Journal of Contemporary European Research

Volume 11, Issue 1 (2015)

Research Article

Shifting Policy Narratives in Horizon 2020

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Citation

Young, M. (2015). 'Shifting Policy Narratives in Horizon 2020'*, Journal of Contemporary European Research*. 11 (1), pp. 16-30.

First published at: www.jcer.net

Abstract

The European Commission claims that Horizon 2020 represents a break from previous framework programmes. This paper examines that claim in terms of the public management narratives that underlie the discourses of research policy at the European level. It is argued that the framework programmes go beyond their explicit role as a funding distribution instrument to serve discursive and regulatory functions. Using an analytical framework based on three types of public administration narrative: New Public Management, Network Governance, and Neo-Weberian Bureaucracy, this article examines the ways in which the evaluation and distribution of research funds and the conflicting conceptualizations of the term excellence have moved EU policy towards a New Public Management narrative and a more divided Europe of Knowledge.

Keywords

Differentiated integration; European research policy; Excellence; Framework programmes; Horizon 2020; New Public Management; Public Administration

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For nearly 30 years, beginning in 1984 with the first framework programme and continuing through 2013 with the end of the 7th Framework Programme (FP7), the framework programmes have been called simply by their sequential number; however, for what would otherwise have been called the 8th Framework Programme, the European Union (EU) has chosen a unique name: Horizon 2020. An explanation for this is given in a speech by the Commissioner for Research: 'We want the CSF [Common Strategic Framework] to mark a clear departure from business as usual. We are not simply moving from the 7th to the 8th Framework Programme. And what better way to demonstrate this shift than with a new name?' (Geoghegan-Quinn 2011). This assertion needs more careful analysis. Given that the framework programmes are often considered to be one of the more successful activities of the EU, why is there a perceived need for a major break? This article uses the concept of public policy narratives to examine how and why there has been a shift between FP7 and Horizon 2020, and what implications that has for the European integration project. The concept of policy narratives allows us to characterize this shift as the result of an increased presence of the New Public Management (NPM) narrative within the framework programmes discourse. The subsequent policy solutions and tools affecting distributive justice, governance steering techniques, and evaluation of results are reshaped as a consequence of the ideas embedded in and legitimized by this narrative. Looking individually at the EU member states, we find a diverse landscape of research policies that have undergone significant changes in the period since the first framework programme. Past studies have shown a wide range of steering mechanisms that shape research on a national level, which can be attributed to the acceptance of different narratives, path dependencies, and localized reform trajectories (Ferlie, Musselin & Andresani 2008; Paradeise et al. 2009; Kogan et al. 2006; Amaral, Jones & Karseth 2002). Less attention has been paid to the steering mechanisms and policy narratives at work on the European level.

The framework programmes are by definition funding distribution mechanisms; they set the rules and priorities for how the block of funds that the EU dedicates towards research is to be allocated. This article argues, however, that the framework programmes have taken on regulatory and discursive functions going beyond their distributive role and can therefore also provide insight into more general

policy change. This was not the case for the early framework programmes, which were more narrowly focused on strengthening industry competitiveness particularly *vis-à-vis* the gap between Europe, the USA and Japan, and did not directly incorporate discussions of distributive justice or quality management. Over time the framework programmes have evolved significantly in their rationale, structure and tools (for a history of these changes, see Guzzetti 1995; Barker and Cameron 2004; Sanz and Borras 2001; Banchoff 2002). By the 6th Framework Programme they have become deeply institutionalized, so much so that Thomas Banchoff (2002) argues that they have actually inhibited the broader efforts at European research policy creation, harmonization and consolidation. Horizon 2020 attempts to reverse that situation and aims to mobilize its strongly institutionalized power towards building the ERA. In order to succeed without resorting to hard law regulations or directives, which arguably might not be within the EU's purview, the programme needs to go beyond its formal role as a funding mechanism in order to (in the words of the EU) strengthen 'coordinating efforts across the Union' (European Union 2013: 109) and be a 'vehicle for leveraging […] investment' (European Union 2013: 110).

