Picking Up the TAB

by James Fallows

Watching the performance of politicians and the press, the average man might be tempted to conclude that welfare reform is the issue no one wants to touch. Hasn't President Nixon abandoned his Family Assistance Plan, brushing off the crocodile tears as Congress refuses to pass it? Hasn't George McGovern found his $1,000-per-person grant a bigger handicap than Eagleton?

The problem with both proposals is that they would help the poor at a time when that is going out of fashion. The sponsors of another plan—H.R. 13366, now sneaking through Congress—did not make the same mistake. Realizing that for the big corporations—especially those that can rub the honest Jeffersonian dirt of agriculture over their big-business image—welfare prospects have rarely been better, backers of the Cyclamate Indemnification Bill would reform the welfare system by adding the big companies to the dole. At a cost of up to $500 million, the bill would pay off companies stuck with outlawed goods when cyclamate sweeteners were banned three years ago. The bill is looking weak now, and its sponsors at Coca-Cola and the National Canners Association are starting to sweat. But the same twisted alliance—between right and left, canners and farmers, Republicans and Democrats, united in a quest for federal money—that has moved the bill this far may still win. The ground it has already covered shows how far the welfare ethic has extended up and down the economic structure.

Although the bill's immediate history begins on October 18, 1969—when the Food and Drug Administration announced that cyclamates had caused cancer in laboratory animals, and must therefore be removed from the food supply—we must begin several decades earlier to understand the implications.

In 1937, a chemistry student at the University of Illinois, Michael Sveda, laid his cigarette down on a laboratory bench. When he picked it up, it tasted sweet. Thus was revealed the sweetening power of an artificial chemical—

James Fallows is an editor of The Washington Monthly.

cyclohexylsulphamic acid. In its more familiar forms as calcium and sodium cyclamate, this substance was to bring no-calorie ingestion to millions of soft-drinkers (although, as evidence would show, it brought slenderness to few), a billion-dollar business to the food industry, and difficult regulatory problems to the federal government. This large-scale commercial growth did not begin until the 1950s, after Abbott Laboratories, soon to become the biggest producer of bulk cyclamate, got FDA approval in 1951 to market a low-calorie sweetener called Sucaryl.

The legal ruling in the Sucaryl approval is an important prelude to the next two decades of cyclamate use. Although FDA commissioners later said that Abbott's data on cyclamates was "very weak," the substance seemed wonderful as an aid to diabetics and seriously obese patients. To emphasize this special, medicinal use for cyclamates, the FDA approved Sucaryl as a "non-nutritive, artificial sweetener which should be used *only by persons who must restrict their intake of ordinary sweets.*" The italics here are mine, but over the next few years the FDA made it clear that they placed special emphasis on the limiting phrase.

The food industry did not. Late in the fifties, food and chemical companies pushed cyclamates through the major commercial transformation that would eventually lead to the FDA ban. Instead of remaining as restricted, limited-use, drug-like concoctions for the ill, cyclamates became highly publicized, highly profitable items for mass-use food products. As one form of gastric indulgence which (it seemed) left no bad aftereffects, cyclamates tapped some unsuspected vein of response in the public. By the late sixties, cyclamates were turning up not only in soft drinks (Tab, Fresca, Diet-Pepsi, et al., which were being consumed at a rate of 600-800 million bottles a year by 1968) and soft-drink mixes (pre-sweetened Kool-Aid, advertised on children's TV shows by Bugs Bunny), but also in a wide range of other foods: diet jams and jellies, maple syrups, and salad dressings; artificially sweetened canned fruits; and lo-cal candies. More

ominously, they appeared in many products not advertised as "dietetic." Because cyclamates were cheaper than sugar and more easily dissolved in water, they became a normal ingredient in products ranging from canned tomatoes to soups to children's chewable vitamins to specially sweetened cough syrups. When it was all over and some people were congratulating themselves for having avoided diet drinks, they rarely knew that the meals they had eaten every day were likely to contain some cyclamated ingredients.

