Foreword

This has been another year of substantial achievement for the CBR. Work on innovation policy, open innovation and innovation services which formed part of the CBR’s collaboration with Imperial College, London, the UK Innovation Research Centre (UK~IRC), came to fruition this year, while results continued to be reported from earlier projects including the EU-funded FINNOV research on the financing of innovation and ESRC-funded work on corporate governance codes and the relationship between law and financial development. This led to a historically high number of publications in refereed journals (38 published papers and another 30 or so forthcoming). The quality of outputs was also high, with some of the leading journals in the business and management field (including Organization Science, Academy of Management Review, Research Policy, Industrial and Corporate Change, and Accounting, Organizations and Society) successfully targeted for submissions. 2012-13 was also a year during which CBR research had a tangible impact on practice and policy, with the appearance of a series of reports, commissioned by the Council for Industry and Higher Education, on the UK’s R&D performance, and publication of a review of the dual funding support system for university research, commissioned by the Department for Business, Innovation and Skills. CBR research on macroeconomic policy, which addressed the scope for demand-led recovery in the aftermath of the financial crisis and resulting recession, received worldwide attention. In addition, CBR research provided the foundation for two of the impact case studies submitted by Cambridge University departments in the current Research Evaluation Framework exercise. Looking ahead, two major new ESRC-funded research projects, one on labour law and poverty alleviation and the other on law and finance in BRICS countries, were begun in the past few months, and will continue into 2015.

This was the final year in which our founding Director, Alan Hughes, led the CBR. Although Alan has retired from his post as Director, he has not retired from the CBR, as he will continue to work on several projects, including the UK~IRC, and will direct Cambridge University’s Impact Acceleration Account, a new ESRC initiative to support impact from social science research. Alan’s record in piloting the CBR over nearly two decades is unparalleled and it is apt that his final year in office should have been one of such high achievement for the Centre.

Simon Deakin
Director, CBR

October 2013
Table of Contents

Foreword .........................................................................................................................................................iii

1. GENERAL OVERVIEW, RESEARCH AND DISSEMINATION HIGHLIGHTS .............................................. 1
   Introduction ................................................................................................................................................... 1
   Research Achievements and Results in 2012-13: Overview ................................................................. 1
   Dissemination of Research Findings .......................................................................................................... 1
   The Impact of CBR Research ..................................................................................................................... 3
   The Quality of CBR Research Outputs ....................................................................................................... 3
   Contributions to the Development of Research Capacity ......................................................................... 5
   A Note on the Organisation, History and Structure of the Centre ............................................................ 5
   Management structure ................................................................................................................................ 5
   History .......................................................................................................................................................... 5

2. PROJECT REPORTS .................................................................................................................................... 7
   Enterprise and Innovation Programme: Director Andy Cosh ................................................................. 7
   Survey and Database Unit ....................................................................................................................... 17
   Corporate Governance Programme: Director Simon Deakin ............................................................... 21

3. OUTPUTS .................................................................................................................................................. 26

4. STAFF .................................................................................................................................................... 58

5. VISITING FELLOWS .............................................................................................................................. 58

6. RESEARCH ASSOCIATES .................................................................................................................... 58

7. ADVISORY BOARD ............................................................................................................................... 60

8. COMMITTEE OF MANAGEMENT .......................................................................................................... 62

9. PERFORMANCE INDICATORS ................................................................................................................ 63
1. General Overview, Research and Dissemination Highlights

Introduction

The CBR conducts interdisciplinary research on enterprise, innovation and governance in contemporary market economies. Established in 1994, it is now one of the leading centres for social science research on economics, law and business in Europe, and has a growing global reputation. The Centre’s current areas of specialisation include the construction and analysis of large and complex datasets on SMEs and innovation, longitudinal analysis of legal and regulatory change affecting business firms, and fieldwork-based studies of corporate governance and organisational practice. The Centre has made a significant contribution to the development of research methods and theory in the analysis of law and finance. The Centre’s research is disseminated to and used by managers, policy-makers and regulators in numerous countries.

The CBR is located on the sixth floor of the Judge Business School building in the centre of Cambridge. It has links to several Cambridge University departments in addition to JBS, including Engineering and Law. The CBR’s Director is Simon Deakin (Professor of Law in the Faculty of Law) and its two assistant directors are Andy Cosh (Emeritus Reader in Economics in the Department of Engineering) and Michael Kitson (Senior Lecturer in International Macroeconomics in JBS). The Centre has a core staff of around a dozen researchers at postdoctoral and more senior levels and a small administrative team.

This report covers the activities of the CBR from the beginning of August 2012 to the end of July 2013.

Research Achievements and Results in 2012-13: Overview

2012-13 saw the maturing of several projects carried out under the auspices of the CBR’s major collaboration with Imperial College London, the UK Innovation Research Centre (UK^IRC). Results from work on the evidence base for innovation policy, innovation in services and open innovation appeared in leading journals, as did findings on the financing of innovation from the EU-funded FINNOV project. Journals featuring CBR research on enterprise and innovation in 2012-13 included Organization Science, Academy of Management Review, Research Policy and Industrial and Corporate Change. CBR research on macroeconomic modelling continued to shape the debate over UK economic performance in the wake of the global financial crisis. For the CBR’s corporate governance programme this was a transitional year, with work beginning on new projects on law and development in emerging markets.

Dissemination of Research Findings

Enhancing the Value of UK R&D

During 2012 the Enhancing Value Task Force, a collaborative venture between the Council for Industry and Higher Education (CIHE) and the UK^IRC, published five major reports on the landscape of R&D in the UK. Together these reports provide a definitive account of the current extent of R&D expenditure in the UK and on the uses made of the public research base. Among their key findings is research which shows that economic outcomes from publicly-funded R&D emerge only with long time lags. Outcomes are also highly skewed, with the most successful representing only a small proportion of total publicly funded research, while at the same time being heavily dependent on
investments across the university system. In addition, the research has pointed to the importance of collaboration across different firms and between the public and private sector in meeting the innovation needs of some of the UK major industries, including pharmaceuticals, energy, construction, and combined creative, media and IT sector.

**Delivering an Industrial Strategy for the UK**

In November 2012, UK-IRC Director Alan Hughes took part in a debate on the question, ‘Intervene or stand back – what should be the industrial strategy for the UK?’ at the Royal Society in London. Organised by the Foundation for Science and Technology, the debate took place before an audience of 140 guests with backgrounds across industry, Parliament, Whitehall and the research community. The other speakers were Sir John Parker, President of the Royal Academy of Engineering, and the Rt. Hon. David Willetts MP, Minister of State for Universities and Science.

**Explaining the UK’s ‘Productivity Puzzle’**

Research carried out in the CBR by Bill Martin and Bob Rowthorn has challenged the widely held view that UK economic growth is constrained by supply side factors including a permanent loss of productivity caused by the recession which began in 2008. Their work shows that the causes of weak productivity include real wage suppression and lack of effective demand. In 2013 they responded to critics who had argued that the UK economy was not in a position to respond to a demand-side stimulus through a careful analysis of the latest official data on changes in labour composition. Their work was cited in the British press (FT, Sunday Times, Observer, Guardian, The Economist, Prospect), by Paul Krugman in the New York Times, in the Bank of England’s Quarterly Bulletin, and by the IMF in its 2012 Article IV Report on the UK. UK officials were privately briefed.

**Examining the Dual Funding Structure for UK Research**

The Department for Business, Innovation and Skills (BIS) commissioned the CBR to carry out the most complete study yet of the UK system of dual research funding. UK university funding is provided through two routes: institutional block grants from the Funding Councils, which are based on quality assessment exercises (the latest of which is the Research Evaluation Framework or REF), and funding allocated by the Research Councils on the basis of competitive bidding. The CBR report, which appeared in May 2013, delineates the relationship between the different funding models, the research performance of universities, and their knowledge-exchange activities. The report contains a detailed statistical analysis of the pattern of the impact pathways of UK academics and analyses the constraints facing researchers seeking to engage with organisations outside a university setting.

**Rights for Shares: Will it Work?**

One of the most controversial employment law reforms of recent years is the ‘rights for shares’ scheme introduced by the Coalition government, which came into effect in the autumn of 2013. Under this arrangement, employees can waive the right to a redundancy payment and protection against most instances of unfair dismissal in return to receiving shares worth £2,000 or more in the company employing them. Writing a CBR blog in February 2013 which has since been extensively cited, Simon Deakin pointed out that the reforms ignored evidence from cross-national studies of a positive relationship between employment protection laws and innovation. CBR data showed that unfair dismissal protection was positively correlated with patenting by high-tech firms in a number of countries including the UK and USA. The major legal impediment to replicating Silicon Valley’s flexible labour market in the UK context lay in the judicial enforcement of garden-leave clauses and similar restrictive covenants, which remained unaddressed by the Coalition’s measures.
The Impact of CBR Research

CBR research has been used as the basis for Impact Case Studies which will be submitted by the Judge Business School (JBS) and Faculty of Law respectively as part of the current Research Evaluation Framework (REF) exercise.

Business and Management Impact Case Study: Innovation Policy and Technology Innovation Centres

Research at the CBR contributed to the 2010 Hauser Report, which advocated the establishment of Technology Innovation Centres in the UK, and played a central part in subsequent discussions which led to the announcement by the UK government in January 2011 of a £200 million programme to establish Catapult Centres (as they eventually became known) in areas including cell therapy, the digital economy, high value manufacturing and renewable energy. CBR research into university-industry links and the conditions for new firm formation and financing in the Cambridge region had earlier shown that private sector venture capital will typically not fund early-stage general purpose technologies because of uncertainty over final market applications and long-lead times. In addition, the CBR’s contribution to the work of the EPSRC-funded Integrated Knowledge Centre in Photonics and Electronics, coupled with fieldwork in a number of overseas countries, had highlighted the role of medium to long-term public funding in supporting the activities of successful intermediate technology and innovation centres. This CBR research was referred to several times in the Hauser Report and embodied in the government’s January 2011 announcement of the Catapult Centres. The CBR thereby helped to build the evidence base and consensus needed for one of the most important initiatives in UK innovation policy in recent years.

Law Impact Case Study: Empirical research on Labour Law, Economic Growth and Development

CBR-based research is being used by the International Labour Organization (ILO) to evaluate the advice it gives to countries on labour standards and labour law reform. Work carried out by Simon Deakin and his colleagues under the auspices of the ESRC-funded ‘Law, Finance and Development’ project led to the creation of new datasets measuring changes in company and labour law, which were then used in econometric analysis to analyse the economic impacts of legal change. The CBR’s approach to legal data coding (‘leximetrics’) was described by US Department of Labor report in 2011 as improving on the earlier World Bank approach to legal dataset construction in ‘several respects’, particularly by virtue of its ‘transparency’ and ‘specificity of legal analysis’. Simon Deakin, working with Shelley Marshall of Monash University, subsequently developed a methodology for evaluating the impact of labour laws on a range of developmental indicators, including employment, productivity and poverty, at country level. In 2011 this methodology was used by the ILO to analyse the effect of labour law reform programmes in Liberia, Nepal and Romania. The ILO review concluded that the CBR methodology made it possible to take a multidimensional view of the consequences of legal responses to economic crisis, which was ‘much richer in its approach... than any other’, and recommended its wider use in future by the ILO.

