

Leading the world

The economic impact of UK
arts and humanities research

Government summary



Arts & Humanities
Research Council

“The international pre-eminence of the UK’s arts and humanities research community provides the foundation for the outstanding economic impact of their research.”

Five years ago, the Government set out its long-term vision for UK science and innovation, published in the *Science and Innovation Investment Framework 2004-2014*. In this vision the Government recognised that ‘for the UK economy to succeed in generating growth through productivity and employment in the coming decade, it must invest more strongly than in the past in its knowledge base, and translate this knowledge more effectively into business and public service innovation.’¹

Money spent on science and research is money not spent on other priority areas and the increase in expenditure and the current economic climate mean Government needs to be able to justify these allocations, as well as ensuring that public services are delivered effectively and efficiently. As the AHRC is responsible for the effective and efficient use of public funds to support research in the arts and humanities and to deliver tangible benefits to the UK and its citizens, the AHRC created an Impact Task Force early in 2008 to provide evidence to Government and other interested parties such as Parliament, the Higher Education sector, industry, the press, and the taxpayer of the value of its research and how it generates value for the UK taxpayer.

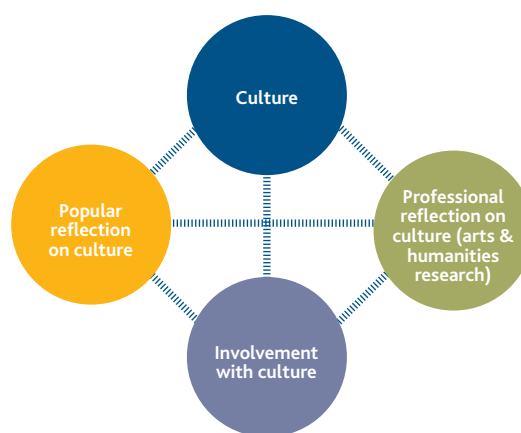
In 1997 the Science and Research Budget allocation was £1.3 billion. By 2007/8 it had more than doubled in real terms to £3.4 billion. Maintaining its commitment to a ring-fenced Science and Research Budget growing in real terms by 2.5% per annum, the Government’s allocations means that the budget will rise to almost £4 billion by the end of the Comprehensive Spending Review period (2010/11). This report summarises why the £110 million that the UK Government allocates annually to the AHRC represents an excellent investment for the nation. The arts and humanities cover a very wide range of intellectual and practice-based disciplines and research areas. These include history, classics, archaeology, English literature, philosophy, religion, law, modern languages, linguistics, informatics, media studies, drama, music and design. Research into these subjects is an investment that generates wealth, improves public policy and helps to maintain quality of life. To confirm the truth of this statement the report answers three critical questions:

- Why is arts and humanities research important?
- Why should the taxpayer pay for arts and humanities research?
- Why fund arts and humanities research through the AHRC?

Why is arts and humanities research important?

Arts and humanities research allows us to grow our body of knowledge on all aspects of human experience, agency, identity and expression, as constructed through language, literature, artefacts and performance. As such, it is a driving-force of what can be called

the UK’s culture ecosystem, that is to say, the distinctive system of interlocking elements of (a) the UK’s extremely rich store of cultural heritage traditions and practices; (b) huge popular engagement with that culture; (c) popular reflection on that culture, and (d) professional reflection on it by arts and humanities researchers. The impact of arts and humanities research goes far beyond the reaches of academia.



A Model of the UK’s Culture Ecosystem, highlighting the role of the arts and humanities within it.

Of the 28,000 or so arts and humanities academics working in UK HEIs, some 14,000 of them are research-active, a full 27% of those submitted in RAE 2008. At any one time these academics, including a high proportion of world-leading researchers, are teaching about 535,000 undergraduates and postgraduates in their disciplines. One aspect of the contribution to the UK’s culture ecosystem is the (export) income earned from non-UK students. They are attracted both by excellent British universities, but also because of the outstanding nature of arts and humanities provision in those universities. There are about 80,000 of them studying arts and humanities here at present and they make a direct contribution per annum of approximately £1.306 billion (£603 million in tuition fees and £703 million in living expenses). Applying economic multipliers to this amount (a conservative multiplier of 1.57 and a possibly more realistic one of 2.52 used by Universities UK) produces a total economic impact capable of straightforward monetary calculation in the range of £2.05 billion to £3.29 billion.

