SYMPOSIUM: RESEARCH CAPACITY AND POLICY MAKING 2010/2011

Research and Policy-Making – Strengthening the Link[1]

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Abstract: This paper reviews the current relationship between research and evidence based policy-making in Ireland. It reviews the role of the State in its broadest sense and considers relevant research required to underpin policy development in that context. Noting the fact that research and analysis is but one input to an increasingly complex policy-making process, this paper focuses on how to improve the evidence base which is an input to policy formulation and how to bring research closer to the policy-making process.

1. INTRODUCTION

Basing policy decisions on the most complete evidence should lead to better outcomes. This may not be a controversial position but perhaps it is worth restating. This paper considers the role of research and analysis in the policy-making process and looks to assess the potential for enhancing the quality of inputs to Government decision-making.

A key challenge for Government Departments is to ensure that policy deliberation is supported by a full and deep evidence base. But ultimately there may be a disjuncture between the recommendations emanating from a body of dispassionately conducted research and the final policy outcome. The primacy of political decision-making, the complexity of the policy-making processes, the presence of multi-layers of stakeholders and the role of proximate policy-makers all contribute to this potential gap between research and policy decisions. Specifically the Programmes for Government and the development of Social Partnership have changed the nature of decision-making and the role of analysis and evidence in the policy-making process.[3]

Noting this context, this paper focuses on how to improve the evidence base which is an input to policy development and how to bring research closer to the policy-making process. Section 2 outlines the developing role, modes and structure of the Government system and the policy spheres in which the Government is most active. An understanding of what the Government does, and how it does it, is the starting point for considering the types of research which will be required to underpin policy development in the future. Section 3 looks at this question in further detail. This Section also describes the existing research landscape and how it interacts with policy development, along with assessing where and by whom research should be undertaken in the future. Section 4 concludes the paper.

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[1] This paper relies on data from the Irish State Administrative Database (Hardiman, MacCarthaigh and Scott, 2011). We are grateful to those responsible for the project which is an excellent resource for anyone involved in the study of the Irish State.
[2] The authors are, respectively, Policy Analyst and Secretary General in the Department of Public Expenditure and Reform. The views presented here are personal and do not reflect the position of the Department of Public Expenditure and Reform. The authors would like to thank Mary Dunne for her assistance in assembling various data in this paper.
[3] For example, the Wright Report examining the Department of Finance identified the role of these factors in the conduct of fiscal policy over the last 10-15 years.

2. WHAT THE GOVERNMENT DOES AND HOW IT DOES IT

As a starting point, policy relevant research must obviously reflect the role, activities and concerns of the State. We are not referring here to the immediate political concerns but rather the rationale and form of State intervention across a range of sectors.

In simple terms, Government activity falls in three broad categories:

- spending, both in the form of redistributive transfers and service provision. The majority of spending is actually undertaken across a narrow range of areas;
- taxation and revenue raising activities required (in the main) to fund this expenditure; and,
- regulation, the stock of which is growing by the year.

The demand for research to underpin policy development will be derived from these principal areas of Government activity.

2.1 The growth of Government and changing nature of Government activities
Government Spending
The current size and structure of the Irish State is relatively recent. Up until the 1970s Government spending was low (compared to now) as a percentage of national income. Spending remained low as a proportion of GNP until around 1970.

With a lag, the relative size of the State in Ireland followed a similar pattern to other European countries (in particular since the Second World War). The size and role of the State in rich countries expanded as they became richer and more resources were focused on the provision of public services: a social safety net, education, health and so on.

In the past (meaning up to 1960s in this context) Government activity in Ireland focused on a number of areas: agricultural and industrial subsidies, basic administration and law and order. The provision of publically funded health and education (beyond primary level) was modest. In addition, the social safety net, as we now know it, was largely absent. While there was some provision of old age pensions, supports for people of working age were non-existent compared with today's provision.

To illustrate, State spending for 1950 is set out below.
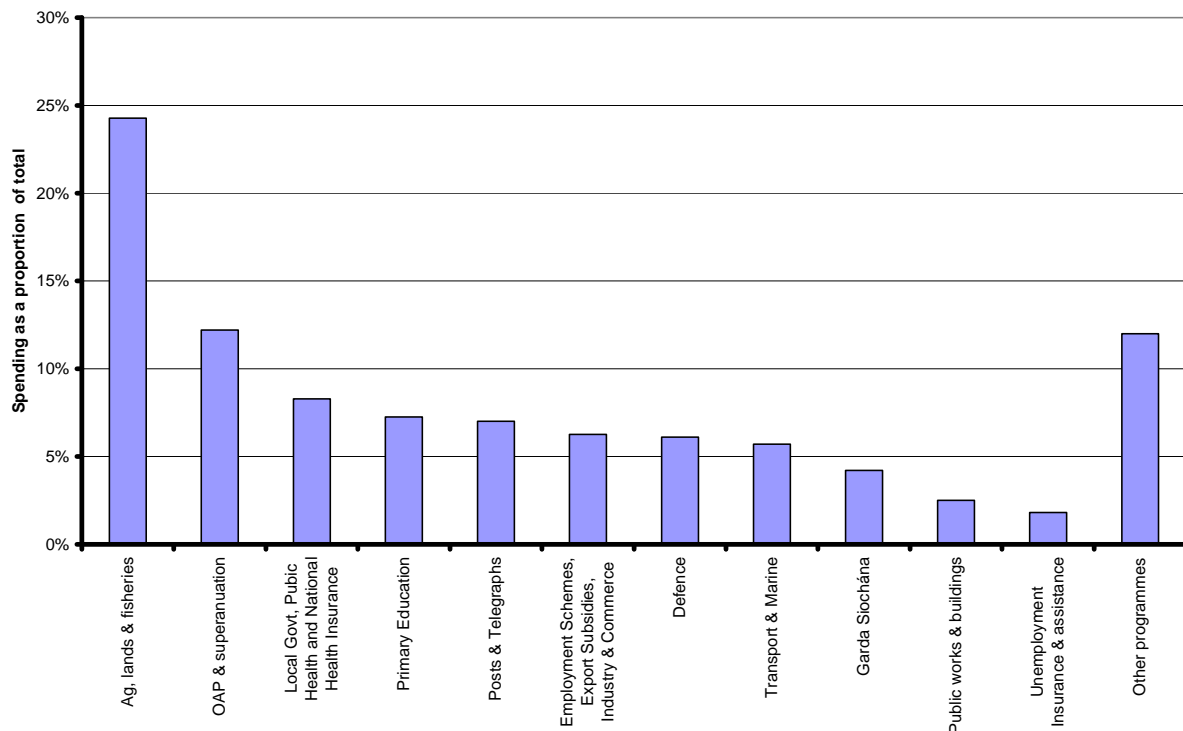
**Figure 1 Government Expenditure by Sector, 1950**

