

Institution: Royal Holloway, University of London

Unit of Assessment: C18 – Economics & Econometrics

a. Context

Impact is at the heart of Royal Holloway's core mission. Its Corporate plan states "Royal Holloway is committed to providing an environment which nurtures research, learning and teaching of the highest quality and advances knowledge and the development of useful skills in its stakeholder community locally, nationally and throughout the world." As a relative newcomer to the historic University, the Department of Economics has developed in the context of the University's core values and has steadily grown over the last two decades into a Department producing world class research which impacts on national and international policy debates – see examples below. Its progress has benefitted from University expertise and infrastructure which have been integrated with the expertise of its own members to provide a very supportive environment for developing the impact of its research to the fullest extent. This is described in section b. The Department's strategy is to continue to develop and improve this environment in the years ahead as described in section c.

The main non-academic beneficiaries, users and audiences for the department's research are:

- UK government departments and policy makers including the Ministry of Defence, the Home Office and the Department of Work and Pensions;
- International bodies including the World Bank and the World Trade Organisation;
- Statistical Agencies and their users including the UK Office for National Statistics;
- Think tanks and commercial organisations;
- Broadcasters and journalists.

In terms of the descriptions in Tables C1 and C2 of the document *REF 01.2012 Panel Criteria and Working Methods*, the main types of impact are:-

- Shaping and informing public or political debate [Table C1 Panel 1]
- Shaping or [having] influence on policy made by government, quasi-government bodies, NGOs or private organisations. [Table C1 Panel 6]

and the main indicators of impact are:

- Documented evidence of influence on guidelines, legislation, policy or standards [Table C2 bullet point 12]
- Citation by international bodies such as the United Nations, UNESCO, IMF and so on [Table C2 bullet point 3],
- Citation by journalists, broadcasters or social media. [Table C2 bullet point 2]

Two excellent examples of the Department's impact are described at length in the impact case studies, which provide documentary evidence of influence on policy in the Ministry of Defence and the Home Office sponsored Migration Advisory Committee, and influence on a variety of think tanks as well as numerous citations by journalists and broadcasters. However the success of the Department with regard to impact is shown by the wide range of its impacts including:

- Anderberg's (employed by Royal Holloway since 2003) research on tax-transfer policy was cited by a review by the Department for Work and Pensions on the impact of welfare payments on family structure and this impact is underpinned by publications in the *International Tax and Public Finance (2008)* and *CESifo Economic Studies (2008)*.
- Chevalier (employed by Royal Holloway since 2006) spent a year on a placement at the Department for Innovation, Universities and Skills and provided evidence to the *Independent Review of Higher Education Funding and Student Finance* set up by the Labour government in 2009. This impact was underpinned by publication in the *Economics of Education Review (2009)* which was also cited in the national press.
- Mandler's (employed by Royal Holloway since 2000) theoretical research on elections, published in *Games and Economic Behavior (2013)*, has shown how to gauge the impact on a candidate's probability of victory of campaign policies that affect both the likelihood of abstaining and the likelihood that someone votes for the candidate. This so-called 'triangle approach' has been adopted by the private sector company *Target Systems Development* to advise political campaigns in the United States.
- Mountford's (employed by Royal Holloway since 1998) research on the effects of international

trade and migration on growth and fertility, underpinned by publications in the *Review of Economic Studies* (2008) and *Journal of Development Economics* (2011), has been cited by the World Trade Organisation's World Trade Report 2013.

- Naef's (employed by Royal Holloway since 2009) experimental work on the effects of testosterone on decision making, underpinned by a publication in the leading science journal *Nature* (2011), was widely cited in the international media including ABC News, New York Times, Frankfurter Allgemeine Zeitung and Reuters.
- Rud's (employed by Royal Holloway since 2009) research on natural resources and development, underpinned by publications in the *Journal of Development Economics* (2012) and *the American Economic Journal: Economic Policy* (2013), has been cited in policy discussions by the World Bank and Asian Development Bank and Rud has been invited to present at the World Bank Sponsored Green Growth Regional Practitioners Workshop in Africa, and the DFID sponsored workshop for Ghanaian policy makers "Linking Research to Policy" in Ghana.
- Spagat (employed by Royal Holloway since 1997) together with two Royal Holloway PhD students, built databases of violent events for the armed conflict in Colombia that underpinned multiple publications by this group, including in the *Review of Economic Studies* (2013) and a cover article for *Nature* (2009), and was also the basis for one of the students to found an influential think tank, CERAC, in Bogota, Colombia.
- Wadsworth's (employed by Royal Holloway since 1996) research developed the concept of a "workless household" data series which is now used and published by the UK Office of National Statistics and is underpinned by his publication in the *Journal of Population Economics* (2010).

b. Approach to impact

The Department's approach to impact is two pronged. One prong is to use its own expertise together with that of the University to develop a supportive and nurturing environment that encourages staff to engage with key users, and provides resources for staff to develop the impact of their research. The second prong is its commitment to producing world class research. The document REF 01.2012 Panel Criteria and Working Methods is surely correct to state that "*impacts may have been serendipitous rather than planned*" however the Department believes that serendipity is given a helping hand by having top class research to work with. We describe these two prongs in turn.

