

Chapter 6

The Foundations of Knowledge According to the Knowledge Foundation

Mats Hyvönen

Introduction

It is common for politicians, university leaders and other decision-makers to claim that universities are, or should be, engines of innovation and economic growth. An equally common claim is that universities, in order to really fuel the economy, should cooperate more closely with business. Links between academic researchers and enterprises are thus being encouraged intensely from all sides. At the EU level, for example, one of the main areas of activity in the strategic framework “Education and Training 2020” is the strengthening of the so-called knowledge triangle, in which the promotion of “partnership and cooperation with business as a core activity of higher education institutions” is a key element (European Commission 2011). While EU activities will have implications on the national level, they have not replaced national interests. In Sweden, as well as in other European countries, the integration of research, education and innovation is considered a powerful driver of national economic growth. The basic assumption is that symbiotic relations between universities and industry will lead to successful innovations, which, in turn, will increase the nation’s competitiveness in the global economy.

The tendency to equate academic research with innovation and, in the next step, innovation with economic growth recurs on all political levels. However, as both Waluszewski and Widmalm point out in their respective chapters, this kind of thinking tends to ignore all the complexity entailed in the processes of both innovation and research. Hence, in this instrumental view, research results transferred into a commercial context will, more or less automatically, benefit both individual companies and Sweden as a nation. The connection between academic research, innovations and

M. Hyvönen (✉)
Department of Business and Education, University of Gävle,
Kungsbäcksvägen SE-801 76, Sweden
e-mail: mats.hyvonen@hig.se; mhe@hig.se

economic growth is far more complex than politicians are willing (or able) to admit. It is not an established fact that research funding specifically aimed at economic growth really achieves what it purports to (Benner 2005). In her chapter, Waluszewski also stresses that in order to be of any value to individual companies (i.e. to respond to concrete and, in advance, identifiable solutions to problems), researchers would need to adapt to the technical and organisational solutions as well as the specific customer/supplier structures of each individual company. Thus, there is a risk that academic researchers in intimate cooperation with individual companies will have to assume the role of an R&D unit. And even if they were to be transformed to fill that function, it would not guarantee better results for the companies, since radically innovative solutions may well come from completely unexpected quarters. Further, assuming that intimate cooperation of this kind were to lead to concrete solutions in some individual cases, one might wonder why we need a publicly funded institution called a university to provide this service. There is of course an answer to this question, namely, that agreements at the EU level prohibit support of domestic companies as unfair trade practice. By covertly supporting domestic industry by funnelling it through funding for higher education and research, member countries can get around this difficulty. But that is not the topic of this chapter. Rather, my concern in what follows is rather the consequences for the university as traditionally understood when it takes on this role.

With universities facing pressure to find new sources of revenue, responding to the request for integration with business may appear to university managements as a means to kill two birds with one stone. By cooperating closely with the industry, they can increase the revenues at the same time as they can show the value of their research in terms of promoting economic development. The risk is that the increased focus on achieving economic and political objectives will undermine the role of universities as an institution *differentiated* from politics and markets. The combination of financial needs and the universities' willingness to respond to political goals may have far-reaching consequences on the core activities of teaching and research.

A number of scholars have criticised the ongoing transformation of the relations between universities and society as well as the excessive use of economic criteria to steer core activities. Slaughter and Rhoades (2004a, b) coin the term "academic capitalism" to describe "a key feature of higher education in the United States". Academic capitalism is a regime ("systematic revision and creation of policies") that entails "colleges and universities engaging in market and market-like behaviours" (2004b, p. 37). The problem, Slaughter and Rhoades argue, is that higher education institutions are "seeking to generate revenue from their core educational, research and service functions". Hence academic faculty and professionals should engage more deeply in shaping and controlling both academic work and the relationship between the institution and the marketplace. Slaughter and Rhoades also speak to the need to reaffirm the university's character as a public service. A similar criticism is formulated by Radder (2010) in his critique of the "commodification of academic research", where all kinds of scientific activities and their results are predominantly interpreted and assessed on the basis of economic criteria. Neither Slaughter and Rhoades nor Radder criticises *cooperation* between universities and business but rather the *integration* of the university with commerce.

