

# *I. F. Stone's Weekly*

VOL. X, NO. 24

JUNE 18, 1962



WASHINGTON, D. C.

15 CENTS

## The Untold Story of the Drug Bill Sellout

Mr. Kennedy opened up a major theme in his address last week at Yale, when he spoke of the myths which hamper solution of national problems. But though the background of that talk was his clash with U.S. Steel, he did not dare to touch on the myth that befuddles understanding of the steel price rise he blocked. This is the myth that equates any attack on the steel industry's system of administered prices, fixed by a handful of big business commissars in their private Politbureau, with an attack on free enterprise; the only freedom in this picture is freedom to ignore the public interest. But the stock market decline has the Administration much too frightened for any such plain speaking. Mr. Kennedy hurried back to Washington for a private meeting with the biggest barons of our feudal economic system: Alexander of the Morgan Guaranty Bank, Greenwalt of du Pont, Blough of U.S. Steel and Watson of IBM accompanied by Allan Sproul, the New York Federal Reserve's elder statesman. Though billed as a discussion of the balance of payments problem, it looked more like a peace conference to offer surrender in the Administration's brief little rebellion against the real masters of our economy.

### The Sacred Rights of the Drug Business

Against this larger backdrop the scene in the Senate last Monday should be less surprising. Senator Kefauver rose angrily on the floor to charge that Senator Eastland had arranged a secret meeting with the Republicans on Kefauver's anti-trust subcommittee of Senate Judiciary and with representatives of the Kennedy Administration and there cut the heart out of his proposed Drug Industry Anti-Trust Act, the fruit of a two and a half year campaign to give the people of this country cheaper and safer drugs. Neither Kefauver, the sponsor of the bill and the chairman of the subcommittee, nor any other of its Democratic members were invited to the meeting. Behind their back, Ribicoff's representatives from the Department of Health, Education and Welfare met with Eastland and the Republicans to frame a series of emasculating amendments which leaves only a shadow of the original Kefauver bill. Next day the HEW man on the Hill had the brass to tell reporters these new amendments embody "pretty good steps forward" while Eastland as Chairman of Judiciary told the Senate he was acting in accordance with the Kennedy Administration's wishes. "I do not think the iron heel of the U.S. Government," Eastland declared, "should be placed on any company which wishes to manufacture drugs."

In public the Kennedy Administration has been the champion of the consumer; in private, it has joined the coalition of Southern Democrats and Republicans against protective legislation. On March 14 Mr. Kennedy sent Congress an eloquent message on consumer protection, with a section on drugs,

### The More U.S. "Aid" The Less Security

"In Laos and in South Vietnam, particularly, the immense cost of sustaining the large military establishments built by U.S. military aid required, in turn, large annual economic aid subsidies to these countries. Neither form of aid has much effect on the economic or social well-being of the ordinary people of these nations. The principal gain has flowed to a relatively small number of persons in the cities and to military personnel. . . .

"Eight years of aid . . . have produced scarcely a ripple in Laos, except in the capital city. And what it has produced there, to say the least, does not speak well for it. Laos is, clearly, in far more danger today of a collapse. . . . than when this whole process began —when the country was led by one who tried to think and act in terms of the Kingdom's neutralism. . . .

"After years of enormous expenditures of aid in South Vietnam, that country is more rather than less dependent on aid from the U.S. Vietnam's independent survival is less rather than more secure than it was 5 or 6 years ago. I think in all honesty that we must contrast those situations with those which exist in Burma and Cambodia [both neutral and with little U.S. aid but both independent]."

—Mansfield (D. Mont) at Mich. State Univ. June 10

strongly supporting the long campaign Kefauver has waged against the abuses of the drug industry. But in this, as on most matters on the Hill, the Administration talks a better fight than it wages. Its Congressional liaison men start throwing in the sponge before the opening bells have stopped ringing. The swift climbdown on drugs can easily be charted. On April 10 Mr. Kennedy could still be prevailed upon to sign a strong letter to Eastland, as Chairman of Judiciary, asking for virtually everything in the Kefauver bill except compulsory licensing of patents. But less than one month later the Administration's lieutenants had drafted and on May 3 gotten Chairman Oren Harris of Interstate and Foreign Commerce to introduce a substitute bill in the House. This left out the patent and anti-trust features of the Kefauver bill and watered down its health and safety features. Then a month later, on June 8, came the secret meeting at which Ribicoff's men with Eastland's and Dirksen's framed the latest substitute. The result is, as Kefauver told the Senate, a bill weaker even than that which had earlier been advocated by Mr. Beasley of Eli Lilly, the spokesman for the drug industry. Here the New Frontier seems to follow the Mississippi State line.