The Quality of CBR Research Outputs

The CBR aims to publish articles on a regular basis in leading or core journals in each of the disciplinary areas in which it carries out research (economics, innovation studies, geography, law, management, accounting, political science and sociology). Because of the uneven flow of research findings, it will not necessarily be possible to produce a large number of outputs in core journals in
every year. Our aim is to achieve a substantial number of high-quality outputs over the normal life of a project.
The Centre recognises that not all research outputs will be ideally suited to publication in article form. Thus outputs in the forms of books, book chapters, and governmental reports are also encouraged. The CBR also produces a Special Publications series focusing on evidence based policy reports and the outputs of public, commissioned evaluation reports. We aim to produce a balanced flow of research outputs of various kinds over the project life cycle.

The Centre does not make a REF submission in its own right. CBR outputs are credited to the university departments of the PIs and researchers concerned. In this way the Centre makes a direct contribution to the RAE/REF entries of departments within Cambridge and at other universities (as CBR-based researchers often go on to find employment elsewhere).

Since the start of the current REF cycle in 2008, CBR research has appeared, or is forthcoming, in the following highly-ranked journals (journals newly added in 2012-13 are italicised):

<table>
<thead>
<tr>
<th>Discipline</th>
<th>Journal</th>
</tr>
</thead>
<tbody>
<tr>
<td>Economics and Innovation Studies</td>
<td>Economic Journal; Economics Letters; Journal of Institutional and Theoretical Economics; Research Policy; The Journal of Technology Transfer; Small Business Economics; Accounting, Organizations and Society; Industrial and Corporate Change; Prometheus; Academy of Management Review; Sloan Management Review; California Management Review; Organization Science; Journal of Institutional Economics</td>
</tr>
<tr>
<td>Law and Industrial Relations</td>
<td>Journal of Empirical Legal Studies; Review of Law and Economics; Law and Society Review; American Journal of Comparative Law; Modern Law Review; Journal of Law and Society; British Journal of Industrial Relations; Socio-Economic Review; Comparative Labor Law and Policy Journal; Journal of Corporate Law Studies; Queen’s Law Journal</td>
</tr>
<tr>
<td>Political Science</td>
<td>Comparative Political Studies; Political Quarterly; New Political Economy</td>
</tr>
<tr>
<td>Economic Geography</td>
<td>Journal of Economic Geography; Regional Studies; Cambridge Journal of the Regions, Economy and Society</td>
</tr>
</tbody>
</table>
Contributions to the Development of Research Capacity

Research methods workshops

Simon Deakin has taught on research methods in the economics of law and company law at Doshisha University, Kyoto (January 2013), Antwerp University (March 2013), the European University Institute, Florence (March 2013), and Moscow State University (September 2013), as well as contributing to the Cambridge Law Faculty’s legal methods training course for Ph.D. students.

Ph.D. projects

CBR project leaders, co-investigators and research associates including Oliver Alexy, Andy Cosh, Simon Deakin, Alan Hughes, Andrew Johnston, Sue Konzelmann, Tim Minshall, Wanjiru Njoya and Ajit Singh supervised a wide range of Ph.D. projects related to their work for the Centre in 2012-13. Topics supervised included open innovation and clean energy; corporate social responsibility and the theory of the firm; a sectoral systems approach to innovation policy; corporate governance in emerging markets; product development and industrial cooperation; and entrepreneurship in the third world.

Destinations of post-doctoral researchers

In June 2013 Henry Lahr was appointed to a lectureship in management at the Open University.

A Note on the Organisation, History and Structure of the Centre

Organisation
The CBR has a Director, currently Simon Deakin (previously Alan Hughes), and two Assistant Directors, currently Andy Cosh and Michael Kitson.

Management structure
The CBR currently has two programmes of interdisciplinary research. The first, led by Andy Cosh, focuses on Enterprise and Innovation, the second, led by Simon Deakin, focuses on Corporate Governance. These programmes are supported by the Survey and Database Unit (led by Cosh) which provides expertise for survey based work and is responsible for the highly regarded biennial surveys of the UK small business sector, and the Policy Evaluation Unit (led by Cosh and Hughes) which specialises in evidence based policy evaluation linked to the core research programmes.

The Survey and Database Unit provides the CBR with a unique in-house integrated approach to the design and interpretation of complex large scale surveys in both the Corporate Governance and Enterprise & Innovation programmes. It has been associated with many of the CBR’s most distinctive contributions in terms of SME growth; innovation and financing; the international comparisons of innovation activity; and most recently the largest survey in the world to date covering the knowledge exchange activities of over 22,000 UK academics in all disciplines and UK Higher Education Institutions.

History
The contract between the ESRC and the University of Cambridge under which the CBR was established in 1994 specified a number of aims and objectives to be met by the Scientific Programme of the CBR.
Major advances were expected in these areas:

- the analysis of the interrelationships between management strategy, takeovers and business performance in an international competitive context;
- the analysis of the relationship between corporate governance structures, incentives systems, business performance and the regulatory and legal environment;
- the analysis of policy, entrepreneurial styles, innovation, finance, training and international activity and networking and cooperative activity in relation to the survival, growth and development of small and medium-sized firms.

It was expected that in making these advances, the CBR would make a significant contribution to the construction and analysis of large and complex datasets including survey and panel data.

In order to achieve the objectives set out above, the CBR was to carry out the following actions:

- conduct an interdisciplinary research programme in Business Research;
- construct and maintain survey and related databases necessary for the conduct of Business Research;
- mount a series of workshops and seminars in Business Research;
- produce and distribute a Working Paper Series to disseminate the results of the Centre’s research programme;
- maintain contact with researchers in the UK and abroad in cognate areas of research, and with potential users of the output of the Centre’s research, in designing and executing the Centre’s programme of research.

It was also expected that, in making these advances, the CBR would make significant contributions to the following areas: a) economics, b) human geography, c) management and business studies, and d) socio-legal studies.

In its final report as an ESRC-designated research centre (Report on Activities 2002-4), the CBR set out how it had achieved these objectives in the three years prior to the ending of core funding in December 2004. These objectives remained broadly relevant going forward. However, following the ending of core funding, the Centre’s management structure was reorganized to reflect a new focus on the twin themes of Enterprise and Innovation and Corporate Governance. These now correspond to the Centre’s two research programmes.

In 2009 the CBR and the Entrepreneurship and Innovation group at Imperial College London successfully bid for funds to establish a new UK Innovation Research Centre (UK~IRC), with Alan Hughes as Director, funded by the Economic and Social Research Council (ESRC), National Endowment for Science, Technology and the Arts (NESTA), the Department for Business Innovation and Skills (BIS) and the Technology Strategy Board (TSB). The research activities of the UK~IRC are presented within the Enterprise and Innovation programme section of the CBR Annual Report.
2. Project reports

Enterprise and Innovation Programme: Director Andy Cosh

The Enterprise and Innovation programme is concerned with enterprise and innovation and their links to productivity and firm growth. Amongst the principal objectives of this programme are the analysis of the innovative performance, financial and management characteristics, and location of smaller firms, and the design and evaluation of policies towards supporting innovation and entrepreneurship. This analysis has involved close interdisciplinary collaboration between CBR researchers in economics, geography, law and sociology; and has been strengthened by collaboration with other groups in the UK and abroad. One focus of our work is the financing of innovation and the difficulties faced by translating scientific advance into commercial success. Another focus of our work is the analysis of the role of collaboration and external knowledge sourcing in stimulating innovation in both SMEs and larger businesses.

A major new research area analyses the factors that affect the incidence, form, effectiveness and regional impact of knowledge exchange activities between the business and higher education sectors. It identifies the way these interactions vary across nations and regions. Knowledge exchange includes the full range of ways in which the business community and the higher education sector interact and which may affect business and regional economic development. These interactions include educational and training activities, research publications and patenting, conferences, contracting and consulting activity, internships, joint research and development and licensing and new business formation.

The third strand of the programme concerns the efficacy of public policy interventions aimed at improving innovation, productivity and growth. This work includes an evaluation of the role of services in the economy and the structural balance of the UK economy. The modelling is used to assess policy and to provide scenarios for different policy interventions.

Evidence Base for Innovation Policy (UK~IRC)

Project team: Alan Hughes (Cambridge), David Connell (Cambridge), Michael Kitson (Cambridge), Stan Metcalfe (Cambridge), Andrea Mina (Cambridge), Jocelyn Probert (Cambridge), Ammon Salter (Imperial), Keith Smith (Imperial), Henry Lahr (Cambridge), Elif Bascavusoglu-Moreau (Cambridge)
Project dates: 2009-2014
Funding: ESRC, NESTA, BIS, TSB

This project draws on inputs by senior academics associated with the UK~IRC programme and other academics and policy makers taking part in the research process. Its objectives are to identify the principal channels by which the evidence base on innovation informs public policy in its national comparative context. Substantive work began in the second full year of funding. It is intended to run throughout the life of the UK~IRC. It has begun with a series of seminars and discussions with senior policy makers in the UK which has been linked with a number of knowledge hub events and with the establishment of a collaborative arrangement with the Centre for Science and Policy (CSaP) at Cambridge.

Additional funding was received from UK~IRC sponsors in 2013 to augment the research stream on the development of evidence-based policy. This will support a critical assessment of the nature of the use of empirical evidence in the development of innovation support in three policy domains. In a sample of countries to be chosen from UK, USA, Finland, Norway, Denmark, Sweden, France,
Germany, Japan, Korea and Australia and with the OECD Innovation Policy Secretariat. These policy domains are: Public Sector Research Organisations; Intermediate Technology Centres; Funddding for High Technology Businesses

The project has worked in collaboration with three other projects funded respectively by the EPSRC and the DIME EU Network to fund for fieldwork which has been carried out in the USA and Japan and has involved a series of case study interviews with key policy makers and intermediaries involved in the policy development process. In addition funding from EPSRC, BP and the Council for industry and Higher Education (CIHE) and through the IKC project has led to a substantial project on enhancing the Value of UK R&D The final outputs of the evidence based policy project will be a series of papers in the evidence base for policy past, present and future. Important intermediate inputs involve the development of a series of seminars for UK policy makers drawing together not only the insights arising from this stream of research itself, but from the wider innovation policy research base in the UK. Four publications based on the work on Enhancing the Value of UK R&D project have been published.

The first explored the UK R&D landscape (Hughes and Mina, 2011) through an analysis of official statistical sources on R&D activities. It found that despite increases in investment in higher education research, there is an R&D funding gap between the UK and its major industrial competitors. Furthermore, R&D is highly concentrated in the UK’s biggest firms with only 3.5% of R&D being conducted by independent SMEs in 2011. Finally, the UK innovation system is simultaneously open and vulnerable: overseas investment in UK R&D is very high by international standards, a clear sign of the attractiveness of the UK as a location for R&D, but this openness also means that the country is relatively vulnerable to strategic investment decisions made outside the UK.

