

“Complex mathematics is used to mystify economics, just as congregations in Luther’s time were deliberately left in the dark by services conducted in Latin.”

Larry Elliot, The Guardian



Economics is a failing discipline doing great harm - so let's rethink it

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1,454 541

Our global economy should serve rather than dominate people - and that includes factoring in the climate crisis, too



▲ 'Roasted by heatwaves, this year the world went into ecological overshoot on 29 July, the earliest yet.' An iceberg floats in Disko Bay, Greenland. Photograph: Sean Gallup/Getty Images

Something is killing conventional economics and it's probably an inside job. Reliance on abstract mathematics and absurd assumptions

What people think economists do

When asked what economists do:

- around 2 in 3 said they forecast various things
- around 1 in 3 said they work on industry regulation
- around 1 in 4 said they advise government on policies

Source: YouGov poll of 1,715 British adults in April 2017

What people think economists do

“What three words would you use to describe what economics is about?”

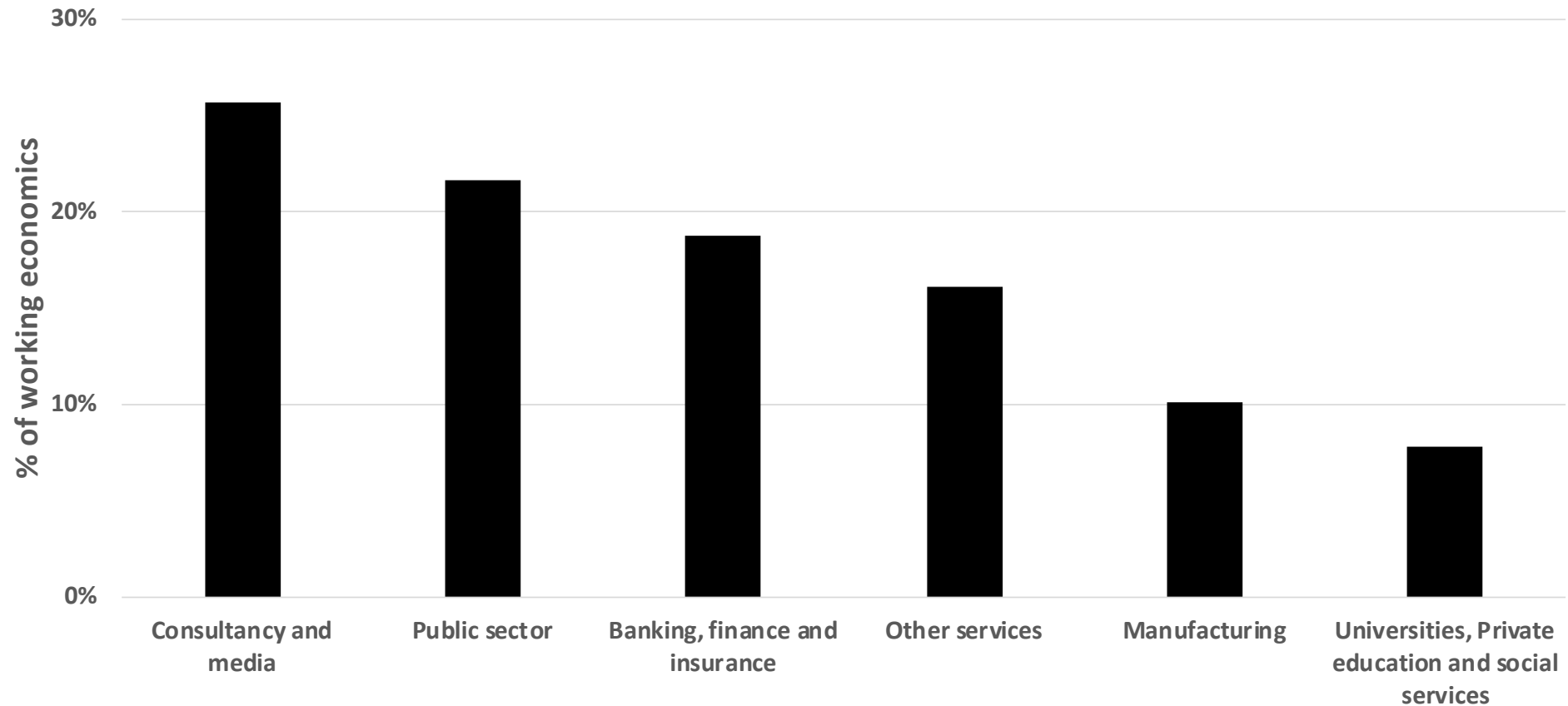


sample of 110 year 11 + year 12 students attending economics event at University of Bristol; Crawford, Davies and Smith (2018)

