

I believe, however, that when you are dealing with drugs, which are really quite a different category from washing machines, and when you are dealing with a sharply focused scientific population, it seems to me that we can deal, or should be able to deal, with this particular problem, to bring it under more control and make it more rational and more responsible, without necessarily, for example, at the same time saying that we have got to not package politicians in fancy ribbons.

Senator HATFIELD. But I would also point out that the tobacco industry is trying to convince the American public that cancer is desirable.

Dr. CHERKASKY. Well, I understand that if you spend enough on your advertising budget, you can do that.

Senator HATFIELD. They are succeeding, evidently, according to the sales.

Senator JAVITS. Senator Hatfield, I think from what you have said and developed with the witness, it might enable us to make a basic point. In the first place, what Dr. Cherkasky is really testifying about is that he feels the advertising budgets are considering their impact on the physician as getting out of hand.

Now, what I would like to ask is this: Perhaps our committee ought to consider very seriously how to restore the competitive situation which seemingly has escalated these costs, according to this witness and other witnesses, and deescalate these costs by the same application of the competitive system, and that is why I suggest the possibility of our giving thought to the formulary idea.

Perhaps if projected on some kind of a regional or national level, we could be setting the standard to which drug companies would be required, would have to repair as a competitive proposition, and that may cause the same competitive situation to deescalate, which has brought about in the judgment of this and other witnesses such an out-of-hand escalation.

Senator HATFIELD. I would certainly agree with my colleague from New York. I would only point out that when we do open up this Pandora's box of trying to establish a measurement of what is a reasonable ratio of advertising costs to the general business budget, that the escalation that has taken place here is reflected in many other areas of our national life.

If I may just be personal a moment, I had a budget of \$80,000 when I ran for my first statewide office in politics in Oregon in 1956. It cost the immoral sum of \$350,000 this last year to run in a State that has only 900,000 registered voters, and so consequently the costs in this whole field have escalated in advertising not only in the drug industry, I am sure. I am not defending the drug industry, but I am just pointing it out as not exclusively a characteristic of the drug industry. I think it is true in every field.

Senator JAVITS. If the Senator will yield further, I would agree thoroughly with the Senator, and also I think the thrust of my own thinking on the question is the fact that we cannot forbid any physician from prescribing any drug he wishes to, including every one of the thousands that are available. The only thing we can do is to try to capitalize standards equally with those which the drug companies are trying to popularize, which will competitively bring down the height of the pyramid. That is what I had in mind. I didn't have in mind cutting anybody off. I don't think you can do that.