

## Yet another call for more spending on R&D

Changes in federal funding strategy, an "enlightened" patent policy, and increased government procurement have been backed by witnesses at House hearings on "R&D and the Economy" as ways of stimulating R&D in the private sector.

And this increased R&D would in turn benefit the U.S. economy. Several days of hearings on this issue were concluded earlier this month by the House Subcommittee on Domestic & International Scientific Planning & Analysis, which is chaired by Rep. Ray Thornton (D.-Ark.) and oversees scientific planning and analysis in the nondefense sector.

William N. Hubbard Jr., M.D., president of Upjohn Co., believes that future government strategies should involve companies that are not now investing in R&D and also should enhance the efforts of those companies that are already investing intensively in R&D. An example, he says, is the chemicals and allied products industry, which spent \$1.87 billion of its own money on R&D in 1973. This compares with \$1.11 billion for the aircraft and missiles industry, and \$2.66 billion for electrical and communications. And yet, he adds, the chemicals and allied products industry received the least help from federal sources. Only 10% of its R&D funds were from the government, compared with 78% for aircraft and missiles, 50% for electrical and communications.

Further, Hubbard believes that federal governmental policies should enhance industrial R&D on problems that are of great importance to developing nations but that would otherwise be neglected because they are not economically attractive. This would create job opportunities for young scientists, "the most important single resource for science."

The government also should concentrate on improving the antitrust laws, Hubbard goes on to say. Inhibiting cooperative research by companies would, among other things, lead to unnecessary duplication of efforts. And he believes that the tax laws should be changed so that R&D would be treated as an investment and not as an expense. R&D, he explains, never results in any technology, much less technology that has a market.

Dr. Jordon Lewis, director of the Experimental Technology Incentives Program at the National Bureau of Standards, suggests that government procurement can have a powerful influence on technological change by providing an early market for innovative products, thereby reducing market entry risks for suppliers.

And U.S. Comptroller General Elmer B. Staats believes that an "enlightened" patent policy is in order. Instead of letting the government control entirely the patent derived from federally funded R&D, Staats says, "public interest may best be served when private industrial contractors are granted exclusive licenses for commercial development." □