

State Funding of Research and the Narrowing of Economics in the United Kingdom

by Dr. Frederic S. Lee

In 1986, the United Kingdom instituted an exercise through which the allocation of state research funds to universities and their departments was based on the quality of the research they produced. While the official justification for the exercise was the need to be selective in the allocation of limited research funds, the non-talked about agenda behind the exercise was to reduce the number of research universities to a manageable number and to ensure that these elite universities conducted research and carried out teaching that was consistent with the interests of the economic and political elite which control the state. Consequently the ensuing research selectivity exercise known as the Research Assessment Exercise (RAE) was and is popular with the Tories, New Labour, and anybody else who believes that the State should have quasi-direct and complete control over the thinking and research activities of its citizens.

Most academics initially thought the exercise would be a fair way of allocating state research funding when the state decided to reduce its commitment to higher education. However, in some disciplines, such as economics, it became evident by the mid-1990s that the exercise was also being used to cleanse economic departments of heterodox economic ideas that did not conform to mainstream (neoclassical) economic theory and with the neoliberal, pro-market policies based on the theory and which the state approved of. But the precise manner through which the cleansing process operated was not clearly understood. The rest of the article deals with the cleansing process, its consequences for UK economics, and what can be done about it.

Cleansing of UK Economics

It is now possible to see how the process worked. In a somewhat synchronized manner, the Royal Economic Society under the direction of the state-organized Research Assessment Exercise (RAE) recommended economists for the RAE economics panel; these economists in turn made decisions about the quality of the research output submitted by the economics departments; these decisions in turn determined the research funding allocated to the departments; and upon discovering the apparent basis of what is considered quality

research — that is publications in a specific group of mainstream journals called the Diamond List journals — UK economics departments then directed if not harassed their staff to publish in them (and if not got them transferred to other departments or made their working conditions so bad that they left the university) and only hired mainstream economists who could publish in them. The outcome of these mutually reinforcing relationships is that, over time, heterodox economics is mostly eliminated from UK economics, economics departments became increasingly homogeneous both internally and with respect to other departments, mainstream economics research gets concentrated in fewer but quite acceptable areas that are compatible with the economic and political interests of the state (as noted above), and a few mainstream economics departments dominate UK economics.

Outcomes

What is the concrete meaning of these outcomes? First of all, over 75% of all research funding goes to just 13 universities; and these same universities teach only mainstream economics to their students and only hire mainstream economists. However, these latter outcomes are not just specific to them. Because all economics departments (whether engaged in research or not) feel the pressure to be mainstream, heterodox economists are not hired, resulting in a majority of UK economics departments having no heterodox economists on staff, and not teaching any alternative economics to their students. This means that most UK students who take economics as their first degree are not introduced to any alternative economic theories or policies; an outcome that is reinforced by the state's decree through its benchmark statement for economics which says that only mainstream economics should be taught to students.

The result of this cleansing of UK economics of heterodox economists and their ideas is to create a single national view of what constitutes both economics and ap-

appropriate economic policies, such as cuts to government spending so as to deliberately create unemployment, eliminating help for the poor because they brought their poverty upon themselves and the unemployed because they brought it upon themselves by being inefficient workers, privatizing health care, and attacking trade unions and all other forms of support for living wages and safe working conditions. These policies emanate directly from the mainstream economic theory taught to students as a faith-based truth. So it seems that the state, through the RAE, has bought the economics and economic policies that it desired. But there is more in that students and the UK population at large are deliberately prevented from developing critical thinking so that they can, on their own, evaluate different economic theories and their associated economic policies and determine which one they think is best. In short, the state through the RAE has made mainstream economists the direct enforcers of national thought control in economics.

What is to be done?

So what is the way forward? The first is do not trust economists and their economic policies; second do not think that academic economists give unbiased advice; and lastly, do not give economists associated with elite universities, such as the London School of Economics, University College London, University of Oxford, and University of Cambridge, any respect as their economics is designed to support the 1% and at the same time make the lives of at least the lower 90% worse off. There are, moreover, more positive steps that must be taken at the same time. The first is engaging in political action directed at the state-sponsored RAE to shut it down; and at the same time put pressure on the state to eliminate subject benchmarking which prescribes what is the acceptable subject matter for an academic discipline — much like telling people what religious views they must believe and how to carry out their religious activities. For example, subject benchmarking in economics defines economics as only mainstream economics; consequently Marxian economics and any other kind of heterodox economics is not economics and cannot be included in the study of economics. In addition, departments that promote pluralism in the teaching of economics and heterodox economists need financial support to stay viable and carry out research that supports the other 90%.

It is obvious that the business community bought their way into universities by providing funds to build business schools and establishing professorial chairs in business; and the same has been done in other areas such as the pharmaceutical and biological sciences. Moreover, there are even specific instances, in the United States for example, where conservative neo-liberal foundations and business people have attempted to redirect the teaching of economics in economics departments to support their free-market ideology (for example Florida State University). So, in light of this 'acceptable' activity to push economics in a particular direction, similar efforts need to be made. For example, find economics departments that provide their students with a pluralist understanding of economics and support them through providing student scholarships or even just by encouraging students to do their economics degree in the department. In addition, all heterodox economists need financial support to carry out their research. Since the state and reputable foundations will not generally support heterodox economists and their research, such support has to come from individuals and from trade unions and progressive charitable organizations — hence pressure needs to be put on them to provide such support. Moreover, alternative, non-state based 'schools' providing a pluralist approach to economics need to be established and promoted, such as something like an independent working class education movement devoted specifically to economics.

Finally, to force the specter of heterodox economics to be acknowledged by mainstream economists, it is necessary for heterodox economists to take a more active, confrontational route, such as disrupting the Royal Economic Society annual conference. Each of the positive suggestions takes time, unpaid effort, and money, but given the current dominance of the state and mainstream economics, there is no other course of action.

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