



UCL

the country that lies beneath the surface

with Orwell Lecturer, **Lisa Nandy**

**UCL
POLICY LAB**



The power that comes from working across difference

Welcome back to the UCL Policy Lab

Politics is often defined by power – those who have it, those who want it and those who want to get rid of it.

But we spend surprisingly little time asking what power actually is.

My answer to that always comes from one of the most inspiring political theorists of the 20th century: Hannah Arendt.

Arendt described power as the ability to “move with others”. What she meant was that power depends on collaboration. It is about coming together, finding common cause despite our differences and working collectively to change the world.

Reading over the contributions to this latest edition of the UCL Policy Lab magazine, I am struck by how that spirit manifests in everything that we do. All of our contributors here talk about working across differences. In doing so, they expand our understanding of the world and our capacity to change it for the better.

The energy that comes from this approach is palpable everytime I come to work. When the idea of the UCL Policy Lab first came into being, it was said that it should be a home for collaboration: a place that brings together UCL expertise in economics, political science and other disciplines with partners and communities to help tackle some of our biggest challenges.

In the words of one of our contributors, Dan Honig: “We’re involved in a joint project of trying to make the world a better place.” This can never be done by a single act or idea, but in the strength we draw from the work we do together. It’s when we come together to collaborate that we can see the possibility of lasting change.

None of that would be possible, of course, without the brilliant communities and organisations that we have been lucky enough to work with over the last few months and the inspiring foundations that financially support our work.

This spirit is reflected too in our latest edition of the Citizen Portraits project. Bringing together voices from Wigan and east London, it reflects the diversity of the communities we seek to serve, and the possibility for positive change when we work across our differences.



Marc Stears

Marc Stears
Director
UCL Policy Lab

PS. To find out more about our work and events programme, including to hear about my inaugural lecture in November sign up for our newsletter. We are also very keen to hear from you, about ideas and collaborations.



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ECONOMICS



POLITICAL SCIENCE

News

Professor Wendy Carlin Receives Royal Economic Society Medal for Services to the Economics Profession

Wendy Carlin, UCL Professor of Economics and Co-Director of the Stone Centre, was awarded the Royal Economic Society Medal for Services to the Economics Profession. The inaugural medal honours Professor Carlin’s ‘outstanding and lasting contribution to the economics profession’ with a particular recognition for her ‘outstanding work on CORE Econ and contribution to improving diversity in the profession.’

On receiving the award, Professor Carlin said “I’m delighted to have been awarded the inaugural RES Medal for Services to the Economics Profession. This is tremendous recognition for CORE Econ – which recently celebrated its tenth anniversary – and will provide more impetus to its work for a more just, sustainable, and democratic world in which citizens are empowered to address the most pressing societal problems.” Wendy will receive the medal at the Royal Economic Society Annual Conference in April.

Professor Carlin works with the UCL Policy Lab on its theme of Tackling Inequality, you can read about the collaboration and more about Wendy’s research in the inaugural edition of our magazine



Leading experts join the UCL Policy Lab family

The UCL Policy Lab is delighted to announce the appointments of five new Honorary Professors of Practice:

Clare Moriarty, Chief Executive of Citizens Advice and former senior civil servant. Clare has led the way in helping craft a compassionate and affective policy to respond to the cost-of-living crisis. And spoke to us for the winter edition of the UCL Policy Lab Magazine.

Amanda Glassman, Executive Vice President of Center for Global Development (CDG), CEO of CGD Europe, and Senior Fellow. Amanda has more than 25 years of experience working on health and social protection policy and programs in Latin America and elsewhere in the developing world.

Moazzam Malik, Managing Director at the World Resources Institute and recently the Director General for Africa at the Foreign, Commonwealth and Development Office (FCDO). You can read an interview with Moazzam in this edition of the magazine.

Chris Giles, Economics Editor at the Financial Times. Chris recently spoke at a UCL Policy Lab event Economic expertise in an era of populism and post-truth politics.

Lorenzo Bini Smaghi, Chairman of Société Générale. Last November, Lorenzo presented the UCL Centre for Finance Annual Lecture with a talk entitled ‘Financing the Transition’ with looked at how we can finance the shift to a greener economy.

