ments certainly bear a very large share of the responsibility for the problems I have just described. They invited multinational industry to their shores and, even though this was done frequently with the active encouragement of the U.S. government, they could have refused; and they remain free to expel, nationalize, or otherwise discipline these firms.

But one can fairly blame the multinational industry for at least two things: for the maintenance of high prices on drugs currently available and for its tendency to favor the political, economic and therapeutic status quo. Multinational industry's role in the maintenance of high prices on the international market has already been investigated by this subcommittee and will perhaps be discussed further by other witnesses at these hearings. I am more concerned with the industry's failure to produce what the people really need and its ability to resist efforts by concerned local interests to develop a low cost chemotherapy more suited to such needs. When, for example, 45% of a sample of foreign-held patents registered in Argentina from 1957-67 were for products which were neither being manufactured nor imported into Argentina, the effect could only have been to discourage Argentine research and development. Transnational industry frequently enters Latin America or expands there by buying out already existing local firms. In individual cases