The Welfare State. Here They Go Again! Taxes, Taxes, Taxes."

None of the ads mentioned Philip Morris. Yet grocers say that is who organized them. "They came around with anti-tax petitions drawn up for us," says Susan Holley, assistant manager at the Smoker's Den and Discount Beverage Center in Bennington. She says grocers opposed the measure because they feared losing business to other states with lower taxes.

Nevertheless, Gov. Dean's bill passed. State Rep. Ann Seibert (D-Norwich), the bill's most ardent sponsor, says local newspapers swayed public opinion by revealing tobacco's behind-the-scenes role. "Vermonters very much resent the notion that anyone can come in and buy them," she says. —*Jeanne Brokaw*

SIN OF OMISSION

How long can religious conservatives go on about protecting kids from dangerous drugs without saying anything about smoking?

By William Saletan

SEVERAL YEARS AGO, FOREST JONES, THE youth minister at the First Assembly of God in Raleigh, North Carolina, joined a local campaign against teen smoking. He counseled his young flock about the temptations of tobacco, enlisting the teens to lobby local merchants to stop selling cigarettes to kids. "The tobacco industry started taking note," Jones recalls. Soon afterward, when he moved to a church five counties away, Jones got a creepy phone call from the local officer of a tobacco company. "It was somebody in management," the minister remembers. "He wanted to know if I was here to pastor, or was I going to start any trouble?"

Similar questions confront a growing number of conservative Christian clergy and political activists as they grapple with the contradiction between their beliefs about the sanctity of life and the Christian right's conspicuous silence about the tobacco industry. Successive revelations about smoking-induced death and disease, the marketing of cigarettes to children, and the manipulation of nicotine to encourage addiction are gradually reducing cigarette purveyors from the status of honest businesspeople to that of pushers, pimps, and pornographers. Yet the industry provides the Christian right with a vast grassroots base and a staunch Republican ally. Will religious conservatives continue to accept tobacco's support in exchange for their silence? Or will they start making trouble?

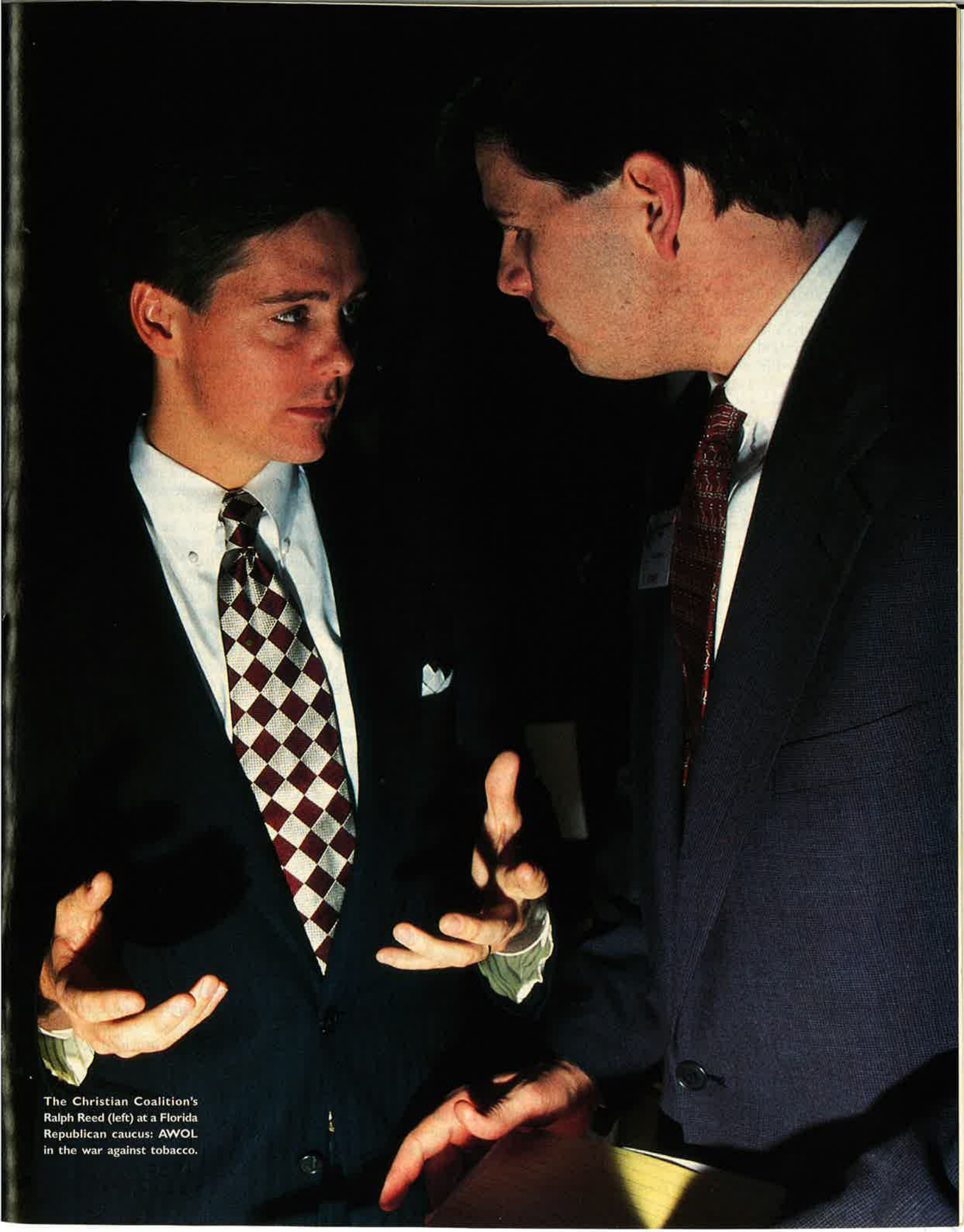
HYPOCRISY ON THE RIGHT

Ordinarily, the religious right doesn't hesitate to support federal regulation of substances it considers harmful. The conservative lobby Concerned Women for America teaches that "protecting its citizens from drug trafficking is part of the responsibility of the federal government." In regard to pornography, the Family Research Council notes, "Society has long embraced the principle that those who peddle harmful material have the obligation to keep the material from children." Pro-lifers routinely demand an end to federal subsidies of abortion services abroad, calling it an export of death. The American Life League argues that the Food and Drug Administration should restrict RU486, the French abortion pill, because "this chemical effectively kills children who live in the womb and is not safe for the mother, according to many scientific reports."

