

Interview with Dr. Tom Kennedy

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Conducted by: Dr. Carl Kupfer and Edward McManus

- McManus: Where are we Carl on this project? We're really just beginning. We've interviewed John Sherman, I went back and interviewed Bernie Becker who was one of the original academic ophthalmologists and that was very interesting. He apparently had been offered the job of ...
- Kupfer: Deputy Director of Neurology for...
- Kennedy: Eye.
- Kupfer: For Eye, you knew about that. Right, the direct line to the Director of NIH.
- McManus: However direction that would have taken. That would have been kind of interesting because I don't know, you know, they wrestle with things like that with Aids you know, since about the mid-80s. But there was nothing like that around I don't think since the 60s or 70s having direct line appropriation from out of an institute...
- Kennedy: Starting with Cancer.
- McManus: No, I mean to the Director of the NIH.
- Kennedy: Oh, I see.
- McManus: I don't think he ever had a track line, I think Neurology would have been over. We had a series of questions. Did you get the questions?
- Kennedy: Yeah, I got them. On the first two I must say I can't be very contributory. The first couple that had to do with unknown areas because I was in the front office until '65 and first as special assistant to Bo Mider and then as a special assistant to Shannon and in 1965 I went to the Division of Research Facilities and Resources and when I came back Shannon had Joe Murtaugh in the planning job at NIH for a long time—I don't know if you ever knew him...
- McManus: Absolutely. He was great.
- Kennedy: He was a fantastic organizer and he and a theorist and. He wanted things very structured, that sort of thing and he was succeeded when he went to the AAMC, I guess he went to the Academy first and then he went to the AAMC. And when he left Dave Levin took over and then—I don't know what happened to Dave, but apparently he wasn't very well cut out for the job. And Shannon asked me to take it and that was in late spring of '68. And then Shannon quit in July of '68 and I

had never taken over the job, I was due in on the 1st of July and I didn't think whoever succeeded him out to be stuck. He ought to be able to pick his own people so I was through and then when Morrison came in he re-invited me. I got over there about September of '68 and the Eye Institute was a fete a complies at that time. The only thing I remember was that the front office was at all times rigorously opposed to the uh...and they had a serious of reasons why.

McManus: And why was that?

Kennedy: Huh?

McManus: Why was that?

Kennedy: Well, this has come up a lot and I've written a lot about it. Mostly at the AAMC and I pulled out some of those old papers...

McManus: Good that will be great.

Kennedy: You know, I've had a job most of my life where I never signed anything I wrote or wrote anything I signed. (laughter)

McManus: You know, I remember something in the Python somehow about training that you wrote. Do you remember that? The allegory that you used was something like—something in the Python and I think it had to do with training. It could have had to do with RO1 grants, I just happen to remember that, maybe you don't.

Kennedy: Oh, you know that was—I got myself into a kind of a funny position. When I worked at the AAMC I knew too much about the NIH. (laughter) and they used to publish—I haven't scoured the net but they say they put a lot of that stuff on the net but they used to publish something called *Trends in Research Grants* or something like that.

McManus: Yeah, I used to look at it all the time.

Kennedy: It was a good book and I used to get it and go through each chart as soon as I got it.

McManus: Right—I did too.

Kennedy: And one of the things I've been saying for years and years was that the average life of a grant at NIH is a little over three years.

McManus: It went to 5 years.

Kennedy: It jumped a little. I didn't say anything, I looked the next few years it jumped again. I remember we used to go out to NIH when we were putting up this counter budget and all the societies like the AAMC, and the Association of American University's put our teeth together and we used to go out and ask questions to try and get some qualification on what was coming up in the budget

and so I asked a couple of Institute Directors including your Kirschstein—now what's business of extending project period line. Finally we put it through our, uh, you know the questions we were asking.

McManus: Yes, yes.

Kennedy: And I got kind of excited and I wrote a little piece on it saying this could cost a lot of trouble. There won't be any room for competing continuation grants at this. And they—I remember they were giving some sort of an award of the Federated societies to Jim Shannon. Howard Schachman was coming. He was kind of a guru and a lot of scientists depended on him for advice. They gave him this piece of a written note and he called me up and said Howard checked it out the arithmetic is right and he said keep going anyway. I eventually wrote a piece that was supposed to appear in *Science*, but it didn't. But when I talked to the business officers and the deans about it they immediately grasped the impact of it. Ruth Kirschstein, the only thing she would say was, "Why don't we just do what the Council tells us to do?"

