On Practical Innovation Policy Learning

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INNOVATION NORWAY

Personal Background

- Special Adviser on Innovation Policy, Innovation Norway
- Chair of the OECD STIG-project on STI for global challenges
- Head of policy learning project in Ministry of Education and Research
- Policy director in Research Council of Norway
- Researcher and Director in STEP / NIFU STEP (innovation and innovation/research policy studies)
- Science and technology policy adviser in the Ministry of Education and Research in the 1990s
- Member of various OECD working parties
- Adviser in the EU Trend Chart on innovation
- Analyst for EU ERAWATCH (science policy)
- Social science in the EU Framework Programme
- Academic background: The History of Ideas/Science Studies

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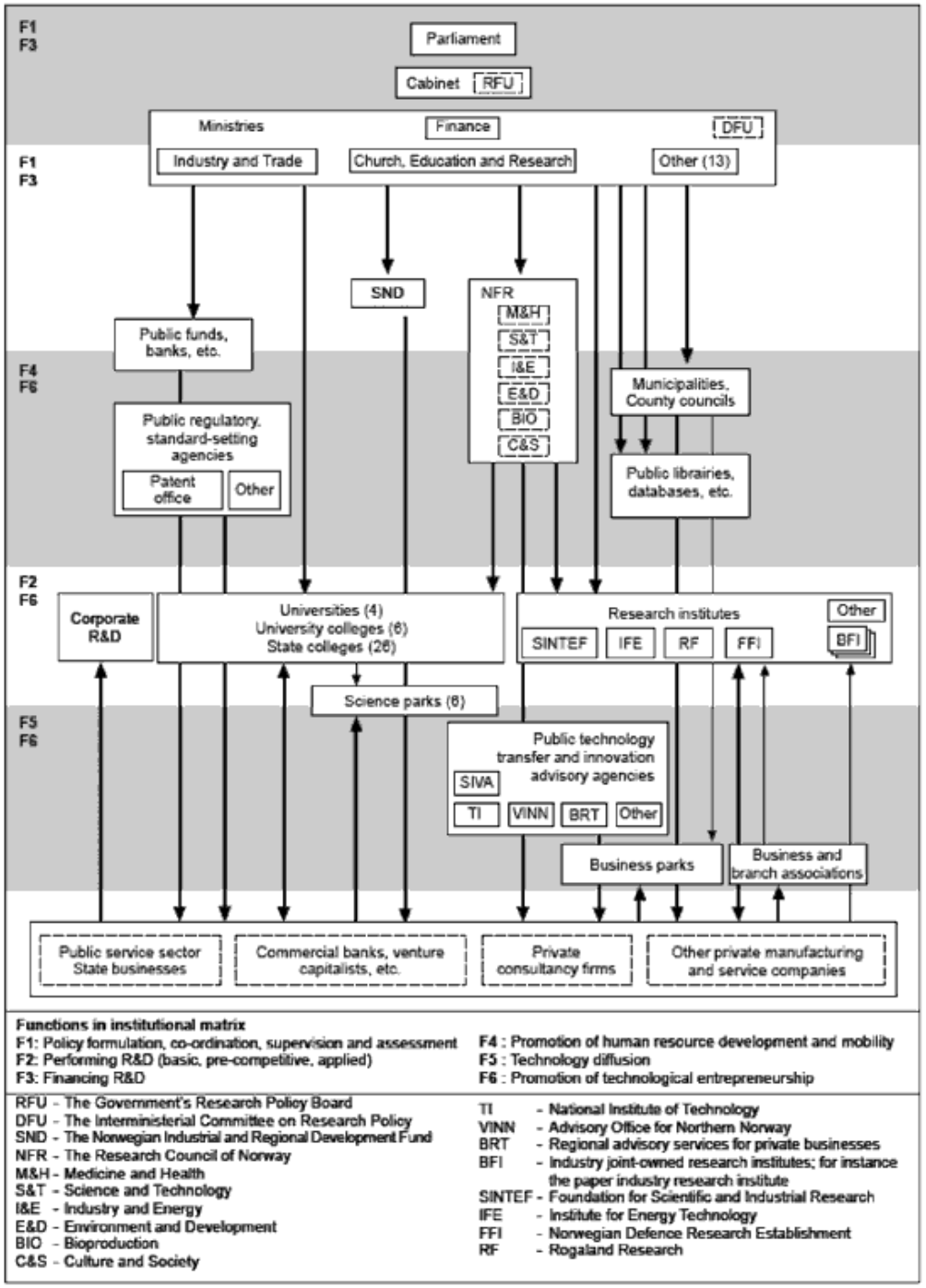
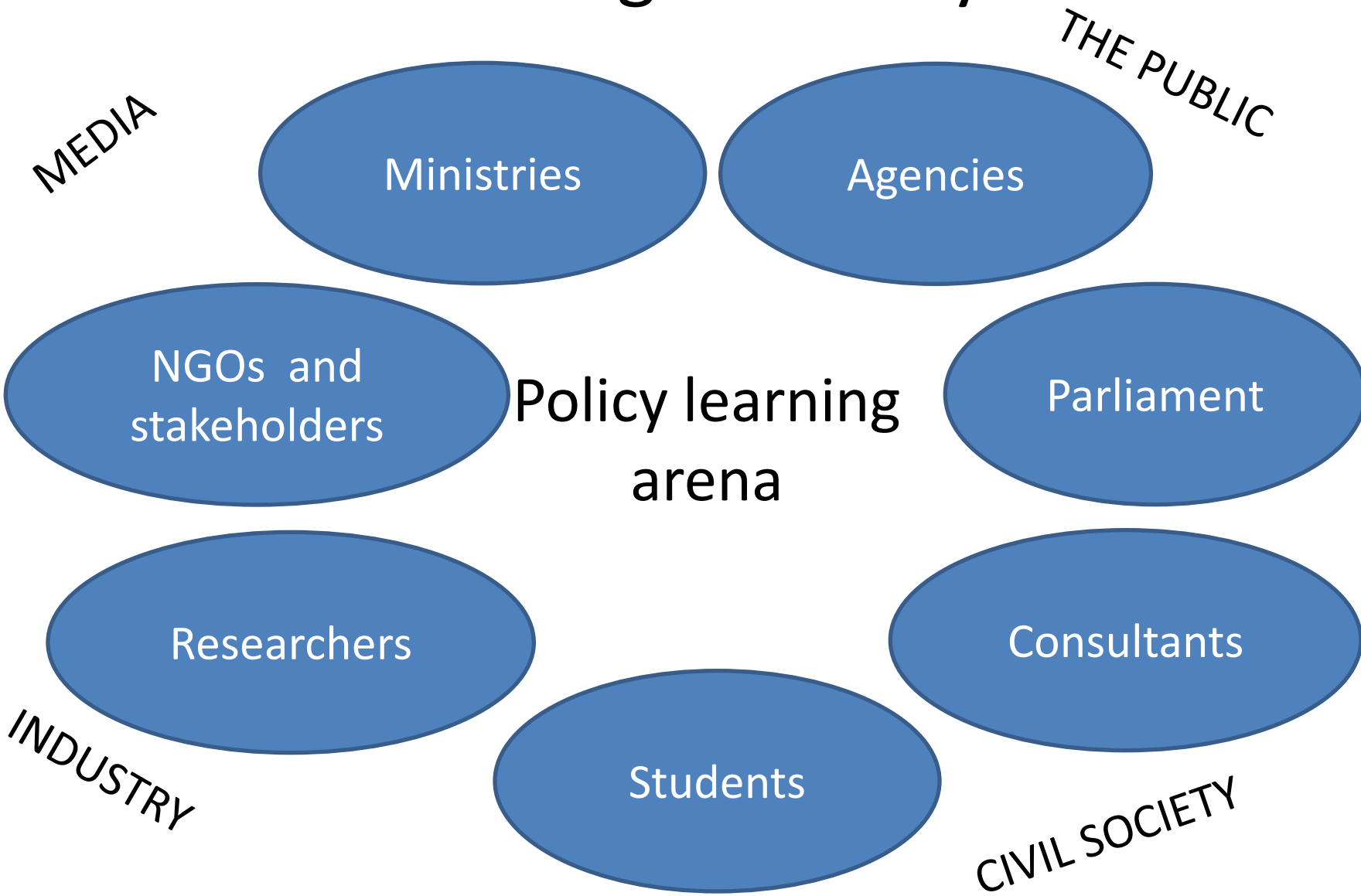
Organizational charts don't say anything about learning



There is no learning hierarchy



Ministries and agencies: Policy learning and innovation as co-evolution

- Acquired R&D
- Governance experience
- Tacit knowledge
- Acquired knowledge
- Literature
- Conferences and workshops
- Mobility
- International co-op.

