SCIENCE BUDGET

Impasse Puts NIH Grants on Hold

The budget stalemate that shut down many federal offices and sent employees home on half-pay during the holidays has seriously disrupted funding processes at the National Institutes of Health (NIH), leaving many grantees wondering when they will get their money and jeopardizing some research projects on NIH's campus. In contrast, the National Science Foundation (NSF)—the other major basic science agency but one without its own labs—has so far weathered the storm.

According to Wendy Baldwin, NIH deputy director for extramural research, as many as 1000 awards for continuing grants, scheduled to be sent out between 1 December and 1 January, have been delayed until NIH reopens and its staffers can resume processing the paperwork. And, because NIH's appropriation still hasn't cleared Congress, NIH staffers have no idea how much "new money" will be available to spend in 1996, Baldwin says. So NIH has put on hold—until money becomes available—funding for 750 to 1000 new and competing grants approved in late 1995.

NIH faces a potential crisis because its 1996 budget is perhaps the most uncertain of any research agency's. The House passed a bill funding the Departments of Labor and Health and Human Services that would give NIH a 5.7% increase; a Senate committee has proposed a 2.6% increase. But the bill remains stuck in the Senate, caught in a bitter dispute over a variety of programs unrelated to NIH. Congressional aides speculate that NIH could end up with a modest increase, but they also warn that its funding could be frozen or even cut.

Meanwhile, interim funding for NIH, NSF, and a dozen other agencies and departments ran out on 15 December. Only "essential" employees were permitted to continue working. (The impasse was still unresolved when *Science* went to press earlier this week.) This staff shortage has created an administrative "nightmare" at NIH, says Baldwin, who is appealing to grantees to "be patient." A majority of the NIH staff (9300 of 15,700 employees) was sent home, including many clerical and computer workers. Baldwin says phones are ringing off the hook; mail is not being delivered. In a letter to grantees, she notes that "voice mail boxes are typically full, and there is no staff available to empty them or refill fax machines with paper." The letter was meant to be distributed through the World Wide Web, but, she says, "I couldn't find anyone to post it."

NIH's own labs have been staffed with skeleton crews, according to Michael Gottesman, NIH deputy director for intramural research. The clinical center continued treating patients, lab animals have been cared for, and experiments that require no new materials were able to proceed. But research that needs fresh supplies may soon run into trouble because "we can't do any procurement," says Gottesman.

NSF has fared better because it has no intramural program and because the shutdown came at a relatively quiet period. "We make more awards in the second half of the fiscal year [April to September]," says Al Muhlbauer, head of the division of financial management and one of only 24 of NSF's 1250 employees on the job, "and things are always pretty slow around the holidays." Although NSF is not handing out new or continuing grants, Muhlbauer says that current grantees can get their money. NSF also lacks a 1996 budget, after President Clinton vetoed a bill 2 weeks ago that would have provided NSF's research account with a 1% increase over 1995 levels. But officials are hoping the final bill will come close to that level.

–Eliot Marshall and Jeffrey Mervis

JAPAN

New Budget Gives 7% Boost to R&D

TOKYO—Researchers in Japan got a Christmas present last week when the Cabinet approved a budget that would boost spending on science and technology by 6.9%, to $26.72 billion, in the 1996 fiscal year that begins on 1 April. The increase, which is expected to be made official early this year by the Japanese Diet, is the latest evidence of continued government support for research at a time when other sectors are being trimmed.

Coming in the midst of efforts by the Ministry of Finance to restrain Japan's growing budget deficit, the higher spending levels reflect the important role that the government assigns to R&D in restructuring the nation's economy. But significantly, the emphasis is on filling gaps where industry is reluctant to spend, not on supporting more applied research. "Basic research is particularly benefiting," says Shin Aoyama, director of the research division of the Science and Technology Agency's policy bureau. And this approach is supported by corporate Japan. "The private sector cannot do basic research because of the risk and the time involved," says Toshimitsu Shinohara, senior assistant director for science and technology of Keidanren, Japan's leading business association. For several years Keidanren has been urging the government to boost research budgets at universities and national institutes, he says, and it applauds the new budget.

Shinohara and others are especially pleased with the increases for two programs funded by the Ministry of Education, Science, Sports, and Culture (Monbusho). One, a 10% jump to $1.018 billion, is for Grants-in-Aid, which primarily fund peer-reviewed proposals for research at universities and Monbusho-affiliated institutes. The other is a 24% boost, to $114 million, for Monbusho's Centers of Excellence program, which awards grants to university-based teams after a competitive review of their proposals.

SELECTED PROGRAMS WITH MAJOR INCREASES

Program	Funding ($US in millions)	Change from '95
Centers of Excellence (Monbusho)	114	+ 24%
Grants-in-Aid for research (Monbusho)	1018	+ 10%
Postdoctoral positions (Monbusho and STA)	905	+ 42%
Computer research networks (STA)	121	+ 57%
Earthquake-related research (STA)	134	+ 96%
Oceanographic research (STA)	199	+ 19%

SOURCE: MONBUSHO, STA

Other increases are meant to address pressing human resources and infrastructure problems. Funding for postdoctoral positions is getting a 42% boost, to $905 million. This is part of a plan to create 10,000 new postdoctoral positions in national institutes and universities by 1998 (*Science*, 8 September, p. 1335). Programs to upgrade research computer networks and databases will rise by 57%, to $121 million.

Some increases—and cuts—reflect political pressures. The devastation from last January's Kobe earthquake has led to a 96% increase, to $134 million, in earthquake-related research funded by the STA, with additional spending on earthquake forecasting and observation at other agencies. On the negative side, increasing public wariness about nuclear power is at least partly behind a 4.5% decrease, to $1 billion, in a nuclear fuel recycling research program. That backlash has also produced an unexpected windfall for oceanography. Its budget is going up 19%, to $199 million, to help convert a failed experimental nuclear-powered ship, the *Mutsu*, into a conventionally powered oceanographic research vessel.

–Dennis Normile