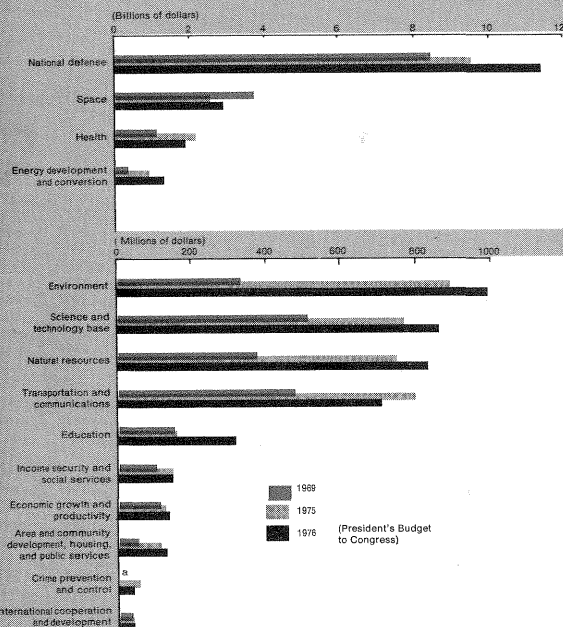




THIRD CLASS
Bulk Rate

Defense, Space, and Energy Show Largest R&D Gains in FY 1976 Budget

Federal R&D obligations by function, FY 1969, 1975 (est.) and 1976 (est.)



*Total in 1969 was \$4.6 million
SOURCE: National Science Foundation

- The 15-percent increase in Federal R&D obligations in the President's 1976 budget placed the R&D total at \$21.7 billion. The \$2.7-billion increase over 1975 was the highest in the 1969-76 period.
- The 1976 gain reflected a real increase in R&D activities (based on a reasonable allowance for inflation) unless final appropriations are well below the President's requested program totals. This upward movement contrasts with a 2.7-percent average annual constant dollar decline in Federal R&D funding between 1969 and 1975.
- Among the 14 functions related to R&D programs, four account for most of the overall increase in 1976, and all of these show anticipated growth that is ahead of inflation. These are national defense—up \$1,860 million; space—up \$343 million; energy development and conversion—up \$343 million; and education—up \$160 million.
- In 1976 the same functions also show the largest *relative* rises: education—up 102 percent; energy—up 37 percent; national defense—up 20 percent; and space—up 13 percent.
- Energy, in fourth place position for the second consecutive year, is now established as one of the leading functions.
- All the other functions, which show rises in 1976 ranging between 5 percent and 11 percent, or actual declines, will grow only slightly in real terms or will reflect curtailed activities.

- Actual declines are scheduled for health—down \$255 million; crime prevention and control—down \$22 million; and income security and social services—down \$2 million.
- In the seven years from 1969 to 1976 three functions have remained predominant—national defense, space, and health. Nonetheless, the average annual growth rate for defense is only 4.5 percent for that period, and for health, 8.0 percent. Space registers a 3.6-percent decrease, the only function with a long-term average annual decline.
- Over the longer term, 1969-76, the most rapid average annual growth rates are shown by crime prevention and control—37.0 percent; energy development and conversion—21.5 percent; environment—17.0 percent; area and community development, housing, and public services—15.1 percent; and natural resources—12.0 percent.
- From 1969 to 1975 national defense and space, taken together, have declined as a share of the Federal R&D total, and civilian programs, as a whole, have risen. The defense/space group fell from 77 percent of the R&D total in 1969 to 64 percent in 1975 while the civilian group increased from 23 percent to 36 percent. Budget plans for 1976, however, reversed this trend with a rise in share to 66 percent for defense/space and a decline to 34 percent for the civilian programs.