

family breakdown and loss of productivity and community involvement. Embezzlement would probably rise. Casino patrons might also make attractive victims for criminal offenses. But whether this is a major problem or just a modest incidental to the simple pleasures of millions is still a matter of debate and in need of serious research.

The opponents of casinos often weaken their case by making exaggerated claims about the social consequences of gambling. Typical is the claim that "40 percent of all white-collar crimes come from pathological gambling," a hardy perennial that appears in all anti-casino writings. It is supposedly the product of the American Insurance Institute. In fact, no such organization exists, and no one has ever been able to locate a copy of a report documenting the claim. Nor is there much more basis for the frequent claim that each problem gambler costs society \$30,000 annually.

An authoritative and independent assessment of the economic and social consequences of casinos would help states a great deal. A federal commission needs to do systematic analysis of the kind that state task forces, with their short time horizons and minuscule budgets (ours had six months and a total of \$50,000 for its work), cannot muster. There seems to be strong congressional support for such a commission, notwithstanding aggressive lobbying against it by the casino industry.

The national commission would also have to focus on the very troubling issue of Indian tribal gambling. Providing Indian tribes with better economic opportunities is clearly an important and legitimate goal, but when those opportunities result in large costs being borne by the entire nation, then the issue needs to be revisited.

In the meantime, states like Maryland will feel a constant pressure from their neighbors to avoid having good Maryland money turn into Delaware gambling revenues. The growing burden of social services on state finances as the federal government cuts back its support will increase that pressure, so that in the next downturn many states may reluctantly, but irreversibly, become casino states as well. A federal commission and some sensible national policy are needed, as soon.●

#### OPEN TOBACCO HEARINGS ARE NEEDED

Mr. LAUTENBERG. Mr. President, I rise to make a few comments about Sunday's "60 Minutes" program on Dr. Jeffrey Wigand and his statements about what went on inside the Brown & Williamson Tobacco Co.

Mr. President, for those who did not see this interview, Dr. Wigand told the Nation that Brown & Williamson acknowledged that cigarettes are a "nicotine delivery" device and that senior management rejected his efforts to make their tobacco products safer.

Dr. Wigand also claimed that Brown & Williamson knowingly used carcinogens in their tobacco products.

Mr. President, if these allegations were found to be true—if Brown & Williamson knew that nicotine was addictive, if the company knew that its products contained carcinogens, if it withheld this information from the public and this resulted in unnecessary death and disease—it would be absolutely unconscionable.

Mr. President, I ask that a transcript of this interview be printed in the RECORD following my remarks.

Mr. President, these accusations made by Dr. Wigand are extremely serious and I believe that Congress and the American people should fully understand the real dangers of tobacco products and all of the recent allegations involving the tobacco industry.

Mr. President, there is so much activity and confusion about tobacco these days.

Let me tell my colleagues about some of the legal matters that are currently pending:

Five States are actively suing the tobacco companies for Medicaid costs associated with tobacco related illnesses of their residents. Other States are seriously considering similar action, including my home State.

On the Federal level, I have introduced legislation to recoup all Medicare and Medicaid costs spent on tobacco related illnesses, some \$20 billion a year, directly from the tobacco companies.

There is a multibillion-dollar class action suit against the tobacco companies going on in New Orleans. It is commonly referred to as the Castano case. The plaintiffs are former smokers and survivors who claim that the tobacco companies knew that nicotine was addictive and dangerous but never told their customers.

There is a Justice Department probe underway to investigate whether the seven tobacco companies' CEO's perjured themselves before Congressman WAXMAN's subcommittee when they testified they did not believe nicotine was addictive.

Because of all of these current legal activities, there have been numerous leaks about the dangers of tobacco in the print and television media. However, Congress and the American people are only getting bits and pieces of the entire story because of the intense legal climate surrounding this entire issue.

This is why I wrote a letter to Senators KASSEBAUM and KENNEDY asking them to hold hearings in the Labor and Human Resources Committee about the entire tobacco issue. I have spoken personally to Senator KASSEBAUM and she assured me that she would seriously consider this request. I also spoke with Senator KENNEDY who is deeply interested in all health issues including the health effects of tobacco and would like to set up hearings on this subject.

Mr. President, I ask that a copy of this letter be printed in the RECORD following my remarks.

Mr. President, the Congress, on behalf of the American people, needs to find out the truth about the addictive nature of nicotine, the health effects of tobacco use and all of the recent allegations involving the tobacco industry. We need this information so that we can evaluate the need for legislation regulating the tobacco industry and trying to recoup the cost of tobacco related illnesses.

It is clear that the only way for Congress and the American people to get

all of this information is to have open hearings in the Senate—so that we can secure for the record as much information as possible.

On the House side, unfortunately, there is little chance of hearings. Congressman BILEY, from Richmond, VA, chairman of the Commerce Committee, has indicated that his committee will not permit these issues to be aired.

I hope that things will be different in the Senate. I hope that both Democrats and Republicans will see the value in holding hearings on this critical issue. Only then, will the Congress and the public be fully informed about the dangers of a product that takes over 400,000 lives per year.

Mr. President, we cannot sit idly by and listen to these types of allegations and do nothing.

