

The Board of Regents of the University of Wisconsin System

Social Science Research and Policy

Poverty Policy and Poverty Research: The Great Society and the Social Sciences by Robert H.

Haveman; Social Science in Government: Uses and Misuses by Richard P. Nathan

Review by: Henry J. Aaron, Edward M. Gramlich, Eric A. Hanushek, James J. Heckman,

Aaron Wildavsky

The Journal of Human Resources, Vol. 25, No. 2 (Spring, 1990), pp. 275-311

Published by: <u>University of Wisconsin Press</u> Stable URL: http://www.jstor.org/stable/145758

Accessed: 15/01/2012 02:35

Your use of the JSTOR archive indicates your acceptance of the Terms & Conditions of Use, available at http://www.jstor.org/page/info/about/policies/terms.jsp

JSTOR is a not-for-profit service that helps scholars, researchers, and students discover, use, and build upon a wide range of content in a trusted digital archive. We use information technology and tools to increase productivity and facilitate new forms of scholarship. For more information about JSTOR, please contact support@jstor.org.



University of Wisconsin Press and The Board of Regents of the University of Wisconsin System are collaborating with JSTOR to digitize, preserve and extend access to The Journal of Human Resources.

Social Science Research and Policy

The following essays are occasioned by the recent publication of two books on the use of social science research for public policy, Poverty Policy and Policy Research:
The Great Society and the Social Sciences by Robert Haveman and Social Science In Government: Uses and Misuses by Richard Nathan. By invitation of the JHR, the authors were asked to use the two books as a springboard for essays on the general topic of the relationship between social science research and policy.

Eric A. Hanushek

With the upsurge in social science research directed at policy issues has come an introspective strain of research: Does research contribute to policy making? A related, normative aspect of this inquiry is consideration of how research activities could be altered to make them more useful in the development of effective public policies. Moreover, these are not viewed as just academic questions; instead they are linked to issues of the level and distribution of research funding.

The books by Haveman (1987) and Nathan (1988) are two of the more provocative recent additions to bear on the discussion. Both books have clear arguments and an interesting discussion about the character and findings of research within the poverty and social service areas. And both contain the insights that can be gained only by being an important actor in the business. Nevertheless, neither is directly aimed at the policy making and research interaction, although both provide data for that discussion. Therefore, much of the discussion here is not directed so much at their work as it is at the generalizations that might be made from these and related inquiries.

The major themes of this paper are that there are really several interrelated research markets and that generalizations about the linkages between research and policy must consider this underlying market structure.

Types of Research

Discussions about research-policy interactions frequently founder at the very beginning from lack of clear definitions. When "research" and "effectiveness" are ill-defined, the data presented and the generalizations made are difficult to understand. The problem arises in part because we lack a set of commonly agreed to terms. In fact, different authors use the same terms with varying meanings. As a starting point, therefore, I begin with a taxonomy of "research types." By doing this, it

The author is a professor of economics and political science at the University of Rochester. In preparing this, he received many helpful comments from Stanley Engerman, Bruce Jacobs, David Weimer, and Michael Wolkoff, none of whom should be held responsible for the final product.

is possible to sort out the various claims and perspectives on the relationship between research and policy.

The most commonly recognized research is disciplinary research. This is the stuff with which social science journals are filled—research that is motivated by the challenges perceived within the separate disciplines of economics, political science, and sociology. This research, whether theoretical or empirical, may address some issue that relates to potential public policies, but as a general statement the pursuit of policy issues per se is not its raison d'etre.

In contrast, *policy research* focuses directly on policy issues. It is similar to disciplinary research in that it gives heavy weight to hypothesis formulation, to rigorous analysis, to agreed upon statistical standards of evidence, and so forth. It differs, however, in that its objective is to produce policy implications that have some hope or expectation of being taken seriously. This research responds directly to changing policy issues such as in the history of poverty research sketched by Haveman (1987).

Finally, policy analysis is research that is directly linked to the political process. It responds to specific and usually detailed questions such as those contained in a bill before Congress or a policy proposal in the Office of Management and Budget (OMB). It differs from policy research in several important respects. Its focus is highly governed by the detailed specifications of contemporaneous programs or proposals. It generally has a very short time horizon. And, perhaps most importantly, it is very client oriented. It is done for an actor in the policy process, and its usefulness is at least first evaluated by that client. Indeed, in other work (Hanushek and Weimer 1989) I attempt to demonstrate how client orientation and an interest in achieving superior policy outcomes dictate direct consideration of the politics of policy formulation in research design. This is also a point espoused by Aaron (1989).

