indirect costs charged for facilities go into general funds of the university and are not set aside for replacement of the facilities being depreciated. The decanal study showed that over a 3-year period significantly more university funds were spent in support of research than were collected through indirect costs for depreciation. The report comments that "While the depreciation recovered is not being returned to those facilities for which the University is being reimbursed, the funds are being invested in research facilities."

Faculty are prone to note the apparent increase of administrative staff as a factor in the rise of costs. Biedenweg says costs of central administration have risen for all universities, reflecting increased cost of regulation to meet health and safety requirements, for example. Insurance and legal costs have also climbed.

So far, there are few signs of the erosion feared. Stanford's share of federal R&D funding has been stable over the years. Its position relative to its major competitors is largely unchanged. The university's indirect cost rates are typical of top research universities, although certainly in the upper ranges.

The report urges that Stanford continue to adhere "to a policy of full cost recovery," but take more active precautions to keep its competitive edge. A variety of accounting changes are suggested, but, according to Biedenweg, the report's most important recommendation is that the university be much more systematic in monitoring the indirect cost rate with a set of measures to be used "in a manner comparable to that used to determine tuition levels during the annual budget process." The reference would be peer institutions.

Apparently in response to the reports, Stanford's vice president and dean of research Robert Byer in April announced that indirect costs will be held at their present level during the 1988–1989 budget year. A new dean's subcommittee will work with the administration on indirect cost policy.

Stanford's anxiety, particularly in looking over its shoulder at potential rivals among low overhead universities, is prudent, but carries a slight irony. No university after World War II displayed more determination or a clearer strategy in making a place for itself in the front ranks of research universities. With Stanford, it was the symbiosis with the high-tech industry of Silicon Valley that mainly made it possible. And, as one observer put it, science and engineering research became a "profit center" for the university. Now that the requirements for those at the top may be changing, Stanford is showing some of the old drive in order to stay there. ■ **JOHN WALSH**

IOM Names Committee to Study NIH

Several months ago, the White House Office of Management and Budget gave the biomedical research world a jolt when it proposed turning the National Institutes of Health into a private university. But any immediate thoughts of privatizing the intramural research programs of NIH were put on hold when OMB officials agreed to ask the Institute of Medicine to study the matter first (*Science*, 18 March, p. 1364).

Now, the IOM study is getting under way with the appointment of a 15-member committee that will examine the proposition that NIH is in danger of losing its luster because, as an agency bound by federal personnel rules, it can no longer compete successfully with private universities and industry for the country's best researchers. A public hearing is scheduled to be held in Washington on 13 June.

NIH officials hope that the IOM study will be taken seriously by the next Administration, particularly if it recommends ways to free institutes from bureaucratic strictures, such as salary caps.

The committee is being chaired by Princeton University president **Harold T. Shapiro**. Other members are: **Michael S. Brown**, University of Texas, Dallas; **John T. Dunlop**, Harvard; **Gerald D. Fischbach**, Washington University; **Marian E. Koshland**, University of California, Berkeley; **Charlotte V. Kuh**, Educational Testing Service; **Robert I. Levy**, Sandoz Research Institute; **Walter E. Massey**, University of Chicago; **Robert G. Petersdorf**, Association of American Medical Colleges; former congressman **Paul G. Rogers**, Washington, D.C.; **Benno C. Schmidt**, J. H. Whitney & Company, New York; **Lloyd H. Smith**, University of California, San Francisco; **Elmer B. Staats**, former Comptroller General, General Accounting Office; **P. Roy Vagelos**, Merck and Company; **Morton W. Weir**, University of Illinois, Champaign-Urbana. ■ **BARBARA J. CULLITON**

Herbicide Refused for Coca Spraying

The generals of the Administration's war on drugs are trying to figure out a way to conscript Eli Lilly and Company to help its cause.

The State Department says that one of Lilly's herbicides is a leading candidate to eradicate coca plants in Peru. But in late May, Lilly announced it was not interested.

The company did not specify the reasons behind the decision, other than to say that there were "practical and policy considerations." Company spokesman Ted McKinney noted that Lilly has not tested the herbicide, tebuthiuron, in the tropical environment where the Administration wants to spray.

Tebuthiuron is highly effective in killing woody and grassy plants, but has a fairly low acute toxicity to fish, wildlife, and humans, according to Thomas Adamczyk of the Environmental Protection Agency (EPA). It is approved for use in the United States for treating areas including brushland and noncrop pasture. A single application can be effective for 1 to 3 years, McKinney says. The herbicide is applied in pellet form and is activated by water.

But because of its persistance in the environment, the chemical is not approved for use in cropland because food plants will not grow. In the northwest area in Peru that would be sprayed under the State Department proposal, acres of food crops are interspersed among the coca fields. That is going to make spraying of coca a real challenge so that food crops by local farmers are not killed, notes a staff aide to the House agriculture committee. "If I were a crop duster, knowing there were heavily armed guerrillas down there, I wouldn't get any closer than 2000 feet. But the higher you go, the more drift you get of herbicide into croplands."

Alexander Camino of the Peru Foundation for Conservation of Nature said in a telephone interview from Lima that in Peru, "there is absolutely no control of pesticide use."

An expert in Peruvian botany says that the area that would be treated contains remnants of unique tropical forest that has not been biologically characterized. Al Gentry of the Missouri Botanical Garden, who heads a project to catalog the flora of Peru, says that the Huallaga Valley contains "a lot of unique species" because it is fairly isolated by two mountain ranges to the east and west.

Meanwhile, State Department official Ann Wrobleski said at a congressional hearing that the department might try to compel Lilly by legal means to produce tebuthiuron for its eradication program, but she acknowledged such an approach would be novel. ■ **MARJORIE SUN**