The material follows:

TRANSCRIPT FROM 60 MINUTES, FEBRUARY 4, 1996

MIKE WALLACE. A story we set out to report six months ago has now turned into two stories: how cigarettes can destroy people's lives; and how one cigarette company is trying to destroy the reputation of a man who refused to keep quiet about what he says he learned when he worked for them. The Company is Brown & Williamson, America's third-largest tobacco company. The man they've set out to destroy is Dr. Jeffrey Wigand, their former \$300,000 a year director of research.

They employed prestigious law firms to sue him, a high-powered investigation firm to probe every nook and cranny of his life. And they hired a big-time public relations consultant to help them plant damaging stories about him in *The Washington Post*, *The Wall Street Journal* and others. But the *Journal* reported the story for what they thought it was. "Scant evidence" was just one of their comments.

CBS management wouldn't let us broadcast our original story and our interview with Jeffrey Wigand because they were worried about the possibility of a multibillion dollar lawsuit against us for "tortious" interference—that is, interfering with Wigand's confidentiality agreement with Brown & Williamson. But now things have changed. Last week *The Wall Street Journal* got hold of and published a confidential deposition Wigand gave in a Mississippi case, a November deposition that repeated many of the charges he made to us last August. And while a lawsuit is still a possibility, not putting Jeffrey Wigand's story on 60 minutes no longer is.

[Footage of Wigand; Brown & Williamson Tower; cigarettes on machine; of tobacco on conveyor belt; tobacco executives testifying before Congress.]

WALLACE (Voiceover). What Dr. Wigand told us in that original interview was that his former colleagues, executives of Brown & Williamson tobacco, knew all along that their tobacco products, their cigarettes and pipe tobacco, contained additives that increased the danger of disease; and further, that they had long known that the nicotine in tobacco is an addictive drug, despite their public statement to the contrary, like the testimony before Congress of Dr. Wigand's former boss, B&W chief executive officer Thomas Sandefur.

Mr. THOMAS SANDEFUR (Chief Executive Officer, Brown & Williamson). I believe that nicotine is not addictive.

Dr. JEFFREY WIGAND (Testifying Against Brown & Williamson). I believe he perjured himself because—

[Footage of congressional hearing.]

Dr. WIGAND (Voiceover). I watched those testimonies very carefully.

WALLACE (Voiceover). All of us did. There was the whole line of people—the whole line of CEOs up there, all swearing that—

Dr. WIGAND: And part of the reason I'm here is I felt that their representation, clearly—at least within Brown & Williamson's representation, clearly, misstated what they commonly knew as language within the company: that we're in a nicotine-delivery business.

WALLACE. And that's what cigarettes are for.

Dr. WIGAND. Most certainly. It's a delivery device for nicotine.

WALLACE. A delivery device for nicotine.

Dr. WIGAND. Nicotine.

WALLACE. Put it in your mouth, light it up and you're going to get your fix.

Dr. WIGAND. You'll get your fix.

WALLACE. Dr. Wigand says that Brown & Williamson manipulates and adjusts that nicotine fix, not by artificially adding nicotine, but by enhancing the effect of the nicotine through the use of chemical additive like ammonia. This process is known in the tobacco industry as "impact boosting."

Dr. WIGAND. While not spiking nicotine, they clearly manipulate it.

[Footage of Brown & Williamson Root Technology handbook.]

WALLACE (Voiceover). The process is described in Brown & Williamson's leaf blender's manual and in other B&W documents.

Dr. WIGAND. There's extensive use of this technology, which is called ammonia chemistry, that allows for nicotine to be more rapidly absorbed in the lungs and, therefore, affect the brain and central nervous system.

[Footage of documents in file cabinet; computer screen; Williams walking; Glantz; Journal of the American Medical Association.]

WALLACE (Voiceover). And then there are these documents, thousands of pages of confidential scientific reports and legal memoranda from B&W's secret files, which experts say support Dr. Wigand's claim that Brown & Williamson's executives have had strong reason to believe all along that nicotine is addictive and that their tobacco products cause cancer and other diseases. Most of these documents had been locked away in B&W's lawyers' confidential files in Louisville, Kentucky, until this man, the paralegal in that law office, Merrill Williams, walked off with them. The documents found their way to Dr. Stanton Glantz, a professor of medicine at the University of California Medical Center in San Francisco. It was Dr. Glantz and a team of scientists from the university who wrote about the documents this past summer in a series of articles in the Journal of the American Medical Association.

What is the story that the documents told you?

Dr. STANTON GLANTZ (University of California Medical Center). They told me that 30 years ago Brown & Williamson and British-American Tobacco, its parent, knew nicotine was an addictive drug, and they knew smoking caused cancer and other diseases.

[Footage of Glantz.]

WALLACE (Voiceover). And Dr. Glantz says these documents reveal how Brown & Williamson was keeping that knowledge from the public.

Dr. GLANTZ. And they also developed very sophisticated legal strategies to keep this information away from the public, to keep this information away from public health authorities.

WALLACE. Dr. Wigand said that the cigarette is basically a nicotine delivery instrument. That's what it's really all about.

Dr. GLANTZ. Yes, absolutely. And they—in the documents, they say that over and over and over again.