"societal pull"

Interaction with researchers, experts, policy makers, stakeholders, politicians, citizens.

In-house learning based policy innovation

Policy makers develop new policies, new policy measures and narratives

Silos as barriers to policy learning

- **The development of internal barriers and "silo mentalities".** Parallel systems maintain their own organisational norms, belief systems and practices.
- Distinct and well-established professional groupings, with their own communities of practice and rationales.
- **Researchers grounded in narrow belief systems, interests and ideologies.**
- Power struggles and turf wars stops flow of knowledge.

One example: Belief systems

- The policy makers
  - The tribe (actor network)
  - Their common belief system (ideology)
  - Their master narratives
- The researchers
  - The tribe (actor network)
  - Their common belief system (paradigm)
  - Their master narratives

Different belief systems in research and innovation policy

- Different ministries, agencies and stakeholders speak different languages
- What is most important?
  - Basic science or innovation?
  - Economic growth or welfare?
  - Technology or culture?

There are many policy narratives

- Reflect different understanding of:
  - What society is and how it works
  - How research interacts with society
  - Common terms (e.g. “innovation”, “research”)
  - What the role of science is
  - What the best theoretical and methodological foundation for policy development is
- The Science Policy Narrative
- Business Narrative
- The Social Narrative
- Neoclassical Narrative

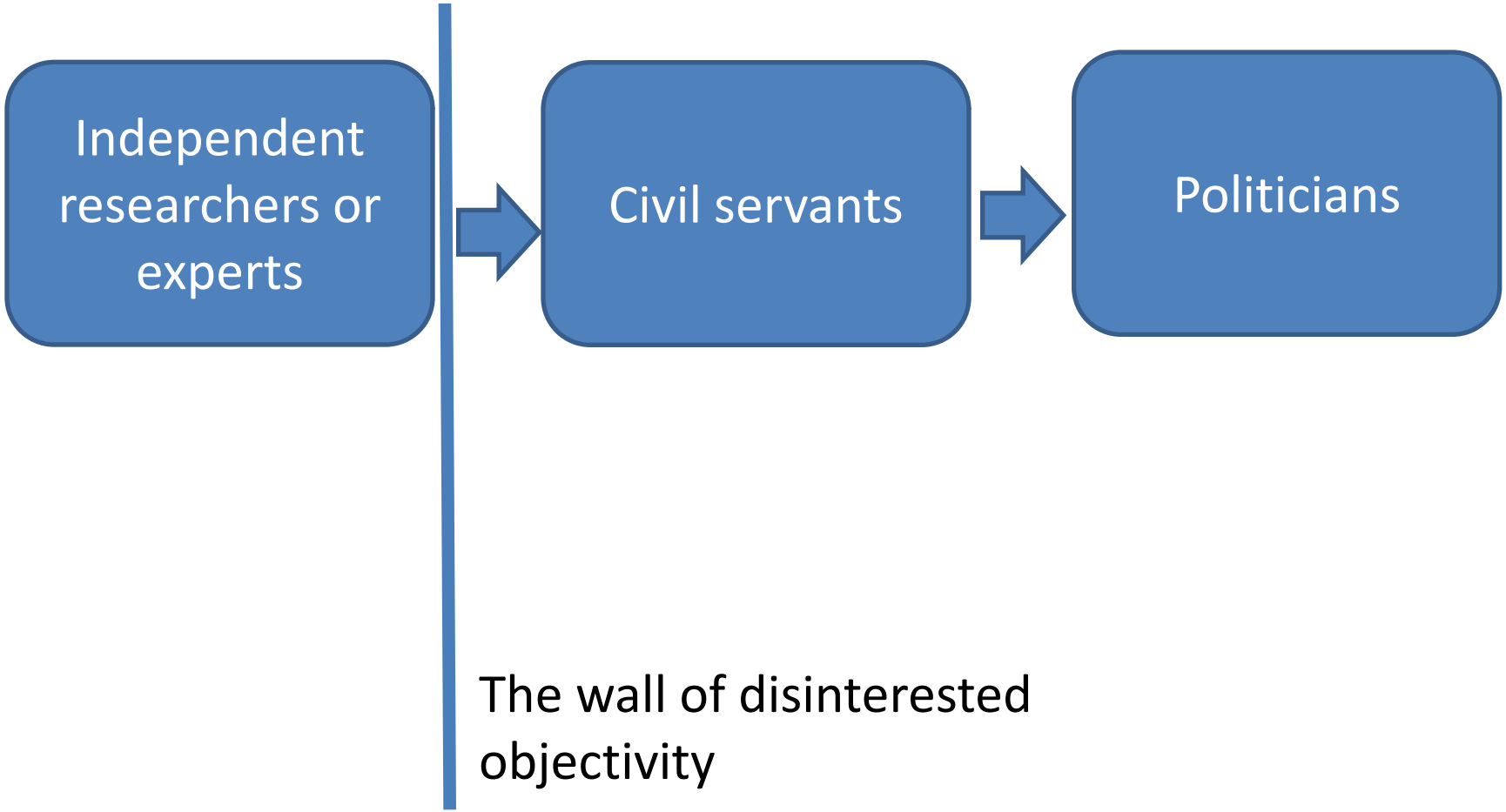
But there are also other factors that hinder policy learning and innovation

