

The Research Assessment Exercise, the state and the dominance of mainstream economics in British universities

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In previous research on the impact of the Research Assessment Exercise on heterodox economics and heterodox economists in the UK, the author concluded that reliance on Diamond List journals to rank departments would drive economic departments to discriminate positively in terms of their hiring, promotion and research strategies in favour of mainstream economists and their research, in order to maintain or improve their ranking. As a consequence, the author predicted there would be no or only a token presence of heterodox economists in an increasing number of departments. Whether the conclusions still hold and the predictions materialise is the subject of the paper.

Key words: Research assessment exercise, Heterodox economics
JEL classifications: A14, A2, B50

1. Introduction

Previous research (Harley and Lee, 1997; Lee and Harley, 1998) on the impact of the Research Assessment Exercise (RAE) on heterodox economics and heterodox economists in the UK arrived at a discouraging set of conclusions and predictions. Specifically, through the economics panelists reliance on Diamond List journals to rank departments, we concluded that the RAE would continue to drive economic departments to discriminate positively in terms of their hiring, promotion and research strategies in favour of mainstream economists, and their research in order to maintain or improve their ranking (and hence their research funding). As a consequence, we predicted there would, in time, be no or only a token presence of heterodox economists in an increasing number of departments. And, in turn, the near absence of heterodox economists in many economic departments would result in undergraduate, post-graduate and research

Manuscript received 1 August 2005; final version received 26 April 2006.

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students only being taught mainstream economics and writing neoclassical doctoral dissertations. In a non-ergodic world with many different causal mechanisms and structures, these conclusions and predictions may not materialise. Whether they did or not provides the framework for this study on the dominance of mainstream *vis-à-vis* heterodox economics and economists in the UK at the dawn of the twenty-first century. The line of argument advanced in the paper is that our conclusions and predictions continue to hold, in that mainstream or neoclassical economic theory and discourse dominates UK economic departments in terms of research, publications, undergraduate teaching, post-graduate teaching and research degrees; and a majority of departments have none or only a token heterodox economist on their staff. And that these outcomes are in part a result of the RAE and the emphasis placed on publishing in the Diamond List set of journals. To establish the argument, the first section will delineate the ranking-state of British economics *circa* 2001 relative to the 2001 RAE. In the following section, Quality Assurance Agency subject benchmark and content material is used to indicate a connection between the RAE and the dominance of mainstream vs heterodox subject content in economic degree programmes *circa* 2000–02. This is followed in the third section by an examination of the impact of the RAE and the Diamond List on department hiring and promotion practices. Drawing on the previous material, the fourth section will address the dominance of mainstream economics in British universities. The final section will address the role of state power in the fostering of intellectual uniformity in British economics.

2. The 2001 RAE, Diamond List journals and economic departments

Out of the 94 British universities and other institutions of higher education that offered undergraduate and post-graduate courses and degrees in economics *circa* 2000 (see Appendix 1¹), only 41 entered the 2001 RAE.² Concentrating on these 41 economics departments, the impact of the Diamond List journals on their 2001 RAE ranking will be examined in this section.³ As noted previously (Harley and Lee, 1997; Lee and Harley, 1998), British economists strongly believed that the so-called ‘Diamond List’ of core mainstream economic journals was used by the panel assessors in the 1989 RAE to inform their judgment of the quality of research in economics departments. Although the Diamond List remained unofficial in the following years, the journals came to represent in the minds of British economists the ‘core’ mainstream journals,

¹ All the Appendices referred to in the paper can be found at <http://cas.umkc.edu/econ/economics/faculty/lee/docs/rae-app.pdf>

² To account in part for the 53 non-submissions, the Royal Economic Society asserted that weaker economic departments submitted to the Management and Business Studies unit of assessment (Royal Economic Society, n.d.). However, no argument or evidence was offered to support the assertion. On the other hand, the RAE panelists of Business and Management Studies felt that ‘the quality of the research submitted was high on the whole, with a substantial portion of at least national standing and a significant fraction of international standing’ (Bessant *et al.*, 2003, p.54). The main difference between the submissions to the Economics and Business-Management panels was that the research submitted to the latter tended to be more empirical than theoretical. Moreover, they felt that economics could make significant contributions to research and the research culture in business schools.

³ For a listing of the Diamond List journals, see Appendices II and IV; and for the number of 2001 RAE publications for each journal, see Appendix IV.

which is not surprising, as they dominate the journal ranking studies of the past decade:¹

[Diamond List journals] are the journals used in the now-regular university research assessment exercise as the principal criterion for international excellence. It is not easy to publish in these journals. (Oswald, 1995, Table 4, p. 6)

Thus, Diamond List journals are widely recognised by mainstream economists for their rigorous editorial and refereeing process and have a reputation for international excellence through their publication of articles that make substantive and/or original contributions to theory, methodology, policy and practice, and achieve technical excellence.² Hence, for mainstream economists in general, as well as the members of the economics panel, they were (and are) in an almost commonsense way an ‘objective’ measure of the quality of research and hence the principal determinant in ranking economic departments, and other criteria, such as publications in less prominent journals and non-journal publications and the research culture, depth, vitality and prospects of the department, mattered to a much lesser extent (Lee, 2005B; Beath, 2003; Backhouse, 2002).