Figure 1 shows that spending related to the agriculture sector accounted for some 24 percent of total expenditure. The total of unemployment assistance and insurance, pensions, education and health spending accounted for under 30 percent of total spending.

Of course, the position today is radically different (albeit illustrated through different expenditure categories). Figure 2 shows that 82 percent of current spending is accounted for by expenditure on education, health and social protection.

Figure 2 Gross Current Expenditure by Department, 2011
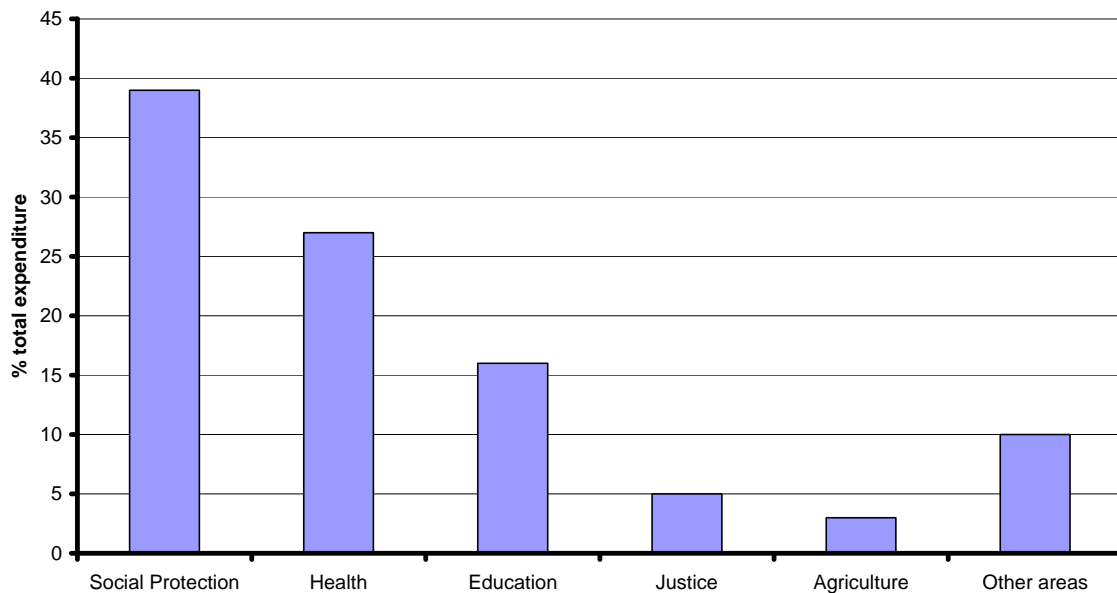
It is obvious that a large element of our limited policy-related research resources should focus on these core areas of service delivery. In other words we need to focus on establishing what works in these areas and how the impact of spending can be improved. This point is considered further in Section 3.

Increasing Regulation

The regulatory role of the State has also expanded. Regulation can mean different things and this is often confused in policy discussions. There are three broad areas of activity:

- regulation of financial institutions for prudential supervisory purposes;
- economic regulation of network industries
- administrative regulations involving legislative requirements or obligations on both business and citizens.

One measure of the growth in this area is the number of bodies actually engaged in regulation of one sort or another. Figure 3 below gives an indication of the increase in the number of regulatory bodies and this increase has been significant, particularly since the early 1990s. Based on this measure, the number of regulatory bodies more than doubled over the past 20 years.