Humans in the system: the power of humanity in creating change

with Dan Honig

“My work is about how to recognise the human-ness of the humans who work inside government systems, and think about how to support them to do the things they want to do”

Dr Dan Honig is an Associate Professor of Public Policy at UCL and co-lead for the UCL Policy Labs Ensuring Sustainable Development research theme. Here he talks to us about how everyday solutions can tackle complex challenges.

Dan Honig speaks with such clarity that he always allows us to understand the immediate, everyday implications of his research. His work transforms what we know about the effectiveness of bureaucratic systems, helping us govern better.

The technical focus may be on bureaucracies, but at its heart, it's about human relations.

“My work is about how to recognise the human-ness of the humans who work inside government systems, and think about how to support them to do the things they want to do,” he says. “It doesn't have to be that complicated. If somebody really wants to do a good job, then we should probably just enable them to get on with it and do a good job.”

Honig has studied government systems using the very sharpest methodologies. But he believes passionately that research shouldn't remain locked within the academic world.

“I close almost every one of my classes by saying: ‘we're involved in a joint project well beyond this class. The project of trying to make the world a better place. And I hope what we've done in this room can be of some small use to you in that way - and if I can ever be of more, please do get in touch'. It might sound silly - and it might sound overly American or clichéd to say that - but that's what I believe. I see the UCL Policy Lab as part of that larger effort, to make the world better for all of our sakes.”

His research has led him to conclude that often those on the front line of service delivery have the best insights into what can deliver improved outcomes. But too often their views are ignored.

This experience isn't just theoretical but also practical. Honig spent several years working for the Liberian Minister of Finance. Looking at the practicalities of government systems, he soon recognised the power of a government official who truly cared.

Talking about his time in Liberia, Honig says: “I saw time and again that the people doing the best work - the people who were trying the hardest to be helpful and to do good in the world - often spent a lot of their time fighting their own internal systems.”

“I see those lessons from Liberia everywhere I look. I haven't yet found a domain of state experience where rules don't sometimes thwart behaviour which is supposed to be the purpose of the organisation.”

One key to understanding Honig's approach is his time growing up in Detroit, and the insights the city and his friends continue to provide.

“I was back in Detroit talking to a buddy about my next book Mission Driven Bureaucrats. I was explaining what the book was about and he said, ‘Hold on, so the point of the book is that if people really want to do a good job, we should let them do a good job?’ And I said, ‘Yeah, that's basically it.’ And he said, ‘Look, I think it's awesome that you're a professor and that you've got a great job of course... But doesn't everyone know that? How is that a new idea?’ My reply was, ‘I think lots of people know that. I think you know that. I think I know that. I think anyone on the street who we could stop outside this house in Detroit would know that. But you know who doesn't know that? The people who run the system. Because we have a system that doesn't run as if that's true, or doesn't make that possible.’”

It's these lessons that Honig aims to bring to his work as co-lead for the UCL Policy Lab's Ensuring Sustainable Development research theme. Working with his co-lead, Gabriel Ulysses, he is convening conversations with researchers and policymakers that can help build on what works in driving development progress.

Fundamentally the UCL Policy Lab is about understanding complex challenges so well that we can all grasp the solutions. And that's something Dan Honig gets.

“The UCL Policy Lab provides such a fantastic opportunity for bringing rigorous academic research, insight and the world of practice together. We can do more when we build on stronger foundations. I think that both the worlds of practice and academia are made better by opportunities for both to learn from the other and to put the puzzle together.”

It's a puzzle that Honig invites all to help solve.

“There is hope and ambition and passion and brilliance in every community in every corner of Britain. We just need to harness that knowledge and those skills... that country that lies just beneath the surface is still there, as ambitious and capable as ever. We just need to give it a voice.”

Orwell Lecture Interview 2023

Taking back control with Lisa Nandy

The UCL Policy Lab was thrilled to partner with the Orwell Foundation this year to host the annual Orwell Lecture. After the event, James Baggaley headed to Wigan to speak with this year’s lecturer, the **Rt Hon. Lisa Nandy**, MP for Wigan and Shadow Secretary of State for Levelling Up, Housing and Communities.