The Administration had already turned thumbs down on the legislative proposals by which Kefauver in the Senate and Celler in the House seek to protect consumers against the price-fixing mores of the steel industry. But it had been hoped

(Continued on Page Four)

## Under JFK As Under Ike Timely Safeguards Against Fallout Hazards . . .

A high point in political naivete on the part of scientists was reached during last week's radiation hearings before the Joint Congressional Committee on Atomic Energy. It came during the testimony of Wright H. Langham, of the Los Alamos Scientific Laboratory. He admitted that figures on fallout can be considered "from the more realistic point of view or from the pacifistic point of view" and added "I happen to enjoy the right of appearing before a committee of my government and saying exactly what I think, and to me this is worth a few strontium units in my milk."

This implies that the arms race somehow makes freedom of speech possible, and that if we lagged behind on testing the Russians would soon be over here, and only scientists who agreed with them would have the right to say exactly what they think. The fact is that Dr. Langham is invited year after year to say exactly what he thinks to the Joint Congressional Committee because what he thinks never departs very far, if at all, from exactly what the military-nuclear establishment thinks. His opinion, freely expressed, was that the President had no alternative to resuming tests, especially since—as Dr. Langham put it—the risk from fallout is so small. Saying this out loud in Washington today hardly put Dr. Langham in a class with Giordano Bruno.

### Little Time for the Opposition

The arms race and the military-industrial complex tend to restrict, not to enlarge freedom. Dr. Langham only has to look objectively at the Joint Committee's hearings over the years to see what he is really getting for those extra strontium units in his milk. The Committee, which was supposed to provide a check on the Atomic Energy Commission, the military and nuclear industry has grown more and more the captive satellite and the faithful echo of these interests. Critical scientists, sometimes heard in earlier years, are rarely invited anymore, or—along with labor's representatives—are given a scant few moments of time on hurried discussion panels. These afford only a "somewhat truncated opportunity", as George Taylor of the AFL-CIO on one of these panels termed it, to present opposing points of view, even of a mild variety.

Labor's point of view, presented in a few scant moments, went to the heart of the problem. It wants repeal of the law authorizing the Federal Radiation Council and its replacement with a system of mandatory Federal controls. This is what the military-industrial complex has been fighting since early 1959

### Nobody Checks On The Military

Mr. (Alexander) GRENDON, [coordinator of Atomic Energy Development and Radiation Protection, State of California]: The implied obligation of Federal agencies to avoid increasing the total population exposure out of trivial considerations seems to have been well met by the AEC [Atomic Energy Commission], since the actual result produced by the standards it has set has kept well below RPG [Radiation Production Guide] levels, as it should. The FRC [Federal Radiation Council] should, however, undertake to be a reviewing agency with respect to the activities of any Federal agency that proposes to exceed RPG levels. The recommendations in its Report No. 1 seem not to indicate such an intention.

Mr. (James T.) RAMEY [exec. director Joint Committee on Atomic Energy]: You say that FRC Report No. 1 seems to indicate no intention to review the activities. I think, in actual practice, however, they have required a report by each Federal agency that it is staying within the appropriate guides applicable to their activities. . . .

Mr. GRENDON: If they are, they have not made it sufficiently public to reach me. For example, I don't think the DOD [Dept of Defense] has ever made public what radiation exposure may be involved in some of its military activities. . . .

Mr. RAMEY: I think they sort of exclude military activities.

—Radiation Protection Hearings, Joint Congressional Committee on Atomic Energy, June 7.

when Senator Lister Hill of Alabama, with labor support, put in a bill to give the Public Health Service authority to enforce radiation standards and establish safeguards against fallout and nuclear industrial hazards.