Evidence for this claim is threefold. As indicated in Table 1, the average number of Diamond List publications per department-rank increases dramatically with rank.³ Moreover, when size of department is compensated for in terms of the percentage of Diamond List publications in total publications per rank and the number of Diamond List publications per active research staff, the initial results still hold. Secondly, these results are not altered when the Diamond List is expanded to include selected neoclassical and interdisciplinary journals (see Appendix 4 and Lee and Harley, 1998). It was hoped, when first proposed, that the expanded list would be accepted in place of the Diamond List as the indicator of research quality. However, as indicated in Table 2, this was not the case in the 2001 RAE. That is, the inclusion of the selected journals did not disturb the rankings (the values for rank 5 were still less than the values for rank 5*) but the differences between the different ranks declined significantly. In particular, the differences between the ranks of 5*

¹ The Diamond List journals consist of the following: *American Economic Review*, *Brookings Papers on Economic Activity*, *Canadian Journal of Economics*, *Economica*, *Economic Inquiry*, *Economic Journal*, *Econometrica*, *Economic Letters*, *European Economics Review*, *International Economics Review*, *Journal of Development Economics*, *Journal of Econometrics*, *Journal of Economic Literature*, *Journal of Economic Theory*, *Journal of Financial Economics*, *Journal of International Economics*, *Journal of Labor Economics*, *Journal of Law and Economics*, *Journal of Mathematical Economics*, *Journal of Monetary Economics*, *Journal of Political Economy*, *Journal of Public Economics*, *Oxford Economic Papers*, *Quarterly Journal of Economics*, *Rand Journal of Economics*, *Review of Economics and Statistics* and *Review of Economic Studies*. They are generally referred to as the core or blue ribbon or top research *mainstream neoclassical* journals because of their frequent appearance as top journals in studies on rankings of economic journals. That is, from eight to 22 Diamond List journals are included in each of the 12 journal ranking studies covering the period 1994–2003 listed in Appendix II. In addition, 25 of the journals appeared in at least one of the studies, while 15 appeared in half or more of the studies. The basis for such stability arises from the stability of beliefs concerning core journals and from the comparative stability in terms of journals’ citation impact (Burton and Phimister, 1995; Sutter and Kocher, 2001).

² See ‘Section III: Panels’ Criteria and Working Methods—3.30 Economics and Econometrics, UOA 38’, at http://www.hero.ac.uk/rae/Pubs/5_99/ByUoA/crit38.htm

³ The RAE ranking system for 2001 (and 1996) is as follows: 5*—level of international excellence in more than half of the research activity submitted and attainable levels of national excellence in the remainder; 5—levels of international excellence in up to half of the research activity submitted and attainable levels of national excellence in virtually all of the remainder; 4—levels of national excellence in virtually all of the research activity submitted, showing some evidence of international excellence; 3a—levels of national excellence in over two-thirds of the research activity submitted, possibly showing evidence of international excellence; 3b—levels of national excellence in more than half of the research activity submitted; 2—levels of national excellence in up to half of the research activity submitted; 1—levels of national excellence in virtually none of the research activity submitted.

Table 1. 2001 Research Assessment Exercise publication data by ranking: Diamond List Journals

	5*	5	4	3
Total active research staff	142.8	279.2	283.3	141.6
Total Diamond List publications	238	323	246	64
Total RAE publications	559	1107	1031	542
Publications in Diamond List journals (average per department)	59.5	35.9	14.5	5.8
Percentage of Diamond List publications in total RAE publications	42.57	29.18	23.86	11.81
Diamond List publications per active research staff	1.67	1.16	0.87	0.45

Source: Derived from Appendix III.

Table 2. 2001 Research Assessment Exercise publication data by ranking: Diamond List and other selected mainstream and interdisciplinary journals

	5*	5	4	3
Total active research staff	142.8	279.2	283.3	141.6
Total Diamond List and other selected journals publications	263	418	379	159
Total RAE publications	559	1107	1031	542
Publications in Diamond List and selected journals (average per department)	65.75	46.4	22.3	14.4
Percentage of Diamond List and selected journals in total RAE publications	47.03	37.76	36.76	29.33
Diamond List and selected journals publications per active research staff	1.84	1.50	1.34	1.12

Source: Derived from Appendix III.

and 3, as measured by the ratio $5^*/3$, declined for each measure. For example, 5^* departments publish in Diamond List journals at a factor of 10 times greater than 3 departments, whereas for the expanded Diamond List the factor difference drops to 4.5 ($59.5/5.8$ vs $65.75/14.4$). Moreover, the ratio of the percentage of Diamond List publications in total publications for 5^* relative to 3 departments is 3.6, but the same ratio for the expanded Diamond List is 1.6 ($42.57/11.81$ vs $47.03/29.33$) which is not much of a difference at all. Finally, for the Diamond List, publications per active research staff for 5^* relative to 3 departments is 3.7, but the same ratio for the expanded Diamond List is 1.6 ($1.67/0.45$ vs $1.84/1.12$), which again is not much of a difference. The significance of the Diamond List is, through contrast with heterodox economic, history of economic thought, and methodology publications (H-HET-M), accentuated.¹ That is, as shown in Table 3, the lower the department ranking, the greater the percentage of H-HET-M publications in total

¹ The list of heterodox economic journals is derived from the RAE submissions and contains most of the top international heterodox journals—see Appendix IV. This list is a sub-set of the heterodox list used by Lee and Harley (1998) as well as the more comprehensive list found in Lee *et al.* (2005). The list of history of economic thought and methodology journals used is also derived from the RAE submissions. They include all the top international journals—see Appendix 4.