This chapter presents a short case study of the Knowledge Foundation (*Stiftelsen för kunskaps-och kompetensutveckling*) and its mandate to transform Sweden's "new universities" (established after the higher education reform of 1977) into motors of regional development. The Knowledge Foundation describes itself as a special financier of research conducted at the new universities. The Foundation's focus is on "innovative" research, the key strategy of which is what they call "co-production" between universities and business. The mission is to "strengthen Sweden's competitiveness and ability to create value". I will use The Knowledge Foundation's investments in, and propaganda for, the integration of the new universities and business to illustrate and problematise, by way of a concrete example, the tendencies to which I refer above.

The Knowledge Foundation

In 1977, the higher education system of Sweden was extensively reformed. Nearly all postsecondary education was incorporated into one system, and eventually, 18 new institutions of higher education were established around the nation. (On the current trend towards mass universities, see Bennich's chapter in this volume.) As in many other European countries, higher education in Sweden underwent massive expansion during the last few decades and particularly in the 1990s. The new regional colleges and universities have played an important role in this expansion by increasing accessibility. The driving force behind the expansion of the 1990s was largely ideological and tied to the endeavour to improve conditions and increase and enhance the options available for Swedish society as a whole (Askling and Foss Lindblad 2007). Educational policy today, by contrast, is focused more narrowly on techniques for fitting higher education and academic research more concretely and more directly into policy and plans for economic development. In this context, the Knowledge Foundation fills a vital function.

In 1992, when the Swedish wage-earners' funds¹ were discontinued, the non-socialist government transferred most of the capital, about 1.3 billion euro,² to nine non-governmental foundations under private law.³ In a short period of time, fresh

¹ The wage-earners' funds (1984–1992) were labour-managed investment funds financed through a portion of the profits from Swedish companies.

² All figures have been converted from SEK to euro at the exchange rates of current at the time.

³ The Swedish Foundation for Strategic Research (SSF), the Foundation for Strategic Environmental Research (MISTRA), the Foundation for Baltic and East European Studies (*Östersjöstiftelsen*), the Swedish Foundation for International Cooperation in Research and Higher Education (STINT), the Foundation for the International Institute for Industrial Environmental Economics at Lund University (*Stiftelsen för Internationella institutet för industriell miljöekonomi vid Lunds universitet*), the Knowledge Foundation (KK-stiftelsen), the Vårdal Foundation (*Vårdalstiftelsen*), the Foundation for the Culture of the Future (*Stiftelsen framtidens kultur*) and the Innovation Center Foundation (*Stiftelsen Innovationscentrum*).

capital was injected into research at the same time as the government renounced its influence over the funds and the future priorities of the foundations (Landberg 2000). The foundations all did, however, have one overarching purpose: they were given the task of renewing and revitalising Swedish research with an eye towards improving the nation's position as a knowledge society in a global economy. A recurring argument for close cooperation between industry and institutions of higher education is thus the need for “cutting-edge research”, “innovations”, “sustainable development”, etc. (See Waluszewski's and Eklund's chapters in this book.) Sweden is represented in these arguments as an innovation and production collective in which everybody has to pull together so that Sweden does not lag behind. In this ideological vision of a successful nation, different institutions and agencies are coordinated as parts of a coherent and meaningful entity (Widmalm 2008). In this vision, research contributes to this national effort by developing and engaging in innovative projects with clear value for industry and commerce. In the light of the economic crisis, advocates for integration often utilise the rhetoric of “the only way”. In a debate article, the deputy vice chancellor of Mälardalen University (one of the new regional colleges in Sweden) states: “In times of crisis, when small and medium-sized businesses in our region are struggling to survive, everybody has to pull together. Close cooperation between institutions of higher education, industry and the public sector is the right and only way to go” (Axelsson 2009).⁴

It is not a coincidence that a representative for the management at Mälardalen University argues for close cooperation between colleges and universities and industry and the public sector. Since 2008, Mälardalen University is one of the higher education institutions participating in the Knowledge Foundation's most ambitious initiative to date: “Knowledge Foundation Research Centres” (KF Research Centres). Over the next 10 years, and with almost 155 million euro, the Knowledge Foundation will support higher education institutions in their efforts to “profile themselves and build strong environments for research and the development of skills through co-production with the business community and the regional governments” (The Knowledge Foundation (KF) 2009). The aim of the initiative is for profiling and co-production to “permeate the research activities of the seat of learning” which will in turn create favourable conditions for an “effective and relevant use of the university's resources” (KF 2010b). The idea is that the KF Research Centres will eventually become an integrated part of research and higher education in Sweden.

