



Brexit shows science and politics don't mix _ cato institute brexit vote

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Brexit shows science and politics don't mix _ cato institute brexit vote When and why developed nations became rich are central questions in economics and history. Unconventional monetary policy—characterized by “zero interest rate policy” (ZIRP) and “quantitative easing” (QE), along with macro-prudential regulation—has increased the power of central banks in the United States, Japan, and Europe. In the new issue of *Cato Journal*, contributors revisit the thinking behind unconventional monetary policy and the “new monetary framework,” make the case for transparent monetary rules versus foggy discretion, and point to the distortions generated by ultra-low interest rates and preferential credit allocation. An anti-immigration position may help a candidate win a GOP primary, but it is a hindrance once he faces the rest of the electorate. Immigration is not like a budget that must eventually be balanced.

The U. S. can allow in more skilled immigrant workers, more family-based immigrants, and more lower-skilled foreigners – no numerical offsets are required. When the Danish newspaper *Jyllands-Posten* published the cartoons of the prophet Muhammad in 2005, Denmark found itself at the center of a global battle about the freedom of speech.

The paper's culture editor, Flemming Rose, defended the decision to print the 12 drawings, and he quickly came to play a central part in the debate about the limitations to freedom of speech in the 21st century. In *The Tyranny of Silence*, Flemming Rose provides a personal account of an event that has shaped the debate about what it means to be a citizen in a democracy and how to coexist in a world that is increasingly multicultural, multireligious, and multiethnic.

The Cato Institute has released its 2014 Annual Report, which documents a dynamic year of growth and productivity. “Libertarianism is the philosophy of freedom,” Cato's David Boaz writes in his book, *The Libertarian Mind*.

“It is the indispensable framework for the future.” And as the new report demonstrates, the Cato Institute, thanks largely to the generosity of our Sponsors, is leading the charge to apply this framework across the policy spectrum. Britain's quitting the *European Union* sets the stage for a major mess in the funding of British science.

Whatever the merits of Brexit, as the withdrawal is popularly called, exiting the present labyrinthine structure of EU science funding is going to be pure chaos. Government funding of science is always capricious and often wasteful. Brexit is merely going to present the world with a new record for this folly.

The basic problem is that government funding of science is very complex. First the government or government-related science office formulates a specific research program, and then gets it funded. Then it develops and publishes requests for proposals. Then the researchers develop and

submit detailed proposals, which the government studies, ultimately choosing some and funding their awards.

The process normally takes several years from concept to award. It can hardly take less.

Government funding of science is always capricious and often wasteful. Brexit is merely going to present the world with a new record for this folly. The EU presently funds a lot of British researchers, as it should given that Britain pays over 12 percent of the European Union's operating budget.

British universities reportedly get about 16 percent of their research funding from Brussels, well over a billion dollars a year. Given that this 16 percent is an average, some universities probably get a significantly larger fraction of their revenue from EU funding. The EU funding of British science should end as soon as Britain stops paying its EU dues.

There is a lot of talk about multi-year negotiations between the incoming Brexit government in Britain and the **European Union**, but the political reality is that Britain can stop paying its dues anytime it wants to. It is hard to imagine a government whose mandate is to leave the EU continuing to send them billions of pounds that it could use for its own purposes. The point is that there is no way that Britain can simply replace that EU funding (assuming it wants to), even if it has the money to do so. It will first have to go through its own lengthy competitive funding procedures. Many of the existing EU-funded projects will probably be dropped midstream, their funding wasted.

There is no reason the new British government should choose to continue these EU-chosen projects; quite the contrary, given the Brexiteers' apparent disdain for Brussels. There may well be a multi-year gap in which nothing is funded to replace the present projects. Untangling the science funding is thus going to be a true mess, unless Britain can work a deal to simply pay for continued EU funding as an associated country. Some small non-EU countries do this.

But given that Britain is handing Brussels a big budget cut, such a side deal may not be possible. Moreover, the philosophy of Brexit would seem to preclude Britain ceding funding decisions to the EU, which these associated deals require.

The fact that the research community came out loudly against Brexit does not help their case of need. What this shows is not that Brexit is wrong, but rather that government funding of science is often a mistake. Funding of science by governments is not necessary for economic progress.

The intrinsically political nature of the process makes it often wasteful as well. Brexit is merely a very large example of something that repeatedly happens. An expensive research program is launched because it is politically attractive. Large sums are spent, and then the program is killed midstream, because the politics change.

Half a project gives no results, so the money and researchers' time is simply wasted. The U. S. government is certainly prone to this kind of waste, to begin with because we get a new House of Representatives every two years, and that is where the money comes from.

We also get new, politically appointed department and agency heads with every new presidential administration, if not more frequently. These officials often want to “restructure” their research program, as it is called.

Or a new office director may want to do something new, within the existing budget, killing ongoing work in the process. This sort of project chopping probably happens many, many times a year, at all levels.

But the hundreds or thousands of chops are individually too small to be noticed outside of their immediate research community. Tremendous amounts of money and research talent is wasted in this way. So when the screaming from the unfunded British universities starts, as it almost certainly will, keep in mind that this is just a very large case of the waste that plagues U. S. government-funded science as well. Science and politics do not mix. Patrick J. Michaels is the director of the Cato Institute’s Center for the Study of Science. David Wojick is head of DEWA, a cognitive science and policy analysis consultancy.