Table 3. 2001 Research Assessment Exercise publication data by ranking: heterodox, history of economic thought, and methodology publications

	5*	5	4	3
Total active research staff	142.8	279.2	283.3	141.6
Total H-HET-M publications	10	30	49	37
Total RAE publications	559	1107	1031	542
H-HET-M publications (average per department)	2.5	3.3	2.9	3.4
Percentage of H-HET-M publications in total publications	1.79	2.71	4.75	6.83
H-HET-M publications per active research staff	0.07	0.11	0.17	0.26

Source: Derived from Appendix III.

publications and the number of H-HET-M publications per active research staff. Moreover, the ratio of the percentage of H-HET-M publications in total publications for 5* relative to 3 departments is 0.26; and for H-HET-M publications per active research staff for 5* relative to 3 departments is 0.27. Thus, in general, the research active staff in 3 departments produce 3.7–3.8 times as many H-HET-M publications as a 5* department.

The above results strongly support the conclusion that the Diamond List journals were taken by the 2001 RAE economics panel as the quantitative measure of research quality. Moreover, the panel, as suggestive in its ranking decisions, did not place the journals ‘added’ to the Diamond List at the same level of research quality and hence publications in them did not significantly contribute to a department’s ranking. Thus, the attempt to broaden the Diamond List in the end severely hurt those departments that took the extended list seriously.¹ Finally, the panel’s ranking decisions suggest, at least to the affected departments, that H-HET-M publications and faculty groups devoted to H-HET-M research had negative consequences.² Specifically, departments that had research groups in the areas of heterodox economics, history of economic thought and methodology generally received a low ranking of 3 or 4 (see Table 4).

3. Economics subject benchmark and the subject content of economic programmes

The Quality Assurance Agency for Higher Education (QAA) is charged with reviewing the quality of higher education in the UK. Consequently, it initiated a project to develop definite subject benchmark statements that would be used to evaluate the nature and

¹ At the new universities, economists were encouraged or even told to publish in the extended list if they could not do so in the Diamond List. Hence, this is possible evidence for the frequently heard charge that the economics panel shifted the goal posts in favour of a small pre-selected group of departments whose members have the restricted capability of publishing in Diamond List journals.

² The negative impact of the history of economic thought on department rankings has been evident since the 1992 RAE when nine of the 12 departments that submitted such publications (see Appendix V, column 5, less Hull and Nottingham Trent) received a ranking of 3 or 2. Perhaps it was the well-founded belief by departments that the RAE economics panel reacts quite negatively towards any H-HET-M publications, which led 31 universities to place a total of 145 such publications (which is more than was submitted to the economics panel) in units of assessment outside economics. This may explain why four of the top six heterodox departments, including SOAS, Leeds, Open University and Staffordshire, opted to place 23 heterodox economists with 53 H-HET-M publications in non-economic units of assessment (Lee, 2005A; and Appendix X).

Table 4. 2001 Research Assessment Exercise research groups in heterodox economics, history of economic thought, and methodology, by ranking

Department	Ranking	Research Group
Cambridge	5	Methodology and Political Science
Manchester	4	History of Thought, Methodology, and Heterodoxy
Stirling	4	Developments in Economic Thought
Aberdeen	3	Institutional Economics
East London	3	Post Keynesian Economics
Manchester Metropolitan	3	History of Thought/Political Economy

characteristics of academic programmes, which in our case would be the BA economics degree with honours.¹ In the benchmark statement, the stated aim of economics ‘is to analyse and understand the allocation, distribution and utilisation of scarce resources’ (Beath, 2000, p. 1), and its methodology is deductive reasoning and the application of logical analysis applied to assumption-based models. This neoclassical-based aim and methodology is complemented with statements concerning subject knowledge and understanding associated with neoclassical teaching programmes and with subject-specific skills and concepts, such as abstraction so to frame economic problems in terms of assumption-based mathematical models that can be quantified, opportunity costs, equilibrium, incentives and the relevance of marginal considerations. The only recognition of the existence of heterodox economics and the importance of the history of economic thought and methodology for economics students is the acknowledgement that, as part of their knowledge of economics, students should appreciate ‘the existence of different methodological approaches’ and ‘the history and development of economic ideas and the differing methods of analysis that have been and are used by economists’ (Beath, 2000, p. 2). But these points are downplayed to the extent that they do not appear as part of the benchmark levels necessary for a graduate of an honours degree in economics. In short, the economics benchmark statement seemingly enshrines neoclassical economic theory as the only economic theory to teach undergraduate students and the only theory they are expected to know (Beath, 2000; also see Backhouse, 2002).

A second project of the QAA concerns subject reviews that are carried out in terms of the aims and objectives established by the provider of undergraduate and taught post-graduate programmes in the subject; and the aims and objectives in turn determine the content of the programmes. Thus, the aims and objectives essentially define what the core knowledge of the subject students are expected to know. In the case of economics, economic departments *qua* their undergraduate and taught post-graduate degree programmes are ‘free’ to establish any aims and objectives on which to be evaluated. They could have included the aim/objective of ‘introducing students to mainstream and heterodox theories and their methodologies and to their historical origins and development’, therefore making heterodox economics, history of thought and methodology part of the core subject knowledge that students are expected to know. However, the QAA subject reviews in economics for England, Scotland and Northern Ireland for the period 2000–02² shows

¹ The benchmark statement in economics was developed by 19 economists drawn from 5* to 3 to not-ranked departments and included three members of the RAE 2001 economics panel.