The Knowledge Foundation was established in 1994 with a fresh capital of almost 400 million euro. The funds have increased substantially since then through successful investments in stocks (in 2003, for instance, the capital was about 520 million euro despite the fact that the foundation had invested about 530 million euro in 1,500 projects). The foundation describes itself as a special financier of research conducted at the “new universities” (the 18 universities established after the 1977 higher education reform) with the mission of supporting and strengthening “Sweden's competitiveness and ability to create value” (KF 2008b). These new universities and colleges are the key to “take Sweden out of the crisis”, since the research at these universities

⁴The English translations are my own.

“to a high degree mirrors the needs of the regional business communities” (Sandström 2009a; KF 2010a). The Knowledge Foundation supports research provided that the industry invests matching funds and actively participates in the projects. At the beginning, the foundation’s initiatives and investments were aimed at individual researchers, research groups and those responsible for educational programmes at the universities. In 2007, however, the foundation decided to “take a more comprehensive approach in order to coordinate the initiatives and create sustainability” (Håkansson and Myhström 2008). The KF Research Centres’ programme, which was launched in the beginning of 2008, aims directly at the management of the new universities instead of individual researchers or research groups. The aim of this strategy is to speed up profiling and co-production at the new universities.

The management of the new universities are both ready and willing to make the necessary changes. According to the Knowledge Foundation’s magazine (*KK-bladet*),⁵ the vice chancellors are “enthusiastic” and “optimistic”, which is confirmed by the large number of universities participating in the KC programme: 17 of 18 new universities have participated actively in the initial phase of the programme and formulated policy statements (Håkansson 2008). The then chief executive officer Madeleine Cæsar wrote: “our meetings with the vice chancellors testify to the strong bonds between the vice chancellors and the representatives of the business community” (Cæsar 2008). There are, however, obstacles on the road towards profiled co-producing universities, both on a political and on an academic level: “The current academic culture and the public funding system hold few incentives for renewal and profiling of the universities” (Håkansson and Myhström 2008). The vice chancellors and the management lack the power and the means to develop and profile the universities by themselves. They are squeezed between the government on the one hand and the researchers on the other: “The management at the new universities need support, squeezed as they are between the traditional academic collegial structure with strong researchers and research groups, on the one hand, and the traditionally demanding government authorities, on the other” (Håkansson and Myhström 2008).

In the light of this assertion, the Knowledge Foundation’s overarching aim is clear: to steer the development of the new universities in collaboration with university management, in what they call “a dialogue between equal parties”. Consequently, the KF Research Centres’ programme is described as “unique” and “revolutionary”, since it “runs contrary to how research financiers have been working up to now” (KF 2008a). The aim of the Knowledge Foundation is to be “ground-breaking” and a “driver of structural change”, which is reflected in the ambition to bring about thoroughgoing changes at the new universities (Håkansson and Myhström 2008). The director of the KF Research Centres’ programme is explicit about what is expected of the college in order to qualify:

To start the journey towards profiling and co-production in a KF Research Centre is such a thoroughgoing change that the managements and the boards of the universities must be on board. The college must have its compass directed towards co-production and profiling. (Håkansson and Myhström 2008)

⁵The magazine had a circulation of 10,000 copies and was published four times a year. The magazine has been discontinued, and the last issue was published in December 2009.

According to the Knowledge Foundation, the conditions for establishing KF Research Centres are good. The new universities are described, from the business community's point of view, as flexible and as having a "natural focus on the needs of the regional business community" (Cæsar et al. 2008). Accordingly, the KF Research Centres' programme is guided by the business community's view regarding the usefulness of the new universities. However, to make good conditions better, the culture at the universities must change in order for the cooperation with the business community to reach the optimal level, that is, to become "an integrated successful working method" (Cæsar et al. 2008). This also applies to educational programmes, which need to be attuned to the business communities' needs. Hence, teachers and students, as well as researchers, need to cooperate with the business community to a greater extent.