- Risk aversion
- Lack of clear agreement with respect to perceived problems, approaches and solutions
- Overlap in responsibilities, and communication difficulties.
- A lack of dialogue between different parts of the public system, horizontally or vertically, between different professional groups.
- Lack of resources – time and funding -- for systematic learning
- Power-struggles

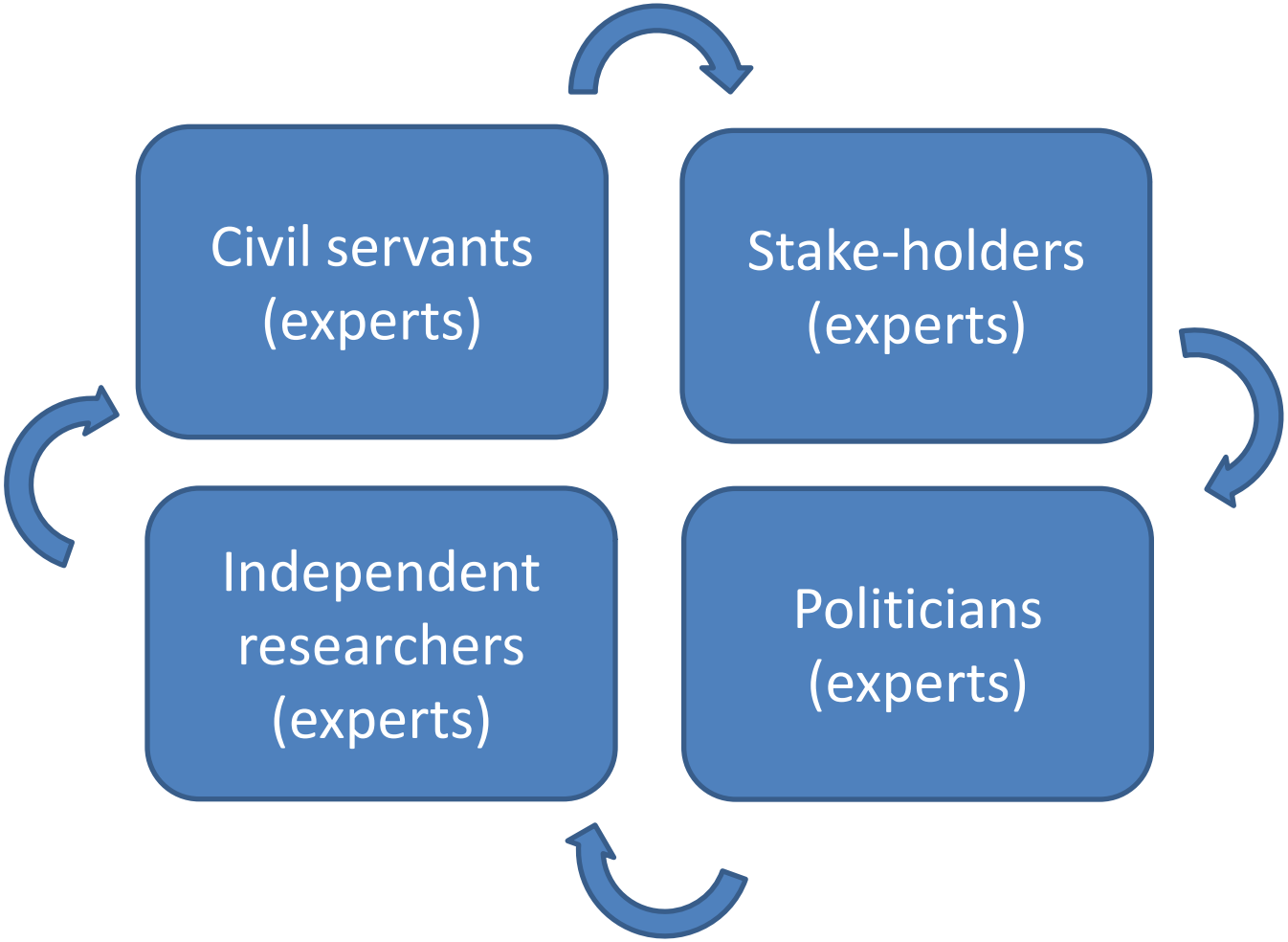
This lack of reciprocal learning is a democratic problem