It's hard to see how groups that say such things can remain silent about tobacco. Protecting kids? Tobacco purveyors hook 3,000 American children *every day*. Exporting death? More Colombians die annually from American cigarettes than Americans die from Colombian cocaine. Saving unborn life? Smoking may cause more than 100,000 miscarriages in the United States every year (see sidebar, page 61).

Liberal and moderate religious denominations, led by the Interfaith Center on Corporate Responsibility and the Interreligious Coalition on Smoking OR Health, have begun to speak out against tobacco, as have the conservative National Association of Evangelicals and a handful of Mormons and pro-life Catholics in Congress. But the vast majority of the religious right is AWOL in the war against tobacco.

"We don't take any positions on the tobacco and smoking industry," says Christian Coalition spokesperson Monica Hildebrandt. The Family Research Council's assistant press secretary, Kristin Hansen, deflects questions



The Christian Coalition's Ralph Reed (left) at a Florida Republican caucus: AWOL in the war against tobacco.

about tobacco by arguing that premarital sex is the real root of teenagers' problems. Similarly, Christine O'Donnell of Concerned Women for America suggests tobacco restrictions are "putting the cart before the horse. Right now, they are trying to ram sex education down kids' throats; they are trying to ram other kinds of unhealthy things down kids' throats. We need to address those things first."

(Left) The Rev. Patrick Mahoney criticizes the "pro-life, pro-family movement" for being "tragically silent" about smoking.

How long can religious conservatives go on about "unhealthy things down kids' throats" without mentioning cigarettes? The Rev. Patrick Mahoney, executive director of the pro-life Christian Defense Coalition, finds the oversight curious. "The pro-family, pro-life movement has been tragically silent on the whole issue of tobacco," says Mahoney. "You don't hear it from the Christian Coalition, you don't hear it in the 'Contract With the American Family,' you don't hear it from the National Right to Life Committee.... It's very disappointing that larger groups, people like Pat Robertson or Ralph Reed or others, have not been more forceful and articulate in addressing this issue."

While Pat Robertson (above) speaks against smoking, his political strategist, Ralph Reed, openly criticizes anti-smoking efforts.

WHERE ARE REED AND ROBERTSON?

Tobacco-control activists were crestfallen when the November 1994 Republican landslide put the brakes on legislative efforts to control tobacco. But Scott Ballin, former chairman of the Coalition on Smoking OR Health, saw an opportunity. "I went through the 'Contract With America' and looked at the underlying themes," he explains. "Many of the religious right groups were involved in shaping that document. And a lot of what was in there was focused on children, ethics, and families."

So in December 1994, Ballin began writing letters to Christian Coalition Executive Director Ralph Reed and Coalition founder Pat Robertson, soliciting their help in the tobacco-control movement. "I went through the [Contract's] sections on families and pornography and ethics and children and used the same terminology," says Ballin. He also appealed to Reed and Robertson's pro-life views, enclosing a study and a surgeon general's report that linked smoking to fetal damage and miscarriages.

Over several months of correspondence, Ballin noticed a discrepancy between Reed and Robertson. Reed, who runs the Christian Coalition on a day-to-day basis, failed to acknowledge letters or sent back noncommittal responses. By contrast, Robertson, who had spoken out against tobacco in the past (he had even been docked on a religious right scorecard in 1988 for supporting a tax hike on liquor and cigarettes), replied promptly and effusively: "I totally concur on your splendid effort to reduce smoking. The Christian Broadcasting Network [Robertson's television ministry] has repeatedly broadcast programs highlighting the dangers of smoking, and we will indeed do more as materials are made available to us."

But despite his supportive words, Robertson made no visible effort to bring the Christian Coalition's political muscle into the fight against tobacco. In the bimonthly magazine column through which he speaks to Coalition members, he has commented only once on Clinton's order to entrust the FDA with tobacco regulation, calling it the latest in "a dangerous trend" of executive overreaching.

When Ballin created the "Contract for the Protection of America's Families and Children From Tobacco Use," which mimicked the language of the "Contract With the American Family," Robertson signed it but skipped the August 1995 press conference at which anti-smoking groups unveiled it. (Aides explained that he was too busy.) He also declined to sign a statement released at the press conference.

Reed, meanwhile, openly criticizes tobacco-control efforts. Last August, he dismissed President Clinton's "tobacco crusade" as a political stunt and gloated that it had "created a lot of problems" for Democrats in Kentucky. Two weeks later, in his address to the Christian Coalition's annual convention, Reed derided Clinton for preaching against "the dangers of tobacco" after having "gutted the drug czar's office."

Why has Reed resisted confronting tobacco? And why doesn't Robertson overrule Reed, as he reportedly did two years ago when Reed strayed from Robertson's anti-NAFTA position? The answer may be that Reed's motives and responsibilities differ from Robertson's. Robertson is a minister and broadcaster, accustomed to speaking his mind freely. Reed, however, is primarily a political strategist, who wants to avoid the mistake he attributes to Clinton: supporting tobacco regulations that create "problems" for those in his own party. In this case, Robertson evidently won't—or can't—overrule Reed.

Reed's stance is reflected in the Christian Coalition's grassroots. "I haven't gotten any calls from county leaders or the field [saying] we've got to do something," reports Phil Crowson, the Coalition's North Carolina field director. "Our big issues are more saving unborn lives and reducing the amount of illegal pornography." But when asked about the thousands of unborn lives extinguished each year by smoking-induced miscarriages, Crowson expresses genuine shock. He's never been told about the research on miscarriages, which Ballin provided to Reed and Robertson a year before.

A CONSPICUOUS SILENCE

If Reed and the Christian Coalition were serious about putting their muscle behind Robertson's words, they'd start by adding tobacco to the Coalition's "Congressional Scorecard," which

 PHOTOS BY PATSY LYNCH (TOP); CLAUDIO VAZQUEZ/OUTLINE

implicitly tells conservative churchgoers which candidates to support. The Coalition distributed 40 million copies of the scorecard in 1994. While penalizing lawmakers who permit the distribution of condoms and pornography to kids, the scorecard overlooks those who permit the similar purveyance of cigarettes.

On his cable TV show, Robertson has wondered aloud how his "dear friend," Sen. Jesse Helms (R-N.C.), can simultaneously be a leading tobacco apologist. Yet again Robertson fails to back up his words with the muscle of the Christian Coalition. On the Coalition's 1994 Senate scorecard, Helms gets a perfect grade, while Bob Bennett (R-Utah), a consistent supporter of measures to keep cigarettes away from kids, is docked for ratifying the appointment of a Clinton nominee who happened to be a lesbian.