² For the period 2000–02, there were no economics subject reports for Wales.

that the top economics departments did not include heterodox economics, history of economic thought and methodology as part of the core economics students are expected to know (see Appendix 6).¹ Hence, none of the departments ranked 5*, 5 or 4 included among their aims and objectives for their taught undergraduate and post-graduate courses statements regarding heterodox economics, history of thought and methodology. Rather, their aims and objectives for the teaching of economics and the content of what is to be learned included the following phrases:

providing students with theoretical and applied courses in *mainstream economics or the standard core of economic theory and method* (Essex, Birkbeck, Cambridge, Leicester, Manchester, Nottingham, Edinburgh and Stirling);

upon graduating students should have a sound understanding of the central ideas, concepts, tools, models and methods of *modern mainstream economic theory* (University College London, Warwick, Exeter, Cambridge, Leicester, Oxford, Bristol, Kent, Manchester, Newcastle and Royal Holloway);

students are exposed to leading-edge research, much of it originating within the Department (University College London, Birmingham, Nottingham, Southampton, Birkbeck and Bristol);

provide economic courses that are consistent with the benchmark statement in economics (Birmingham, Glasgow, Edinburgh, Stirling, Strathclyde and St Andrews); and

students are to be familiar with mathematical methods and quantitative techniques and their application to economic problems (London School of Economics and Political Science, University College London, Essex, Bristol, Birmingham, Kent, Manchester, Stirling, St. Andrews, Royal Holloway, East Anglia, Nottingham, Southampton, Liverpool, Sussex, Exeter, Cambridge, Leicester and Oxford).

Given the exclusive emphasis on terms such as ‘modern-mainstream economics’, ‘core economic theory’, ‘the benchmark statement in economics’ and ‘mathematical methods and quantitative techniques’, the evidence suggests that these departments are inclined to teach a single view of economics to their students. Stating that what they teach is based on the up-to-date research carried out by the economics staff reinforces this. In light of the RAE emphasis on Diamond List publications, this means that the core subject matter students are expected to know is restricted to neoclassical economic theory. This does not mean that students in these departments are not exposed to heterodox economics or take classes in history of economic thought and methodology (see below). Rather these departments have decided that this material is non-essential to the core subject knowledge that students are expected to know.²

Because of the intellectual and academic prestige acquired by the 5*, 5 and 4 ranked departments through the RAE, they effectively set the benchmark for what is considered the appropriate economics to teach students. Therefore, it is not surprising to find that in 2000–02, six of the 11 3-ranked departments and eighteen of the 29 subject reviewed but non-ranked departments (that is, departments or institutions that did not enter the RAE 2001 under economics) did not have the required modules that included heterodox

¹ The results are not surprising since, in 1994, only two (Cambridge and Leicester) of the 29 5*, 5 and 4 ranked programmes had required classes that included heterodox economics (see Appendix VII).

² Backhouse (2002) has documented this attitude, as it relates specifically to the history of economic thought.

economics (see Appendix 6).¹ These latter 24 departments justified their position by deferring to the elite departments in terms of wanting to ‘maintain the same academic standards’. Consequently, they use the same language and phrases when delineating their aims and objectives for the teaching of economics and the content of what is to be learned: providing students with theoretical and applied courses in *mainstream economics or the standard core of economic theory and method* (Dundee, Hertfordshire, Hull, Liverpool John Moores, Queen’s Belfast, Sheffield and UWE Bristol); upon graduating, students should have a sound understanding of the central ideas, concepts, tools, models and methods of *modern mainstream economic theory* (Loughborough, Manchester Metropolitan, Reading, Staffordshire and Surrey); provide economic courses that are consistent with the *economics benchmark statement* (Aberdeen, Paisley, Sheffield, UCE Birmingham and Ulster); and students are to be familiar with *mathematical methods and quantitative techniques* and their application to economic problems (Keele, London Guildhall [now London Metropolitan], Nottingham Trent, Portsmouth, Liverpool John Moores, Queen’s Belfast, Staffordshire and UWE Bristol).²

4. RAE, Diamond List and department hiring and promotion practices

As indicated in Harley and Lee (1997), many departments prior to 1992 had hiring and promotion practices in place that emphasised publications or the capability of publishing in Diamond List (or, more euphemistically, core economic) journals. But since 1992, those departments that had such hiring and promotion practices followed them more closely, while other departments quickly took them up. Consequently, by 1994, all the departments ranked 5*, 5 and 4 and seven of the 11 3-ranked departments in the 2001 RAE emphasised publications in the Diamond List journals and had restricted their hiring (and promotion) almost entirely to appropriately qualified neoclassical economists;³ and of these 36 departments, 21 would not hire a heterodox economist (see Appendix VII, columns 2, 3 and 4).⁴ These staffing practices were also explicitly delineated by Brunel, Exeter, Newcastle and Queen Mary as part of their 2001 RAE submission; and implicitly suggested by departments, such as Nottingham, Oxford, Queen Mary and Warwick, that

¹ These results are not surprising as, in 1994, six of the 11 3-ranked departments in 2001 did not have required modules that included heterodox economics, with the only change being that London Guildhall (now London Metropolitan) eliminated the heterodox content in its required classes in order to make their courses more mainstream, while Aberdeen introduced heterodox economics into its required courses. In addition, in 1994, 13 of the 23 non-ranked departments in 2001 did not have required modules that included heterodox economics; and by 2000–02, there was a net increase to 16 of the 23 departments. Finally, of the 35 non-ranked departments or institutions surveyed in 1994, 23 did not have required modules that included heterodox economics. In short, of the 76 department or institutions covered in the 1994 questionnaire plus De Montfort University, 56 or 74% did not have modules that included heterodox economics (see Appendices VI and VII).