- Undermines communication and understanding
  - between policy makers
  - Between policy makers and researchers
  - Between policy makers and society
- Lack of transparency

Traditional view of evidence based policy learning has to be abandoned



This must be an interactive learning arena



They are all experts in their field, some in science, others in policy

Publin: Drivers for policy learning

- **Staff with high levels of professional expertise, exhibiting a high level of creativity and problem solving and a positive attitude to teamwork**
  - Mobility of people within the policy system, and between policy and society
  - Researchers with an understanding for policy learning and the political process
  - Employment of STS/STP/innovation savvy candidates
- NGOs and civil society
- International learning arenas like the EU
- Political push and crises

http://survey.nifu.no/step/publin/index.html

Information needed

- On knowledge institutions
- On industry
- On public sector and civil society
- On the national innovation system as a whole
- On the effect of global interaction
- *Main challenge: The widening of scope from science policy to innovation policy requires more information*

Data needed

- R&D&I indicators
- Economic indicators
- Socio-cultural indicators
- Evaluations of policy instruments
- Evaluations of the effect of other policy initiatives (e.g. taxes and welfare)
- Other qualitative data
- *Cultural challenge: "Without numbers it is not real"*
- *Lack of data on the global innovation system*

Models needed

- Theoretical models that can make sense of the data
- Narratives that can make sense in a policy setting
- *An important challenge: To turn theories into narratives*

Disciplines needed

- Statistics
- Economics
- Social Geography
- Sociology
- Anthropology
- History
- Cultural Studies
- Psychology
- and more…

- *The main problem right now is that everything is reduced to economics*
- *A need for trans-disciplinary approaches*

Skills needed

- Statistical skills
- Analytical skills
- An understanding of the knowledge and innovation system
- And understanding of policy and politics
- The ability to develop meaningful narratives
- The ability to communicate in a policy setting
- *Main challenge: Due to the translation problem skills cannot be divided between professions in a linear fashion*

- Statisticians
- Researchers
- Stakeholders
- Civil Servants
- Politicians

The national innovation policy innovation system

- Knowledge institutions that can carry out studies of the innovation system and make them policy relevant
  (NESTA, NIFU, MERIT, Manchester Business School)
- Government agencies that have the skills needed to analyze, understand and make use of innovation studies in a policy setting
  (VINNOVA, TEKES, Innovation Norway, NOW, RCUK)
- Stakeholder organizations that have the skills needed to analyze, understand and make us of research and policy documents
  (Greenpeace, business confederations, public interest organizations and other NGOs)
- Ministries that have the skills to analyze, understand and make use of innovation studies and policy recommendations in a political setting
- *It is the function that is important, not the institutional type*
  (Danish Agency for Science, Technology and Innovation vs. Research Council of Norway)