McManus: But that was a deliberate ORB proposal I think to be able to show that if you're doing five year grants instead of three year grants—remember when we went to five year grants? The number of grants that you had coming up to be approved would be lower and you could say you were funding 30% of approved grants but you really weren't. I remember there was some kind of thing like that behind it but you were exactly right. It would catch up with you then on the back end. I'm glad you mentioned that because we figured out the math early.

Kennedy: Every new person that came into the front office would say what is this business of 3 ¼ years of project period line, it just puts investigators... and they'd look at you and I remember Shannon looked at me and said, "Do the arithmetic".

McManus: And we did, and I'm thinking, yeah we're going to do a chapter on the type of management practices that we did. And we with the Council kind of figured out—okay this is going to come back and hurt us at some period in time.

Kennedy: I've got a paper on that if you want a reprint.

McManus: Yeah, I would. And we did a whole program where we kind of hedged things so that when the fifth year came up we would not be adversely affected. I can't remember what it is we did.

Kennedy: You got new money.

McManus: New money, we might have not done all the five year grants we said we were—I can't remember what we did but we hedged our bets that we were all right in the long run. And I remember trying to explain to people how important this was. And then you came out with your paper and it gave me the credibility to get that argument across. So I like that.

Kennedy: You take these and get them back to me when you... The general idea behind this is that the front office was afraid that the NIH would get fragmented and become ungovernable. It certainly gotten fragmented when I was there it was ten institutes and now there are what—25?

McManus: Institutes and Centers, yeah.

Kennedy: And uh, to the extent that single-minded people become in charge of a segment the flexibility to move money as long as the Heart Institute had refund ability for pulmonary disease and hematology and so forth. They had some internal flexibility so that they could refund opportunity. But if you split that out and got lung guys and blood guys each with their own institute, the feeling was that it would strengthen the structure and there would be less—you know, nobody would give up anything.

McManus: Right.

Kupfer: On the other hand Tom, I came on board in 1970 and the caliber of the people was very hard. People like Dick Segal.

McManus: Charlie Miller and the information guy, Bruce Carson.

Kupfer: And they were able to handle additional institutes.

McManus: Shannon, himself.

Kupfer: I think it was good leadership of the institutes that the amount of handling is minimized but what has happened is that there have been an awful lot of revolving people in Building 1 and they come in and just about the time they learn something there Institute Director is gone and the new Institute Director comes in. And I think that has what has made it difficult.

Kennedy: Yeah, I think NIH—uh, I used to hire and my office was not predominately scientific, it was predominately policy and I used to hire guys with all kinds of backgrounds, gals with all kinds of backgrounds and many of them had spent many years in other departments in the government and you know after a certain amount of time almost every one of them would say to me, “this place is incredible.” They had never been in a government office like that. I think that was the honeymoon that you could attribute to a few people and it would maintain for 15 to 20 years. But it was too good to last.

McManus: There is no question that the caliber of people was really high at that time. I was telling Carl that every one of those people—you can mention them, went on to some other job outside the government. Not necessarily saying that not staying in the government for a career is a bad thing but the market went out and grabbed all of these people, Murtaugh himself, and yourself and you don’t see that any more. You usually see someone like Varmus that came in and went and just used it. I don’t really consider him as one of those guys who was career NIH and then there

was a demand from the outside. James Moskowitz went on—and he kind of had too and got a good job on the outside. But not many of the people in Building 1 went on to the outside in the late 80s, 90s and 2000s. I don't think—it might have been one here and one there but heck you can mention all of the guys who were there with you and Shannon just about all of the head of the offices either had a good job offer on the outside and went out. I'd like to take that attest to the times.

Kennedy: Well it was an extraordinary period and it was one of those things that just came together. Let's say a fortuitous concatenation of events, but you can't plan it—it just doesn't work that way.

McManus: One of the things that we want to probably try and kind of talk about in this book was that NIH was against the Eye Institute but it becomes pretty clear to us from talking to people that once they decided—as you said, this was a fait accompli. This was going to happen, that they decided that they were going to make it happen right.

Kennedy: One of the things I heard when I first moved over there was that we'd got an eye institute that we didn't want but that's the world of Congress and if Congress says that's what they want then we're going to make it the best institute you can imagine. I don't know where that quote originated, but it sounded like Shannon to me.

