

NEWS IN BRIEF

● FORD FOUNDATION REPORT:

The Ford Foundation plans to cut its rate of spending to bring its income a little more in line with its outgo. McGeorge Bundy, president, said that in recent years the Foundation has been spending approximately twice the amount of its income annually. According to the Foundation's latest annual report, covering the period from 1 October 1965 to 30 September 1966, the total of grants and other new commitments was \$307.7 million; income was \$154.4 million. Bundy said the Foundation intends to continue spending somewhat beyond its income, but at a rate lower than in recent years. In his first report as Foundation president, Bundy emphasized the need for increased funds for higher education. However, he said, "there is no solution to the problems of the private colleges and universities simply in giving away the Ford Foundation." Bundy warned of the dangers of a college president serving primarily as a promoter: "Colleges and universities expect these men to be the principal agents of innovation and reform but if they are preoccupied with paying their bills, other things will inevitably tend to take second place." He suggested three approaches to increased support: a five-fold increase in private gifts from wealthy individuals as well as greater corporate giving; continued federal assistance; and improvement in the investment yield of college and university portfolios. In reference to the latter, Bundy said the Foundation will undertake a survey of investment practices of institutions of higher education. Caution in investment, he said, may have in the long run "cost our colleges and universities much more than imprudence or excessive risk-taking." The report also announced the restructuring of the Foundation into four divisions. The new divisions and their heads are: International Affairs, David E. Bell; Humanities and Arts, W. McNeil Lowry; National Affairs, Bundy; and Education and Research, F. Champion Ward.

● BIOLOGY AND ENVIRONMENT:

The U.S. National Committee for the International Biological Program (IBP), now preparing for its operational phase,

has called upon American biologists to join in the worldwide research effort on problems of man's changing environment. The IBP goals are to promote basic biological studies related to productivity and human welfare, which will benefit from international collaboration. The U.S. IBP committee was organized by the National Academy of Sciences-National Research Council under its Division of Biology and Agriculture. A report, "U.S. Participation in the International Biological Program," outlining opportunities and objectives of IBP, has been sent to 49,000 U.S. biologists and agricultural scientists. The report asks U.S. scientists to review their current research and suggest both new and ongoing projects that would contribute to solving the problems with which IBP is concerned.

● CORONARY DRUG PROJECT:

The Public Health Service has announced the addition of eight new centers to the National Heart Institute Coronary Drug Project aimed at determining if drugs can lower the death rate in patients who have survived one or more heart attacks. The project, which began its clinical phase in April 1965, has 28 centers already in operation, with plans to reach a full complement of 50 by mid-summer. The drugs being used have a common ability to affect blood lipids and to lower blood cholesterol. They include estrogens, nicotinic acid, dextrothyroxine, and CIPB. The study will require approximately 8000 patients to determine if any one of the drugs can conclusively reduce by as much as 25 percent over a 5-year period the mortality rate of men who have had previous heart attacks. Subjects being used are volunteer males, aged 30 to 64, who have no other life-threatening diseases. The control group will receive the same standard medical treatment but without lipid-lowering drugs. A coordinating center for data and study forms is located at the University of Maryland, Baltimore, and a Central Laboratory at the Communicable Disease Center, Atlanta, Georgia. The study is expected to take 10 years and cost an estimated \$4.5 to \$5 million a year during the peak years of operation.

in this department can only be applauded. The report points out, however, that the wage increases have not been "offset by any measurable increase in the 'productivity' of hospital employees," and that "the number of employees per patient is rising, not falling." According to the report, the "non-wage costs of hospitals are also rising, reflecting the growing complexity of hospital plant and rapid increases in the specialized care facilities available in hospitals."

The HEW study found that, although the reassessment of costs at the time Medicare went into effect probably made it seem timely to many hospitals to increase their charges, the increased occupancy rates engendered by Medicare were not in themselves responsible for the price rises. Increased occupancy does not necessarily result in higher costs per patient. By the same token, HEW found no evidence that Medicare was responsible for the rise in doctors' fees.

In the drug department, the HEW study reports that, while prices have not risen as rapidly as have other medical expenses, consumer expenditures on drugs have increased sharply. The report cites a number of reasons for the rising expenditures, but stresses chiefly the fact that more drugs are now available for more purposes. The report says that drugs are now frequently substituted for more expensive forms of treatment, that the public seems anxious to buy drugs such as sedatives and tranquilizers (retail sales of which increased 535 percent between 1952 and 1965), and that old people, of whom there are rising numbers, spend about 2.5 times as much money on drugs as do young people. The cause for concern in this area, according to the report, is that "although average drug prices are not rising appreciably, there is ample evidence that they are higher than they would be if there were greater price competition in the industry, either at the manufacturing or at the retail level. The pharmaceutical industry," it points out, "is characterized by high concentration, high advertising costs, and intense non-price competition."

What Should Be Done?

HEW believes that, in order to help keep prices down, changes should be made in six major areas. First, the department believes that alternatives to hospital care should be encouraged. The report points out that hospital services