Decisions over how to distribute funding presuppose political framing and ideas that are related to different public management narratives. This study uses an analytical framework with three types of public management narrative to examine the shift in public management narrative. The article begins by laying out the typology of public management narratives and identifying research policy expectations for each type. It then uses this framework to examine the overall discourse of Horizon 2020 through a number of internal and external changes in policy ideas, solutions, and the political-economic environment. The analysis continues with a case study on the concept of excellence and its role in issues of distributive justice and quality management. Recognizing the strength and influence of the different types of public management narratives that are used in the discourse of the framework programmes provides insight into what sort of outputs and outcomes are likely to result from those programmes not only in terms of scientific results, but also in terms of the geography of the Europe of Knowledge. The article concludes by addressing the implications of a shift in public management discourse on European integration by linking it to the concept of differentiated integration. Will the European Research Area become an exclusive space dominated by a small set of leading research countries and institutions in which research is concentrated or will it be a broadly inclusive and densely networked space? Put in terms of the concept of differentiated integration (Stubb 1996; Avbelj 2012; Leuffen 2013): are we developing a two-speed Europe in research?

THEORY AND METHODOLOGY

In order to analyse the public management narrative, this article employs a variation on a tripartite ideal-type model developed by Ewan Ferlie, Christine Musselin and Gianluca Andresani (2008). Their paper sought to broaden the academic discussion on higher education policy by bringing in more traditional political science and public management theories and concepts (see Pollitt and Bouckart 2011) to an area that was largely dominated by theories of university-state dynamics (based on Clark 1983; see Dobbins 2009). For this purpose, it introduced a framework of ideal-type narratives that underlie public management reform: New Public Management, Network Governance (NG), and Neo-Weberian Bureaucracy (NWB). For this article, their framework has been adapted to the supranational level, focused on the particularities of research policy and used to evaluate various elements of the Horizon 2020 policy discourse. The framework programmes incorporate a significant number of different policy instruments (i.e. Societal Challenges, European Research Council, European Institute of Technology, ERA-NETS, Marie Curie actions, etc.) and given the limited space available, this analysis will not attempt to address those tools individually. Instead, the focus will be on the overall programme, the discourse surrounding its development, and the way it incorporates the concept of

excellence which has become one of the key concepts for understanding European research policy (Enders and DeBoer 2009; Radosevic and Lepori 2009).

The analysis is conducted primarily through EU policy documents at three stages of development: early 2011 documents around the green paper and consultation process in which the programme began to take shape, later documentation from the end of 2011 in which the initial policy proposal and impact assessment documents were put forward by the Commission, and the final regulation of 2013 establishing Horizon 2020. Reports by expert groups were reviewed and an interview was conducted with a EU official in Directorate General (DG) Research who was involved with the public consultation process and development of Horizon 2020. Equivalent documents were examined for FP7. The focus in analysing these documents was on their conceptualization and presentation of the problems which European research faced and the general objectives and tools by which they proposed to solve them. The research also examined the position papers submitted in the public participation process seeking insight into how national policymakers and a broader set of stakeholders viewed these issues. All the national government contributions to the green paper process were reviewed, as well as all the documents submitted from the new member states, i.e. those joining in 2004 and later. From the older member states, documents were reviewed from a selection of different countries (United Kingdom, Sweden, Germany, France, Ireland, Spain) with the aim of balancing research leaders and followers as well as countries that had followed different path trajectories (European Commission 2013a; Paradiese et al. 2009). The analysis focused on answers to the green paper questions that were related to the way framework programme funding should be allocated and the measures of success and quality.

Public management narratives provide a way to conceptualize a broad public management story that incorporates technical, political and normative elements (Ferlie et al. 2008). Note that these narratives should not be understood as overarching blueprints by which policy is linearly conceived, constructed and then implemented; any expectation of finding this would be misguided and a number of studies demonstrate quite clearly that this is not present on a national level in Europe (Paradeise 2009; Pollitt, van Thiel & Homburg 2007) and is thus unlikely to be found in the EU. This does not imply that, however, these narratives cannot be found exerting strong influence on the overall policy outcome, particularly by incorporating fragmented elements, ideas, and tools that are deeply rooted in particular policy narratives. Christopher Pollitt (2007) shows that this has happened in Europe with NPM.

