US getting little help in funding the SSC

- Few commitments expected in near future
- Questions remain about final price tag

Washington

HOPES are rapidly evaporating that other countries will offer substantial financial help to the United States in building the Superconducting Super Collider (SSC), judging from testimony given at a hearing of a House of Representatives subcommittee last week. This would leave Congress with the uncomfortable choice of either providing another \$1,000–\$2,000 million to pay for the giant particle accelerator or cancelling the project.

At the hearing, congressmen sharply questioned officials from the Department of Energy (DOE) on the status of the SSC, dwelling on the DOE's cost estimate of \$8,249 million and on whether the SSC can stick to a rigid construction schedule that makes little allowance for unforeseen setbacks. For instance, subcommittee chairman Howard Wolpe (Democrat, Michigan) pointed out that the estimated cost does not include certain funds necessary for finishing the SSC, such as money for spare parts and for operating the SSC laboratory while it is under construction, and these funds bring the SSC's total cost to \$9,100 million. Furthermore, Joseph Cipriano, DOE's project manager for the SSC, testified that every year of delay in construction will add \$400 million to the SSC's cost.

The DOE officials argued that their cost estimates and construction timetable are reasonable and are being held to. They had little defence, however, against concerns that foreign contributions are nowhere in sight, because the House subcommittee was able to produce an internal DOE report that conceded as much.

DOE had spoken to possible foreign collaborators, the report said, and concluded that "we [DOE] believe that we are unlikely to meet the Administration's goal for non-federal participation (one-third of the total project cost) in the foreseeable future." Garry Gibbs, of DOE's Office of the SSC, told the subcommittee that the only firm commitment so far is a \$50 million in-kind contribution from India. He acknowledged that the department does not expect much money from Europe but said that DOE is negotiating with non-European countries, such as the Soviet Union and Brazil, and is hoping for a major contribution from Japan.

The Japanese, however, are in no rush to make a decision, the internal DOE report says, and it will probably take a direct appeal from President George Bush to Japanese Prime Minister Toshiki Kaifu to get Japan to make a pledge. Since June 1990, when Bush officially invited Kaifu to join the project, the two have had two summit meetings, and the

subject of the SSC has not been raised. Japanese officials "have interpreted this as a sign of the Administration's priorities," the report states, and thus feel in no hurry to commit themselves.

Originally, DOE predicted that other countries would become involved in the SSC project early on and would make in-kind contributions — helping with planning, magnet construction and the like. Now the department says that other countries are unlikely to commit themselves to the SSC until the United States commits itself, and so most foreign help will probably come towards the end of the project and will be in cash. This creates a new problem.

DOE's official cost schedule, which outlines funding and expenses for the project, relies on early in-kind contributions from foreign sources — \$670 million by 1995. If other countries do not make contributions by then, either Congress will itself have to provide the extra money or the construction schedule will have to be extended — at a cost of \$400 million for each year of delay.

Congressman Wolpe noted that DOE seems to have used rather 'creative' accounting methods in its cost estimates. One example was its projection of how much foreign money is needed to meet the department's goal of one-third outside participation. DOE took the total estimated project cost, divided by three and then subtracted the \$875 million pledged by the state of Texas as well as \$219 million in foreign contingency costs — money needed for unexpected cost overruns for in-kind contributions, such as magnet-building by Japan, for instance.

But as DOE acknowledges that it now expects few in-kind contributions, foreign contingency costs should not be present, Wolpe said. Furthermore, he noted, DOE had already subtracted the (probably inflated) foreign contingency costs out of its total project cost in order to make that figure as low as possible, so subtracting them from the foreign contribution meant that they were subtracted twice. The DOE contingent did not explain the rationale behind the accounting methods.

The final decision either to finish the SSC or to abandon it will probably not have to be made this year, but it seems increasingly likely that Congress will have to make up its mind without knowing just how much of the cost other countries will pick up. Wolpe summed up this dilemma by saying that the SSC project appears to have only two stages: too soon to tell, and too late to stop.

Robert Pool

INDIRECT COSTS

Flowers, opera and art

Washington

FOR US university scientists, who have long complained that administrators are living well off research accounts, last week's congressional hearing on university overcharging may have been the best revenge. Government investigators revealed that university presidents and their spouses had flown to Caribbean resorts, thrown parties, bought opera tickets and made donations to art museums, all in the name of research, at least as far as their accounting records went. The investigators are challenging more than \$14 million of suspect costs at 13 universities — part of a government investigation that will expand this week to 270 other universities.

Among other items improperly charged to research accounts, investigators found wine glasses, jewellery, cigars, a sculpture that had already been donated by a patron, flowers, golf clubs, private club dues, party balloons and liquor.

The 13 universities identified last week were Dartmouth, Yale, Rutgers, Johns Hopkins, the University of Pennsylvania, the University of Pittsburgh, Duke, Emory, the University of Michigan, the University of Chicago, the University of Texas Southwestern Medical Center at Dallas, Washington University and the University of Southern California. They join seven others already under investigation. Among those seven, Stanford, Harvard University Medical School, the Massachusetts Institute of Technology and California Institute of Technology have so far agreed to return a combined total of \$2.7 million in improper charges.

Last week, two congressional committees made the first legislative attempts at reforms. Rick Boucher (Democrat, Virginia) introduced legislation that would limit total indirect costs to 45 per cent. And Henry Waxman (Democrat, California), chairman of the House Energy and Commerce health subcommittee, included a 26 per cent cap on the administrative portion of indirect costs in his proposed reauthorization legislation for the National Institutes of Health.

Both proposed legislative limits are at about the average current level of indirect costs. Although such a measure might appear to produce little in the way of savings, NIH have calculated that declaring even the current average to be an absolute ceiling could save \$100 million by forcing universities over the limit to reduce their charges. Although neither the Waxman nor the Boucher bill is considered likely to pass (Waxman's bill, for example, is endangered by its attempt to overturn the Administration's fetal tissue research ban), the powerful House Appropriations Committee plans to include an indirect cost cap in the NIH budget later this year.

Christopher Anderson