The second report (Hughes and Martin, 2012) reviewed and discussed existing evidence on the impact of publicly-funded R&D on the UK’s economy, firms and society. It established that quantification is exceptionally difficult and attempts to reduce multiple inputs to a single rate of return often require heroic assumptions. Secondly, that successful public-sector impact most often relies on complementary private and charitable sector investment. And finally that policy must be shaped by a systems view of impact, rather than by a simple linear model. Rate of return calculations provide little policy guidance and intermediate and trajectory-based measures must be developed that focus on the interactions within the innovation system.

The third report (Mina and Probert, 2012) provided a wealth of original qualitative evidence on the interaction between companies and the UK public research base. Its aim was to highlight strengths and weaknesses, and challenges and opportunities for UK plc., by focusing on the innovation value chains of four sectors of the economy that are characterised by different patterns of R&D and innovation. These are the pharmaceutical, energy, creative-digital-IT (CDIT) and construction sectors. (http://www.cihe.co.uk/category/knowledge/publications/)

The fourth (Doherty, Hughes, Eyton and Pearce 2012) provided an overview of the findings of the previous publications.
The achievements to date are:

- Established collaborative arrangement with CSaP to host a series of business and policy practitioners to visit UK-IRC and establish potential contacts.
- Co-hosted with CSaP a senior UK policy forum on systems approaches to the development of policy attended by representatives of BIS, DEFRA, Ministry of Defence and National Health trusts.
- Held a one-day seminar for BIS on key aspects of evidence from innovation studies research relevant to the current UK innovation review in progress.
- Conducted interviews in USA and Japan with key policy practitioners, university leaders and intermediate research institutions.
- Held an innovation summit to draw together public sector, research councils’, charitable organisations’ attitudes towards the assessment of impact and the experience of impact assessment in the USA.
- Launched the joint CIHE/CBR Task Force on the Impact of UK R&D resulting in the four reports described above.
- Held a Chatham House Rule event with senior civil servants on the development of policy towards public sector research organisations.

<table>
<thead>
<tr>
<th>Outputs for Evidence Base for Innovation Policy (UK-IRC)</th>
<th>Articles in refereed Journals</th>
<th>Chapters in Books</th>
<th>Books</th>
<th>Membership of Committees external to the University</th>
<th>Consultancy advice given</th>
<th>MPhil &amp; PhD students supervised</th>
<th>Visitors (UK &amp; Overseas)</th>
<th>Collaboration with other research teams</th>
<th>Other publications</th>
<th>Conferences attended</th>
<th>Working Papers</th>
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Funding:
Fabrizio Lee,
Collaborating design
This realised The scientific Markets
or Project (SME)
Cambridge September
10
SME Working
Chapters Outputs
FINNOV
innovative between
1
prestigious
Project leaders: Alan Hughes and Andy Cosh
Other Principal Investigators and Associates: Anna Bullock, Bob Bennett, Xiaolan Fu (Oxford), Jaeho Lee, Vadim Grinevich, Ana Siqueira, Douglas Cumming (York University, Ontario), Isobel Milner, Fabrizio Trau (Italian Confederation of Industry), Yoshifumi Nakata (ITEC, Doshisha University)
Funding: ESRC; AIST, Japan; various other shorter term funds and contract research grants
Project Dates: Ongoing
This project is concerned with developing and testing models of small and medium sized enterprise (SME) performance and its determinants, with policy analysis and with methods of complex survey design and analysis necessary to investigate models of business performance. Performance includes innovative activity and export activity, as well as growth, profitability and survival. Determinants include internal management and organisational characteristics, the strategic behaviour of managers including strategies of co-operation and collaboration, as well as external environmental factors, including financial, labour and product market constraints. The project is concerned with policy
evaluation and evaluation methodology, and with the comparison of the performance characteristics of different groups of firms including high-technology and conventional businesses. The project develops and utilises appropriate databases for these purposes including, in particular, the complex panel survey data generated by the CBR biennial survey of SMEs. This survey is carried out by the project leaders and managed by Anna Bullock via the CBR Survey and Database Unit. The project is also concerned with the development of appropriate survey instruments for performance measurement and analysis. It also draws on the results of a complementary project on methods of missing data imputation (Missing Observations in Survey Data: An Experimental Approach) to enhance the usefulness of performance survey datasets. The econometric analysis undertaken is characterised by the development and use of appropriate multivariate techniques including sample selection modeling and robust regression methods. Careful account is taken of the extreme heterogeneity of SME performance and the endemic sample attrition and self-selection biases which can arise in complex panel data analysis. In addition the project produces rigorous but user friendly presentations of key survey results in the biennial publication of reports based on the CBR SME survey, as well as custom designed articles for practitioner journals. Use is also made of complementary case study and qualitative analytical techniques, and of interview based piloting of alternative survey instruments to assist in complex survey design.

**CBR SME Survey 2011**

The CBR has carried out surveys of British SMEs in 1991, 1993, 1995, 1997, 1999, 2002, 2004 and 2008 and has created several panels of firms. This rich material has led to several publications relating to training, management practices, innovation, business advice and finance; and their impacts on firm performance. The last study was carried out in November 2008 at the onset of the credit crunch recession and compared how SMEs were faring in raising finance compared with both 2004 and the previous recession of 1991. The 2011 survey has resulted in over 1900 responses, the analysis of which has recently begun. One important part of this analysis is to explore the financing of SMEs three years into the recession. Another important novel aspect of this survey is an in-depth exploration of family businesses.

Recent SME surveys using the CBR survey instrument have been carried out in Australia and New Zealand; and are under way in Korea and Japan. Teams from the CBR, Australia, New Zealand and Japan are currently engaged in the analysis of these rich data. The next meeting of the group will be in Kyoto in December 2013.

**New Modes of Innovation: Managerial and Strategic Business Practices and Open Innovation (UK-IRC)**

Principal Investigators: Andy Cosh, Joanne Zhang, Alan Hughes, Michael Kitson, Tim Minshall, Letizia Mortara, Andrea Mina, Elif Bascavusoglu-Moreau (Cambridge), Amnon Salter (Imperial / Bath), Oliver Alexy (Imperial / TUM School of Management), Gerald Avison, Chas Sims (Business)

Project dates: 2009-2014

Funding: ESRC, NESTA, BIS, TSB

The growing interest in open innovation has been driven by the phenomenon where organisations are increasingly moving toward network-based forms of innovation, sourcing ideas through licensing agreements, formal alliances and mergers and acquisitions and the use of a wide variety of sources of knowledge for innovation. Although attempts to examine open innovation using the UK innovation survey have made some progress, we still lack in-depth data at the sectoral level and a
clear theoretical understanding of how firms build capabilities to be open and how they can successfully integrate external actors into their innovation processes.

In order to deepen and extend our existing knowledge on the nature and extent of open innovation among UK firms, this project aims to shed light on the organizational mechanisms and capabilities as well as institutional arrangements that are required to foster effective open innovation. In particular, it addresses three questions:

- How do patterns of usage of OI practices vary across firms, sectors and sizes?
- What are the factors driving the firms’ usage of OI practices?
- How does the firms’ usage of OI practices affect their innovativeness and performance?

Following the publication of the study of large companies ‘How to implement open innovation’ by Tim Minshall, Letizia Mortara and others, it was decided to explore open innovation practices amongst smaller firms. Our ‘open innovation’ survey among UK firms with up to 999 employees, covering both manufacturing and business services sectors in 2010 resulted in 1202 completed returns. The full report ‘Open innovation choices: what is British enterprise doing?’ was published in June 2011.

Since that time we have actively engaged in academic, policymaker and practitioner communities to discuss and disseminate our research. Our work has examined, inter alia, open innovation practices in services compared with services in both the UK and USA; managing asymmetric relationships in open innovation; how firms learn selective revealing in OI; the implications of moving from closed to open innovation; managing unsolicited ideas in R&D; how to effectively combine inbound and outbound innovation; how young firms fare in an open innovation system; and the effectiveness of OI in family firms. We have had papers accepted for publication in leading outlets, including Academy of Management Review, Journal of Management Studies, Research Policy and California Management Review. In June 2012 the UK~IRC co-sponsored the Open Innovation: New Insights and Evidence Conference with the Garwood Centre of Corporate Innovation at University of California at Berkeley to develop a related special issue of Research Policy.

Our UK~IRC PhD student, Nelli Theyel, has had a paper accepted for the Best Paper Proceedings of the Academy of Management conference and another paper on open innovation through the value chain published in the special issue of the International Small Business Journal on ‘Open Innovation in SMEs: An International Perspective on a Dynamic Approach to Contemporary Entrepreneurship’. She has now submitted her dissertation.

The Open Innovation project concluded its funded research project in October 2012 but results from the project are being developed into further papers and a variety of case studies including open innovation practices in energy companies, the practices of technology consultancies and the link between geography and small firm innovativeness.
### Outputs for New Modes of Innovation: Managerial and Strategic Business Practices and Open Innovation (UK~IRC)

<table>
<thead>
<tr>
<th>Articles in refereed Journals</th>
<th>Conferences attended</th>
<th>Working Papers</th>
<th>Chapters in books</th>
<th>Workshops held/attended</th>
<th>Conference papers given</th>
<th>Consultancy and advice given</th>
<th>Mphil &amp; PhD Students supervised</th>
<th>Collaboration with other research teams and membership of research networks</th>
<th>Media</th>
<th>Visitors</th>
<th>Membership of committee external to the university</th>
<th>Other publications</th>
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### Services Innovation and Innovative Performances at the Sector Level in Business Services (UK~IRC funded project)

Project leader: Bruce Tether (Manchester)
Project Director: Alan Hughes
Project Investigators: Elif Bascavusoglu-Moreau, Andrea Mina, Bruce Tether
Other Principal Investigators: Alan Hughes, Stan Metcalfe, Ken Coutts, Bill Martin, Bob Rowthorn (Cambridge)
Project dates: 2009-2014
Funding: ESRC, NESTA, BIS, TSB

This UK~IRC project is concerned with innovation and performance in services, and especially business services. The research programme includes analyses of firm behaviours, sectoral landscapes and the macro environment. The CBR/Imperial College team has so far achieved important milestones. The team has gathered and analysed new and original micro-data of important groups of under-researched professional services, including design, architecture and engineering businesses. This stream of research is leading to a number of papers, including one published in the Journal of Economic Geography and two close to submission to leading journals.

The team has also explored the bespoke UK~IRC Open Innovation Survey to explore the differences between manufacturing and services sectors in their use of external knowledge and its
consequences. This research has led to a forthcoming paper in a special issue of Research Policy on ‘Open Innovation: New Insights and Evidence’ which celebrates the 10-year anniversary of Henry Chesbrough’s seminal book. An extension of this work was also presented at the 2013 Academy of Management Conference, where it was selected for the Best Paper Proceedings.

Progress on the macro component of the project includes the two UK~IRC Working papers by Bill Martin and Bob Rowthorn, ‘Is the British economy supply constrained I and Il? in 2011 and 2012, the CBR Working paper by Ken Coutts and Bob Rowthorn ‘Prospects for the UK Balance of Payments’ and the report Rebalancing the British Economy: A strategic assessment by Bill Martin. It is reported separately below.