The first ideal-type narrative, New Public Management, can be characterized as making public administration function more like business administration. More specifically, it embodies two principles that Christopher Hood (1991) calls the “freedom to manage” and the “freedom to compete”. The freedom to manage brings corporate management practices into public administration, the central purpose of which is to gain more control over the production of public services. A variety of mechanisms can be used to achieve this: indirect steering through the setting of goals, objectives and targets, coupled with monitoring of how effectively those are met which creates a strong audit culture (Power 1997); the use of contracts and principle-agent models to structure relationships; as well as directly borrowing specific practices from business, such as total quality management. The freedom to compete posits the idea that competition is the driver of effective governance. Steering systems are thus constructed in ways that enhance competition, or in cases where there is none, make it possible. This can require the disaggregation of the public sector into smaller entities that are able to compete with one another, and, further, to establish a quasi-market if there is not an existing economic market in which they can compete. These competitive entities must also have the ability and incentive to differentiate themselves, which requires the autonomy to determine strategies and make decisions. In sum, an NPM approach relies on strategic management within competitive markets as its primary mode of governance; steering is vertical but is done by setting targets, performance contracts, and stimulating or creating markets (see Table 1). Competition

is the key facilitating mechanism, and NPM is most useful for achieving efficient results in situations where the desired outcomes are clearly quantifiable.

Table 1: Key Elements in the Public Management Narratives

	New Public Management	Network Governance	Neo-Weberian Bureaucracy
Primary means of governance	Strategic management within competitive markets	Self-steering and organizing networks on multiple governance levels	State law and bureaucracy
Key facilitating mechanism	Competition	Negotiation	Planning (inclusive of stakeholders)
Steering	Vertical, indirect, government uses targets and performance contracts, creates and stimulates markets	Horizontal, indirect, government establishes and sets objectives	Vertical, direct, steering by creating rules, defining processes and spending
Strengths of the approach	Efficient results when outputs can be quantified	Coordination and cooperation in dealing with complex multi-level problems	Outcomes which are oriented towards social needs, maintain democratic legitimacy
Distribution mechanisms	Based on performance: past outputs, efficiency, potential	Determined through negotiation and compromise	Top down based on politically determined principles
How quality is maintained	Through explicit, quantifiable objectives and auditing systems	Through professional self-regulation and diffusion of good practices	Through rules and procedures determined *ex-ante*

The second narrative, Network Governance, is derived from the concept of the "hollowed out state" (Rhodes 1997) that depicts the nation-state as having lost (or relinquished) power, functions and legitimacy to other actors, such as corporations or non-governmental organizations (NGOs), local and regional government, and supranational organizations. Supporting this concept is the idea that some problems can be better solved if they are addressed at different governance levels with a broader constellation of actors involved. The theory of multi-level governance (Hooghe and Marks 2001; Piattoni 2010) provides a structure for analysing that differentiation by identifying three primary levels of governance and the interactions between them: sub-national, national, and supranational, which includes the EU. The hollowing out of the national level results in strengthening both the sub-national and supranational level and their interrelationship, while the state adjusts to serve as a facilitator rather than exerting direct power (Ferlie et al. 2008). This facilitation happens in and through networks that can be oriented towards different functions: policy creation, coordination, or implementation; and these networks can, but need not, be self-steering and/or self-organizing (Klijn 2008). In sum, an NG approach relies on (semi-)independent networks of stakeholders as the primary mode of governance; steering is horizontal and the government involvement is mainly through the establishment and setting of objectives for the network. Negotiation is the key facilitating mechanism, and NG is most useful for achieving coordination and cooperation in dealing with complexity and so-called wicked problems that laterally cross-political borders and policy-area delimitations.

The third narrative, Neo-Weberian Bureaucracy, is about the revitalization of a nevertheless traditional bureaucratic conception of public administration. In this narrative, the state is central. Whereas in the other two narratives it relinquishes power, because of its perceived inability to solve societal problems, NWB re-establishes the role of state administrative control and problem-solving through a democratically legitimated bureaucracy, but one which is modernized ("neo"). The modernization can be seen in a shift from an internal orientation on rules to a more external orientation on meeting societal needs. Further, it seeks to maintain its electorally established legitimacy through on-going interactions and consultations with the public. There is also a shift towards a more results oriented, professional managerial culture, which may overlap with the NPM narrative, but which differs in that the role of administrative law and process is the central mode of steering. In sum, a NWB approach relies on bureaucracy and implementation as its primary mode of governance; steering is vertical and is done directly by creating rules, determining processes and spending. Planning is the key facilitating mechanism, and NWB is most useful for achieving a sense of legitimacy that preserves diversity and robustness and targets outcomes that are oriented towards greater societal needs.

