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LAW DEPARTMENT

February 2, 1982

Memorandum for Messrs. Greer
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Holtzman
Pepples
Stevens
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The purpose of this memorandum is to review the status of the Brotman/Freedman project and to put before you and recommend the approval of, a proposal by Drs. Brotman and Freedman to continue their work for an additional year.

The Original Project

In broad outline, the purpose of the original project was to combat what Drs. Freedman and Brotman perceived to be the growing repression by the government and other establishment forces of the public's "unacceptable" routine behavior through regulation of such behavior as anti-social, criminal or ill. The long-term focus of the project was to be on abuse of the regulatory process and of medical power in defining risks and "unhealthy" habits. Tobacco was to be treated in this overall behavioral context, unrelated to smoking per se. As Drs. Brotman and Freedman stated in their October 1978 proposal:

The hypothesis of all non-democratic governments and at times also of democratic governments is that unacceptable routine behavior may be "the gateway" to serious deviation. It also goes without saying that the more widespread such routine behavior the harder it will be to control. But it also creates greater degrees of social distance between and among people in the world of conventionality and thus the policy creates a larger class of deviance and, in public health terms, a larger population at risk. Other consequences of such regulation are the development of an oppressive society that permits a small group to gain control of the entire population in the name of law and order, and "better health." From there it is but a short step from this stage to that of social contagion by the criminal or the sick. Then there is emphasis on early intervention or preventive detention by defining routine behavior as the gateway to serious deviation. Further, differences in behavior that provide the variety that enrich society become redefined as deviance, and individuals practicing it become isolated, humiliated or punished. The restriction of permissible behavior becomes "a straight jacket" upon society and inhibits creativity. This destroys the essence of democratic form and, in addition, sets groups against each other creating new areas of dissidence in a divided society. What might appear to be over-regulation or control of a minor aspect of routine behavior may actually open the pathway to oppression and sharp restriction.

The vehicle for this effort by Drs. Freedman and Brotman was to be The Center for Behavioral Analysis of Policy Issues (later renamed The Madison Institute for Policy Research and Development). A two-year budget in the total amount of \$400,000 was approved to be funded on a per capita basis by American, Brown & Williamson, Lorillard, Philip Morris and Reynolds.

Status of Original Proposal

During the period March 12, 1979 through June 18, 1981, a total of \$312,500 was disbursed to Drs. Brotman and Freedman. Following the June 1981 payment, we determined to hold further disbursements in abeyance pending a review of the project.

The basic thrust of the Institute's initial work was to examine and analyze the "regulatory process," with a special focus on the phenomena of the single-issue pressure groups on the national scene that aim at controlling behavior. The Institute featured a behavioral science approach to the problems of regulatory policy. Drs. Brotman and

Freedman were especially concerned with the making of rules to implement policy decisions on the one hand, and on the other hand, with the consequent behavior of the members who are subject to the rules. The "regulatory process" approach, it was felt, would also facilitate attainment of two of the Institute's long-term goals: establishing the Institute's credentials and securing broad-based funding.

The Institute's initial project dealt with an analysis of the development of regulations for implementing New York State's Child Welfare Reform Act of 1979. The Institute sponsored a number of conferences attended by regulators and other persons directly affected by the Act. In a related aspect of this endeavor, the Institute received approximately \$25,000 from the Archdiocese of Brooklyn to study New York's foster care and adoption system regulations.

Drs. Brotman and Freedman were also pursuing, or had planned to pursue, a number of other avenues related to their analyses of the regulatory process: conferences, similar to the ones dealing with the Child Welfare Reform Act, devoted to the problems of the banking and railroad industries; a study of the careers of regulators to be funded by the Ford Foundation; a study of "cradle to grave" regulations in the context of corporate human resources programs to be funded by Chemical Bank; and a project aimed at demonstrating or investigating ways to control health costs. Although the Ford Foundation and Chemical Bank funding appeared promising in early 1981, neither materialized. To date, the only funding the Institute has received from outside the tobacco industry is the \$25,000 from the Archdiocese of Brooklyn. It is difficult to determine fully why the Institute has failed to attract significant additional funding. Certainly, the outcome of the last presidential election and the resulting de-emphasis on government regulation must have been a significant factor.

The Current Proposal

Drs. Brotman and Freedman, under the auspices of the Institute, propose to conduct, over a one-year period, six "mini-conferences" culminating in an international conference. The purpose of these conferences will be to explore "critical issues in psychiatric classification" which have arisen as a result of DSM III (Diagnostic and Statistical Manual of Mental Disorders) and which must be addressed in connection with DSM IV. Since the ICD (International Classification of Diseases) determines, to a major degree, the content of the subsequent DSM, an international conference is planned which will consider, among other things, the classification issues in the context of the ICD.

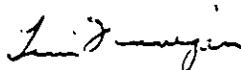
Controversial issues will be addressed at the conferences in the presence of strong and articulate proponents of opposite positions, and an effort will be made to resolve the controversies in a constructive manner. A monograph will be prepared following the international

conference. The thrust of the present proposal will coincide with and, indeed, is intended to carry forward the original Brotman/Freedman project.

The total cost of the one-year project is \$237,500. Since \$87,500 remains undisbursed under the original proposal, the current proposal requires additional funding of \$150,000. Contributions would be made by the companies on a per capita basis and would be distributed through Special Account No. 5. Details of the proposed budget are as follows:

Madison Institute Support		
Dr. Freedman	\$40,000	
Dr. Brotman	40,000	
Other Institute personnel	50,000	
Secretarial	11,000	
Meeting expenses	<u>31,500</u>	\$172,500
Consultant fees relating to six "mini-conferences"		30,000
Expenses for international meeting		<u>35,000</u>
Total		\$237,500
Remaining from original \$400,000		- 87,500
Additional funding required		\$150,000

Janet Brown, Pat Sirridge and I have met with Drs. Brotman and Freedman to discuss the current proposal. We recommend its approval. We are prepared to discuss it further with you as you may see fit.


Timothy M. Finnegan

cc: Miss Janet C. Brown
Patrick M. Sirridge, Esq.