Nuclear industry fears higher costs in better worker protection. The military fear interference with testing if strict standards are established. To head off such legislation, Eisenhower on August 14, 1959, established a Federal Radiation Council which was supposed to establish uniform Federal regulations against radiation. But at the same time he also gave the Atomic Energy Commission authority to transfer wide areas of nuclear safety control to the States. This application of States rights principles to nuclear safety was ludicrous; the hazards involved in nuclear production and disposal problems are highly abstruse and nationwide. To parcel them out among the States is to invite competition among them in the

### Labor's Unheeded Protest Against Giving Mississippi Control of Nuclear Safety

"A very serious issue is raised by the proposed Mississippi plan to assume regulatory authority over AEC owned source, byproduct and special nuclear materials of less than critical mass. The question is whether such a plan meets the Commission's criteria of eligibility in the face of the record of this State in the field of worker safety—a record which is among the very worst in the nation. . . .

"A State which lacks even a Department of Labor, operates a shadow factory inspection department and farms out its general safety programs to private business and industry, demonstrates such small concern for human values that its application now before the Commission should be suspect on its face. . . .

"If the Commission feels impelled to approve the Mississippi plan, simply because on paper it meets minimum Com-

mission criteria, a most dangerous precedent will be set which will immediately spread to other States lacking safety programs. Already the Southern States have organized and are pressing for Congressional ratification of a Southern States Nuclear Compact, with emphasis on industrial promotion."

—"Comment" filed by the AFL-CIO May 4 before the AEC which has nevertheless without public hearing approved plans for transferring certain areas of nuclear safety authority to the State of Mississippi. The bill referred to by the AFL-CIO, HR 10618, passed the House on the consent calendar without debate June 4 and was referred next day to Senate Judiciary Committee. It raises the spectre of the South luring nuclear industry by low safety standards as it does industry by low labor standards.

## ... Are Still Blocked by the AEC With Its Military and Industrial Allies

game of attracting industry by offering cheap and inexpensive nuclear safety requirements. The whole process was caricatured when the AEC recently authorized such a transfer of responsibility to Mississippi (see box bottom of p. 2).

### The FRC A Weak Front

Though Kennedy in 1961 during his campaign for President criticized the system under which the AEC "is both the developer of weapons and the judge of risks", and called for the separation of the two functions, actual policy under Kennedy has been the same as under Eisenhower. The Federal Radiation Council has been a weak front behind which the AEC with its military and industrial allies has continued to subordinate health considerations to military thinking and business profit. Authority in the field of radiation protection remains diffused; the "protection guides" established by the Council are only advisory; responsibility for counter measures against the dangers of fallout is still undefined.

Such countermeasures must now be prepared, according to a long and mysteriously delayed report by the National Advisory Committee on Radiation to the Public Health Service. This Committee, headed by Dr. Russell H. Morgan, chief radiologist at Johns Hopkins, recommended as far back as March, 1959, that primary responsibility for the nation's protection from radiation hazards be established in a single agency of the Federal government, "preferably the Public Health Service." In recent weeks bits of a new report by this committee have been leaking into the press, and the Industrial Union Department of the AFL-CIO has been demanding its release. It was suddenly made public during the Joint Committee hearings, after Congressman Mel Price (*D. Ill.*) wanted to know why it had not been made available.

Where the FRC report (discussed in our last week's issue) said testing through 1961 had not noticeably increased health hazards, the Morgan report pointed to sharp increases in Iodine-131 from recent Soviet and U.S. testing and warned that counter-measures might have to be taken if the Russians resumed testing again after our current series. The best counter-measure, it said, would be the use of powdered or evaporated milk for infants and pregnant or lactating mothers. Effective

### Fallout Monitoring Inadequate

"The [fallout] monitoring systems have serious deficiencies with respect to speed and effectiveness; the information is not available soon enough to take any preventive action which may be warranted. The total diet samples (especially useful for medium and long-lived radioisotopes, such as Strontium 89, Strontium 90 and Cesium 137) do not give us data until three or four months after the food has been eaten.

