

for medicine. Who will develop the invaluable but unprofitable drug? By this I mean a drug which is treatment for a disease that very few people get, and therefore hasn't a big market.

In defense of drug companies, I have to say that some such have been developed by drug companies, and presumably there is no profit in them. There is a penicillin derivative for example which removes copper from the body. A few people have a disease in which they have excess copper.

The needs of private industry, be it the drug industry or the insurance industry, are diametrically opposed to those of medicine. Medicine wishes to treat disease effectively and as economically as possible. If it is not economical it is often not effective. The companies, on the other hand, wish to make profits and to pay for their research and advertising. And of course it is proper that they should.

The patient has no option but to pay when he is sick. Then he can least afford it. It is an unsavory and almost unique fact that medical expenses still reduce people to destitution in the United States, and our large drug companies still make enormous profits.

It is proper that drug companies make reasonable profits, and it is true that they do an enormous amount of research. I don't think there can be any dismissal of this fact.

I would question myself whether it is proper for them to make excessive profits from the sick, and whether it is proper that the sick be required to foot the bill for all medical research. At the moment, the sick pay twice for the medical research, that is they pay both as taxpayers, they support the U.S. Government's medical research, and they pay as purchasers of medicine.

Advertising again is proper, but how much of it and of what sort? It is obviously fraudulent to persuade us that we are on the verge of vitamin deficiency, but free stethoscopes for every sophomore medical student in the country every year sounds wonderful.

Is it, however, when it means that some patient is paying three times as much as he need pay for his digitoxin. Every pharmacologist in the country I would suspect, myself included, benefit financially in one way or another from the big drug companies. I don't mean that anyone benefits personally, but the big drug companies give money to departments of pharmacology. They give money to ours, and they give money to most.

Senator NELSON. For what purpose do they give the money?

Dr. MAGEE. They give money sometimes for people to run basic research and clinical trials on potential drugs. I myself am in receipt of a sum of money to the department simply because I am a new chairman in the department of pharmacology. This can be used for the purchase of books or in any way that I see fit to develop the department.

Senator NELSON. What money did they contribute?

Dr. MAGEE. They gave me \$5,000.

Mr. GORDON. Any strings attached?

Dr. MAGEE. No strings at all, and I don't believe for a second that this was given me in order that I lay emphasis on this company's product when I teach.

Senator NELSON. There was testimony this morning by Dr. Williams that his department was requested to do research for a particular company. The company only wanted the research to be done on its