

# Development Research in Europe: towards an (All) Star Alliance?

By Simon Maxwell

Anyone taking a hard look at research on development in Europe would surely conclude that this is an 'industry' in urgent need of rationalisation. The products are world class in many areas, to be sure. But the industry is also characterised (a) by a preponderance of small units, with high fixed costs, (b) by a good deal of redundancy, in the sense that the same topics are found on many research agendas, and, (c) in some areas by a worrying lack of market penetration (the European Commission?). It is also an industry in which some units remain very much in the public sector, whereas others operate under market conditions, with small or no core grants. There are also new entrants - for example, the research and policy departments of NGOs - challenging the established players. EADI already has over 150 institutional members, of very diverse character - and its list of members by no means exhausts the potential membership of research producers in Europe. The structure of the industry - of our industry - exhibits a good deal of path dependency. Many units have grown out of university teaching departments. Others are intimately linked to government development cooperation ministries. In these cases, research units meet a local need which is unlikely to disappear.

At the same time, the 'business environment' in which our industry operates is changing fast, and this presents important challenges. Five factors, in particular, are worth mentioning.

**First**, research capacity in developing countries is growing, and its further growth is a high priority of most donor agencies. Initiatives like Denmark's ENRECA programme, which funds twinning arrangements between Danish research units and counterparts overseas, are sure to grow. In the short-term, many European research units will be looking for collaborators overseas - and probably

competing among themselves to work with the best of these. In the longer term, European research units will need to think carefully about their value-added, perhaps 'moving up the value-chain' to concentrate on research at supra-national level.

**Second**, the untying of aid is proceeding patchily but inexorably, and will greatly affect European research centres. Already, new programmes are being announced which divert money from national research allocations to international competition. The UK's DfID is a pioneer: its recent competition for two new Development Research Centres, offering a total of 7.5 m euros in funding over five years, was open not just to UK institutions but also to others in the developed and developing world - and indeed attracted bids from Europe, the US, and several developing countries. The research window on European Development Cooperation, EC-PREP, operates in a similar mode. In Europe, the playing field is not level, since some research units receive government subsidies and others do not. World-wide, there will be increasing competition from low cost suppliers in the developing world: Europe will have to work hard to maintain a quality and productivity advantage.

**Third**, new networks at global level are pioneering a new way of doing business and creating new alliances. Probably the best example is the Global Development Network, which links individual researchers and research networks, promotes research competitions, and funds global research programmes. Individual institutes are able to participate in these activities, but the main focus of attention is on regional networks; the European hub of the GDN is the EU Development Network, currently located in Bonn (but not yet within EADI).

**Fourth**, the research industry as a whole

faces growing demands for policy relevance and impact. These manifest themselves in requirements on application forms for information about users, dissemination plans and impact measurement; and more generally in monitoring and evaluation systems which emphasise results-based management. Sometimes, the demands go further and result in governments deciding research agendas and coopting research to support donor initiatives. There is a balance to be struck, of course, but most development researchers welcome the opportunity to influence policy. How to do this well is another matter (and the subject of a research programme at the GDN on 'Bridging Research and Policy', currently co-ordinated by ODI). More to the point, how can 150+ research centres in Europe, let alone counterparts in other regions, hope to influence international policy if they work independently?

**Finally**, development cooperation at the level of the European Union presents both opportunities and challenges to the research community, and both will gain salience as EU enlargement takes place. Neither the opportunities nor the challenges are new, but both are growing. On the side of opportunities, we might cite the growth of framework research and information society programmes and the growing importance of global and development issues in these programmes. The information society programme alone has a budget of 3.6 bn euros over four years for work on knowledge management. More generally, the role of Europe continues to evolve in foreign policy, trade and development assistance, and this creates a continued demand for new thinking. On the side of challenges, most agree that research funds from Europe are hard to access, requiring complex alliances, the capacity to absorb high transaction costs, and the patience to work with a complex bureaucratic procedure. Substantively, there are real challenges involved

in working out how research on Europe can be translated into better policy and practice in Europe.