² The Quality Assurance Agency for Higher Education, Review Reports, Subject Level, Economics, <http://www.qaa.ac.uk/reviews/reports/subjectReports.asp?subjectID=1>.

³ The language used in this regard is exemplified by the University of Manchester in its 29 March, 14 June, September and 8 November, 1994 advertisements in *The Guardian*: ‘appointee . . . contributing at the leading edge of mainstream economic theory’, ‘raise the . . . profile in mainstream economics’, and ‘should have an established research record, or clear research potential, in some areas of mainstream economics’.

⁴ Some of the reasons given for not hiring a heterodox economist include the following: (1) not likely to get publications in Diamond List journals (Birkbeck, Newcastle and St. Andrews); (2) research is of low quality and devoid of any real academic value (Exeter, Oxford and York); and (3) would not support/enhance the department’s academic reputation (Aberdeen).

sought to identify themselves as ‘top’ departments and to establish that the quality of their research had improved in terms of publications in Diamond List journals.¹ Finally, the practices have remained in force to the present day, with the apparent result that none of the 5* and 5-ranked departments and only one of the 4-ranked departments has hired heterodox economists over the period 2000–03 (derived from the 2003 Questionnaire—see Appendix IX). Therefore, it is unsurprising that the portion of Diamond List publications in a department’s total RAE-submitted publications have generally increased from 1992 to 2001; and that the proportion of Diamond List publications in the total RAE-submitted publications has increased from approximately 17.34% in 1992 to 26.89% in 2001—see Table 5. Hence, it is fair to suggest that the top ranked UK economics departments have become relatively more homogeneous and narrower in their research interests; or, as one old university economist noted, the long-term (and perhaps the short-term) impact of the RAE is to make economic departments work with only one paradigm instead of engaging with a plurality of paradigms (Henkel, 2000, p. 141).²

5. Mainstream economics in British universities

At the macro-institutional level, of the 95 UK universities and other higher education institutions that provided undergraduate and post-graduate degrees and instruction in economics in 2002–03, 57 (or 60%) did not have a heterodox economist on their staff, 26 (or 27%) had one to three heterodox economists on their staff, and only 12 (or 13%) had four or more heterodox economists on their staff.³ Moreover, the 57, 26 and 12 universities with none, 1 to 3, and 4 or more heterodox economists on staff had 48%, 32% and 20%, respectively, of the total undergraduate and post-graduate student population of 29,223. Thus, it appears in terms of staffing that mainstream economics is uncontested in 60% of the universities with 48% of the economic students and nearly so in another 27% of the universities with 32% of the students—see Table 6. Narrowing the analysis to the 70 universities covering 27,369.4 students for which there is information concerning the heterodox aims and objectives for the BA and post-graduate courses,⁴ 54 departments with 88% of the students have no such aims and objectives, while 16 departments with 12% of the students do—see Table 7A. Finally, combining staffing with aims and objectives, we find 29 of the departments have no heterodox economists or heterodox aims and objectives for the BA and post-graduate courses, which implies a complete absence of heterodox economics in the education of their students. Hence, 45% of the 27,369.4 students inhabit an educational environment in which heterodox economic ideas are completely absent. Another 18 departments with 27% of the students have one to three heterodox economists

¹ See ‘RA5a: Structure, environment and staffing policy’ of the named universities that are part of their 2001 RAE submissions which can be found at <http://www.hero.ac.uk/rae/index.htm>.

² This conclusion was also voiced by many of the respondents to the 1994 and 2003 Questionnaires.

³ The heterodox economists used in this section are listed in Appendix VIII. They were identified via their participation in various UK heterodox economic activities, such as Post Keynesian Economics Study Group seminars or Association for Heterodox Economics and Conference for Socialist Economists conferences, and/or via their inclusion in the *Heterodox Economics Newsletter* e-mail list. In addition, heterodox economists in the various departments were also asked to identify the heterodox economists in their department and elsewhere in their institution.

⁴ These 70 departments have 94% of the 29,223 students taking economics. Of the 25 excluded departments, 19 had 30 students or less and no heterodox economists. Of the remaining six departments whose student numbers ranged from 142 to 453, four had no heterodox economists and two had between one and three heterodox economists—see Appendices VI and VIII.

Table 5. *Proportion of Diamond List publications in RAE-submitted publications in 1992 and 2001, for selected departments and overall*

Department	Rank 1992	Diamond List publications in total RAE publications 1992 (%)	Rank 2001	Diamond List publications in total RAE publications 2001 ^a (%)
Birkbeck	5	33.33	5	38.55
City	3	15.38	3	10.71
Dundee	3	20.83	3	12.00
Durham	3	0.00	4	37.50
East London	2	0.00	3	15.38
Edinburgh	3	22.22	4	37.78
Essex	5	47.37	5*	53.98
Exeter	4	22.50	5	51.85
Glasgow	4	13.79	4	29.69
Leicester	3	28.95	5	33.87
London Guildhall	2	6.25	3	17.78
London School of Economics	5	26.72	5*	34.22
Newcastle	4	35.71	4	25.64
Queen Mary	4	15.15	5	39.24
St. Andrews	3	0.00	4	20.31
Surrey	3	8.33	3	17.46
Warwick	5	28.38	5*	41.18
York	5	20.00	5	26.62
Total		17.34		26.89

^aWhile Diamond List publications dominate in the ranking of journals, other factors, as Beath noted (Beath, 2002), also play a role, such as the size of the department, total number of publications and the number of publications per active research staff (which is a reasonable partial proxy for research culture). These other factors account for the apparent inconsistency between the data in this column and department rankings.