What students are interested in

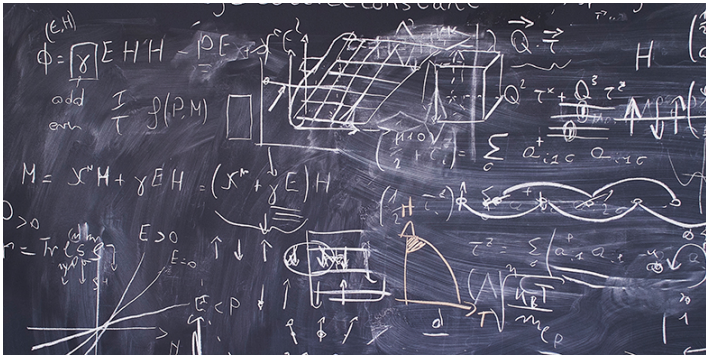


What economists really do



Notes: Labour Force Survey, 1999-2016; aged 22-65 with an undergraduate degree in economics and in paid work (employed or self-employed); this is the industry they work in.

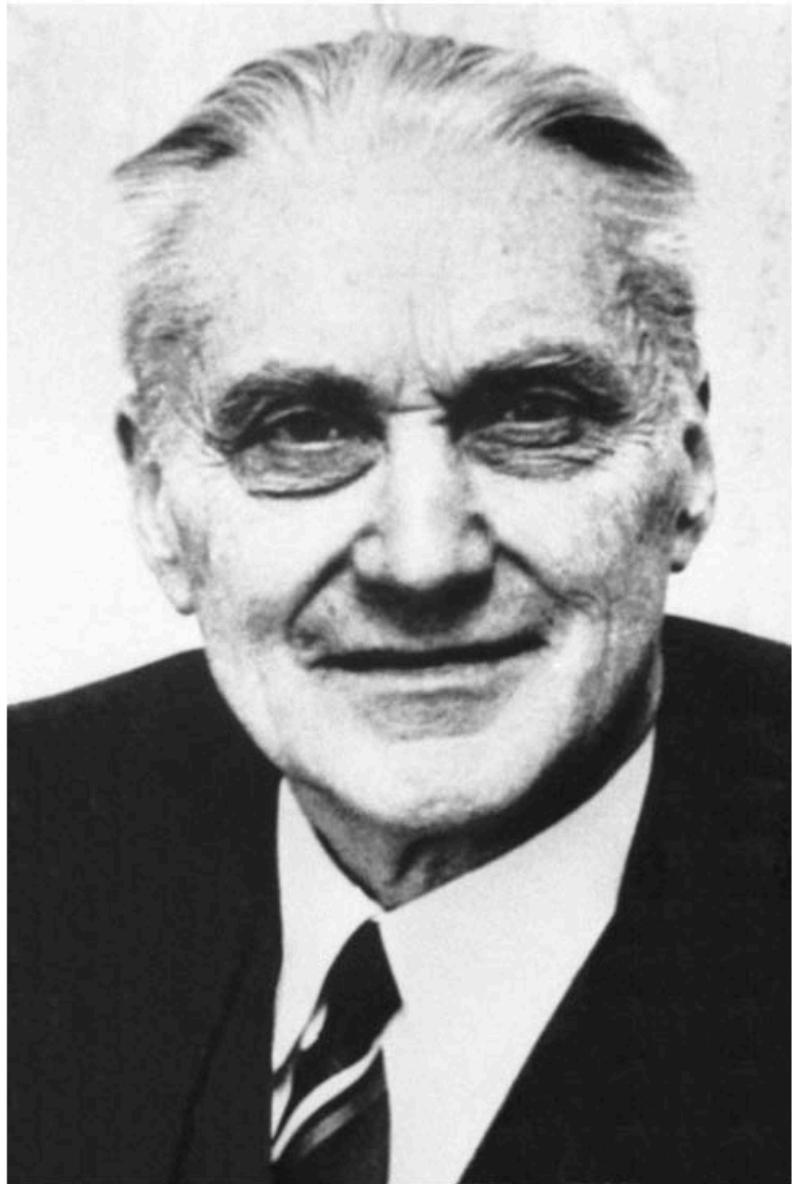
What economists really do



Combine theory and data:

- to better understand human behaviour
- to articulate the trade offs people and policy makers face
- to describe how markets do and could work