Figure 3 Increase in Regulatory Bodies, 1930-2010
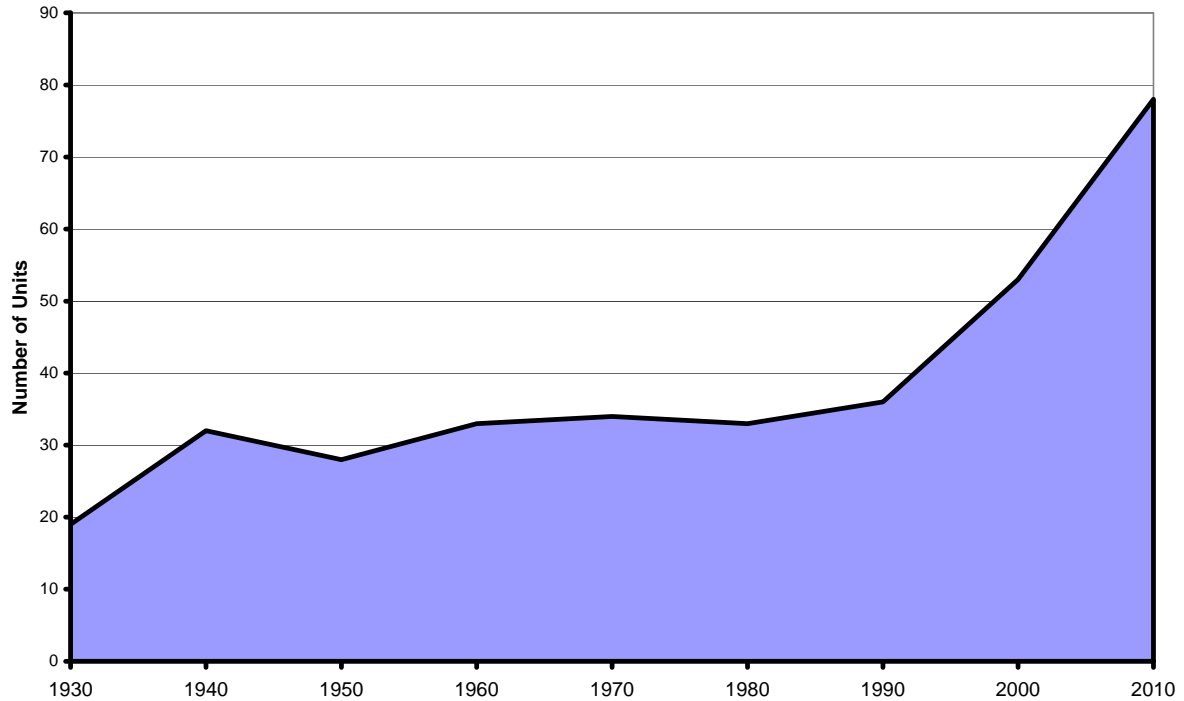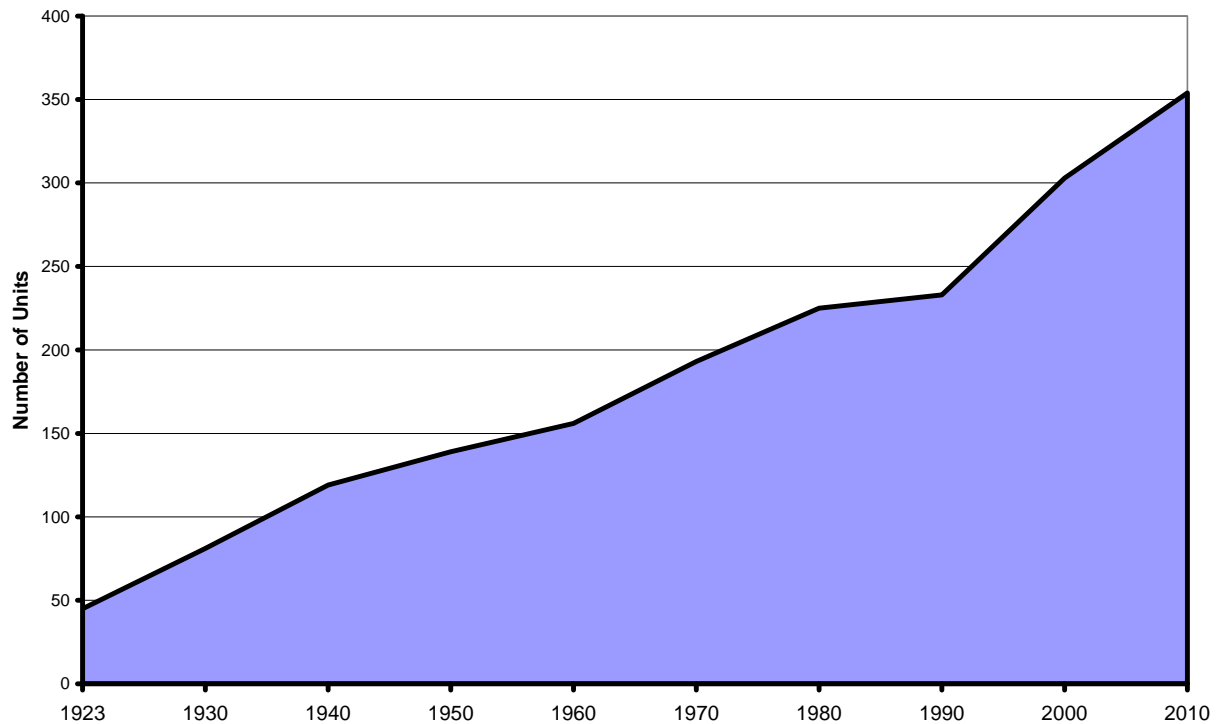

Source: Irish State Administrative Database

2.2   The changing structure of Government and increase in agencies
The policy-making process has become more complex and this is important in understanding the relationship between research and policy. The development of Social Partnership and the increasing role of the European Union are two factors. There has also been an expansion of the State in terms of spending and regulation as discussed earlier and policy itself has become more specialised.

Related to this has been the increase in the number of Government bodies and changes in how Government does its business. Figure 4 charts the very considerable increase in the number of Government units[4] since the foundation of the State. There was a steady increase in the period to 1990, with an acceleration in the pace of growth over the last 20 years.

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[4] The data relates to all national-level public organisations i.e. central Government departments and the agencies under their aegis, commercial state-owned enterprises and other relevant public bodies and institutions.

Figure 4 Increase in Government Units, 1923-2010
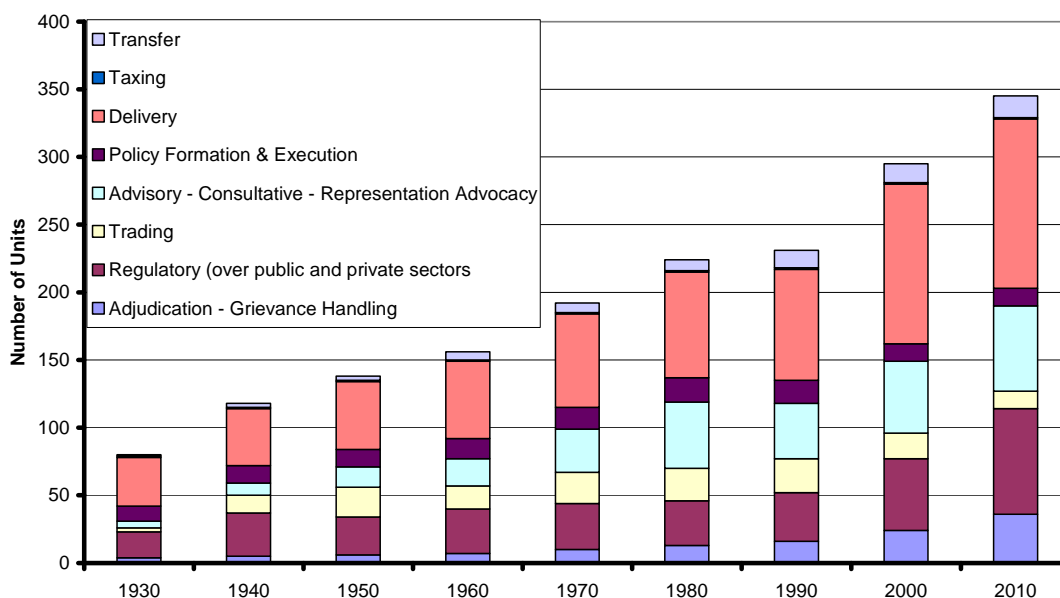