It’s in our beginnings that we find so much of who we are. The foundations of who we become. And in all our beginnings, there is a place. A place we call home or at least once did. In these hometowns and neighbourhoods, we forged the stories that carried us into the world. And in the willingness to push us away or pull us close, we understood our sense of belonging.

Yet in the UK, and many other developed nations, there has been a growing divide. Not just geographic but generational. With places often left behind, not just by globalisation but also by those young people forced to move away. The everyday symptoms of which can be seen in the boarded-up high streets of our small towns and the overpriced rents of our big cities.

But what would a politics that genuinely values all places look like? And what could it mean for our everyday lives? I sat down with Lisa Nandy to find out. She spoke about how communities have shaped services, why Whitehall needs to get better at giving away power to those with ‘skin in the game’ and why she’s hopeful for 2023.



In our differences, we find the possibility for change and renewal

In the opening lines of your lecture, you invoked Orwell when you said, “I want to talk to you about the country that lies beneath the surface, and why it is time for that country to take charge of its own destiny.” Do you see your job as Shadow Secretary of State for Levelling Up, Housing and Communities as helping to unlock the potential of what lies beneath the surface?

A few years ago I sat down for a chat with Danny Boyle. I told him that the incredible opening ceremony that he directed for the 2012 Summer Olympics showcased a country that was confident, proud, compassionate, open, international and at ease with itself. But since then we haven't really seen that country, as we've been swamped with so much chaos and people seeking to divide us from one another. I asked him where he thought that country had gone and he told me it's still there, just beneath the surface. It's just waiting for somebody to give voice to it. I see that as part of my job, and as the job of the next Labour government. That's why we've said that if we get into power, we'll undertake the biggest ever transfer of power out of Westminster and give it back to people and local communities.

In your lecture and recent book, you cite examples of where systems or the state have failed communities. Often, they are actively working against those who seek to transform places or improve lives. How important is it that Labour has answers that support the dynamism and passion of communities?

If there's one thing I've learned in my 13 years as a MP, it's that those people with a stake in the outcome, and skin in the game, will always try harder. They will think more creatively and do more, because they have no other option. I've learned it most from the mums who have come through my constituency surgery with children with disabilities or special educational needs. Without fail they have all mastered – regardless of background – the opaque systems that surround their children's care. They do it because it matters so much, because they've got skin in the game, and because they can do no other.

That dynamism and passion can be found in every community in our country, along with a huge amount of ambition. What we're lacking is a government that shares that ambition and that will harness all that dynamism and passion. Instead, for decades we have written off most people in most places. The only way to build a country that works is to back all people and all places to make their full contribution. It's not important for Labour's future that we deliver that; it's imperative for the country's future.

Keir Starmer recently spoke at UCL and set out the plans for a 'take back control' bill. How central is the bill and it's objectives in winning back trust in communities like Wigan?

The phrase 'take back control' resonated with people in communities like mine, because for years they have seen power slip further and further away. Good jobs have left and not been replaced. Whole swathes of the country have been written off and written out of our national story. That's why 'levelling up' spoke to many people in 2019. But we haven't seen enough progress. That's why we've announced plans for a 'take back control' bill, to make sure we get power and resources out of Westminster and into the right hands, so we can create good jobs, thriving communities and rebuild this country from the ground up.

You speak with such love about Wigan. It's not always the case that a politician's constituency or even lifelong home comes to define their politics. How has Wigan shaped your politics?

I'm a very different person, not to mention politician, because of Wigan and the experience our town has gone through in recent decades. It has fundamentally shaped my politics and absolutely shapes my approach to the job I'm in now. What it has taught me is that there is so much ambition, and hope, in our communities. So many ordinary people are doing extraordinary things every day because they have no other choice. If we could harness that ambition – all the skills and assets in every part of our country – we really could build a country that works.

In your lecture, you spoke passionately about the young people forced to move away to find work. As you note, they are often forced to live in overpriced housing far from where they grew up. In some senses, it feels like the other factor in levelling up. Not just the places that are 'left behind' but also the people forced to leave.