The academic dissemination strategy has been associated with direct involvement with practitioners. The team undertook an analysis of the design industry for the Design Council and the Department of Business Innovation and Skills which was well received. They have continued to work with the Architects’ Journal and New Civil Engineer to gain access to additional unique data on professional services in return for some analysis of this data. Work is also in progress to analyse the dynamics of structural change associated with the growth of services, and business services in particular, in the UK economy. The project also extended its analysis of the relationship between service and manufacturing activities in firms and the growth of servitisation strategies.

In the past year, the UK~IRC work on Services was presented at numerous invited seminars, workshops and international conferences, including: the DRUID 2013 at ESADE Business School in Barcelona; the 2013 Academy of Management Annual Meeting in Orlando, Florida, the 2013 R&D Management Conference, Manchester, the British Academy of Management Conference, Liverpool; and 2013 EURAM Annual Conference, Istanbul. Furthermore, we have provided expert advice – Bruce Tether acted as a rapporteur for the OECD project on innovation in services (Paris, December, 2012), and as an discussant for the European Commission funded project developing the European Service Innovation Scoreboard (September, 2013).

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<th>Outputs for Innovation and Performance in Business Services (UK~IRC funded project)</th>
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<tr>
<td>Working Papers</td>
<td>125 126 127 146 147</td>
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<td>Conference papers given</td>
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<td>consultancy and advice given (paid or unpaid)</td>
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<td>Conferences attended</td>
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<tr>
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<td>179 180 181 182</td>
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<tr>
<td>Collaboration with other research teams</td>
<td>185</td>
</tr>
<tr>
<td>Membership of committees external to the University</td>
<td>357 358 359 360 361</td>
</tr>
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</table>
Development of a Stock-Flow Consistent UK Macroeconomic Model for Policy Analysis

Project leader: Bill Martin
Project team: Ken Coutts, Graham Gudgin, Bob Rowthorn
Project dates: ongoing

This work, which is part of the macro component of the UK~IRC Business Services project, follows in the tradition of stock-flow modelling pioneered by the late Professor Wynne Godley. The research is not publicly funded. The modelling is used to inform strategic macroeconomic policy analysis of the UK economy. The work also provides a top-down perspective relevant and complementary to research on the balance of payments, led by Ken Coutts and Bob Rowthorn as part of the Services project.

Since joining CBR in 2007, Bill Martin has written papers on the development of historical sector national accounts statistics, the theory of optimal policy using a stock-flow consistent model, and the econometric stability of a UK private expenditure function. He has constructed a simple macro model, which was used to develop scenarios in a policy-orientated report in 2010 focussed on the strategic challenges facing the UK. The report, published under the joint CBR UK~IRC imprint, received widespread press coverage. Bill Martin was invited to present his views to HM Treasury economists, to a BIS-ESRC seminar on the Government’s proposed White Paper on growth, to a private seminar organised by the Deputy Prime Minister, and to a seminar organised by Professor Arestis at St Catharine’s College, Cambridge.

In July 2011, Bill Martin’s second strategic report examined the proposition that the British economy was supply constrained. The report gave a detailed critique of the view, widely held in policy circles, that the economy had suffered a permanent loss of productivity. The analysis received widespread press coverage and prompted requests for additional briefing from economists at the Bank of England and BIS. The report also highlighted the role played by business services and banks during the downturn, analysis that feeds naturally into the UK~IRC funded investigation of the changing input-output structure of the economy, as part of the Services project.

In May 2012, Bill Martin and Bob Rowthorn co-authored a sequel to Bill Martin’s 2011 report, addressing criticisms of the earlier analysis and new arguments put forward by productivity pessimists. The sequel received widespread coverage in the UK and in the US – in addition to citations in major British papers (FT, Sunday Times, Observer, Guardian), magazines (The Economist, Prospect) and the Bank of England’s Quarterly Bulletin, the study was cited by Paul Krugman in the New York Times and by the IMF in its 2012 Article IV Report on the UK. UK officials were privately briefed.

In July 2013, Bill Martin and Bob Rowthorn responded to a critique of their 2012 study, written by Goodridge, Haskel and Wallis, and re-emphasised the importance of effective demand failure and associated real wage submissiveness as key drivers of the UK economy’s productivity shortfall. Martin and Rowthorn also commented sceptically on the evidence offered in support of GHW’s alternative explanations of the productivity puzzle that stressed the role of intangible investment.

Forecasting and Policy Simulation Models for the UK Economy

This work by Graham Gudgin and Ken Coutts is developing econometric models of the UK macro-economies and Balance of payments in order to assess the consequences of current economic policies and run scenarios for key policy options. The initial policies being investigated include fiscal and monetary stimuli aimed at reducing unemployment, and the future of manufacturing in the UK.
<table>
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<th>Outputs for Development of a stock-flow consistent UK macroeconomic model for policy analysis</th>
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<tr>
<td>Other Publications, e.g book reviews, pamphlets</td>
<td>170 171</td>
</tr>
</tbody>
</table>
Survey and Database Unit

Project Leader: Andy Cosh  
Survey and Database Manager: Anna Bullock  
Survey and Database Assistant: Isobel Milner  
Funding: ESRC, various other shorter term funds and contract research grants  
Period: ongoing

Aims and Objectives

- To ensure the efficient design, management and costing of CBR project surveys including the CBR biennial survey of small and medium sized enterprises.
- To advise on questionnaire design, survey method, choice of sampling frames, and data inputting and cleaning procedures in CBR project surveys.
- To advise on statistical software use with CBR datasets.
- To archive data at CBR, and where appropriate organise the deposit of ESRC sponsored datasets with the UK Data Archive at Essex.
- To act as a technical advisor to other members of the CBR on the contents of and access to proprietary and official data sets, a great number (e.g. FAME, Datastream, ONS) of which are utilised by CBR staff.
- To oversee the continuing upgrading of the CBR User Database, so as to ensure that it becomes a central part of the new dissemination and communications strategy.

During the year 2012-13, the unit has been involved with a number of projects described below.

**Survey of Small and Medium Sized Firms**

Outputs on the 2011 CBR survey included a draft interim report focusing on Family business and business succession. A matched sample analysis that compared the 1991, 1997, 2004 and 2011 CBR surveys was also undertaken. This looked at SME performance in terms of growth, profitability, exporting and innovative activity.

**Funding Models, Research Performance and the Effects of the UK National Science System**

The project reported on a comparison of the impact of different funding routes for public support of research in the UK, and included an analysis of the distribution of funding streams across the dual support system in the UK and of the relationship between the institutional receipt of such funding and the pathways to impact followed by individual academics in the UK. The team carried out the following tasks on this project:

- Analysis was carried out on the pivot table of data from the Higher Education Statistics Agency (HESA) on the total research income of UK universities for the years 2002-3 to 2010-11 by subject code (cost centres) and the Quality Related (QR) allocation of research funds arising from the Research Assessment exercise (RAEs) of 2001 and 2008.
- Data on grant funding and RAE score were linked to the CBR’s academic survey.
- Finally the academic survey was analysed by disciplines by grant status and RAE score

Draft versions of the final report were prepared in July and October 2012 with an Executive Summary produced in February 2013 and the final report in May.

**The Connectivity of the Arts and Humanities: New Analysis of Missing Links**

This research examines the role of the arts and humanities in the UK economy. It provides evidence on the connectivity of the arts and humanities, enhancing our understanding of knowledge exchange, the Creative Economy and cultural capital. There is significant evidence that academics
from the arts and humanities in the UK are engaged in a wide range of interactions with a wide range of partners. In general, this does not take the form of technology transfer, but through other mechanisms which include people-based, problem-solving and community-orientated activities.

The second module of this work involved a web survey of cultural organisations. This involved designing the questionnaire for the study, liaising with various umbrella organisations to invite their contacts to complete the survey, as well as creating another list of cultural organisations that were contacted directly by post. In all, 279 responses were collected and the team carried out the analysis for the final report in July 2013.

**UK~IRC and CIHE Task Force: Enhancing Value: getting the most out of UK Research**

The team produced ranked tables for each HESA funding source and Quality Research allocation for health and the biological sciences; further analysis of the academic survey data linked with HEI income split into top 10% vs. rest; and ranking of R&D expenditure from R&D scoreboard.

**The Knowledge Hub (UK~IRC)**

The team carried out a second feedback survey on the impact of the UK~IRC's knowledge hub activities, which was conducted as a web survey. The questions covered the following sections: UK~IRC Events; Post Event Contact; UK~IRC Future Developments; UK~IRC Website; UK~IRC Newsletter & other e-communication; and Demographics. The results were also compared with the survey carried out in the previous year.

**Evidence on the value of Non-Hypothecated Public Funding for Research**

This project for HEFCE is a collaboration with PACEC looking at the outputs of non-hypothecated HEI research funding and how HEIs use this funding and maximise its value. It looks at HESA research income and Funding Council quality related funding. This involved using the database of HEI income prepared for the BIS report as well as the CBR’s Academic survey data. Databases used for this project include:

- A database of HESA and Funding Council data created by combining cross-sectional annual data from HESA on Research income by type for the years 2001/2 to 2011/12 by institution and cost centre and QR funding data by institution and Unit of Assessment (UOA) by year using Funding Council Sources. Subject areas from these two sources were combined to allow comparison with the CBR’s Academic Survey. Academic staff FTE data by CBR subject code and institution produced by HESA for the years 2005/6 to 2010/11 was added to the dataset.
- A database at institutional level containing various income sources and output data from the HE-BCI survey for the years 2003/4 to 2011/12.

Ranked tables for each HESA funding source, QR allocation and income generated from Collaborative Research, Contract Research, Intellectual Property etc. were produced and a draft interim report was submitted to HEFCE in May 2013.

**New Modes of Innovation: Managerial and Strategic Business Practices and Open Innovation (UK~IRC)**

In order to be able to check for any significant differences in terms of patenting between respondents and non-respondents to the Open Innovation survey we were asked to draw a random
sample of 600 non-respondents from the main Open Innovation survey sample, stratified by size (to the survey response). The sample will be linked to patent records and will be done by UK-IRC (Ammon Salter).

<table>
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<tr>
<th>Outputs for Survey &amp; Database Unit</th>
<th>Surveys</th>
<th>Research Reports</th>
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<td>183 184</td>
<td>113 114 115 116 117 118</td>
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<tr>
<td>Datasets created, Software written</td>
<td>176 177 178</td>
<td>Training courses</td>
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<td></td>
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<td>465</td>
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**Knowledge Exchange between Arts and Humanities and the Private, Public and Third Sectors: A Comparative Perspective; The Connectivity of the Arts and Humanities: New Analysis of Missing Links**

Project leaders: Alan Hughes and Michael Kitson  
Senior Research Fellow: Jocelyn Probert  
Analysts: Anna Bullock and Isobel Milner  
Project dates: 2011-13  
Funding: Arts and Humanities Research Council

An earlier research project funded by the ESRC identified the factors that affect the incidence, form, effectiveness and regional impact of knowledge exchange activities between the business and higher education sectors in the UK. It identified the way these interactions vary across UK regions and within those regions. Knowledge exchange includes the full range of ways in which the business community and the higher education sector interact and which may affect business and regional economic development. These interactions include educational and training activities, research publications and patenting, conferences, contracting and consulting activity, internships, joint research and development and licensing and new business formation. The ESRC end of award evaluation rated the research project as ‘outstanding’ and the success of the research led to related research projects funded by the AHRC.