The business communities' point of view (as described by the Knowledge Foundation) is also the perspective from which decisions regarding what research should be conducted should be made. The foundation does not see it as a problem that research is controlled. According to the chief executive, Madelene Sandström, the criticism against "need-driven" research rests on a misunderstanding of what it is that should be controlled: "As a researcher, you should not be controlled in *how* you solve a problem, but only in the problem that you solve" (Andersson 2009). In Sandström's opinion, the researcher's task is to solve problems, not to formulate them. Furthermore, the quality of research results is not something that should be determined by the scientific community alone. Hence, in the KF Research Centre programme, quality is gauged from the point of view of the "users" in the business community (Håkansson and Kretz 2008). When the Knowledge Foundation commented upon the quality criteria proposed by a parliamentary committee for the distribution of government funding, they expressed their view as follows:

Our experiences show that the quality criteria proposed by the parliamentary committee are too narrow. They will [not be] quality enhancing. Broadened quality criteria, where all interested parties' needs define the quality criteria, should govern the distribution of government research funding (Håkansson and Kretz 2008).

The strategies to make research at the new universities more "relevant" and of the "right quality" means letting external interests guide the formulation of research problems and determine the quality of that research. Thus, the Knowledge Foundation lays the most crucial aspects of research in the hands of laymen. The point of academic research is that it represents expertise. Its legitimacy rests upon the fact that scholars and scientists are experts within their respective disciplines. Its legitimacy also rests upon scholars and scientists being independent of economic, political and religious interests. This does not, of course, mean that academic research is completely separated from the surrounding society, but it is important to *differentiate* between the internal and external relevance of research problems. Problems entirely of internal relevance are perfectly adequate as the basis for research projects. This does not apply to problems entirely of external relevance, since these

are less likely to contribute to theory development within the discipline. By equating internal and external relevance, the Knowledge Foundation ignores a very important aspect of academic research, that is, that research should always in some way constitute a contribution to the development of the discipline.

The thoroughgoing changes of the new universities advocated by the Knowledge Foundation are justified by arguments to the effect that Sweden is in dire need of more entrepreneurs and new businesses. Existing Swedish businesses also need to be developed in order to be successful in the global race for knowledge. “Sweden produces two percent of the world’s knowledge. To take a part of the remaining 98%, we have to be an attractive international affiliate with excellent research environments”, the former chief executive Madeleine Cæsar claimed in one article (Cæsar 2007). “Of crucial importance”, she wrote in another, “is our ability to rethink the forms of cooperation between academy, community and business community” as well as “leadership and the ability to co-produce” (Cæsar et al. 2008). A prerequisite for this “rethinking”, it seems, is to reduce research to a service facility for the regional business community.

The Foundation’s Key Strategy: Co-production

The purpose of co-production is to increase the value of knowledge and competence in and through projects. The quality of “knowledge production” will reach new heights when “different perspectives participate”, as the thesis was formulated in an article about co-production in the Knowledge Foundation magazine (Heldmark 2009). Research results will attain “increased relevance” through co-production, which is described as “continuous processes” wherein external stakeholders actively participate in formulating starting points, research questions and research problems. Co-production is not simply a model that applies to certain kinds of projects, but is rather the desired *modus operandi* at the new universities. Co-production is a win-win relation, beneficial to both the business community and the academy, since “research carried out in co-operation between universities and the business community strengthens Swedish competitiveness and develops the academy” (Sandström 2011). The Knowledge Foundation claims that research groups that cooperate with the industry and the service sector “are often the scientifically most successful” (Cæsar et al. 2008):

The businesses need the universities in order to venture long-term research cooperation that, in turn, leads to new products, services, businesses and intelligence. The universities need the business community in order to venture long-term, strong research environments. This cooperation generates valuable and relevant applied research. [...] Everyone can take a step in the right direction. We take ours (Sandström 2009b).

Although no evidence is offered in support of the sweeping formulations about the causality between co-production and scientific success, the Knowledge Foundation is confident that they know what the “right direction” is.

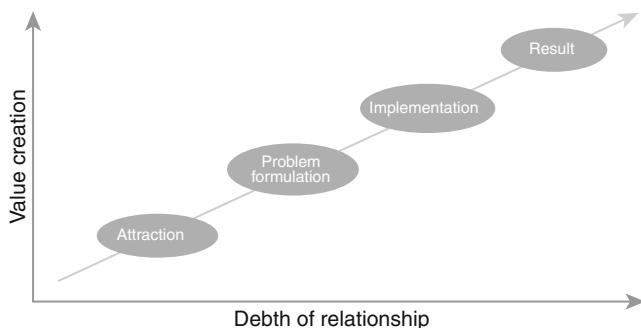


Fig. 6.1 Co-production is a continuous process

The Knowledge Foundation’s model for co-production consists of four “phases” in a process where “value creation and relations stride hand in hand” (Heldmark 2009).