Source: Derived from Appendix III, IV, and V.

but no heterodox aims and objectives for their BA and post-graduate courses. Thus, these students get introduced to heterodox economics in some optional modules (derived from the 2003 Questionnaire—see Appendix IX), but the overall presence of heterodox economics in their programmes is weak, which strongly suggests that the students inhabit an educational environment in which heterodox economic ideas have a weak presence at best. In total, some 72% of economic students inhabit an educational environment in 47 (67%) economic departments in which the presence of heterodox economic ideas are weak if non-existent and the presence of heterodox economists ranges from very small to zero—see Table 7A.¹

¹ In addition, there are five departments that have heterodox aims and objectives for their BA courses but no heterodox economists on staff. Except for De Montfort (whose aims and objectives reflected an earlier time when the department was dominated by heterodox economists), this admittedly strange coincidence suggests a weak presence of heterodox economics. In fact, one of the departments, Salford, ended its heterodox component in 2002. If the 399.5 students from these departments (excluding De Montfort) are included with the above, the number of students increases to 76.9%, and the number of departments increases to 74%.

Table 6. *Department rank, heterodox economists and student numbers for the period 2002–03*

RAE rank of department (No. of departments)	No. of heterodox economists in the department			Total No. of students (total No. of departments)
	None	1–3	4 or more	
5*	1605.5 (2)	1681.7 (2)	0.0 (0)	3287.2 (4)
5	3797.6 (6)	1387.3 (2)	820.0 (1)	6004.9 (9)
4	4398.9 (10)	1566.5 (6)	1651.0 (1)	7616.4 (17)
3	923.1 (3)	2470.6 (5)	912.8 (3)	3723.2 (11)
No rank	2023.5 (13)	1813.9 (9)	2317.0 (11)	6737.7 (29)
No rank/no subject review	1377.9 (23)	476.0 (2)	0.0 (0)	1853.6 (25)
Total No. of students (Total No. of departments)	14126.2 (57)	9396.0 (26)	5700.8 (12)	29223.0 (95)

Source: Derived from Appendices VI and VIII.

The 70 departments can be divided into three groups to illustrate further the dominance of mainstream economics in the teaching of undergraduate students and the training of post-graduate and research students—see Table 7B. The first group consists of 43 departments in which the presence of a heterodox approach to economics is all but absent. The group consists of the 29 departments that had no heterodox economists and did not include the presentation of heterodox economics in some degree among the aims and objectives of their undergraduate and post-graduate courses, five departments which had no heterodox economists but did have the presentation of heterodox economics in some degree among the aims and objectives of their undergraduate courses, and nine departments in which there was a single heterodox economist but did not include the presentation of heterodox economics in some degree among the aims and objectives of their undergraduate and post-graduate courses. With the course aims and objectives focused on mainstream theory and too few heterodox economists providing ‘heterodox’ electives, the undergraduate and post-graduate students in these departments (which is 60.1% of the undergraduates 77.2% of the post-graduates) have essentially no exposure to heterodox ideas and arguments in their required or elective courses so as to even have the opportunity to decide whether they are reasonable or not; and research students (which is 67.2% of the total) have no option but to do dissertations on mainstream topics—see Table 7B.¹ This dominance of the mainstream extends beyond the realm of instruction and supervising dissertations. As noted above, it permeates the hiring and promotion decisions of these departments and establishes what are acceptable attitudes and topics, and has done so since at least 1994 or earlier. If for any reason an individual deviates from the acceptable, social and institutional corrective pressure such as pressure to redirect research or insults in the hallway is forthcoming (derived from the responses to the 1994 and 2003

¹ At four of the universities with a single heterodox economist, elective courses at the undergraduate and post-graduate level are offered as well as an option of doing a ‘heterodox’ doctoral dissertation.

Table 7. *Departments, heterodox economists, heterodox course aims and student numbers for the period 2000–03*

(A)				
No. of departments with heterodox course aims (No. of students)	No. of heterodox economists in the department:			Total No. of departments (Total No. of students)
	None	1–3	4 or more	
No	29 (12346.1)	18 (7450.4)	7 (4196.0)	54 (23992.5)
Yes	5 (402.5)	6 (1469.6)	5 (1504.8)	16 (3376.9)
Total No. of departments (Total No. of students)	34 (12748.6)	24 (8920.0)	11 (5700.8)	70 (27369.4)

(B)				
	No. of BA students 2002–03	No. of post-graduate students 2002–03	No. of research students 2002–03	No. of departments
Departments with no heterodox course aims and one or no heterodox economist ^a	12837.5 (60.1%)	3174.1 (77.2%)	1270.3 (67.2%)	43 (61.4%)
Departments with no heterodox course aims and two or more heterodox economists	5961.8 (27.9%)	734.1 (17.9%)	417.2 (22.1%)	16 (22.9%)
Departments with heterodox course aims and one or more heterodox economists	2570.4 (12.0%)	202 (4.9%)	202 (10.7%)	11 (15.7%)
Total	21369.7	4110.2	1889.5	70

^aIncludes the five departments with heterodox course aims and objectives but have no heterodox economists—see fn. 1, p. 10. The subject report for Swansea is not available, but the 1994 Questionnaire results suggest no heterodox course aims.