Source: Irish State Administrative Database

Government units are classified into a number of categories as follows.[5]

- Adjudication - Grievance Handling

- Contracting

- Information Providing

- Regulatory (over public and private sectors)

- Trading

- Advisory - Consultative - Representation Advocacy

- Delivery

- Policy Formation and Execution

- Taxing

- Transfer

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[5] Hardiman, Niamh; MacCarthaigh, Muiris & Scott, Colin. 2011**.** The Irish State Administration Database. http://www.isad.ie. Accessed April 5th 2011.

The increase in the number of bodies since 1930 is set out below, including a breakdown across each of these categories.

Figure 5   State Units by Primary Function 1930 - 2010

Source: Irish State Administrative Database

In proportionate terms, the increase in bodies classified as 'advisory, consultative, representation advocacy' is among the most noticeable trends from these data. This category has increased from 5 at the foundation of the State to 63 in 2010 and registered over 50 percent growth since 1990. As is evident, there have been increases across all categories (with the exception of 'taxation' where the Revenue Commissioners alone have been the responsible body since the foundation of the State). The increase in 'delivery' units is a marked trend, rising from 36 in 1930 to 125 in 2010.

Clearly, the policy advocacy, advisory and formulation role of the public sector has changed considerably. For most of the history of the State Government Departments were the principal providers of policy advice. Government Departments and the small number of executive agencies that existed had fairly clear roles: mostly Departments provided policy advice and support to Government and agencies focused on service delivery. This space has now become more diffuse.

The process of agencification is a part of this and may have been prompted by the increased complexity and specialisation of policy. If so, the logic is evident: policy in certain areas is more complex requiring a dedicated entity with specialist staff. This might be necessary in many cases, and may make sense given the expertise required. In some cases however, the establishment of an agency might reflect the lack of expertise in a Government Department or dissatisfaction with its performance. Addressing these perceived deficiencies rather than creating a new entity would be a more appropriate response in our view.

This process of agencification may have had a number of unintended consequences. As agencies have been established and became stocked with specialists, Government Departments may have been hollowed out of expertise. There is also a risk that responsibility for a particular area of policy has become unclear. There can also be confusion regarding the line between policy advice and implementation and delivery. This can lead to obvious problems.

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2.3   Growth in Staff levels

The size of Government Departments has also changed significantly. As Figure 6 shows, there has been very significant growth in the number of civil servants. In addition, the number of senior civil servants has grown disproportionately: for example in 2000 there were 462 officers at Principal Officer grade. By 2009 this had grown to 709, before falling back to 682 by mid-2010.

Figure 6   Civil Service Numbers, 1980 - 2011
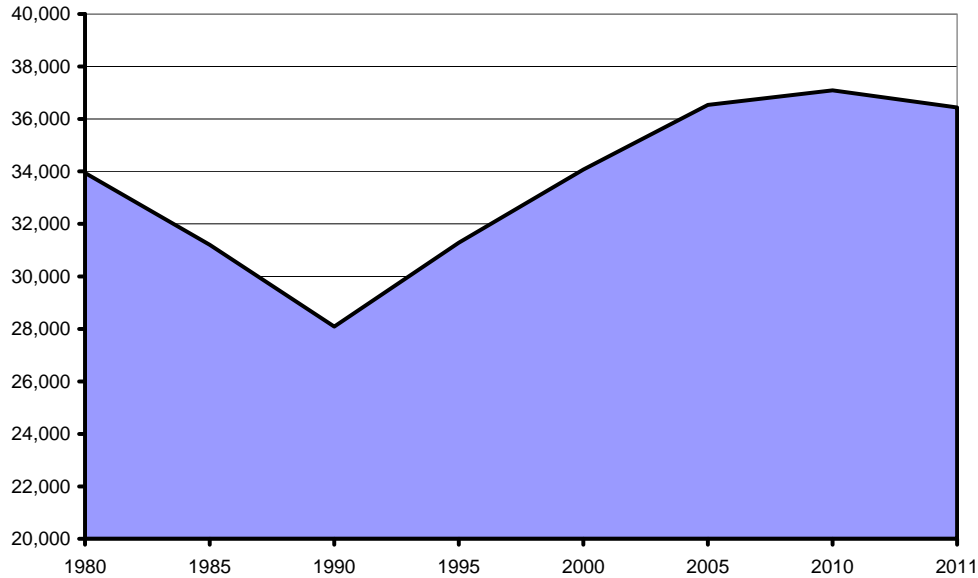
Source: Department of Public Expenditure and Reform

Civil servants are engaged in a spectrum of executive and administrative functions in addition to providing policy advice. The administrative demands placed upon Government Departments have grown considerably in recent years. For example, the trends observed in relation to Parliamentary Questions and requests under the Freedom of Information Acts are set out in Table 1 below.

| Table 1	Increase in Routine Civil Service Tasks	
Year	PQs	FOI requests
2004	32,796	12,597
2005	39,236	14,616
2006	42,538	11,804
2007	33,664	10,704
2008	40,225	12,672
2009	46,817	14,290
2010	44,295	15,048

Source: Department of Finance, Annual Reports on the Freedom of Information Act

All of the factors discussed in this Section affect the type of research required, the optimal source of this research and the channels through which it feeds into the policy-making process.

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3. RESEARCH FOR POLICY: WHAT, HOW MUCH TO SPEND, AND BY WHOM?

