HRK's Speech before the Southern Maryland Crops Conference

We are now entering the third year of a new decade.

And despite the shaky start, I look forward to the eighties with confidence — confidence in and confidence for tobacco.

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My confidence is based on my faith in the strength, vigor and vitality of the Marylanders...the North Carolinians, Kentuckians, Virginians and fine people like them in other states throughout this great land of ours...who grow, manufacture and market tobacco. Together you make up the multimillion multitude of the great tobacco family.

My confidence also stems from my faith in your common sense and your dedication to the common purpose of defending tobacco against its incessant attacks and its unrelenting adversaries.

But ultimately, my confidence stems from the worldwide popularity of "American blended" cigarettes. Japan has her Sonys, Germany has her Volkswagens, France has her wines...but the United States has her American cigarettes.

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And, never forget, "American cigarettes" means
"American tobacco."

This Nation has been, is, and will always be Number One in tobacco!

If the government adopts a positive trade policy to reduce non-tarriff barriers that prevent consumers in the world market from exercising their preference for our cigarettes...then I envision a massive increase in cigarette use on this planet by the year 2000.

Right now world cigarette production has reached the astronomical level of more than 4.5 trillion units. A mathematician once calculated that 4.5 trillion cigarettes placed tip to tip would stretch from the Earth to the Moon and back...more than 460 times!

Maryland growers will share in tobacco's future as they are now sharing in its present. You had good harvest weather, your tobacco is all in the barn, your yields were at a record of 1,325 pounds per acre and you have established a new high of 34.5 million pounds in total production.

According to an estimate made by The Wharton School, Maryland tobacco, a popular element of cigarette blends nearly everywhere, will generate more than half a billion dollars in personal income to citizens of this state from seed bed to sales counter.

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But, my friends, I would be deceiving you if I did not also point out that tobacco's future is threatened. Dark clouds are gathering on the horizon, and could erupt into a storm of destructive intensity and magnitude.

What is causing these storm clouds that threaten to replace tobacco's bright tomorrow with a deluge of trials and tribulations?

Two factors are responsible. The uncritical acceptance of any and all anti-tobacco charges, coupled with the equally uncritical rush to translate them into anti-tobacco legislation.

I am concerned, and you should be too, by the growing preoccupation in Congress with legislation that harms the tobacco industry...harasses tobacco growers...and hassles the millions of tobacco consumers.

Time and time again, we all have become easy targets for overzealous individuals and groups. Time and time again, we have been singled out for discriminatory treatment. Time and time again we have been ignored by our political leaders and elected officials.

This year, for example, the Congress doubled the excise tax on cigarettes without any consideration of the severe economic effects of this action on tobacco producers or on the consumers who will have to bear this regressive tax burden.

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This year, the perennial efforts to dismantle the tobacco support program were blocked by enactment of "no-net-cost" legislation. But I predict that efforts will continue to destroy the program totally, despite its value in keeping thousands of small family farms financially afloat in nearly one half of the States in the Union.

This year, as in the past, some Congressman wants to place service restrictions on tobacco advertising. Their demand is for "stronger" warnings, rotating on packages and advertising. But if Congress gives in to these demands, I predict it will be a matter of months, before they claim that any new warning is not "strong" enough, and needs further strengthening." The fact is that more people may be aware of the Surgeon General's warning about smoking than of the Ten Commendments.

This year legislation has been proposed which would mandate that all cigarettes sold in this country "self-extinguish" so they can't cause a furniture fire. It's a bit like passing a law requiring knives that spread butter, whittle wood, slice meat—but do not cut fingers. It's like requiring gasoline that burns in the engine, but will not burn anywhere else in an automobile.

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Millions of American tobacco growers, tobacco workers and tobacco smokers are the targets of legislation that treats them as second, or even third-class citizens...to be unfairly regulated, controlled, and taxed.

Individually, these pieces of legislation seem to be ridiculous; but put them together like a giant jig saw puzzle and they spell PROHIBITION.

How long will tobacco be victimized by what is frankly a prohibitionist mentality?

How long must the tobacco community endure these outbursts of civic righteousness from those who would elevate their personal health preferences to the law of the land?

The answer to that is easy. As long as we let them get away with it...as long as you and I — and millions like us — suffer in silence.

Travis McPherson asked me to discuss "What Impact
Washington is Having on the Maryland Tobacco Industry?" The
real topic for discussion should be the reverse: "What
impact is the Maryland tobacco industry having on
Washington?"

As long as we as an industry fail to let our elected officials know where we stand...fail to let them know that we have had enough...we will continue to suffer the slings and arrows of outrageous legislation.

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We, as an industry and as individual constituents must begin to have an even greater impact on Washington then we have had in the past. Growers in particular must become alert to the impact of legislation that does not involve tobacco agriculture policy. Never forget, you can't sell tobacco if manufacturers can't advertise cigarettes or their consumers can't smoke them.

You cannot afford to stand by when Congress attacks other segments of the tobacco economy. What hurts them, hurts you. The Tobacco Institute which represents cigarette manufacturers has always been in every fight to protect the growers since the very first days of our existence.

In recent times, the tobacco industry has become almost a national scapegoat. And in many instances Congress goes along with unfair attacks and unsupported allegations. We must all respond to these attacks. We must all call our Congressmen to ask for their support. We must present a united front.

We must answer fictions with facts. We must respond to anti-tobacco prejudice with pro-tobacco pride.