[Footage of smokers.]

WALLACE (Voiceover). And finding a way to deliver that nicotine to the smoker's brain without exposing smokers to disease-causing pollutants, like tar that come with tobacco smoke, is one reason, says Dr. Wigand, that he was hired by B&W on January 1st, 1989.

Dr. WIGAND. They were looking to reduce the hazards within cigarettes, reduce the carcinogenic components—or—or list the carcinogens that were within the tobacco products.

WALLACE. They talked about carcinogens to you?

Dr. WIGAND. Talked about carcinogens—

WALLACE. They talked about cancer and heart disease and emphysema and all of those things—

Dr. WIGAND. They talked about—

WALLACE. —and they were going to work toward making a safer cigarette? You must have been very excited.

Dr. WIGAND. I was enthusiastic and energetic in terms of pursuing that.

[Footage of Wigand; a smoker.]

WALLACE. Dr. Jeffrey Wigand, with a doctorate in biochemistry, had spent nearly 20 years working in the health-care and biotechnology industries. He says his goal at B&W was to make a cigarette that would be less likely to cause disease.

Dr. WIGAND (Voiceover). People will continue to smoke no matter what, no matter what kind of regulations.

If you can provide for those who are smoking and who need to smoke something that produces less risk for them—I thought I was going to be making a difference.

[Footage of newspaper story of Wigand.]

WALLACE (Voiceover). Brown & Williamson made Jeff Wigand vice president for R&D, paying him more than \$300,000 a year in salary and perks.

Dr. WIGAND. And I was very inquisitive when I came on. "Have you ever done any nicotine studies? Have you done any pharmacology studies? Have you done any biological studies? Have you looked at the effect of nicotine on the central nervous system?" And they always, general categorically, "No, we don't do that kind of work."

[Footage of Brown & Williamson Tower; Wigand.]

WALLACE (Voiceover). But according to those thousands of pages from B&W and its parent, British-American tobacco's, confidential files, the company had, in fact, done exactly those kinds of studies. Dr. Wigand says he did not suspect there was anything wrong until he attended a meeting of scientists who worked for British-American tobacco companies from around the world. Dr. Wigand says that his colleagues talked about working together to develop a safer, a less-hazardous cigarette, a cigarette less likely to cause disease. But when it came time to write up their ideas, to create a documentary record of their discussion, B&W's lawyers intervened.

Dr. WIGAND. The minutes that came in were roughly about 18 pages long describing the co—I knew what was in the content. They—they were rewritten by Kendrick Wells. They were—

WALLACE. Who's he?

Dr. WIGAND. Kendrick Wells was the—one of the staff attorneys at B&W.

WALLACE. And he rewrote the minutes of the meeting?

Dr. WIGAND. He rewrote the minutes of the meeting. He edited out the discussions on safer cigarette and, basically, toned the meeting down.

WALLACE. You're saying that one of the staff attorneys from B&W, here in the United States, whose name was—

Dr. WIGAND. Kendrick Wells.

WALLACE. —an attorney—

Dr. WIGAND. Mm-hmm.

WALLACE. —rewrote the minutes of this research meeting with all of the research heads of BAT Industries—

Dr. WIGAND. That's correct.

WALLACE. —in order to sanitize it, in a sense.

Dr. WIGAND. Sanitize it, as well as reduce any type of exposure associated with discussing a safer cigarette. When you say you're going to have a safer cigarette—

WALLACE. Mm-hmm.

Dr. WIGAND. —but that now takes everything else that you have available and say it—it's unsafe, and that from a products liability point of view, gave the lawyers great concern.

[Footage of Wells; files; cigarettes on conveyor belt; files.]

WALLACE (Voiceover). Kendrick Wells, the lawyer Dr. Wigand says deleted materials from the minutes of the scientific meeting, is now the assistant general counsel of B&W. Why would B&W lawyers like Kendrick Wells be so concerned? According to B&W's own confidential files, any evidence, any documents that show any B&W tobacco product, like Kools or Viceroy's, might be unsafe, those documents would have to be produced in court as part of any lawsuit filed by a smoker or his surviving family. And according to the lawyers, those documents could be disastrous for B&W. So the lawyers took over.

Dr. WIGAND (Voiceover). The lawyers intervened.

And then they purged documents every time there was a reference to a word "less hazardous" or "safer."

[Footage of Wigand.]

WALLACE (Voiceover). But Dr. Wigand says the lawyers' interference, their editing and review of his reports, did not stop him.

Dr. WIGAND. And I started asking more probing questions and I started digging deeper and deeper. As I dug deeper and deeper, I started getting a bodyguard.

WALLACE. What do you mean a bodyguard?

Dr. WIGAND. I went to a meeting; I now was accompanied by a lawyer. My bodyguard was Kendrick Wells.

[Footage of Wigand; photo of Sandefur.]

WALLACE (Voiceover). Frustrated by the lawyers' intervention and presence at major scientific meetings, Dr. Wigand says he took his complaints to Thomas Sandefur, then the president of B&W.

What'd he say to you?

Dr. WIGAND. "I don't want to hear any more discussion about a safer cigarette."

[Still shot of B&W executive.]

