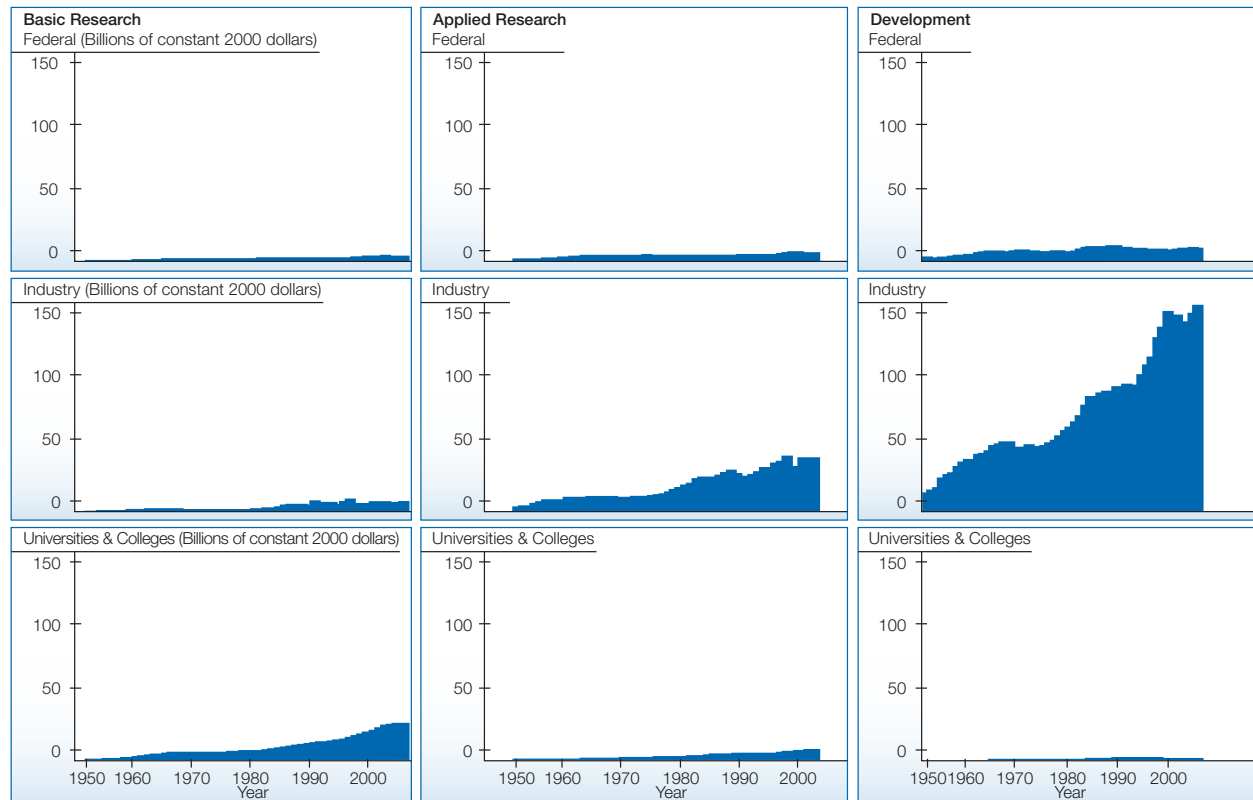


## Universities and colleges perform the majority of basic research in the United States, while industry performs the majority of applied R&D.

Figure 4. Patterns of funding for basic and applied R&D conducted by universities and colleges, industry and the federal sector: 1950-2006



SOURCE: Appendix Tables 4-10, 4-14, and 4-16, *Science and Engineering Indicators 2008*, National Science Foundation.

### Why is this indicator important?

- The innovation enterprise in the United States includes R&D performed in many sectors, each contributing to the national effort.
- Understanding how the S&E roles of academia, government and industry help to identify complementarities and gaps in the national S&E effort.

### Key Observations

- The growth of basic research performed by the academic sector has slowed in recent years, while the level of applied research performed by that sector is estimated to be growing.
- There is evidence for some recovery in industrial performance of applied research and development after a brief downturn around 2000.

### Related Discussion

- Scientists and engineers working for non-profit organizations and federally funded research and development centers (FFRDCs) also represent important performers of R&D in the United States.
  - FFRDCs grew at the rapid rate between 2000 and 2003, although that rate has slowed in recent years (*SEI 2008* Appendix Tables 4-10, 4-14, and 4-16).