

Perspectives on UK STI Policy

SPRU Seminar 4 May 2012

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What I've been doing ...

- Seconded to BIS from March 2009 as head of Knowledge and innovation Analysis – i.e. policy analysis for science budget and innovation policy instruments
- Tasks: analytical and information strategy; data collection and management (R&D, CIS, bibliometrics, HE); advice and support to senior officials, ministers; international links (espe OECD)
- My team: 12 analysts + ONS + links to NESTA and IRC+ international
- Work related to science budget and innovation instrument; policy divisions on research funding, innovation, infrastructures, international, HE. Implementation via delivery bodies, ie RCs, TSB. Rather collective management so wide discussion on policy issues.
- Analytical support for major initiatives (Innovation and Research Strategy)
- Main output: 'UK Innovation and Research Strategy for Growth'

Context and events

- Basic context: the economic crisis, which went from stimulus to 'expansionary fiscal contraction' to 'industrial strategy'.

Main Events:

- Machinery of Government change (2009)
- Public Value Programme (2009-2010)
- 'Change process' – approx. 15% staff reduction (2010-2011) and reorganisation
- Comprehensive spending review (2010-2011)
- I&R Strategy (2011-2012)

Aims...

- Introduce and extend modern innovation research and innovation economics
- Research programme: innovation data (modes of innovation+highly innovating firms+growth theory) + infrastructures (especially 'information infrastructures) +science performance and mobility+ international
- But – strong ad hoc demand on many issues (space, graphene, TSB indicators). Briefings, PQs.

Reflections ...

- Need to distinguish between policies for Science, Technology and Innovation – despite idea that they contribute to economic performance, to considerable extent they are three separate domains. Decision-making happens separately
- In terms of direct funding, science is massively bigger. It also has more impactful constituency, and big public support.
- Policy is far more rational than we might believe – arguments, evidence, conceptual systems. Important role of Government Economic Service – contempt for mathematical economics, but still neoclassical. Lots of technological forecasting, industrial analysis etc. Civil servants (especially in policy divisions) often extremely well-informed, knowledgeable etc.

Government and state

- Difference between government and state is crucial. Civil servants are executives of government but simultaneously part of a state system that is separate.
- What we consider to be elements of the innovation system are often (also) part of the state apparatus
- This accounts in part for policy persistence over long periods

Policy with a persistent state

- Policy is slow process – the real issue is to get something both adopted and implemented properly
- This entails political direction, consultation, building stakeholder constituencies, admin apparatus, focus on policy implementation, incentives, public support, etc.
- Civil service unlikely to adapt to whims of moment.
- Blair spoke of ‘scars’, Cameron of ‘enemies of enterprise’.
- New Labour attempt to shortcut this with PMDU – PSA agreements, indicators, reporting. Huge amount of time went into this.

Market vs developmental state

- A frequent contrast is drawn between (free) market states and developmental states (in the Wade sense).
- It is important to distinguish between free-market ideologies as distributional and governance ideologies, and the institutional structure of the system.
- Key elements of the developmental state: strategic military stances and their organisational supports, inward FDI, trade promotion, physical infrastructures, labour markets, STI policy and 'knowledge infrastructures', 'key companies' support
- We live with the institutions of the developmental state. The basic object of policy is this system. But fundamental lack of coordination, even though policies emerge out of network relationships.
- The problem is not to build the developmental state, but to operate it.

Research issues: nature of economy and knowledge as an object of policy

- There are major issues concerning how we conceptualise the nature of the economy. Really we are dealing with a state-corporate-market system with strong elements of international governance. (Note that very primitive ideas about economies as quasi-households are still common).
- The rise of the fiscal-military state led to a large need for information (e.g. about populations from 17th century) and this continued with nation states.
- We really need more historical and analytical work on the emergence of knowledge as an object of policy. Then, what is the relevant knowledge and information relevant to growth in the (globalised?) nation state. All this must be associated with the secular growth in public expenditure over the past 200 years.
- Against this background, what is national and what is multilateral?