WALLACE (Voiceover). And he says Thomas Sandefur went on to tell him—

Dr. WIGAND. "We pursue a safer cigarette, it would put us at extreme exposure with every other product. I don't want to hear about it anymore."

WALLACE. All the people who were dying from cigarettes.

Dr. WIGAND. Essentially, yes.

WALLACE. Cancer—

Dr. WIGAND. Cancer.

WALLACE. —heart disease, things of that nature.

Dr. WIGAND. Emphysema.

[Still shot of Sandefur; footage of Wigand.]

WALLACE (Voiceover). Lawyers representing B&W and Thomas Sandefur have said that all this, as well as other accounts of conversations with Thomas Sandefur, are absolutely false. We asked Dr. Wigand what his reaction was to what he says was Sandefur's decision to abandon a safer cigarette.

Dr. WIGAND. I would say I got angry.

WALLACE. He was your boss.

Dr. WIGAND. I bit my tongue. I had just transitioned from another—one company to another. I was paid well. It was comfortable.

And for me to do anything precipitous would put my family at risk.

WALLACE. You were happy to take down the 300,000 bucks a year.

Dr. WIGAND. I, essentially, yeah, took the money. I did my job.

WALLACE. So Dr. Wigand abandoned his idea of trying to develop a new and safer cigarette. He turned his attention to investigating the additives, the flavorings, the other compounds in B&W tobacco products. Many, like glycerol, which is used to keep the tobacco in cigarettes moist, are normally harmless. But when glycerol is burned in a cigarette, its chemistry changes.

Dr. WIGAND. Glycerol, when it's burnt, forms a—a very specific substance called acrolein.

[Footage of book; excerpt from book; smokers.]

WALLACE. (Voiceover). According to the American Council on Science and Health, acrolin, or acrolein, is extremely irritating and has been shown to interfere with the normal clearing of the lungs. Recent research shows that acrolein acts like a carcinogen, though not yet classified as such. And Dr. Wigand says that B&W continues to add glycerol to their product. But it was another additive that Dr. Wigand says led to the end of his career at B&W.

Dr. WIGAND. The straw that broke the camel's back for me and really put me in trouble with Sandefur was a compound called coumarin.

[Footage of smoker; medical record on mice experiment; B&W documents.]

WALLACE. (Voiceover). Coumarin is a flavoring that provides a sweet taste to tobacco products, but is known to cause tumors in the livers of mice. It was removed from B&W cigarettes, but according to these documents, B&W continued to use it in its Sir Walter Raleigh aromatic pipe tobacco until at least 1992.

Dr. WIGAND. And when I came on board at B&W, they had tried to tend—transition from coumarin to another similar flavor that would give the same taste. And it was unsuccessful.

[Footage of Wigand and Wallace; report.]

WALLACE. (Voiceover). Dr. Wigand says the news about coumarin and cancer got worse. This report by independent researchers, part of a national toxic safety program, presented evidence that coumarin is a carcinogen that causes various cancers.

Dr. WIGAND. I wanted it out immediately. And I was told that it would affect sales and I was to mind my own business. And then I constructed a memo to Mr. Sandefur indicating that I could not, in conscience, continue with coumarin, a product that we now knowingly have documentation that is lung-specific, carcinogen.

WALLACE. Right. Sent the document forward to Sandefur?

Dr. WIGAND. I sent the document forward to Sandefur. I was told that—that we would continue working on a substitute, and we weren't going to remove it because it would impact sales. And that's—that was his decision.

WALLACE. In other words, what you're charging Sandefur with and Brown & Williamson with is, "ignoring health considerations consciously".

Dr. WIGAND. Most certainly.

[Footage of Wigand].

WALLACE. (Voiceover). After his confrontations over coumarin, Dr. Wigand says he was not surprised when, on March the 24th, 1993, Thomas Sandefur, newly promoted to chief executive officer, CEO of B&W, had him fired.

And the reason for firing that he gave you?

Dr. WIGAND. Poor communication skills, just not cutting it, poor performance.

[Footage of Wigand and his family at dinner table.]

WALLACE. (Voiceover). When Dr. Wigand, who has a wife and two young daughters, was fired by Brown & Williamson tobacco, his contract provided severance pay and critical health benefits for his family, critical because one of his children requires expensive daily health care. Several months after he was fired, B&W decided to sue their former head of R&D and they cut off his severance and those vital health benefits.

Dr. WIGAND. They said I violated my confidentiality agreement by discussing my severance package.

[Footage of Wigand and Lucretia walking.]

WALLACE. (Voiceover). Lucretia Wigand says that the firing and B&W's suspension of benefits was devastating.

Mrs. LUCRETIA WIGAND. (Dr. Jeffrey Wigand's Wife). We almost lost our family as a unit. Jeff and I almost separated.

WALLACE. Why?

Mrs. WIGAND. Because he was under so much stress and so—so much pressure that it was something that we needed help dealing with. We went to counseling and we worked through it.

WALLACE. And this was, you think, started—triggered by the business with B&W?

Mrs. WIGAND. Yes. I know it was.

[Footage of Wigand in his kitchen; document.]