The commercial meaning of this was a rise in cyclamate consumption from five million pounds in the early sixties, to 17 million in 1968 and a predicted level of 20-21 million in 1970. The total diet-food industry was turning over roughly $1 billion annually, and it included companies ranging in size from Coca-Cola, General Foods, and Abbott at the top to small fruit growers at the bottom.

The theoretical legal sanction for this massive new production was FDA's publication, in 1958, of the GRAS ("grass") list. Several years earlier, Congress had grown concerned about the rising number of additives in food and the FDA's relatively weak standards for testing the additives. A new law required the FDA to test the additives, except for certain items which were "Generally Recognized As Safe" (GRAS). The thousand-odd products on the GRAS list included obviously innocuous ingredients like salt, thyme, cinnamon, and alfalfa, as well as several hundred chemical additives. The standard linking the items together was that there was no evidence that any of them was unsafe. Because of this curious premise—which relied on the lack of evident hazards rather than any proof of safety—the list was not intended as a guarantee of approved or safe items. Indeed, as the years passed, several ingredients, such as brominated vegetable oils, were removed when new evidence turned up. But cyclamates remained on the list. They had originally been included after the FDA asked 900 scientists whether they knew of any bad effects of the chemical and the 355 who answered said no. In light of what happened later, the question—and the whole GRAS rationale—looks like it should have been reversed, placing the burden on the manufacturer to prove safety.

Even while including cyclamates on the GRAS list, however, the FDA was not at all happy to see the commercial mushrooming of cyclamates. In 1962, when the food industry announced its grandiose plans for diet products at a Food Law Institute meeting in Washington, the FDA appeared shocked and repeated its warning that cyclamates should not go on the mass market. In the next few years, the suspicions behind that warning were bolstered by more specific evidence. Laboratory findings were not conclusive, but there were signs that cyclamates might cause birth defects, or affect digestion, or cause cancer. In 1966, a new hazard popped up; scientists found that in some cases, cyclamates were metabolized into the highly poisonous chemical CHA (cyclohexylamine). A year later, the World Health Organization reviewed the evidence and warned that cyclamate consumption should be restricted. The FDA, the National Academy of Sciences, and the National Research Council echoed the warnings.

Finally, in 1968, the roof began to fall in on cyclamates. Two FDA researchers, Drs. Marvin Legator and Jacqueline Verrett, found more alarming dangers. Legator found that cyclamates could cause chromosome breakage, and Verrett, looking at chicks from cyclamated hens, found birth defects like those of thalidomide. The National Academy of Sciences, making yet another study, emphasized that "totally unrestricted use of cyclamates [i.e., what was going on] is not warranted at this time." Near the end of 1968, the FDA proposed specific consumption limits for cyclamates—roughly equal to one or two soft

drinks per day for a child. In April, an official notice appeared in the *Federal Register*, requiring all cyclamated products to have labels saying how much was included.

So far, the stuff was still legal. But to anyone familiar with the mechanics of FDA regulation, all the machinery was warming up for some more drastic restriction of cyclamate use. Before that happened, however, a more dramatic event intruded. In October, 1969, Abbott researchers found that the old speculations that cyclamates could cause cancer were true; lab rats had definitely developed bladder cancer. Abbott reported the results to FDA, which then applied the "Delaney amendment" (a clause outlawing any additive shown to cause cancer in animals) and immediately banned cyclamates. As a partial sop to the industry, FDA said that the cyclamated food could remain on sale for several more months, and cyclamates might even be sold as a drug after that. Finally, in August, 1970, even worse evidence convinced the FDA and the Department of Health, Education, and Welfare to remove all cyclamates from the market.

The ban may have caused alarm among the 20-40 million people who, statistically, were eating or drinking cyclamates that day—and it may have caused sighs among those who valued their slimness over what looked like an improbable hazard, but it caused more upset than that in the industry. Abbott, whose cyclamate sales were worth $13 million the year before the ban ($3.8 million for bulk cyclamate and $9.1 for Sucaryl), had to wind up its operation within weeks; soft-drink companies were stuck with large inventories of diet drinks, and warehouses full of bottles, cans, and cartons marked with the now-unsaleable word "cyclamate." Initial estimates of the loss, according to Robert Finch, then Secretary of HEW, were between $250 and $500 million.