This first of these was carried out in 2011 and analysed the pattern, scope and impact of interactions between academics in the Arts & Humanities with external organisations in the private, public and third sectors. The research used the datasets created for the project ‘University-Industry Knowledge Exchange: demand pull, supply push and the public space role of higher education institutions’ to provide a detailed and comprehensive picture of such interactions in the UK and evaluates them in a comparative context with other disciplines. The research was based on three sources of data: first, the CBR survey of over 22,000 academics; second, the CBR survey of over 2,000 business enterprises in all sectors of the UK economy; third, a series of case studies of interactions between academics from the Arts and Humanities with other organizations. The academic survey contains details of the interactions and characteristics of 3,650 academics from the Arts and Humanities. The enterprise survey contains information on the range of interactions between the business community and the university sector, including an identification of interactions with different disciplines, including the Arts and Humanities. The case studies comprise an analysis of 33 interactions between academics from the Arts and Humanities with other organizations.

The report, the largest study of its kind to focus on the arts and humanities, reveals several key findings: the arts and humanities are highly connected within the UK economy; they have significant
links to the private sector; the academic benefits of knowledge exchange; benefits to students and the issues surrounding knowledge exchange.

The report enhances the AHRC’s understanding of the challenges and opportunities in knowledge exchange. It builds on and reinforces the work that the AHRC has undertaken in this important area and it will allow the AHRC to develop appropriate, evidence-based funding models and guidance.

*The Connectivity of the Arts and Humanities: New Analysis of Missing Links*

The success of earlier projects for the ESRC and the AHRC project above led to further funding for new work. The earlier work and other work with the CIHE Enhancing Value Taskforce (see below) culminated recently in the publication of ‘Growing Value: Business-University Collaboration for the 21st Century’. The extension to this research examines the role of the arts and humanities in the UK economy. It provides evidence on the connectivity of the arts and humanities, enhancing our understanding of knowledge exchange, the Creative Economy and cultural capital. This brings the multiple connections of the Creative Economy - between arts and humanities research, cultural institutions and the creative industries - into one study. A final report was sent to AHRC in summer 2013. It was based on case studies of Bradford, Leeds, Ipswich and Norwich and the results of a survey of public sector cultural organisations. It is expected that AHRC will publish a summary report in autumn 2013.
Corporate Governance Programme: Director Simon Deakin

The Corporate Governance programme carries out a range of basic and applied research projects on issues affecting the governance, management and regulation of companies, including board structure, executive pay, hostile takeovers, shareholder activism, socially responsible investment, corporate insolvency, inter-firm contracting, worker participation, employment protection, and labour standards regulation. Under the aegis of the programme, researchers have provided advice and research support to a number of policy initiatives in the UK and overseas, including the DTI-sponsored review of UK company law which culminated in the passage of the Companies Act 2006, the EU’s consideration of options for the reform of working time regulation, and ILO work on labour standards in developing countries. The programme has contributed to advances in methods of data collection and statistical analysis in the study of the relationship between law and finance, and to theoretical developments in the field of evolutionary law and economics. Funding has come from, inter alia, the ESRC, the EU, and the UK and Japanese governments.

During 2012-13, projects on the legal framework for innovation and on law and finance in emerging markets was completed, and work on two new major ESRC-funded projects, on labour law and poverty alleviation and law and finance in ‘rising powers’ respectively, was begun.

Law and Finance in Emerging Markets

Project dates: 2011-12
Funding: Legal Research Institute

This project had the following aims:

1. To analyse how far law and legal institutions can promote economic growth in the BRICS countries (‘rising powers’) and other emerging markets.
2. To analyse processes of legal and institutional reform in relation to financial markets and corporate governance in transition systems and emerging markets.
3. To identify how far under-development of formal legal institutions is posing a barrier to future growth in transition systems and emerging markets.

The transition of former socialist countries to market-based forms of economic ordering over the past two decades provides an unprecedented opportunity to study the relationship between legal institutions and economic development. In the early 1990s there was a broad consensus among economists that legal institutions had played a critical role in fostering economic growth in the west, and would do so in future in transition systems and other emerging markets. Two decades on, transition systems have, in varying degrees, been adapted to the model of the market economy which policy-makers envisaged for them. The nature of the transition they are undergoing nevertheless remains unclear in a number of respects. In particular there is uncertainty over how far the legal system has achieved autonomy from the political sphere and from economic interests. More generally, the quality of legal institutions remains a matter for concern. If the assumptions which drove policy-making in the 1990s are correct, the legal system should become more effective over time, as an outcome of sustained economic growth. An alternative scenario is one in which legal institutions remain limited in their capacity to support market relations, thereby constraining economic development.
The work of this project consisted of a review of relevant secondary sources on the role of law in promoting economic development in emerging markets and an analysis of relevant law reform initiatives. Two research papers were prepared by Simon Deakin and John Hamilton. The first of these looked at the role of law in Russia’s transition to a market economy in the 1990s, using an historical perspective on the evolution of Russian and Soviet law (Hamilton and Deakin, 2013a). The second paper examined the theoretical and empirical basis of the idea of ‘legal origin’ in the context of Russian systems (Hamilton and Deakin, 2013b).

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<th>Outputs for Law and Finance in Emerging Markets</th>
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<td>Working Papers</td>
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<td>135 136</td>
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**Law, Development and Finance in Rising Powers**


Project dates: 2013-15
Funding: ESRC (Rising Powers Programme)

The aim of this project is to examine the role of law in economic development in the ‘rising powers’ of China, Russia, India and Brazil. The work will analyse to what extent the quality of legal and other formal institutions has affected financial development and economic growth in these countries, and whether reliance on informal institutions poses an obstacle to their future growth. The project involves collaboration between the CBR and a number of partner institutions, and is supported by the law firm Clifford Chance.

For over a decade, with the encouragement of the World Bank and western governments, developing countries have adopted programmes of legal and financial reform combining privatisation of state-owned banks and enterprises with the enactment of enhanced legal protections for shareholders and creditors. According to some accounts, China’s recent experience demonstrates the value of a developing legal framework in overcoming limits to growth in an informal, trust-based economy, while Russia is actively seeking to put in place the necessary legal and regulatory structures for market-based financial development. In Brazil, the example of the Novo Mercado, a new stock market segment which has attracted a large number of high-tech IPOs, suggests that a strategy of allowing firms to opt into a shareholder-rights based regulatory regime can work in promoting flows of equity finance in an emerging market context. In India, too, there is some evidence that recent corporate governance reforms have led to greater transparency on the part of listed firms and to increased investor confidence, although critics of the reform process argue that it has not gone far enough. The picture emerging from these experiences is one in which formal and informal institutions do not necessarily operate in tension. Rather, they may complement each other in providing the foundations for sustainable economic growth and societal development.

The project will research these issues using employ an inter-disciplinary, multi-methods approach, combining quantitative analysis of the extent and nature of correlations between legal and financial development in the countries under review, with qualitative, fieldwork-based research aimed at
building up a detailed, micro-institutional account of the perceptions and strategies of actors involved in legal and financial reforms. We will make use of legal and financial datasets to carry out time-series and panel data analysis capable of specifying causal links between legal institutions and economic development in the rising powers and, by way of comparison, in a wider sample of developed and developing countries with over 30 annual observations per country. The fieldwork will focus on the role played in each country by the banking sector and capital markets as alternative (or possibly complementary) sources of finance for firms; on how government reconciles or combines its continuing role as owner of financial and industrial enterprise with its emerging role as regulator of banks and securities markets; and on how firms meet their financing needs.

Data collection for legal datasets was begun in the spring of 2013 and a first round of interviews was carried out in Russia in the summer of 2013. It is too soon to report substantive results from the data analysis or fieldwork.

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<th>Outputs for Law Development and Finance in Rising Powers</th>
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<tr>
<td>Articles in refereed Journals</td>
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<td>Working Papers</td>
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<td>Conference papers given</td>
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<td>Other Publications, e.g. book reviews, pamphlets</td>
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<td>Mphil &amp; PhD Students supervised</td>
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<td>User contacts</td>
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<td>Membership of committees external to the University</td>
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The Legal Framework Governing Business Firms and its Implications for Manufacturing Scale and Performance: The UK Experience in International Perspective

Project leader: Simon Deakin
Project dates: 2012-13
Funding: UK government Foresight programme

This project was carried out for the Review of Manufacturing being undertaken under the auspices of the UK government’s Foresight Programme. The aim was to survey and assess the literature on the role of the legal framework governing business firms, with specific reference to its impact on innovation.

The report identified two models of legal support for manufacturing: on the one hand, the Silicon Valley model of VC-funded growth which depends on liquid capital markets and flexible labour markets; and, on the other, the northern European and Japanese model, which is based on long-term innovation, stable ownership, and institutionalised worker-management cooperation. The UK
has some of the legal features of the Silicon Valley model, but important parts are missing: for example, the Californian rule under which post-employment restraints (‘restrictive covenants’) are void on the grounds of their anti-competitive effects has no equivalent in the UK. Conversely, although the UK has certain elements of the northern European or east Asian model of institutionalised corporate governance, it is unlikely to be able to replicate the ‘productive coalition’ approach of these countries as long as the legal framework prioritises shareholder rights and the market for corporate control, and provides limited encouragement for job security.

The report concluded that the Silicon Valley and ‘productive coalition’ models are ideal types which can distract from the fact that most countries, the UK included, are hybrid systems with some of the characteristics of each model. Rather than designing laws and policies exclusively with one model or the other in mind, it may be preferable to consider specific laws and policies on their own merits, while bearing in mind that a given legal rule or policy does not operate in isolation from others and that there may be some ‘network effects’ in operation due to the way that particular rules interact.

Bearing these points in mind, the empirical evidence presented in this review suggested that there is a case for looking again at the way that the legal framework of corporate governance affects innovation and manufacturing more widely. The weight of the empirical evidence is that the current legal framework in the UK is a deterrent to certain types of innovative activity, namely those involving complementary investments in knowledge-based technologies and firm-specific human capital which generate returns over an extended time horizon. Over the past thirty years there have been very few cases of British firms attaining preeminence in global competition in high-technology manufacturing industries requiring complementary investments of this kind. A shift in the UK legal framework away from the current emphasis on prioritising liquid capital markets and flexible labour markets, in favour of a ‘productive coalition’ approach to corporate governance, could help build a larger and more sustainable manufacturing sector going forward.

| Outputs for The Legal Framework Governing Business Firms and its Implications for Manufacturing Scale and Performance: The UK Experience in International Perspective |
| Working Papers | 129 |

**Labour Law and Poverty Alleviation in Low- and Middle-Income Countries**


Project dates: 2013-15

Funding: ESRC (DFID-ESRC Joint Scheme on Poverty Alleviation)

The aim of the project is to understand the role of labour law in alleviating poverty in developing countries, with the focus on four country cases, namely Cambodia, China, India and South Africa.

Labour regulation can operate to reduce poverty in two ways: by promoting greater equality of incomes and wealth, and by encouraging the more productive and efficient use of labour resources. A key issue is the effectiveness of labour law regulation in practice. Even if, in principle, labour law rules can serve social and economic goals, they may fail to do so if the capacity of regulatory
institutions is limited, if rules lack legitimacy on the ground, or if the laws are ill-suited to economic or social conditions.