Source: Derived from Appendices VI and VIII.

Questionnaires—see Appendices VII and IX). Thus, students in these departments are instructed with an uncontested view of economics, have virtually no opportunity to learn alternative economic theories, and are taught by economists whose attitudes and topics are embedded in mainstream theory.

The situation is somewhat different at the 16 departments that have two or more heterodox economists but do not include heterodox economics in the aims and objectives for their courses. Given their presence and in some case a significant presence of heterodox economists, students will at least be exposed to material outside the mainstream in elective courses and perhaps unofficially in the required courses, while research students can do heterodox dissertations. Thus, the dominance of mainstream economics is less extreme in these departments as a whole that have 27.9% 17.9% and 22.1% of the undergraduate, post-graduate and research students, respectively. However, in the ranked departments the attitudes towards heterodox economists and economics are decisively negative, with more than a hint of bullying: such as discrediting heterodox courses and preventing heterodox courses from being taught, pressuring heterodox economists to quit economics or belligerently telling heterodox economists that they are not economists and what they do is not economics and hence deny them promotion on these grounds (derived from the responses to the 2003 Questionnaire—see Appendix IX). Finally, the third and smaller group consists of 11 universities which have one or more heterodox economists and include the presentation of heterodox economics in some degree among the aims and objectives of their undergraduate and post-graduate courses. In these departments, which have 12%, 4.9% and 10.7% of the undergraduate, post-graduate and research students, respectively, all students are made aware of mainstream and heterodox economics in the required and elective courses and are encouraged to explore the different theories that make up the contested discipline, while research students are positively encouraged to do heterodox dissertations. Moreover, the work environment for heterodox economists is supportive in terms of research and teaching interests (derived from the responses to the 2003 Questionnaire—see Appendix IX) (Harley and Lee, 1997; Henkel, 2000).

6. Conclusion: the state, intellectual uniformity and British economics

The foregoing discussion clearly suggests that the conclusions of our previous research continue to hold and the predictions made seven years ago have materialised. That is, Diamond List journals continue to be the dominant factor in the RAE ranking of economic departments and hence have become the dominant factor in hiring and promotion decisions. This recursive combination has resulted in more and more departments becoming dominated by neoclassical economists (while excluding heterodox economists) and directing their publication efforts towards Diamond List journals. As a result, we find that over 60% of British economics departments and 68% of the ranked departments have none or only one heterodox economist on their staff; and in contrast, less than 16% of the departments and 12% of the ranked departments have a sustained presence of four or more heterodox economists. The contribution of the QAA with its subject benchmarks and subject reviews to the emerging dominance of mainstream economics was not included in our previous research. However, when accounted for in combination with the above results, we find that over 77% of the departments and 88% of the ranked departments include only mainstream economics in their course aims and objectives, and that 63% of economic students and 76% of students in ranked departments reside in departments with

no or one heterodox economists and which include only mainstream economics in their course aims and objectives. Again in contrast, 5% of economic students and 3% of students in ranked departments reside in departments with four or more heterodox economists and which include both heterodox and mainstream economics in their aims and objectives. These starkly contrasting figures fully support the conclusions and predictions Harley and I made.¹

As suggested above, the RAE and the QAA combined with the anti-heterodox proclivities of mainstream economists produced the dominance of mainstream economics in British universities that is so visible today. But there is more to this story. The RAE is essentially driven by the pro-market ideology adopted by the Thatcher, Major and Blair administrations since 1980 that universities are, or should be, like business enterprises, wealth creators as well as supporters of enterprise culture and responsive to the needs of industry. However, for universities to fulfil this role, their research agenda had to be altered, and the RAE was designed in part to produce this transformation. Thus, the RAE was imposed upon the universities. But the universities also took on board the RAE and used its ranking system to differentiate and compare themselves; and such differentiation and comparisons were championed by disciplines *qua* departments, including economics.² Mainstream economists also used the RAE to achieve a discipline-desired outcome that was (and is) compatible with the Government's pro-market ideological agenda—that of making economics an uncontroversial market-supporting discipline by promoting only a single paradigmatic view and eliminating dissenting voices. Without the state-backed RAE supplemented by the QAA and its benchmarks and subject reviews, the rapid paradigmatic homogenisation of economics that took place in the decade from 1992 would not have been possible. Still, this outcome is widely hailed in terms of increasing the quality of economic research and the appropriate concentration of research funding in the quality departments (which are all located in the old universities) (Henkel, 2000; Morgan, 2004; Harley, 2002; Curran, 2000; Moore, 2002).