"The milk network requires about two months for the reporting of such data. But this network is also capable of reporting the short-lived Iodine-131 within a few days, and is especially valuable for this reason. The air network, which should act as an 'early warning' system, to warn us of approaching radioactive contamination, is of very limited value, if not misleading. The air network failed to give warning of high Iodine-131 levels in milk in most places in the U.S. last Fall."

—From Prepared Summary of Testimony by Irving Michelson, Consumers Union, before the Joint Committee on Atomic Energy, June 5.

counter-measures for Strontium 90, on the other hand, have yet to be developed. The Morgan report urged that unless preparations in the field of counter-measures are taken now, "the nation may well be faced in a few years with contamination problems which cannot be easily solved."

Here a new obstacle is encountered—the milk industry. It would rather pretend that little danger exists. Its partners in pretense are many and powerful. The military does not like the Morgan report's warning that if testing is continued, serious health hazards will appear. The AEC dislikes the Public Health Service, and prefers to operate behind the facade of the Federal Radiation Council. It turns out that this body, made up of Department heads, has only met seven times in three years, hardly a reassuring record. Opposition to the Morgan report may also come from the Budget Bureau; the report calls for a 50 percent increase next fiscal year in radiological health activities to \$25,000,000 and a steady rise thereafter to \$100,000,000 by 1970. Economy is still the watchword of government where civilians are concerned.

### Leakage From Underground Tests in Nevada Suspected As Source of Iodine-131

"One of the things that has bothered me most is to reconcile some aspects of the fallout data associated with the periods of relatively high iodine activity in eastern United States. In the past we have [had] a strong correlation of iodine activity associated with Nevada tests. This feature still seems to be apparent in these data. So in the timing, in the age of the debris, the concentration of surface air, in radioactivity and in the distribution pattern, all of the late September [1961] activity would suggest that perhaps we are overlooking an important contributor. In fact, from the point of view of the very short-lived [radio] activity, it may even be the predominant contributor. By this I mean leaking or mild venting from underground tests which are not completely contained. . . .

"I think if one examines the iodine activity, you find many features in it which could be related to its possible origin in Nevada underground shots. There seems to be in the timing, in the age of debris, in the concentrations observable, things that can be rationalized from this source which are very difficult to rationalize from a very distant

source. We are having the same kind of difficulty with some of the present data, mid-May, 1962, data, showing high concentrations in the Middle West milk again and this presumably due to atmospheric tests in the Pacific. I think it is important to fully evaluate these possibilities.

"One kiloton in surface air drafting [drifting?] over continental United States can produce the observed concentrations in layers one or two miles thick, concentrations observed in late September. This could account for the milk if it were mostly deposited in this limited region. . . . I think in connection with the iodine problem we should look to our underground tests quite carefully as a possible contributing source and conceivably the important source."

—Dr. E. A. Martell, Cambridge Air Force Research Center, during panel discussion at the radiation hearings before the Joint Committee on Atomic Energy, June 5. If Dr. Martell's hunch is correct then heavy iodine concentrations in the Mississippi Valley last Fall and last May were due in part at least to leakage from our own underground tests rather than Russian and U.S. atmospheric testing.

## A Fighting Liberal President Would Have Made This A Great Issue

(Continued from Page One)

that the Administration would still support the battle to aid the drug user. The high profits of the industry, its exorbitant prices, its exaggerated claims, the high pressure salesmen it looses on the physician, the dangerous side-effects its wonder drugs often create—all have been voluminously documented in 12 volumes and 8,668 pages of testimony before the Kefauver committee. The high spots have even appeared in a largely indifferent press\* often more sensitive to drug advertising than to its public obligation.