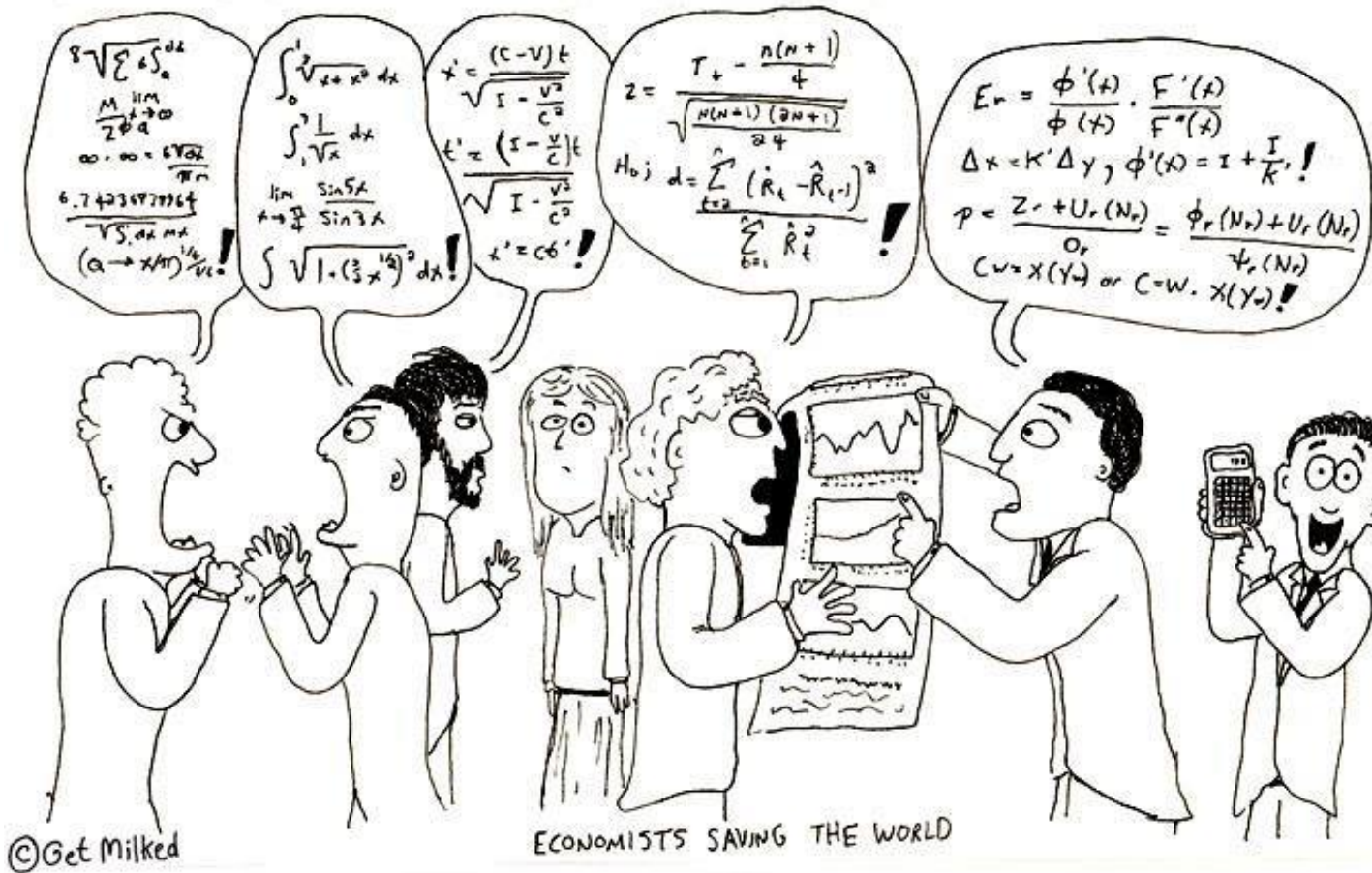
in order to advise policy and practice



“No amount of statistical information, however complete and exact, can by itself explain economic phenomena. ... we need the guidance of a powerful theoretical framework. Without this no significant interpretation and coordination of our observations will be possible.”

Ragnar Frisch, winner of first Nobel Prize in Economics

But do we communicate well?



But do we communicate well?

Comparison of top 25 economists with top 25 scientists on twitter

Economists:

- tweet less
- mention fewer people
- mainly talk among themselves
- use more complex words
- use fewer inclusive pronouns

Analysis was of over 130k tweets

Guista, Vukadinovic-Greetham and Jaworska (2018)



But do we communicate well?

The role of models and why we use them is something that people often misunderstand about economics

example:

when we try to explain the difficulties of taxing top incomes this is often confused with economists arguing that we should not tax top incomes



Communicating what economists really do



Models are like maps

- for a walk in the Peak District I use a 1:20,000 OS map; details every wall and rock
