

<p><b>Institution: Birkbeck, University of London</b></p> <p><b>Unit of Assessment: 18 Economics and Econometrics</b></p>
<p><b>a. Context</b></p> <p>Research submitted under UoA 18 (Economics and Econometrics) at Birkbeck covers economics, econometrics, finance, mathematics and statistics. Within economics there is research activity in macroeconomics, microeconomic theory, industrial organisation, health economics, competition, and defence economics. The main types of impact that our research has achieved include: contributions to public understanding of economic issues; improvements in policymaking; contributions to better use of data by national statistical agencies and central banks; improved methods of forecasting commodities prices used by commercial organisations; and better understanding of economic issues in the field of defence.</p> <p>Non-academic user groups and beneficiaries include central banks (such as the Bank of England and the European Central Bank), finance ministries, public officials, and national statistical agencies. In the area of competition policy, users include industry regulators, regulated firms, economic consultancies, the Office of Fair Trading and the Competition Commission (see the Beckert case study). Users of research in finance include banks, insurance companies, commodities trading houses (see the Geman case study) and other financial firms.</p> <p>An increasing number of PhD economists and finance experts are employed in central banks, finance ministries, other government departments, in the competition and regulatory authorities, in firms in the finance industries, in commercial consultancy and forecasting firms. Because of its London location, its mature, part-time students working in non-academic institutions and its alumnae, Birkbeck has been able to take advantage of this trend towards a growing professionalization of public administration.</p>
<p><b>b. Approach to impact</b></p> <p>The Department has a long history of encouraging its members to seek impact for their research, to contribute to wider debate, influence policy, and to affect the practices of governments and commercial enterprises. As far back as 1983, the highly successful Centre for Economic Policy Research (CEPR) was established by Birkbeck economics professor Portes to establish a network of European economists, foster policy-oriented research and give academic research greater policy leverage.</p> <p>We have taken advantage of the growing interaction between academic researchers and users of their research in the fields of economics and finance to develop an easy and natural dialogue with many policy-makers and other users outside academia, who are often significant producers of research. This is true in macroeconomics and monetary policy, where economists at Central Banks and international organisations (the IMF, World Bank, Bank for International Settlements, OECD, for example), are often our alumnae or co-authors. Many economic specialists are part-time mature students already employed by users. For example, current PhD student Zervas is employed by the Ministry of Finance of Greece. Many successful PhD graduates have gone on to work with users, e.g., Mumtaz (PhD 2002) went on to work at the Bank of England and is an author of a paper on the effects of Quantitative Easing presented at a Bank of England conference in November 2011.</p> <p>The potential impact and policy-relevance of research has been one of the factors considered when academic appointments have been made. Several of those appointed have worked outside academia before joining Birkbeck. This experience has increased their awareness of the needs and interests of users. They have often formed research networks, or developed channels of communication that enhance their opportunities to present their research to users, or that may lead to consultancy work. For example, Wright and Garratt worked at the Bank of England; Beckert at the Competition Commission; Tinsley spent thirty years working at the Federal Reserve Board, before joining Birkbeck. Nikandrova joined the College from private sector consultancy firm NERA (National Economic Research Associates). The consequences of this can be seen in various initiatives, such as Garratt's research on now-casting and data revisions detailed in his case study.</p>

## Impact template (REF3a)

Members of the Department carry out research in collaboration with non-academic users. For example, Kapur works with IMF researcher Catao. Aksoy has published on the effects of financial frictions on business cycles with recent Birkbeck PhDs Melina, who was until recently working at the IMF, and Basso, a researcher at the Banco de Espana. Smith has published with Dees of the European Central Bank.

The Department has benefitted from exceptionally large supplementary funding (£200,000) attached to the ESRC World Economy and Finance Programme in 2008 to promote impact. With these funds, a Research and Publicity Officer was appointed, and numerous conferences and meetings were held, including a high-level conference in Shanghai which attracted an audience of more than 200 participants, a collaborative project with Chatham House, and a conference for academics and policy makers on challenges for economic analysis and public policy following the financial crisis. Other conferences held by the Department have been used to disseminate research to users and enhance impact. For example, the Department hosted the annual conference of the Money, Macro, and Finance Research Group in 2009 at which Paul Tucker, Deputy Governor of the Bank of England, was a keynote speaker. The Commodities Finance Centre aims to bring market practitioners and academics together and sustain communication between them in both directions, academics learning about the markets' interests and problems and the markets learning about academic research. The CFC has held a number of conferences with substantial participation of practitioners and contributions from them in the form of speeches, seminar presentations, and discussion groups, for instance the conference on *"Modelling and Managing the Risks of Commodities and Food Prices in a Changing World"* in January 2012.