Some might argue that these changes are relatively unimportant in comparison with other determinants of the status quo - for example, the demand for university level education programmes in development studies, or the pattern of national research funding. That position is hard to sustain, and will become harder as the pace of change accelerates.

#### *What then, might be done?*

There are three options. The first might be thought of as the Microsoft option: a hegemonic European research organisation, imposing common standards and selling a homogeneous product throughout the region. It only takes a moment's thought to dismiss this. Quite apart from the heterogeneity of national situations and the need to service development communities in many and highly diverse countries (a problem which has not stopped Microsoft, it might be said), the variety of institutional relationships and funding arrangements make this approach infeasible. Even if it were feasible, the model implies a lack of diversity which is not appropriate to a research industry.

A second approach is more like MacDonalds, a large franchise operation, independently owned, but with all 'outlets' (= research centres) working with common products and styles, to the point where the product is entirely homogeneous. The local context might be a little easier to manage in this model, but again, the lack of diversity would be problematic.

The third option can be derived from the idea of 'collaborative competition' found in certain industries, for example the furniture industry in the Third Italy. Here, firms collaborate on design and marketing, but compete on production. Quality control may be assured centrally. A high degree of trust between members is necessary. Another similar model is to be found in airline alliances (like the Star Alliance adapted for the title of this note): each airline retains its distinctive identity, but there is collaboration in marketing

and a certain amount of operational integration, for example by code-sharing. Again, quality control is critical and trust is essential. For the passenger, the attractions of the Alliance include lower transaction costs and a guarantee of quality. For the airlines, the advantages include an increase in business and some saving on costs.

What would a model of collaborative competition or an alliance model mean for the research industry in Europe? And what might be the role of EADI?

At a minimum, there is obviously a role for better knowledge management, in order to foster relationships and assist research units to operate better in the marketplace. The idea of a detailed data base of individual research projects has proved non-viable in the past, because of the number of people involved and the rapidly changing list of current projects. However, maintaining a register of development institutions might be more feasible, and would be a useful way to identify collaborators and build trust, especially if it was slightly more than a list of names and addresses. There are interesting questions about quality control in such an exercise, but this minimal model leaves decisions about collaboration to individual institutions.

At the same time, an information service about research grant deadlines would help researchers, and an archive of research policies could be created. For example, both Denmark and the UK have recently reviewed development research policy, and the European Commission has received a study on the feasibility of creating a European Research Foundation. All of these have implications for development research institutions around the region. EADI, of course, is already active in this area.

A more ambitious exercise is for the industry, or its representative body, EADI, to be more active in brokering partnerships, taking the first steps towards an alliance model. On particular topics, the EADI working groups and their convenors already play this role to a limited extent and could perhaps do more (subject to time and resources). At the institutional level, the same task could be carried out by setting

up a standing working group of institutes. Quality control issues become more prominent if EADI itself takes a more active role.

To take this idea further, the next step would be a more concerted effort to work together, perhaps identifying research or policy problems of common interest, and then setting up linked programmes under an alliance 'brand'. A specific example might be the further reform of European development cooperation, a topic which needs co-ordinated research and action across the member states. Activities could include: a series of linked working papers, branded as both the originating institute and the EADI alliance; a series of co-ordinated meetings for policy-makers in European capitals; core Briefing Papers, with agreed policy recommendations, translated into various languages and made available in capitals across the region; and joint briefings (though not campaigning) at the European Union or the parliament. Individual researchers and research units would maintain individual research and outreach programmes; but the alliance would facilitate a kind of 'policy code-sharing', and offer benefits to all parties.

No doubt there is more to say. EADI is the obvious organisation to carry forward a discussion on these issues. It has both the authority and (to a more limited extent) the resources. EADI needs a standing working group of institutional members and a work programme. An all-star alliance should be the over-arching objective.

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