The reality is that for many young people in many parts of Britain, they have to get out to get on. It means they leave behind home, friends and family, but it also has a devastating effect on the communities they leave behind. Young people leaving means spending power is lost, with knock-on effects for high streets, bus services, pubs, post offices and all the institutions that make up the social fabric of a place. And it means parents and grandparents growing old hundreds of miles from children and grandchildren.

And this is not working for the places those young people are moving to, either. Millions of people head to London, Manchester, Newcastle and cities like them every year searching for better opportunities and higher pay. I know, because 20 years ago I was one of them. And those opportunities and wages are what I found, but what I also found was extortionate housing costs, pollution, congestion, and huge extremes of wealth and poverty. Even the winners are losing, because while we undercook most parts of Britain, we're overheating places like London.

That's why we need to rebalance this country and our economy, so that young people enjoy choices and chances wherever they grow up, and they don't have to get out to get on.

You've spoken about the risks posed by politicians who give false promises or fail to bring about change. How important is it that Labour not only wins the election but also delivers change?

I don't think many people in Westminster – politicians but also journalists and others – realise how close our whole system came to collapse after the referendum in 2016. For a long time we mistook anger for apathy. Westminster thought that people didn't care when what they really felt was that they weren't listened to. And they were right. This is why I said recently that our political system has a simple choice to make now: change or die.

At the UCL Policy Lab we are always looking for the optimistic angle on stories, about what give us hope in 2023. When I asked you if this was the busiest year of your life, you didn't miss a beat in saying 'definitely.' Clearly, the UK is facing substantial economic challenges, but you seem energised and hopeful about what can be achieved. Where does that hope come from, and what should we be hopeful for?

The hope comes from a belief that we absolutely can be better. As a country, we can do so much better than this, and the route to that is right there in front of our eyes. There is hope and ambition and passion and brilliance in every community in every corner of Britain. We just need to harness that knowledge and those skills, and we just need a government that shares the ambition of its people and will match it with real backing. That country that lies just beneath the surface is still there, as ambitious and capable as ever. We just need to give it a voice.

Lisa Nandy delivered the Orwell Memorial Lecture at UCL on 6 December 2022.

You can watch back the lecture at youtube.com/@UCLPolicyLab

The divisions of the last seven years can feel distant when viewed from communities far from the centres of power. The echoes of the prolonged debates remain, but for most, ordinary life continues. No one enjoys conflict, not least in their daily life.

In this special edition of the Citizen Portraits, we bring together images from Wigan and East London. These places may seem extraordinarily different, and yet the lives being lived follow similar patterns, similar struggles and similar hopes.

Both places are alive with a sense of challenge and possibility. In the portraits, we see one another. And in the difference between us, we find the possibility for change and renewal.





As we open our new campus, we are reminded of our role as a civic institution within London, and our duty to serve all Londoners.

A new era for UCL

Alan Thompson,
UCL's Pro-Provost for London, reflects on the value of community and collaboration as UCL East opens its doors.

UCL was born in Bloomsbury, in the beating heart of London. It's a place we continue to call 'home'. But just as London changes, so does UCL. It's why we're so excited to be opening our new UCL East campus.

Just like the Bloomsbury campus back in 1826, UCL East sits at the heart of a

new wave of vibrancy and innovation. In recent years, Stratford and east London have been home to momentous change. They have given birth to new ideas and innovation.

As we open our new campus, we are reminded of our role as a civic institution within London, and our duty to serve all Londoners. From teaching to research, from UCL hospitals to international collaborations, we know that all of this work is dependent on the foundations we've built within communities.

Our focus on developing strong collaborations across communities and sectors is central to these foundations. We have more than 300 collaborators across the city, with many more across

the UK. Working with the boroughs of Camden, Newham and Islington, we've aimed to strengthen how we support the places UCL calls 'home'.

Creating greater access to UCL also remains a focal point of this work. An example of this is the partnership between UCL and the UCL Academy, the school founded ten years ago with whom we work extremely closely. This is where we can work directly with young people, driving ambitions and creating opportunities. With the school's support, we run a year-long lecture series each academic year, where school pupils hear from academics across UCL on specialist subjects. We also run the annual full school tour of UCL,

and support the school's sixth form societies.

