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To: "Dr. Baruch Fischhoff - Chair, NAS Study on Social Science & Improving Intelligence"  
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From: Lloyd Etheredge <lloyd.etheredge@policyscience.net>

**Subject: 14. 1% of \$75 billion = ? ; R&D Systems**

Dr. Fischhoff & Colleagues:

We can reliably predict that the social sciences, in the US and abroad, have a bleak future. As soon as the US stimulus package window ends next year OMB's Director will face \$1 trillion+ annual deficits. NSF is in the "non-defense controllable" portion of the budget that will be required to make large reductions. And at NSF - when faced with reduction instructions affecting the life, physical, and social sciences - the votes will not be there to continue current levels of social science work. <1>

### **Thinking Strategically about R&D**

Thus, it will be especially important for your Report to help the DNI and his affiliated organizations to think strategically about the entire system which supports the future of their work, and its R&D, in the context of how they spend their \$75 billion/year.

[I think the breakdown (approximately) is a \$45 billion baseline (which grew rapidly to this size as an emergency response after 9/11, when we did not know how big an established threat existed from terrorist networks in the US and abroad) + about \$30 billion/year as military/DoD intelligence, including the Iraq, Afghanistan wars & planning for Iran/N. Korea contingencies.]

### **1% for R&D Equals = ?**

We are at a good point - where we understand more accurately the extent (domestic and international) of terrorist networks - to take a fresh look at the \$75 billion/year budget totals and good investments by shifting funds at the margin. How much are we spending annually (per known, full-time, attack-America terrorist in the world) and do we need to continue spending this much? I.e., What would you guess the number to be? It's probably huge.

By contrast, you might want to estimate for Admiral Blair the comparatively modest costs of R&D alternatives, allocated via academic research universities through thoughtful mechanisms (which the Obama Administration could devise) that will assure a mutual interest in research capability that is independent, both in fact and in appearance.

1% of \$75 billion/year is a cornucopia that belongs to another universe, beyond what social scientists at American research universities have, at least for many years, any capacity to spend wisely and effectively. But \$750 million/year is an interesting number to think about.

### **\$750 Million/Year = ?**

For example, I doubt that it would cost more than \$2 - \$3 million/year in seed money to bring an entire new universe of global content analysis capabilities online, in the public domain over the next decade. If you begin to create 10 "forward observation" sites at universities in the pivotal states identified by Paul Kennedy - each with a slowly-cumulating endowment fund for core staff, visiting Fellows, and survey research (etc.) these could slowly ramp-up with a flow of \$1.5 million each (\$15 million)/year across a decade. A field like international political psychology (+ forecasting?) could grow at selected, interested institutions in the US (and/or at Georgetown's Doha program) with 1-2 faculty slot endowments/institution (\$1,5 million each?) with endowment funds for post-doc years and Fellowships (new post-docs will be especially attractive, given the vanishing academic job markets.) You could shift \$5 -\$10 million/year to new private endowments to assure the survival of the best, reliable print newspapers (e.g., The New York Times and others here and abroad) and their now weakening international reporting - the kind of initiative that David Swensen and Michael Schmidt recommended in their Op Ed (January 28, 2009, attached). . . .<2>

My best imagining - at this point - doesn't get much beyond good ways to spend about \$50 million/year for long-term system capacity . . . . I hope that you can do better!

If it is a worthwhile R&D investment I think Admiral Blair and the Obama Administration need to "Think Long . . . ." And should know about your best advice (regardless of any current moods of underlying despair and pessimistic expectations about whether it will be adopted).

my best regards,  
Lloyd Etheredge

<1> The new cuts could be deadly: Each scientific specialty is one generation from extinction - it must recruit, inspire, support, and find employment for its successors. There already are signs that today's most capable students, who were attracted to the social sciences several decades ago, are going elsewhere.

<2> \$750 million/year also could be comparted to the annual budget for social science faculty salaries + benefits at the top 20 research universities in the world.

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