THE GREEN SHEET

News About the U.S. Department of Health, Education and Welfare

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X-RAY SCANNERS
WASHINGTON (AP) -- CONGRESSIONAL INVESTIGATORS SAY NEW GOVERNMENT REGULATIONS ARE NEEDED TO CONTROL INTRODUCTION OF COSTLY EQUIPMENT INTO THE NATION'S MEDICAL SYSTEM.
TO EMPHASE THE POINT, CONGRESS' OFFICE OF TECHNOLOGY ASSESSMENT REPORTED SUNDAY ON COMPUTERIZED X-RAY MACHINES THAT COST $400,000 EACH.
MORE THAN 1,000 COMPUTERIZED TOMOGRAPHY OR AXIAL TOMOGRAPHY SCANNERS HAVE BEEN INSTALLED SINCE THEY WERE INTRODUCED COMMERCIALLY IN 1973, THE REPORT SAID.
THE SCANNERS TAKE X-RAY IMAGES OF THIN CROSS SECTIONS OF THE HEAD OR BODY. THE IMAGES ARE RECONSTRUCTED BY COMPUTER INTO THREE-DIMENSION SLICES DISPLAYED ON A TELEVISION SCREEN. MEDICAL AUTHORITIES SAY THE IMAGES OFTEN ARE SUPERIOR TO CONVENTIONAL X-RAY FILMS.
THE STUDY SAID, ''AS IS TYPICAL FOR MEDICAL TECHNOLOGIES, WELL DESIGNED, PROSPECTIVE STUDIES OF THE EFFICACY OF CT SCANNERS WERE NOT CONDUCTED PRIOR TO DIFFUSION.''
THRE REPORT SAID THERE IS GOOD EVIDENCE THE SCANNERS IMPROVE DIAGNOSIS OF PROBLEMS WITH THE HEAD, SUCH AS TUMORS AND BLOOD VESSEL DISEASE.
BUT THE REPORT ADDED THAT MAY MORE SCANS ARE PEFORMED THAN NECESSARY TO SIMPLY REPLACE ORTHER DIAGNOSTIC PROCEDURES.
CONGRESS WAS GIVEN ALTERNATIVES FOR CONTROLLING INTRODUCTION OF NEW TECHNOLOGY.
FOR INSTANCE, THE REPORT SAID MEDICARE AND MEDICAID PAYMENTS COULD BE LINKED TO EFFICIENCY OF THE EQUIPMENT.
OR CONGRESS COULD GIVE A REGULATORY AGENCY POWER TO LIMIT ALLOWED USES OF SOME TECHNOLOGY.
ALSO, A FORMAL PROCESS COULD BE ESTABLISHED FOR EXAMINING EFFECTIVENESS AND SAFETY OF MEDICAL TECHNOLOGY BEFORE IT GETS WIDE USE, WITH DECISION-MAKERS HAVING EARLY ACCESS TO THE INFORMATION.
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Editorials & Op-Ed

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Private Colleges, Free Markets

By JONATHAN KAUFMAN

Private universities and private corporations, the educator Milton Eisenhower once noted, are basically interdependent: "One needs money to produce educated people, and the other needs educated people to produce money."

Seldom has the first part of Mr. Eisenhower's observation been as true—or as costly—as it is today. More than 75 private universities are currently in the midst of capital campaigns aimed at raising a total of $5 billion. Yale University alone is trying to raise $370 million. M.I.T. is trying to raise $225 million. Stanford just finished raising $300 million.

Private college alumni, responding to the call of their alma maters, last year gave a record $150 million to private universities. But even that wasn't enough to meet the apparently insatiable needs of many schools. "Many colleges have found that they've pushed their alumni as far as they can push them," says Theodore Bracken, of the Consortium on Financing Higher Education, an organization of private universities. "They're casting about for other sources of money. And corporations are an important factor."

Important because they are largely untapped. Last year, American corporations gave a record $206 million to private colleges and universities—35% more than the alumni gave. Yet this represents only a small fraction of what corporations could have given to private higher education. Under federal tax law, a corporation can deduct up to 5% of its pre-tax income as gifts to charity or to educational institutions. Most corporations, however, donate only 1% of their pre-tax income to charity—and less than half of that 1% goes to private colleges.

