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Project funding and the evolving relationship between government and science

An explorative paper using project funding figures of The Netherlands

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Introduction

- Indicators of funding: what do they indicate?
- Project funding aims to steer behaviour of researchers, research groups, organisations and/or systems. So project funding relates to the governance relations between government and research sector
- Main questions:
 - Do changes in project funding indicate changes in the governance relation between government and academic research?
 - May we conclude from increase in level of project funding that steering capacity of funding bodies increases?
- Project funding as part of funding schemes can have multiple aims: quality, relevancy, priority themes, careers, mobility, university-industry relations etc
- Steering capacity depends not only on funding arrangement. As important are other parts of the "contract": priority setting, monitoring, and evaluation.

Overview

- Governance models and the government-science contract
- Development of "government-science contract" in the Netherlands
 - 1975 dual funding mode; science policy starts
 - 1980 dual funding mode; national programs and innovation policy
 - 1990 new public management
 - 2002 explosion of funding modes;
- Discussion and conclusions: changing role of project funding for research

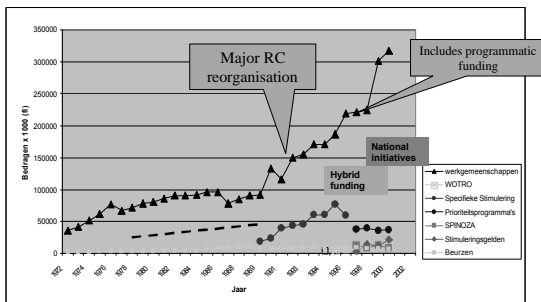
Government-science contract

- Principal-agent relation. Yes but,
 - The relation is mediated by several institutions.
 - The relation has an organisational and a "field" dimension.
 - The contract is "written" into institutions and policies that together do not necessarily constitute a coherent contract.
- Three components of the contract.
 - Policy objectives and priority setting.
 - Allocation of resources.
 - Monitoring and evaluation.
- Note: in a coherent contract these are linked, but in actual science policies we find that policy developments on each of these components may have its own dynamic.

Policy objectives and priority setting

- Two types of objectives
 - Policy objectives for research system: quality, relevance, excellence, efficiency, differentiation, internationalisation
 - Priorities for research to stimulate relations
- 1974 White Paper on Science Policy: link science to society and improve self-organisation of science. Development of sector councils and national programmes
- 1980s Innovation as new objective. Research quality and efficiency
- Early 1990s: Foresight committee, scientific priorities
- Late 1990s:
 - Internationalisation, competition and quality differentiation, creation of centres of excellence, scientific careers
 - Priorities setting by research council and universities
- 2000s Development of national initiatives as scientific priorities and to create new national strength

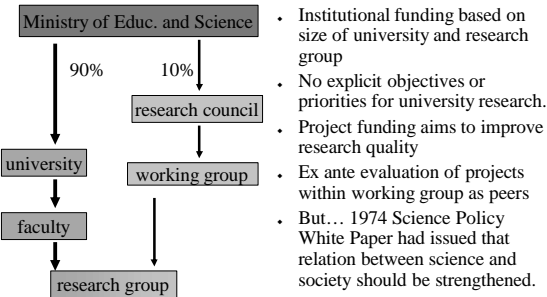
Development of project funding



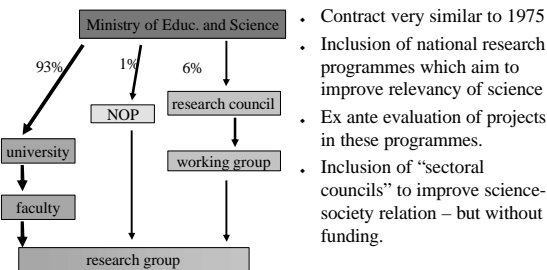
Evaluation

- Ex ante evaluation of project funding.
- 1980s implementation of evaluation as input for selective budget cuts by government
- 1990s Association of Universities takes over responsibilities to assess university research
- 2000 Responsibility for research assessment delegated to the universities.
- Evaluation of funding schemes for large centres, careers etc.
- No systematic ex post evaluation of research programmes

1975 Dual funding mode



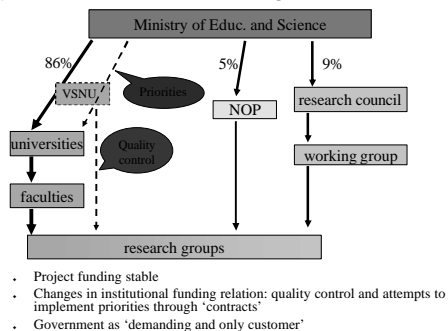
1980 Dual funding mode



1990 New public management

- NPM as generic tool for a set of instruments, rationales and changes:
- Value for money:
 - quality control
 - accountability
- Introduction of market or quasi market relations:
 - competition for funding
 - Government at a distance
 - construction of (quasi-)customers
- Management by objectives:
 - priority setting
 - implementation by explicit contract

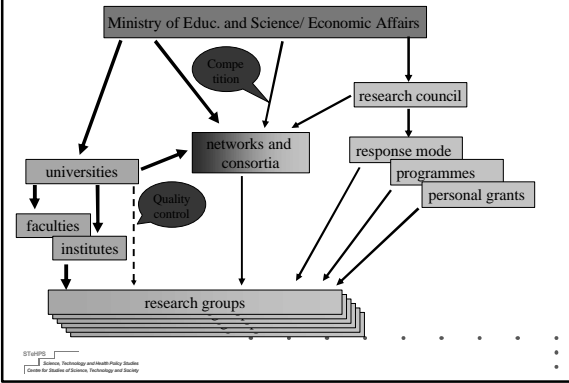
1990 NPM turning into monopsony



1997-2002 Towards new contracts

- Government gives up on setting priorities for institutional research
- Assessment of research is delegated to university level
- Development of strategic research management at universities through priority areas, research centres, university institutes, etc.
- Transformation of research council into "strategic council" with responsibility for system: development of funding schemes for relevancy, career development, gender equality, excellence
- Implementation of hybrid funding schemes in which institutional funding, research council funding and industry funding are pooled
- Development of large consortia for priority areas with new funds for economic structures: ICT, Genomics, Nanotechnology, River management

2002 Transition or new stability?



Discussion: new contracts

- Three different kind of governance configuration
 - (1) Dual mode funding with large share of institutional funding and some contract funding (humanities, economics, psychology, medical science)
 - (2) Consortia in which fields coordinate at national level. High level of project funding, high level of competition to get consortium, low level of competition within consortium. Project funding drives allocation of institutional funding.
 - (3) Multi-principals configuration: funding from multi resources (groups in social sciences, mechanical engineering, medical science) Principals include different research council programs, EU funding, university funding, third party contracts.
- Project funding from research council has got multiple incentives, often aimed to improve system behaviour.
- “Level of project funding” has become a composite indicator.

Conclusions

- Do changes in project funding indicate developments in the governance relation between government and academic research?
- No, project funding stable from 1975 to 1995, though relation changes because of changes in the institutional funding relation.
- Yes, changes in project funding from 1995 indicate development of new governance relations.
 - May we conclude from increase in level of project funding that steering capacity of funding bodies increases?
- Steering capacity of government did hardly increase without changes in the level of project funding.
- High level of project funding in consortia enables to coordinate at national level.
- The increase of funding schemes has created multi-principal configurations in which steering capacity decreases.
- Claim: in new contract project funding is not an instrument to steer research behaviour but to buy specific “performances.”