In the years and months ahead, our city and the UK will face challenges to which we must lend our support to help tackle – working with our partners to understand and meet them.

And so as we embark on yet another chapter in UCL's history, I'm reminded of the individuals and communities that have shaped UCL. As we write this new chapter, I hope we'll continue to work with and collaborate with partners not just in London, but across the UK, to help tackle some of our biggest challenges.



“Opinions don’t need to change very much, but what can really be variable through time is the level of attention that’s given to certain issues”



Dr Lucy Barnes is an Associate Professor in Comparative Politics at UCL and co-lead for the UCL Policy Labs Rethinking Economic Policy research theme.

Political *challenges*, political *change*

I first spoke with Lucy during the frantic days following the Truss mini-budget. In what seemed like an almost constantly shifting policy landscape, we were trying to provide some expert analysis of the actions taken by the new government.

The sense of turmoil and confusion within the political commentary was real. Expert surprise at the economic content of the policies went hand in hand with puzzlement as to the political motives for reforms that were deeply unpopular with voters. And so Lucy’s clear and detailed analysis was vital in providing advice to the media and other partners. This was largely due to the detailed work done by Lucy and colleagues on understanding how voters viewed the kinds of policies being introduced by Truss.

Now, months later, as we sit and chat over a coffee on campus, Lucy helps me make sense of what comes next.

“Economic policymaking has a fascinating Janus face. On the one hand, it’s a highly technical domain where can be difficult to engage voters. On the other, the past 10 to 15 years in the UK shows popular opinion can be effectively mobilized, with massive political consequences” she says. “Voters’ ideas can be appealed to and emphasised by political parties to varying degrees of success – the Conservatives’ ability to capitalize on public aversion to government borrowing after 2009 is a prime example of effective mobilization. But we need to learn from voters’ reactions to different economic policies, to understand their (often otherwise latent) preferences and priorities.”

One area central to this work is the saliency of issues. In short, understanding which issues are on voters’ minds at any given time. “Opinions don’t need to change very much for public opinion to have big political consequences. What can really be variable through time, and somewhat deliberately shaped, is the level of attention that’s given to certain issues,” she explains. “At the same time, we want to understand what is important to voters on their own terms, to have any meaningful kind of democratic responsiveness.”

Understanding the political priorities of voters is central to the work Lucy Barnes and other colleagues such as Ben Lauderdale and Jack Blumenau have done at UCL. It has also prompted Lucy

to think more broadly about whose priorities get translated into policy, and the place of the academic thinking in public life and good policy-making.

“I don’t think we have a proper solution for managing a big pipeline of ideas -- representing the priorities of our diverse population – both for citizens and for academics”, she says. “How do you make good ideas rise to the top? And once they get through that funnel, how do you ensure they get communicated to the people who are making decisions of consequence?”

It’s why the work she is doing with the UCL Policy Lab is important. Not just for academics, but for the very future of our economic policy in the UK.

Speaking to Lucy Barnes reminds me that too often, policy thinking and political understanding are divorced from one another. And yet their destinies and their justifications are entwined. A budget proposal might work in economic theory, but if it isn’t rooted in an understanding of political opinion and implications for certain groups, it has no hope of becoming a successful policy. More fundamentally, voters’ views on what constitutes good policy do matter, even when understanding policy is technically difficult.

Lucy Barnes sees this as key to her work. “I understand why experts sometimes want to keep politics and public opinion off the table,” she says. “They’re messy, often conflictual, and can challenge our preconceived ideas of what policy should be.” And yet, she says it is vital to achieving impact.

“If we can collaborate across disciplines to integrate the technical and theoretical implications of policies with their political and even moral consequences, then perhaps we can avoid some of the policy failures we’ve faced here in the UK.”

MOAZZAM MALIK

Moazzam Malik is Director at the World Resources Institute. He was a former leading British civil servant, having been Director General, Africa at the Foreign, Commonwealth & Development Office (FCDO). He was previously Director General, Country Programmes for the Department for International Development, overseeing the UK's bilateral development partnerships around the world. From 2014 to 2019, he was British Ambassador to Indonesia, Timor-Leste and ASEAN. He recently joined the UCL Policy Lab as an **Honorary Professor of Practice**. He spoke to James Baggaley about the future of foreign policy and why he believes the UK can play a positive role in the world.

