

1 MR. CASTEEN: Thank you, Sarah. The Chronicle of
2 Higher Education has had an unusual role in this discussion
3 because of its annual list. And Jeff Brainard and Ron Southwick
4 have come from the Chronicle, and welcome to you, and please go
5 ahead.

6 MR. SOUTHWICK: Good afternoon. I'm Ron Southwick with
7 the Chronicle of Higher Education. I am going to be describing
8 briefly the findings of our survey this year and describing the
9 survey in past years a little bit. And then my colleague, Jeff
10 Brainard, is going to give some information about how we come up
11 with our survey and some of the criterion we use for defining
12 earmarks.

13 The Chronicle of Higher Education has compiled our
14 survey of earmarks annually since 1989. As mentioned earlier,
15 for the 2001 fiscal year, Congress directed \$1.668 billion in
16 earmarks to colleges and universities. This is, by far, the
17 highest total ever and it represents a 60 percent increase over
18 the previous fiscal year.

19 Our survey this year indicated that 84 percent of that
20 money, or \$1.409 billion was directly related to research
21 projects, research equipment, or the construction or renovation
22 of research laboratories.

23 In the past some supporters of earmarks have suggested
24 that a significant portion of our total of academic earmarks is
25 not really related to scientific research enterprises.

26 But in fiscal year 2001, nearly all of the academic
27 earmarks in our survey went to some type of research activity or
28 to an activity supporting scientific research.

29 It is worth pointing out that the Chronicle survey does
30 not track all earmarks related to research and development. The
31 Chronicle survey only tracks those R&D earmarks that are based at
32 colleges and universities. So our survey would not include any
33 spending on non-academic laboratories or consortiums, or
34 intramural research programs at federal laboratories.

35 The growth of academic earmarks, which is probably not
36 a surprise to you, has really been very remarkable over the last
37 two years. Just within the last two years academic earmark
38 totals have more than doubled. In 1999, the total was \$797

1 million, and now it is \$1.67 billion. So it is a remarkable
2 growth over just the past two years.

3 The question of spending for earmarks is obviously
4 important because not only is Congress spending more money in
5 earmarks to colleges and universities, but also it is directing
6 more earmarks to a wider range of institutions, as well.

7 In 2001, 528 different institutions received earmarks,
8 and that is a 37 percent increase over the previous year and also
9 the most recipients by far. In 1990, for example, only 117
10 different institutions received money through earmarks.

11 For most accounts, Congress spends relatively little
12 time reviewing proposals for earmarks at colleges and
13 universities. Former Congressman John Edward Porter of Illinois
14 served as the Chairman of the House Appropriations panel that
15 oversaw the National Institutes of Health. And he said in an
16 interview with us last year that it is virtually impossible to
17 evaluate the merits of the thousands of proposals that come
18 before the appropriations panel.

19 He said, "We really rely upon the members judgment
20 about what is going on in their own districts and what needs they
21 see as unmet."

22 Critics of the Chronicle survey have also pointed out
23 that federal R&D funds spent on peer-reviewed studies surpass the
24 funds on what is properly called academic pork. And that is
25 probably true.

26 The National Institutes of Health budget for 2001 is
27 \$20.3 billion. But in recent years the amount of money spent on
28 earmarked projects has grown to the point where it can no longer
29 be described as an insignificant sum.

30 Some defenders of earmarks have said that it is part of
31 the price of a generous Congress and that it does not necessarily
32 have an effect on the peer reviewed research programs at
33 different federal research agencies. But our survey found that
34 that is not always the case.

35 NASA, the National Aeronautics and Space
36 Administration, reduced its grants to researchers in the life
37 sciences across the board by about 5 percent in order to pay for
38 earmarks within that agency's budget.

1 And in fiscal year 2002 fiscal year, the amount of
2 earmarks that have been proposed for NASA's budget, coupled with
3 some overruns in the international space station budget, could
4 hurt the agency's ongoing research programs, according to some
5 officials and observers who have been following the process over
6 the last several months.

7 While proponents of earmarks say it helps universities
8 and states compete for federal research dollars, the results are
9 mixed. Certainly more institutions received earmarks than ever
10 before last year, but it is not necessarily elevating
11 institutions in the rankings of federal R&D to colleges and
12 universities.

13 It is worth noting the top 100 institutions in terms of
14 federal R&D have remained virtually unchanged for the last 10
15 years.

16 Before we go any further, it is probably worth pointing
17 out one common misconception about the Chronicle survey. Some
18 readers and letters have complained that our annual earmarking
19 report is an indictment of all earmarked projects at colleges and
20 universities.

21 And in our survey we generally avoid making a
22 qualitative judgement on earmarked projects. The Chronicle does
23 not assume in its survey that every project that is supported by
24 earmarked funds is inherently bad or unworthy of support. But
25 the Chronicle survey has tried to address whether it is
26 appropriate that a large and growing amount of federal money
27 supports scientific research without open competition or merit
28 review.

29 While scientists admit that the peer review system is
30 not perfect, most researchers and advocates assert that it is the
31 best way to insure the best research proposals are financed.

32 That gives a brief overview of our survey. My
33 colleague, Jeff Brainard, is going to discuss how we defined the
34 earmarkings in our survey. I should just mention that if you
35 would like more information about our reports, we have an
36 excellent searchable database on the Chronicle's website, which
37 is www.Chronicle.com. And I highly recommend checking it out.
38 And now I will turn it over to Jeff.