A Common Enemy

In other words, there is well over a billion dollars out there in potential corporate contributions—and private colleges are beginning to pursue that money with newfound academic rigor. "For a long time we wouldn't touch corporate money because we didn't want some corporate executive coming in here and telling us how to run the curriculum," says one college fundraiser. A poll two years ago, however, found that 72% of all college administrators favored greater reliance on corporate rather than on government money. Over the past few years, universities across the country have opened special offices designed to solicit corporate donations. A seminar on corporate fundraising held in Washington last year drew representatives from over 100 colleges.

The growing affection of private universities for corporations has its roots in money, of course. The corporations have it and the universities want it. But the search for corporate contributions has been spurred by what many educators and businessmen see as a common enemy: the federal government.

Federal grants to private universities this year total almost $3 billion. That money has allowed universities to continue and expand their research, but it has also brought with it a wide variety of federal regulations, ranging from demands for campus affirmative action programs to guidelines on the participation of women in college sports. While many of the government's goals are laudable, the trend toward more and more federal regulation disturbs many college officials because there is no limit to how many strings Congress can attach to education grants.

Indeed, last November 15 private medical schools threatened to reject some federal funding rather than acquiesce to a regulation that would have required them to accept a certain number of American transfer students from foreign medical schools. A last minute compromise averted a confrontation.

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Such federal intrusion in campus affairs, combined with the growing need of private universities for money, has led many colleges to reevaluate their traditional distrust of corporate donations.

"Private educational institutions must realize that they are part of the private sector," says Yale President A. Bartlett Giamatti. "The ancient ballet of mutual antagonism between private businesses on the one hand and private educational research institutions on the other is not to anyone's interest. That ballet of antagonism must give way to a more mutual dance. There is a metaphor that informs the private business sector as it informs the private educational sector, and that metaphor is the free marketplace. Whether the free marketplace involves the competition of commodities or of ideas, it is a common metaphor and a precious asset."

Steven Muller, president of Johns Hopkins University, expresses the change in attitude more bluntly. "Those of us in the leadership of American colleges and universities understand your viewpoint on taxes," he told a group of businessmen recently. "We understand your viewpoint on profits. We understand your viewpoint on profits because if you don't make profits, you can't help us."

Private universities, then, are facing a serious dilemma, but one which presents corporations with a unique opportunity. Unless private universities can draw on new sources of funds, they will be forced either to seek greater subsidies from the federal government (and accept greater federal intervention in academic affairs) or to curtail their research and teaching. In either case, the marketplace of ideas runs the risk of losing a valuable contributor and competitor.

Reaping the Benefits

By increasing their support of private universities, corporations can ensure that they will continue to reap the benefits of university-sponsored research and teaching. Even more importantly, as the comments of Mr. Giamatti and Mr. Muller suggest, business will gain an important philosophical ally in the battle against government regulation.

The possibility of an alliance between business and private higher education will be dashed, however, if corporations insist on supporting only "pro-business" programs—endowing only Adam Smith Chairs in economics, for example. University officials are becoming indignant over the strings attached to federal grants; they cannot be expected to accept strings attached to corporate contributions. Moreover, as Louis Cabot, chairman of Cabot Corp., points out in the current issue of the Harvard Business Review, "Nothing is better calculated to drive a wedge between the corporate community and our universities than efforts on the part of business to dictate to a community of scholars how it shall fulfill its mission. Such efforts play right into the hands of critics, who jump on every opportunity to charge that the enterprise system is so flawed it wants to substitute indoctrination for the free exchange of ideas."

Any increase in the level of corporate support of higher education must recognize the *interdependence* of businesses and universities. It must not seek to make one dependent on the other. Private educators are prepared to support the free enterprise system and the corporations that profit from it. In return, however, corporations must acknowledge that the free marketplace of ideas is also worth supporting—without any interference from those who support it.

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