The empirical strategy for addressing these issues is two-fold. The quantitative dimension of the work takes the form of econometric analysis of datasets providing data on legal and institutional variables at national and regional level, alongside relevant economic and labour market indicators (GDP, employment, unemployment, productivity, and so on). The qualitative dimension of the work takes the form of interviews with actors in the case study countries. These include those with legal knowledge and experience (judges, lawyers, politicians, regulators, civil servants, labour inspectors), private-sector firm-level actors (HR and other managers), and actors in civil society (trade unions, NGOs). These two aspects of the study will be brought together to provide comparative data on countries with different levels of industrialisation, economic structures and cultural contexts.

The project is being undertaken with the support of the International Labour Office (ILO), which is providing advice on access in the case study countries, data support, and policy analysis, and in close collaboration with researchers based at partner institutions, including Monash University and the University of Cape Town.

A preliminary workshop was held at the ILO in February and work on data collection was begun in June 2013. Preliminary results from econometric analysis were reported in two working papers (Deakin, Malmberg and Sarkar, 2013; Deakin, Fenwick and Sarkar, 2013). Interviews were carried out in South Africa and China in the summer of 2013. It is too soon to report substantive results from the field work.

| Outputs for Labour Law and Poverty Alleviation in Low and Middle income countries |
|-----------------------------------------------|---------------------------------|---------------------------------|----------------|
| Working Papers                               | 130 131                         | Chapters in books               | 73 76          |
| Workshops held/attended                      | 208 209                         | Media Coverage                  | 422 423 424 425|
| Conference papers given                     | 232 233 234 235                 | Mphil & PhD Students supervised | 434 435 436 437 438|


3. Outputs

(Note: work forthcoming in reporting year 2013-14 is listed here but not included in the Performance Indicator Table, section 9)

Articles in refereed journals


54. Sheng, A. and Singh, A. (2012) ‘The challenge of Islamic finance’, Financial Times Deutschland published in German 17 April 2012, and also published in English in Project Syndicate, 16th April 2012. Subsequent to its publication in the latter, the article has been widely reproduced in newspapers and financial journals worldwide, including leading French and Dutch newspapers.


Chapters in Books


Books


Research Reports


**Working papers**


138. Kirshner, J. Rethinking Theories of Economic Crisis: Lessons from India on the Importance of Institutional Exposure to Financial Risk. The article has been selected in the first phase of competition for the Harvard/Stanford International Junior Faculty Forum held at Harvard Law School in Fall 2013.


149. Salter, A., Criscuolo, P. and ter Wal, A. ‘Coping with open innovation: individual responses and organizational practices to the challenges of external engagement in R&D’, working paper.


**Other publications (eg) Book Reviews, pamphlets**


173. Probert, J. and R. Turner – Cultural Connections: Case studies of four cities (report to AHRC)
Datasets created, software written


179. Gudgin, G. *Macro-economic data for the UK Economy 1950-2012*. This is a dataset of 225 macro-economic and related variables, currently updated to 2012 using ONS data consistent with the 2013 National Accounts Blue Book. This data is consistent back to 1987 in line with EU rules. Prior to 1987 the dataset is based on the historical macro-economic data compiled by Bill Martin in earlier CBR research. Bill Martin generously allowed us access to his version of this data updated to 2010.

180. Gudgin, G. *UK trade data 1970-2012* consistent with the ONS Pink Book 2012. The data consists of 108 variables for visible trade (4 commodities), invisible trade (5 sectors), income and capital flows (6 separate flows). The data is currently being updated to 2013

181. Gudgin, G. *A Macro-economic model of the UK Economy*. This is a Keynesian model based on the accounting approach outlined in Godley and Lievoe’s (2007) *Monetary Economics*, with mark-up pricing and real wages dependent on labour productivity and bargaining power. The model includes 225 economic variables of which 45 are exogenous with 85 econometrically-estimated equations. The most important exogenous variables concern world trade, government tax and spending decisions, and short-term interest rates. The model separately identifies four sectors (households, companies, government and rest of the world). An intention is to develop a full financial sector. At present short-term interest rates are treated as an exogenous policy variable and the main impact of the banking sector is through consumer and mortgage lending to households. Details of the model along with forecasts and simulation results will be released on the project website at [www.cambridgeeconomics.org.uk](http://www.cambridgeeconomics.org.uk) later in 2013.

182. Gudgin, G. A model of UK Balance of Payments i.e. a quantitative information system of 108 time series variables built around a framework of accounting identities with behavioural equations derived from the historic data described in 2 above. The system projects flows of trade, incomes and capital between the UK and rest of world using 9 categories of trade, and 6 categories of income and capital flows. The model has 27 exogenous variables and is thus heavily dependent on assumptions about such things as the future trends of world trade. Further details of the model are given in papers to be published on the BIS Foresight website.
(Autumn 2013) and the Oxford Review of Economic Policy (Autumn 2013). The intention is to integrate this trade model with the UK macro-economic model described in 3 above.

Surveys


Collaboration with other research teams and Membership of Research Networks

185. Gudgin, G. The macro-economic modelling team of Graham Gudgin and Ken Coutts are working with Professor Neil Gibson and his colleagues at the Northern Ireland Centre for Economic Performance (NICEP) at the University of Ulster on constructing a macro-economic model for the Northern Ireland economy. This will be directly linked into the UK Macro-economic model. NICEP is supported by the Department of Enterprise, Trade and Investment (DETI) in Northern Ireland and by a number of private sector organisations. Graham Gudgin is a visiting professor at the University of Ulster.

186. Hughes, A. UK~IRC – Joint Research Projects with Imperial College London

187. Johnston, A. Member, Sustainable Companies Project, University of Oslo

188. Konzelmann, S. London Centre for Corporate Governance and Ethics (LCCGE) Research Centre [http://www.lccge.bbk.ac.uk/](http://www.lccge.bbk.ac.uk/)


192. Koukiadaki, A. Oxford University, Faculty of Law: invited participant to research project on ‘EU Law in the Member States: Viking and Laval’.

193. Koukiadaki, A. University College London: invited participant to research project on ‘Resocialising Europe and the Mutualization of Risks to Workers’.

194. Mina, A. Imperial College London Business School, Manchester Business School, Stockholm School of Economics, University of Nottingham

195. Minshall, T. Membership of University of Birmingham-coordinated and EC-funded UK:China ‘High Value Engineering Networks’: lead for tasks relating to (1) open innovation and university-industry transfer and (2) open innovation and emerging renewable energy technologies. In addition to University of Birmingham, partners include Tsinghua University, Technical University of Denmark and Zhejiang University.
196. Minshall, T. Collaboration with National Taiwan University of Science and Technology on topics related to open innovation in the medical device sector.

197. Minshall, T. Collaboration with University College Bahrain on mapping of innovation ecosystems in the Middle East.

198. Njoya, W. Member of the Centre for Law in the Contemporary Workplace, Faculty of Law Research Centre, Queen’s University, Canada.

199. Singh, A. Founding member of the European Association for Research in Industrial Economics (EARIE).


201. Singh, A. Founding member of the European Network on Corporate Governance and Investment (ENCIG).


203. Turner, S. Research Associate, London Centre for Corporate Governance and Ethics, Birkbeck

Workshops held/attended

204. Alexy, O. PDW The Front End of Innovation, Academy of Management Conference, Boston, August 2012 (Keynote speaker)


210. Gudgin, G. Seminar given at St Catharine’s College, University of Cambridge May 1st 2013, title: Modelling The UK Macro-Economy.


212. Hughes, A. 15 Nov 2013 - UK~IRC Regional Innovation and Competitiveness Policy Workshop, Møller Centre, Cambridge


<table>
<thead>
<tr>
<th>Page</th>
<th>Author(s)</th>
<th>Event/Institution</th>
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</thead>
<tbody>
<tr>
<td>215</td>
<td>Hughes, A.</td>
<td>12 Nov 12 - IG Workshop on Research &amp; Innovation Public Research Systems and Innovation in Europe: Which kind of research institution/arrangement of institutions do we need?, Wissenschaftszentrum Berlin</td>
</tr>
<tr>
<td>216</td>
<td>Hughes, A.</td>
<td>5 Oct 12 - OECD TIP-RIHR Thematic Workshop on Knowledge Transfer, Exploitation and Commercialisation, OECD, Paris</td>
</tr>
<tr>
<td>217</td>
<td>Johnston, A.</td>
<td>Institutional Investors and Corporate Social Responsibility, School of Law, University of Sheffield, July 2013</td>
</tr>
<tr>
<td>218</td>
<td>Johnston, A.</td>
<td>LSE Corporate Governance Roundtable, 28th February 2013</td>
</tr>
<tr>
<td>219</td>
<td>Minshall, T.</td>
<td>Open Innovation Research Forum, Tsinghua University, 18th June 2013</td>
</tr>
<tr>
<td>221</td>
<td>Zheng, E.</td>
<td>May 2013, Occasional Workshop, School of Public Administration, Zhejiang University, China</td>
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**Conference Papers/Presentations given**

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<tr>
<th>Page</th>
<th>Author(s)</th>
<th>Title</th>
<th>Event/Institution</th>
</tr>
</thead>
<tbody>
<tr>
<td>223</td>
<td>Alexy, O.</td>
<td>Open for Ideation</td>
<td>Academy of Management Conference, Boston, August 2012 Citius, Altius, Fortius, VHB Tagung, Hamburg, September 2012; also at Strategic Management Society Conference (nominated as one of the best track papers), Prague, October 2012*</td>
</tr>
<tr>
<td>224</td>
<td>Alexy, O.</td>
<td>The Best of Both Worlds</td>
<td>SEI Faculty Workshop, Lausanne, May 2013 also at Babson Entrepreneurship Conference, Lyon, June 2013</td>
</tr>
<tr>
<td>228</td>
<td>Cosh, A.D., Hughes, A. &amp; Zhang, J.,’</td>
<td>Internal R&amp;D, external openness and innovation performance of small- and medium-sized family firms’ Imperial College, May 2013</td>
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253. Johnston, A. 'Sustainability and the Business Judgement Rule' presented at University of Oslo Sustainable Companies Workshop, 11th-12th June 2013

254. Johnston, A. 'Arbitrability of Company Law Disputes' presented at the 'China and International Commercial Dispute Resolution' International Workshop and Roundtable, held at Xi'an Jiaotong University School of Law, May 2013 in Xi'an, China.

255. Johnston, A. 'Shareholder Value still Calling the Shots', invited contribution to workshop on Corporate Governance after the Crisis, University of Leeds, September 2012


257. Kirshner, J. 'Financial Innovation and India' Canadian Law and Economics Association Annual Conference, University of Toronto, Canada, September 2013


301. Singh, A. March 2013. As guest of honour, I presented a keynote address at the VIMARSH 2013, Biennial Convention held in Delhi on 'India, FDI and the Global Economy'.

302. Singh, A. April 2013. I participated in the World Bank workshop on Islamic Finance and Economic Development. There was also a book launch on this occasion of the book edited by Zamir Iqbal and Abbas Mirakhor that contains two of my co-authored papers with Andrew Sheng.

