

nounced, with the understanding that he would assume his duties the following year. The personal rewards of office were to be a residence, a chauffeured limousine, a generous and apparently open-ended expense account, and a salary of \$40,000 a year, which was \$10,000 more than his predecessor's and even well ahead of the presidential salaries in many of the elite institutions that the trustees sought to emulate.

Now, with high expectations, the University of Pittsburgh turned onto

the road to excellence. At a press conference in the Duquesne Club, Board Chairman Scaife introduced Litchfield and declared Pitt's aspirations to a place among the world's great universities. To the chairman's right stood the youthful, confident-looking chancellor-elect; to the left, Leon Falk, Jr., the discoverer of Litchfield and the board member who most closely shared Scaife's aspirations for Pitt. The surroundings of the press conference suggested that the proceedings were approved on high.

But no doubt was possible when Richard K. Mellon rose to give his benediction. Litchfield's election, he said, "underscores our belief that the University of Pittsburgh must undertake the role of building a great cultural and educational center for the region, a center without which no industrial city can become and remain great."

Thus began a decade of great change in the affairs of the once-placid University of Pittsburgh.—D. S. GREENBERG  
(First of a series)

## Education: Congress Is Faced with Some Trying Alternatives

When the federal budget is revealed to public view its general features are obvious, but details are not. At first, it is difficult to see the trees for the wood. Second thoughts often follow a second look.

As the President said in his budget message, "A budget is not simply a schedule of financial accounts.

"It is a program for action."

A budget is also a political document and can be compared, not unreasonably, to the opening bet in a hand of poker.

The budget for fiscal 1967 calls for record expenditures (\$112.8 billion) and forecasts what, under the circumstances, is a remarkably small deficit (\$1.8 billion). In order to finance the Vietnam war and a number of new programs without resorting to higher expenditures and a bigger deficit, a number of existing programs have been put to the budgetary knife (*Science*, 28 January).

The budget of the Office of Education in the Department of Health, Education, and Welfare offers an illustration of how this has been done. Total funds administered by the Office of Education would rise by some \$174 million to a total \$3.5 billion in the coming fiscal year. This \$174 million, however, is a net figure. Increases totaling \$561 million would be strongly offset by cuts amounting to \$387 million.

The most conspicuous cuts in education programs would be (i) \$191 million in assistance to school districts with sizable numbers of children of federal employees enrolled; (ii) \$12 million in "special appropriations for land grant institutions; and (iii) merger of the National Defense Education Act loan program for undergraduates and graduate students with the loan insurance program which was part of the Higher Education Act passed last year. A system of private loans to students would be substituted for the present program of federal loans to students made through colleges and universities. The result would be a cut of \$149 million in federal expenditures.

The administration argues that these cuts would be compensated for by funds available under new or expanded programs. But with enrollments and costs increasing in education, cuts, or changes that can be interpreted as cuts, are likely to be opposed. And in the case of the funds for federally "impacted" schools and for land-grant institutions, it is—to mix a metaphor—sacred oxen which would be gored.

Resistance is likely to rally most quickly against the proposed cut of \$11,950,000 out of a total \$14,500,000 in annual appropriations for "resident instruction" in land-grant institutions.

The federal government, under the proposal, would continue to pay the

\$2,550,000 in "permanent" appropriations which the land-grant colleges and universities have been receiving since the late 19th century. The cut would affect the so-called "special" appropriations which have been increased from time to time as enrollment and the cost of higher education has risen.

Administration spokesmen have observed that the funds for the land-grants are no longer needed because of the advent of other types of federal aid. The reply to this from land-grant partisans is that these federal appropriations are among the most useful funds these institutions receive, since they can be used where they are needed most, while other federal programs are "categorical" in the sense that funds are earmarked for specific uses. Most of the land-grant funds are used to pay faculty salaries and are regarded as replacing income from endowments, which most land-grant institutions have in comparatively meager amounts.

