of citing as little as possible of each other's work. When Schally first started his own laboratory, "I acknowledged everything he did in my reviews in a very proper way. But in his reviews there was no mention at all of what I did. So if he wanted to have this cold war, I gave him a sample of his own medicine." Guillemin says that he has always tried to quote Schally's work fairly, and that the notion of a cold war is ridiculous.

Cold war or not, Guillemin's and Schally's differences are of less importance in themselves than as manifestations of a rivalry which both to some extent motivated their efforts and to some extent shaped them. Schally, for example, chose to work with pigs because Guillemin's isolation program depended on sheep material; Schally at first strengthened his team in physiology rather than chemistry because of "my inferiority complex with respect to Guillemin that my physiology would not be good enough." Another way in which the rivalry may have influenced progress is in the matter of exchanging materials. The scientific tradition of free exchange does not seem invariably to have been honored. Guillemin has complained that Schally refused to share his samples of synthetic TRF-type tripeptides on the grounds that " 'the FDA did not allow such transfers across state lines.' " Schally recalls refusing a request (he believes some other material was concerned) but says he did so because Guillemin would only have used it to announce that in his laboratory the material was useless: "It is like giving someone a gun so he can shoot you. What did he make so much fuss for? He was an opponent and an enemy at that time. Also I simply didn't have enough material for my own use." Schally's colleague Abba Kastin, who believes the incident concerned the factor known as MIF, confirms that he and Schally didn't have enough even for their own use.

The Effects of Competition

Whatever the particulars of the episode, it underlines the active lack of cooperation between the two teams. There

Briefing

Senate Staff Study Warns of Corporate Interlocks

According to a staff study just released by a Senate subcommittee, many of the nation's largest corporations, including the big energy companies, tend to be linked by a disturbing web of direct or indirect interlocking directorates.

The study, prepared by the staff of the Subcommittee on Reports, Accounting, and Management formerly chaired by the late Senator Lee Metcalf of Montana (who died in January), says for example that the three largest energy companies—Exxon, Mobil, and Texaco—are "indirectly interlocked" with a number of their major competitors. Two directors of Exxon, the largest company of all, serve as directors of Citicorp, one of the nation's biggest banking firms; along with them on the Citicorp board are directors of Mobil and Standard Oil of California, plus directors of a number of other energy-related companies, such as Halliburton (Brown & Root), Texas Eastern Transmission, Stone and Webster, General Electric, and Westinghouse.

The staff study does not allege that such indirect linkages are illegal under the antitrust laws, nor does it cite any specific instances of abuses. But it does argue that interlocks of this kind can represent a "danger of a business elite, an ingrown group, impervious to outside forces, intolerant of dissent, and protective of the status quo, charting the direction of production and investment. . . ."

The study recommends that Congress "enact a general prohibition against any officer or director of a company with over \$1 billion in assets or sales from being an officer or director of any other company of similar size." "This may sound like a harsh proposal," the study acknowledges. "Indeed it is, because its purpose is to effect dynamic changes in the composition of major company boards. Its objective is to separate the larger corporate managements in order to encourage more innovative and competitive corporate policies and to avoid possible conflicts of interest."

Small High-Technology Firms Come Under Foreign Control

Senator Gaylord Nelson (D–Wis.), chairman of the Senate Select Committee on Small Business, is afraid that the United States may be "losing the cream of its new technology" because small, high-technology companies are finding it difficult to raise venture capital domestically. Research done by the Select Committee last year turned up evidence that control or near-control of at least 11 companies of this kind had passed to foreign investors.

For instance, a Japanese firm, Fijitsu, had acquired a 36 percent interest in the Amdahl Company of California, characterized by the committee as a designer and manufacturer of "large-scale computers more powerful than the top of the IBM line." Also, a West German company, Siemens AG, had become the largest shareholder in two other California firms, Advanced Micro Devices (a designer and producer of advanced integrated circuits) and Litronix (a manufacturer of advanced semiconductors).

Senator Nelson's concern at such acquisitions was set forth last fall in a meeting with President Carter at the White House and was repeated recently in the annual report of the Select Committee. The foreign buyers, he said, will be able "to take these new products and their technology and exploit them abroad for the benefit of foreign jobs, foreign profits, foreign exports, and foreign economic and military strength."

In its continuing series of hearings on the problems that small companies of all kinds are experiencing in raising venture capital, the Select Committee recently learned that a survey conducted by the American Electronics Association had produced some disturbing results. It indicated that, during the period 1971–1974, new electronics companies succeeded in raising only half as much start-up capital as similar companies had been able to raise during the period 1961–1964.

The Select Committee, which may issue a special report later this year on the capital-formation problem of small business, has not yet put its finger on all of the reasons why this problem exists. But one major reason is believed to be that, in their investment policies, pension fund trustees are tending to exercise excessive caution—induced partly by federal law—by not putting money in even highly promising ventures if they are still new and unproved.

—Luther J. Carter