McManus: But I think that was very important for us.

Kennedy: The only things I remember for about that time were in a sense that the NIH got outgunned by Jules Stein and Stevens, who brought down busloads of showgirls and told them we need these votes and whatever it takes to get them, you get them.

McManus: Stevens?

Kennedy: Yeah, Christine Stevens' husband. The guy who was the head of the Impresario.

McManus: At the Kennedy Center.

Kennedy: Kennedy Center. And he and Jules Stein.

Kupfer: Oh, I see—I didn't know about that.

McManus: So I have one of the people that I want to talk to is Dave Weeks who was the Executive Director of RPB (Research to Prevent Blindness) at that time. And that's good because now I can ask him what was Roger Stevens—he's a good friend of mine but a lot of this was kind of kept private and I can ask him what was Roger Stevens' role in this.

Kennedy: Well I can't confirm that.

McManus: No, no, he can, David can. David will be able to and the lobbyist for the time, Teddy Colson (?) is still around in Chicago and I'll talk to him. I'm sure he had something to do with it. And we'll probably end up not writing that in, but it's interesting anyhow.

Kupfer: Did you have much to do with that?

Kennedy: The recruitment I had no part in, it was outside my bailiwick.

Kupfer: Did you have much interaction with Bob Berliner when the Eye Institute was established and the question was what segment of the research portfolio would go from Neurology to Eye. Were you involved in that?

Kennedy: I think what may...the front office functioned so well there was an institution that they called Morning Breaks.

McManus: I remember that.

Kennedy: Every morning at 8:30 about eight people gathered in Shannon's office and I don't know if that institution existed before Shannon, but I think it probably...the guy whom I have always viewed as the creator of that was Hal Seeker, who later went down to NASA.

McManus: Yeah, yeah.

Kennedy: But at that meeting the Director, the Deputy Director, who variously was Dave Price, Stu Sessoms, the Program Planning guy, the Director of Intramural, the Chief Information Officer. When I first went to the front office there was a fellow named Jack Fletcher who went up to Merck.

McManus: See, you just said, Merck picked this guy up. It's unbelievable. You just don't see that now.

Kennedy: No. Well, there were about six or eight people meeting there and you were supposed—when you went to that meeting, you were supposed to throw into the pot anything that had come up the previous day so that it could get quick discussion and assignment to somebody to do if you needed something done about it. And Shannon's secretary, Verna keeps the record of who got the assignment and the deadline. When Verna appeared in your office door you knew good and well what she was there for.

McManus: Verna R (?), yeah. And that was a remarkable meeting and Dick Seggel said he had never seen such a bunch of vultures. Throw something on the table and everybody swarmed on it. You know you wore your official hat and then you were just an advisory body. And I thought that was a splendid institution. It got to the Director every new problem at a very early stage. When Marston came, he expanded it to include the Director of the Cancer Institute. Because Cancer was a Bureau and to the Director of the Library of Medicine—I think these were largely

political decisions. When Don came in, he dropped. I think that institution was the Director's morning staff meeting was very vital. A lot of the old guys found it that way. Marston felt that...I don't know what he felt, but he changed it from daily to three times a week. But the rest of us met on the other two days a week. We hosted luncheons for each other and I saw a lot of Berliner in those days but he didn't, you know, really talk. I'm trying to write a biographical memoir for the National Academy of Science on him and he was a man of few words.

Kupfer: Oh, I know and very often the words that were few words.

Kennedy: But he didn't talk about those guys.

Kupfer: But after about '68, '69 he became in charge of all the research

McManus: Deputy Director for Science.

Kupfer: Before that he was sort of head of laboratories and clinic.

Kennedy: Same job.

Kupfer: Yeah, same job but Deputy Director for Science.

Kennedy: But he never had anything to do with Extramural stuff.

Kupfer: But he was the one who negotiated the transfer of grants from Neurology to Eye.

McManus: The scope of the program. He knew a little about the scope of the program.

Kupfer: When I came...

Kennedy: That could be but I did not think that he had anything to do with extramural.

McManus: It could have been one of those things that could have got thrown out, you know, they're arguing about what should be the scientific scope of the NEI program and Neurology says they want all of it and Kupfer says he wants all of it and, you know, that could have been one of those things, you know, scientific pressure and who wants it, and Berliner might have picked it up.