Each of the land-grant institutions would continue to receive a flat \$50,000 a year. But the reduction in appropriations for individual institutions would probably fall most heavily on institutions with predominantly Negro enrollments in Southern states. Many of these were originally "separate but equal" facilities which have been underfinanced and still depend on federal land-grant funds for very significant parts of their budgets. In bigger, richer institutions, losses would be proportionally smaller, but they would have considerable impact. Cornell University, for example, has been receiving nearly \$600,000 a year in land-grant funds, and if it lost all but \$50,000 a year, the equivalent endowment needed to replace these funds, at a return of 5 percent a year on investments, would be some \$11 million.

The land-grant colleges and universi-

ties have considered themselves, on fairly strong evidence, to be enjoying a kind of most-favored-institutions status in their relations with the federal government, and the administration proposal is sure to kindle recriminations, whether Congress follows the recommendations or not.

The proposal to reduce funds to school districts also would affect a program which has grown familiar and acquired favor in a large number of school districts (some 4100). Impacted-areas funds are now counted on by the budget makers in most of these school districts, and reductions would doubtless raise an alarm which would be echoed in Congress.

The main effect of the new and fairly complicated proposal would be to require school districts to "absorb" more of the cost of educating children of federal employees, especially those who work, but do not live, on federal property.

Funds in the two programs which make up impacted aid would be cut to a total \$206.3 million, as compared with some \$397 million in the current fiscal year.

The number of school districts receiving aid would be reduced by about 1000, to around 3100. By coincidence or something else, \$191 million to be saved under the proposed cuts in impacted schools aid equals the \$191 million which would be added to appropriations for the new elementary and secondary education bill passed last year. Much of this new money would benefit children from low-income families. Ironically, many of the school districts which stand to lose eligibility for impacted-areas aid are big-city districts with serious slum school problems. Loss of impacted-aid funds, the argument goes, would reduce the effectiveness of the money to be received for the education of the economically and socially deprived.

More uncertainties and much money are involved in the proposed merger of the program of direct federal loans with the new loan insurance program for students in higher education. The new program is really a troika arrangement. Private lending institutions, such as banks, would provide loan funds. State and nonprofit private student loan programs would guarantee the loans. The federal government would pay interest while the student was pursuing his studies, and 3 percentage points of interest afterward for students from families with annual incomes below \$15,-



### Snow in Washington

Lord Snow of Leicester (second from left), the British Labor Government's Parliamentary Secretary for the Ministry of Technology, was guest panelist last week at 3 days of meetings of the House Science and Astronautics Committee's panel on science and technology. Others in the picture are committee chairman George P. Miller, Lady Snow, and House Speaker John McCormack. Lord Snow, who is better known in the United States as C. P. Snow, novelist and commentator on science and government, visited Connecticut, Pennsylvania, and New York as well as Washington during his 10-day stay. He gave several talks on science, technology, and government, and collected two honorary degrees.

000. Interest on these loans is not to exceed 6 percent or, in exceptional cases, 7 percent.

A parallel program of "educational opportunity grants" would provide \$70 million a year for 3 years for grants of from \$200 to \$800 a year for "exceptionally needy" students. Financial need is now a factor in award of NDEA loans, and students with serious financial needs would presumably be taken care of by the new opportunity grants if the NDEA loan system were merged with the bigger loan insurance program.

The administration has said the change to private financing will result in a big increase in the number of student borrowers. NDEA funds this year are going to about 319,000 students. The budget message predicted that some 775,000 will participate under the recast loan program.

Critics of the merger point out that the new loan guarantee program is untried and developments are to some extent unpredictable. In many states, no state agency designed or empowered to undertake the guarantee of such loans exists. Many legislatures doubtless will remedy this deficiency, but the question

of what happens if they do not hangs in the air.

The legislation has a provision for authorizing a federal program of insured loans for students who do not have reasonable access to equivalent state or private loan programs and authorizes \$17.5 million for advances to state and private nonprofit programs. But how all this will work is not yet clear.

Expenditures for NDEA loans would be cut by \$149 million in fiscal 1967, leaving some \$30 million which apparently is intended to finance the transition.

Doubts have been raised that the private money market will be able to provide funds for such an expansion of student loans, particularly if another \$150 million in loans now financed by the Treasury is thrown in.