Moazzam Malik is energised. He has spent more than 40 years representing Britain, working for governments of all stripes to deliver on that oldest of diplomatic missions, 'the national interest.' Today, he believes that mission, the one he's spent a lifetime fulfilling, requires renewal.

He worries that in failing to recognise its strengths, the UK is falling short in its global role.

"Britain's a great place," he says. "We have some of the best universities in the world. We have creative industries – in music, art, and fashion – that are the envy of the world. There's incredible innovation in industry. There is a lot at which we are brilliant. And so, where we will be in 2030 or 2040 is potentially quite exciting."

With Britain facing economic headwinds at home, Moazzam Malik thinks it's important to recognise that British foreign policy has often enabled national renewal. So can foreign policy play a role in transforming Britain for the better? Moazzam certainly thinks the UK is missing an opportunity.



“We can be a country that brings people together, that has an exciting, fresh, modern offering to the world,” he says. “But that’s different to the Britain of the World Wars, and so in some senses, we need to let go of our past in a way that may be necessary to free our imaginations for the future. Of course, our future is rooted in who we are and what we are, but we must face the future. I think that’s a really exciting prospect for us.”

Moazzam Malik knows all about what a gift the UK can be, and the inspiring stories it can play host to. His father was born in Lahore, Pakistan and moved to in north London in the late 1950s. The battle against the intolerance and racism of the 1970s wasn’t easy. After finishing school and winning a place at university, Moazzam says he recognised the unlikely nature of his family’s story. He was determined to do something with his life that could give others the same chance at a better life. “I wanted to create opportunities for change and allow people to realise their aspirations,” he says.

He joined the foreign service as an economist and set about developing a new approach to development. But it was in 1997 and the election of a New Labour government that represented Malik’s chance to transform lives. And in doing so, transform how Britain and the world did development.

“The Department for International Development (DFID) was a signal that Britain would try and do something different in the world after a long period of conservative rule,” he says. “It was a privilege to be part of that movement for change.” And he is proud of its achievements. Although widely seen as a British success story, DFID was merged with the Foreign Office in 2020 by Boris Johnson.

Although Moazzam Malik is passionate about all DFID did, he has little time for going back over the debates on the merger. He’s focused on the future of both British foreign affairs and development policy.

“The abolition of DFID, or the merger and incorporation of DFID into the Foreign Office, reflects where Britain is today as a country that is going through its difficult Brexit journey,” he says. “It reflects the deep uncertainty that we face as a country. We need to reflect on that and work on how we re-bottle that spirit we had in 1997 for a world that has changed.”

Malik is clear that DFID reflected what Britain and the world needed, rather than being an imposition on it. Similarly, today he believes it’s time to ask big questions about what we want from our Foreign Office. And that’s why he seems energised by the conversations he’s had in his new role as a Visiting Professor at the UCL Policy Lab.

“The interesting thing about the Lab is that it’s a collaboration between different departments in the university. In dealing with these challenges, no single discipline has all the answers,” he says. “Bringing people in from different disciplines to talk across their boundaries and learn from each other is key.” And it’s not just the knowledge of academics that he sees as key. But also, the role of the convener, and its experience and expertise.

“UCL is in London and is a global institution, so it can play a global role in convening these conversations,” he says. “We can’t just dream up these answers in London; they have to be dreamt up in conversation with people from across the UK and around the world.”

What’s clear from talking to Moazzam Malik is that he’s not given up on Britain, nor its role in the world. Why would he? After all, he’s seen Britain at its best. And he seems unwilling to let that best to simply be a thing of the past.

“We can be a country that brings people together, that has an exciting, fresh, modern offering to the world”



Q&A with Aparna Ravi

Dr Aparna Ravi from the UCL Department of Political Science discusses how supply chains and inward investment shapes global trade and politics.

What led you to research focusing on trade and globalisation?