3.1   The relationship between research and policy

If the starting point is understanding the areas in which Government is and will be active, the next logical step is asking what should be the nature of the relationship between policy and research. In our view, the interaction between research and policy flows in two directions: In the first case, the Government sets a vision or desired outcome in a given area and research can provide evidence on the optimum means of achieving that objective; in the second, policy must respond to evidence arising from research where relevant.[6]

**Figure 7   Relationship between Policy and Research**
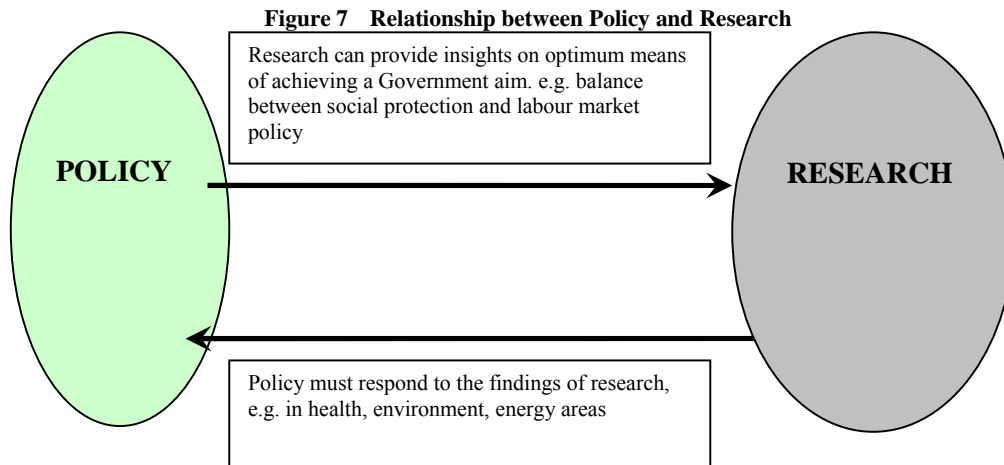
In some areas, progress in building the link between research and policy formulation and implementation has been registered. In these areas, a research function[7] has been incorporated into the institutional architecture, for example the Health Research Board, Sustainable Energy Authority Ireland, the Environmental Protection Agency and Teagasc. These bodies serve the research needs of the relevant Department or Sector. In other areas however, connectivity between research performers and policy-makers is weaker or less formalised.

3.2   State Funding of Research

State funding of research has grown rapidly over the last decade as illustrated by Figure 8.

Figure 8 Government Allocations for R&D, 1999-2009
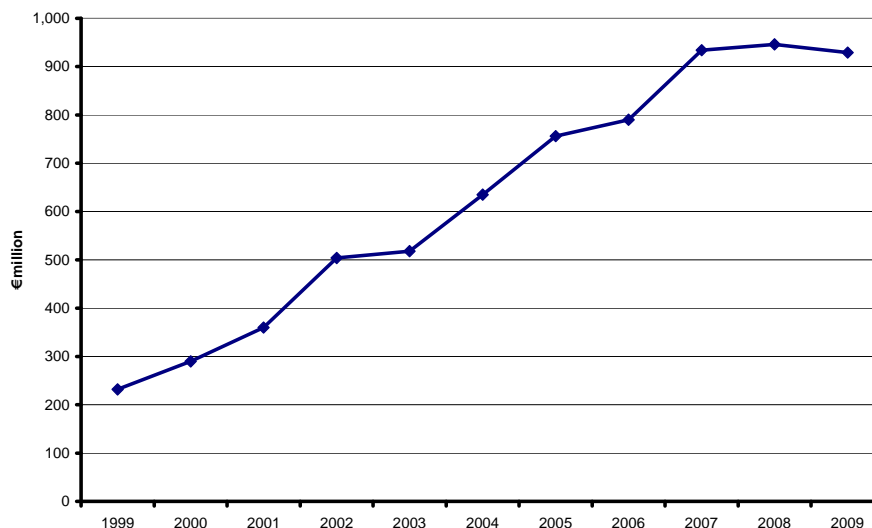
Source: Forfás

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[6] And there is also a role for research in challenging public policy decisions.
[7] Or an agency incorporating a research function.

Of course this trend is primarily the expression of a change in the focus of industrial and educational policy, rather than an investment in research to underpin policy development. Yet some of this research is expressly targeted at supporting policy (for example in the energy, health, environmental protection and agriculture sectors, among others).

Table 2 shows the main programmes which make up the total €929 million figure spent in 2009. From this we can approximate that roughly €190 million or around 20 percent of the total level of funding may have been spent on programmes which have at least some direct policy relevance.[8] The relevant programmes are asterisked in the table.

Table 2	Sources of Public Funding for R&D, 2009	
Funding Department / Agency	€ million	% of total
Higher Education Authority	345.7	37.2
Science Foundation Ireland	165.4	17.8
Enterprise Ireland	70.3	7.6
Teagasc*	60.1	6.5
IDA Ireland	60	6.5
Health Research Board*	44.5	4.8
Department of Agriculture Fisheries and Food*	26.6	2.9
Sustainable Energy Ireland*	25.9	2.8
Irish Research Council for Science, Engineering and Technology	25.1	2.7
Marine Institute*	15.4	1.7
Irish Research Council for Humanities and Social Sciences	14.5	1.6
Environmental Protection Agency*	13.6	1.5
Department of Communications Energy and Natural Resources*	10.5	1.2
Others*[9]	51.5	5.5
Total	**929**	**100**

Source: Forfás

It is clear that significant resources are being invested in research to assist in policy development in agriculture, health, environment and a number of other areas. It is imperative that the allocation of scare resources is consistent with the need to support policy in key areas of Government activity. We suggest that better prioritisation might be possible as outlined in the next sub-section.

3.3   Improving the Policy Relevance of Research
Developing Programmes of Research
As discussed earlier, health, education and social transfers will continue to be the core areas of public expenditure. We need research to inform key policy questions in these areas. Relevant policy questions include:

- What is the appropriate balance between labour market incentives and social protection?
- Are activation initiatives working?
- How can we enhance outcomes across a range of health areas?
- Are education programmes effective and efficient?
- Is the delivery of public services optimum? Can the State improve outcomes by reforming processes etc?