303. Singh, A. May 2013. At the invitation of UNDP in Seoul, South Korea I presented a paper on the problems of middle income countries.


305. Singh, A. June 2013. I took part in a debate on the new book on ‘The State as the Entrepreneur’. The event was organized by the Institute of Public Policy Research (IPPR), London.

306. Singh, A. August 2013. I presented a paper at the Stockholm international conference on ‘Entrepreneurship and Regulation’. The title of the paper was ‘Full Employment in Western Europe and the Regulatory Regime: An Institutional and Historical Analysis Together with a Commentary on Government as an Entrepreneur’. The paper is being considered for publication in the European Journal of Law and Economics. I was also a discussant of a paper, ‘The Impact of Judiciary Efficiency on Entrepreneurship: A European Perspective’ by Allessandro Melcarne.

307. Tether, B. ‘The Influence of Knowledge Types and Location on the Innovative Behaviours of KIBS’ Katia Pina and Bruce Tether, presented at the R&D management conference 2013, 26 and 28 June, Manchester, British Academy of Management Conference, 10 to 12 September in Liverpool, EU-SPRI conference 2013, 1 to 3 October in Lund, Sweden


312. Zheng, E. Foreign and Domestic Firms Growing Apart: Learning- vs. Capability-based Imprinting June 2013: Society for the Advancement of Socio-Economics (SASE) annual meeting, Milan, Italy
313. Zheng, E. Beyond Private versus State Regulation: Native Place Networks, Solidarity, and Labor Abuse in China, June 2013: Society for the Advancement of Socio-Economics (SASE) annual meeting, Milan, Italy

Conferences attended

314. Alexy, O. Open for Ideation, Academy of Management Conference, Boston, August 2012 Citius, Altius, Fortius, VHB Tagung, Hamburg, September 2012; also at Strategic Management Society Conference (nominated as one of the best track papers), Prague, October 2012*

315. Alexy, O. The Best of Both Worlds SEI Faculty Workshop, Lausanne, May 2013 also at Babson Entrepreneurship Conference, Lyon, June 2013

316. Bascavusoglu-Moreau, E. DRUID Society Conference 2013


318. Bascavusoglu-Moreau, E. Academy of Management Annual Meeting 2012


320. Bascavusoglu-Moreau, E. Regional Innovation and Competitiveness Policy Workshop 2012


322. Cosh, A. 2013 Theories of the Family Enterprise: Conference Programme, 22-24 May 2013 at Imperial College London


325. Hughes, A. 29-30 Nov 12 – UK~IRC Innovation Summit, Chancellors Hotel & Conference Centre, Manchester

326. Hughes, A. 17 Jun 13 – UK~IRC Event: Innovations in Public Services Seminar, Imperial College London


329. Kirshner, J. Financial Innovation and India Canadian Law and Economics Association Annual Conference, University of Toronto, Canada, September 2013


338. Kitson, M. Regional Innovation and Competitiveness Policy Workshop, UKIRC, Cambridge, 15 November 2012


340. Lahr, H. Financial Management Association (Atlanta, October 2012), British Accounting and Finance Association (Newcastle) DRUID (Barcelona)

341. Lahr, H. CONCORDi (Seville, September 2013) Financial Management Association (Chicago, October 2013)


346. McLaughlin, C 10th European Conference of the International Labour and Employment Relations Association (ILERA), University of Amsterdam, June 2013


350. Probert, J. UK-IRC Innovation Summit 2012 – Creative Industries and Vibrant Places (Manchester)

351. Theyel, N. The 2012 Academy of Management Annual Meeting was held on August 3-7 in Boston, MA.


354. Zheng, E. June 2013: Society for the Advancement of Socio-Economics (SASE) annual meeting, Milan, Italy

355. Zheng, E. July 2013: Regulating for Decent Work, Geneva, Switzerland

Membership of Committees external to the University

356. Cosh, A. External Examiner Cranfield School of Management
358. Hughes, A. Council for Science and Technology
359. Hughes, A. Lead Expert Group for the Foresight Programme on the Future of Manufacturing
361. Hughes, A. EPSRC Strategic Advisory Network
364. Mina, A. Member of the UK Council for Industry and Higher Education (CIHE) and UK-IRC working group of the Task Force ‘Enhancing Value: Getting the Most out of UK Research’.
366. Minshall, T. Member of the Innovation and Emerging Technologies Policy Panel of the Institution of Engineering and Technology (IET)
367. Minshall, T. Member of RAEng Steering Group on 3D Printing
368. Minshall, T. Member of Colworth Science Park Steering Committee
369. Minshall, T. Member of Board of St John’s Innovation Centre

370. Singh, A. September 2012: Dr. Manmohan Singh Chair, in honour of the Indian Prime Minister, at Punjab University, Chandigarh

371. Turner, S. Associate Editor, BMC Health Services Research

Visitors

UK

372. Hughes, A. 20 Sep 12 - Nathan Boublil, Public Policy Consultant, French Foreign Trade Advisors, and Associate, EP Capital

373. Hughes, A. 1 Oct 12 - Mary Macleod, MP

374. Hughes, A. 18 Oct 12 - Shabana Mahmood, MP

375. Hughes, A. 26 Oct 12 - Dr John Weir, Director, N8 Industry Innovation Forum

376. Hughes, A. 8 Nov 12 - Tim Leeder, Programme Manager, Emerging Technologies and Industry, Technology Strategy Board

377. Hughes, A. 17 Jan 13 - David Evans, TSB

378. Hughes, A. 13 Feb 13 - Andrew Freeman, Risk Fellow, Centre for Risk Studies

379. Hughes, A. 19 Feb 13 - Jeff Masters, Office of Shadow Business Secretary, and Mark Simmonds, Office of Shadow Cabinet Office Minister

380. Hughes, A. 25 Feb 13 - Monica Franco Santos, Cranfield

381. Hughes, A. 25 Feb 13 - Dr Steve Unger (Group Dir, Strategy, International technology, Economics at Ofcom)

382. Hughes, A. 25 Feb 13 – Marc Davies and Sue Konzelmann, Birkbeck

383. Hughes, A. 24 Apr 13 – Jeff Masters, Office of Shadow Business Secretary

384. Hughes, A. 26 Apr 13 – Valerie Vaz, MP – Visit to CJBS


386. Hughes, A. 23 May 13 – Joanna Hodges, Head of Science and Society, Knowledge and Innovation Group, BIS

387. Hughes, A. 9 Jul 13 – Lord Stephen

388. Hughes, A. 26 Jul 13 – Sir Mark Walport at Standard Chartered Bank, London, to discuss science and the capital market
Overseas

389. Hughes, A. 31 Oct 12 - Dr Yoshi Yahagi, Toyota Central R&D Labs, Japan

390. Hughes, A. 5 Dec 12 - Professor Yoshi Nakata, Doshisha University, Japan

391. Hughes, A. 24 Jan 13 - Professor Mark Dodgson, Queensland Business School

392. Hughes, A. 4 Feb 13 - Mario Morroni, Dept of Economics, University of Pisa, Italy

393. Hughes, A. 22 Mar 13 – Professor Alistar Robertson, Pro Vice-Chancellor (Research), University of Western Australia

394. Hughes, A. 11 Jun 13 – Dr Martie-Louise Verreynne, University of Queensland Business School

395. Hughes, A. 10 Jul 13 – Sam Pitroda , Advisor to the Prime Minister of India on public information infrastructure and innovations and Chairman of National Innovation Council

396. Hughes, A. 11 Jul 13 – Professor Hugh Whittaker, University of Auckland, New Zealand

397. Minshall, T. Dominik Deradjat (RWTH Aachen): Influencing factors MNCs’ R&D location decisions October 2012- March 2013


399. Minshall, T. 2012: YiWen Yang (National Taiwan University of Science and Technology). Investigation of role of social media in supporting open innovation. April – September 2012

400. Singh, A. Bernard Riversmore, distinguished visitor Queen’s College Cambridge. The length of the visit was two terms- Lent term and Easter term.

401. Singh, A. Professor Sunanda Sen, Jawaharlal Nehru University, New Delhi, India. Professor Sen visited the University for about a week in August 2012.

User Contacts

403. Singh, A. Advisor to the ILO employment branch. The Director of this department is Moazam Mahmood and I have a research programme with him on comparison of Latin American crisis of the 1980s with the Asian crisis of 1997 to 1999.

Consultancy and Advice given (paid or unpaid)

404. Cosh, A. Expert Advisor to Brook Lyndhurst’s SME segmentation project for the Food Standards Agency

405. Hughes, A. Jul/Aug 12 – Innovator in Residence, State of Queensland, Australia
406. Hughes, A. 4 Sep 12 - Lord Heseltine, BIS, London

407. Hughes, A. 7 Sep 12 - David Sweeney, HEFCE, Centrepoint, London


409. Hughes, A. 16 Nov 12 - Phone Call with Paul Boyle, ESRC

410. Hughes, A. 16 Nov 12 - Phone Call with Alison Wall, EPSRC

411. Hughes, A. 11 Dec 12 - Mark Franks, Deputy Director - Knowledge and Innovation Analysis, Department for Business, Innovation & Skills, at BIS, London

412. Hughes, A. 11 Dec 12 - Mark Holmes and Brigid Feeney, Assistant Director, Innovation Infrastructure and Impact Team, Department for Business, Innovation and Skills, at BIS, London


414. Hughes, A. 22 May 13 – Pete Saraga, BIS, London

415. Hughes, A. 30 May 13 – Sir Mark Walport, Chief Scientific Advisor, to discuss Innovation Policy

416. Kitson, M. Advice to Northern Ireland Government on its innovation policy

417. Koukiadaki, A. European Trade Union Confederation Litigation Network: collaboration for the development of litigation strategies against the austerity measures in EU Member State

418. Minshall, T. Judge for the IET Innovation Awards

419. Singh, A. advised ILO off and on over a long period on questions of labour markets employment and growth of productivity.


421. Tether, B. European Commission funded project developing the European Service Innovation Scoreboard (Brussels, September, 2013).

Media Coverage

Newspapers


427. Minshall, T. ‘TV bids to win pre-school kids over to science’ The Observer, 20/1/13

428. Sheng, A. and Singh, A. (2012) ‘The Challenge of Islamic Finance’, Financial Times Deutschland (published in German) on 17th April 2012, and also published in English in Project Syndicate, 16th April 2012. Subsequent to its publication in the latter, the article has been widely reproduced in newspapers and financial journals worldwide, including leading French and Dutch newspapers.

MPhil & PhD students supervised (incl.topic)

429. Alexy, O supervised David Reetz – strategic entrepreneurship

430. Alexy, O, Supervised Cheng Ouyang – IP management

431. Cosh, A. Supervised Nelli Theyel Open Innovation and Clean Energy

432. Cosh, A. Supervised Vivian Tsai Innovation Policy in Pharma Sector

433. Cosh, A. Supervised Joanne Jia Debt capacity and private equity acquisitions

434. Deakin S. supervised A. Blackham, Law, Ph.D., Age discrimination

435. Deakin, S. supervised A.-S. Cloots, Law, Ph.D., corporate social responsibility

436. Deakin, S., supervised S. Dahan, Law, Ph.D., EU law and Eurozone crisis

437. Deakin, S., supervised H. Mussell, Gender Studies, corporate social responsibility.

438. Deakin, S. supervised F. Vergis, Law, Ph.D., EU labour law

439. Hughes, A. Supervised PhD Alberto García Mogollón: A Sectoral Systems of Innovation Approach to Policy Analysis: The case of Smart Meters

440. Johnston, A. Currently co-supervising three PhD students at the University of Sheffield: Simisola Iyanwura (corporate governance and banking in Nigeria); Navajyoti Samanta(quantitative assessment of shareholder value corporate governance and economic development); and Luke Blindell (implementation of Ruggie Principles on Corporate Social Responsibility).