Overlap is necessary

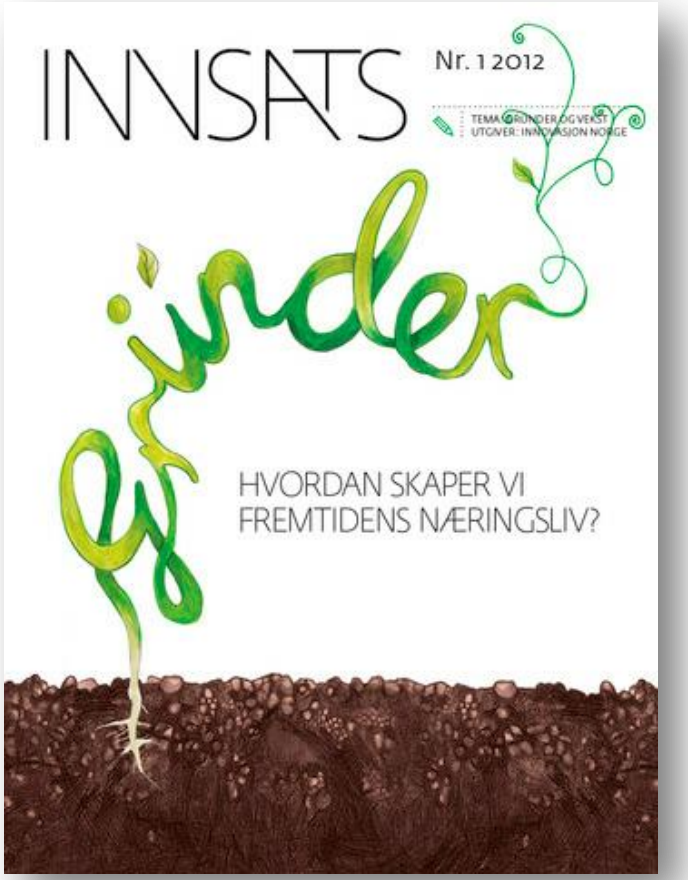
- The absorptive capacity of all these institutions requires some inhouse analytical work.

Innovation Norway

- Developing a new department for Innovation Policy Analysis
  - Learn from existing research and analysis
  - Make use of inhouse databases
  - Commission research and analysis
  - Contribute to the development of an innovation policy narrative and policy recommendations
    - This is how Norwegian industry is today
    - These are the challenges
    - This is what we have to do
  - Develop competences in the whole organization

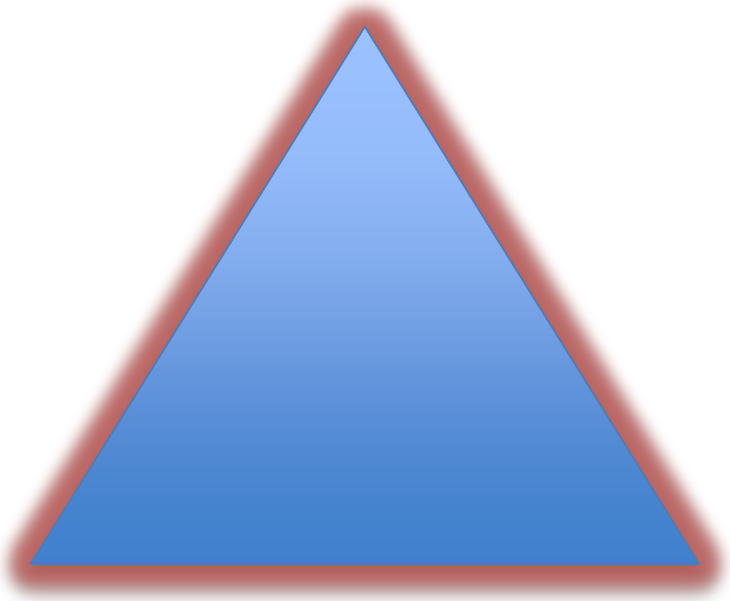
Agenda Setting

- Innovation Norway is to set the agenda for innovation policy debate
- Breakfast seminars
- Conferences
- Theme oriented magazine
- Innovation Policy Blog



Learn / Think / Talk

Policy Development



Analysis

Communication

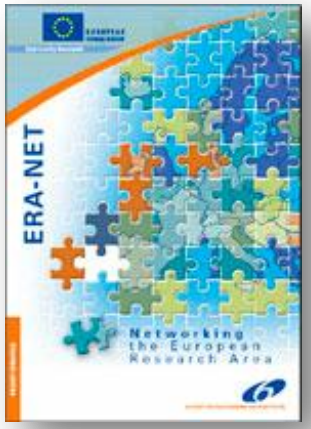
Innovation Policy Learning Arena

- Collaboration with other agencies
  (the Research Council of Norway and SIVA)
- Interaction with relevant ministries and counties
  (input to white papers, participation in conferences, regular meetings)
- Support for the research program for research and innovation policy, Forfi
- Use of regional and international offices for intelligence gathering
- Recruiting people with relevant competences, e.g from innovation studies, with business experience or policy skills.