Donald Wildmon's American Family Association, which speaks for hundreds of thousands of conservative Christians and is the darling of Pat Buchanan, also omits tobacco from its agenda. In monthly reports that target corporations for boycotts or lobbying campaigns, the AFA often criticizes Philip Morris for sponsoring TV shows (e.g., "Frasier") which "[present] homosexuality as a normal, acceptable, alternative lifestyle." But when it comes to Philip Morris' presentation of *smoking* as a normal lifestyle, the AFA says nothing. In fact, a 1994 listing of Philip Morris products to be boycotted suggested Jell-O, Kool-Aid, and Cool Whip, conspicuously ignoring the company's 28 cigarette brands. (When the AFA has included tobacco products on its boycott list of Philip Morris and RJR Nabisco products, it's done so not because the companies' cigarette ads promote smoking, but because the ads appear in porn magazines.)

Former drug czar Bill Bennett, the country's leading moral lecturer, seems to share the AFA's blind spot. In a television ad aired last December, Bennett called on "companies and

Smoking and the Unborn

"It's hypocrisy," says one pro-life activist about the right's silence on smoking and pregnancy. "What are you going to stand for? Tobacco growers or the sanctity of life?"

RELIGIOUS CONSERVATIVES WHO CONDEMN abortion face a glaring contradiction: Most refuse to speak out against the dangers tobacco poses to pregnancy.

In April 1995, the *Journal of Family Practice* published a study on the effects of smoking during pregnancy. Drawing upon dozens of previous studies, the authors estimated that not only does smoking dramatically increase the chances of low birth weight and sudden infant death syndrome, but it also causes between 19,000 and 141,000 "spontaneous abortions," or miscarriages, with a "best estimate" of about 115,000 of them per year.

ABC News asked a number of pro-life lawmakers to comment on the tobacco-abortion story. When they refused, the Rev. Patrick Mahoney, executive director of the pro-life Christian Defense Coalition, blasted them on the air. "It's hypocrisy," said Mahoney, who lost his mother, a heavy smoker, to cancer. "Those of us in the pro-life movement need to call them out on that and say, 'What are you going to stand for? Tobacco growers or the sanctity of life?' "

Nearly a year later, after lobbying six major pro-life groups to take on tobacco, Mahoney says he's gotten "nowhere." He ticks off the excuses he's heard: "That's not our issue.... We're so involved right now with A, B, C, and D....We'll take a look and see." In short, he says, "Your common, polite blow-off."

A number of activists Mahoney confronted pleaded that the FDA shouldn't be entrusted with the regulation of tobacco. Mahoney reminded them that they had recently endorsed a petition demanding tight FDA restrictions on RU486, the French abortion pill. "Pro-life people are already on record asking the FDA to intervene to protect unborn children from a drug," he notes. "So why not tobacco?"

Mahoney also finds it curious that while his colleagues show little interest in smoking-induced miscarriages, they are preoccupied with legislation to outlaw late-term "partial-birth" abortions. "The partial-birth bill...would only save 1,000 lives a year," observes Mahoney, whereas targeting tobacco's effect on pregnancy "could save 100,000 lives a year."

Pro-choice activists are leery of incorporating pro-lifers into the tobacco-control movement. "Their agenda has been to deny women control of their own bodies," warns Lynn Paltrow of the Center for Reproductive Law & Policy. "Given that history, the anti-abortion movement is likely not to hold the industry accountable, but to blame individual women." But Bill Godshall, the pro-choice executive director of SmokeFree Pennsylvania, sees common ground. "Shouldn't pro-choice people be concerned about the *wanted* babies that are being hurt by tobacco smoke?" he asks. "This is a pro-choice *and* a pro-life issue." —*W.S.*

products...like Philip Morris" to stop sponsoring "cultural rot" on prurient daytime talk shows. As to the more lethal rot caused by Philip Morris' own products, Bennett said nothing. And while the Interfaith Center on Corporate Responsibility lobbies Time Warner to restrict the cigarette ads in its youth-oriented magazines, Bennett has confined his campaign against Time Warner to the more figurative pollution spread by its violent gangsta rap music.

WHY THE RIGHT NEEDS TOBACCO

Why are these activists silent about tobacco? One reason is party politics. Several Christian right leaders, when pressed by Patrick Mahoney, have conveyed discomfort about embracing a cause so loudly championed by liberals. "This is something that the president supports, and he could use it to manipulate us," one activist warned Mahoney. Taking on tobacco would also stir up trouble with pro-tobacco Republican allies in Congress. Christian right activists "don't want to offend people," scoffs Mahoney.

It would also create problems with key party donors. In the 1993-94 election cycle, for example, tobacco companies gave $259,027 to the National Republican Senatorial Committee, which in turn reportedly gave $175,000 to the National Right to Life political action committee. "While I don't think R.J. Reynolds is giving money to Focus on the Family or anybody," says Richard Cizik, a policy analyst at the National Association of Evangelicals, "there is enough tobacco money floating around that it's probably inhibited some groups from speaking out."

The principal channels through which tobacco money flows into church-based organizations are too small and numerous to trace. Conservative Christian lobbies and denominations get much of their support from Southern communities that rely heavily on the tobacco economy. After Clinton announced his FDA proposal last year, even liberal denominations were barraged with angry phone calls from members whose livelihoods depended on tobacco. "If the tobacco income was no longer donated to the church, many churches would completely go under," says Steve Sumerel, the director of the North Carolina Baptist State Convention's substance abuse and family life division. "The Baptist pastors out there know that. Why pick on an issue where you know you're going to lose your job?"

THE COMING BATTLE

If conservative Christians found the courage to take on tobacco, a number of politicians up for re-election this year might lose *their* jobs—including several politicians who pose as champions of human life and family values while taking tobacco money and opposing tobacco restrictions.

Rep. Thomas J. Bliley Jr. (R-Va.), the head of the House Commerce Committee who has led the charge against the FDA's regulation of tobacco, is particularly compromised. A year ago, while pro-life supporters were releasing a petition he signed demanding strict FDA scrutiny of the abortion-inducing drug RU486, pro-business advocates at a press conference next door were pushing forward his goal to gut the FDA.

