

## DEFENSE CONVERSION

## U.S. Blacklists Russian Institutes

The U.S. State Department has compiled a secret list of 20 Russian research institutes suspected of helping Iran's missile program, and it is restricting the flow of U.S. research funds to some of those institutes. The existence of the list, which was revealed last week by the newspaper *USA Today*, is raising concerns among some experts that it could undermine Western efforts to steer defense scientists in the former Soviet Union (FSU) into peaceful research. "I just hope the baby isn't thrown out with the bath water," says Barry Gale, a foreign affairs officer at the Department of Energy (DOE).

Since the Soviet Union unraveled 7 years ago, Western countries have sought to prevent the former superpower's defense scientists from being lured to countries that sponsor terrorism, such as Libya and Iran. The main strategy has been to provide small grants for peer-reviewed nonweapons work often involving Western collaborators. After a slow start, several programs—including the U.S. Civilian R&D Foundation for the Independent States of the FSU (CRDF) and the multilateral International Science and Technology Center

(ISTC)—have in the past few years disbursed hundreds of millions of dollars for joint projects (*Science*, 24 January 1997, p. 468).

The list of suspect institutes is particularly sensitive, explains a State Department official, because it includes "some entities about which

there is a suspicion but no particular proof" that their scientists are aiding Iran. Among the listed institutes, *Science* has confirmed, are the Central Aerodynamic Institute (TsAGI) in Zhukovsky, the Moscow

Aviation Institute, and Baltic State Technical University in St. Petersburg. U.S. officials have already vetoed some projects at these institutes, Russian sources have acknowledged.

Officials running the defense conversion programs are left wondering how to proceed. "We aren't exactly sure of the full ramifications," says Gale, who has helped establish a Russian-American fuel cell consortium funded in part by DOE's Initiatives for Proliferation Prevention program. A memo accompanying the list, he says, calls for an unspecified diminution in support to the insti-

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tutes. And CRDF director Gerson Sher says that when his organization contacted the State Department after hearing about the list's existence last week, officials there told CRDF that it must clear with State any future grants that would award department funds—State has committed \$2.55 million to CRDF—to institutes suspected of helping Iran. In a situation worthy of *Catch-22*, CRDF can only guess which institutes might be on the classified list. "We're reading tea leaves along with everybody else," says Sher.

Russian officials bristle at the potential loss of research funds and suggest that the U.S. suspicions have little merit. Baltic State Rector Yuri Savelyev acknowledges that his university hosts 10 Irani students. However, he says, "What they study doesn't have anything to do with rocket technology." One Russian official admits his institute did contract work for Iran in 1994 and 1995. "We made something for Iran, but they were minor things that cannot be a reason or grounds for such a decision," says TsAGI director Vladimir Dmitriyev, who declined to specify what the items were. Dmitriyev says that U.S. researchers will be the losers if collaboration is stopped: "We are paid just a trifle and the American side gets information that at home would cost tens of times more."

—Richard Stone

*With reporting by Andrey Allakhverdov and Vladimir Pokrovsky in Moscow.*

## AUSTRALIAN PARTNERSHIPS

## New Life for Research Centers

MELBOURNE—The cloud hanging over a 7-year effort linking government, university, and industrial researchers here has lifted. Last week the Australian government announced it would extend the life of its Cooperative Research Centers (CRCs) program for 7 years at its current level of funding, marking a victory for an R&D coalition that had lobbied against a broad wave of proposed cuts. "This is the stable environment we've been arguing for," says Peter Cullen, president of the Federation of Scientific and Technological Societies and director of the CRC for Freshwater Ecology in Canberra.

The \$138-million-a-year program helps support 67 centers conducting research that ranges from Aboriginal health to information technology, with the goal of maximizing the benefits of publicly funded research. Each CRC is run by a consortium of industry and research partners, whose union is cemented by government funding—30% of the center's overall budget. The program was set up by the Labour government, and last spring the new Liberal coalition government

announced it would review the program to find "ways of increasing commercialization and self-funding."

An outside panel, chaired by transportation executive David Mortimer, recommended in a July report on industry programs that the government cut off funding to most of the centers as part of a broader shift toward market-driven technologies (*Science*, 27 June 1997, p. 1966). Mortimer said that successful centers should obtain private funds, while unsuccessful centers should be shut down.

But a second review that concentrated on the CRCs reached a different conclusion in March. Directed by an internal panel with a steering committee led by Don Mercer, a banking executive, and chief scientist John Stocker, the review gave the program sufficiently high marks for Industry Minister John Moore to praise it last week at an annual meeting of CRC sponsors. Moore said the program represents "an integral part of the government's innovation policies and programs."

The vote of confidence doesn't let the

centers completely off the hook. Citing the Mercer report, which has not been made public, Moore said the "end users" should play a bigger role in managing the centers and that the centers should bolster their international links. They also must avoid giving participating companies an unfair advantage over their competitors. Explains one Department of Industry official, "the challenge for CRCs is to be attractive enough for private involvement but without giving excessive benefit [to any one company]."

Ultimately, say supporters, the CRC program could even be a global model for academic-industrial cooperation. "I was quite impressed with their innovative approach," says U.S. freshwater ecologist Gene Likens, director of New York's Institute of Ecosystems Studies, who a few years ago reviewed Cullen's center. Likens, a 1994 winner of the Australia Prize for Science, was so impressed that he wrote a letter to the prime minister on behalf of the overall program. "I hadn't heard about the government's decision," says Likens, "but it's very good news."

—Elizabeth Finkel

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