- to drive from Manchester to Sheffield across the Peaks, I prefer a map that abstracts from this detail and lets me see the road network more clearly
- if I want to take a canal boat, a map that abstracted from the roads and brings the canals (and locks) more easily into focus would be more useful

Some economists
do communicate
very well





Some economists do
communicate very well

Others are working to communicate better

There are many initiatives to:

- communicate better
- teach new generations to communicate better
- attract a more diverse group of people into economics

Robert J. Shiller

Winner
— of —
the Nobel
Prize

narrative
economics

How Stories Go
Viral & Drive Major
Economic Events

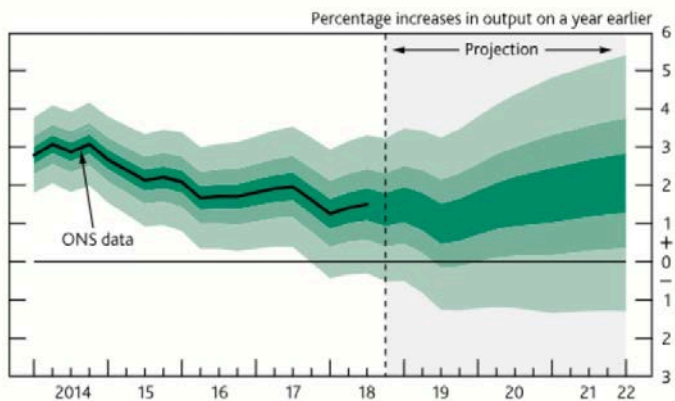
Storytelling

People have told and listened to stories throughout history and from childhood





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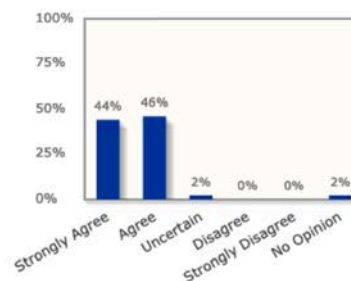
CHICAGO BOOTH



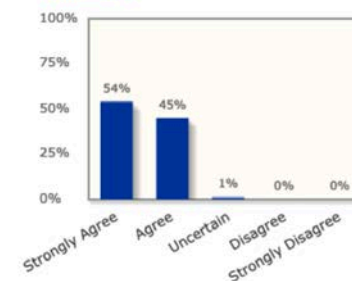
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Question A: Freer movement of people to live and work across borders within Europe has made the average western European citizen better off since the 1980s.