Figure 6.1 describes a linear correlation between the “depth of relationship” and “value creation”. The ideal progress of co-production starts with the “attraction phase” and moves through the “problem formulation phase” (also called the “opportunity formulation phase”) and the “implementation phase” to reach completion in the “result phase”.⁶

The attraction phase is the gateway to “cross-boundary meetings between the academy, the business community and the public sector” (Heldmark 2009). The attraction phase is not really a phase, since the search for partners should be an ongoing activity: “wise co-producers have their tentacles out to find potential partners” (Heldmark 2009). In the problem formulation phase, it is important to consider the different stakeholders’ different needs and goals: “the colleges might wish to produce a great many publications, while a company might be interested in producing a new product” (Heldmark 2009). It is emphasised that all players should participate in the formulation of the research questions and in the development of new knowledge. “Experience tells us that the closer the co-production, the better the results” (Heldmark 2009). “Close” means, among other things, to share premises or to incorporate. In connection with the result phase, the foundation stresses that “encounters between different worlds of knowledge is really the greatest path to success” (Heldmark 2009).

Despite the formulations that “different perspectives”, “different stakeholders” and different “worlds of knowledge” meet and cooperate in co-production, the main purpose remains: to solve problems for companies. Hence, if research is to be of any value, it must first and foremost be attuned to the needs of business. Research in its own right seems to have little or no value. In fact, co-production is described more or less as a prerequisite of successful research.

⁶The figure is used by the Knowledge Foundation in order to illustrate the desired progress of co-production. It has been published repeatedly on the Knowledge Foundation’s website, in the Knowledge Foundation Magazine and in annual reports.

An Ideological Project

Most people, both within and outside the academy, take for granted that scientific research and higher education should benefit the society at large in some way. The problem is that the terms “research”, “society” and “benefit” are rather broad and can mean different things in different contexts. The Knowledge Foundation’s vision of profiled and co-producing universities assumes a very narrow sense of what research is or could be. In this definition, researchers are highly skilled troubleshooters and problem solvers who, in cooperation with the business community, generate useful and “relevant” knowledge. The research problems should be formulated outside of the universities so that, according to the Knowledge Foundation, expensive and scarce resources are utilised to solve the “right” problems (i.e. the problems of regional businesses). Further, research is synonymous with “knowledge production”, which needs to be coordinated within the frameworks of the Knowledge Foundation in order to function as efficiently as possible. The meaning of profiling is to delimit the functions of each participating institution, under the motto that “everyone can’t do everything”. Rather, the regional universities should complement each other. With the nation as its geographical setting, the new regional colleges and universities should contribute with different parts to the whole, as in a jigsaw puzzle.

The Knowledge Foundation acknowledges to possible senses to the term “research”: either research is motivated by specific needs and conducted in cooperation with the industry or it is world-leading basic research. In accordance with an idea of academic division of labour on the national level, it is the former kind of research that should be carried out at the new universities. Demand-driven research must be given priority since “Nobel Prizes alone will not take Sweden out of the crisis”, as the chief executive of the foundation, Madelene Sandström, put it in the caption to one of her debate articles (Sandström 2009a). The “Nobel Prize argument” reduces research and its public benefits to an either-or issue: either researchers devote themselves to world-leading basic research or they make themselves available for short-term, controlled research in cooperation with the industry. In fact, most of us fall somewhere in the middle, but the foundation does not recognise any such bell curve in science.

In this line of reasoning, the *raison d’être* of the regional universities is defined entirely by their willingness and ability to co-produce and to contribute to the development of regional businesses. This narrow understanding excludes every other conceivable purpose. By equating research at the new colleges with controlled research, funding can be transferred from teaching and research to corporate development. Moreover, social responsibility, which was one of the reasons for establishing the colleges in the first place, can be construed as economic growth.

