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Editorial: Asbestos' toll/Hold insurers responsible

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Insurance companies that turned a blind eye to asbestos workers' poisoning are being compared to the tobacco companies that concealed what they knew about the health risks of smoking. To our way of thinking, this is one of few ethical contests in which the cigarette industry might come out ahead.

Nobody ever took up smoking to support a family, after all, and the hazards of smoking have always been more obvious than those of breathing mineral dust on the job. While government efforts to assure workplace safety have advanced dramatically since the 1930s and 1940s, when the insurers starting detecting asbestos hazards, that doesn't excuse knowingly exposing workers to fatal disease.

As Sunday's articles by Greg Gordon demonstrate, that's exactly what the insurers did, in partnership with companies they covered in the asbestos industry. The slightly more conscientious insurers urged their clients to clean up workplaces, hoping this might reduce future claims. Others were simply silent about what they knew. Some actively concealed or suppressed research pointing to the epidemics of asbestosis, mesothelioma and lung cancer that began to bloom in the 1960s.

This was appalling conduct, but not nearly as revolting as the insurers' present-day rationalizations that they knew no more about asbestos hazards than anybody else, that it was government's job to protect workers from harm and that it's unfair to apply modern workplace safety standards retroactively.

These arguments would be unpersuasive even if it weren't so clear that insurance industry labs were the source of important early findings about asbestos-related disease, and that insurance executives had taken steps to keep those findings under wraps.

The revelations in Gordon's articles could hardly come at a worse time for the insurers, who are lobbying hard to lower their contribution to a proposed trust fund for injured asbestos workers, from potentially $74.5 billion to a maximum of $46 billion. That would increase the likelihood that the fund would not have enough money to pay all claims, and that Congress might have to make up the difference.

While there are many issues still to be resolved in setting up the fund, there is merit in its general objectives of streamlining the compensation process and protecting large employers from bankruptcy -- but only if all legitimate claims can be covered, and only if taxpayers are shielded from obligations that properly belong to the companies that created and profited from injurious workplaces.

The insurers' distance from those workplaces does not excuse their concealment of what they knew to be happening there, and it should not excuse them from paying what they owe the workers who were harmed.

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