WALLACE. (Voiceover). B&W settled that lawsuit we mentioned and reinstated those critical health benefits, only after Dr. Wigand agreed to sign a new, stricter, life-long confidentiality agreement.

Nonetheless, word of Dr. Wigand's battles with Brown & Williamson attracted attention in Washington, where, in the spring of 1994, Democratic Congress and the FDA, the Food & Drug Administration, were investigating the tobacco industry. Dr. Wigand was contacted by their investigators, and after notifying Brown & Williamson, he talked with those investigators. Shortly afterward, he was stunned by a couple of anonymous telephone calls.

Dr. WIGAND. And in April 1994, on two separate occasions, I had life threats on my kids.

WALLACE. What?

Dr. WIGAND. We had life threats on my kids.

[Footage of Wigand and Wallace.]

WALLACE. (Voiceover). Dr. Wigand told us he doesn't know where they came from, but that, understandably, they frightened him. He described the threats by referring to his diary.

Dr. WIGAND. "A male voice that was on the phone that said, 'Don't mess with tobacco anymore. How are your kids?'" Then on April 28th, around 3:00 in the afternoon, relative the same voice—he says, "Leave tobacco alone or else you'll find your kids hurt. They're pretty girls now." So I got scared. I started carrying a gun.

WALLACE. Really?

Dr. WIGAND. Yep. Started carrying a handgun.

Mrs. WIGAND. Someone called and threatened to—to kill him and to hurt the family if he messed with the tobacco industry.

WALLACE. That was last August. Now in February, Lucretia Wigand has filed for divorce, citing spousal abuse, just one of the accusations Brown & Williamson is using in their full-throated campaign to discredit Jeffrey Wigand. That report when we return.

[Commercial break.]

WALLACE. Today, three years after he was fired by Brown & Williamson, Dr. Jeffrey Wigand is the star witness in a US Justice Department criminal investigation into the tobacco industry, which includes the question of whether B&W's former CEO lied to the US Congress when he said that he be-

lieved that nicotine was not addictive. But Dr. Wigand is paying a heavy price for his decision to testify, as well as for breaking his confidentiality agreement by talking to us. His family life has been shattered, his reputation has been tarnished because of B&W's massive campaign designed to silence him and to discredit this former research chief turned whistle-blower.

They're trying to do what they can to paint you as irresponsible, a liar—

Dr. WIGAND. Well, I think the word they've used, Mike, is a "master of deceit."

WALLACE. You wish you hadn't come forward? You wish you hadn't blown the whistle?

Dr. WIGAND. There are times I wish I hadn't done it, but there are times that I feel compelled to do it. I—if you ask me if I would do it again or if it—do I think it's worth it, yeah, I think it's worth it. I think in the end people will see the truth.

[Footage of state attorneys general of Florida, Minnesota and Mississippi.]

WALLACE. (Voiceover). Well, these three men have seen the same truth as Wigand. They are the state attorney's general of Florida, Minnesota and Mississippi, where Dr. Wigand is testifying in a multibillion-dollar lawsuit against the tobacco industry. Mike Moore is attorney general of Mississippi.

Mr. MOORE. Jeffrey's testimony is going to be devastating, Mike, to the tobacco industry, so devastating that I fear for his life. I think—

WALLACE. Are you serious?

Mr. MOORE. I'm—I'm very serious. The information that Jeffrey has, I think, is the most important information that has ever come out against the tobacco industry. This industry, in my opinion, is an industry who has perpetrated the biggest fraud on the American public in history. They have lied to the American public for years and years. They have killed millions and millions of people and made a profit on it. So I hope that they won't continue to lie and try to destroy Jeffrey like they destroyed the other lives of people all over this country.

[Footage of newspaper clippings; Wigand and Wallace; The Investigative Group Inc. sign.]

WALLACE. [Voiceover]. The campaign to destroy Dr. Jeffrey Wigand began over two months ago in the midst of a media frenzy over our failure to broadcast our August interview with him. Brown & Williamson sued Dr. Wigand for talking to us, despite his confidentiality agreement. And they got a court order in Kentucky to try to silence him from speaking out further. Then investigators hired by B&W fanned out across the country looking for anything they could use to discredit the whistle-blower.

Dr. WIGAND. They've been going around to my family, my friends, digging up and digging here and digging there.

WALLACE. Then their lawyers—and B&W has a half-dozen major firms working on the Jeff Wigand case—their lawyers compiled the results of their nationwide dragnet into a summary that alleges that, in recent years, Dr. Wigand pled guilty to everything from wife-beating to shoplifting. Beyond that, they charged him with a multitude of sins, from fudging his resume to making a false claim three years ago for \$95.20 for dry cleaning.

[Footage of Scanlon.]

WALLACE. (Voiceover). Then Brown & Williamson retained John Scanlon to get their story to the media. Scanlon is a fixture of the New York media scene, who has close, personal relationships with print and television reporters and producers, as well as editors and publishers. We asked him to sit down and discuss the charges he has been

circulating to me and other reporters, but he declined. But Scanlon did make this statement to a CBS News camera crew.

Mr. JOHN SCANLON (New York). He's running from cross-examination. His victims have decided to respond and present evidence that he is, in fact, a habitual liar.

