

## COMPETITIVE PROBLEMS IN THE DRUG INDUSTRY

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TUESDAY, FEBRUARY 27, 1968

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

The subcommittee met, pursuant to recess, at 10 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 hearing of the Monopoly Subcommittee of the Small Business Committee.

On the 6th and 8th of February five distinguished medical experts testified on the widespread and indiscriminate usage of chloramphenicol for the treatment of cases for which it specifically was not indicated. The result has been numerous cases of unnecessary illness, permanent injury, or death. The tragedy is that these were cases which would have recovered without any drug at all or cases in which another drug was available and indicated as the drug of choice.

The most shocking aspect of the whole matter is that the drug is much more frequently prescribed for cases where it specifically should not be used than where it should, thus exposing tens of thousands of patients to wholly unnecessary lethal risks.

The best estimate appears to be that from 3½ to 4 million people per year are given this drug. The estimate of the medical experts is that 90 percent of the people for whom it is prescribed should not receive it at all because it simply is not indicated for their case—and one witness put the figure at 99 percent.

According to the medical experts, chloramphenicol is a very useful and effective antibiotic but it is the drug of choice in a very limited number of cases where no other drug is effective and the disease is serious. Yet, the drug has been widely prescribed for minor conditions such as head colds, sore throat, acne, and other minor infections,