GOP'S SCRANTON
Coming Up Fast
Top of the Week

The Cover. While other Republicans campaign in shush and snow for the GOP Presidential nomination, a 'lanky, languid man back in a warm office in Harrisburg, Pa., threatens to leave them all out in the cold all year. He is, of course, Gov. William Warren Scranton, who may succeed at the July convention without even trying. To assess this surging dark horse, Benjamin Bradlee and John Jay Iselin of our Washington bureau and Associate Editor Peter Goldman travel to Pennsylvania for interviews with the governor, while Associate Editor Jacquin Sanders talks with family, friends and foes in the governor's hometown, Scranton, Pa. Goldman's report on Bill Scranton and his 1964 potential begins on page 19. (NEWSWEEK cover photo by Robert Phillips.)

East African Cuba? Soon after the sudden coup in Zanzibar, NEWSWEEK's John P. Nugent landed on that troubled island in an Arab smuggler's open boat. His mission: to find out how and why the revolution took place. For his findings and an account of his harrowing experience, see page 34.

The State of Business. In his Economic Report, the President paints a rosy picture of the economy, then gives his blueprint for keeping things humming. Page 65. The accomplishment he prides the most: his surprisingly low $97.9 billion budget—a figure which has both economic and political importance. Acting as the President's "no" man was Budget Director Kermit Gordon. Page 66.

Smoke Rings. Aspirin sales go up, cigarette sales down, as a sizable number of the nation's 70 million smokers set out to kick the habit—their determination reinforced by the government's report. Whether they succeed or not is the overwhelming question for an industry that involves 750,000 farmers, 96,000 factory workers, and 15 million retailers. In SPOTLIGHT ON BUSINESS, General Editor Lawrence S. Martz assesses the tobacco industry, which suffered another blow late last week when the Federal Trade Commission made some unsuited forthright recommendations. Page 70.

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Goldman Iselin Sanders Bradlee

January 27, 1964
To Smoke—Or not to Smoke?

The individual ponders the U.S. health report—and the industry reeled from tough FTC proposals

“I wheeze and snort like a second-hand motorcycle engine protesting against an icy hill. My tongue feels like a welcome mat for a coal mine. My taste buds are blighted. At breakfast I can’t tell the difference between a marinated herring or a poached egg. When I awaken in the morning my dusty mouth suggests I slept with my head inside the pouch of the vacuum cleaner that polishes the lion’s cage at the zoo.”

This was the agony of New York sportswriter Jimmy Cannon last week as he described the hangover of a three-pack-a-day man trying “to shake the butts.” Meantime, he wrote, “I’m smoking like a dragon. Isn’t everybody?”

To the majority of America’s 70 million other smokers, Cannon’s dragon was a familiar beast. With the Surgeon General’s report on “Smoking and Health” still fresh in mind, great numbers of them were trying to kick the habit. They were jumpy, they were suffering, and each had a small gnawing craving just under his breastbone; but they were trying. And the whole nation seemed to be caught up with them.

Land in Jail: On Wall Street, major tobacco stocks fluttered nervously at the report, sank slowly, and closed with average losses of more than a point. In Eastland, Texas, the city council proposed an ordinance setting a $1,000 fine or three years in jail for smoking inside the city limits. Nobody figured it would work, but it seemed like a good idea. In Illinois, somebody dug up a 1907 statute making it illegal to sell cigarettes; it had never been repealed. In Washington, the Surgeon General’s report itself was the hottest item in the government’s bookstore, selling at $1.25 a copy. The Jesuit weekly America proclaimed that smoking is a moral issue. And one Catholic priest went further and declared that smoking was a sin.

Moral issue or not, such talk did not seriously frighten the tobacco industry. In the normal course of events, it would soon die down. What did worry cigarette makers was a series of meetings, held for four days last week on the second floor of a six-story white granite building which houses the Federal Trade Commission in Washington. Surgeon General Luther Terry, in releasing his study, had bluntly stated that “appropriate remedial action” was called for because cigarette smoking was a proven hazard. And the five-man commission, headed by big, soft-spoken Paul Rand Dixon, was considering what action it should take. “Our job is to curtail unfair, deceptive, or misleading advertising—and that’s what we’ll do,” Dixon said. The commissioners were known to be considering a single-spaced ten-page a-half-page draft of proposed regulations which would restrict the claims of cigarette advertising.

As the cigarette makers worried about what the Federal Trade Commission might do, kicking the habit became full-fledgedfad. Nightclub comedians gaggled it up (“Give me the money,” the bank robber said, “or I’ll blow smoke in your face”); scores of newspaper reporters wrote daily features, chronicling the progressive torture of withdrawal; and chic, bootied secretary strolled Manhattan’s Madison Avenue puffing a Marlin Yokum briar pipe.