Taking on tobacco would stir up trouble with Christian right allies in Congress, such as Jesse Helms. It would also cause grassroots problems in tobacco states.

Still, when it comes to irony, no one can touch Helms. While denouncing homosexuality as a threat to public health, he has staunchly defended tobacco. His office even seems to help the tobacco industry keep an eye on pro-life groups. In a memo published last December by the *Washington Post*, a Philip Morris lobbyist informed his superiors during the 1989 search for a new surgeon general that "the pro-life community has coalesced around a Massachusetts physician who has assured Sen. Helms she has no strong anti-tobacco bias."

At least one pro-life activist, the Rev. Patrick Mahoney, is outraged at Helms and his collaborators. "Why major pro-family, pro-life organizations have not put more pressure on Sen. Helms is just beyond me," says Mahoney. "It's obvious that Sen. Helms is more concerned about contributions from Philip Morris than standing for the dignity of human life."

Helms, Bliley, and others may find themselves in a fix this year. Bill Clinton seems intent on making teenage smoking a family values issue in the presidential election. Ironically, he can thank Bob Dole for turning corporate corruption of children into a hot political topic. A year ago, in his now-famous jeremiad against Hollywood, Dole challenged Time Warner executives: "Must you debase our nation and threaten our children for the sake of corporate profits?"

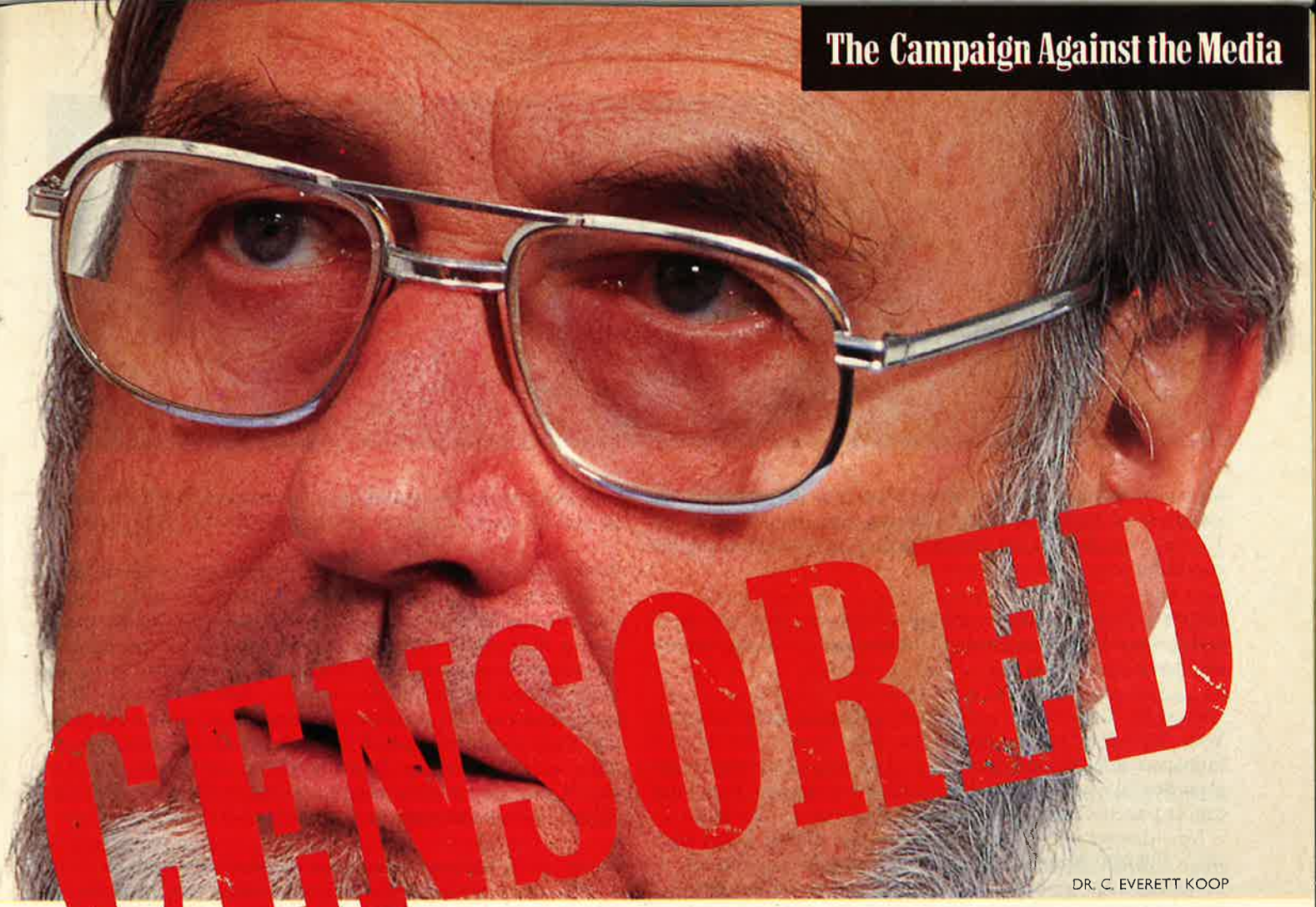
Several weeks later, a coalition of Republican doctors and scientists called on Speaker Newt Gingrich to "step up to the bully pulpit, as Sen. Bob Dole did concerning Hollywood violence, and denounce tobacco advertising...when it obviously targets children." Gingrich (who only weeks before had attended a tobacco-sponsored "Salute to Newt" that netted him $100,000 each from the chairmen of Philip Morris, R.J. Reynolds, and Brown & Williamson) ignored the challenge, but within days, Clinton took it up.

On August 9, Clinton chose a religious setting to announce that the government intended to restrict tobacco through the FDA. Speaking to the Progressive National Baptist Convention in Charlotte, North Carolina, Clinton preached against smoking, drugs, violence, and teen pregnancy, calling them the four "deadly sins" that "are threatening our children." And in this year's State of the Union address, Clinton called on the tobacco industry as well as the entertainment industry to stop corrupting children.

Are Dole, Gingrich, and other conservatives who champion the protection of kids from smut and drug peddlers ready to kick the habit of taking tobacco money and shielding its purveyors? A few months ago, when Bill Bennett blasted Philip Morris for sponsoring trash TV, he conceded to the *Washington Post* that such companies "have been friendly to the Republican Party. Too bad. You've got to go after your friends. It's not just grungy records and horrible shows. Corporate America has a big responsibility here."