Some companies found ways to cut the loss. With government approval, some fruit canners sold their wares in Taiwan, South America, and elsewhere. Coca-Cola and Pepsi had non-cyclamate drinks on the market within weeks, since they had prepared them a year in advance. And all the companies had memories of a decade of profits (Abbott's share was an estimated $8 million) to soften the blow.

Poster Children

Still. . . there was that nagging doubt, that feeling that things could be even softer, that hunch that there must be a way to make the government pay for it. This spirit of Lockheed, widespread even before the Lockheed bill, animated the industry's search for a loophole.

If the big companies had been the only losers, they could have gotten their money back in the usual ways—through tax breaks or special concealed subsidies—or they might even have blazed the trail Lockheed was later to take. But the chemical and soft-drink industries had an advantage Lockheed could not match: a group of small, rural allies, tiny victims of the same disaster, who could serve as poster children for the campaign.

The most important of these showpiece farmers was the California Canners and Growers (CalCan), a group which managed to project itself as a combination of Thomas Jefferson's rural virtues and Horatio Alger's energy. The CalCan cooperative was set up in 1958 by 473 fruit growers, and has since expanded to include 1145 growers in California and Wisconsin. As CalCan president Robert Gibson stressed again and again when he appeared before Congress, the co-op members were "mainly small and medium-sized family farmers. Over half of them deliver less than $12,500 worth of products to our plants in a season." These hard-scrabble farmers had used cyclamates as their means of survival in a world of big business. In 1964, the co-op had invested much of its saved-up capital in a promotion campaign for "Diet Delight" canned

fruits. Sending its produce to all parts of the country, CalCan found its foresight rewarded. "By 1968," Gibson said, "the canning industry had come on hard times because of oversupply and rising profits. Returns fell sharply. But Diet Delight continued to perform well."

The cyclamate ban not only rubbed out the Diet Delight brand name (except in foreign countries where it could be sold), but it did so at the worst possible time. The FDA announcement came in October, just as CalCan was winding up its annual harvest-time canning of the newly ripened fruit. The whole year's production had been packed with cyclamated liquid—and was, therefore, almost a total loss. As what Gibson called "consumer confidence" fell off, the co-op was left with 3.2 *million* cases of canned fruit. Estimates of the loss ran as high as $15 million.

The plague on the California farmers set the stage for H. R. 13366. CalCan officials—who began working with the National Canning Association, the trade group which was later to supply much of the lobbying manpower for the bill—recalled precedents for helping farmers in distress. In the early sixties, after a few cranberry bogs had been contaminated with pesticide and hundreds of other cranberry farmers could not sell their perfectly pure crop, the Agriculture Department rescued them by buying up the surplus and feeding it to schoolchildren. But that technique could not help CalCan, since their cyclamate fruit was not fit even for schoolchildren or welfare recipients. Nonetheless, the growers felt themselves in the same victimized, blameless position as the cranberry growers, and they wanted the same kind of public help. The only choice seemed to be asking for special legislation.

Help From on High

In making the trip from farmers' complaints in the California valleys to formal proposals in Congress, the cyclamate plan took on the strange split personality that was to complicate its passage. At heart, the farmers' strongest case was a plea for relief: they were low-profit operators at best, and they had been hard-hit by troubles not wholly of their own making. If they had asked for special loans, or even grants, they would have been in roughly the same moral position as families left homeless after a hurricane, or small enterprises asking for guaranteed loans. Instead, the bills that turned up in Congress were phrased to "compensate" the cyclamate industry, rather than "relieve" the farmers; their benefits were tied to the amount of business loss, not the size or income of the claimant. The reasons for the change are not too hard to figure out. At every level of industrial organization above the farmers themselves, large companies had a clear stake in a "compensation" bill. The National Canners Association, which worked on the bill from the start, also needed "compensation" for the many canners it represented. The bill's appeal to Coca-Cola and Abbott is too obvious to need stress.