Banks and some other private lending institutions have experience with college loans, but not, obviously, on the scale contemplated. In banking circles there is clearly a sense of gratification at seeing the federal government withdrawing their direct action in the loan business. Universities and colleges may also be relieved at giving up some

of their activity as lending and collection agencies, particularly since, as the rate of late payment and defaults on NDEA loans indicate, some of them have not been very good at it.

The recent increase in the interest rate and, consequently, in the price of money to lending institutions certainly

does not make the 6 percent loans any more attractive to the banks. The fact that the loans are relatively long-term ones is perhaps even more discouraging for the banks. It is generally acknowledged among bankers that student loans under the new program would be more a public service and long-range public-

relations effort than a profit-making proposition.

Another matter which remains in doubt is what will happen to the students whose families are not in the exceptionally needy category yet do not rank as very attractive credit risks.

Representative Edith Green (D-Ore.), chairman of the House higher education subcommittee, has been quoted as saying she is not opposed to insured loans but would like to see how they work before seeing direct federal loans abandoned completely.

While the administration's public explanations of its choices in making cuts in education programs are plausible enough if you accept the administration's assumptions, these three cuts are, in practical terms, almost certain to provoke stiff opposition. And the curious thing is that probably nobody knows this better than the President and his legislative advisers. For administration education proposals since the beginning of the Johnson administration have been framed with an almost unerring sense of what was wanted in the education community and what Congress would accept.

It would not take too daring a forecaster to prophesy that the three programs listed here will, when the session is over, be in a condition closer to their present one than to the reduced state the budget projects.

Congress could make compensating cuts elsewhere in the education budget to bring total expenditures close to what the President requests. But most of the programs in question call for levels of spending already authorized by Congress in earlier legislation.

An alternative, of course, would be for Congress to appropriate a larger total. This would imply bigger expenditures, a bigger deficit, and, as a possible consequence, increases in taxes. The President, with his small deficit achieved by cutting fairly close to the quick on some programs and counting on hefty increases in revenues, has moved to avoid bringing up such increases. The next move in the game is up to Congress.

At any rate, it appears that there will be brisker interaction between the Executive and Congress than has occurred since President Johnson took office. Outside the defense budget, requests for major increases are likely to be accompanied by recommendations for offsetting cuts in related programs. And the difficult options in the education budget may well presage a similar fate for funds for science.—JOHN WALSH



### Humanities Council Members Named

With the White House announcements last week of the names of the members of the National Council on the Humanities, the new National Endowment on the Humanities is beginning to take form. Barnaby D. Keeney (above right) was named chairman of the Foundation. Henry Allen Moe (left) was appointed acting chairman until July, when Keeney leaves his present post as president of Brown University to head the Humanities Endowment. Moe had been director of the Guggenheim Foundation for 40 years at the time of his recent retirement.

The members of the Council are as follows.

For terms expiring in 1968: Gustave O. Arlt, president, Council of Graduate Schools of the United States; Robert Goheen, president, Princeton; Emil W. Haury, director, Arizona State Museum; Adelaide Hill, Boston University; John W. Letson, superintendent of public schools, Atlanta; Robert M. Lumiansky, University of Pennsylvania; G. William Miller, president, Textron, Inc., Providence; John Courtney Murray, Woodstock College; Meredith Willson, composer and conductor, Los Angeles.

For terms expiring in 1970: Germaine Bree, University of Wisconsin; John Ehle, writer, Winston-Salem, North Carolina; Emily Genauer, art critic, New York *Herald Tribune*; Emmette S. Redford, University of Texas; Barnaby Keeney, president, Brown; David Mason, University of Montana; James Cuff O'Brien, director, Committee on Older and Retired Workers, United Steelworkers of America; Ieoh Ming Pei, architect, New York; Robert Spike, Divinity School, University of Chicago.

For terms expiring in 1972: Edmund Ball, Ball Brothers Company, Muncie, Indiana; Kenneth Clark, City College of New York; Gerald F. Else, University of Michigan; Robert Bower, director, Bureau of Social Science Research, Washington, D.C.; Paul Horgan, Wesleyan University; A. W. Levi, Washington University, St. Louis; Soia Mentschikoff, University of Chicago; and Charles E. Odegaard, president, University of Washington.