In the case study on excellence we can see how the narratives play out in the area of resource allocation and quality. Funding distribution is a political decision and the public management narrative plays an important role in determining the legitimacy of various approaches. Each of the three ideal-type narratives provides a different perspective on how funds should be distributed. For an NPM narrative, funds should be distributed based on performance standards, which means that past results, preferably quantified and transparently measured ones, are the basis on which funds should be competitively apportioned. Also, preferably, the distribution will take place through an agency, not directly by the government. The NG narrative not only puts this decision in the hands of the stakeholders but the process by which it happens is one in which compromise is sought through negotiation and cooperation. In the NWB narrative, the government retains the decision-making power, keeping the distribution decisions in a democratically representative body that will presumably act with broader social interests in mind. We may not find these ideal-types in pure form in practice, but even when distorted by politics, interests and lobbying, the basic driving forces behind them are discernible.

HORIZON 2020: WHAT SORT OF BREAK?

As presented at the outset of this article, the Commissioner has claimed that Horizon 2020 represents a break with the past. The justification for calling Horizon 2020 a break may come from a number of internal changes to the new programme based on new policy ideas and proposed solutions. It also may come from external events, namely the crisis, which has impacted the political environment. On closer inspection, however, there are significant path dependencies and continuity with past policy. If the changes discussed below are constitutive of a break, then it would be more in their potential to disrupt past structures, rather than directly and immediately changing them. Change is rooted in their symbolic relationship to different policy narratives. This section looks at several areas where change that may appear superficial on the surface, can in fact suggest a larger shift in the underlying public management narrative.

Changes of an internal nature

First, Horizon 2020 has been expanded to cover the entire innovation cycle. All of the research and innovation activities that are directly implemented by the EU have been brought together under one umbrella. In particular, Horizon 2020 incorporates the Competitiveness and Innovation Framework

Programme (CIF) and the European Institute of Innovation and Technology (EIT) that had in the past been managed separately from the framework programmes. However, despite bringing a broader range of tools together, there is no comprehensive integration of these tools as might be suggested by the discussion on creating a unified funding programme for all aspects of the innovation process. That is, these tools can still be identified as distinct elements with histories. Rhetorically, the Commission may be moving away from a linear model of innovation and accepting an integrated (or chain-link) model of innovation, but in actuality the framework programme is still divided into three distinct pillars, each of which corresponds to a major stakeholder in research policy: government, industry, and universities/research organizations. This structure allows the government to use a top-down, NWB type governance method for choosing research priorities in the grand challenges section; the research community is able to use a bottom-up method for determining what to fund in the excellent science pillar which contains elements of both NG and NPM in its use of a broad spectrum of stakeholders at different governance levels, quantification of performance measures, and use of agencies; finally, the industrial leadership pillar allows for a mixture of tools, but with a strong focus on the applied and development aspects of innovation. There is thus both a top-down NWB approach to the selection of enabling and industrial technologies that will be funded and a push towards the use of public private partnerships and loan and equity-based market mechanisms that are popular NPM-type tools.

Second, Horizon 2020 is unified and simplified bureaucratically. It is a unified programme in the sense that there is a single set of rules for participation and dissemination for all types of participants. While this may be an administrative improvement, it is hard to see how it can be a break except perhaps in its symbolic unification of the participant types. The programme is also simplified in terms of its administrative burden on participants, but this change comes with strings attached. In the public consultation and lead-up to Horizon 2020, there was a strong push to increase trust and to reduce the high levels of administrative oversight and bureaucratic requirements, which funding from past framework programmes had entailed. In the Horizon 2020 debate there were strong calls from the university and research community to introduce a system that would incorporate a higher degree of trust. In 2010 the *Trust Researchers Initiative* was launched: 'The key message of this recent and bottom-up declaration is that funding of European research should be based on trust and responsible partnering. Research has to be funded according to the nature of research while at the same time ensuring an appropriate level of accountability' (Cordis 2010). The acceptance of more accountability as a prerequisite for more autonomy, as embodied in trust, is a sign of an audit culture that is deeply rooted in the NPM narrative (Power 1997). Trust in this manner becomes institutionalized in quantitative measures that are accessible to non-specialists, which can be observed in the expanding use of benchmarks, scoreboards, and quantifiable indicator-based objectives.

Third, Horizon 2020 has the objective of implementing the Innovation Union initiative. This can be understood to mean that it 'reflects the ambition to deliver ideas, growth and jobs for the future' (European Commission 2011c: 2). While the Innovation Union is recent, the ideas and discourse behind it are a continuation of a line of thinking that began in the 1990s and are strongly rooted in the knowledge-based economy discourse that was popularized by the Organisation for Economic Co-operation and Development (OECD) (Godin 2006). The framework programmes have traditionally had a strong industry orientation; going back to the second framework programme, sixty per cent of the funding went to businesses (European Commission 2011e). However, we can see that the knowledge-based economy discourse is changing over time and becoming more focused on outputs and the efficient promotion of breakthroughs that fall in line with an NPM model.