This division between “Nobel Prize research” and need-driven research is also used to criticise the government, which is thought to favour the former. The Knowledge Foundation has on several occasions described itself as an actor in dispute with government and state policy. In a debate article published in 20 regional

newspapers throughout the country, the foundation's chief executive, Madelene Sandström, demands a research and innovation policy that recognises and supports "knowledge based economic development" (Sandström 2009a). The background for this criticism is the government's one-sided funding of "traditional university research in Sweden". Again, two different kinds of research are envisaged: "traditional university research" at the old universities and "growth-generating research" at the new colleges. One-sided backing of traditional university research is the wrong way to go since "the nation's new universities make vital contributions to the competitiveness of Swedish industry". The new colleges and universities are "launch pads" of entrepreneurship as well as of the "renewal of production and development of services in existing companies, not only regionally but also on a world market". The future growth potential of Sweden is to be found at the new colleges:

Here, Maud Olofsson [former minister for Enterprise and Energy], is the future growth potential: where knowledge is available and made useful in society and in industry. The Knowledge Foundation's opinion is that cooperation is the key to take Sweden out of the crisis and therefore puts its research funding into these universities. (Sandström 2009a)

The opposition between the government and the Knowledge Foundation should be understood primarily as a rhetorical strategy, since there are in fact no essential differences between the government's research policies and the Knowledge Foundation's view on how research and higher education institutions should contribute to society. They both focus on innovation and growth-generating research. But the rhetorical trope of portraying itself as an outsider is a way of profiling the Knowledge Foundation as the sole protector and saviour of the regional colleges, making the foundation their voice and spokesman. However, successful this profile may be, it constitutes yet another expression of the foundation's limited conception of what research and higher education is and the possible ways it could contribute to the surrounding society and is far from representative of the diversity that actually exists at the regional colleges. The rhetorical boundary between "Nobel Prize research" and demand-driven research, as well as between the foundation and the government, is a way to further differentiate between the "old" and the "new" universities. In this way, the Knowledge Foundation's rhetoric detaches the new universities from traditional and established academic norms and values, which now are said to only apply to the old universities and their "Nobel Prize-aspiring research".

In the rhetoric of the Knowledge Foundation's, widely divergent issues become commensurable in relation to the all-encompassing vision of growth. In a way, this is an ideal state of affairs, since the Knowledge Foundation has found a seemingly "objective" basis for assessment. What seems to be incommensurable can be made commensurable in relation to the vision of growth. Hence, for the sake of growth, it is better to invest in development of commercial products and services, than in, for example, historical or philosophical research and teaching. The Knowledge Foundation's ambition to transform the colleges will have palpable consequences for the humanities and the social sciences there. The Knowledge Foundation's ideology of economic growth constricts the idea of research as well as of society such that there is little place for the human or the social.

By “ideology”, I mean quite literally the logic of the idea of innovation and growth. In comparison with the complex reality it takes itself to be explaining, the logic is very simple and straightforward: commercialised research will lead to successful innovations. Innovations are good because they promote economic growth. Economic growth, in turn, secures welfare and general prosperity. Everybody wants that. Hence, everybody must work for greater economic growth. For university teachers and researchers, the obvious and productive contribution consists in devoting themselves to “innovative” research and teaching. The assumption that controlled research actually leads to more or better innovations is never problematised. The basic assumption in this logic must also be questioned: is there an unambiguous, causal relation between innovations and national growth? Can it be demonstrated that controlled research promotes innovations and that innovations promote economic growth?

Such a coherent and all-encompassing image of society can only be conjured up through the simplifying logic of an ideology. Widely different institutions, academic disciplines and traditions can be made compared and evaluated against this model as the gold standard. The narrow perspective of the growth ideology marginalises, diminishes or renders invisible whatever does not fit in. And there is quite a lot that does not fit into the Knowledge Foundation’s conception of the world. For example, the academic quality and value of work being done at the regional universities is quite irrelevant, according to the ideological premise, if it’s the “wrong” kind of research.

When an overarching vision or a profile is formulated for the college, the next logical step is to organise it as a coherent entity. Such reorganising of the universities means a shift from a traditional academic organisation with collegial influence over curricula and research towards a line organisation in which every section is assessed in relation to a “core” or “core values”. In this way, management can “take control” over research and teaching. A vision or a profile enables assessment of incommensurable disciplines which can be used, among other things, to marginalise inconvenient scholars and staff. At the “corporate” university, traditional academic structures, values and concepts are usurped by the principles and practices of corporate management.

