

Institution: The University of Edinburgh

Unit of Assessment: 18 Economics and Econometrics

a. Context

The strategy of the School of Economics of building cognate groupings of applied research around a strong theoretical core fosters cutting-edge research that informs the thinking of policy makers. By targeting various levels of governments, international organisations and regulators, we aim to achieve impact by promoting key areas of expertise amongst our staff. We also provide tailored support for impact and knowledge exchange (KE) activities. The success of this approach is exemplified by our case studies and by a range of other impactful activities across the School. Prominent examples of the latter are the study of the border effect and constitutional change (Rodríguez-Mora, impact in Spain & UK), behavioural choices affecting health (Belot/UK), labour market frictions (Elsby/US and Güell/Spain) and energy policy (Hughes/UK & EU).

Our location in an excellent and broad-based university allows us to team up with high quality researchers from other disciplines, enabling us to broaden our impact. Recent and ongoing examples include climate change (Sayer), health attitudes (Belot) and the epistemic theory of policy making (Kawamura).

Many of our impact related activities take place within the framework of the Scottish Institute for Research in Economics (SIRE) – a research pool prime-funded by the Scottish Funding Council (£9m). Pooling has been a great catalyst for achieving impact: SIRE provides a “one-stop-shop” for users, drawing on a wide range of expertise and enhancing efficiency and visibility.

b. Approach to impact

The post of KE and Impact Director (currently Sayer) was created when the School was established in order to coordinate, encourage and facilitate research impact. He sits on both the Research and Management Committees, ensuring that KE and impact play a key role in all relevant planning. To underscore our commitment, from 2012-13 Zymek (an ECR) joined Sayer as his deputy, tying ECRs more explicitly into the impact agenda, and providing succession planning.

We foster the achievement of impact, in the first instance, by providing an environment in which the frequent exchange of ideas ensures that synergies can develop: applied problems guiding the theorists, and rigorous and parsimonious models informing the applied economists (see, e.g. the fruitful collaboration of Snell, an empirical economist, with Thomas, a theorist, on the study of nominal wage rigidities). Our approach to KE is similar, stressing the two-way nature of knowledge *exchange*. We do not just transfer the fruits of our research to users but our research is informed by and responds to their issues and concerns, focussing on fundamental or methodological questions that characterise high-quality academic research as distinct from consultancy.

We use a multi-pronged approach to engage with our users: from targeted direct interaction with policy makers at roundtables, through the participation of non-academic users at seminars and conferences, engagement with the media and more novel forms of dissemination (e.g. online social networks, blogs) to personal exchange and networking.

The *SIRE-Scottish Government Joint Policy Forum*, established in 2008, is a good example. Meeting two–three times per year with a jointly agreed theme (fiscal autonomy, health, environment, behavioural economics, education, internationalisation and SMEs, post-crisis growth prospects, and financial regulation), it brings together around 10 academics and 10 government economists. Presentations are followed up with extensive formal and informal discussion. Participation in the forum builds the experience of academics in engaging with policy makers. The Scottish Cabinet Secretary for Finance and Sustainable Growth, John Swinney, wrote to Sayer stating that: “In particular, I am aware that my own economists within the Scottish Government have benefitted greatly from a series of joint workshops and lectures with SIRE members.” Building on this success, the School has set up roundtables (on the themes of “productivity” and “internationalisation and SMEs”) with economists from Edinburgh City Council and related organisations, including Glasgow City Council and Scottish Enterprise.

We collaborated with the Schools of Business and Geosciences to interact with policy makers via the development and running of a Chevening Fellows Programme on “Finance and Investment in a

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Low Carbon Economy". The programme, financed by the UK Foreign and Commonwealth Office, brought together 14 "high fliers" from around the world. The majority of Fellows were senior policy makers or advisers, including the Vice President of the China Development Institute. After the government's suspension of all Chevening Programmes in 2010-11, we nonetheless continued similar work, e.g. Sayer gave a keynote talk (on carbon taxes, cap and trade, and hybrids) in 2012 at a training programme for a large delegation of senior officials from the Chinese National Development and Reform Commission. Sayer is also an adviser to "Carbon Masters", a successful Edinburgh spin-off consultancy company with substantial outreach and impact: for example, its Director was a keynote speaker alongside Nick Stern at a British Council event for business and policy-makers, and the carbon reduction standard it developed obtained Environmental Agency approval and widespread press coverage, including endorsement from Alex Salmond.

Our user-driven activities are supplemented by more research-focussed events which aim to give our work maximum visibility. In this context, traditional dissemination channels (e.g. seminar and conference presentations; a visible, widely read and cited discussion paper series; publication in high impact, high reputation journals) remain important. Such research activities and outputs, along with staff and PhD research profiles, are highlighted and regularly updated on the School's and SIRE's websites. All staff are strongly encouraged and assisted to submit their research profiles to relevant research network databases (NBER, CEPR, IZA, IDEAS, SSRN, etc.).