My family is from India, so we would often visit in my youth. We saw the changes during the 1990s and 2000s as the country opened up economically. It was changing so fast and that fascinated me. The India I saw was so different from my parents’ experiences. I learned about trade and investment through the lens of that change.

For much of the last three decades, globalisation has felt unstoppable. Yet it feels like the war in Ukraine and Covid-19 have shown us that a much-divided world could become the new norm.

The period of globalisation that defined much of the 1990s and 2000s had many benefits. However, they have not been evenly distributed, and there has now been a backlash towards this wave of hyper-globalisation. Additionally, the rise of China and other emerging markets as global players have posed alternative economic models to traditional Western institutions. The path forward may rely on a more “managed” form of globalisation, where countries participate in global trade and investment, but are more active in terms of using their own domestic policy tools to ensure that local economies benefit from this process.

The passing of President Biden’s Inflation Reduction act has created trade tensions between the US and EU. In particular, the subsidising of green energy. How does the UK avoid being out-subsidised by these other blocks?

In many ways, what the US can do is unique. They have a huge advantage with such a large home market to drive investment in their home-grown industry. But you’re right to point out that these larger trading blocs say China, the EU, and the US are all looking to support domestic manufacturing. The UK should of course, support its own industries, but should be careful to avoid a “subsidies war” with the US and other EU countries. Instead, it may be beneficial for the UK to be more targeted in its approach, identify the key industries that add value to the economy, and craft a broad range of policies to promote these sectors.

It feels like post-Brexit Britain is seeking to chart a new path. What lessons does your work teach the UK?

The events of 2016 perhaps reveal that many individuals or groups were left behind during the period of rapid globalisation. So now we need protections for workers and create strong jobs. One of the core challenges and opportunities for policymakers in the next decade is being global but remaining sustainable and not leaving anyone behind.

“We need protections for workers and create strong jobs. One of the core challenges and opportunities for policymakers in the next decade is being global but remaining sustainable and not leaving anyone behind”

Your latest work looks at outward investment in the Global South. Can you tell us about that?

A lot of people look at Global South countries through inward investment and see them as primarily receiving capital. But when I was on the ground doing my fieldwork, I found that a lot of Indian and Brazilian firms are competitive overseas and have investments in the UK, US and Europe. India is the second largest investor in the UK. This story is avoided in conventional economic textbooks, and that’s what intrigued me about this project.

What are the implications for those emerging countries?

It is a largely positive trend. When firms from the Global South invest in the Global North, they can get a lot of advantages from it. For example, you get technology knowledge by competing in a developed country, and you get better market access and exports.

Your work touches on the critical role of supply chains in global trade. Did Covid-19 transform our understanding of supply chains?

I think Covid-19 really exposed how interconnected the world is now. I think people had a general sense of how these supply chains worked, but perhaps not the extent to which globalisation affects the everyday products we are used to accessing. Moving forward, a lot of firms are trying to make their supply chains more resilient. To do that, we need an active government push, including more information about supply chains and guides for how firms may diversify risk.

Finally, you recently collaborated with other colleagues to work on a paper for the UCL Policy Lab. How was that process?

There’s a gap between what policymakers need and what academics can provide on their own, so mediating organisations that bridge that gap are vital. I think the UCL Policy Lab is a great organisation in that sense.

Economics in the national debate

TODAY'S SPECIAL

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How should economists be helping to shape policy in the UK at this deeply unsettling and turbulent time? UCL's long-term relationship with the Institute of Fiscal Studies (IFS) enables it to answer that question as well as any other university in the world. With that in mind, we asked **Paul Johnson**, Director at the Institute of Fiscal Studies (IFS) and Visiting Professor at UCL, and **Xiaowei Xu**, Senior Research Economist at the IFS and a doctoral student at UCL, to share their views.

“I sometimes think people need to remember why they got into economics in the first place. Of course, people get in for different reasons, but quite a lot of people study economics because they're interested in the impact of policy on people, and want to understand what creates growth, or what leaves us better off or worse off.”

Paul Johnson

We're going through a particularly difficult time for the UK economy. And it feels like the public and politicians have to grapple with ever more complex issues. But let's start by asking you to reflect on how economic expertise is viewed in the UK.