441. Johnston, A. Also currently co-supervising one PhD student based at Macquarie, Australia (Hau Van Nguyen). His project, which he commenced in January 2012, analyses the prospects for
transplanting aspects of Australian company law and corporate governance into Vietnamese law.

442. Konzelmann, S. Supervised Abdullah Al Zamil (Corporate Governance in Large Saudi Family Firms)

443. Konzelmann, S. Supervised Michal Bartek (Corporate Governance in Eastern European Emerging Markets)

444. Konzelmann, S. Supervised Gokcen Erdem (Corporate Governance in Turkish financial institutions)

445. Konzelmann, S. Supervised Yola Markoudis (Role of International Institutions in European Political, Economic and Social Stability)

446. Konzelmann, S. Supervised Joy Tweed (Role of NEDs in NHS Foundation Trusts)


448. Minshall, T. Supervised Lee Ge ‘New product development and partnerships in the electronic paper display industry’


450. Minshall, T. Supervised David Weiss ‘New perspectives on open innovation: The role of location in OI implementation in UK high-tech SMEs’

451. Minshall, T. Supervised Luz Rincon ‘Effect of consultancy services on the R&D and marketing relationship’

452. Minshall, T. Supervised Joonmo Ahn ‘The Influence of the Characteristics of CEOs on Open Innovation Performance in SMEs: The Case of Korea’


454. Minshall, T. Supervised Kyounglim Lee ‘Sustainability and renewable energy policies’

455. Minshall, T. Supervised Mariam Makramalla ‘A comparison between the emergence of Personal Computers and the emergence of Personal Fabricators’


Probert, J. supervises MSc. International Business students at the University of Birmingham every summer – 12 students in 2012, but none in 2013 for health reasons.


Singh, A. 11 June 2013: Examined David Schmeisser 'China and the Changing Structure of Global Networks'.

Singh, A. examined a PhD student, Sriram, from Jawaharlal Nehru University.

Singh, A. Supervised Samuel Mwaura from Birmingham University recently passed his PhD examination was working on the subject of entrepreneurial firms in the third world.

Singh, A. Supervised Klaka Singh whose subject is subject Health Economics.

Singh, A. Supervised Kanjanachat Meethong 'Essays on Trade Liberalisation and Economic Development'. She is due to resubmit her thesis in November 2013.

Training courses attended

Bullock, A. and Milner, I. attended a training session on using the Secure Data Service on 9th January 2013.


Turner, S. ‘Effective Research Supervision at UCL’, UCL, 11 June 2013
4. **Staff**

Below is a list of academic and support staff in post between August 2012 and July 2013 (name, research programme(s), grade, and the destination of staff leaving the CBR since that date, where known)

**Research Staff**

Zoe Adams, corporate governance, Research Assistant  
Elif Bascavusoglu-Moreau, enterprise and innovation, Research Fellow  
John Buchanan, corporate governance, Research Associate  
Anna Bullock, enterprise and innovation, corporate governance, Survey and Database Manager  
David Connell, enterprise and innovation, Senior Research Fellow  
Andy Cosh, enterprise and innovation, corporate governance, Assistant Director  
Simon Deakin, corporate governance, Assistant Director  
Theodora Dimitrova, corporate governance, Research Assistant  
John Hamilton, corporate governance, Senior Research Fellow  
Alan Hughes, enterprise and innovation, corporate governance, Director  
Michael Kitson, enterprise and innovation, Assistant Director  
Henry Lahr, enterprise and innovation, Research Fellow  
Isobel Milner, enterprise and innovation, corporate governance, Assistant Database Manager  
Andrea Mina, enterprise and innovation, Senior Research Fellow  
Alberto Garcia Mogollon, Research Assistant  
Jocelyn Probert, enterprise and innovation, Senior Research Fellow  
Royce Turner, enterprise and innovation, Research Fellow  
Enying Zheng, corporate governance, Research Fellow

**Administrative Staff**

Irmi Hahne, PA  
Liz Hewitt, Administrative Secretary  
Philippa Millerchip, UK~IRC Events Coordinator  
Rachel Wagstaff, Receptionist, Publications Secretary & PA  
Louis Wenham, Accounts Clerk (employed via University Financial Agency)

5. **Visiting Fellows**

Yoshi Nakata, Doshisha University  
Prabirjit Sarkar, Jadavpur University

6. **Research Associates**

Research associate status may be conferred on project leaders and members of projects who do not otherwise have a position in the CBR, and to former members of the CBR research staff who are still involved in the relevant projects. This category includes personnel in other University of Cambridge departments as well as from outside the University of Cambridge; these affiliations are indicated below. The following were research associates in the period 2009-10 (University of Cambridge unless otherwise stated):

John Armour (University of Oxford)  
Catherine Barnard (Faculty of Law)
Dominic Chai (Korean National University)
Brian Cheffins (Faculty of Law)
Ken Coutts (Faculty of Economics)
Panos Desyllas (University of Manchester)
Graham Gudgin (Regional Forecasts Ltd)
Paul Guest (Birkbeck, University of London)
Xiaolan Fu (University of Oxford)
Antara Halder (Columbia University)
John Hamilton (CBR)
Jonathan Haskel (Imperial College, London)
Jonathan Hay (Law Reform Institute, Washington DC)
John Hendry (Birkbeck, University of London)
Andrew Johnston (University of Queensland)
Ian Jones (Brazenose College, Oxford and London Business School)
Jodie Kirshner (Faculty of Law)
Martin Kilduff (Judge Business School)
Suzanne Konzelmann (Birkbeck, University of London)
Aristea Koukiadaki (University of Manchester)
Colm McLaughlin (University College, Dublin)
Bill Martin (former Chief Economist UBS Global Asset Management, member of the Financial Services Consumer Panel)
Ron Martin (University of Cambridge, Department of Geography)
Viviana Mollica (Durham University)
Stan Metcalfe (CBR)
Barry Moore (PACEC)
Tim Minshall (Cambridge Entrepreneurship Centre)
Yoshi Nakata (Doshisha University, Kyoto, Japan)
Wanjiru Njoya (Queen’s University, Kingston ON, Canada)
Stephen Pratten (King’s College, London)
Bob Rowthorn (Faculty of Economics)
Ammon Salter (Imperial College, London)
Paul Sanderson (Department of Land Economy)
Prabirjit Sarkar (Kolkata Jadavpur University)
Gerhard Schynder (King’s College, London)
Samantha Sharpe (CBR)
Mathias Siems (Durham University)
Ana Siqueira (Graziadio School of Business and Management, Pepperdine University)
Ajit Singh (CBR)
Keith Smith (Imperial College, London)
Rod Spires (PACEC)
Bruce Tether (University of Manchester, Institute of Innovation Research and Business School)
Simon Turner (UCL)
Tomas Ulrichsen (PACEC)
Antoine Vernet (Imperial College London)
Hugh Whittaker (Doshisha University and University of Auckland)
Frank Wilkinson (Birkbeck, University of London)
Joanne Zhang, enterprise and innovation, Research Fellow
7. **Advisory Board**

(as of 31 July 2013)

Kate Barker CBE  
Chair  
Senior Advisor to Credit Suisse

Dr Ha-Joon Chang  
Faculty of Economics  
University of Cambridge

Dr Andy Cosh  
Assistant Director  
Centre for Business Research  
University of Cambridge

Professor Dame Sandra Dawson  
Judge Business School

Professor Simon Deakin  
Assistant Director  
Centre for Business Research  
University of Cambridge

Liz Hewitt (Secretary)  
Administrative Secretary  
Centre for Business Research

Mr Bill Hewlett  
Costain Ltd.  
Maidenhead

Dr Sean Holly  
Director of Research  
Faculty of Economics, University of Cambridge

Professor Andy Hopper  
Computer Laboratory  
University of Cambridge

Professor Alan Hughes  
Director  
Centre for Business Research  
University of Cambridge

Professor Morten Hviid  
ESRC Centre for Competition Policy  
University of East Anglia
Dr Ray Lambert
Department for Business, Innovation, Universities and Skills

Professor Christoph Loch
Director, Judge Business School

Professor Iain MacNeil
School of Law
University of Glasgow

Ms Kate Nealon
Non-Executive Director
HBOS plc

Mr Jeremy Pocklington
HM Treasury
London

Dr. Raj Rajagopal
Non-Exec Director, Bodycote Plc, Dyson Plc and W.S. Atkins Plc

Professor Gavin C Reid
Founder/Director Centre for Research into Industry, Enterprise, Finance and the Firm (CRIEFF)
School of Economics and Finance
University of St Andrews

Professor Robert Rowthorn
Faculty of Economics, University of Cambridge

Professor Paul Stoneman
Warwick Business School

Professor Sarah Worthington
Faculty of Law
University of Cambridge
8. Committee of Management

(as of 31 July 2013)

Dr Brendan Burchell
Faculty of Social and Political Sciences
University of Cambridge

Professor Brian Cheffins
Faculty of Law
University of Cambridge

Dr Andy Cosh
Assistant Director
Centre for Business Research
University of Cambridge

Professor Simon Deakin
Assistant Director
Centre for Business Research
University of Cambridge

Professor Lindsay Greer (Chairman)
Professor of Materials Science
University of Cambridge

Professor Sir Mike Gregory
Director
Institute for Manufacturing
University of Cambridge

Professor Andrew Harvey
Chairman
Faculty of Economics
University of Cambridge

Dr. Sean Holly
Director of Research
Faculty of Economics
University of Cambridge

Professor Alan Hughes
Director
Centre for Business Research
University of Cambridge

Professor Ron Martin
Department of Geography
University of Cambridge
9. Performance Indicators

The following Tables contain details of key performance indicators. They are mostly as agreed in the original contract with the ESRC. With the end of core funding, these are no longer binding on the CBR, but we continue to benchmark our performance by reference to them.

A. PUBLICATIONS

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<tbody>
<tr>
<td>Refereed journal articles</td>
<td>26</td>
<td>16</td>
<td>35</td>
<td>24</td>
<td>44</td>
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*Totals shown exclude books, chapters, articles, and papers which were in draft, in press or forthcoming as of 31 July 2011*
### B. EXTERNAL DISSEMINATION

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C. STAFF RESOURCES

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† Including a notional allocation representing a proportion of the time of the Director and Assistant Directors (0.4 FTE in each case)

* In 2010 the CBR reviewed its research associate list and redefined the category to include continuing substantive involvement in current projects and publications. This led to a reduction in numbers of individuals formerly listed for example as parts of collaborative networks, as well as normal reductions due to retirement etc.
# Financial Resources

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