

**Section I**

# **DIRECTOR'S STATEMENT**

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1977 was an extraordinary year in OTA's brief history. It was a period of ferment and transformation. The three cornerstones of the agency—the Technology Assessment Board, the Directorship, and the Technology Assessment Advisory Council—took on new looks, as resignations occurred and memberships changed

There was also retrenchment: the Legislative Appropriations Act for 1978 required that the OTA staff be heavily cut. People had to be let go, while tighter controls were placed on program budgets and expenditures. These and other factors eroded the morale of the staff—which was scattered among inadequate quarters at nine different locations on Capitol Hill.

Meanwhile, extensive congressional hearings were being held on OTA to review its performance and experience. This was the first time that the agency had been called to account before a legislative committee since it began its work in early 1974, although in 1976 both the House Commission on Information and Facilities and the Senate Commission on the Operation of the Senate had issued reports on their evaluations of OTA.

Despite the problems, the Office held its course and continued to do its work, solidly backed by Chairman Kennedy and other Members of the OTA Board. Fourteen projects were completed during the year. They covered a rich array of issues: the spread of nuclear materials and weapons-making capability, cancer-testing technology and saccharin, the implications of the Carter Administration's National Energy Plan, the trade-offs between individual rights and massive computerization of the Nation's tax information system, ways to spur research on increasing the supply of food, the prospects of solar technology, increasing the yields of known oil wells and natural gas deposits in U.S. lands, conserving fish resources in the Nation coastal zone, and many more questions of concern to Congress.

The following report describes these projects in detail. They are cited briefly in these prefatory remarks merely to illustrate that 1977, OTA's fourth year of operations, was a productive one despite the retrenchment and other events that occurred. As William Jovanovich, the publisher, once said in the preface to an annual report: "More can be said of both our results and our plans during the present time, but having undergone recently a period of some adversity, it may be prudent neither to complain nor to explain." I am compelled to say the same.

But some elaboration is in order. The most significant change that occurred during the year was the resignation, announced May 18, 1977, of OTA's first Director, Emilio Q. Daddario. It was he who had brought the concept of technology assessment into the public consciousness in the mid-1960's, when he began to lay the groundwork for the Technology Assessment Act of 1972. And when the Technology Assessment Board came to the selection of OTA's first Director in November 1973, Mr. Daddario was their unequivocal choice. In his letter of resignation three and one-half years later, he noted the many assessments that had been completed in the first phase of OTA's development and added: "I had always planned to leave OTA when that period of evolution had been reached."

As Chairman Kennedy later observed: "Mire Daddario is one of those rare individuals who could both conceive a significant idea and have the opportunity to put it into practice. He had the vision to recognize the need for technology assessment before anyone else even knew what the term meant. He had the resourcefulness to build the legislative record which eventually led to the establishment of the Office of Technology Assessment. And as the first Director of OTA, he exhibited a high degree of statesmanship in demonstrating that OTA could function as a nonpartisan, objective analytical arm of the Congress."

Following Mr. Daddario's announcement, over 200 nominations for the directorship were received during June, July, August, September, and October. Finally, on October 27, 1977, the OTA Board offered the position to Dr. Russell W. Peterson, the President of New Directions, and formerly Governor of Delaware, Chairman of the Council on Environmental Quality, and Director of the Research and Development Division of the du Pont Company's Development Department. On November 18, 1977, Governor Peterson accepted the Board's offer, effective January 16, 1978, when he will leave his post at New Directions.

There were also two resignations from the Technology Assessment Board during the year. The Board's Vice Chairman, Rep. Marjorie S. Holt (R-Md. ), resigned effective July 1, 1977. She was succeeded by Rep. John W. Wydler (R-N. Y.). Senator Richard S. Schweiker (R-Pa. ) resigned from the Board on June 14, 1977. He was succeeded by Senator Orrin G. Hatch (R-Utah). On September 20, 1977, Rep. Larry Winn, Jr. (R-Kans. ) was named Vice Chairman of the Board to succeed Mrs. Holt.

During the first half of 1977 there were two unfilled vacancies on the Advisory Council. In July, after considering numerous candidates, the OTA Board decided to reappoint Mr. Fred Bucy, President of Texas Instruments, to a 4-year term on the Council and to appoint Dr. Charles N. Kimball, Chairman of the Midwest Research Institute, as a new member to fill the vacancy created by the resignation of Dr. Harold Brown on January 20, 1977.

By year-end, the reduction in personnel required by law had been largely achieved, but not without some travail and diminishment in the morale and efficiency of the staff. The practical consequence of this reduction is that greater reliance will have to be placed on assistance from contractors and consultants if OTA is to maintain the same level of effort that Congress has come to expect of it.

Quite apart from the makeup of the work force, a new programming, planning, and budgeting strategy was presented to the OTA Board and approved in July. Under this strategy, a reserve fund has been established for undertaking high-priority, longer term assessments that may not be of concern to Congress at present but probably will be in the future. This fund is about 25 percent of the total funds budgeted for assessment projects. The new strategy is an explicit commitment to OTA's responsibilities to look beyond current urgencies and "provide early indications of the probable beneficial and adverse impacts of the applications of technology," as the OTA statute declares.

The congressional hearings on OTA were its first. They were held by OTA's legislative committee in the House, the Science and Technology Committee, through its Subcommittee on Science, Research, and Technology. It was in this Subcom -

mittee that the concept of technology assessment was spawned some 10 years earlier. The Committee was aware of the reports on OTA that had been issued by the House Commission on Information and Facilities and the Commission on the Operation of the Senate and which had made recommendations for improvement. The hearings, therefore, were intended as a comprehensive review of OTA's activities to determine what seems to be working well, what is not, and what might be done to correct any problems.

There were three sets of hearings during the year. I testified at the first and third sessions. In my first appearance in August, I described the background and organization of OTA, outlined the processes we follow in selecting and performing assessments, gave some basic statistics on our products and resources, and illustrated the ways in which our program capabilities have been developed.

In my second appearance in October, I discussed the principles that guide OTA in its work and addressed some basic questions. To what extent are we performing the "early warning" function? Do we consider the potential benefits of technology or are we preoccupied with negative effects? Would a better definition of technology assessment make OTA a more effective tool of the Congress? These are the kinds of questions that have plagued friends and foes of technology assessment alike.

The hearings, in my judgment, will have a salutary effect. OTA now has almost 4 years of experience. It is a good time to take stock, to assess this experience, and to measure it against OTA's congressional charter and the aspirations of those who conceived of the institution and principles of technology assessment and brought them to reality in the legislative branch of Government. Further hearings on OTA are planned by the House Science and Technology Committee in 1978, after which the Committee will publish its findings and recommendations and perhaps introduce legislation amending OTA's charter.

The year ended in another bright moment when, in December, we began moving to our new location at 600 Pennsylvania Avenue, S.E. For the second time since the creation of OTA, all of its staff will be housed under a single roof. The first time was when OTA began its assessment operations and the staff, all 10 of us, were located in three rooms of the old Congressional Hotel. Now, 4 years later, we have a full-time salaried staff of 130 (our statutory limit) and employ over 450 consultants and some 230 contractors. The new location will improve working conditions, eliminate many inefficiencies, and facilitate communications among the staff and all of the people who work with us.

Governor Peterson will assume the directorship of OTA in January and join us at the new location. We look forward to having him with us and working with him to build OTA to its full potential.



DANIEL DE SIMONE  
Acting Director