Dr. WIGAND. The smear campaign—it's been very systematic, very organized, very well done.

(Speaking to class). My background is I have a PhD in biochemistry.

[Footage of Wigand teaching class; news broadcast.]

WALLACE (Voiceover). Today Dr. Wigand is a \$30,000 a year science teacher at a Louisville, Kentucky, public high school. And his students, his faculty colleagues and his family were stunned last month when a Louisville television station broadcast some of Brown & Williamson's accusations.

Unidentified Reporter (From news broadcast). Court records show Wigand was charged with theft by unlawful taking and shoplifting.

[Footage of document; article in The Wall Street Journal; Gordon Smith.]

WALLACE (Voiceover). Then the Brown & Williamson 500-page dossier on Wigand was given to The Wall Street Journal, who investigated the charges. And last Thursday in this front-page story, The Journal reported that, quote, "a close look at the file and independent research by this newspaper into its key claims indicates that many of the serious allegations against Dr. Wigand are backed by scanty or contradictory evidence." And they continued, quote, "Some of the charges, including that he pleaded guilty to shoplifting, are demonstrably untrue." We put that Journal statement to Gordon Smith, an attorney designated by Brown & Williamson to talk to us.

The Wall Street Journal went through all of that material. It says that what—the dossier that you put together: "scant evidence."

Mr. SMITH. Mr. Wallace, that's dead wrong. There is not scant evidence. The Wall Street Journal did not—

WALLACE. It—

Mr. SMITH. —did not go over the scores—literally scores of untruths told by Jeff Wigand that we showed to them.

[Footage of Smith and Wallace.]

WALLACE (Voiceover). And Gordon Smith went on at some length to say that Wigand's life, quote, "is a pattern of lies."

Well, I don't understand, frankly, Mr. Smith. I really don't understand. Brown & Williamson must be in a panic if they are going after this man as hard as you are.

Mr. SMITH. You're wrong. There are no material inaccuracies in that book, none whatsoever.

[Footage of performance appraisal document on Wigand; Wigand; letter.]

WALLACE (Voiceover). But not included in that dossier were Brown & Williamson's own personnel records, which showed that Wigand had received good performance appraisals for the first three years from B&W. In his fourth year, however, those appraisals turned sour. But despite that, even after he was fired, he received this letter from Brown & Williamson's personnel director.

"To whom it may concern, Dr. Jeffrey Wigand was instrumental in the development of new products, as well as the major impetus behind a significant upgrade in our R&D technical capabilities, both in terms of people and equipment. During his tenure at Brown & Williamson, Dr. Wigand demonstrated a high level of technical knowledge and expertise."

And this is on your own stationery, your own man saying bad about him.

Mr. SMITH. Mike, Brown & Williamson refused to be a reference for Jeff Wigand after he left. This letter was negotiated with his attorney, and it was the only statement Brown & Williamson would ever make about him because Brown & Williamson did not want to be a reference for Jeff Wigand.

[Footage of Smith and Wallace.]

WALLACE (Voiceover). And Mr. Smith had this to say about our relationship with Jeffrey Wigand.

Mr. SMITH. You're being led along by a guy who's not believable. You're getting half the story.

WALLACE. Well, then why—

Mr. SMITH. You—you—and you've got—you've got a—a vested interest in making this man credible.

WALLACE. Why do we have a vested interest?

Mr. SMITH. CBS has—has paid this guy \$12,000.

WALLACE. For what?

Mr. SMITH. I believe for consulting.

WALLACE. Now wait just a moment. Let's get this straight. Paid him \$12,000 for what?

Mr. SMITH. To consult on a story for CBS.

WALLACE. For the record, as we explained to Mr. Smith, 60 Minutes did, in fact, hire Dr. Wigand two years ago to act as our expert consultant to analyze nearly 1,000 pages of technical documents leaked to us, not from Brown & Williamson, but from inside Philip Morris, another tobacco company. At that time, Dr. Wigand told us he would not talk with us about Brown & Williamson. And he did not, until over a year later.

Dr. WIGAND. I felt an obligation to tell the truth. There were things I saw, there were things I learned, there were things I observed that I felt—that need to be told. The focus continues to be on what I would call systematic and aggressive tactics to undermine my credibility and my—some of my personal life.

WALLACE. But you expected that, didn't you?

Dr. WIGAND. Well, I didn't expect to the extent it would—it's happened, OK? It's—it's disrupted not only my life—I'm in divorce proceedings now.

[Footage of state attorneys general.]

WALLACE (Voiceover). These three state attorneys general say that no matter what B&W's accusations are, they remain convinced that what Wigand has to say about the tobacco industry in general, and Brown & Williamson in particular, is thoroughly credible.

They are suing the tobacco industry for the billions of dollars in state Medicaid costs their states have paid to treat people who have become ill from smoking. Minnesota Attorney General Hubert Humphrey III.

Mr. HUBERT HUMPHREY III (Minnesota Attorney General). We want to see the full truth come out. We want the deception and fraud and the violations of our state laws stopped. And we want people that are making the money on this product to bear the full cost of the health-care burden that is there.

[Footage of state attorneys general.]

WALLACE (Voiceover). Bob Butterworth is the attorney general of Florida.