For many purposes, it is useful to think of these research types as fitting into a hierarchy. Disciplinary research, the most basic type of research, tends to set the framework for policy research. Research methods, models of behavior, and so forth generally flow out of disciplinary research for application in policy research. The approaches and particularly findings of policy research then become data for policy analysis. There are exceptions in this pattern of information flow, but the simple version is sufficient for most of the discussion here.

With this rudimentary mapping of research, we can return to questions of the relationship between research and policy. As a gross caricature, the analysis of this relationship frequently attempts to link directly specific

^{1.} Weimer and Vining (1989) develop a more elaborate taxonomy that includes planning, journalism, and other related work.

research and specific policy actions. And, having failed in that, it moves on to question why the policy actor did not make better use of available research.

The thesis here is that the discussion must be more refined than the broad sweep to be useful. First, political actors and decision makers are typically interested in only policy analysis, and it should surprise no one if they find the other types of research much less helpful. Second, linking specific research pieces and specific legislation and policies is too narrow of a view of the relationship between research and policy. And, third, some care is required in analyzing the current situation and particularly in concluding that there are serious failures in the funding or specific nature of existing research.

The Demand Side

Research consumers who are central to the policy process place a fairly well specified set of demands on the information given them. They want information in a timely fashion. They want it to relate directly to parameters of immediate choice. They want the underlying research (or at least the description of it) to be understandable and rhetorically useful. They want to have highly certain answers. And, they want a single answer—not a range of choices. These demands virtually eliminate disciplinary or policy research as a source of information for them. These latter types of research will almost certainly fail on several dimensions—timeliness, specificity, admissions of uncertainty, and so forth.

There is a more cynical view that says that research is really never used to inform political views—only to bolster one's preconceived position or to strike at opposing positions. Some of this clearly goes on, but I do not believe that it characterizes the norm. Moreover, there are forces operating against this position. The formalized *and accepted* requirement for cost analyses of all legislation contained in the Budget Act of 1974 is an obvious indication that policy analysis has a real foothold in policy deliberations. There are many other examples that make the case for the legitimate use of analysis.

In any event, the differences in the timing and cycle of activity between policy deliberations and academic research (disciplinary or policy) dictate that academic research will not enter directly into today's policies. This, I believe, holds even if the researcher recognizes the importance of political considerations (as stressed by Aaron 1989). If one wants to improve the direct linkage between research and policy making, attention must focus almost exclusively on the conduct of policy analysis as opposed to more basic research.

Judging Impacts

This does not imply that policy research or disciplinary research, as opposed to policy analysis, is without impact. The previous discussion distorts the picture of the impact of research on policy. Specifically, while the direct linkages in individual legislation might be difficult to discern, there is no doubt that more fundamental policy research has a strong and definite impact.

First, a consistent body of academic research tends to set the boundaries of potential policies. It also establishes the "null policy," the idea that will go forward unless there is a strong political force working in the opposite direction. Examples of this might include trade policies and the use of quotas, minimum wage policies, and views on regulation of industry. In each case, reasonably consistent bodies of research have accumulated, and this research base has set the general thrust of policy. There are policies operating against the general research, but the debate and "central tendency" of policy follows the line espoused by most disciplinary and policy research.

Second, disciplinary and policy research frequently form the basis for the policy analysis that feeds more directly into the policy process. For example, much of the analysis of the Congressional Budget Office (CBO) involves translating and extrapolating from academic research to develop the analysis of specific proposals. This policy analytic work frequently could not be undertaken without the background of previous policy research.

Third, the findings and perspective of the more basic research forms enter into the beliefs of the next generation of policy makers.

Needed Changes

A common ending point of many discussions of research and policy is how the research might be altered to make it more useful or how certain types of research should be promoted. This often comes down to a simple question: Are there lines of research that should be supported (at the expense of other approaches)? For example, should we promote studies of the implementation of specific programs? Of the underlying costs of running programs? Or . . .?

As a starting point, a natural question to ask is why the current market is not working well. Specifically, research is an industry with many researchers, many funders, and many users of the research. This sets up a situation that looks much like a competitive market. The stereotypical economist's response is "where is the market failure?" If Type Z re-

search would be more useful in a policy context, why is it not being produced? We know (and have Haveman's evidence) that researchers respond to changes in funding. We know that academics respond to research and publication incentives. We know that research firms follow the dollar.

