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United States Senate

COMMITTEE ON THE JUDICIARY
SUBCOMMITTEE ON THE CONSTITUTION
WASHINGTON, D.C. 20510

April 6, 1979

Dear Friend:

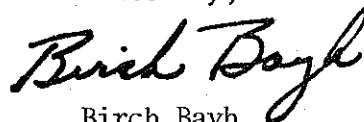
On Wednesday, April 11 I will be presiding over hearings before the Senate Judiciary Committee on S. 414, the University and Small Business Patent Procedures Act.

As you know, this legislation will establish a much-needed uniform patent policy allowing universities, small businesses, and nonprofit organizations to retain patent rights on inventions made under Federally-supported research and development if these contractors are willing to spend the additional money to develop and market these inventions. The bill also assures that the funding agencies will enjoy the fruits of the research they have funded. I am pleased that 24 of my Senate colleagues have now joined me in supporting this important bill.

The hearing will include a report by the Comptroller General of the United States, Mr. Elmer B. Staats, on the consequences of the disparate patent policies presently in practice, and a panel of three researchers and three small business presidents who have attempted to conduct research under these diverse policies. The Committee will also hold additional hearings in early June.

The hearing record will be open to those who would like to submit written statements on the bill or on the effects of the present policies on innovation or productivity. If you would like more information please call Joe Allen of my staff at 202-224-9263.

Sincerely,



Birch Bayh
Chairman

Christian Science Monitor; 5/31/79

America's responsibility

Rep. Clarence Long's statement about aid to Vietnamese refugees ("Refugee aid: Congress may well draw the line") is appalling. It seems to be one more indication of America's determination not to act responsibly in the aftermath of our tragic intervention in Indochina. When we admit that we are all responsible for the very fact that these people are "wretches"? To tie further aid to population control efforts is hypocritical. Population increase has little to do with the reasons people are fleeing Vietnam now. Years of American deprivations set the scene.

The "budget crunch" for refugee aid does not stem from an objective lack of funds, but instead it indicates a warped sense of priorities. After all, defense spending continues to increase. More Vietnams?

Christian Science Monitor; 5/31/79

Taxed twice? No, thanks

Re "Social security benefits should be taxed":

Dr. Greene is missing something (or perhaps I am).

I have been in the social security "retirement" plan since its inception. I chose to work full time beyond age 65, and none of my contributions came to me until I reached 72 in 1977. I am still employed full time and continue to make contributions to the fund. However, two of every three dollars deducted are retained by the Feds. I only receive \$1 in my "benefits."

But mark this, (Dr. Greene); income taxes have already been paid on the income as earned. I am fortunate enough to have a job and good health, but many retirees do not and to levy additional taxes on them would be adding insult to injury. How about removing everything but retirement from the plan? That's what the original proponents had in mind in the first place.

Yuba City, Calif. E. Sacherer

"Insecurity at social security" takes a look at a problem which concerns all of us - except federal employees!

Perhaps our worry about the security of the social security program could be eliminated if our elected representatives would take two simple steps:

1. Include all new federal employees (both hired and elected) in the social security program beginning in January, 1980;
2. Remove the health care programs which are destroying the original pension program.

Unlike most of us who contribute both to our company's pension plan and also, heavily, to the social security fund, federal workers need only participate in their own pension plan.

When Congress has to contribute to the social security fund, perhaps it will be more interested in removing the overload of medical programs which is bankrupting the fund.

St. Paul, Miss. Janet R. Quale

NY Daily News; 5/31/79

How HEW blocked bus criticism

By DIANE RAVITCH

ONE OF THE MOST controversial social experiments of the past decade was compulsory racial assignment of public school children--busing for short--but the Department of Health, Education and Welfare would rather not have any questions raised.

Last February, Mary Berry, HEW's top-ranking education official, asked the prestigious National Academy of Education to assemble a panel of experts to reconsider the history and significance of the Brown decision, in which the Supreme Court declared state-imposed school segregation illegal. Nineteen people--educators, social scientists and civil-rights lawyers--contributed their views, and the panel's report was supposed to be released at a White House conference on May 17, the 25th anniversary of the Brown decision.

But, on the appointed day, the report was somehow "not ready." A week later, Gene Maeroff of The New York Times discovered that Richard Beattie, executive assistant to Secretary Joseph Califano, had withheld the report, claiming that it was not well written and was a "hodgepodge."

That was not the real reason that HEW tried to suppress the document, and Beattie admitted as much when he quickly changed his story and said that nothing was wrong with the report except that it was "inappropriate." Why was it "inappropriate"? Why did Secretary Califano's office try to block the publication of this document? Why is it that, unlike the veritable ocean of documents that flows forth from HEW, this report was available only on request until press attention forced its release? The answer is simply that this report, titled "Prejudice and Pride: The Brown Decision After Twenty-five Years," contains criticisms of busing.

Among the 19 panelists, five expressed reservations about different aspects of the policy of involuntary racial assignment. I was one of the five. As a historian, my view was that the original purpose of the Brown decision was to remove from government the power to assign children to schools on the basis of their race, and that the historic mission of the civil-rights movement was to insist that each person be treated as an individual without regard to race, color, religion or national origin.

Others had different concerns. James Coleman and Nathan Glazer, two of the nation's leading sociologists,

criticized the use of coercive policies and advocated voluntary desegregation. Coleman pointed out that court-ordered busing had led to extensive "white flight" from urban schools and was producing resegregation between cities and suburbs. Additionally, two of the panel's four black members registered their support for emphasis on educational improvement rather than racial balancing. Most of the members of the panel strongly backed metropolitan desegregation, that is, the integration of children between city and suburban school districts. Among this group were social scientists and civil-rights lawyers who are well-known and articulate advocates of wide-scale integration.

