Who Pays for Knowledge?

The Social Contract for Funding Research, Development and Innovation

By Dr. Mohammed I. Almajed

OPINION PIECE

Research, Development and Innovation Policy

AMENA Center for Entrepreneurship & Development

AUGUST 2026 · COMPACT EDITION

ARTICLE · PART I

Introduction

Few would dispute that research, development and innovation represent investments in a nation's future. Yet, in many countries, RDI funding remains one of the first expenditures questioned during periods of fiscal pressure—and one of the last to be defended convincingly before the public.

CENTRAL QUESTION

Why must RDI ecosystems repeatedly justify their funding during every budget cycle, as though the value of research itself had never been established?

Many ecosystems become trapped in repeated cycles of strategic renewal because structural Institutional Scars are mistakenly treated as strategic problems. One of the most persistent is the fragility of funding legitimacy.

CORE ARGUMENT

The economic case for research is not weak. The missing element is a durable social contract that turns research funding from an annually negotiated item into a long-term national commitment.

The Structural Timing Problem

The returns from research are inherently long-term. They emerge gradually, spread across sectors, institutions and generations, and are rarely attributable to a single investment. Public budgeting operates differently: budgets are annual, accountability is immediate, and decision-makers seek visible outcomes within short electoral or fiscal cycles.

This structural mismatch means that long-term knowledge creation is judged through short-term fiscal and political measures—measures never designed to assess its true value.

Three Symptoms of an Unstable Funding Logic

Volatile funding
Investment expands during prosperity and political enthusiasm, only to contract sharply during fiscal pressure—even when the underlying value of research has not changed.

Excessive reporting
Research institutions spend increasing effort continuously proving value. Measurement becomes a defensive exercise rather than a learning mechanism.

Short-termism
Funding shifts toward projects with rapid, visible outcomes, while foundational research—the source of future national capabilities—receives less attention.

Where Does Funding Legitimacy Belong?

Strategy
What should we invest in?

Execution
How should those investments be implemented effectively?

National policy
Why should the nation invest in research, and who guarantees that commitment across successive strategic cycles?

If an RDI ecosystem must repeatedly defend its existence during every budget cycle, it is experiencing a policy failure rather than a strategic one. This recurring condition is an Institutional Scar.

DIAGNOSIS

It requires a stronger policy foundation—not merely better communication or more sophisticated strategy documents.

ARTICLE · PART II

The Social Contract for Knowledge

A national social contract for knowledge rests upon three reciprocal commitments:

The state
Commits to stable, long-term investment governed by enduring principles rather than annual political moods.

Society
Accepts that the returns from research materialize over decades rather than fiscal years.

The research ecosystem
Commits to transparency, rigorous impact assessment, and communicating value in language understood by society—not only by specialists.

Under such a contract, research funding ceases to be an annually negotiated budget line and becomes a national commitment. Accountability is not weakened; it shifts to the proper question.

THE BETTER QUESTION

The debate should no longer be: Should we fund research It should become: How can we maximize the value created by that investment?

Building the Contract

Mission-oriented framing
Link priorities directly to societal challenges such as health, food security, energy, sustainability and economic resilience.

Consensus before legislation
Build broad political and societal agreement before embedding long-term RDI commitments in law. Legislation preserves consensus; it rarely creates it.

Permanent evidence systems
Use consistent methodologies to demonstrate accumulated long-term value instead of rebuilding the funding argument every budget cycle.

Three Questions Every Ecosystem Should Ask

Funding legitimacy
Does every budget cycle reopen whether research deserves funding, or has discussion matured into how investment can generate greater impact?

Stability of principles
Does funding fluctuate with political priorities despite stable national needs, or is investment guided by enduring principles?

Public narrative
Can citizens clearly explain why their country invests in research, or is that narrative understood only within specialist communities?

INTERPRETATION

Where the first answer dominates, the ecosystem lacks a durable social contract.

Conclusion

The success of an RDI ecosystem should not be measured by how often it wins budget debates. Its success is reaching the point where those debates no longer question the legitimacy of investing in knowledge. A strong social contract transforms research funding from an annual negotiation into a long-term national commitment.

FINAL PRINCIPLE

When national policy preserves direction, and the social contract preserves funding, strategy is free to translate enduring national purpose into evolving priorities—not to repeatedly defend the ecosystem's existence.

Dr. Mohammed I. Almajed

Honorary Chairman of the AMENA Center for Entrepreneurship & Development; UC Berkeley alumnus; and an architect of the industrial and innovation execution of Saudi Arabia's Vision 2030.

amenaced.berkeley.edu