One can think of this as the social science version of the classic (and ongoing) debate about basic versus applied research in the physical sciences. The central argument in those discussions is that basic research has a considerable public goods component and that therefore there is a tendency to underinvest in it. The common answer to this problem is to provide public subsidies to basic research (although the subsidies are seldom enough to satisfy the academics who are doing the basic research!).

The argument in the case of the research-policy debate is somewhat different, however. The government is the consumer of the output of this research, so that one might question why it would underinvest in the required basic research. The government affects the levels of research done at each level, so that conceptually one would expect the allocation to be correct to achieve the outcomes desired. It would not be, however, if the government acted myopically or without understanding the linkages among the different kinds of research.

One argument might be that the dollars are misplaced, that the funders are betting on the wrong horses. If so, consideration of improving the linkage of research and policy would direct attention to the allocation of funds and not to the character of the research itself.

Another argument might be that the policy analysts—the intermediaries between policy researchers and policy makers—are not receiving the best kinds of information. This could be because they do not have sufficient influence over the funding of more basic research. Again, this suggests concentrating on funding and its incentives, rather than trying only to convince researchers to behave differently.

One more persuasive argument for a market failure relates to the structure of incentives within disciplines. While Nathan (1988) argues strongly for encouraging interdisciplinary activities, the separate professions and their reward structures do not reinforce that idea very much. The *Journal of Human Resources*, although interdisciplinary in the nature of its articles, still has its work typically reviewed by individuals within a given discipline, and that's what gets published. Moreover, academic departments and schools tend to promote people based upon the standards of an individual's discipline.

But, we should not look at only the academic component of research. There is, as emphasized by both Haveman and Nathan, a vast research industry outside of universities. Presumably this market is not as bound

by the restrictions of discipline based journals. As Haveman documents, researchers certainly respond to funding and outside policy interest.

The standard basic-applied research debate suggests that basic research is underfunded. Here we are generalizing to three levels: disciplinary research, policy research, and policy analysis. It might be natural to think that the most basic is worst off and the most applied best off. Since government is consuming the output, there is an incentive to at least get the funding for policy research correct. But the overall conclusion might be premature. Most people concerned with policy research and policy analysis—the people who generally consider the linkage questions—tend to argue differently. The tendency to underfund disciplinary research may be sufficiently offset by publication and promotion incentives within universities.

At the very least, thinking in this way about research to support policy making changes some of the focus. At one level, it is a simple question of why we think policy makers might be wrong in their current allocations of funds to support research. At another, it is how offsetting incentives might net out. In any event, however, there is less emphasis on the specific character of the research or the specific methodology, because it is more difficult to see why the research market would get those allocations wrong.

Conclusions

If one wishes to increase the direct relationship between research and policy making, the point of attack is policy analysis. This activity takes its cues directly from the policy issues of the day and acts as the intermediary between more basic research and policy deliberations.

But most discussions of research in the policy process are really aimed at altering the character of the more basic research. There are interesting questions about the character of this research, but I am not convinced that we have hit on even the right way to ask the questions.

One set of discussions cannot be treated: pleas for general increases in quality (do better research, eliminate the uncertainty, etc.) are obviously valid but probably do not have many implications for the way things are done. There already is a natural competition among research methodologies, and at that level there are not obvious reasons to think that the allocation of effort is especially distorted. Said differently, we all have our favorite methodologies and approaches. Why don't they win out on their own?

The publication incentives may distort research patterns. Here we would think that policy research would be at a disadvantage relative to

disciplinary research. Yet policy research is done by a wide variety of people, many of whom are not driven by incentives to publish in disciplinary journals. There is ample evidence that research is quite responsive to funding and less reason to believe that the funding is too low for this research.

In the end, more analysis is needed to ascertain whether either disciplinary or policy research is undersupported from the standpoint of policy making. It is difficult to see why too little would be spent on policy analysis. And, there is no *prima facie* reason to believe the character of the research that is done is particularly distorted.

References

Aaron, Henry J. 1989. "Politics and Professors Revisited." *American Economic Review* 79(2):1–15.

Hanushek, Eric A., and David L. Weimer. 1989. "Deciding What to Do: Analytical Strategies and the Policy Environment." University of Rochester. Mimeo.

Haveman, Robert H. 1987. *Poverty Policy and Poverty Research*. Madison, Wis. University of Wisconsin Press.

Nathan, Richard P. 1988. Social Science in Government: Uses and Misuses. New York: Basic Books.

Weimer, David L., and Aidan R. Vining. 1989. *Policy Analysis: Concepts and Practice*. Englewood Cliffs, NJ: Prentice Hall.