

## PCES Report

In its report, the PCES (Post Crash Economic Society) has raised a number of issues which challenge the (current) teaching of (undergraduate) Economics, generally, and more specifically at Manchester. It also cites 226 signatories to its petition for reform from Manchester Economics undergraduates.

From the Manchester perspective, and in response, we make some initial observations on the various outlets for the teaching of Economics in the University. In this context, we then provide some discussion of the undergraduate curriculum and its recent and future development:

1. The Economics Discipline Area (DA) resides within the School of Social Sciences, a committed interdisciplinary structure, together with Politics, Sociology, Social Anthropology, Social Statistics and Philosophy. This affords the provision of specialist (discipline) degrees, including our its flagship BEconSc programme, a range of interdisciplinary (School) undergraduate degrees (BAEcon, BASS, and PPE), plus joint interdisciplinary degrees with other schools (e.g. IBFE with the Manchester Business School).
2. There are at least 1300 undergraduates, across the University, who study Economics as a significant component of their degrees. (This number is restricted to the BAEcon, BEconSc, PPE and IBFE degrees.) The number rises to 1700 undergraduates who study the core economics (micro and macro) modules offered by the Economics DA at level 1 (1000 undergraduates), level 2 (400) and level 3 (300).
3. There are strong academic links with economists in The Manchester Business School, both historically and structurally, through the joint undergraduate degrees.
4. The School of Social Sciences is co-located with the School of Environment, Education and Development (SEED) where, again, a number of academic economists work.
5. Economics Departments elsewhere do not all benefit from the co-location of such rich intellectual resources and very few, if any, offer the Economics DA's range of field expertise; which includes environmental and development economics.
6. The University is not stifling debate on this issue, far from it. As host to the recent Royal Economic Society Conference in Manchester, the Economics DA organized a special session on curriculum reform, for instance. And, of course, the DA has had numerous conversations and interactions with PCES over the last 12 months and more.

Thus, we would argue that our academic environment is open, and representative of the diversity of economics. We are disappointed that, apparently, the PCES places no value on the fact that differing strands of political economy scholarship (in a broad sense) are distributed across both the School and Faculty (of Humanities); they are not, and need not be, confined to one School of Social Science DA. Moreover, the popularity of our interdisciplinary degrees, particularly the BAEcon, derives from the extensive choice and mix of social science modules that are made available. But this is also true of the BEconSc – which is promoted as a “rigorous, quantitative economics degree.” As recently as four years ago, the curriculum of this programme was restructured to include modules such as Critical Thinking and Philosophy & Social Science, in year 1, and The Manchester Leadership Programme in year 2. Therefore, curriculum development needs to be mindful of not harming this eco-system, where students can design the path through their undergraduate degree, leading to widely varied career opportunities. This is particularly true for the BEconSc programme, which is certainly not just a feeder for post-graduate economics education. As one such graduate recently reported: *“I left Manchester to become a trader at an investment bank. The BEconSc provided me with a solid understanding of Economics and quantitative methods that have been invaluable in my professional life. Thanks to the rigorous mathematical modules from the BEconSc I was accepted to*

*study the Certificate of Quantitative Finance alongside work which has proven to be a strong addition to my CV”.*

Some idea of the scope and breadth of our coverage of the subject is given by the presence of the following currently available modules (provided solely by the Economics DA): *Economics of Environmental Management, Development Economics, Climate Change Economics, Applied Environmental Economics, The Macroeconomics of Labour Markets, The Chinese Economy, Natural Resource Economics, International Monetary Economics, Labour Economics, Money, Banking & Financial Markets, Economics of Monetary Integration in Europe, Economic Policy Analysis, Business Economics, Managerial Economics.*

From these, many demanding questions are, in fact, asked of students. For an example of this, take the following exam question drawn from a 3<sup>rd</sup> year module, which illustrates (i) how innovations in economic research, drawn from other disciplines, are being brought to bear on policy evaluations; and (ii) the requirement of a critical assessment from students:

*“The Employment Retention and Advancement Demonstration (ERA) was the first major example of an experimental policy evaluation in the UK. Discuss the evidence from this experiment with regard to the effectiveness of the employment retention and job quality aspects of Active Labour Market Programmes, and with regard to the potential advantages and disadvantages of using Randomised Control Trials evaluations in situations such as these.”*

The appearance of such questions in the curriculum derived from a recognition within the Economics DA that our research and teaching did not sufficiently address the policy arena (which relies on a robust evidence base provided by applied quantitative research). Strategic staff hires were made to diversify our research and teaching in order to address this gap - two Professorial and 3 Lectureship appointments over the last three years. This has fed through to the introduction in 2015-16 of a new dissertation for undergraduate economics students, specifically designed to assess a student’s data-handling and quantitative skills in assessing economic theory, and to further promote critical writing skills; it has also led to the introduction of a new Economic Policy module (the origin of the previous exam question).

