

"Education Department..."  
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Losses by HEW make up over three quarters of the budget of the new agency. Moreover, most of this money is discretionary funds, where the HEW secretary can have some say in helping shape programs.

Of the total \$180 billion estimated 1979 HEW outlays, nearly \$162 billion consists mainly of Social Security and Medicare payments for which HEW acts basically as a transfer agent to shift money from the taxpayer to the aged and the ill, with little policy control. Nevertheless, HEW said Califano "will of course support the president."

Of the new department's personnel, about 5,000 would come from HEW, 6,500 from the Interior Department Indian Schools Division and 10,000 from the Defense Department's overseas schools.

Among smaller programs included in the plan: college housing, certain science education programs from NSF (\$56 million), HEW civil rights enforcement for education (\$50 million), HEW's Telecommunication Demonstration Program and some HEW health professional and nursing training loan programs (\$30 million).

**NEW DEPARTMENT OF EDUCATION: PROPOSED BUDGET  
AUTHORITY FOR FISCAL 1979 AND DEPARTMENTS  
FROM WHICH IT WOULD COME**

	\$ (Billions)
<b>HEW</b>	
Education Division	12.9
Office of Civil Rights Education Functions	.055
Special Institutions (supervision)	.179
Certain Student Nursing & Physician Training Loans	.03
Head Start	.680
<b>HUD</b>	
College Housing <sup>1</sup>	(.111)
<b>USDA</b>	
Department of Agriculture Graduate School	negligible
Child Nutrition	2.985
<b>Interior</b>	
Indian Education	.271
<b>DOD</b>	
Department of Defense Schools	.35
<b>Independent</b>	
National Science Foundation	
Science Education Programs	.056
<b>TOTAL</b>	<b>17.506</b>

<sup>1</sup>Figure shown is estimate based on last year's total  
Source: OMB

The Washington Post

## Research-Oriented Schools Face Battle on Rules

By MALCOLM W. BROWNE

A battle related to Federal sponsorship of scientific research at private universities, with hundreds of millions of dollars at stake, has reached the White House, and President Carter is expected to take a stand on the issues soon.

A number of universities specializing in Government-sponsored research are contending with consumer advocates and several branches of the Government itself over two questions: What kinds of patent rights Universities should hold to the fruits of Government-sponsored research, and whether the Government should continue to pay indirect costs of such research.

Both questions have already been brought before Dr. Frank Press, the President's adviser on science and technology policy.

Lester A. Fettig, who as director of the Office of Federal Procurement Policy, is closely involved with the university patent issue, said in an interview that an option paper was being prepared for the President, outlining various alternatives.

### 'Maximize National Technology'

"Ultimately," he said, "the question will go to the President. It's that important an issue. Such fundamental matters as the fall in value of the dollar are directly related to the need to maximize national technology, and that in turn is affected by inducements provided by the patent system."

The patent controversy came to a head in February, when the General Services Administration published a proposed new set of regulations that would have extended universities' patent rights from three years to five years (the patents then come under Government control) and would have permitted universities to affiliate with commercial patent management companies, among other things.

In general, the research-oriented universities, some of which have large earnings from licensing their patents to private business, were pleased. The regulations were to have taken effect March 20.

However, Ralph Nader, the consumer advocate, and his associates charged that

the Federal Government was engaged in a "give-away" of research paid for by public taxes to benefit private business. In a letter to the General Services Administration, Mr. Nader's group contended that over the next decade the proposed patent regulations would permit commercial enterprises to "reap hundreds of millions of dollars of profits from work supported by the Federal Government."

### Asked for a Delay

At that point, Senator Gaylord Nelson, a Wisconsin Democrat, whose Committee on Small Businesses had already held the first in a series of hearings on the new rules, asked the Office of Management and Budget for a 120-day delay so that they could be given further study. The O.M.B., of which Mr. Fettig's office is a part, promptly complied.

Administrators at universities with extensive patent agreements with private industry became increasingly concerned.

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"Research-Oriented..."  
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But another Government move inspired agitation verging on panic in some university offices.

On March 10, the Office of Management and Budget published a proposed new set of regulations and accounting procedures for the indirect costs of federally sponsored research at universities. Such costs normally include various kinds of overhead, certain library costs and some of the costs involved in supporting graduate students who act as research assistants.

Officials of Stanford University in California, among other institutions, were aghast at the proposals.

Stanford announced that the changes would reduce Government reimbursement of indirect costs by 20 to 30 percent. In Stanford's case, this would mean a loss of at least \$4.5 million annually; for all universities doing federally funded research, the loss would be about \$170 million.