Research can also assist in the other key instruments of Government policy namely tax and regulation. Regulation does not tend to have a direct Exchequer cost apart from the administrative costs associated with the competent authority. But regulations impose costs on society. Are these costs proportionate to the anticipated benefits? We would suggest that this is an area worthy of more attention. Similarly research in the area of tax policy can provide insights into the optimum means of achieving a desired outcome. Within the public sector, analysis in this area has tended to focus on the revenue-raising effects of changes to tax policy. But the incentive and behavioural effects are of equal if not greater importance.

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[8] This is by no means to say that the full value of these research programmes is spent on programmes supporting research with a direct policy outcome in mind from the outset.
[9] The 'other' category includes research carried out by the Economic and Social Research Institute, FÁS, Forfás.

In this vein we believe that better targeting of the State's limited research resources may be warranted. Programmatic research should be the norm. As a starting point, each Government Department should work up a research programme containing specific research questions to support its policy agenda and the achievement of the objectives set out in its Statement of Strategy. Once a coherent research framework is set out, a more active engagement with the research community can commence. This should involve research performers competing for at least a portion of the State's limited resources. In this way it can be ensured that resources are targeted towards the areas of most relevance to the Government's policy agenda.

To be effective, such a reform may require some changes to the funding mechanisms which support research. An option is considered below.

Changes to funding structures

In recent years there have been changes to the institutional structure which have brought greater coherence to the broad science, technology and innovation agenda. In particular, bringing responsibility for PRTLI and Science Foundation Ireland under the same Government Department has been a positive step.

Increasing the policy-relevance of research which can support aspects of social and economic policy need not have significant budgetary consequences as this type of research tends to be less resources-intensive.[10] However, sharper targeting and prioritisation is required.

This issue was previously touched upon by analysis supporting the work of the Special Group on Public Sector Numbers and Programmes, or 'Bord Snip Nua' as it is colloquially known. Assessing a range of issues in relation to supports research and development under NDP 2007-13 and other initiatives, the paper stated:[11]

> In addition to the key strategic priorities of world class research and enterprise STI, the NDP includes over €1 billion for sectoral research across a range of Government Departments. While investment in these priorities is positioned as an integral aspect of the Government's unified, strategic approach to STI, the relative levels of funding seem somewhat arbitrary, and more the product of individual decisions of Government Departments than the outcome of a whole-of-government strategy.

> The case for funding of the sectoral research agendas should be fundamentally reviewed. Priorities should be evaluated alongside each other. For instance, what is the basis of allocating €149 million to energy research, but €641million to agri-food research over the lifetime of the Programme? In the main, sectoral research funding is the product of decisions taken by individual Government Departments, without reference to a unified approach or the activities of other Departments.

This analysis remains valid in our view. While the level of resources allocated to research of some relevance to policy development have been reduced since the publication of NDP and the Special Group report, a significant amount is still invested every year. This funding needs to be closer aligned to key Government policy priorities.

We propose that a reform along the following lines should be given active consideration: A proportion of the resources currently dedicated to supporting policy related research should be identified and pooled. These resources can then be allocated across Government Departments' research agenda, given a whole of Government research prioritisation. Research performers can then bid to undertake aspects of these research programmes.

In our view such an approach can address the fragmentation that currently characterises the system and with an enhanced degree of central coordination, can ensure that resources are targeted at research to support policy-development in those areas of most concern to the Government.

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[10] US economist Harry Johnson is reputed to have quipped that the only resources required for the conduct of economic research were 'coffee and cigarettes'!
[11] Special Group on Public Sector Numbers and Programmes (2009) Cross-cutting Issues in Relation to Expenditure on Science, Technology and Innovation.

A move towards competitively tendered research is important but it should not become the sole mechanism through which funding is allocated. It will be necessary to ensure that some funding continues to be available through more traditional 'block grant' type arrangements for a number of reasons. Similarly, funding should be available for research activity which may not have an express policy focus at the outset (but which may have considerable relevance to policy in the future).

Other issues

A further challenge is to build better networks between researchers and policy-makers. A number of fora and organisations - such as this one[12] - are already playing a role, and this can be built upon. Greater engagement from policy-makers is required however. The nature and tone of engagement between the research community and policy-makers must change and there is an onus on both players to up their game in this regard. The initiatives proposed by Professor Frances Ruane in her recent paper to the Royal Irish Academy[13] all have merit in this regard. These include:

- Providing non-technical summaries of research projects and findings through websites and a research bulletin system;
- The development of case-studies by economists engaged in policy-related research;
- Acknowledgement of policy-related research in the promotion policies of research institutions and support for policy-related post-graduate programmes.

Policy development and implementation is increasingly of a cross-cutting nature and it is rare that a policy initiative is relevant to just one Government Department. Policy formulation needs to be thematic and capable of accommodating concerns across a number of sectors. Developments in the organisation of research are ahead in this area and can offer insight: e.g. ESRI thematic research programmes and thematic PhD programmes which have been also been developed.

In summary, it is our view that a number of changes can improve the policy-relevance of research and build stronger networks between the policy and research communities over time:

- All Government Departments should develop programmes of research to support their policy agendas over a medium-term timeframe;
- These research programmes should directly support the realisation of the goals of each Department's Statement of Strategy;
- The research funding which supports policy development at present could be identified and a portion of it pooled;
- Research providers should then bid for aspects of these programmes;
- Various steps to improve communications between researchers and policy-makers should be taken.

3.4   Research and policy analysis within Government Departments and Agencies

Research functions are embedded in certain sectors and in many cases this is working well. In other areas, the increased agencification may be less successful and the question arises as to whether policy development should be re-incorporated into Government Departments in order to bring the research closer to actual policy formulation and execution.