Kupfer: Yeah, yeah.

Kennedy: Well Marston...it's my feeling that Marston was kind of insecure in what he was doing.

McManus: Yeah, exactly.

Kennedy: In matters of scientific. And for that reason, he changed the title of the Director of Laboratories and Clinics. Before that it was the Director of Intramural Research—Associate Director of Intramural Research to a Deputy Director. And maybe he changed the scope for an ad hoc assignment. I do not know which it was.

McManus: I mean he kind of deferred on scientific matters to other people. That's my recall.

Kennedy: And I think he may have been a little insecure and by mutual agreement Bob did that. But my guess is that it was an ad hoc assignment rather than a...

McManus: Direct line response.

Kennedy: No, an expansion of the responsibilities of that office. Because I don't think after that—I don't remember any other thing. I didn't even know about this but I don't remember Berliner getting into extramural affairs at all.

McManus: It was kind of a rough going when the Eye Institute started in '69-'70 and a lot of the questions are about—and you may not, you may have already said you were not involved in this, but were about space, positions, budgets. And we're going to talk to Murray. I just wanted to know if about one of the things that was interesting to me was looking back at some of the records, the budgets got kind of tight around those times compared to where they had been.

Kennedy: That's right.

McManus: Do you have any comments about part of it?

Kupfer: For instance, just to focus.

Kennedy: The budgets began to tighten up in the late 60s with the Vietnam war. And there was also a balance of payment problems that was responsible for that. And there was also a fair amount of inflation that went on. John Sherman and I wrote a paper for *Science* and [unintelligible] I think were co-authors on it. It tried to lay out some of the causes for pain in the academic community. And I think it was the first time that the impact of inflation was explicitly considered. I remember Phil Abelson, The editor of *Science* was coming into my office having read this position paper and saying can I publish this in *Science*. But budgets did tighten up a lot.

Kupfer: There were also a lot of changes in the training program at that time. And do you recall a contract given to Harvard to do an analysis of the program at that time about 1968-69?

Kennedy: Well, to start training got hit. If you go back and look back at the budgets for training, training took a big hit about '67. When I got over there in in the end of '68. But for the 1970 budget we got a letter from the secretary was very ominous and it looked like they were really training their guns on the training programs. And we were asked a whole series of questions about that. And we put out a series of reports—these are darn good documents I hope if anybody ever read them, but they're very long, and I guess that's why nobody reads them. And we did our best to defend the training program but it was in danger because just kept pounding at it year after year in the budget and then I forget which year budget

went up and mandated no new starts. And no new starts you know was, keep that going for two years and you're done.

McManus: Right. Right.

Kennedy: And that's when [unintelligible] jumped in health research. Now, there's an undertone in this entire training thing and that was abuse.

McManus: Right.

Kennedy: There were a couple of abuses and the one predominated at that time was the use of research training authority to support clinical training.

Kupfer: Absolutely.

Kupfer: Yes, you're absolutely right.

Kennedy: And if you read the...what was the name of the bill that came out with the Roger's committee? Anyway, there are three or pages in the back of that bill that are just specific deletions of all training authority, other than what was represented in the bill and if did not permit clinical training at all, and it put in...it tried to make sure that the serious research training with pay backs and all that sort of thing. And that was one abuse—we didn't know how big it was at the time. And then when Bob had been up at Yale about six months I asked him and he said you wouldn't believe it. It was all over the place. You know, Wyngaarden wrote a famous paper, I guess it was published in the *New England Journal* in which he showed the sharp drop off in these getting a research training and he got flack, somebody didn't do the staff work right on that because they just went on to research grants. And then all the fuss about the rising cost of research grants, which I was trying to do from the outside, nobody ever mentioned that the costs of the research grants were going up because they were carrying the training program so that was another form of abuse.

Kupfer: Not only for MDs but for people who were outside the United States. Well, that seemed to be a major point. There was a book written about the first 50 years of Neurology.

McManus: Rowland.

Kennedy: Who?

Kupfer: Rowland, R-o-w-l-a-n-d.

McManus: From Columbia.

Kupfer: From Columbia. And he quoted the fact that there was a lot of that type of activity in the Neurology Institute and in Mental Health and many of the other institutes, according to John Sherman, really didn't support clinical training as these two did.