The emerging debate over tobacco and family values will tell us whether conservatives like Bennett are serious, or just blowing smoke. □

William Saletan is a contributing writer to Mother Jones. *He profiled Bob Dole in the February 1996 issue.*



DR. C. EVERETT KOOP

We publish a transcript of "Tobacco Under Fire," the provocative TV documentary ABC chose not to let you see.

MEREDITH VIEIRA

WHAT YOU ARE ABOUT TO READ WAS KILLED—TWICE. FIRST, IN MARCH 1994, ABC EXECUTIVES shelved "Tobacco Under Fire," a documentary for the show "Turning Point," the same day Philip Morris lawyers filed a lawsuit against the network regarding an earlier exposé on nicotine in cigarettes.

Next, this documentary was smothered with cover-your-butt statements by the same ABC execs. They claimed, for example, that its Emmy-award-winning producers, Martin and Frank Koughan, refused to allow the program to be edited to a shorter length. In fact, ABC owns the tape and could air any part of it on any show *tonight*. In a final insult to the producers, reporters, viewers—everyone, really—ABC Executive Vice President Paul Friedman called the tape a "boring" rehash.

We disagree. The documentary serves as a good introduction to the tobacco wars. In the past two years, whistleblowers have confirmed much of the information on the tape. And at least one newsbreak has yet to be aired: Former Surgeon General C. Everett Koop reveals his disgust after learning of a memo from President Reagan to R.J. Reynolds promising the tobacco industry freedom from any trouble on his watch. Koop explains how Reagan's trade representatives threatened tariffs in order to open Asian markets to American cigarettes. Even now, most Americans don't know our government helps push Marlboros on the Chinese, Japanese, and Vietnamese.

"Tobacco Under Fire" was one of the early battlegrounds in the war between brave journalists and compromised network execs. By printing the following excerpts from the leaked tape, do you think we've taken sides?

PHOTO OF KOOP BY DENNIS BRACK/BLACKSTAR

John Rosano, who runs a dozen vans for the "Marlboro Adventure Team," is caught on hidden camera: "You're trying to con the young smokers to switch to Marlboro. You know what I mean?"

MEREDITH VIEIRA, NARRATOR: Janice Dupree is 36 years old; she suffers from kidney and heart disease. She first lit up at age 13, and even though her doctors say cigarettes are making her condition worse, she still smokes.

DUPREE: They said this was good and that it's OK if you do it; and it was a lie. It's no good, it's poison, and you'll die eventually if you keep doing it.

NARRATOR: Memorial Sloan-Kettering Cancer Hospital, New York. It's full of people like Janice who bought the tobacco industry's line. For many it's their last stop as a smoker. Yet even here the addiction is greater than the disease. Every day cancer patients make their way outside for a nicotine fix.

Now that we know that smoking-related disease killed more than 400,000 Americans last year, the tobacco industry is under fire as never before, and it's fighting for its life, too. For the cigarette companies to survive, they must replace those smokers who quit or die. So the recruitment never stops.

Richard Schraeder, a consumer activist, has studied the marketing techniques of the tobacco industry.

SCHRAEDER: Ninety percent of all smokers begin smoking before the age of 18.... The new smoker is a kid...and those kids are the targets of the most sophisticated and the most manipulative advertising campaign we've seen by a corporation—the tobacco industry. They used all the symbols and all the codes that really matter and push the buttons of the constituency they are trying to get. In this case it's teenage kids.

NARRATOR: Schraeder led a successful fight in New York City to pass the toughest law in the nation, designed to keep kids out of Marlboro Country—and with good reason. Two thousand New Yorkers die every year from violent crimes, but smoking kills 14,000. The new law also forced cigarette ads from city property, like phone booths. But that didn't stop Joe Camel; his face adorns private property all over the city.

SCHRAEDER: They use this camel on a surfboard; they use the camel shooting pool; they use the camel listening to rock music.... It's been profoundly successful.

NARRATOR: But when R.J. Reynolds Tobacco was first accused of targeting children with Joe Camel, spokesman Tom Griscom denied it.

GRISCOM: Our market is not kids; our market is trying to reach 35 million smokers who smoke another brand.

NARRATOR: The emergence of old Joe as a cult figure has been a bonanza for R.J. Reynolds Tobacco. Industry observers say that success is forcing the nation's largest cigarette company, Philip Morris, to defend the number one brand among teenagers: Marlboro. The "Marlboro Adventure Team" is Philip Morris' answer to Joe Camel—a fleet of Marlboro vans from coast to coast, driven by young, enthusiastic workers. The vans are chock-full of free gifts, from baseball caps to camping gear—free, that is, if you buy enough Marlboros. It is one of the most expensive promotions in the history of the industry—by some estimates more than $300 million.

NARRATOR: To find out more about the Marlboro team we went to this diner, with a hidden camera, for a job interview to drive one of the vans. John Rosano runs a dozen Marlboro vans in the Brooklyn area.

ROSANO: You're dealing within, like pretty good local neighborhoods, in family-type neighborhoods, you know, and you're trying to con the young smokers to switch to Marlboro. You know what I mean?

NARRATOR: Elizabeth Gallagher is a lobbyist for R.J.R. Tobacco. Across the country, smokers' rights organizing sessions, like this one, are being paid for by tobacco companies. "Turning Point" had to use a hidden camera because the media is not invited.

GALLAGHER: The EPA just came out with a recommendation that you shouldn't smoke in your house. I mean what's left? They're now telling you you can't smoke in your house.

NARRATOR: These meetings are designed to encourage individual smokers to speak out for tobacco interests. They preach about the civil rights of smokers. But the sign outside the room confirms whose interests are really at stake. *[Cut to sign that reads "R.J.R. Business Seminar."]*

GALLAGHER: A politician will not listen to you if they think all you are is a mouthpiece for the tobacco companies. Your only prayer is being independent, appearing independent, and for that reason, we don't get directly involved with organizing you guys.

Ann Northup, Kentucky legislator: "Tobacco companies get something they really need from Kentucky besides Kentucky burley. They get 60,000 family farmers to influence Congress."

NARRATOR: Jack [Anderson] started smoking in the Navy with the help of the U.S. government.

ANDERSON: They were made available to us at 6 cents a package. How could you miss? For cheap entertainment for them, under the guise of providing something for the lonely GI, was kind of a nice gesture for them. Right? But, you know, it's ironic that they were selling death so cheap.