Quality of research, especially in disciplines with contested knowledge, is difficult to establish. Peer review, the method used in the RAE, is a problematic method of evaluating research quality, especially in economics, where the evaluators are not selected by their peers and most have an inadequate grasp of heterodox economics (Lee and Harley, 1998). Moreover, the use of a select group of journals, such as the Diamond List journals, as

¹ It is sometimes argued that heterodox economists and economics can flourish outside economic departments, and particular reference is made to business schools. While the adversarial environment characteristic of mainstream departments are absent, and heterodox economists have greater freedom in teaching and pursuing their research interests in such non-economic academic units, they can still feel pressure to conform to the RAE interests of the academic unit in which they are located. In particular, the group of journals that are considered most significant for RAE ranking purposes in Business and Management Studies do not include heterodox economics journals but do include, depending upon the study consulted, various Diamond List journals. Moreover, heterodox journal submissions were generally found in business school that received a lower ranking than business schools with Diamond List submissions. Finally, in some cases, business school submissions that included economic (as opposed to business and management studies) publications lacked, to some extent, internal coherence which resulted in a lower ranking. Thus, for these reasons, over time it is reasonable to expect that heterodox economists will be subject to pressure to publish in mainstream journals and/or engage in research that can be published in the top tier business and management studies journals. In addition, the teaching of heterodox economic theory and supervising research students interested in heterodox economics are somewhat limited. Thus, it is problematic whether heterodox economists and heterodox economics can flourish outside economic departments in the long term. (Derived from the responses to the 2003 Questionnaire—see Appendix IX; Geary *et al.*, 2004; Baden-Fuller *et al.*, 2000; Podsakoff *et al.*, 2005; Harzing, 2005; Cooper and Otley, 1998; Bessant *et al.*, 2003)

² For example, see the economics department websites of East Anglia, London School of Economics, Nottingham, University College London, Warwick, Queen Mary, and others.

a quantitative measure of research quality is not independent of a pre-determined view of what research is quality and what individuals and departments produce research quality. That is, if top journals are identified, top departments are simultaneously identified; and if a different set of top journals are identified, a different body of quality research and top departments are identified (Lee, 2005B). Thus, in disciplines with contested knowledge, the power to select the top journals is also the power to determine what is or is not quality research and which departments are top and which are not. In the RAE and QAA, this state-based and state-legitimising power is controlled by mainstream economists, and they have used it to support particular neoclassical research over heterodox research and promote neoclassical departments over more pluralistic ones. This state-legitimising process has resulted not in increasing quality research (for the quality of research is not determined by who has the power to identify 'quality' research), but in producing a paradigmatic homogenised discipline where dissenting views are marginalised. Thus the dominance of mainstream economics in British universities has emerged, not because it is 'right' or provides a better understanding of the social provisioning process in market economies, but because it has access to state (and organisational) power to muffle competing heterodox explanations.¹

In the end, a paradigmatic homogenised discipline is a harrowing outcome of the RAE and QAA. Intellectual diversity, free inquiry and the principle that there is no humanly accessible truth that is not in principle open to challenge are indispensable to the achievement of the central purposes of a university. Hence, an intellectual faction that has a monopoly on truths and wisdom and utilises state and/or organisational power (such as control over research and teaching funding or university budgets) to maintain and enhance this monopoly, that rejects the unsettled character of all human knowledge, and that rejects a diversity of approaches to unsettled questions is not compatible with the idea and nature of a university.² In this light, the anti-diversity and 'we have the monopoly on truth' propensity of mainstream economists combined with a significant degree of the 'operational' control of the state-backed RAE and QAA subject benchmark and subject reviews have worked together to violate the central mission of a university by creating a near-intellectually homogeneous environment in economics in British universities. Thus economics as it is now practised in Britain has the appearance of being no more than an un-intellectual, settled doctrine that supports the Government's pro-market agenda.

Yet there is more. The implication that can also be drawn from this study of economics is that state-supported institutional mechanisms, such as the RAE and QAA, which engage in the allocation of resources to higher education institutions can be captured by special interest groups (an interesting version of the regulatory capture that is found in industrial

¹ An interesting but ultimately failed example of using organisational power to muffle heterodox economics was the attempt to form the Scottish Research Institute for Economics. The proposed institute would have centralised much of the economic research in Scotland and directed it to three research areas. The 'leading or core economic journals' were the targeted publishing outlets for the research. Since such journals are all mainstream journals (and this was the point of selecting them) that do not publish heterodox research, the institute would have effectively eliminate heterodox research in Scotland. This would have the intended additional impact of promoting the teaching of mainstream economics and making all Scottish departments alike in this regard. Thus, mainstream research and teaching would have come to dominant Scotland because of organisational power ('The Scottish Institute for Research in Economics', 5 April 2004; 'The Scottish Institute for Research in Economics (SIRE)—a Proposal', 30 September 2004)

² The wording is derived from an 'academic bill of rights': 108th Congress 1st Session, House Concurrent Resolution 318—'Expressing the sense of the Congress that American colleges and universities should adopt an Academic Bill of Rights to secure the intellectual independence of faculty members and students and to protect the principle of intellectual diversity'. Advocates of the bill are extremely conservative. For more information, see <http://studentsforacademicfreedom.org>.

economics). And once captured, the peer-review process can be used to legitimise the skewed distribution of resources. Clearly, the peer-review process plays an important role in promoting and maintaining research and publication quality. However, when it becomes involved in determining *qua* legitimising resource allocation decisions, it has the tendency, as suggested in this paper, to be manipulated; and when this happens, criticisms are misdirected at peer review (thus weakening its effectiveness in promoting research quality) instead of at its inappropriate role in allocating resources (Bence and Oppenheim, 2004). Consequently, as a state-based resource allocation mechanism, the RAE is inherently flawed in that it cannot ensure that quality research is funded, but only that it funds research that interest groups say is quality, which is a good example of rent-acquiring behaviour of an interest group *vis-à-vis* the government. A resolution to this quandary is a topic for another paper.

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