Clearly, the fad had its ridiculous aspects—and like any fad, most observe in the $8 billion tobacco industry felt, wouldn’t last. And if past performance was any guide, they were right. A decade ago, when it was first announced that cigarette tar could cause cancer mice, sales plummeted nearly 9 per cent in two years. But since 1955, each American adult smoker has boosted his annual consumption from about 3,400 cigarettes a year to almost 4,000. More recently, the sales dip in Britain which was caused by the 1962 report of the Royal College of Surgeons was erased in little more than six months.

Clear the Air: Yet despite such historic re-assurances, the tobacco industry realized real changes in the tobacco market were coming. Unlike past reports on smoking, this one bore the imprint of the U.S. Government. There was the threat of FTC action, and the Public Health Service was preparing an anti-smoking campaign directed at schoolchildren which could discourage them from smoking even after they grew up.

In addition, nine proposals for new laws were pending in Congress, countles ones in state legislatures; fighting these efforts to curb industry sales can paiges was sure to focus continuous publicity on the smoking-health issue. “Over the long term,” a Wall Street analyst warned, “this has to slow the industry’s growth.”

Already, the Surgeon General’s report was having an effect of its own. In the Green-and-White, a bleak tag hung out on Chicago’s North Side, cigarettes and black parkas serve almost as adm
sion tickets. Yet of two dozen youths lounging around the well-worn tables one afternoon last week, three had stopped smoking. "They proved that cigarettes cause cancer and all," said 16-year-old Lorraine Adelto. "I smoked a pack a day for just about two years. Now I don't want to start again."

Skeincirnishing within the industry for bigger shares of the changing market was well under way last week. General Cigar Co. hoped to arm its new "switchers" with a blue haze in his office in New York. General Cigar president Edgar M. Cullman said: "Cigars are seemingly less dangerous—they were virtually exonerated in the report. Our products are more geared to the so-called switchers—we're lucky." Even before the report had come out, Denson Tobacco floated a new brand, Carlton, with a filter which the company claimed transmitted less tar than has been reported for any other cigarette now being sold in the United States."

Tell Me Why: Most of the cigarette industry, which had anticipated the Surgeon General's report, found it months with confidence, retreated into tight-lipped silence when it actually appeared. Of the heads of the six major companies, only Courtenay Edwin P. Finch, president of Brown & Williamson in Louisville, would discuss the findings. Finch heeded the traditional line: "They don't know why or what causes cancer, and why cigarettes should be contributory, if they are. We feel a lot more research needs to be done; there are a lot of unanswered questions."

Meanwhile, several companies were scrutinizing their advertising with suddenly nervous eyes. In telegrams last week, American Tobacco told newspapers to destroy mats of an ad for its mentholated Montclair showing a pretty girl holding a cigarette and saying: "I could kiss the man who invented Montclair."
The substitute merely shows a cigarette pack with the caption: "What a delicious difference in new Montclair."

Despite immediate difficulties posed by the report, however, the industry remained confident throughout the week that it could adapt to market changes and ride out the immediate storm. When Sen. Maurine Neuberger asked 90 senators to join her in backing anti-cigarette advertising bills, only six stepped forward. The main reason for this lack of political enthusiasm over a crackdown was simply the power and influence of the tobacco industry itself. It supports 750,000 farmers, 96,000 factory workers, 4,500 wholesalers, and 1.5 million retail outlets. Tobacco companies spend $150 million a year in advertising, and they relay $3.3 billion in excise taxes to state and Federal governments. Even minor curbs on advertising and sales could well start an upheaval.

All the economic weight of the tobacco industry, though, couldn't flatten the inescapable moral dilemma: was it right to go on selling something for everyday use when there were solid grounds to believe that it could kill people? The answers varied:

►The major tobacco companies still maintained that there wasn't any health problem, since all details of the smoking-health relationship simply were not yet known.

►Advertising men ducked the problem as adroitly as they evaded interviews about their clients' problems last week. "Anything that's lawful to sell is legal to advertise," proclaimed an official of the American Association of Advertising Agencies. At Gardner Advertising, the account executive for the new Carlton cigarettes said breezily: "Speak to American Tobacco. They're our leaders, you know."

►Curiously, Southern tobacco farmers spent little time arguing about the role of smoking in health. "Some good may even come out of this," said gray-eyed Harrison Scott, who farms 305 acres in Wilson County, N.C. "I think they'll find a cure for cancer ... I don't know whether they should put crossbones on a pack of cigarettes or not, but is there a crossbones on a pint of liquor? My conscience doesn't bother me."