NARRATOR: Back in World War I, before anyone knew about the dangers of smoking, cigarettes were distributed to every doughboy. To reduce the stress on the boys in the trenches, Gen. Pershing demanded priority shipment of cartons to the front. When the war ended, there was an epidemic in the making. Cigarette consumption among men rose over 600 percent.

By World War II, cigarettes were accepted as a critical part of GI Joe's gear. After the war, cigarette smoking steadily increased until 1964. That's when Surgeon General Dr. Luther Terry announced the results of his exhaustive study of the health effects of smoking.

It's been 30 years since Surgeon General Terry began his campaign to warn children about the dangers of smoking. How ambitious an effort has it been? Well, last year Congress spent $1 million on an anti-smoking media campaign. Tobacco companies spent $4 billion on promotion.

Why didn't the surgeon general just crack down on cigarettes in 1964? The reason is simple: The surgeon general doesn't control national health policy, Congress does. Astonishingly, to this very day, Congress has never given authority to any federal health agency to regulate the sale or use of the nation's number one health hazard.

[Greg] Connolly runs the Massachusetts Tobacco Control Program.

CONNOLLY: Every major piece of federal legislation passed since the first surgeon general's report that protects health and safety has specifically excluded the cigarette—Consumer Products Safety Act, Controlled Substances Act, Federal Hazardous Substances Act. Why?... Congress has turned their back on the problem. And the reason is, the tobacco industry has money.

NARRATOR: [American tobacco farmers] are the shock troops of the tobacco industry's counterattack. Just like smokers' rights groups, the industry has always relied heavily on farmers to put a human face on tobacco issues. The opposition is also working the halls of Congress, only this lobbyist comes from a tobacco state, too. Ann Northup is a legislator from Kentucky.

NORTHUP: Tobacco companies get something they really need from Kentucky besides Kentucky burley. They get 60,000 family farmers to influence Congress not to pass excise taxes or any health provisions that would discourage smoking. That's what Philip Morris and the other tobacco companies really get from Kentucky.

NARRATOR: Donnie Gedling grows what he calls the best burley tobacco in the world. Gedling and most Kentucky farmers are dead set against the cigarette tax.

GEDLING: Tobacco is a way of life in Kentucky. Tobacco pays the bills for the schools, for the church dues, for the taxes—it's a tradition, a 200-year tradition. God made Kentucky for burley tobacco and that's what we do best.

NARRATOR: But the reality is, the amount of Kentucky burley sold over the past few years has been steadily dropping, and Northup, an economist by training, says the anti-smoking movement is not the reason.

NORTHUP: What I found was that the tobacco farmers' market wasn't related at all to what the health community was doing. It's totally related to what the tobacco companies are doing, and the tobacco companies are going overseas.

NARRATOR: This is Rio Grande do Sul in southern Brazil. The climate here is almost identical to Kentucky. Its major crop? Burley tobacco. In Kentucky, farmers are held to strict quotas on how much burley they can grow and what price they can sell it for, but that's not true overseas. In Brazil, farmers can sell as much tobacco as they can grow, as fast as they can grow it. And their crop sells for half the price of the same burley from Kentucky.

NORTHUP: What we know is that the tobacco companies are directly and/or indirectly subsidizing foreign farmers. They are helping them clear thousands of acres of jungles, build very inexpensive farms, promising them a market, and helping these farmers grow high-quality tobacco overseas, and that's what's replacing the Kentucky burley crop.

Dr. C. Everett Koop, surgeon general under Ronald Reagan: "There was correspondence between the chief executive officer of R.J. Reynolds and the president.... I could hardly believe it when I eventually read it."

NARRATOR: In fact, it is the same burley. These seeds were developed using taxpayer money at the University of Kentucky. We took these seeds and showed them to Donnie Gedling.

GEDLING: That says to me that they're growing Kentucky burley in Brazil. These are the same seeds that grew this burley. Kentucky-14 grows the best tobacco in Kentucky, not in Brazil.

NORTHUP: Tobacco interests have so indoctrinated the tobacco legislators and the tobacco farmers that they refuse to believe—you can lay out all the evidence in front of them—and they refuse to believe what it all points to is really going to happen.

NARRATOR: In Rio Grande do Sul, the air is filled with the smoke of burley farmers clearing land. And they are not alone. The same is happening in Malawi, Guatemala, Argentina, and other countries. In just three years, American tobacco companies have imported 225,000 tons of foreign burley.

GEDLING: We're at the mercy of those folks, but maybe, maybe just maybe, they are at our mercy, too, for the quality that we have. They say they are. I don't know that, but they say they are. I hope they are.

NARRATOR: Since 1990, the major tobacco companies have been slowly cutting back buying American, while in Kentucky some of the state's highest quality burley is piling up in warehouses.

NARRATOR: Dr. C. Everett Koop was Ronald Reagan's surgeon general and the most committed anti-smoking activist to ever hold the job.

KOOP: There's a lot of money involved here, and you have to remember that the domestic future of the United States cigarette manufacturer is dismal. This is a losing industry in this country. Eventually, we will have a smoke-free society here, and if that's the case, you've got to find some place to get rid of this tobacco, and so, why not pick people that can't fight back?

NARRATOR: Asia, home to nearly half the world's inhabitants. Beginning in 1986, a new wave of American culture washed over Asia. American cigarettes have come to Asia in a big way. And the tobacco companies could not have done it without the direct help of President Ronald Reagan.

KOOP: Before he was inaugurated, there was correspondence between the chief executive officer of R.J. Reynolds and the president, calling attention to the fact that the tobacco company would hope that this president would not be too tough on the tobacco industry. And the president wrote back—I don't know who wrote the letter for him, but I could hardly believe it when I eventually read it: "My administration will be too busy with more important things."

NARRATOR: Not only did the president do nothing to hurt the major tobacco companies, Ronald Reagan, a former pitchman for Chesterfield Cigarettes, actively helped them realize their long-range plans.... Reagan ordered the United States trade representative to, in effect, declare economic war on government-run tobacco monopolies in Asia. His main weapon: a presidential order, threatening huge tariffs on the exports of any nations the president believed discriminated against American tobacco.

Beginning with Japan, our government fought for the tobacco industry's right not only to sell cigarettes, but to advertise them. Japan caved in after a year of pressure. Television commercials for cigarettes that have been illegal in the United States for more than 20 years now play on Japanese TV and radio.