Paul Johnson: The first thing to say is that, in truth, economics covers such a large range of things. Lots of people think of economists as the people who predict what interest rates are going to be next month, or what growth will be next year. Whereas we see it much more broadly in terms of how you design policy right across the piece from education and welfare to pensions, tax, health and so on.

Thinking about broader economics, I read something recently which was quite worrying. Most people don't know what we mean when we talk about a real change, what GDP is trying to get hold of, or what falling inflation means.

Xiaowei Xu: As economists, we should recognise that we often take things for granted. I think we can all be much more conscious about the words we use and how we try to communicate what we're doing.

Economics covers just about everything and so many aspects of life. And yet, there's this sense that it's something that can be siloed, and you've got economics editors who deal with a very narrow range of topics. I guess there's that disconnect with the public who don't see economics as something they want to engage in. And yet these debates are central to understanding our politics.

Paul Johnson: When Xiaowei talks about economics editors having a narrow remit, it can be frustrating watching the news to see what I think of as an economic story, is covered by political correspondents. It gets seen through a political lens rather than an economic lens. That's why it's important that as economists, we get out there and explain our work.

Do you think economists should be trying to shape the debate more? Not just helping the public understand the economy, but also in how our politics can improve it.

Paul Johnson: I'm not sure there's a big market for people to be lectured about what economic terms mean. There's clearly scope for talking very straightforwardly, and a lot of people find that difficult. If you're looking within academia, there's an enormous amount of expertise there. There are certainly people working on issues of great public significance. It would be good to see a bit more of them putting their ideas across, even if they need help translating what goes into journals into what goes in the public discourse.

Xiaowei Xu: I agree. I think it's about bringing more evidence to public debate in general. Economists work across a massive range of fields. It's not just things that we'd normally associate with the economy. So I think trying to bring some of that evidence – when we're talking about specific policy changes rather than analysing it through the political lens – would be immensely helpful.

You've spoken about academia and its role in helping create good policy. It feels like in the US there is more interaction between economic research and government. Do you think that's less so here in the UK? And do you think it matters?

Xiaowei Xu: That's a really good point. I guess we don't have something like the Council of Economic Advisers here in the UK, an institution that brings in academics for a short period of time to engage in policy-making. I think that's quite interesting because there are policy institutes or similar groups within different universities, but they're not connected directly to the government in the same way as they are in the US.

Paul Johnson: It's definitely a different culture in the US. There is much more interaction between government institutions. And a small but significant number of academics in the US move in and out of government administration. It's very hard here, on both sides of the equation. There aren't institutions within the government, which would make this straightforward. It's very hard to go into one of the civil service departments in a very senior role having worked in academia, and you'd also find it very hard to translate what you're doing. The civil servants would also find it very hard to make good use of you. There aren't the advisory bodies that you have in the US, so there isn't the demand on that side.

On the academic side, people can be very focused on their careers, which is determined by their publications much more than it is by their engagement with the public sphere. So it's one of these horrible equilibriums that it's hard to get out of. But I think it's very damaging because there's all this expertise in academia and all this expertise in Whitehall. And actually, there's very little interaction or very little mutual understanding.

You both clearly believe in the important role economists can play in shaping effective policy. What would your message be to other economists and experts who would like to help inform and shape debates?

Xiaowei Xu: It's interesting to see what people actually care about and not get too lost by digging into a tiny, tiny question that people may or may not actually need the answer to. So, I think in terms of academic work, it's quite useful to check on priorities.

Paul Johnson: I sometimes think people need to remember why they got into economics in the first place. Of course, people get in for different reasons, but quite a lot of people study economics because they're interested in the impact of policy on people, and want to understand what creates growth, or what leaves us better off or worse off. But then they get sucked into a system where they have to specialise or spend their time doing particular things, and almost forget about what brought them there in the first place.

It is also true – and it's something we emphasise a lot at the IFS – that working in public policy really helps academic work. It helps to motivate it and it helps to ensure that you're asking useful questions. It brings insights and information into your work. Similarly, doing academic work provides insights to policy, because it gives you a much deeper understanding. So, the two ought to be really quite closely linked. It's why initiatives like the UCL Policy Lab are so important.

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