The more fundamental point here is the need to change the culture and capacity of the civil service. The recently published Wright Report addressed this issue in the context of the Department of Finance.[14] Amongst its findings were the conclusions that the Department does not have critical mass in areas where technical economic skills are required and has too many generalists in positions requiring technical economic and other skills.

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[12] And others, including ESRI Research Seminars, the Policy Institute, IIIS, the Irish Evaluation Network and others.

[13] Ruane, Frances. *Research and Policy Making*, Paper Delivered at the Royal Irish Academy. September 2010

[14] The Divisions which now make up the Department of Public Expenditure and Reform were part of the Department of Finance at that time.

A number of steps have been taken to address these issues in recent years,[15] but it is clear that more needs to be done. This can be achieved in a number of ways including up-skilling of existing staff, secondment from external bodies and direct recruitment to specific positions. The introduction of a government economic service, as operates in the UK, deserves real consideration at this point. Under such arrangements, graduate and experienced economists could be recruited to work specifically as economists in Government Departments and Agencies. While recruits could be rotated around Departments and Offices, they would continue to work in economic research and analysis, rather than day-to-day routine civil service business.

This is by no means to say that the days of the 'talented generalist' are over, but there is a clear case for enhancing the technical and specialist capacity of the civil service at this point. Addressing this will not only improve the quality of analysis conducted within Departments but will also enhance the 'absorptive capacity' of Departments in relation to understanding and using externally-generated research.

In the past, external consultants have also played a significant role in policy research and formulation. In some areas there will be an ongoing need for external assistance in certain specialist or highly-technical areas. In general, however, the aim is to enhance the capacity of the public service so that much of the type of work which has been contracted to consultants in recent times can be carried out in-house. Subject to appropriate resources and levels of technical capability being available, there is no reason why tasks such as project appraisal, programme evaluation, economic and regulatory impact analysis and other related tasks cannot be carried out in-house by civil servants. This will also assist in building up the knowledge base within the public sector.

On a point related to this general discussion, certain reforms and improvements are needed to assist in policy development and the achievement of better policy outcomes.

- We need to improve data availability, both in the terms of management and administrative information and performance information;
- We need policy programmes to articulate clearer statements of objectives;
- We need to bring greater focus on outputs and outcomes in policy development, and move away from an inputs-driven approach. A number of important reforms are in train in this regard; and,
- We need to foster a greater culture of evaluation and appraisal.

These issues are beyond the scope of the present paper, but are related to the need to bring more complete evidence to the policy-making process and can bring significant benefits.

4. CONCLUDING COMMENTS

To conclude, we are now at a juncture in reforming our approach to public policy-making. This represents an opportunity to improve the means by which evidence and analysis are brought to bear on policy. Responsibility for improving the evidence base which underpins policy development lies both with researchers and with policy-makers. It is not unreasonable to assert that had there been stronger links between the two communities some of the mistakes of the past could have been avoided. Addressing that disconnect now can only lead to better outcomes.

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[15] Including increased participation in economic and policy analysis courses run by the Policy Institute at Trinity College Dublin and the Institute of Public Administration, and the direct recruitment of analysts to certain positions.

SYMPOSIUM DISCUSSION

Frank Barry: I have two brief comments to make. The first relates to the four developments identified by Frances Ruane and Brendan Whelan as motivating increased Irish attention to science, technology and innovation policy in the 1990s. Another, I would suggest, was the growth in offshoring of R&D facilities by MNCs that occurred over the decade, and that was the focus of the 2005 UNCTAD World Investment Report. I was surprised to find that this did not feature in the submission to government on the creation of "4th level Ireland" by the Irish Universities Association, but it is clear that these developments would have been well-known to the IDA and its sister agencies.

The second point relates to the paper by Ed Hearne and Robert Watt. While I welcome the idea of opening research projects to competitive tendering, I suggest that we need to go further in order to establish a truly competitive "marketplace for ideas". In a paper published in the January 2009 issue of the *Public Affairs Ireland* journal entitled "Public Policy Advice and the Marketplace for Ideas", I drew an analogy with how progress is ensured in the fields of science and medicine. "Before a research paper in these areas is accepted for publication", I wrote, "it will have been presented at numerous conferences and seminars; it will have been refereed anonymously by a number of experts in the field, and will have been adjudicated upon by a journal editor. The leading academic journals have rejection rates of over 90 percent and, even for much lower ranked journals, the paper will frequently have had to have been revised and resubmitted. This process ensures that the ideas will have been tested and challenged, and errors and ambiguities identified and rectified. No research paper in any discipline can ever hope to receive unanimous support, just as no policy advice ever will, but the competitive marketplace offers the opportunity for good ideas to drive out bad ones."

Nat O'Connor: *Research skills within political parties* - One of the concerns raised in the talks was that specialist researchers may find it difficult to convey information in sufficient depth to 'generalist' policy-makers (civil servants, politicians and policy advisors). This challenge needs to be addressed by both sides. I agree with Prof. Frances Ruane of the ESRI who talked about the importance of specialists producing summaries of their work in easy-to-read formats for a more general audience. I also agree with speakers who suggest that the civil service will need specialist analysts of its own in order to deal with research in some policy areas. That leaves the challenge for politicians and those advisors who are not specialists.

Part of the rationale for paying allowances to members of the Oireachtas, and further allowances to leaders of the political parties, is that some of the money will go towards increasing their research capacity. For example, qualified political parties received over €5.4 million between them in 2009, and the parties in the Dáil received a further nearly €8.2 million through the Party Leader's Allowance in 2009. This money is not permitted to be used for electoral purposes, although a significant amount may be taken up with headquarters' costs and hiring assistants to deal with constituency matters. In addition, the research service provided by the Oireachtas Library to TDs and Senators has been significantly enhanced in recent years. We should examine the extent to which these resources are being used to enhance evidence-based policy-making, and whether changes to the funding regime would ensure that political parties have a stronger capacity to engage with specialists across the full range of policy issues.