The Department encourages engagement with key users of its research. It does this in a variety of ways. It gives its members time to engage with key users, so that e.g. Wadsworth's time spent working at the Home Office sponsored Migration Advisory Committee – approximately two days a month - and Rud's time travelling to Ghana for the workshop "Linking Research to Policy" with Ghanaian policy makers, are factored into the Departmental workload model. It also provided resources to enable engagement with key users, such as the part funding of John Sloboda from the Iraq Body Count to visit Royal Holloway to aid the impact of Spagat's research. Finally the department engages directly with potential key users via its visiting Professorial appointments; Andrew Sentance (Bank of England Monetary Policy Committee), Michael Marrese (JP Morgan Bank) and Gabriel Stein (Lombard Street Research) all held positions in the current REF period.

The Department also deploys its own resources strategically on impact generating activities. For example, impact potential is an important consideration in the awarding of sabbatical leave and in the funding of PhD students and research assistants. It is significant that both impact case studies benefitted from the funding of PhD students in their research areas (see section d below). The Department also interacts with University infrastructure and expertise to identify potential users and to maximize the impact of its research. University infrastructure has recently evolved in this regard so that each department in the University, including the Department of Economics, now has a designated Impact Officer who sit on the Departmental Research Committee and who liaises with the University press office and the Research & Enterprise Division to consider and develop the impact potential of its research. These discussions feed into University press releases and publications. There is also feedback from the Research & Enterprise about potential research users which are relayed back to departments via their impact officers.

To generate first rate research the Department and University has a commitment to employing and recruiting world class researchers and to funding and supporting excellent research. Throughout its history the Department has recruited many outstanding researchers to the UK from the US and Europe. Current staff hold PhD's from prestigious universities including *inter alia* Harvard, Yale, Northwestern, Brown, NYU, UCSD, Aarhus and the LSE. Attracting internationally recognised scholars to the department demonstrates that Royal Holloway is engaged with researchers at the highest international level and is able to identify and recruit researchers of this calibre to the UK. This benefits not only Royal Holloway's research environment and research quality, but also that of the UK. Another fundamental part of the Department's approach is its supportive and inclusive environment where high quality research can be tested and developed including the holding of regular internal seminars as well as external seminars from prominent speakers from outside the UK. A key aspect of this is the Department's commitment to academic freedom. Top researchers need to be allowed to follow their interests if they are to fulfil their potential. The impact case study of Spagat on the analysis of conflict is a prominent example in this regard; Spagat is an influential scholar in macroeconomics but has added the field of conflict economics to his portfolio. He has become a leading expert in this field with his research being both used by the British Army as the case study details, and also being widely cited in the international media including, *The New York Times*, *The Guardian*, *CNN* and the *BBC*.

c. Strategy and plans

The Department is committed to both prongs of its strategy for maximizing the impact from its current, future and past research. The Department will continue to provide resources, such as sabbatical leave, research funding and support for PhD students for impact generating activities. As described above the Department recently appointed an Impact Officer and plans to integrate the role of this Impact Officer into key aspects of Departmental Research Strategy including the peer review process for grant applications and the Departmental appraisal process. As a member of the Departmental research committee the impact officer is already in place to ensure that the issue of impact is represented in discussions about Departmental research.

The Department is also committed to its strategy of recruiting world class researchers with good prospects of generating impact in the future. This is demonstrated by the recent hiring of several world class researchers with a good track record of impact from their research, e.g. Hamermesh, whose research perennially generates impact with recent examples being the discussion of his published academic work on the effects of good looks on labour market outcomes, on time use and on replication in economics in the international media including *inter alia* the BBC, ABC, *The New York Times* and *Der Spiegel*; Sauer who has given Congressional briefings in the US on the effects of US foreign aid; and Galenianos whose published work on the market for illicit drugs was the topic of an article in the *New Scientist*. We expect their research to generate impact over the next REF period, and their appointment demonstrates the ethos and impact strategy of the department going forward.

d. Relationship to case studies

The Department's two submitted case studies both illustrate the importance of the department's impact strategy. Both Spagat and Wadsworth were recruited as world class researchers and have PhD's from world leading departments - Harvard and LSE respectively. Both have benefited from discussion and feedback from within the department, including presentations in the department's internal seminar series and both have had their impact generating research agendas supported financially by the department via the funding of multiple PhD students to work in their research areas. Uih Ran Lee (completed 2013) and Gabbi Guerrero-Serdan (completed 2012) were both funded to work on the economics of the conflict in Iraq, and Cinzia Rienzo (completed 2011), was funded to work on immigration and the UK Labour Market; Chiara Riazza-Bondibene (completed 2012), was funded to work on wage inequality in the UK labour market. In addition Spagat's impact case study was aided by the Department's open-ended commitment to intellectual innovation and experimentation which allowed him the space to explore a new and emerging field in Economics, via sabbatical leave in 2006-2007, and by the support of University's Research and Enterprise division in obtaining funding from the Ministry of Defence for research on the dynamics of public support for the war on Iraq.