tive bidding they dropped to $12, which is $1.20 a hundred, and they lost it to Lannett, which bid not $170 but $4.58 a thousand. That is 45 cents a hundred. On prednisone they go overseas, and they charge not $170, as they charge the American pharmacist, but $43.70 a thousand in Berne, $53 in Rio, and $70 in Australia. One of them is one-fourth the price, and one of them is less than a third the price, and one of them is less than half the price.

Then another distinguished company, Smith Kline & French—for Thorazine they charge the American pharmacist $6.06. This drug is sold in Paris for $1.18; in London for $1.08; and in Bonn for $2.40. This is why the stories appeared in the paper saying that the public is getting gouged. There has been no explanation from the industry as to why they will charge a third and a fourth as much to a foreign pharmacist after shipping it overseas as they charge the American public. If that is not gouging I cannot think of a better word for it.

But the medical profession is appearing here with considerable regularity defending the pricing structure of the industry. The industry is the heaviest support of all the professional organizations. The professional organizations defend the structure and claim that they are not influenced by the industry.

I think that is a fair question to raise. I raised it with everybody else. What is the answer?

Dr. SHAPIRO. To what?

Senator NELSON. What is the answer to the proposition that you are influenced by the industry because you accept and use their line of propaganda while at the same time we can give you examples of all these discrepancies in the pricing structure.

Mr. CAHAL. Mr. Chairman, if I may, I have pointed out that our publication is not a captive of the industry, and we are prepared to submit evidence to your committee to prove that.

I have also stated that it seems to me understandable and reasonable that those two members of the health team would be close together, have mutual understanding. They are engaged in the same business, the same as the lumber industry and the nail industry.

Senator NELSON. I would be attacked all over this country in all the medical journals if I compared the medical profession and the drug industry with the lumber and nail industry, but it is your comparison. I would have thought that the——

Mr. CAHAL. I did not say which was the nail.

Senator NELSON. Or who was getting nailed. As I said to the AMA, I have raised as tough a question as I can think of, and you are entitled to answer as extensively as you please. But I think, if I sat on a jury, the physical facts would lead me to believe as a juror that the tie between the industry and the profession is close, and very close, too close, and that the profession is too dependent upon the money from the industry, that the industry is too influential with the profession, and that the profession defaults substantially in its responsibility to put the industry under the kind of critical view that the public is entitled to have them do in terms of industry practices in the promotion of the drugs and in prices they charge. If you look through the record, I would think it would be an embarrassment. But it is true that doctors who have appeared here and the representative of every organization that has appeared has in one way or another