Political think-tanks - Prof. Frances Ruane's expressed concern regarding the combination of advocacy and research. I agree with her call for evidence to be open to scrutiny and challenge, and I agree that peer review at sessions such as provided by the SSISI would be valuable in eliminating second-rate work. However, Dr. Rory O'Donnell (NESC) made the important point that 'social sciences' (economics, sociology, etc.) necessarily involve values. I would be concerned by any suggestion that researchers should pretend to be impartial when presenting the findings of social scientific work. I agree with Dr Rory O'Donnell's suggestion that diversity of approach to the same topics – alongside peer review and scrutiny – is an important safeguard against value judgements clouding the interpretation of evidence.

In this context, we should give some thought to the role of 'political' think-tanks. I will briefly mention two models. In Germany, six political foundations (*Stiftungen*) are funded through state revenue. Each receives an annual proportion of €440 million on the basis of the electoral results over the last four elections of the political party with which it is associated. While the independence of the foundations is respected, they obviously have a long-term vested interest in the electoral success of their associated political parties. A lot of their resources go into promoting democracy and civic education, but nevertheless the system ensures large levels of funding for policy-oriented

research (including international comparison) in line with the broad ideology and values of each political party. This arguably has the result of raising the quality of policy debate in Germany to a much higher level.

Assuming Ireland is twenty times smaller than Germany, an equivalent investment would be €22 million annually. This is not to suggest introducing the German system here, but merely to highlight the extent to which Germany finances social and economic research that is of immediate use to politicians and other policy-makers. For comparison, the grant-in-aid of €3.3 million to the ESRI in 2009 is much smaller, although if a large portion of the funding currently given to political parties could be channelled into this purpose, it might be found that we do have the resources to invest significantly more in this area without seeking 'new money'. (I should add that Germany also invests significant further resources in other think-tanks, foundations and universities).

The second model, which exists in Ireland, is of independent think-tanks and other research bodies which are transparent about their values and how those values inform their social scientific research. These bodies (TASC, FEASTA, Social Justice Ireland, etc.) are not aligned to any political party, but provide evidence-based policy ideas that seek to achieve goals in line with their values. As the Director of TASC, I am obviously not a neutral commentator in this regard, but I believe that such independent think-tanks have the potential to provide much of the diversity of approach that Dr Rory O'Donnell called for, alongside organisations like the ESRI and IIEA which do not express corporate policy positions. Consideration should be given to more formal recognition of the contribution independent think-tanks can make as an interface between highly specialist academic work and the needs of policy-makers for ideas that can be implemented in practice. Conversely, we should also be suspicious of individual researchers who claim to conduct 'value-free' social science – especially in economics.

Roy Johnston: I see from Table 2 of the Hearne-Watt paper that Science Foundation Ireland is the highest user of R&D funding, apart from the HEA. There has recently been some analysis from the economics community which questions this in terms of value for money. There is perhaps a need for more in-depth analysis of the cost-effectiveness of R&D in the physical sciences, taking into account the value-added in the process, with the development of team-work experience etc, as well as the value of the actual research results. The study of dynamic 'science in society' processes in the physical sciences tends to be a neglected aspect of R&D in the social sciences. There is a need for a centre for 'science in society' studies, and this should perhaps be seen as an aspect of development economics.

Duncan Clery: Here in Revenue's Research and Analytics Branch we are increasingly seeing the benefits of applying the Scientific Method to problem solving. We use advanced analytics and an evidence based approach to improve how Revenue goes about its business. It would seem that policy formulation could be greatly assisted by leveraging the power of analytics, including using data mining techniques, and sound experimental design, to better inform decision making in the public sector. Research and Analytics Branch have published results, and are open to collaboration on matters of mutual interest.

Jane Suiter: Thank you for that interesting and stimulating paper and particularly the commitment to improving the quality of the evidence base in decision making and to ensuring that programmatic research should be the norm. As the authors note improving data availability is key. Yet currently, even the limited data which is made available is often not in a usable format. For example, the Estimates which are publically available information are provided in a format, pdf, which is essentially unusable for analysis. As a first step, I would like to request that the Department would provide all the data it publishes on its website in machine readable format, eg. open office, Excel and so on. It would also be of great benefit to researchers if the spending information on which the Estimates are based, was published on the relevant government websites in machine readable format. These steps are also likely to have the benefit of reducing the quantity of PQs and FoI request for just such information.

Gerry O'Hanlon: I would like to comment on the points raised in regard to the greater use of administrative and other data available to Departments and other Public Authorities. In 2003 /2004 the Government decided, following a recommendation of the National Statistics Board, that all Departments should prepare Data Strategies as part of the Statement of Strategy process. Mixed results have been obtained in response to this requirement: some have produced excellent strategies but most have struggled to respond to the demand. I would suggest that the major obstacle encountered by the latter group has been the inability to identify and articulate data needs due to the absence of an analytical focus and/or skills within Departments. Accordingly, while I welcome the proposal by Robert Watt and Ed Hearne that Departments should develop programmes of research to support their policy

agendas, I would stress that this must also be complemented by the development of analytical skills as core resources within Departments. In short, while "talented generalists" will always have a place in policy Departments I would maintain that a critical mass of "talented analysts" is essential in the modern era! Indeed, in reflecting on the success of the ESRI in advancing policy relevant research on poverty, as outlined by Rory O'Donnell, it might be useful to consider the extent to which this was facilitated by the focus placed on research by the Combat Poverty Agency in addressing policy issues.

I would also like to point out that the key issue in exploiting administrative data sources for statistical purposes is not primarily one of resources but rather more a question of how we organise such sources! For example, wider use of the PPSN would enable data matching between different data sources, which in my experience has the potential to yield huge returns in terms of generating policy relevant information.

Anne-Marie McGauran: Ed Hearne and Robert Watt's paper states that they wish to see a 'greater culture of evaluation' in policy programmes. However, evaluation and monitoring have weakened a lot in the last five years – five years ago under the previous NDP there was a significant amount of monitoring and evaluation, and a fairly strong evaluation unit in the Dept of Finance, and there is not the same level of evaluation and monitoring of the current NDP. So does the statement in this paper indicate a change of heart in relation to evaluation, and if so, what are your plans to develop this further?