The cyclamate compensation plan made its first, abortive appearance in Congress in 1970, when Michigan's Senator Robert Griffin (whose constituents included the Morgan-McCool diet-fruit packers) introduced a draft written by the National Canners. Although Senators William Proxmire and Frank Moss were attracted by the farmer-relief aspect of the bill, it never made progress. At the time, the Executive agencies which had so recently banned cyclamates resisted this attempt to repay the industry. One FDA lawyer, M. J. Ryan, wrote a blistering memo opposing the bill; he said it would reimburse losses that the industry should bear "as one of the risks of doing business," that it would swamp the Court of Claims with cases, and that it would enrich an industry which had "merely pocketed the excess profits" for years. Robert Finch, still at HEW, agreed, estimating that the cost would be $250-500

million, and concluding that "the withdrawal of a government clearance on safety grounds should be regarded . . . as a normal hazard of doing business."

As the Senate bill stalled, held back by HEW opposition, the canners learned the new gospel of Washington: when all other doors are closed, there may still be sympathy at 1600 Pennsylvania Avenue. Milan D. Smith of the National Canners Association went to see Casper Weinberger, head of the Office of Management and Budget. When he came out, he was able to tell his friends in the trade that Weinberger was with them—and had even coached him on strategy for lining up support. The point was to get HEW, Justice, and Commerce to take a "united" stand on the bill—and the stand to unite on was, of course, support for the canners. Advice from on high proved fine; after a little coaxing, witnesses from all departments gave loyal testimony when the bill made another try.

Smarter Now

The second version of the bill was introduced by California Congressman B. F. Sisk early in 1971. From the start, it showed a keenly perceptive bargaining philosophy. The loss estimates had been drastically pruned—down to $100-120 million, of which $32 million was to go to canners, $34 million to soft-drink companies, and $45 million to "others" including growers. Skeptics suggested that the $100 million figure might be low, since the companies had every reason to underestimate now and make their big claims later, after the bill passed. The bill would cover "indirect" losses as well as the direct loss of cyclamated fruit and drink; these indirect costs could include advertising, converting cyclamate equipment to other uses, and perhaps the salaries of those in the cyclamate departments. The result would be that the growers—whose loss figures will be harder to inflate—would end up with a smaller share of the payoff than was advertised in Congress.

Along with minimizing the apparent cost, the bill's strategists also shrewdly kept the hungry farmers in front, on display. All the early sponsors of the bill were either Californians—Sisk, Jerome Waldie, Robert Leggett, Charles Gubser, and others—or representatives from districts where small-scale canners had been hurt. The biggest potential beneficiaries of the bill—the soft-drink makers and cyclamate manufacturers—lay low, appearing before congressional committees only when asked to, and hinting all along the way that they might not even file claims.

During the House Judiciary subcommittee hearings in September, 1971, and the House floor debate in July, 1972, everything was done in the farmers' name. Sisk stressed the claim, true only by contorted logic, that "the brunt of the government action fell on relatively small concerns and on grower members of farmer cooperatives." California's John McFall told of his constituent on a 90-acre peach farm, who had suffered a $3,000 loss. Gubser, who popped up and down during the floor debate to defend the farmers, painted a picture of agrarian virtues tampered with by the government: "God does not turn the maturing of fruit on and off like one can stop the bottling line at Coca-Cola or Pepsi Cola. It comes once a year. If they had told us about this in March [which, it later emerged, "they" had] we would not have canned the stuff. But it came in October, at the highest inventory of the year." To round off the underdog plea, witnesses from the Teamsters came to list the poor, black, and Chicano workers who had been laid off after the ban.