The Department engages with users and the general public by disseminating research and transferring knowledge. Driffill and Sibert are Fellows, and Petrella is an Affiliate of the CEPR. Driffill, Sibert and Zoega contribute pieces to VoxEU, a highly visible and influential blog site set up by CEPR. Some of Sibert's VoxEU pieces on Iceland record over 80,000 'reads'. Sibert writes in the Financial Times. Driffill is a member of the European Economics Advisory Group of CESifo in Munich whose Annual Report on the European Economy is widely distributed.

Consultancies and secondments provide another means of engaging with users (see Beckert, Sibert and Geman case studies). Smith is a consultant to Frontier Economics. Sibert is an expert consultant to the European Parliament and writes frequent reports for them. Sibert and Zoega's research on monetary policy and the Icelandic economy has impacted on Iceland's policy through their membership of Iceland's Central Bank's monetary policy committee (see Sibert case study).

Members of the Department interact with users in variety of other ways, for instance giving evidence to Parliamentary committees (e.g. in June 2009 Driffill gave oral evidence to the House of Commons Treasury Select Committee on International Aspects of the Financial Crisis, Smith to the Scottish Affairs Committee on the defence of an independent Scotland). Driffill liaises with the chief economist of the Bank of England on behalf of the CEPR on the topics and speakers for the semi-annual Monetary Policy Round Table Meetings.

The opportunities for commercial exploitation of research and its use in public policy have led some members of the Department to further their careers outside academia and implement their research directly. Perraudin, former Birkbeck professor of finance, now develops risk management software on the basis of his academic research in the private sector. Our macroeconomic research is directed at questions of high level policy implementation (see Sibert and Garrett case studies), and this has enabled past members of the Department to move into important policy positions and to apply the results of their research when designing public policy. Former professor of finance Vittorio Grilli, who made important contributions to analysis of monetary and fiscal policy while at Birkbeck, was Minister of Finance of Italy from July 2012 to April 2013; former Birkbeck reader in economics George Alogoskoufis was from March 2004 until January 2009 Minister of Economy and Finance of Greece (and delivered a speech at the January 2010 conference of the ESRC World Economy and Finance Programme in London). Alumnae have held high level policy positions: Marion Bell on the Monetary Policy Committee, Ed Davey as Secretary of State in the current government.

### c. Strategy and plans

In the next period, the Department will be increasing the priority given to impact amongst researchers by (i) increasing awareness and practical support of impact from proposal stage onwards; and (ii) enhancing dissemination and networking activities that can follow through to important impacts.

The Department develops its strategy for research and research impact through its Research Committee. Our impact strategy informs and is informed by the School's impact strategy, which is developed through discussions in the School's Executive Board (Driffill and Hart are members). All these are fora in which research impact is reported and reflected on, new opportunities for impact are identified, and new mechanisms for supporting impact are formulated. The School of BEI offers small grants (up to £5k per project per year) to enable research to achieve greater impact. This is being used within the Department to spread the reach of their research through networks and seminars.

The School has appointed a Business Engagement and Impact Manager who leads a Unit which assists researchers to develop external contacts and enhance impact. This Unit *inter alia* assembles the impact-related experiences of researchers throughout the School and distils guidance on best practice for achieving impact. The UoA engages actively with the Unit to enhance the impact of ongoing projects and to advise and assist in the preparation of new proposals for external funding. Applicants are required to explain what impacts they aim to achieve and by what means and hence to make impact planning integral to the development of all research projects.

The School will continue to hold its annual Business Week, a week of public lectures, discussions, debates and activities, which present the research of the four departments that make up the School of Business, Economics and Informatics to a wide audience that includes the Birkbeck community, the general public, and also more targeted audiences of specific users of research. The annual Tress Memorial Lecture is delivered by high-profile speakers and draws a large and diverse audience. We will maximise the support of our External Relations Department to broadcast research results widely and continue to extend the use of social media.

The Department will continue to develop its research centres, the Commodities Finance Centre (CFC) and the Birkbeck Centre for Applied Macro-econometrics (BirkCAM), to enhance impact, by raising the external profile of research, engaging with users through conferences, and raising external research funds.

The Department will continue to encourage and assist members to engage actively with appropriate non-academic users. For example, in macroeconomics, this means building up close connections with central banks and governmental organizations, and European and international institutions such as the IMF and World Bank.

### d. Relationship to case studies

The four case studies are based on long-standing research programmes which reflect some of the main interests and priorities of the department. They emerge from areas in which it has excellent capabilities in research: macroeconomic theory, applied econometrics, industrial organisation, and commodities. In each of these case studies, the Department's commitment to policy-relevant research disseminated through networks of important professional users can be observed in practice.

Beckert's work as a consultant to the Competition Commission has enabled his research to have an impact on their policies. Sibert's research on committee structure and decision making has contributed to public discussion and awareness of issues surrounding decision making and the role of women in high public offices. Garratt's work experience at the Bank of England stimulated his interest in problems of forecasting. Having built these networks, his research has been developed with close interaction with the Bank of England and other central banks. Geman has disseminated her research on commodity prices via numerous international conference presentations which have increased the take-up of her results by commercial organisations.