



USDA's contract research program gets a boost as new amendment is passed to extend plan to all types of research

BY "FARMING OUT" RESEARCH, the Agriculture Department is getting some of its pressing problems solved more effectively, more rapidly, and at less cost than if USDA had done the research itself. The whole program of contracting research with outside groups has worked out so well on a limited basis that Congress has broadened the program to cover all USDA research activities.

Research on bread staling, improving the soil resistance of cotton clothes, and new ways of using fats and oils are among the projects that have been contracted with outside agencies. Next year more than \$1.5 million will be spent for contract research, mostly on either utilization or marketing of farm crops. Of the total, state experiment stations will receive about half of the contracts, while other university groups, nonprofit research institutes, and commercial firms will split the remainder.

The idea of contract research was planted in 1935 but it didn't germinate for another eleven years. The Bankhead-Jones Act of 1935 took steps to strengthen the conduct of research by USDA. The act recognized the need for more studies on farm crops, especially those which were in surplus. Enactment of the law strengthened USDA's entire research picture. The measure, however, did not provide for any work to be done outside the department.

In the Research and Marketing Act of 1946, Congress provided that some of USDA's research could be done by public or private research organizations. The law authorized contract research, but limited the work to either utilization or marketing of agricultural products. The 1946 law also makes clear that the department has no authority to make grants for research, other than those

covered in the earlier land grant laws. Only specific projects would be financed and no broad grants-in-aid—common to some other government agencies—would be made.

Qualifications for USDA contracts were also set up by the Research and Marketing Act. The department can enter into contracts only when it can be expected that the research can pass one or more of three tests. First, it must appear that the work can be done more effectively by the outside group. Or studies should indicate that the research could be performed at less cost than USDA could do it. The third alternative is that the project could be completed sooner by the contractor.

The law also provided that any patentable results of the contract research projects would revert back to the department. USDA would then be free to make the patents available to the public. The policy differs from that of some other government agencies, including the Defense Department, which permit contractors to secure patents in certain cases.

Program's Effectiveness Proved

Agriculture has found that the contract research program has paid off in many ways. Some projects require specialized equipment which is not available to the department or which would be too expensive to buy for a single job. Then, too, outside groups may have specialists in the research field which interests USDA.

This enthusiasm for the program has extended to Congress. Both the House and Senate hold regular hearings on the general progress being made under contracts and on specific projects being carried on. Congress also has taken the

uncommon action of placing "floors" under the amounts to be spent for contract research, rather than stressing the need for "ceilings." (There are, of course, limitations on the amounts that can be spent in this way.)

USDA goes contracting only after a careful consideration of its whole research load for any year. The department makes up a list of those which have a preferred priority, which will meet the various requirements of the contract floor, and which can be done by the contractors. After the list has been approved by USDA's top echelons, the agencies involved negotiate with prospective contractors about specifications and prices.

Some of the contracts are of interest to one or more of USDA's research groups. A project aimed at finding new uses for wheat, for example, might have overtones in both the utilization and marketing fields. The various department groups try to work closely with each other and to tie their work together.

When a project is assigned to a contractor, the department does not bow out completely. USDA expects adequate progress reports from the outside groups, whether the complete task takes only a few months or several years. The department reserves the right to inspect the work or any pertinent records.

The department's contract research program does not always function smoothly, however. For some of the projects, there may be no suitable contractor available to do the work. For others, there may be a certain amount of apathy on the part of potential contractors. Always money is an important factor.

Another problem has been the varying costs of contracts. Some contractors are private commercial firms which expect to make a profit on a contract. Others are nonprofit or educational institutions which may undertake a job for less than cost.

Who gets preference? During the Truman Administration the trend was toward preference for those institutions which are publicly financed. Since the Republicans have taken over this trend does not seem to be so pronounced.

The present Administration has been a strong supporter of the plan to extend contract research to other phases of USDA's operations. Agriculture Secretary Ezra Taft Benson has said that the department has had the benefit of personnel and facilities which it could not efficiently provide as part of its own staff or equipment.

Summing up his opinion, Secretary Benson says:

"Contracting has made available to the department the best skills and facilities in specific fields and has avoided the expense and loss of time which would have been required for the department to attempt to duplicate these skills through recruitment and employment."