Economic impact of arts and humanities research

The AHRC, like the other Research Councils, employs ‘economic impact’ as defined in the HMT *Green Book on Evaluation*, but interpreted in such a way as to relate to the experience of its own academic community and user groups. In 2008, the AHRC commissioned 34 senior researchers, representing a large

¹HM Treasury (2004) *Science and innovation investment framework 2004 – 2014*. London: HM Treasury, p5.

“The value of non-UK undergraduates and postgraduates attracted here to undertake arts and humanities degrees lies in the range £2.05 billion and £3.29 billion”

cross-section of our disciplines, to write on the value of an area of arts and humanities research of their choosing. They generated an evidentiary model (see below) that illustrated 'economic impact' as defined by HMT and re-described within our own context along two axes, one of them embracing economic capital and civic capital and the other stretching from the maintenance of such capital to its growth.

Why should the taxpayer pay for arts and humanities research?

The remarkable successes of the British team at the Beijing Olympics in 2008 largely depended on significant public investment in British sport over a period of several years preceding those games. As with our Olympian victors, the UK's arts and humanities community lead the world. The international pre-eminence of the UK's arts and humanities research community provides the foundation for the outstanding economic impact of their research. There are three areas of evidence.

Published articles: The AHRC produces nearly as many scholarly articles as their US colleagues (over three years, the UK produced 33% and the USA 37%), even though the US has five times our population. By way of contrast, the UK produces 10% of the world's science, compared with 25% for the US.

Analysis of articles published in sample of 80 international arts and humanities journals

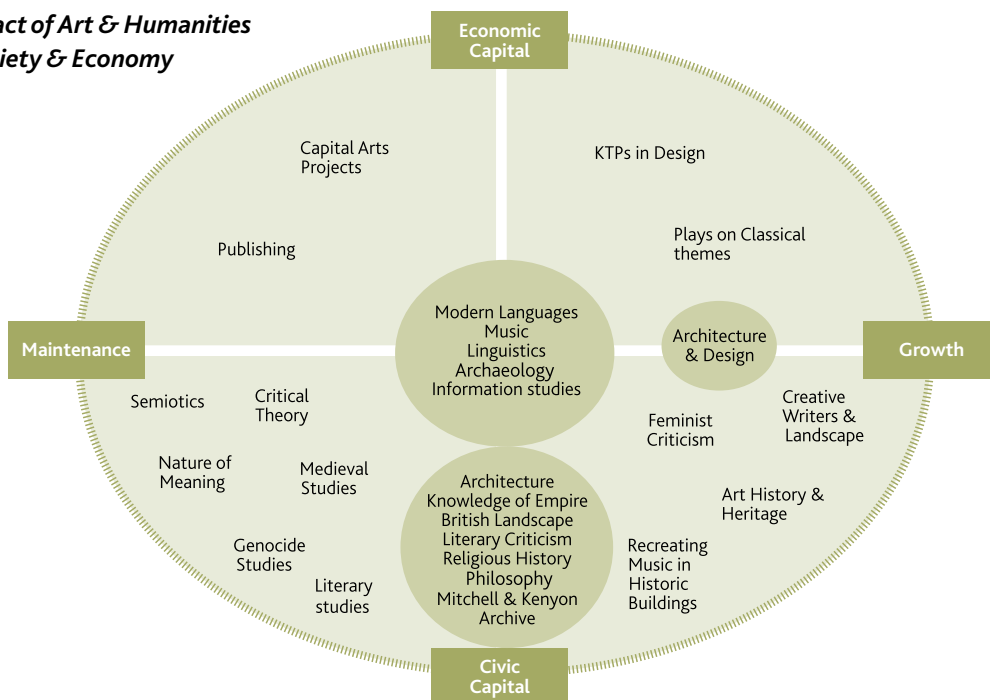
	Country of origin*							
	UK	US	Canada	Aus	France	Germany	Other Europe	Other World
2006	32.1%	38.4%	5.0%	3.6%	2.1%	2.7%	10.3%	5.9%
2007	34.3%	34.8%	5.6%	3.9%	2.1%	2.4%	11.0%	5.9%
2008	31.7%	37.6%	4.3%	3.2%	2.7%	2.2%	10.9%	7.3%

*determined by location of lead author's institution

Number of citations: In July 2008 Evidence Ltd published for DIUS a report entitled *International Comparative Performance of the UK Research Base*. This showed that whereas the UK produced 12% of the world's citations, second in the world, with the best result in scientific citations being secured in the area of health and medically-related area with 14.5%, humanities (admittedly on a small sample, given that humanities bibliometrics is still at an early stage) produced 24.9% of citations (compared to 44% from the USA).

