

Dr. SHAPIRO. I think we could all agree that the pharmaceutical industry has been raked over some pretty warm coals in recent years and let me again emphasize that I am in no way wedded to the industry. However, I have many patients—perhaps literally hundreds of patients—who are alive today because pharmaceutical industry research came up with the drug they needed. And where is most of this research being done? Right here in America. The Russian pharmaceutical industry, for example, cannot hold a candle to the American industry.

This is why I shudder when someone suggests that we impose rigid controls on drug industry prices or profits.

Senator NELSON. May I ask a question?

Dr. SHAPIRO. Yes, sir.

Senator NELSON. What do you refer to there? Nobody before this committee has suggested that.

Dr. SHAPIRO. The excess profits that have been discussed so widely in the newspapers, supposedly from this committee hearing.

Senator NELSON. But nobody, if I recall, has suggested imposing rigid proposals on the drug industry prices or profits, have they? They have been criticized for the profits and for the pricing structure, and I have criticized them myself.

Dr. SHAPIRO. The unions have suggested this in some of their releases to the press. I am not referring to the committee or testimony. We are here trying to give you our ideas—

Senator NELSON. I just thought that you might be referring to some comments that have been made by the committee suggesting rigid controls.

Dr. SHAPIRO. I do not believe that anyone will deny that lower profits will mean less research and although drug industry profits are certainly substantial, I know of no industry more committed to research. Drug industry research will not put men on the moon or speed up an SST but it will save a great many young and not-so-young lives. I firmly believe that the relationship which now exists between the individual physician and the drug industry is essentially healthy and I hope it will not be stifled.

Thank you.

Senator NELSON. Thank you very much, Doctor.

Your last statement raises a question that has been discussed before the committee, as you well know, by a number of witnesses, including representatives of some of the other distinguished medical organizations before this committee, AMA and the American College of Surgeons in the past week. So I will just raise with you some of the same questions that I raised with them. This involves the relationship between the drug industry and the medical profession, which, as I say, we have raised with every representative of medical organizations appearing before the committee as well as with the drug industry itself, so that we can explore it and see what the relationship is and see whether or not it is a relationship that is not healthy for either the profession or the country as a whole. And pursuant to that line of questions, I would like to ask some of the same ones that I have asked of other organizations.

In 1967 you published a brochure called "News and Views of Interest to the Pharmaceutical Industry." As you know, this brochure is made