

COMPETITIVE PROBLEMS IN THE DRUG INDUSTRY

FRIDAY, JANUARY 19, 1968

U.S. SENATE,
MONOPOLY SUBCOMMITTEE OF THE
SELECT COMMITTEE ON SMALL BUSINESS,
Washington, D.C.

The subcommittee met, pursuant to notice, at 10:15 a.m., in room 318, Old Senate Office Building, Senator Gaylord P. Nelson (chairman of the subcommittee) presiding.

Present: Senator Nelson.

Also present: Benjamin Gordon, staff economist; James H. Grossman, minority counsel; Susan H. Hewman, research assistant; and William B. Cherkasky, legislative director, staff of Senator Nelson.

Senator NELSON. We will open the hearings of the Subcommittee on Monopoly with Prof. Leonard Schifrin, head of the department of economics at the College of Williams and Mary.

Professor, we appreciate very much your taking time to come here this morning. I have read your statement. It is a very well documented, very well reasoned statement. We appreciate the time you have taken to assemble this material.

You may present your statement in any fashion you see fit. If you find it most effective to read it, you may. If you wish to extemporize or add to it as you go along, that is perfectly satisfactory. I trust you will have no objection if we occasionally interrupt you with some questions.

STATEMENT OF LEONARD G. SCHIFRIN, PH. D., DIRECTOR, DEPARTMENT OF ECONOMICS, COLLEGE OF WILLIAM AND MARY, WILLIAMSBURG, VA.

Dr. SCHIFRIN. I would like to read my statement, Senator Nelson, because it represents a general condensation of a very vast quantity of material.

Senator NELSON. Very well. Go ahead, Professor.

Dr. SCHIFRIN. My name is Leonard Gerald Schifrin, and I am presently associate professor of economics and head of the department of economics at the College of William and Mary in Williamsburg, Va. I received my bachelor's and master's degrees from the University of Texas, and my doctorate from the University of Michigan. I taught at the University of Michigan and at Yale University before coming to William and Mary in 1965. Within the field of economics my areas of specialization are industrial organization, problems of competition and monopoly, and governmental policy toward business. My particular research interest in recent years has been the economics of the ethical drug industry.