Mr. BOB BUTTERWORTH (Florida Attorney General). The issue has been deceit.

WALLACE. Deceit.

Mr. BUTTERWORTH. Pure and simple deceit. The cigarette companies made a decision that they would withhold valuable information from the American public, information that the consumer would need to make a—an intelligent decision as to whether or not they wish to smoke or not to smoke.

[Footage of Moore.]

WALLACE (Voiceover). Again, Mississippi Attorney General Mike Moore.

Mr. MOORE. I'm used to dealing with—with cocaine dealers and—with crack dealers, and I have never seen damage done like the tobacco company has done. There's no comparison. Cocaine kills 10,000, 15,000 people a year in this country. Tobacco kills 425,000 people a year.

Mr. SMITH. Mike, it's absurd to suggest that tobacco is any way like cocaine in terms of addiction. It's absolutely absurd to suggest that Brown & Williamson makes a lawful product. They sell it and make it in a lawful way.

WALLACE. Well, then why do 425,000 people die every year—according to all medical and scientific evaluations, die of smoking cigarettes? Why?

Mr. SMITH. Mike, 50 million people choose to use tobacco and smoke.

WALLACE. So on a cost-benefit ratio, it's only 425,000 people who die out of the 50 million?

Mr. SMITH. No, Mike.

WALLACE. That's—that's a—a—a small fraction. Is that the point you're making?

Mr. SMITH. No, Mike, not at all. People choose to smoke. People choose to stop smoking. I think you used to smoke and you chose to stop smoking.

WALLACE. That's right.

Mr. SMITH. It's their choice. It's a lawful product. It's marketed and manufactured lawfully.

[Footage of Wigand and Wallace.]

WALLACE (Voiceover). B&W has questioned Dr. Wigand's character. But he says that's just a smoke screen, and he has some questions for Brown & Williamson.

Dr. WIGAND. Why don't they deal with the issue of whether they can develop or—a safer cigarette? Why don't they deal with the issue of using—and knowingly using additives that are known to be carcinogenic in order not to influence sales? Why don't we deal with that issue?

WALLACE. Brown & Williamson did answer some of Dr. Jeffrey Wigand's questions for us. They told us they have removed coumarin—that's carcinogenic flavoring—from their Sir Walter Raleigh aromatic pipe tobacco, but they insist it never posed a health risk to smokers. B&W lawyer Kendrick Wells declined to talk to us, but he did deny, in testimony last week, Dr. Wigand's charge that he had altered the minutes of that scientific meeting. And B&W says the truth will come out in the end when they get a chance to cross-examine Dr. Wigand under oath.

And they insist that we, CBS, cannot report on this story objectively since we are indemnifying Dr. Wigand in B&W's lawsuit against him. Two months ago CBS agreed to do that after a leak resulted in the disclosure of Dr. Wigand's identity before he was prepared to go public. Though still unaware of where that leak had come from, CBS decided to take financial responsibility for the impact that leak had on Dr. Wigand because it exposed him to a lawsuit by Brown & Williamson.

A footnote.

[Footage of That Courier-Journal headline and article.]

WALLACE (Voiceover). This banner headline yesterday in the Louisville Courier-Journal, B&W's hometown newspaper, about charges their employees and engaged in smuggling and bribes in Louisiana.

In that story, the US attorney in New Orleans says, "Look for some indictments in the very near future."

FEBRUARY 5, 1996.

Hon. NANCY L. KASSEBAUM,  
*Chairwoman, Committee on Labor and Human  
 Resources, U.S. Senate, Washington, DC.*

Hon. EDWARD M. KENNEDY,  
*Ranking Member, Committee on Labor and  
 Human Resources, U.S. Senate, Washing-  
 ton, DC.*

DEAR SENATORS KASSEBAUM AND KENNEDY: I am writing to urge you to schedule hearings in your Committee on recent disclosures about the health effects of tobacco products and the nicotine contained in them. I believe that recent legal tactics by the tobacco industry have led to the suppression of vital public health information about Congress. Consequently, Members of Congress have had to rely on leaks and incomplete information concerning the health effects of tobacco and nicotine. It would be an enormous service to Congress for your Committee to hold comprehensive hearings on this matter because there are at least 42 bills affecting the growth, sale and promotion of tobacco products pending before Congress.

1995 was a year full of revelations about the tobacco industry and the content of its cigarettes. There were various articles on allegations of nicotine manipulation by tobacco companies. Despite this trickling out of information on the dangers of tobacco, there were two infamous incidents in 1995 that set dangerous precedents.

First, Philip Morris sued Capital Cities/ABC for \$10 billion over its report that this tobacco giant "spiked" its cigarettes with nicotine. R.J. Reynolds later filed a similar lawsuit against Capital Cities/ABC. These two companies pressured Capital Cities/ABC to settle these suits despite the fact that its story appeared to be factually supported by interviews and internal company documents.

Second, the CBS news program 60 Minutes canceled an interview with a former Brown and Williamson tobacco executive due to fears of a lawsuit, even though its reporters believed in the accuracy of the interview and the reporting. While CBS has subsequently agreed to air this piece, it apparently has done so only because of a recent leak in the Wall Street Journal involving the same former executive.

