Implementing Budget Cuts

With completion of congressional action on the Revenue and Expenditure Control Act of 1968, the White House and the Executive Branch are the new focus of uncertainty. For the past several months, administrators of science-oriented agencies have been preparing to cope with cuts in expenditures. The agencies have gone through so many exercises involving so many alternative sets of assumptions that one administrator was heard to say, “We suffer from battle fatigue coupled with confusion.” As a result of their exercises, all agree that limitations on expenditures will create difficult practical problems. The situation faced by the National Institutes of Health is illustrative.

President Johnson, with the advice of the Bureau of the Budget, will apportion cuts to the various departments. According to Secretary Cohen, the Department of Health, Education, and Welfare, of which NIH is a part, is likely to receive orders to reduce its expenditures by between $0.7 and $1 billion below the budgeted $14.4 billion. Secretary Cohen also has estimated that only $3.3 of the $14.4 billion of budgeted expenditures for fiscal 1969 are subject to administrative control, and it is from this small fraction that the cuts in expenditures must come. As part of HEW, NIH must bear its share of the reduction.

In making reductions, NIH in turn faces inflexibilities. Legal commitments for construction and for training grants must be met. In earlier years NIH undertook moral commitments to sponsor investigators for extended periods. For example, in 1965, 1966, and 1967 many grants were made in which it was indicated that work would be supported for 5 years. If all such commitments were met in full, limited funds would be available for new grants or for renewals of those whose term is completed, and young investigators especially would suffer. Thus, NIH may find it necessary to ask that investigators be supported on continuation grants accept reductions in the level of support.

The appropriation for the National Science Foundation for this year will be cut. However, that seems to concern the Foundation less than the unknown separate reductions in its authorized expenditures. The size of the permitted expenditure will be determined directly by President Johnson and the Bureau of the Budget. The Foundation faces inflexibilities similar to those in prospect for NIH, in the form of moral commitments made earlier to many investigators. The Foundation and its Board seem especially concerned that graduate students and young faculty members should not suffer unduly. Some Board members feel that, depending on the severity of the reduction apportioned to it, the Foundation may find it necessary to delay grant payments, or necessary to ask investigators to accept cuts, and it may have to discontinue payment of summer salaries for investigators, to diminish support of postdoctoral fellows, and to postpone authorizations for purchase of large equipment.

Faced with the necessity of making substantial reductions in expenditures, the granting agencies are seeking to keep to a minimum the damage that will ensue. Their task will be facilitated if they receive understanding cooperation from academic scientists. Those scientists who are disappointed by actions taken by the granting agencies should address their complaints to the root source of the problem—the Congress and the President.—PHILIP H. ABEelson