

the banks' governing boards, so whatever Congress approves will not automatically change bank policy. An even greater obstacle is likely to be a policy of all the multilateral banks that prohibits them from rescheduling or canceling debts. This has been regarded as a main prop of the banks' highly favorable credit rating in international financial markets. The U.S. Treasury has so far taken no formal position on the debt-for-nature idea, but is said to have no objection to its use with commercial loans, but to be squarely opposed to its application in the public sector.

Environmentalists recognize that bank policy is in conflict with the debt swap principle. However, they cite the new emphasis by the World Bank on environmental aspects of development projects (*Science*, 15 May 1987, p. 769) and argue that the improved long-term prospects for development promised by the swaps justify a change in policy.

The debt swap device appears to have evolved as part of the campaign by U.S. environmentalists to persuade the World Bank and other multilateral lending organizations to improve their handling of environmental aspects of development projects (*Science*, 14 November 1986, p. 813). The idea of trading Third World debt for conservation undertakings—generally credited to Thomas E. Lovejoy, executive vice president of the World Wildlife Fund—has prompted a search by the environmentalists for innovative financing mechanisms.

According to Barbara J. Bramble, who has been active in the push to adapt the debt purchase mechanism for conservation purposes, it has not been a practical possibility until recent years. Bramble, director of the international program of the National Wildlife Federation, says that the opportunity developed only since the Third World debt crisis has deepened, the secondary market for such debt at a discount has grown, and a number of agents willing to arrange the purchase of discounted loans has emerged.

Although Conservation International scored a first by completing the debt swap agreement with Bolivia, it was hardly an impulse buy. The 8-month negotiations that produced the agreement were based on a history of cooperation among the people involved for a number of years. Conservation International is a new organization, but was established by former members of the staff of the Nature Conservancy who had been engaged in creating the Beni reserve in the early 1980s.

Sumner Pingree of Conservation International says that "the strength of the deal is based on relations with the Bolivians." The Americans made and maintained wide ac-

quaintanceships among Bolivians concerned about environmental issues, including Victor Paz Estenssoro, the current Bolivian president.

What are the guarantees that debt swap agreements will be kept over the long haul? Pingree says that Conservation International recognized that there are no ironclad guarantees in such an undertaking and accordingly tried to make the agreement as strong as possible. The legal structure for the conservation provisions is firmer than is often the case in developing countries. An endowment equivalent to \$250,000 in local currency was created under the agreement for management of the area. Crucial to the long-term prospects of the project, Pingree said, is to "build private sector capacity to act as a catalyst for government action."

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### Briefing:

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## Proposed Growth in U.K. Space Budget Rejected

Prime Minister Margaret Thatcher has turned down a proposal from the British National Space Center, the recently created body that coordinates all government-sponsored space activities, for a major increase in the nation's space budget.

In a report outlining a 15-year future strategy presented to the government last July, the BNSC had proposed that the space budget be doubled over the next few years from its current level of about \$160 million a year. It pointed out that this would be in line with commitments already made by other member states of the European Space Agency, and was, for example, necessary for full European participation in the U.S. space station.

However, Thatcher, apparently acting on advice coming primarily from the British Treasury, told the House of Commons last week that there would be no immediate increase in the space budget. In rejecting the BNSC's plans, she said that any extra funding for space projects would have to be found in the private sector. ■ D.D.

## Comings and Goings

Representative Marilyn Lloyd (D-TN), chairman of the House subcommittee on energy research and development since 1981, is retiring from Congress when her term expires in December of 1988.

Robert O. Hunter, Jr., president of Western Research Corporation of San Die-

The \$650,000 reduction is obviously a drop in the bucket of Bolivia's external debt, which totals \$4 billion. And the consensus among environmentalists is that the debt-for-nature swap is a useful but limited device when restricted to private financial dealings. Proposals are being shaped to change U.S. tax law to provide tax credits for commercial banks that write down debts for developing countries that agree to conservation measures in return. And efforts are under way to persuade corporations operating in developing countries and holding local currencies that cannot be converted to foreign exchange to use it for similar purposes. So it is clear that ingenious ideas for turning at least part of the mountainous Third World debt into quid pro quos for conservation are far from exhausted. ■ JOHN WALSH

go, is President Reagan's nominee to head the Department of Energy's Office of Energy Research. Hunter, who still must be confirmed by the Senate, would replace Alvin W. Trivelpiece. Trivelpiece left in April to become executive officer of the American Association for the Advancement of Science.

William A. Wallenmeyer, director of high energy physics at the Department of Energy, is moving to the Southern Universities Research Association (SURA). Wallenmeyer is taking over for the organization's outgoing president, Harry D. Holmgren, who is returning to the University of Maryland after 5 years at SURA. ■ M.C.

## Peer Review and ARS

A committee of the National Academy of Sciences has urged the head of the Agricultural Research Service (ARS) to shake up the service's peer review system. In a report\* that is by implication highly critical of current practices, the committee notes that peer review does not directly influence whether, or at what levels, in-house ARS research projects are funded. Nor does it directly affect hiring, promotion, or tenure of ARS scientists. Reviews serve chiefly to check the quality of projects that ARS is already funding or intends to fund.

The report recommends that the results of peer review be used to help allocate research funds and influence promotions. It also makes the radical suggestion that some ARS research funds in identified areas be allocated through competition on the basis of peer review. ■ C.N.

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\**Improving Research Through Peer Review*, Board on Agriculture, National Research Council.