NARRATOR: Dr. Judith Mackay lives in Hong Kong, but she has spent much of her time traveling around Asia helping local authorities resist U.S. government demands to allow the advertising and promotion of American cigarettes.

MACKAY: The reality is that, within your country, you are reducing your tobacco epidemic with a tremendous measure of success. You've developed experience and expertise in doing so. And is that being given to us? The truth is, it's not. Instead we're getting completely the opposite side of the argument. We're getting your tobacco companies pushing into our countries with the products, advertising, promoting them, and part of your government solidly supporting that penetration....

NARRATOR: On Japanese television alone, cigarettes rose from 40th to second among top advertisers once the American companies arrived. Today, Japanese girls are four times as likely to smoke as their mothers.

It took Taiwan only six weeks to give in to U.S. pressure to open its cigarette market.... [At] Chung Shan Elementary School, smoking [is] an after-school activity. The heavily advertised foreign brands are preferred.

But beyond the billboards or whatever, what else do they do to convince these young people to start smoking?

MACKAY: Well, of course there's an immense amount of sponsorship now throughout Asia—of sports, of art, of pop stars. We have seen people like Madonna, Paula Abdul, Bon Jovi, going around Asian countries under the banners of tobacco companies.

NARRATOR: It took Taiwan only six weeks to give in to U.S. pressure to open its cigarette market. Dr. Ted Chen, an adviser to Taiwan, did help the government to impose some limits on U.S. advertising.... [But] illegal billboards like this one, with no health warnings, began to appear all over Taipei, even next to elementary schools. *[See photo above.]* When we visited Chung Shan Elementary School, smoking was an after-school activity. The heavily advertised foreign brands are preferred by 85 percent of Taiwan's teenage smokers.

CHEN: After the market was open, there was very aggressive cigarette advertising, which also targeted at women and children, especially at women, and that created a great deal of concern among the people in Taiwan. Because women normally in Chinese society are not smoking, and by targeting them that raised the smoking population of the women.

NARRATOR: What is it about American cigarettes that makes people want to smoke them?

KOOP: Well, America's glamorous to them.... If you can hook them on glamour, nicotine will take over pretty soon, and then you've got them hooked forever.

NARRATOR: If you go to a Taipei smoke shop, you'll see ads for American cigarettes, but not for the local brands. The state tobacco monopoly admits smoking is dangerous. Taiwan does not advertise its own cigarettes. By the time the cigarette invasion reached Thailand, that country was ready. Dr. Parkit Vateesatokit was appointed to the team of negotiators to deal with the American trade threats. The U.S. negotiators objected to the presence of a health official.

VATEESATOKIT: They say this is a trade issue, it's not a health issue.

NARRATOR: Thailand fought the American tobacco invasion for 18 months, but it was a lost cause. In November of 1990, the threat of trade sanctions won American cigarettes access to Thailand's market. But Thailand won, too. It was decided that Thailand could keep its ban on advertising. Even so, that hasn't prevented the American companies from finding other ways to keep their names in the public eye. *[Cut to poster for Philip Morris sponsoring "Superband Series: Great American Music—Tony Bennett."]*

VATEESATOKIT: These cigarette companies, they are ruining the American reputation around the world—I repeat, around the world. They were condemned everywhere, the way they behave, the way they market, the way they sabotage or undermine other countries' efforts to control smoking. And the one who finally will be blamed is the American, because this company, the headquarters is in America.

NARRATOR: American tobacco's assault on Asia has only just begun. The biggest prize of all is China, home to one out of every five people on the planet....There are 300 million smokers in China, almost all of them men. American tobacco companies are working to expand that market. The advertising onslaught is already under way.

It is illegal to advertise cigarettes on TV or radio in China. [But a daily American music program], broadcast in English and Chinese, is legal only because the word "cigarette" is never mentioned. *[The program plays in Chinese in the background. The word "Marlboro" is repeatedly audible.]* The program is filled with American pop tunes, the kind that appeal to young people. The broadcast has a daily audience of 100 million.

MACKAY: I think history will look back and see the pushing of American and British tobacco products onto Asian people as being something that is innately evil and unacceptable. I don't think history will judge America kindly in this particular aspect.

KOOP: I think if these trade policies were known right now, they would be condemned by the great majority of the American people. I don't think you have to wait for history.

NARRATOR: History will have the final word, but this much we know: The World Health Organization estimates that of all people alive today, 500 million will die from a smoking-related disease—70 percent of them will be from the Third World. □

A Life in SMOKE

HOW CIGARETTES WORK ON YOUR BODY AS THEY DESTROY IT

BAD BREATH Each year, pack-a-day smokers smear the equivalent of one cup of tar over their respiratory tracts. Tobacco tar comes back up as bad breath every time smokers exhale.

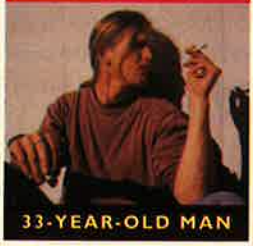
SEXUAL PROBLEMS Female smokers have an unusually high rate of infertility. Male smokers suffer decreased sperm count and have a more difficult time maintaining erections.

About 3 million teens smoke; each day 3,000 more begin smoking. One study showed that although most teens know the hazards of smoking, few are worried about them.