Responses

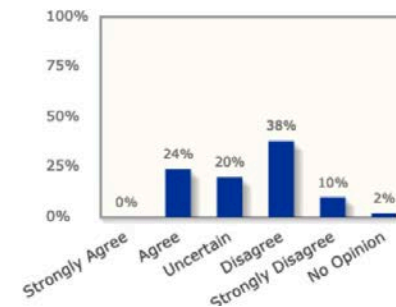


Responses weighted by each expert's confidence

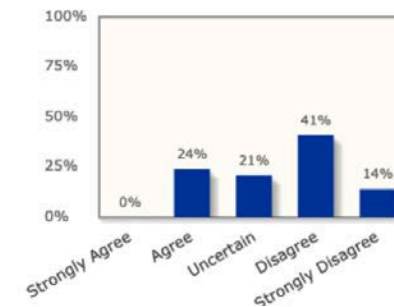


Question B: Freer movement of people to live and work across borders within Europe has made many low-skilled western European citizens worse off since the 1980s.

Responses



Responses weighted by each expert's confidence



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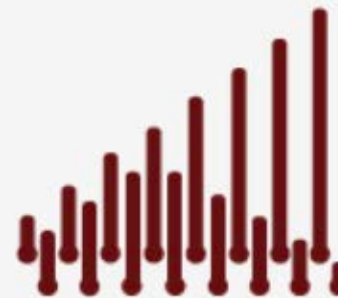
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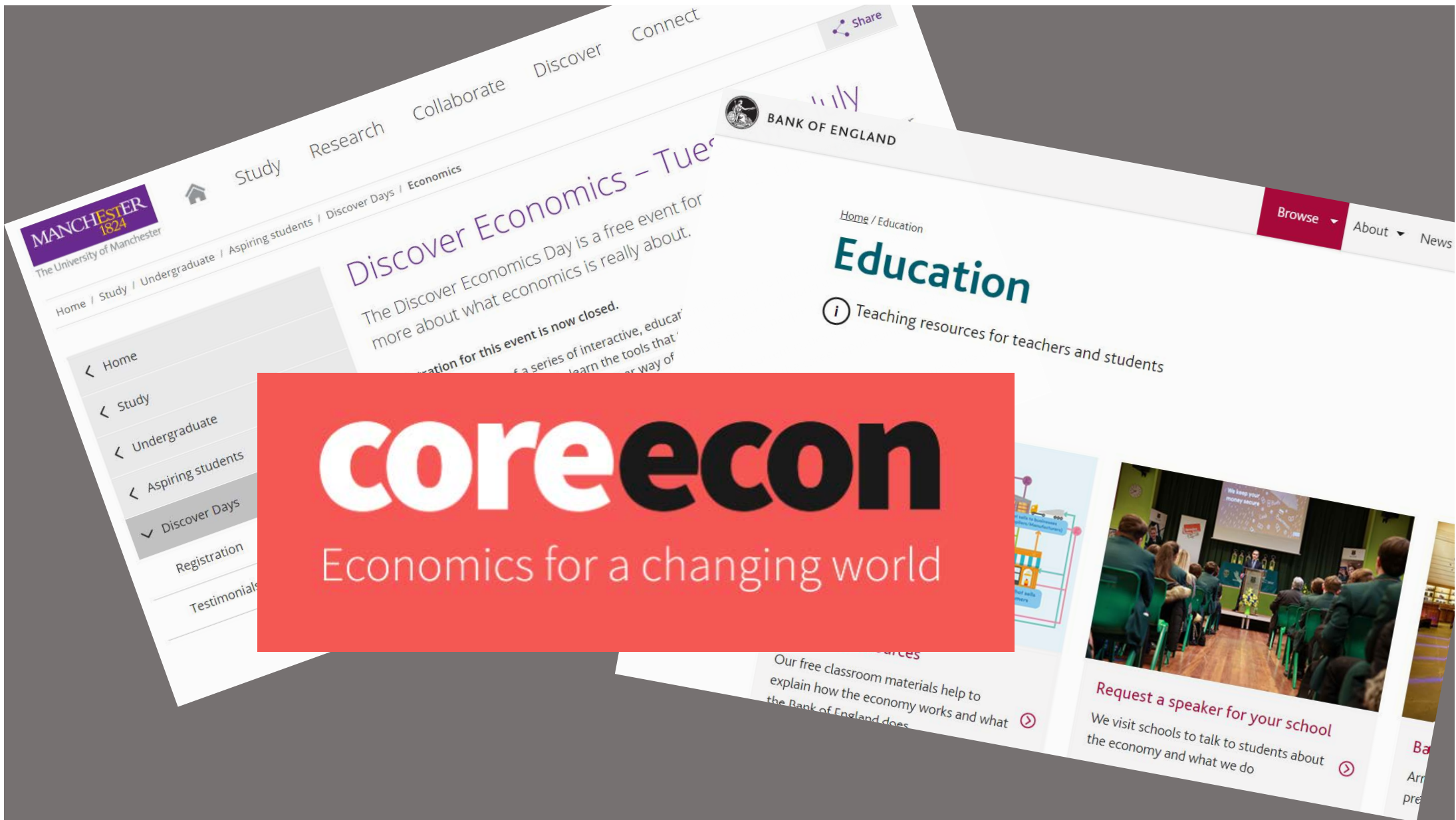
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"Economics is in a state of create ferment – a sense of public responsibility is bringing people into the fray"

