

The Institutionalization of Funded Research: Legitimization through Incrementalism in the Pre-history of Cooperation between Industry and Universities

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The purpose of this paper is to clarify how the Japanese Ministry of Education brokered cooperation between industry and universities before 1980. The Ministry of Education made official declarations about funded research in 1967 and 1970; at that time, national schools—including universities—conducted funded research as a public function, and all expenses were borne by private firms. However, these declarations only provided rules for accounting procedures; cooperation between industry and universities was neither accelerated, due to industrial development, nor abandoned due, to university autonomy. I point out that this policy process is tantamount to incrementalism, whereby decision-makers constrained by many factors formulate policy by modifying existing and well-known policy by degrees. This concept challenges the prevailing notion that rational decision-makers with well-defined goals choose the most appropriate programs through a comprehensive examination of all alternatives.

A new program was not introduced, due to a lack of consensus *vis-à-vis* cooperation between industry and universities. First, while business lobbies advocated such a connection, individual firms did not always subscribe to this, as many were already collaborating with universities in private. Second, each business lobby had its own stance. One such lobby accused major firms of occupying privileged positions by collaborating with universities in private.

Finally, while the Council for Science & Technology and the Science Council insisted on the institutionalization of this cooperation, universities tended to avoid

cooperation, and the Ministry of Education had not established clear principles. The Ministry of Education did not intend to control any research or cooperation in universities by supporting individual research initiatives or the judgments of academics, or by rendering services to scientists. In fact, the Ministry was extremely reluctant to form such a cooperation; that attitude, however, began to shift in the 1980s.