14-YEAR-OLD GIRL

1990s

Smoking attacks the whole body



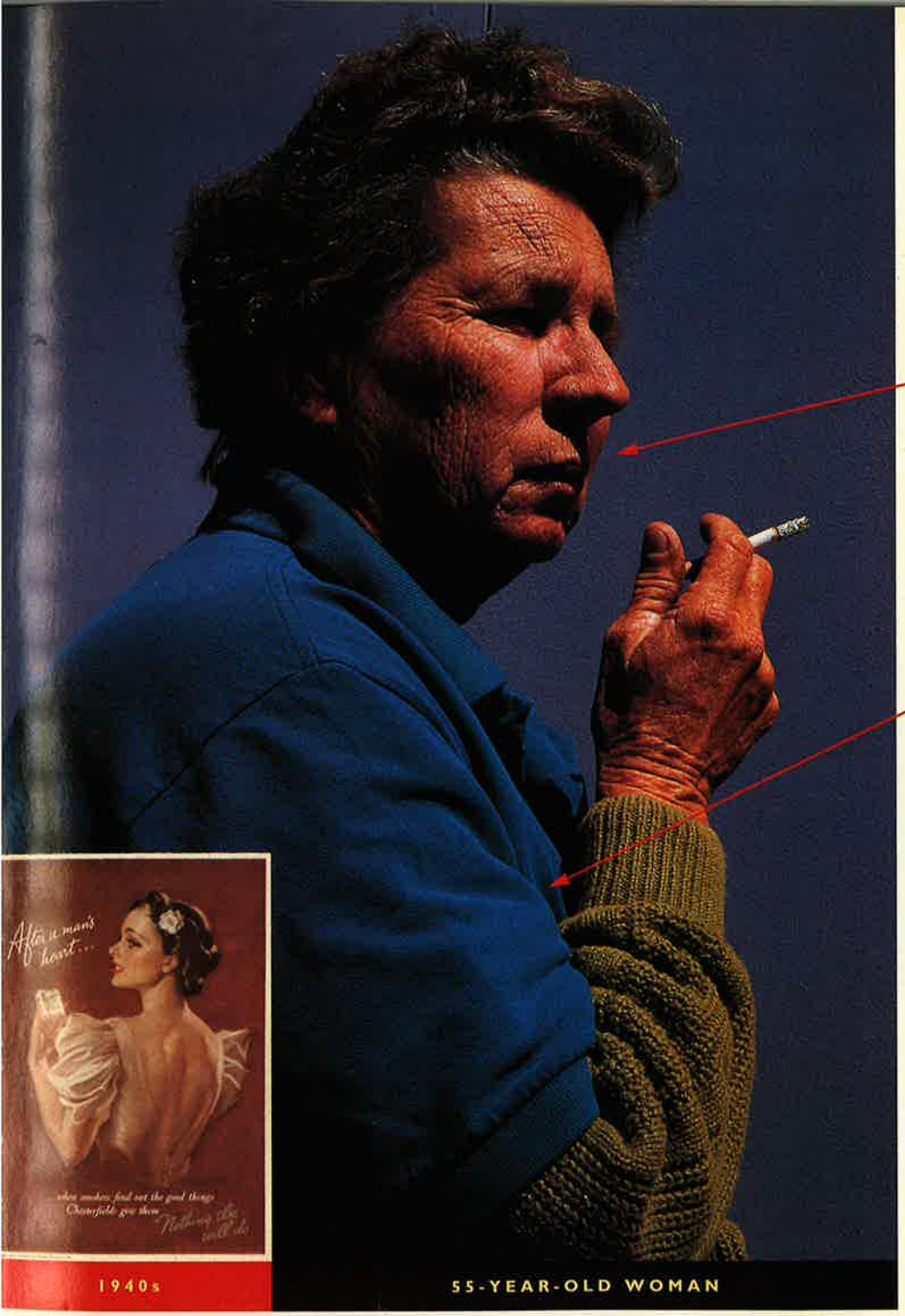
33-YEAR-OLD MAN

MOUTH & THROAT Every puff exposes smokers to gases that irritate the eyes, nose, throat, and gums. Continued smoking spurs a thickening of the throat lining, eventually leading to throat cancer. Smokers are also at increased risk of gum disease and tooth loss.

LUNGS As in the throat, the body thickens the bronchial lining, trying to protect it from smoke. The process eventually causes lung cancer. Smoking progressively impairs the lungs' ability to oxygenate the blood, leading to emphysema.

HEART Smoking increases the heart rate by 10 to 25 beats per minute, or up to 36,000 beats a day. Smokers have a greater risk of irregular heartbeats (arrhythmias), which increases the risk of heart attack. Smoking also constricts blood vessels, triggering blood pressure increases of 10 to 15 percent—a key risk factor for both heart attack and stroke. Because the smoker's heart cannot fully circulate blood, smoking also contributes to congestive heart failure.

ARMS & LEGS Smoking-related narrowing of the blood vessels causes peripheral vascular disease, a condition almost exclusively confined to smokers, who may suffer amputation as a result.



PREMATURE AGING It takes as little as five years of smoking to have it hit you in the face. Smoking narrows the blood vessels (vasoconstriction), notably the capillaries of the face, decreasing the flow of oxygen and nutrients to facial skin cells. The result is premature facial wrinkling, with deep crow's-feet radiating from the corners of the eyes, and pale, gray, wrinkled skin on the cheeks.

WEAKNESS/SHORTNESS OF BREATH A key component in cigarette smoke is carbon monoxide (CO), the colorless, odorless, poisonous gas in car exhaust. CO binds to the same receptors on red blood cells as oxygen, kicking oxygen out of the bloodstream. It takes only a few packs of cigarettes for smokers' blood to contain up to 15 times as much CO as nonsmokers' blood. Less oxygen reaches the brain and muscles, slowing athletes' reaction times and impairing their energy, strength, and coordination. Meanwhile, the nicotine in smoke boosts the heart rate, increasing the body's need for oxygen. That's why smokers become short of breath so easily. Their bodies need more oxygen, but their blood carries less.

BY MICHAEL CASTLEMAN

Contributing writer Michael Castleman's latest book is Nature's Cures *(Rodale, 1996), a scientific investigation of 33 alternative healing arts.*

PHOTOS BY BUD LEE

But finally, it does just kill people...

•Every cigarette costs smokers 5 to 20 minutes of life. Tobacco is the underlying cause of over 420,000 deaths a year, 1 in 5 of all deaths in the U.S., including about 90 percent of the lung cancer deaths—130,000.

•Every day, more than 1,000 Americans die from smoking-related diseases, the equivalent of three jumbo jet crashes with no survivors.

•Smoking kills 17 times more people each year than are victims of homicide and 50 times more than die from illegal drugs.

...including nonsmokers

The Environmental Protection Agency considers environmental tobacco smoke (ETS), or "secondhand smoke," a "serious and substantial" public health threat.

•ETS contains all the toxins inhaled by smokers, leading to lower but significant health problems for nonsmokers.

•ETS plays a role in up to 40,000 nonsmokers' deaths from heart disease annually, about 3,000 nonsmokers' deaths from lung cancer, and an estimated 12,000 nonsmokers' deaths from other cancers.

•ETS aggravates nonsmokers' respiratory conditions, particularly asthma. Children exposed to ETS have high rates of colds, bronchitis, and pneumonia.

•Pregnant smokers have higher rates of miscarriage and premature babies. Babies born to smokers have higher rates of sudden infant death syndrome.

•More than one-third of people who die in smoking-related house fires are not the smoker whose cigarette caused the blaze.

•Finally, smoking costs the U.S. about $50 billion a year in medical costs.