The Importance of International Collaboration

- Important international research and innovation policy learning arenas:
- OECD NESTI and Eurostat
  - Frascati Manual and R&D statistics
  - Oslo Manual and innovation Statistics
- OECD DSTI
  - Meetings and reports
- European Commission
  - Pro Inno Europe
  - Erawatch
  - Era-nets
- TAFTIE
- Nordic collaboration
  - Nordforsk
  - Nordic Innovation
- Ad hoc

Taftie
The European Network of Innovation Agencies



OECD

erawatch

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How innovation analysis can change policy

From needs to ex-post impact assessments

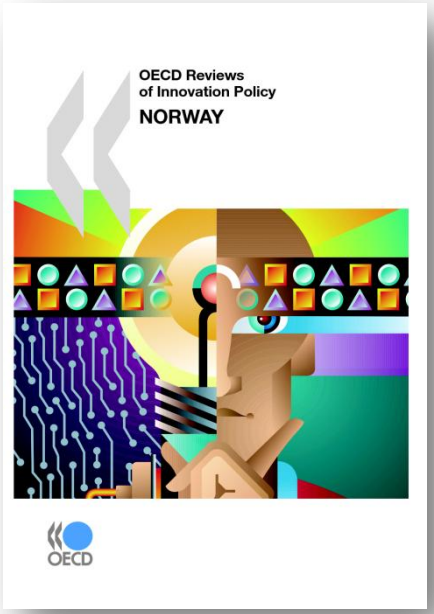
- Needs: Problems to be solved
- Objective: Outcomes intended to be achieved
- Inputs: Resources mobilized
- Processes: Procedures and activities employed
- Outputs: Products and accomplishments
- Outcomes: Changes caused by intervention
  - Results: Immediate changes for addressees
  - Impacts: Longer term socio-economic consequences

Old focus

New focus

OECD DSTI/STP/TIP(2009)18 Henri Delanghe et al

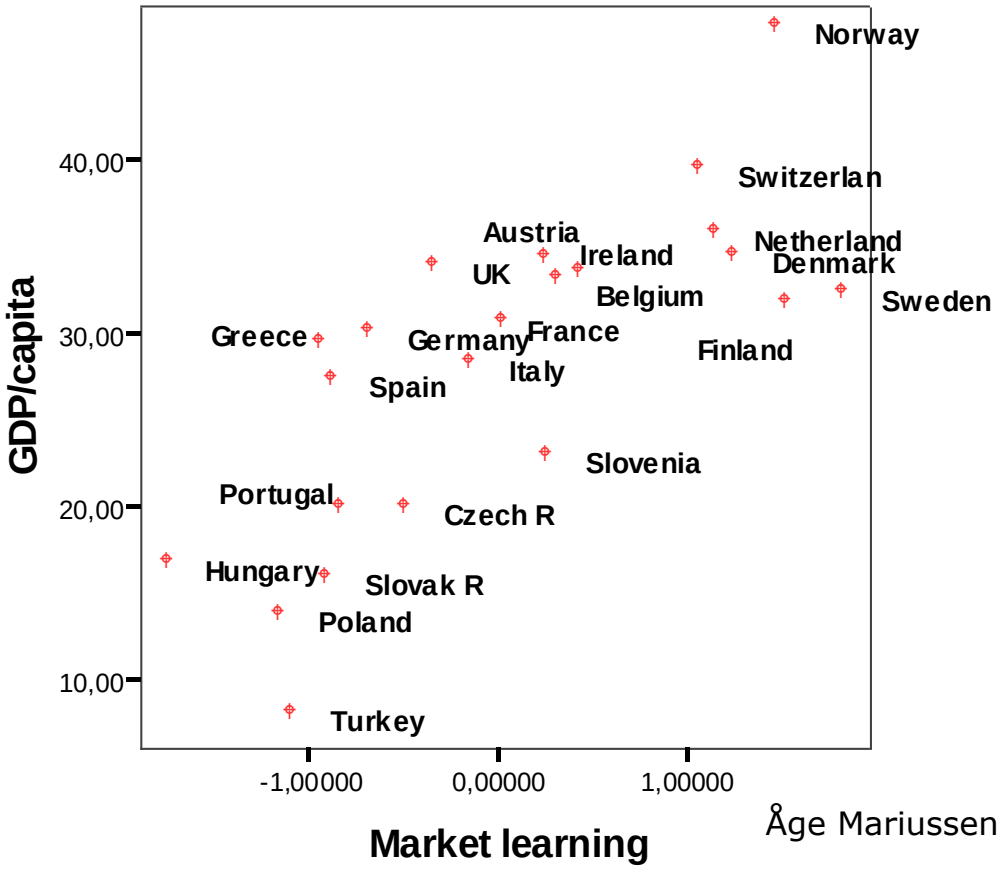
How the Norwegian anomaly changed our view of innovation