Fourth, in Horizon 2020 there is an emphasis on a less prescriptive approach to defining research topics. This is important in that it indicates a change in public management philosophy. It signals a move from a top-down prescriptive model in line with a NWB narrative to a more hands-off model where steering is done from a distance, which is in line with an NPM narrative in which more freedom

is given to actors to make their own strategic decisions within a competitive context. Even in the broadly top-down grand challenges, whose topics are defined by the EU, there is an effort to be less prescriptive in predetermining how proposals for those funds should frame their research questions and methodologies.

Changes shaped by external influences

Whereas FP7 was developed in the optimistic climate of post-millennial globalization during the years 2004 to 2006, Horizon 2020 was developed in the shadow of the financial crisis in the years 2011 to 2013. Many of the key policy documents for Horizon 2020 were being discussed and drafted in parallel with new developments in the Eurozone crisis. Although these were under different Directorates General, the leadership and overall climate was deeply affected by the crisis that become the top priority for lawmakers on all levels. In November 2011, the Commission stated: 'Since the launch of the Seventh Framework Programme (FP7), the economic context has changed dramatically...The key challenge is to stabilise the financial and economic system in the short term while also taking measures to create the economic opportunities of tomorrow' (European Commission 2011d: 1-2). In this section we will examine three ways in which the crisis influenced the development of Horizon 2020: Increased fear over the future of Europe, support for austerity measures, and a growing acceptance of differentiation.

The political climate that accompanied the crisis included a fear that Europe's future – as a globally leading economy – was bleak. This thinking migrated into discussions about research policy as the Research Commissioner's foreword to the Innovation Union Competitiveness report states: 'The main messages presented in the executive summary...confirm that Europe is in a state of "Innovation emergency"' (European Commission 2011a: I). This so-called state of *emergency* is not referred to again after the bulk of the Eurozone crisis has passed. Concern over global competitiveness and the threat of emerging economies both broadly as well as narrowly in the university sector, however, continued to be an important political issue throughout Horizon 2020's development. Austerity became the preferred solution to the Eurozone crisis both at the national and European level. This concept was central to many countries' argumentation during 2013 when the budget for Horizon 2020 (as part of the larger multi-annual budget) was being negotiated. It became clear that some key member states would not accept an increase in the overall European budget (EurActiv 2013). The fact that Horizon 2020 has increased in overall funding from FP7 can be said to symbolize confidence in the importance of investing in research; on the other hand, the level of increased funding is still insufficient to stabilize the funding level from the final year of FP7. The first two years of Horizon 2020 together have 15 billion, whereas FP7 had over 8 billion in 2013 alone.

Finally, the discussion and growing acceptance of differentiated integration in Europe gained traction as part of the financial crisis. There are a wide range of ways to express this concept, and Dirk Leuffen (2013) shows how various actors from different political perspectives, such as David Cameron and Francois Hollande, have supported an idea of Europe in which the member states are not treated uniformly in regards to common policies. A broadly used typology distinguishes three forms of differentiated integration: Multispeed, where there are initial differences but an expectation that over time countries will eventually integrate; variable geometry, where integrations occur outside of the common policies; and *à la carte*, where countries can decide to opt out of common policies (Stubb 1996). All three types of differentiated integration may be seen as sharing a common denominator, that is, 'the situation in which, within the scope of EU competences, not all member states are subject to the same or uniform EU rules' (Avbelj 2012: 193). However, when we look at differentiation within research policy, the picture is more complex. First, most research policy is subject to soft law and Open Method of Coordination (OMC) governance mechanisms to which member states have agreed, but are not all meeting in practice. Countries are opting-in to the ideas and objectives of the Europe 2020

strategy through common soft law benchmarks, but opting-out in practice by not meeting those (European Commission 2013a). Second, the mode of differentiated integration arising from the framework programmes is caused by *being* subject to the same rules, but not having equal footing on which to compete. When unequal actors compete on equal terms, the result is often that research funds become concentrated in the smaller group of countries better equipped to compete from the outset. The EU refers to this problem as the "innovation divide" and has devoted resources towards solving it. However, the bulk of these resources come from the Cohesion Funds, which are outside the framework programmes and do not promote the international standards and benefits of cooperation the FPs bring. In the next section, we will see how public management narratives shape the understanding of excellence and affect the outcomes and differentiation in the EU.