These two episodes have sent a chilling message to the media about reporting new information on the health consequences of tobacco. If these two major broadcast networks are intimidated by these tobacco companies, then smaller news organizations would seem to face even greater challenges in reporting important stories on the health effects of tobacco and nicotine. The mere threat of legal action will likely force the suppression of critical information on tobacco and nicotine from being reported in the press and subsequently used by Members of Congress. Therefore, it appears that the only way that Congress will be able to get complete information on the health effects of tobacco and nicotine is if your Committee holds comprehensive hearings.

I know that you will conduct balanced hearings and I fully expect that you would include witnesses from all points of view, including representatives of the tobacco industry. This will allow Congress, and the American people, to hear all sides and be fully informed about the health effects of tobacco and nicotine. This will also allow Congress to consider pending legislation affecting tobacco in a well educated manner.

Thank you for your consideration of this request. I would be happy to work with you so that these hearings can be held as soon as possible.

Sincerely,

FRANK LAUTENBERG.

## ORDERS FOR RECONVENING OF THE SENATE

Mr. DOLE. Mr. President, I ask unanimous consent that when the Senate completes its business today it stand in recess until the hour of 11 a.m. on Friday, February 9, and that following the prayer there be a period for morning business not to extend beyond the hour of 1 p.m. with the time to be equally divided between the two parties, and that following the use or yielding back of the morning business time the Senate automatically stand in recess until Tuesday, February 13, at 10:30 a.m. for a pro forma session only, and that immediately following convening, the Senate stand in recess until 10:30 a.m. on Friday, February 16 for a pro forma session only, and that immediately following convening that day the Senate stand in recess until 11 a.m. on Tuesday, February 20, 1996, and that following the prayer there be a period for routine morning business not to extend beyond the hour of 1 p.m. with the time to be equally divided between the two parties, and that following the use or yielding back of time the Senate automatically stand in adjournment until 11 a.m. on Friday, February 23, 1996.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. DOLE. I further ask unanimous consent that following the prayer on Friday, February 23, the Journal of proceedings be deemed approved to date, no resolutions come over under the rule, the call of the calendar be dispensed with, the morning hour be deemed to have expired, and the time for the two leaders be reserved for their use later in the day, and there then be a period for morning business not to extend beyond the hour of 1 p.m. with the time equally divided between the two parties, and that following the use or yielding back of time, morning business be closed and the Senate then turn to the conference report to accompany the District of Columbia appropriations bill, and the conference report be considered as read.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. DOLE. On Friday, February 23, the Senate will conduct a period for morning business, and following morning business it will be the majority leader's intention to file a cloture motion on the District of Columbia appropriations conference report. Therefore, votes will not occur on Friday, February 23.

It will be the majority leader's intention to set the cloture vote on the D.C. appropriations conference report for Tuesday, February 27, 1996, at 2:15 p.m.

I further ask that when the Senate completes its business on Friday, February 23, it stand in recess until 3 p.m. on Monday, February 26; that immediately following the prayer, Senator AKAKA be recognized to read Washington's Farewell Address. It will be the leader's intention to then recess following the address until 11 a.m. on Tuesday, February 27, 1996.

The PRESIDING OFFICER. Without objection, it is so ordered.

## ORDERS FOR TUESDAY, FEBRUARY 27, 1996

Mr. DOLE. I further ask that when the Senate completes its business on Monday, February 26, it stand in recess until 10 a.m. on Tuesday, February 27, and that following the prayer there be a period for the transaction of morning business not to extend beyond the hour of 10:30 a.m., with Senators permitted to speak for up to 5 minutes each.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. DOLE. I further ask that at 10:30 a.m., there be 2 hours to be equally divided in the usual form for debate with respect to cloture on the D.C. appropriations conference report.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. DOLE. I ask that the Senate stand in recess between the hours of 12:30 p.m. and 2:15 p.m. on Tuesday, February 27, in order for the weekly party conferences to meet.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. DOLE. Again, for the information of all Senators, the first rollcall vote will occur at 12:15 on Tuesday, February 27, 1996, and that vote will be a cloture vote with respect to the D.C. appropriations conference report.

## ACCOMPLISHMENTS OF THE SENATE

Mr. DOLE. Mr. President, let me indicate that I think we have accomplished a great deal this year in the Senate, and we will accomplish a great deal more. Normally there is a period of recess for Lincoln's birthday so Republicans can go out and do whatever they do during that week, and then there is a later period of a week for Democrats.

I regret that we could not adjourn the Senate to accommodate many members of the staff who will now be required probably to stay here, because if we take a look at last year, we came in early in January and stayed throughout the year with hardly any breaks. I am not complaining about that, but those are the facts. I should know. I think we may have set records with the number of votes and the number of hours in session. It was truly a remarkable year, and we accomplished a great deal. We have a great deal more to do this year. I regret that we were unable to just recess. There will be no votes until February 27, and perhaps members of the staff whom I am looking at now can work out some little time to have some relaxation and rest because they certainly deserve it. We have had long sessions. We have been in late at night and some of us were here during the holidays negotiating with the President trying to work out a budget agreement. We do not have it yet.