- A resourced based economy with low R&D investments and the highest wages in the world should not be efficient and sustainable

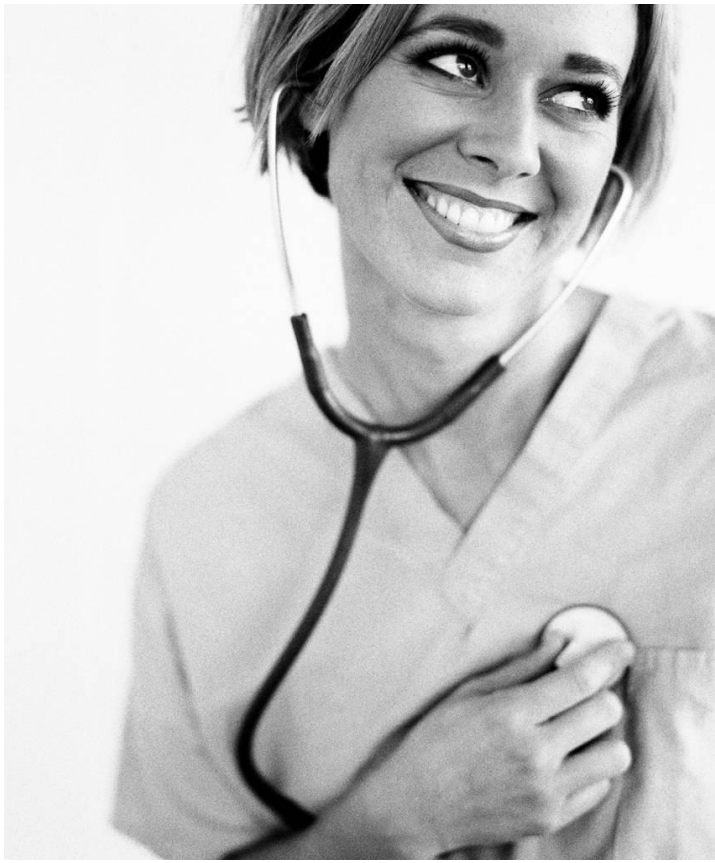
Europe: market learning
GDP/ capita

Source:
Fourth European Working Conditions Survey
OECD



European Working Conditions Survey (Translearn)
The correlation between GDP and employer autonomy

Understanding socio-cultural framework conditions



- Economists are missing the point
- They are focusing on stable macro-economic framework conditions
  - Disciplined fiscal policy
  - Competition policy encouraging innovation
  - Low taxes
  - An open economy
  - Austerity

- Socio-cultural framework conditions are ignored
  - Egalitarian culture with high social mobility
  - High wages for blue collar work gives impetus towards innovation (robots, internet banking)
  - High educational levels brings flexibility and labor mobility
  - An efficient public sector helps industry
  - A trustworthy welfare system reduces risk
  - Political and social stability give trust

What about scientific independence and the critical view?

- The larger the distance between the policy maker and the researcher, the less likely the researcher is to understand governance, and the less relevant the research will be.
- Real independence is displayed through the ability to offer critical analysis and advice
- Researchers need alternative sources of funding
- The research should be exposed to both public and scientific debate