Kennedy: Well Moskowitz was the first one to make an explicit study out of it when he was in the front office. He lifted it and as I recall his paper went universal

Kupfer: Is that right?

Kennedy: Yeah. And that is the number of research training being supported under research grants.

Kupfer: Research training but how about clinical trainees during their residency for instance.

Kennedy: Well, I think the clinical training went out with Bill Roberts.

McManus: Well part of the reason that Carl is putting it out is because in 1972, we were told—the Eye Institute was told to phase the clinical training on the training grants and Carl told the community that and they all wanted to come and see the Director of the NIH and Carl brought that meeting to the Director of the NIH and we were wondering if you remembered any of that, were they were with that? And then we're sensing that Neurology never changed too much and Mental Health—uh, I think John Sherman said that one of their reasons for leaving NIH was because they wanted to do clinical training. I don't know if that's true.

Kupfer: Shannon had an argument about this for a long period of time and finally gave in stating that he understood that Neurology had a shortage of neurologists and neurosurgeons so that they would be allowed to do some clinical training. And ophthalmologic community heard the and were up in arms when the Eye Institute, newly created, started phasing out this wonderful program that gave all sorts of incentive for departments of ophthalmology to have money for inviting lecturers and for building up infrastructure and all that sort of thing. And training grants were a Godsend to a department head.

Kupfer: I had one when I was a Chair so I know.

Kennedy: It was essentially a Public Health Service act of...301(b) was a major research authority but there was another one that's an anything else that is deemed you know, important to the nation's health. Shannon invoked it a couple of times and each time the General Accounting Office picked it up or before he did it he might have conferred with Fogarty or Dental and asked them to ask the GAO whether or not...and I remember the department, every time this issue came up, would not allow that authority to be invoked and Shannon went ahead and did it anyway and every time he got full support from the GAO. And I think he had a lot of confidence in its ability to make judgments. A lot of this is loose in my mind now, but if you read these things you may find more.

Kupfer: We'd love to borrow them and copy them and bring them back to you.

Kennedy: But as I remember, the general authority in 301 was such research projects. Then the Omnibus Act came along and said such research and research training projects

[unintelligible]. I remember there were specific authorities for things like the Cancer Institute to support. The use of radium needles and other things like that and some authorities were specific institutes to support clinical training, but no general authority from clinical training.

McManus: No, I don't think there ever were. I think it always was kind of a substitute. Whether mental health got it later on, I don't know. Did you want anything else from that Carl?

Kupfer: No, I guess I thought Shannon was definitely against clinical training. And when I say clinical training I mean, paying residents on a research training grant and that was the real stumbling block to justify training.

Kennedy: I think that's true, I think that's true but he refused a lot for that.

Kupfer: You see, John Sherman thought that the institute that took advantage of that was Neurology Institute.

McManus: And mental health.

Kupfer: Well, mental health (NIMH) was out of NIH. And yet, you said that Bob Berliner, when he went up Yale, said it was very wide spread, and maybe by then it was wide spread. When did Bob leave around 1973-74?

Kennedy: '68, '69—no, no he, I'm sorry

Kupfer: Yeah, he was involved in [unintelligible].

Kennedy: Let me see, the Nixon involvement was in '68. And in '69 Stone came, is that right?

Kupfer: No, Bob Marsden was Director when I came and I came in January of 1970 and Bob Marsden was there for at least a year if not two.

McManus: And Stone came after that because I remember being in a meeting with Stone and falling asleep, and I came in '73.

Kupfer: So Bob must have left NIH, Bob Berliner about '72...

Kennedy: Well, let's settle this, laughter.

McManus: You know it's funny, it's the kind of throw backs, but you always knew that if you go into a meeting with Kennedy that you've got to know the citations from the legislation and all and what authority and like that. He still remembers and I forgot that a long time ago.

Kupfer: Well, if you believe Rowland when these institutes, when the Cancer Institute was created they had in their legislation, clinical and [research].

McManus: Yeah, I'm sure they did.

Kupfer: And then everyone after that picked it up.

McManus: I'm sure that Cancer reiterated the it;

Kennedy: I think it was right after the '72 election because it was reported that Nixon greeted his cabinet officers after the '72 election and congratulated them and all. And walked out and Halderman took out this package of letters and he and each secretary—you know, his sub-package of the guys that they were supposed to fire and Marsden was among them.

End of Interview