Dani Rodrik



ecnfip

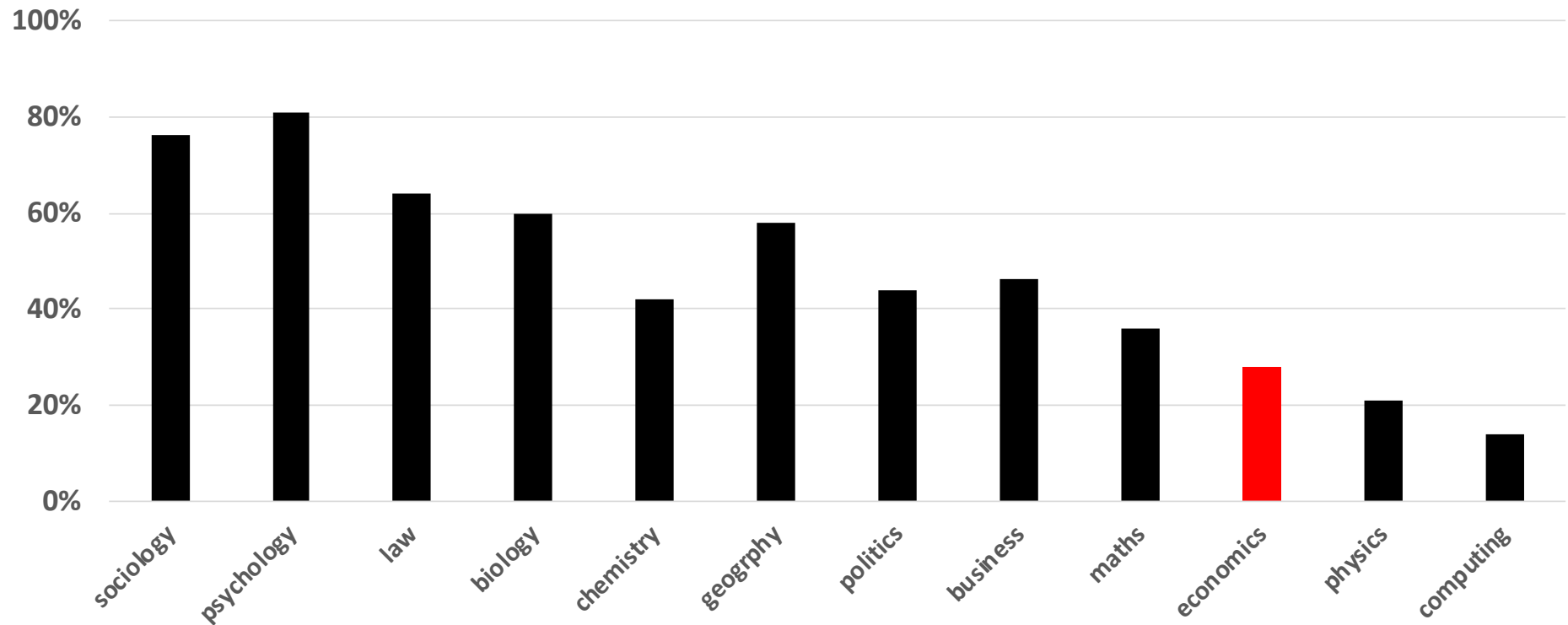
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But all is not well