While all this was going on, no word came from Pfizer, General Foods, Pillsbury, Duffy-Mott, Nehi, Dole Pineapple, or the others. From the example of large farmers who collect thousands in subsidy payments, they had learned to leave the

talking to the little fellows. If only Lockheed had found a small airplane company to be the figurehead, its relief bill might have had less trouble.

The growers' main premise was that they were not to blame for their losses. The twin foundations for this stand were, first, that there was no warning of the ban ("It came 'boom,' like that," said Sisk) and second, the GRAS list was a type of government guarantee of safety.

Safe Soup

Under opposing testimony from Anita Johnson and Dr. Sid Wolfe of Ralph Nader's Health Research Group, James Turner of *The Chemical Feast*, and other consumer representatives, both claims fell apart. The "boom"-surprise claim was feeble, considering the years of warnings which had rolled out from the FDA, the World Health Organization, and from the food industry's own trade newsletters. One of these, *Food Chemical News* (FCN), gave repeated warnings that changes were coming. On December 23, 1968, FCN reported that the FDA "will probably lift the GRAS status of the cyclamates sometime after the new administration comes into power." On February 17, 1969: "The FDA is planning to lift the GRAS designation, but is torn over how it can be done without serious harm to the industry." Apart from this, the industry's own suspicions had been strong enough for Coca-Cola and Pepsi to develop their non-cyclamate diet drinks a year before the ban. A Coca-Cola representative described this to *The New York Times* as "taking out insurance." But the only company troubled enough to avoid cyclamates altogether was Campbell soup. As mogul-ambassador Walter Annenberg reported in a letter to Senator Warren Magnuson, Campbell had been so worried by cyclamate's hazards that it had refused ever to use them.

If the no-warning plea was hard to sustain, the GRAS argument was consciously deceptive. If the FDA, after its cyclamate warnings in April, 1969, still left them on the GRAS list, what better indication could there be of safety? How could the companies be blamed for relying on the list? The answer was that they could be blamed because they had pressured the FDA to keep them there. After the rumors in February that the FDA was getting ready to remove cyclamates from the list, stacks of telegrams and letters piled up from the industry. A typical telegram, from the president of Royal Crown, said: "We are seriously concerned about reports that you are considering taking cyclamates off the safe list. . . . We urge you to postpone action on this proposal." From Dole Pineapple there came a request for a one-year delay. From every conceivable soft-drink maker came echoes of Royal Crown's plea. Some of the bigger interests, including Coca-Cola and the chemical companies, arranged meetings with the FDA. And from one California canning group, Tri-Valley Growers—a partner with CalCan in a can factory—came a special plea for delay.

These telegrams were not publicized during the House debate, and so Waldie and Gubser could say that "the manufacturer and producer who used the cyclamate were using it on the basis of representation of the U. S. government that it was a safe product." But even then, there was another bit of duplicity in the GRAS argument. As Anita Johnson pointed out, the food industry has for years resisted the FDA's attempts to be the sole judge of what stays on the GRAS list and what goes. In January, 1971, for example, when the FDA proposed a change in GRAS, dozens of companies (including cyclamate claimants) protested that the FDA was assuming too much power. The National Canners—who stressed the GRAS guarantee time and again in the cyclamate hearings—wrote that they "cannot accept any interpretation of the proposals as making FDA the exclusive vehicle for GRAS determination."

(Late in 1971, the FDA tried to avoid cyclamate-type claims in the future by publishing an official notice that GRAS was no guarantee against banning. But, ironically, the move gave strength to the cyclamate sponsors, since it suggested that the old policy had given a guarantee, and since it let them say their bill would not possibly set a precedent.)

As this increasingly damning evidence turned up, the growers began to see the extra drag their big-business riders were adding to the bandwagon. The more it became clear that Abbott and Coca-Cola didn't deserve any payment at all, the more the farmers tried to separate themselves from the pariahs. If their claim was weak—they did, after all, have representatives in Washington and should have known that the ban was on the way—it was stronger than that of the big companies. In October, shortly before the ban, the growers had gone to a seminar, sponsored by Abbott Labs, designed to give the truth-squad treatment to cyclamate reports. The seminar talks had titles like "Let's Clarify the Issues of Cyclamate Safety," and "Abbott Laboratories Cyclamates Is Safe for Human Consumption." Embarrassingly enough, the final data on cancer came while the seminar was still on. All this might have meant that the growers should sue Abbott for their losses, since the company was leading them on when it should have known better. Indeed, the growers might have sued—except for clauses in Abbott's cyclamate contracts barring liability.