RAE results: The RAE 2008 findings that show this group secured the highest percentage in the 4* category. AHRC subjects account for 27% of FTE Category A staff submitted to the RAE 2008 (around 14,000 researchers).

A model of the Impact of Art & Humanities Research on UK Society & Economy





Improving economic performance through input into innovation.

Arts and humanities researchers are helping to improve the economic performance of the UK through its input into the national innovation system, especially by summarising new work undertaken jointly with NESTA in 2008. This work reveals how much arts and humanities research contributes to 'fifth generation innovation', which is especially characterised by the integration of all knowledge and the extensive use of brokerage and networks to generate economic growth. Researchers are increasingly working in collaborative teams inside and outside academia, especially to investigate large and multifaceted problems. They also join with scientists to tackle complex societal issues. And they are involved in practice-led research, such as in design and the performing arts.

Why fund arts and humanities research through the AHRC?

Quantifying the wide and varying impacts of the AHRC's work is challenging. Indicative estimates from PwC suggest that for every £1 spent on research by the AHRC, the nation may derive as much as £10 of immediate benefit and another £15-£20 of long-term benefit. Thus in 2006-7, the AHRC invested £60.3 million in new research, which implies immediate returns of over £616.9 million and a possible additional return over 25 years of around £1 billion. Specific examples are given in the main report, however examples of its impact include:

- The AHRC is the only funding body in the UK that supports arts and humanities researchers in large-scale collaborative research across disciplinary boundaries. It does this by funding the participation of arts and humanities researchers in cross-Research Council programmes in areas like Global Security, the New Dynamics of Ageing, Living with Environmental Change and Digital Economy. These are programmes that address the big questions of national and global significance which will not be solved without the contribution of the arts and humanities research community.
- The AHRC is also the only arts and humanities funding body that is driving forward a knowledge transfer and economic



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'M-stand on the street'

Image courtesy Design Against Crime Research Centre, Central St Martins College of Art and Design

impact agenda (in unison with the other six Research Councils), especially by brokering relationships between academic and non-academic partners in the public and private sector, for the benefit of industry, public policy and the quality of life.

- The AHRC is by far the largest funder of postgraduate awards in the UK. At any one time it supports some 2,500 students on Doctoral and Masters Awards, representing around 10% of the entire arts and humanities postgraduate population and some 30% of doctoral students.
- The AHRC also funds an increasing number of Collaborative Doctoral Awards ('CDAs') each year, with 74 funded in 2007/08. These awards are intended to encourage and develop collaboration between HEI departments and non-academic organisations and businesses and they have powerful KT and economic impact dimensions.

Conclusion

If the UK is to increase its innovative capacity, it must harness the full capabilities of the research community. The solutions to social problems and to creating high-quality goods and services are to be found in the exploitation of knowledge from the entire spectrum of an integrated research base. Ultimately, the success of the AHRC will depend on its impact on academic culture and the appetite for arts and humanities research more generally. As the benefits arising from connections between researchers, businesses, other organisations and government become more established, increasingly consistent expectations within those communities will emerge and be satisfied. This will lead to an even greater role for the arts and humanities in the innovation system and to the subsequent growth of the British economy in ways that are unimaginable were we unwisely to seek to revert to older modes of innovation than those we are currently experiencing.

Copies of the full report can be downloaded from www.ahrc.ac.uk

Front cover images

Left: Allen Lane, founder of Penguin Books.

Credit: Courtesy of Bristol University Special Collections – Penguin Archive

2nd left: TTURA. Designed by Tim Hubbard.

Credit: Image courtesy the Art and Design Research Centre, Sheffield Hallam University

Middle: Grippa

Design Against Crime Research Centre

2nd from right: The outer circle of Avebury stones

Image courtesy Dr Mark Gillings - University of Leicester