### Kefauver's Grand Design

The remedy proposed by Kefauver was a classic American populist response—not price-fixing by government but regulatory steps to restore competition and prevent cheating. Kefauver's bill embodied a grand design. It would have made certain well-known abuses of patent procedure per se violations of the Sherman Act, thus hitting the drug cartel at its foundations. To end high prices in patented drugs, it would have provided for compulsory licensing after three years (at royalties up to 8 percent of sales, a generous margin). To bring down prices in non-patented drugs, it would have made it easier to buy drugs by their generic names. To give the physician confidence, it would have subjected the drug manufacturers to licensing and inspection. It would have forced the drug houses to tell the truth about the side effects in their advertising. It would also have given the Patent Office power to prevent "a quick kill with the quick pill" by refusing patents on slight modifications which provide sales gimmicks rather than therapy. These were the outlines of a great and overdue reform, a monument to any Administration.

From the standpoint of practical politics, the drug issue has the same appeal as medical care for the aged. The price

\* The AP, to its credit, made Kefauver's charge of a secret meeting the lead of its story. The UPI left this out. The Baltimore Sun put the AP story on page one but the Washington Post, the New York Herald-Tribune and the New York Times all ran the UPI story instead, buried inside. The New York Times dropped the story altogether from its main Late City Edition. For most newspaper readers this is still an untold story.

### Witch Hunt Victory

It is a pleasure to report that the first two Communists to be jailed in connection with the Internal Security Act, that excrescence on a free society, will go free as a result of a unanimous opinion just handed down by Judge J. Skelly Wright (with Judges Edgerton and Burger) of the U.S. Court of Appeals for the District of Columbia. The decision was in the case of Philip Bart, a Communist official for more than 30 years, but the reasoning applies to the appeal of James E. Jackson, editor of *The Worker*. Both men were sentenced to 6 months in jail for contempt when they refused to name other party officers after being given immunity under the Compulsory Testimony Act upheld some years ago in the Ullmann case. The Court held that while the Compulsory Testimony Act specifically covers Internal Security Act cases, the government must show that the matter being investigated really involves a threat to the national security. More than allegation is required. "The judge," the Court said, "is not a mere automaton, performing a ritualistic act." Judge Wright declared, "Only the strongest circumstances can justify compelling a confession of crime. Especially so, when that admission involves not only the odium attached to guilt but also civil and economic disabilities which the grant of immunity probably cannot erase."

of medicine for chronic ailments imposes real hardships on a large section of our older population. This was an ideal spot at which to fight some of the myths to which Mr. Kennedy referred at Yale. As Hart of Michigan told the Senate in support of Kefauver, "When certain phrases are used, most members react rather like an automatic sprinkler system. One of these phrases is, 'You do not want to curb American business'." This identifies American business with the right to take the public for all it can get. The Republicans, through their Senate leader, Dirksen of Illinois, have made themselves the fervent spokesmen of the drug industry in this fight. This could have been a great issue in the coming campaign, were it not that Kennedy sometimes seems much closer to Dirksen than he is to Kefauver. Indeed it is interesting to notice that the secret surrender on the drug bill followed right after Dirksen came to Kennedy's rescue in the fight to continue farm aid to Poland and Yugoslavia.

Please Specify Which Issue When Sending Stamped Envelopes For Free Sample Copy to Friends

I. F. Stone's Weekly, 5618 Nebraska Ave., N. W.  
Washington 15, D. C.

Please renew (or enter) my sub for the enclosed \$5:

Name .....

Street .....

City .....Zone.....State.....  
6/18/62

Enter gift sub for \$2 (6 mos.) or \$4 (1 yr.) additional:

(To) Name .....

Street .....

City .....Zone.....State.....

Shall we send gift announcement? Yes ☐ No ☐

I. F. Stone's Weekly

5618 Nebraska Ave., N. W.  
Washington 15, D. C.

NEWSPAPER

Second class  
postage paid  
at  
Washington, D. C.

I. F. Stone's Weekly. Second Class Postage Paid at Washington, D. C. Published every Monday except the last Monday in August and the first in September and the last Monday in December and the first in January at 5618 Nebraska Ave., N. W., Washington, D. C. An independent weekly published and edited by I. F. Stone; Circulation Manager, Esther M. Stone. Subscription: \$5 in the U. S.; \$6 in Canada; \$10 elsewhere. Air Mail rates: \$15 to Europe; \$20 to Israel, Asia and Africa.

LICENSED TO UNZ.ORG  
ELECTRONIC REPRODUCTION PROHIBITED