Profiles in Weakness

On the floor, Waldie, Gubser, and Sisk went to extraordinary lengths to show that their bill would only help the deserving, small growers. They stressed the requirement for proving "good-faith reliance on the GRAS" list before anyone could make a claim, and they said that the big companies probably would not collect. Their comments, of course, had little legal effect; if the bill becomes law, the companies will still be able to go to court along with the growers.

The cyclamate bill passed the House on July 24. For the bill, the Californians told of the CalCan troubles. Against it, stood an awkward coalition containing H. R. Gross (more waste and suckerdom), Emmanuel Cellar (blank check for companies), Leonor Sullivan (opening the Pandora's box of the Treasury), James Mann of South Carolina (rewarding bad judgment), and Silvio Conte (don't cry over spilt cola). As the vote was taken, the bill appeared to have lost, 176-171. But at the last minute, six men changed their votes: William Harsha, Sherman Lloyd, William Dickinson, Robert Mollohan, Harley Staggers, and John Brademas. It passed, 177-170.

In the Senate, the bill's sponsors were California's John Tunney and Alan Cranston—two veterans of the Lockheed case who had learned that broking for federal benefits is the modern senator's most important job. Here, the bill ran into heavier weather than it had in the House. At hearings before Edward Kennedy's judiciary subcommittee, staffer Tom Susman produced piece after embarrassing piece of evidence from FDA files, and Kennedy poked at all the industry's soft spots. Even Tunney left the hearings wondering about his bill. The hearings ended in early September; one month later, the bill still lay in committee, waiting to see whether Tunney, Cranston, and James Eastland, new foreman of the judiciary plantation, will be able to save it.

If the bill does pass, it will have disastrous practical implications. The Campbell soup board of directors would have to fire the man who steered them away from cyclamates, for he would have cost them years of potential profits. The other companies would learn that there was no risk in their excursions into chemical feeding—and, therefore, no reason to hesitate in the future. If the decision to use a pesticide, additive, strange ingredient,

or hazardous chemical depends on the balance between profit and risk, removing the risk can only encourage the users. The bill's opponents argue that giving compensation would make the FDA hesitate in its bannings, since it would realize the cost to the Treasury. Though the conclusion is right, the reasoning is wrong: actually, it would make thousands more bannings necessary, since the industries would have no incentive to police themselves. With its budget of $27 million for inspecting the $100-billion food industry, the FDA cannot hope to do the regulating by itself. This is the danger both of the cyclamate bill and of an amendment to the new pesticide bill, compensating pesticide users when their chemicals are banned. By removing the one faint restraint on limitless chemical use, the fear of economic loss should the product be outlawed, the compensation would mean either grossly expanded government control or grossly expanded food hazards.

Welfare Reform

The other question the bill raises is that of the corporate welfare-state. The forces that supported the bill were a curious alliance of "conservative" and "liberal," right and left, separated only because they represented different interests, united in wanting to get federal payments for their clients. The normal conservatives' hostility toward welfare arises mainly because the conservatives' clients, the businesses, are eligible for another form of government handout —the subsidy, a payment given for some service. Since the liberals' clients have been the very groups least able to perform services worth subsidizing, they line up for welfare. The cloak of Honest, if Subsidized, Work—which defense contractors, shipbuilders, and oil well drillers use to cover the essentially public-works nature of much of their activity—is denied the individual poor. But as our corporations become more important for the jobs they provide than the soft drinks or detergents they make, they grow less embarrassed about joining the official welfare list. When possible, companies still try to make their relief checks look like "compensation" for some special favor they've done the government: the cyclamate and pesticide bills showed this, as did a remarkable proposal by Texas' Graham Purcell for dealing with the shady Russian grain deal. Instead of catching the smoothies who made windfall profits from early information, Purcell wants to repay all the farmers who missed out. The animus behind all these measures, which came out naked in the Lockheed case, is the welfare ethic, much despised when exhibited by the poor.

