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The Returns to Federal Investments in the Innovation System

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- For over 25 years, STEP studies have identified ways to:
  - Accelerate innovation,
  - Advance U.S. competitiveness through better policy,
  - Improve our understanding of the nation's economic performance, and
  - Promote dialogue and learning about national and regional policies and practices.

The Innovation Policy Forum

- Innovation is globally recognized as a key to economic growth and competitiveness.
- The Forum is a focal point for a national and international dialogue on innovation policy.
- Co-Chairs
  - I co-chair the Innovation Policy Forum along with Dr. Luis Proenza, President Emeritus, University of Akron
- Forum members include experts in economics, S&T policy, innovation, manufacturing, trade, and diplomacy.
- Sujai Shivakumar directs the Innovation Policy Forum and I want to thank him, Erik Saari, and Karolina Konarzewska for helping make today run smoothly.

The Forum is exploring inputs into the innovation process, including the important role played by the federal government.

Social Returns to Federal Investments in Research and Development

- Even measuring private returns to R&D is difficult.
- Measuring the social returns to R&D is even harder, although there is some evidence that these returns are high.
  - However, there are challenges in both measuring spillovers that accrue to others from R&D as well as conceptual issues in trying to identify those spillovers.
  - Some of the spillovers come from knowledge created by R&D as it disseminates and becomes useful to others.

Today’s Workshop

- Our workshop today will help advance our understanding of the theoretical frameworks and empirical evidence that can be used to assess the returns to federally-funded research and development.
- The committee planning this workshop was composed of Ben Jones (chair), Pierre Azoulay, and Heidi Williams.
- Together they have assembled an incredible list of speakers for today’s event.

The Forum Plans to Continue Delving into Related Issues

- Have there been changes in the government's appetite toward risk? Has the time period to prove payoff shortened?
- The Forum is also interested in looking at what is privately funded R&D looks like – eg. is it mostly D or is there research also? What is the role of foundation funding? What is happening in nonprofit, non-university research institutions?

2016 Events held by the Innovation Policy Forum

- September 15: U.S.-Caribbean Roundtable on Innovation

- October 14: The Labor Market and Human Resource Management: Implications of Entrepreneurship

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Thank You

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