Stephen K. Bailey, the chairman of the panel, insisted that the report reflect the division of opinion on the issue. Bailey, who is president of the National Academy of Education, is a distinguished political scientist with impeccable credentials as a scholar.

Shortly before "Prejudice and Pride" was to be released, David Tatel, director of the Office of Civil Rights at HEW, objected to publication of the report. To her credit, Mary Berry (who is black) stood firm and defended the report's inclusion of criticism of HEW policy. The irony, of course, was that the preponderance of the report, like the membership of the panel, was supportive of busing.

The campaign to block the report was carried to Califano's office, and there it met success. On the day of its expected publication, it was mysteriously unavailable.

In winning, the opponents of the report lost, for they not only called attention to the document, but they also revealed: 1) the effort to suppress the report and then to cover up the reasons for doing so; 2) the real reason for the attempted censorship, which was fear of an open debate on desegregation policy.

If public policies are effective and sensible, they can withstand all criticism; indeed, good policies are strengthened by tough scrutiny. But when government officials try to stifle critics of a controversial policy--like busing and to prevent the public from learning that the scholarly community is divided about its value and effects, then we are all in trouble.

By the way, to obtain a copy of "Prejudice and Pride," write to Dr. Mary Berry, assistant secretary of education, Department of Health, Education and Welfare, Washington, D.C. 20202. It will probably arrive in a plain brown wrapper.

(Diane Ravitch is a historian of education at Teachers College, Columbia University.)

Califano strokes again!
Tom

POTENTIAL cures for muscular dystrophy, schizophrenia and 20 other possible medical breakthroughs that might have saved hundreds of lives were kept from the public for nearly two years by the government, charges a group of senators. And the official who finally blew the whistle to Congress has been fired.

The senators claim the Department of Health, Education and Welfare knowingly sat on the patents for the medical data and devices — apparently to cut government health research costs. Finally a HEW patent official, Norman Latker, complained. As a result, Latker was kicked out of his job without severance pay after 22 years of government service.

According to Sen. Robert Dole (R-Kans.): "HEW pulled the plug on development of research and withheld from the American public potential cures and revolutionary diagnostic techniques for treating such diseases as cancer, arthritis, hepatitis and emphysema."

The medical techniques that were stonewalled by HEW also included:

- A blood test that would show the presence of cancer long before tumors appear on X-rays.
- A method of determining the best cancer treatment without using the patient as a guinea pig.
- A new arthritis remedy.
- An appliance to help babies with cleft palates.
- A new breathing device for asthma sufferers.
- A thermometer that pinpoints

By NORMA LANGLEY

the optimum temperature needed to kill individual cancer cells.

• Medicine to prevent raging fevers from striking children born without normal resistance to disease.

• A new antibiotic.

Dole said one of the worst examples of HEW stonewalling was the revolutionary new blood test for detecting cancer of the breast, digestive tract and pancreas. It was developed by one of the world's most prominent research centers.

Latker says that the day after Dole demanded action on his complaint, HEW Secretary Joseph Califano ordered that half the new drugs and treatments be released to the inventors. Then Latker says, Califano came looking for the whistle blower.

Latker's job was returning the patent rights to inventors who used government money to start their research. Most of the inventors are leading scientists who exchange the patent rights for National Institutes of Health grants to study hundreds of medical problems.

When the grant money is used up, the normal procedure for the last 10 years has been to quickly return patent rights to the inventor. Drug firms then would put up millions of dollars to make some of the treatments available to the public.

Latker took over the patent transfer office 10 years ago and made it a model of efficiency. He returned many patents that proved worthless, and some that proved very valuable when put into production — including the vaccine for rubella. But, Latker said, "as soon as Mr. Califano came in, he shut us down."

Inventors and drug companies began to complain to senators. Last August Latker was called to testify before a congressional committee. He told them his office had processed 30 inventions that his superiors would not release.

Dole demanded an explanation from Califano and quickly found 15 other senators, including Birch Bayh (D-Ind.), to co-sponsor a bill that would give investors exclusive



Norman Latker: Kicked out without severance pay for blowing whistle on U.S. agency.

rights for a limited time to their inventions. Sen. Bayh's wife, Marvella, suffers from inoperable cancer.

After several months of harassment, Latker says, he was finally fired in November.

He was offered no severance pay and is not eligible for a pension until 1994.

John Blamphin, Califano's spokesman, denies that Califano had any personal interest in Latker. "Mr. Califano was not involved in the firing," Blamphin said.

Latker was dismissed for a number of improper activities he explained, including using his office, materials and personnel to lobby for the Dole bill; mailing a congressional press release from his office, and helping the Association of American Medical Colleges prepare a lawsuit against HEW.

"These activities are explicitly forbidden a government employee to engage in," Blamphin said.

As for the delay of the patent releases, Blamphin said that "the public has some rights. They funded the research and they have rights that have to be balanced against a private company developing the treatments." Occasionally the government does indeed develop a product itself. But mostly, sources say, HEW and other government agencies are simply reluctant to look like they're giving away taxpayers' money to private industry.

Latker called this profit motive on behalf of the taxpayer ridiculous. "One in a million of these inventions would really return important money," he contended. "Remember, if HEW thought they had a winner, they would have continued funding them."