►Retailers across the country watched philosophically as cigarette sales fell (estimates range up to 20 per cent) and customers inexorably fondled new briars. "I expect more cigar and pipe business in the next few weeks," said Jake Keiter, downtown San Francisco tobaccocon, "but in the months to come, I just don't think too many people are going to change their habits." Whatever the sad—-and one Chicago smoke shop reported selling 200 small, ladies' pipes last week—the tobacconists were still pushing cigarettes. "I feel badly about the report," one New Yorker admitted, "but not bad enough to stop selling cigarettes. I figure they're old enough to use their own judgment."

The judgment of many, of course, was to try and say no. At New York's Hunter College, some 1,200 addicts faithfully appeared nightly for a five-day course on how to stop smoking. Organized by a psychologist of the Seventh-Day Adventist Church, the course combined prayer, a gruesome movie of a lung operation, diet, exercise, and a "buddy system" similar to the Alcoholics Anonymous program. For short, bespectacled Mrs. Sophie Tockerman of the Bronx, it provided at least a temporary answer to an eight-year-old problem: how to stop smoking two packs of cigarettes a day. By the third day, Mrs. Tockerman reported, she was down to one cigarette a day—but she couldn't stop smoking that one. "I get the urge," she confessed. "I get very nervous, I start screaming . . . ."

For those of weak moral fiber, drugstores were crowded with pills, pastilles,
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SPOTLIGHT ON BUSINESS

Stoppers and subs: From menthol sticks to lettuce leaves

mints, and chewing gum to help people stop smoking. There were also filters of all shapes and sizes, menthol sticks to suck in place of cigarettes, cigarettes made of lettuce leaves (being test-marketed in Florida), and a $9.95 time-vault cigarette case that could be opened only at pre-set intervals. And, to coincide with the Surgeon General's report, RCA Victor rushed out a long-playing record of popular tunes ("Autumn Leaves," "Love's Old Sweet Song") entitled "Music to Help You Stop Smoking." The jacket's promise: "This music may help your will power."

The makers of all such products reported sharp sales gains since the report was issued; but in New York the National Better Business Bureau cautioned consumers on exaggerated claims of some such cures, adding "the bureau knows of no product which will, in itself, cure the tobacco habit or permanently eliminate the desire for tobacco."

The Upshot: The anti-tobacco products didn't come off well in the Surgeon General's report either. Hence, as the weekend began, many smokers were left with only their meager will power, and the hope that some company would come up with a provably safe filter. And the industry itself hoped that the furor would run its course.

Then, on Saturday afternoon, as casually as if it were announcing the appointment of a minor official, the FTC dropped its bomb. Reporters who had been following the commission's secret deliberations last week were summoned at about 1:30—exactly one week after the Surgeon General's report had been released. The agency's proposals were handed out by a minor official in the small guard room off the FTC building's entrance. There was no commissioner present. But one look at the Federal Trade Commission proposals told reporters that all previous calculations—both those by the industry and the smoking public—were off.

In four single-spaced pages and a five-and-a-half-page explanation, the FTC proposed to adopt three new rules drastically restricting all cigarette advertising. Most important was the rule on labeling. It would force all cigarette advertisements and packages to "clearly and prominently" display one of these stark warnings:

> "CAUTION: CIGARETTE SMOKING IS A HEALTH HAZARD. The Surgeon General's Advisory Committee on Smoking and Health has found that cigarette smoking contributes substantially to mortality from certain specific diseases and to the over-all death rate."

> "CAUTION: CIGARETTE SMOKING IS DANGEROUS TO HEALTH. It may cause death from cancer and other diseases."

The short—but more lethal—warning was provided for those advertisers who might prefer it in "spot television" plugs. The other two rules would prohibit any ads that even imply cigarettes do not hurt health, and any statements at all about a cigarette's ingredients, unless the claims or implications could be proved to the government's satisfaction. Similar restrictions would apply to any claims which attempted to imply that one cigarette is safer than another. Besides the proposed regulations, the FTC issued a general attack against "much current cigarette advertising" as so false and misleading that it "may violate the laws."

The FTC proposals are subject to hearings beginning March 16. After that, the FTC is free to adopt proposed or modified rules as law, and cigarette makers could challenge the rules in court—a process which could take months or even years.

With so much at stake, the tobacco industry was almost certain to press its case vigorously—in the laboratories for a "safer cigarette" and in the courts to challenge the FTC's authority to make such sweeping proposals.

But the Federal government, sponsors of both the Surgeon General's study and the FTC action, was not likely to be
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