Stanford spokesmen said that such a loss of revenue would inevitably affect students through increased tuition fees and would degrade scientific research generally. Associate Controller Frank Riddle said: "What is so obviously lacking in these proposals is a national policy for basic research in higher education."

In an interview, John J. Lordan, director of the O.M.B. Financial Management Branch, called such charges "balderdash."

He said that on balance, Federal support of private scientific research would increase, although "accounting options available to universities will be narrowed."

While some aspects of the regulations may change, he said he expected them to be put in final form this summer and implemented Oct. 1. He added that money now wasted by university and Government accountants and auditors arguing over financial points would be saved by a more exact set of rules.

One Stanford University official, who asked not to be quoted by name, replied: "Well, it's a clearcut fight between the accountants and the scientists. It has been dumped squarely in the lap of Frank Press," Mr. Carter's science adviser. The official added that a number of large universities, including most of the major California institutions, were considering hiring a professional Washington lobbyist to work for their interests on this issue.

the patent rights case and others.

The Stanford official also said that the charges of a Government "give-away" of patent rights were false and distorted.

"The Government objective is that the results of research be absorbed as rapidly as possible by American technology," he said. "University research is conveyed to private industry, and thus into the American economy, through the patent licensing system.

"We have patent rights for only three

years as it is, often inadequate for educating industry in the benefits of a new process and persuading it to take some development and marketing risks. Any time a patent is not being properly exploited by a university licensee, the Government retains 'march-in' rights, to take the patent back."

"The Government should be helping American industry, not hurting it," he said.

## 9 Scientists in 5 Fields Awarded \$500,000 by Israeli Foundation

By WALTER SULLIVAN

Prizes of \$100,000 in each of five areas of research were awarded last week to nine leading scientists. The presentations, in Israel, were the first under the terms of the recently created Wolf Foundation, financed by a benefactor whose identity, until last Tuesday, was a mystery.

The award, designated the Wolf Prize and established under the aegis of the Knesset, or Israeli Parliament, is one of the most generous in science. The dollar value of the most prestigious award, a Nobel Prize, now comes to about \$145,000.

Winners sharing the prize in agricultural science were Dr. George F. Sprague of the University of Illinois in Urbana and Dr. John C. Walker of the University of Wisconsin in Madison.

Dr. Sprague was honored for his work in hybrid corn, notably the development of mathematical models for corn genetics. As stated by the citation, he showed that protein nourishment in corn was amenable to genetic manipulation.

Dr. Walker was cited for his work in plant diseases and the role of soil and other environmental factors in their incidence.

### Contraceptive Research

The chemistry prize went to Dr. Carl Djerassi, Austrian-born specialist in the development of oral contraceptives. He is at Stanford University in California.

The mathematic prize was shared by Dr. Izraïl M. Gelfand of Moscow State University, a pioneer in functional analysis, and Carl L. Siegel of the University of Göttingen in West Germany, for his work on the theory of numbers, complex variables and celestial mechanics.

The prize in medicine was split three ways. The recipients were Dr. George D. Snell of the Jackson Laboratories in Bar Harbor, Me., Dr. Jean Dausset of Paris and Dr. J. Van Rood of the University of Leiden in the Netherlands. All three had worked on antigens that figure in the immune response of human beings and animals, including resistance to transplanted tissue.

The physics prize was presented to Dr. Chien Shiung Wu of Columbia University, whose experiments demonstrated that certain symmetries of behavior otherwise typical of physics do not hold where radioactive decay is concerned. This "overthrow of parity" was a landmark in physics research. She was the first woman to head the American Physical Society.

### \$10 Million Endowment

The prize was established in 1976 with an endowment of \$10 million creating the Wolf Foundation pursuant to legislation passed by the Knesset the previous year. While it was announced that the prize pertained to "the Wolf family, whose members are at present scattered throughout the world," the benefactor was not named.

Last week, however, the press in Israel identified him as Dr. Riccardo Sobirana y Lobo, born in Germany as Richard Wolf and now a resident of Israel. According to an account by Reuters, he became a millionaire through his innovations in steel manufacture and was a friend of President Fidel Castro of Cuba and of the Cuban Ambassador to Israel.

The ceremony, at which he was present, was boycotted by Israel's President, Ephraïm Katzir, and members of the Israeli Academy of Sciences, according to Reuters, because they believed the money should be used to aid young Israeli scientists rather than those who have already achieved fame elsewhere.

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