In recent years, these traditional channels have also embraced policy makers and other external users of research. For example, our regular research seminars are promoted among economists from the Scottish Government and the financial sector. They often attend talks where the speaker is well known outside academia or the topic connects to current policy issues (e.g. the 2012 talk, on Competition Law and Policy, by Fiona Scott-Morton, Chief Economist to the US Justice Department). Major conferences provide a valuable vehicle for research dissemination to and interaction with policy-makers, and this aligns well with our active encouragement and support for colleagues (especially ECRs) to present at such conferences. We make an effort to integrate interaction with policy makers into conferences we organise. Recent examples include:

- the SIRE Conference in 2011 on "Monetary policy before, during and after the crisis" brought together leading academic researchers with economists from Banque de France, Bank for International Settlements, Federal Reserve Board, Bank of England and the IMF;
- the SIRE Conference in 2012 on "International Capital Flows and Spillovers in a Post-Crisis World" at the Bank of England (with the IMF, Bank of Canada, UBC, ECARES and CEPR);
- the multi-disciplinary conference (organised by Belot) on the "Determinants of Dietary Choices" in March 2013.

We have been developing other modes of dissemination to non-academic audiences, focussing on accessibility and translation. The *Focus Papers* series provides one such vehicle. They provide brief (two visually attractive sides of A4), user friendly summaries of research outputs (a single output or a broader theme). They are available online, highlighted on School and SIRE websites, and in emailed newsletters distributed to a wide group within and outwith academia. They are also physically displayed within the School and at all our events. Colleagues are actively encouraged to create *Focus Papers*, and extensive editorial, drafting and layout support is provided. To date we have produced 15 of these. More recent is the University initiative to produce short (one minute) *Research in a Nutshell* videos. These professionally filmed clips provide quick introductions to researchers and their research. Most academic staff have already or will soon participate.

We have been working with the University's Communications and Marketing team to expand our media presence, with excellent results. Successes include news stories about specific research papers: Belot in many UK and Dutch newspapers, Kawamura in *The Times* and *The Observer*, and Sánchez-Pagés in *The Observer*. Media coverage of research programmes include Moore's Shanghai interview on networked Chinese TV, Kawamura's series of 8 articles in *Nikkei* (the Japanese FT with a circulation of three million), and Fransman's various TV and press appearances (e.g. an extensive interview on *Sharing Vietnam*). Elsby's work was discussed in *The Economist*, *Financial Times*, *New York Times* and *Wall Street Journal*; Güell's work led to interviews in Spanish newspapers and television. We also aim to respond to media enquiries on a variety of topical issues. This has led to press, TV and radio contributions by a number of our

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staff, in Scotland, Europe, Asia and the US, on a wide range of topics, e.g.: Scottish independence; financial crisis; sovereign debt crisis; Japanese tsunami; energy policy; climate change; Spanish economy. We use these opportunities to feed relevant specific research outputs into public debate.

Our staff are well networked with national and international institutions. For example: Moore has given invited talks at the Bank for International Settlements, and seven central banks; Elsby's work on the labour market has been cited in White House speeches and generated correspondence from members of the US Council of Economic Advisers, the Department of Labor, the Senate and the White House; Güell advised the Zapatero government in Spain on (un)employment policy; Hughes is Chairman of the Water Industry Commission for Scotland and his research on wind power has been cited in questions in the European and UK parliaments as well as in ministerial statements; Kawamura was a visiting scholar at the Research Institute of Economy, Trade and Industry on a project on Japanese corporate governance; Sayer serves on a HM Treasury panel that comments on the analysis by UK Government officials (HM Treasury, BIS and DWP) of the Scottish economy.

Impact, along with engagement in KE activities, is a key item in annual staff appraisals and it is built into both workload allocation and career progression. We facilitate flexible teaching arrangements (such as team teaching) and administrative roles that are concentrated in time to allow for travel even during term time. Finally, the school provides financial support for KE and impact activities, including the underwriting of activities that have pending funding decisions.

c. Strategy and plans

Our future impact strategy builds on our own experience as well as the best practice of cognate groups in other schools of the University. It has six main drivers:

- **Engagement with key user groups:** closer clustering around specific research areas will facilitate the establishment/development of ongoing network relationships.
- **Description, demonstration and measurement:** we are working with the University's Vice Principal for Public Policy and Impact to better capture the links between research and impact, making the impact generation process more transparent and quantifiable.
- **Motivation and appreciation:** we will complete the move of KE and engagement from the status of tacit craft skill to a formally recognised, fully embedded and properly supported aspect of our job, further enhancing its emphasis within staff review and promotion processes.
- **Training:** to further foster media interaction, we are developing, in collaboration with the Communication & Marketing team, discipline-focussed media training for academic staff and PhD students, allowing them to learn from colleagues with a more established media presence.
- **Support:** we will further enhance our funding and administrative support and also use our peer review of grant applications to ensure that impact activities are prominent and fully funded.
- **Innovative dissemination:** we have started posting press releases on our website about each new refereed publication. Developing the *Research in a Nutshell* initiative, we will film short, five-minute videos presenting research projects, aimed at potential users and research students.

d. Relationship to case studies

The development and implementation of our impact strategy builds on the experience and the underlying models exemplified by our case studies. These represent a broad set of approaches, from core theory through conceptual thinking to heavy-duty empirical analysis. Moore's work on liquidity has been funded by prestigious fellowships from the Leverhulme Trust, ESRC and ERC over the period 1998-2014. They all included a strong impact element, targeting banking/finance and macroeconomic policy. The funds allowed us to give Moore time for research and impact activities. Similarly, to carry out his work on innovation, Fransman has had a succession of paid and bought out leaves, streamlined administrative duties and a custom-made teaching programme to enable his frequent travels to East Asia and South America. For Hughes, we have provided a welcoming and intellectually stimulating academic base to entice him away from the world of practice and engage him in a productive exchange about the adaptation vs. avoidance debate. Thanks to his dual experience, he is a major source of advice on carrying out impactful research.