Except for the right to award degrees at doctoral level, the Swedish Higher Education Act makes no distinction between different institutions of higher education. There are, nonetheless, significant differences between the “old” universities and the newer ones. While the former receive the majority of public grants, the latter must increasingly rely on external grants from financing agencies, foundations, local authorities, county councils and private companies. Like the Knowledge Foundation, many of these funders tend to make far-reaching demands on what research should be prioritised and how it should be conducted. These funders often specify desired public benefits, cooperation with the business community and/or demand-driven research in their selection process. Further, these funders become influential over internal matters such as organisation, priorities and direction. In a situation where many of the new colleges suffer from strained budgets, these conditions have an even greater influence on the new universities. The new universities prioritise demand-driven research and cooperation with the business community in

order to solve short-term funding problems. The lack of alternative sources of funding for free research brings about an impossible situation for the faculty: because of their professionally motivated reluctance to be steered in their research or teaching by partisan or economic interests, they are regarded as a financial liability by the university's management. If, on the other hand, they conduct research that radically deviates from the discipline's national and international traditions, they will distance themselves from the scientific community. In the first case, the scholars risk personal financial bankruptcy; in the other, they risk professional bankruptcy.

Universities (Not) in the Interests of the Public

In the conclusions from the conference “The Knowledge Triangle Shaping the Future Europe”, arranged (as a part of the Swedish presidency of the EU) by the Swedish Ministry of Education and Research and the Swedish National Agency for Higher Education, it is specifically asserted that the “strengthening of the autonomy of higher education institutions is necessary to allow them to develop their missions and different profiles” (Swedish National Agency for Higher Education 2010). Here, the concept of “autonomy” does not refer to the idea of autonomous universities or to the traditional principles of academic freedom. In this context, “autonomy” should rather be understood as the freedom of the university management to formulate mission statements and decide for themselves how to govern the university in such a way as to best realise the political visions of both national and European policymakers. “Autonomy”, as used here, hastens the rush towards profiling. With the ideological support of policymakers on all political levels and with financial support from influential, ideologically driven research funders such as the Knowledge Foundation, university management can choose to invest in certain “innovative” and “entrepreneurial” areas and departments while starving others, most particularly, those which do not fit in, or contribute to, the university's profile. This will lead to a situation where, as Radder puts it: “Research that is deemed to be economically useless or is unable to attract wealthy sponsors will have a hard time finding appropriate funding” (Jaschik 2010).

As Widmalm (2008) has pointed out, the most important question for the future might be if academic research also henceforth will serve the legitimate needs for knowledge in *many different groups* in society. The principle should be that science is a common resource that can be used for many purposes, including challenging dominant political and economic interests. Widmalm (2008) concludes that this principle may be undermined when public interest is equated with economic interest and when the norms of market economy invade the academy. The investments on, and propaganda for, far-reaching integration of universities and business – exemplified in this chapter through the Knowledge Foundation – are worrisome since it may well lead to a situation where the regional universities in Sweden, so intent on serving the interests of the businesses community, fail or forget to serve the public.