Let me say, here and now, that we have a respectable body of facts with which to answer the fictions. Equally, important we have much to be proud about as responsible businessmen.

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There is one big fact on our side, and it is this:

After three decades and hundreds of millions of dollars
spent on scientific research—the question of smoking and
health is still a question.

Charges upon charges pile up in the news media, but the fact remains—the case against tobacco has not been proved.

Just this year, in testimony before Congress, the highest health offical in the federal government, Dr. Edward Brandt, made a candid confession but apparently nobody heard it. In answering a question on why the controversy about smoking and health remains unresolved, Dr. Brandt noted that many scientists require significantly more empirical evidence, gathered through impartial research, before they can accept the premise that smoking is the direct cause of human diseases and disorders.

Dr. Brandt added, (and I am quuting here) "At the present time the exact physiologic and pathophysiologic mechanisms for cigarette smoking and these illnesses have not been clearly demonstrated."

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Throughout the long history of the debate on smoking and health, the tobacco industry has been saying what the nation's leading health officer admitted to Congress.

Yet Dr. Brandt's statement is one of the best kept secrets in America. It did not appear on the front pages of the nations's leading newspapers. It did not appear on the televisions newscasts. It was simply ignored.

This is just one of a great many similar statements on smoking and health that have been ignored by the press and, in effect, censored out of the national consciousness and the national debate.

In addition to these facts about the health issue, we have a rich historical tradition that we should never let anyone forget.

The men who built the U.S. Capitol carved tobacco leaves into the tops of the supporting columns. They chose this symbol because they realized what was so evident to all Americans at the time — tobacco paid for the American Revolution; tobacco was the financial midwife for the birth of this free nation; without tobacco we might still be a British colony.

No fewer than twelve of the 55 signers of the Declaration of Independence were involved in America's tobacco trade. In fact, the principal author of the document, Thomas Jefferson, was a tobacco farmer, as was the Father of our country, George Washington. Indeed, many of America's leading patriots were tobacco men.

The tobacco industry also has a proud record of responsible self-regulation in the conduct of its business activities. This is a record, I might point out, which also has largely been ignored by those who call for more and more government regulation.

Millions of Americans have been kept unaware of the industry's record with regard to smoking by young people.

Since 1963, cigarette manufacturers have stuck to a clearly established policy of <u>not</u> advertisiting or promoting their products to young people. They don't want kids as customers.

As part of the industry's strict, voluntary advertising principles, cigarette companies do <u>not</u> advertise in school and college publications...nor in any publication that would have significant youth readership.

Cigarette companies do <u>not</u> distribute samples on or near school and college campuses. They do <u>not</u> use testimonials from athletes and other celebrities who may have a strong influence over the life-style behavior of young people. Indeed, cigarette manufacturers themselves voluntarily offered to cancel all radio and television advertising for cigarette brands because there was virtually no time during the day when these media did not have a significant youth audience.

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How many of you remember ever seeing press coverage mentioning the fact that this industry volunteered to include tar and nicotine ratings in all its advertising, and even volunteered to depict the Surgeon General's warning in all newspaper, magazine and billboard advertising?

I ask you, how many other industries have demonstrated this level of responsibility?

It is curious that the news media can find space for every press release accusing tobacco and the tobacco industry of some kind of social sin...but will remain silent as the Sphinx about our positive contributions.

The media has also kept many Americans, and many of their elected officials, completely in the dark about the tobacco industry's contributions to health research.

How many of you are aware that our financial commitment to independent scientific research on smoking and health questions is second only to that of the Federal Government? To date, the tobacco industry has contributed nearly \$104 million dollars to research in this area.

This commitment is many millions of dollars more than the combined research funding the American Heart

Association, The American Lung Association and The American Cancer Society.

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In all of 1981, for example, these three organizations, which devote so much time and effort attacking tobacco, spent only \$291,283 on smoking and health research. In the same year, the tobacco industry donated no less than \$6.3 million dollars to such research — 23 times as much.

The tobacco industry — yesterday, today, and tomorrow — has been, is and will continue to be — a major contributor to America. Although such contributions rarely receive the public recognition they so richly deserve.

The tobacco industry will continue to be, what it was in the days of Lord Baltimore— a stalwart of the American economy:

- . Providing over \$22 billion dollars in retail sales
- . Generating 2.4 per cent of gross National product
- . Providing jobs for more than two million Americans
- . Suppling over \$6 billion in federal, state, county and municipal taxes. This figure will go up considerably in 1983 with the federal tax increase.

Tobacco does much more. It is one of the few industries which enjoys a favorable international trade balance.

Tobacco is grown in 22 states, on almost 200,000 farms which total about one million acres of land.

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It takes more than 300 man-hours to grow an acre of tobacco. It takes about 3 man-hours to grow an acre of wheat or corn.

Tobacco is one of the few crops that still utilizes hand labor and that can provide a reasonable income to small family farms.

And therefore tobacco means, above all, people—hard working, productive people...people like you.

You deserve better than you have gotten from your government. You have given them your hard work; your have paid your taxes; you have made a productive contibution.

In return you have received short shrift; legislative neglect that fails to protect you and your industry from the excesses of the anti-tobacco lobby.

It's time you let your Congressmen know that enough is enough.

It's time you let them know that it is time for a change.

It's time for you to make the impact of the Maryland tobacco industry felt on Washington...so that you do not suffer the impact of Washington on the Maryland tobacco industry.

And, my friends, you can do it!

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