Further hires have just been made in behavioural economics (to introduce that area of research-led teaching which builds on research collaborations with psychology), environmental economics and development economics. The decision to hire in the area of behavioural economics stemmed, in part, from long running curriculum reform discussions. Another omission from the PCES report is the recognition of the appointment of Diane Coyle, not only to deliver (another) new Economic Policy module, but also to help us with curriculum development in the light of her critical intervention in 2012<sup>1</sup>, and to help our research further inform the policy.<sup>2</sup> Diane arrives in September 2014 and we see this as a critical appointment in the process of curriculum development by having immediate access to someone who has done more than most to stimulate this debate.

An early stage draft report was previously distributed by the PCES in December 2013. As we responded then, the report is an extensive document which we found stimulating and, in places, provocative. Naturally, there are points made with which some of us would tend to concur and others where some would beg to differ. However, we do not feel it will serve the interests of what has been, and continues to be, a very useful (if challenging) series of discussions if were we to provide what would be a short-sighted point by point response to the report. This would inevitably

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<sup>1</sup> Diane Coyle (2012). *What's the Use of Economics: Teaching the Dismal Science After the Crisis*. London Publishing Partnership.

<sup>2</sup> See [www.socialsciences.manchester.ac.uk/subjects/economics/our-research/research-impact/impact-case-studies/](http://www.socialsciences.manchester.ac.uk/subjects/economics/our-research/research-impact/impact-case-studies/)

lead our discussions down an adversarial path which, we believe, mitigates against the perceived longer-term goal of curriculum development, for the following particular reasons.

First, and as noted recently by Diane Coyle<sup>3</sup>, “... not least because of advances in much recent research in economics, there is by no means universal agreement among academic economists that substantial curriculum reform is needed [and] that the basic building blocks of the subject remain solid. This is therefore a debate with some distance to go, and not least because of the international character of the academic discipline.” Secondly, and informed by this, appropriate curriculum development/reform (and its implementation) will take time, both for operational reasons (given the structure within which our undergraduate degrees operate) and because we assume the everyone involved is interested in securing a structure which is sustainable and has the consensual support across all parties. We repeat, we remain committed to open discussion concerning the impact of national Economics curriculum debates on the student experience (both positive and negative). But, of course, healthy debate does not always mean agreement on all aspects.

In the short-term, however, the following new modules, under development prior to the issue of the PCES Report, will be introduced into the Economics curriculum next year. They will be taught by colleagues from outside our DA, thus drawing on the broad political economy sphere in which we operate:

- Global Capitalism, Crisis and Revolt
- Ideologies of Global Capitalism
- Understanding the Financial Crisis: Competing Perspectives

These modules, plus the earlier mentioned Economic Policy option, will be our main curriculum innovations for the next two academic year 2014-15 with the new undergraduate dissertation module to launch in 2015-16.

More broadly, we are in the midst of a wide-ranging undergraduate curriculum review. This will certainly continue during 2014-15 and its remit will include taking on board the PCES report and the wider challenges to Economics curriculum reform. Specific agenda items include the following:

- The current set of Economics DA permanent staff includes a number of colleagues with expertise and interest in History of Economic Thought, Post-Keynesian Economics and various heterodox aspects of the subject. As well as the existing History of Thought module, a recent staff meeting within the DA (to address the published PCES Report) made clear that a number of these staff members are enthusiastic in helping deliver a further new module, perhaps encompassing Post-Keynesian Economics, possibly beginning 2015-16.
- Duplication of content. The report suggests that there are areas of overlap between modules. One of the key tasks of our review is to identify where these occur and to eliminate them where this is pedagogically justifiable. However, in some instances, it may be desirable to retain areas of overlap so as to provide students with a brief “refresher” on key material at the start of a new module.
- Through the introduction of new modules, and within existing modules, we will be extending further the range and variety of opportunities for students to exercise their powers of critical reason and expression. However, the current range of modes of assessment, when viewed across the whole three years of study, is employed with purpose. We do not, for example, subscribe to the view that the skills required to engage with MCQ, and or short-answer questions in exams, are devoid of critical content. Furthermore, MCQ exams

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<sup>3</sup>[www.voxeu.org/article/mainstream-economics-curriculum-needs-overhaul](http://www.voxeu.org/article/mainstream-economics-curriculum-needs-overhaul)

constructed to assess critical and higher-order thinking are intellectually more challenging to construct than a classical exam of essay questions – important though the latter are too; see, <http://www.pu.uu.se/pu-wiki/mediawiki/images/4/4a/WritingMultiple.pdf>. Also, we recognise from student feedback that our range of assessments remain broadly popular. The PCES needs to recognize that the student body contains different constituencies and the fact that we are moving in this direction poses challenges as far as such students are concerned, which must be taken into consideration

We have recently been very pleased to hear that two of our colleagues have been honoured with major teaching awards: Paul Middleditch (whose core macroeconomics teaching draws heavily on real world examples to help animate theoretical concepts) and Adam Ozanne (who highlights the historical origins of key mathematical concepts in his first year introductory module). Not all of the DA can match these heights of achievement. However we all do aspire to excellence of delivery of content, as well as excellence of content.

In conclusion, the School of Social Sciences (unlike many other homes of Economics) is well placed to deliver the broad social science education that is not afforded to undergraduates at other UK HEIs. We believe the introduction in the short run of the above new modules, alongside the appointment of Diane Coyle illustrates how healthy communication and dialogue can, in very real ways, contribute to change. We will continue along this path.