References

- Andersson, A. (2009, January 14). Madelene Sandström: KK-stiftelsens nya vd. *Metro*.
- Askling, B., & Foss Lindblad, R. (2007). Utmaningar för den högre utbildningen. In B. Askling, R. Foss Lindblad, & G. Wärvik (Eds.), *Expansion och kontraktion: utmaningar för högskolesystemet och utbildningsforskare: rapport från ett symposium* (pp. 7–19). Stockholm: Vetenskapsrådet.
- Axelsson, K. (2009, October 22). Mälardalens högskola i behov av näringslivet. *Eskilstuna-Kuriren*.
- Benner, M. (2005). Ett nytt samtal? – stiftelsernas nästa årtionde. In S. Sörlin (Ed.), *“I den absoluta frontlinjen”*: En bok om forskningsstiftelserna, konkurrenskraften och politikens möjligheter (pp. 415–438). Nora: Nya Doxa.
- Cæsar, J. (2007). Profiler och samverkan. <http://www.kks.se/templates/ArticlePage.aspx?id=11415>. Accessed 22 Feb 2010.
- Cæsar, M. (2008). VD har ordet: En ny resa tillsammans. *KK-bladet*, 1/2008.
- Cæsar, M., Ancker, J., Blomqvist, M., Eiritz, P., Engström, T., Glemfeldt, A., Hörberg, J., Idestrom, E., Laurell, P., Nilsson, L., Nordh, S., Nygren, J., Petterson, Ö., Ramebäck, C., Sahlberg, R., Staff, L., & Östling Ollén, E. (2008, March 31). Därför satsar vi på nya lärosäten. *Göteborgs-Posten*.
- Håkansson, P., & Kretz, A. (Eds.). (2008). Därför satsar vi på de nya lärosätena. *KK-bladet*, 2/2008.
- European Commission. (2011). Supporting growth and jobs – An agenda for the modernisation of Europe’s higher education systems. <http://eur-lex.europa.eu/LexUriServ/LexUriServ.do?uri=COM:2011:0567:FIN:EN:PDF>. Accessed 15 Dec 2011.
- Håkansson, P. (2008). Lärosätena kraftsamlade för att bli KK-miljöer. *KK-bladet*, 3/2008.
- Håkansson, P., & Myhström, K. (2008). Största satsningen på nya lärosäten. *KK-bladet*, 1/2008.
- Heldmark, T. (2009). Samproduktion för bättre kunskap. *KK-bladet*, 1/2009.
- Jaschik, S. (2010). ‘Commodification of Academic Research’. Inside Higher Ed. <http://www.insidehighered.com/news/2010/10/25/radder>. Accessed 2 Nov 2010.
- Landberg, H. (2000). Svenskt forskningspolitiskt 90-tal. *Forskningspolitik*, 23(1), 14–15.
- Radder, H. (Ed.). (2010). *The commodification of academic research: Science and the modern university*. Pittsburgh: University of Pittsburgh Press.
- Sandström, M. (2009a, July 6). Endast Nobelpris tar inte Sverige ur krisen. *Nya Wermlands-Tidningen*.
- Sandström, M. (2009b). Näringslivet inte bara storföretagen. <http://www.kks.se/om/Nyhetsarkiv/Naringslivet%20inte%20bara%20storforetagen.aspx>. Accessed 20 Dec 2010.
- Sandström, M. (2011, November 3). Farligt om forskningen tar sikte på Nobelpris. *Dagens Industri*.
- Slaughter, S., & Rhoades, G. (2004a). *Academic capitalism and the new economy: Markets, state, and higher education*. Baltimore: Johns Hopkins University Press.
- Slaughter, S., & Rhoades, G. (2004b). Academic capitalism in the new economy: Challenges and choices. *American Academic*, 1(1), 37–59.
- Swedish National Agency for Higher Education. (2010). Conference conclusions from the knowledge triangle shaping the future Europe. <http://www.hsv.se/download/18.211928b51239dbb43167ffe1820/ConferenceConclusions.pdf>. Accessed 25 Mar 2010.
- The Knowledge Foundation. (2008a). Tre svenska högskolor först ut i miljardsatsning på nya forskningsmiljöer. <http://www.presskontakt.se/pressreleaser/visa/pressrelease/43153/>. Accessed 2 Nov 2010.
- The Knowledge Foundation. (2008b). Madelene Sandström ny vd för KK-stiftelsen. <http://www.kks.se/om/Nyhetsarkiv/Madelene%20Sandstrom%20ny%20vd%20for%20KK-stiftelsen.aspx>. Accessed 20 Dec 2010.
- The Knowledge Foundation. (2009). *Verksamhetsberättelse och årsredovisning 2008*. Stockholm: Stiftelsen för kunskaps- och kompetensutveckling.
- The Knowledge Foundation. (2010a). *Årsredovisning 2009*. Stockholm: Stiftelsen för kunskaps- och kompetensutveckling.
- The Knowledge Foundation. (2010b). Utveckla forskningsintensivare lärosäten. <http://www.kks.se/verksamhet/6%20Utveckla%20forskningsintensivare%20rosten/Startsida.aspx>. Accessed 15 Dec 2010.
- Widmalm, S. (2008). Innovationssamhället. In M. Benner & S. Sörlin (Eds.), *Forska lagom och vara världsbäst: Sverige inför forskningens globala strukturovandling* (pp. 108–133). Stockholm: SNS Förlag.