EXCELLENCE AND DISTRIBUTIVE MECHANISMS

Funding is essential to the conduct of research, yet it is a limited resource becoming increasingly scarce. Different fields and disciplines may require different amounts of funding and investment in infrastructure, but all are faced with the same basic need. Without funding, research cannot be undertaken which makes the choice of distribution mechanism of critical importance, all the more so as the chances of becoming a recipient decline. FP7 represented about 10 per cent of the overall spending on research in Europe (European Commission 2011b) and unless there are unexpectedly rapid increases in member state spending, that level will be similar in Horizon 2020. However, competition for that funding is dramatically increasing; the Commission predicts that the success rate of applicants will drop from approximately 22 per cent in FP7 to about 15 per cent in Horizon 2020 (Greenhalgh 2014). This is based not only on the expectation of increased participation overall, but in particular more intensive business participation as well as the possibility that reduced spending on the national level caused by austerity budgets will encourage more applications.

Excellence is a term, which comes up repeatedly in the official documents for Horizon 2020 and the discourse surrounding its development; however, it is not clearly defined nor is it evident that the actors share a common understanding. This section will focus on how excellence is understood in Horizon 2020, not only by the EU by also by the member states. In the policy papers coming from the green paper process, nearly all participants use the term and claim to support excellence. But are they truly in agreement? What does excellence mean in an EU context and is that same definition shared among all actors?

I argue that the term excellence is part of two distinct discourses and has varied meanings even within those. This ambiguity allows actors to project their own understanding of excellence onto the term even when it is being used in conflicting ways by other actors. Further, excellence is self-justifying. It is extremely difficult, if not impossible, to argue against excellence *per se*.

The term excellence occurs in the discourses of distribution and quality. In a distributive sense, excellence is a term used politically to counter arguments for distributive justice. This is very often how it is used in the framework programme debates. As described by an EU official who worked on Horizon 2020 in DG Research at the time: 'If you hear us speak of excellence here in Brussels, then it is typically this opposition between what is pre-allocation of the structural funds, where we say up front that x million Euros will go to that and that country, and the absence of any *juste retour* or considerations like that in the framework programme; that is on a very general level what we mean by excellence'.[1] In a political sense, it is the negative definition that predominates; the avoidance of redistribution systems that support the catching-up of weaker member states or *juste retour*.

In the quality discourse, the term excellence is used to describe the highest level of quality – in the evaluation or output results of research. Here, the EU has a different understanding of what is meant

by the concept. According to the same Commission official: 'For us generally, what excellence means is that we fund the best, whatever way you want to look at it...We won't make any balances in terms of geography or university versus industry and so on'.[2] In this comment we see how the quality discourse actually connects back into the distributive discourse. However, the fundamental idea of "we fund the best" makes it clear that excellence in terms of quality is a relative, competitive concept. The criteria for the best may be set by different groups or specialists, and can vary across different instruments, but the point of excellence is finding and funding the best. The focus on the best can be found directly referred to throughout the Commission's proposals for Horizon 2020 as seen in the following examples. There is an overarching focus which refers to selecting proposals: 'Union level intervention enables continent-wide competition to select *the best* proposals, thereby raising levels of excellence and providing visibility for leading research and innovation' (European Commission 2013f: 3). Here, we see the word used to reinforce the link between competition and excellence. But the best is not only used in reference to proposals, it also is used as a focus for many parts of the programme. There is the best science ('Europe has fallen behind in the race to produce *the very best* cutting-edge science', European Commission 2013f: 32), the best researchers and ideas ('The ERC was created to provide Europe's *best* researchers, both women and men, with the resources they need to allow them to compete better at global level...*The best* researchers and *the best* ideas compete against each other', European Commission 2013f: 33), the best infrastructures ('Union investments in ICT research infrastructures have provided European researchers with *the world's best* research networking and computing facilities', European Commission 2013f: 45), and the best scientists, here described in relation to the importance of major infrastructures ('They promote mobility of people and ideas, bring together *the best* scientists from across Europe and the world and enhance scientific education', European Commission 2013f: 38).