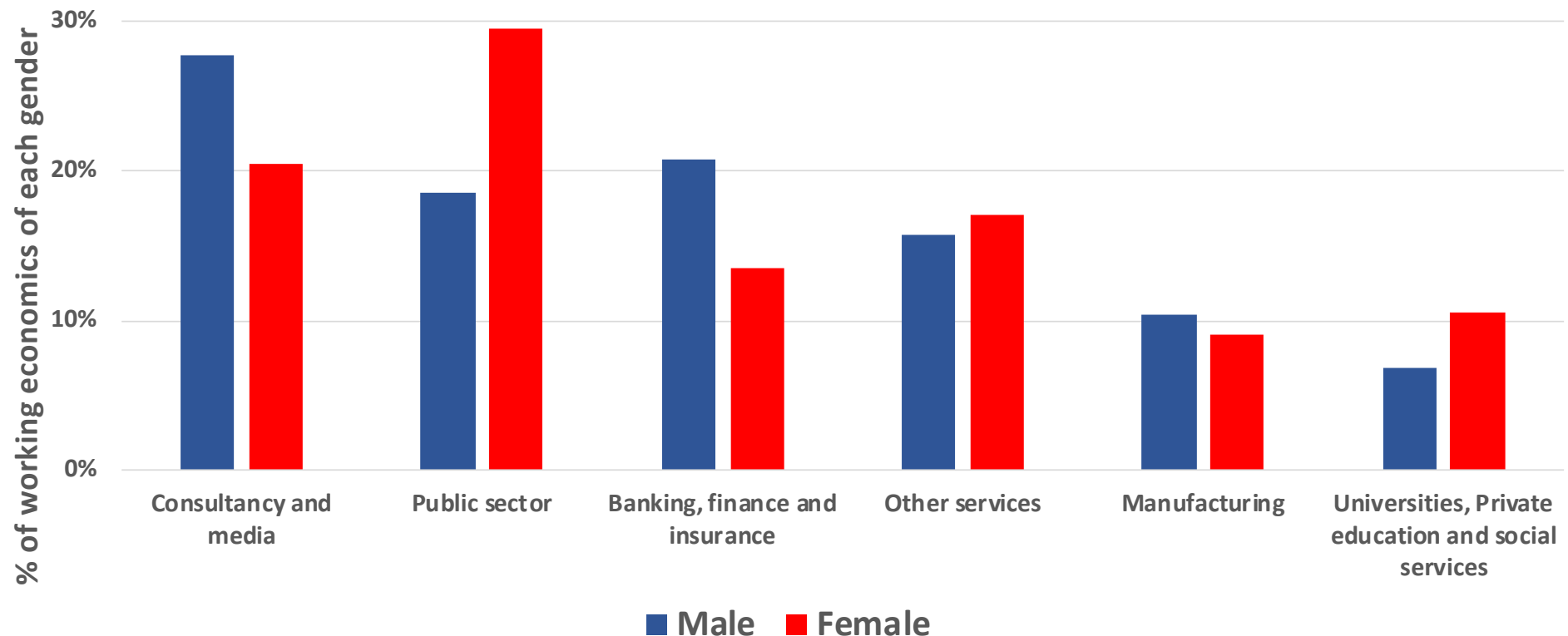
Share of UK undergraduates who are female



Source: HESA 2016/17

Diversity matters

The jobs that males and females choose



Notes: Labour Force Survey, 1999-2016; aged 22-65 with an undergraduate degree in economics and in paid work (employed or self-employed); this is the industry they work in.

“When economics is tested by future challenges, I hope that our profession will be able to say that we have done all we could to attract the best people and the best ideas”

Janet Yellen



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Scottish Economic Society

Diversity matters

- Drawing from the widest talent pool
- Diversity fosters intellectual growth
- Diverse economists have different interests and views
- **More diverse economists will communicate better with a more diverse group of people**

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