It would be wrong to blast the welfare system simply because the rich are signing up; there may be good reasons for supporting certain corporations or industries. But we should spend a little more time thinking about those reasons, and about the system we are creating from the grants and compensations handed out day by day. The economic function of welfare payments is to preserve people or institutions which raw economic forces would not preserve. Some parts of the modern industrial structure may seem worth that prop: it may be easier to subsidize cells of engineers and scientists—as they learn how to make transit systems rather than bombs—than to cut them loose when the defense contracts run out. But it is doubtful that, on reflection, many people would want to retain the rest of Lockheed—or Abbott, or Coca-Cola—with their layers of empty jobs and their emphasis on sales. There are better ways to keep people in work. Years ago, sophisticates in foreign programs recognized the same principle: if you want to help a peasant, help him, not his governor. If the rationale of our aid programs to corporations is preserving the men on the bottom, why not give them the money directly, and let aging structures die? ■

TIDBITS and...

Upward Mobility

Buried in the columns of the *Federal Register* are fascinating insights for those who have learned to read between the government's lines. The new ACTION agency—which contains the Peace Corps and VISTA, and where servants scarcely fit the image of service—published the following announcement on September 1:

"Section 213.3359 is amended to reflect the following title change: From Chauffeur to the Director, to Confidential Aide to the Director."

Nice Work

The government has an "incentive award" program which costs the taxpayers millions of dollars each year. It is supposed to work by giving cash grants to employees who do especially fine jobs. As an example of the way it really works, Mike Causey of *The Washington Post* reported that the Office of the Secretary of the Air Force recently gave out awards to 156 of its 276 employees.

Good-bye Horacio

As a retirement present for Admiral Horacio Rivero, 30 Navy ships carrying 21,000 men spent two days steaming up and down the Mediterranean, in formation. For the finale the ships formed two columns, with Rivero cruising down the middle in the opposite direction. One helicopter went down, and the taxpayers were billed for approximately 500,000 man-hours of sailor time.

Drug Trip

Feeling sick? A long trip may do you good. HEW has collected data comparing the prices drug companies charge for the same item in different countries:

Drug (Manufacturer)	U. S. Price	Foreign Price
Darvon (Lilly)	$7.02/100	$1.66 (Ireland)
Declomycin (Lederle)	$19.79	$3.87 (New Zealand)
Teramycin (Pfizer)	$20.48	$9.79 (Australia)
Erythrocin (Abbott)	$20.12	$10.02 (U. K.)
Doriden (CIBA)	$8.00	$ .92 (Ireland)

Pay Now—Fly Later

Americans have often worried that if welfare becomes too comfortable, people will stop working and go on the dole. New evidence to support this fear comes from Northwest Orient Airlines.

In 1958 the nation's airlines set up a "Mutual Aid Agreement"—a kind of reverse strike fund which would pay benefits to any airline closed by a strike. Since then, Northwest has been remarkably prompt to shut down all operations whenever a local dispute arises. It had one long strike in 1966, a 160-day shutdown in 1970, and a 95-day strike this year.

One explanation for Northwest's labor troubles may be the Mutual Aid cushion. During this year's strike the company collected $30 million from its competitors. In 1970, when all the other airlines were deep in the red, Northwest emerged from its half-year strike and declared a dividend.

Fighting for Time

The U. S. military aid program to Cambodia was intended to help the fighting little democracy protect itself. Some of the items granted so far are:

Air Conditioning Equipment	$65,407.97
Brewery Supplies (bottle tops)	$19,465.10
Television Sets	$17,120.00
Time Magazine	$5,850.00