

CARNEGIE COMMISSION ON SCIENCE, TECHNOLOGY, AND GOVERNMENT

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Memorandum

February 3, 1991

SUBJECT: A Possible Health-Related Commission Study

FROM: Mark Schaefer *Mark*

TO: Joshua Lederberg

THRU: David Z. Robinson *DR*

*SL - I think it is important. We may be the best group to look at this. DR*

In past Executive Committee and other Commission meetings you have noted that the Commission is not doing anything in the health policy area, and you have posed the question of whether or not we might be missing an opportunity.

Guy Stever and I recently met with Jim Wyngaarden to discuss issues related to the new Commission Task Force on Establishing and Achieving Long-Term Goals. In the course of our conversation Jim mentioned his concern and frustration that the Director of NIH is embedded in the lower echelons of the Department of Health and Human Services. He discusses this in part of his letter to Guy Stever of January 9, 1991 (attached) and indicates that "The NIH Director has no visible role in science policy compared to that of the Director of NSF."

Jim also points out in his letter that "two successive panels have examined the structure of NIH and the role and authorities of the Director and have recommended major changes. As of today, all of these recommendations have been rejected by the Secretary's office."

Because this is an organizational policy issue, it seems perfect for the Commission. In fact, the situation is somewhat analogous to that of the President's Science Advisor several years ago. Several groups had called for giving the position greater visibility in the White House, but people did not listen until the Commission and others pressed for it during a change of administration.

If the Commission organized a Task Force to examine the NIH Director issue (and perhaps related issues as well) beginning next October (FY 92), it could turn around a report in 12 months and have it ready for presentation at the beginning of the next administration. It seems to me that this topic is particularly appropriate for the Commission because it involves organizational and process questions that can be addressed through clear, decisive, and practical recommendations.

attachment

cc: Guy Stever

Let me turn now to my second topic that I think also qualifies as deserving policy attention, namely that of the receding bureaucratic niche of the NIH in life science policy.

When the modern NIH was created, beginning in about 1947, the Director reported to the Surgeon General. There was almost no other bureaucracy involved. The Surgeon General, Leonard Scheele at the time, charged the Director of NIH to run the institution as much like a university as he possibly could. When Jim Shannon became Director in 1955, he did so. He had substantial autonomy, and was strongly backed by the Surgeon General. The Department of Health Education and Welfare was created in 1953, but for the first five plus years of Shannon's tenure it too left him relatively alone. In addition, he had tremendous support in the Congress from Fogarty, Hill, Pepper, Magnuson and others. But gradually the bureaucracy proliferated in replicating layers, and by the end of Shannon's tenure he was chaffing under it with unconcealed annoyance. First HEW expanded, then the Office of the Assistant Secretary for Health was created and the Surgeon General's role began to fade, then the Fountain Committee pressed for increased accountability, then after the National Institute of Mental Health received independent status the cancer lobby tried to achieve the same for NCI, and nearly succeeded. The cost of keeping NCI within the NIH structure was considerable relative autonomy, and direct lines to OMB on their budget. This was followed by a succession of independent authorities for other institutes, then by an expansion of the number of Public Health Service agencies, and an evermore stifling and dense bureaucracy in both HHS (its new name) and in OASH.

When Shannon was Director he had many conversations with President Eisenhower and President Kennedy in the Oval Office. He was in contact with Jerry Weisner at OSTP several times per week. The contrast today is disheartening. Now the Secretary speaks for NIH, or occasionally the ASH is asked to do so. The NIH Director has no visible role in science policy compared to that of the Director of NSF. The Director can contact OSTP, but that office wasn't very effective during my NIH tenure. During my time, I never met with the President or Vice President, and I had few significant conversations with Secretary Heckler or Secretary Bowen on the NIH matters, other than on a normal budget review. Two successive panels have examined the structure of NIH and the role and authorities of the Director and have recommended major changes. As of today, all of these recommendations have been rejected by the Secretary's office. In fact, my successor, the current Acting Director, was told by the Undersecretary to accept the fact that NIH is no different from any other Public Health Service agency, and should expect no special prerogatives.

I don't believe that NIH is just another PHS agency. No other PHS agency, or for that matter other government institution, enjoys the international reputation for research and training that NIH does. A Japanese poll rated intramural NIH the best research institution in the world in any field. NIH didn't achieve that status under the present stifling bureaucratic structure, and probably never would have done so. More and more, NIH is being forced to accept the chilling management restrictions that have so dogged others of our national laboratories, and that does not auger well for the future.

My own feeling is that the country will not realize the full potential of the life sciences to contribute to the welfare of its citizens in health and in industry unless the life sciences are better represented in White House policy affairs, and unless the NIH Director can play a larger policy role. The Director of NIH should participate in many White House committees and councils, as an equal with the Directors of NSF, and NIST, and rub shoulders with the Secretaries of Energy, or Agriculture, or Education, as appropriate. Nevertheless, the NIH Director is never included in any policy discussions at that level. I am skeptical that such a role can be achieved without major structural changes. We discussed two models at OSTP: 1) a free standing agency, but one retaining the NIH present congressional committee relationships; 2) elevation of the NIH Director to an Undersecretary position in HHS, a change similar to that recently accorded NIST in the Commerce Department.

Finally, I think the role of the Life Science Advisor in OSTP needs to be greatly strengthened. At the present, at the Director and Associate Director levels there are four physicists and one life scientist. The Life Science Office has two policy analysts and a secretary, and such a staff is woefully inadequate if the life sciences are to be effectively represented. Incidentally, this allocation of resources to life sciences is about one third the level provided when Dr. Healy was there with Dr. Keyworth. During most of the years when the office was really effective, the Life Science Director, Colin McLeod, or Ivan Bennett, was the Deputy Director of the office, with substantial resources.

I know this letter has touched on many topics, and rambled a bit. But I have attempted to make primarily two points. The first is that I think we must increase our investment in fundamental and applied research in many areas, not excluding the life sciences, but link this resolve with a broad systems overhaul of our approach to international competitiveness. The second is that especially with life sciences addressing many of the issues of greatest concern to the populous, the time is overdue for structuring the policy making apparatus of the administration in such a way that the life sciences, and its chief agency, the NIH, are more effectively represented.