This raises a number of issues that deserve further research. First, while the EU wants to fund the best research, it can only logically fund the best proposals. To what extent are the best proposals representative of the best research? How confident can we be in *ex-ante* forecasting of research results? Or to state it another way, is it correct to assume that the best research comes from the best proposals? Given that many, if not most, of the rejected proposals are never undertaken, there is unfortunately a lack of comparative data by which to investigate this. Second, is the best always excellent? This is not likely a problem on the EU level, but especially in smaller member states, the best research in many areas may simply not meet qualitatively defined criteria of excellence. Third, the best is a singular term, which implies that there is only room for one research project in a given area. This fits well with the EU's desire to avoid waste, but does it fit well with finding solutions to research problems? We have already seen a move away from the term "best practice" in general parlance towards the more inclusive "good practice".

The EU's understanding of excellence in the quality discourse is what I call zero-sum excellence. Zero-sum excellence rests on the assumption that excellence is a limited resource decided by relative and competitive means. There can only be so much excellence, and as researchers improve, the excellence target moves with them. The logic here follows the logic of a ranking system, which is also how most of the funding instruments work: evaluation of proposals leads to a ranked list, for which a cut-off point is chosen. This methodology results in the best, i.e. the most highly ranked proposals are funded. It is also possible under this same conception to predetermine the excellence cut-off, for example by saying that it exists for results above a certain percentage level. This is also used by the EU, for example, in the way it identifies excellent publication results as those that are within the top 10 per cent of the most citied articles worldwide within their field (European Commission 2013b). This understanding of excellence corresponds well with an NPM narrative.

There is a second understanding of excellence, which I call threshold excellence. It is based on the assumption that excellence is unlimited and is defined by its inherent quality rather than its relative position among its competitors. By this understanding, excellence could involve one hundred per cent

of all the proposals provided they meet the quality standard that the judges define as excellent, or conversely, none of the proposals if they did not. This second type of excellence is a stable target, not a moving one and is compatible with distributive justice arguments. It allows us to recognize that multiple proposals may all be excellent, rather than trying to determine the most excellent projects as the first type demands; and, further, funding decisions may legitimately include other factors once the excellence criteria has been met. This understanding of excellence is more attuned to the NG or NWB narratives, as it allows more planned and negotiated results within a less quantified and audit driven context.

Table 2: A Typology of Excellence

		Type of Excellence	
		Threshold	***Zero-Sum***
Discourse	***Quality***	excellence means: of a predetermined standard	excellence means: the best
	Distributive	excellence coexists with other criteria	excellence is the sole criteria

An example of how these different meanings become intertwined and used in the policy discourse can be found in the way that the 12 countries, which joined the EU in 2004 and 2007 (hereafter EU-12), approached the Horizon 2020 programme. In February 2011, during the Hungarian presidency of the EU, they issued a joint position paper stating:

> Finally, the EU-12 MS underline that the principle of excellence should continue to be the cornerstone criterion for the next Framework Programme. Notwithstanding that, it should be stressed that the interim evaluation report of FP7 states that: 'Too narrow focus on research excellence can overshadow the benefits of full-scale involvement of EU12 in the FP and this should not be neglected'. In the design of the next FP other principles could be taken into account like inclusiveness, cost efficiency, relevance of research and contribution to growth and jobs (EU-12 2011: 2).

Here we see the requisite support for excellence but the main argument is for allowing other principles to be taken into account so as to enable a broader distribution of funds. This leads to an as yet unanswered question: What degree of concentration in research funding is optimal? Should research funds be concentrated in only a relatively small number of centres or should they be widely spread throughout Europe? And following from that, should "Europeanized research" be evidenced by high levels of mobility for researchers allowing broad access to these concentrated centres or by broadly spread funding supporting research in all member states? Which of these better serve the broader Lisbon and EU 2020 strategies' goals of a globally competitive Europe is unclear.

In its summary conclusion supporting the idea of excellence, the EU chose to use a quote from the Estonian position paper to highlight and reinforce its point. It is worth unpacking this short quotation and examining how the EU interprets and employs it. The Estonian government states: 'The excellence of projects should remain the primary criterion in the adoption of decisions on financing scientific research. All EU researchers should have the opportunity to reach excellence and compete for the best financing opportunities (Estonian government)' (European Commission 2011b). The first part of this quote clearly supports the concept of excellence, though not as the sole criterion, since it uses the word primary thus implying that there are others. Reading the second sentence suggests that we should characterize it as threshold excellence, compatible with what was stated in the EU-12

document. The idea of "the opportunity to reach excellence", rather than excellence per se, and the opportunity to "compete for the best financing", can also be interpreted in several ways. One view is that this should be possible within the framework programme, while the other is that these opportunities should come from outside of the framework programmes. This second interpretation is clearly the EU's preferred one. Here is the statement in the summary analysis of the green paper process for which the EU used the Estonian quote as support:

> There is a clear signal coming from the consultation that excellence needs to remain the key criterion for distributing EU research and innovation funding. Respondents stress that projects funded through the Common Strategic Framework need to continue to be selected on a competitive basis and through peer review. At the same time, respondents stress that the Structural Funds should be used to unlock the full research potential of Europe (European Commission 2011b: 11).

The segregation of the framework programme and the structural funds is the EU's preferred solution to the problem of excellence as conceived by the EU-12 member states. Later in the green paper evaluation this is addressed even more explicitly with the idea of a "stairway to excellence" (European Commission 2011b: 16) which is a mechanism to help low performing countries reach excellence and compete for framework funds, thus following a multispeed model of differentiated integration. However, the structural funds and national funding opportunities are relatively weak in terms of NG, and do not usually offer the same international cooperative dimension as the framework programmes, which can leave researchers without the infrastructural support needed to achieve this leap. After debates in the European Parliament, a new tool, "Spreading Excellence and Widening Participation", was added to address this, though it still remains separate from the three main pillars.

CONCLUSION

The analysis in this paper looked at how the public management narrative is changing within the framework programmes. Although there is not a single public management narrative at work, but rather elements of all three major narratives, a trend can still be seen towards an increasing influence of the NPM narrative. This trend is particularly strong in the areas of competition, quality and output measurements, and distributive justice ideas. Being aware of the strengthened role of an NPM narrative in European research policy is important both in recognizing how this area is being steered and for anticipating potential problems.

The move towards a stronger NPM narrative unsurprisingly bolsters the step towards a more differentiated Europe of Knowledge based on competition and concentration of resources and rewards. This step appears to parallel what Robert Frank and Philip Cook (1995) describe as a winner-take-all market, which is one characterized by two primary features: rewards being given according to relative rather than absolute performance, and rewards being concentrated in a few top performers despite the differences between these performers and others being small. While the framework programmes fund many researchers, the countries in which they are based is more concentrated. The focus on excellence, coupled with decreasing odds of success, creates an iterative process of funding that further concentrates funding in the leading countries. It can be argued that there is nothing wrong with this; quite the opposite, it is important and necessary to create research-intensive regions that are concentrated in only a small group of countries. The EU has, however, neither stated its intention to do this nor provided evidence that would justify that approach.

Frank and Cook describe several problems that winner-take-all markets are known to create: inefficiencies, overcrowding, and wasted investment in performance enhancement. Research policy is not yet a true winner-take-all market, but due to its tendency in that direction, examining these

problems can serve to highlight some key issues that research policy should take into account. First, inefficiency is a top priority the EU is attempting to eliminate. Care should be taken in moving in a direction that could increase or exacerbate inefficiencies. Two, overcrowding is clearly not an issue. The EU repeatedly mentions the need to increase the numbers of researcher in Europe. However, if the EU wanted to use a winner-take-all market to achieve this, the rewards would likely need to be much higher. Finally, there is wasted investment in performance enhancement. Frank and Cook (1995: 130) refer to studies showing that up to one fourth of the potential reward is invested in performance enhancement, i.e. changes that are oriented towards increasing the likelihood of success. We are beginning to see significant investment from universities and other research organizations in administrative functions aimed at increasing the chance of obtaining EU funding.

Differentiation, as discussed earlier, comes in a variety of forms that may or may not incorporate expectations of an equally integrated end. European research policy also appears ambivalent about whether to strengthen its leading parts and allowing those to drive the overall competitiveness of the Union or to attempt to broadly improve research across all member states. In part, this may be a result of the paradox identified earlier in the discussion on the stairway to excellence. It appears that bringing low performing countries up to a common standard cannot be accomplished within an equal framework, but neither can it be done independent of one. This ambivalence is reflected in polices that attempt, in different ways, to address both sides; however, the increased influence of the NPM narrative raises the threat of what might be termed *un-differentiated disintegration*, i.e. a passive process in which a common tool exacerbates already existing differences and leads to a less integrated Europe.

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[1] Interview conducted in 2013 with an official in DG Research.
[2] Ibid.

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