



THE LONDON SCHOOL
OF ECONOMICS AND
POLITICAL SCIENCE ■

Economics Annual Review 2020/21



Contents

Welcome from Head of Department	3
Research for the world	6
Educating for impact	18
Global LSE Economics	24
Developing LSE Economics for everyone	45



Welcome to the Economics Annual Review 2020/21

The end of the 2020/21 academic year marks the end of my three-year term as Head of Department, so it is the right time for me to look back beyond the year that has just past. It has been a period with a lot of changes in the Department.



Professor Jorn-Steffen Pischke
Head of Department



The end of the 2020/21 academic year marks the end of my three-year term as Head of Department, so it is the right time for me to look back beyond the year that has just past. It has been a period with a lot of changes in the Department.

With the help of the School, we established 16 Departmental PhD scholarships, allowing us to fully fund that group of students every year for five years of their PhD. We now have two cohorts on the new scholarships, which have been a major boost in helping us recruit PhD students against much better funded competition from top US Departments.

Coupled with a great effort in selecting and recruiting PhD students over the past few years and aided by our new PhD open day, we believe we have been able to attract some excellent new cohorts. This is important to the Department, as the PhD students are such an integral part of our research culture and, as Graduate Teaching Assistants, of our teaching delivery. As a result, we expect to build on the excellent placements of our recent PhDs, like Clare Balboni, who is an Assistant Professor at MIT, and Kilian Huber, Assistant Professor at the Chicago Booth School of Business.

The reform of our undergraduate curriculum, the first such overhaul for many decades, will get underway in the academic year 2021/22 after three years of planning. We have an exciting group of lecturers lined up for our new set of courses and we are eagerly waiting for the feedback from students about the programme.

Initiatives like the curriculum reform and improvements to the student experience have been possible due to the hiring we have done to strengthen the education delivery in the Department. Dimitra Petropoulou and Antonio Mele are our first colleagues on the new Education Career Track in the School. They are playing an important role in our teaching programme and on extra-curricular activities already. Our three new undergraduate tutors, Junius Olivier, Kasia Krajniewska, and Nico Rosetti have become a tremendous source of support for our students. Additions to our Professional Services Staff, headed by our Head of Programme Delivery, Lakmini Staskus, provide the administrative backbone.

Having all this new staff has helped us tremendously in managing the pandemic. Of course, the mainstay of getting us through the past year and a half has simply been the hard work done by colleagues, whether new or old. It has enabled us to stay open with many face-to-face



PhD students are such an integral part of our research culture and, as Graduate Teaching Assistants, of our teaching delivery. ”

activities. While LSE was not able to hold regular graduation ceremonies in Summer 2021, the students, parents, and friends who could attend our on-campus events were clearly very grateful for the efforts we made. Tremendous thanks go to everyone in the Department for what they have done and to our students for their resilience.

Research in the Department is as active as ever; the pandemic does not seem to have slowed things down and certainly has provided many new questions to be explored. This doesn't mean that we are not all eager to be able to get back on campus for more personal interaction. This is particularly true for the PhD students, who need the relationship-building part of becoming a researcher most. I was highly impressed with our submission to the periodic government-run Research Excellence Framework of all universities, for which we had to prepare during the past year. Two major new research initiatives have started; in STICERD: the Hub for Equal Representation in the Economy" (H.E.R.) headed by Oriana Bandiera and Camille Landais, and in CEP: the Programme on Innovation and Diffusion (POID), headed by John van Reenen. These multi-million pound initiatives are supported by the Bill and Melinda Gates Foundation and the Economic and Social Research Council (ESRC), respectively.

As there are always new challenges for the Department, for the School, and for the world, we are in a good place to face them. Do stay connected with us and continue to stay safe.



As there are always new challenges for the Department, for the School, and for the world, we are in a good place to face them. ”



Research for the world

We are a world-leading research institution at the forefront of economic thought. Striving to know the causes of things, our research shapes policy, public discussion and societies that work for everyone.



NATIONAL MINIMUM WAGE



The Hub for Equal Representation (H.E.R)

Setting an agenda for a workplace that works for all... and makes economic sense

How can we build a workplace that works for all? How can we attract and retain female talent? Do mixed gender teams work better? Should we have gender quotas? How do we design a promotion system that is effective and fair? Why is the participation of women in the labour market larger in some countries than others?



**Oriana
Bandiera**

These are the kind of questions that are asked everyday at the Hub. **Oriana Bandiera**, **Camille Landais** and **Nina Roussille** form a team of leading economics researchers at the London School of Economics, focused on finding effective ways to improve representation of women and other minorities in the workplace. The final objective of this new initiative is to set the long-term agenda on the issue of female and minority representation.



Camille Landais

For that, we provide business leaders with quantitative insights and expertise in diversity hiring and retention. We analyse organisations' anonymised data and use models to obtain deep and original insights into the needs and challenges facing companies today. We help companies to diagnose strengths and weaknesses in creating an inclusive workplace. We help design, implement and test evidence-based changes to their personnel management. The idea is to build a network of companies at the cutting edge of diversity and gender equality. Our financial position is guaranteed by a generous long-term grant from the Gates Foundation.



Nina Roussille

One of our projects is to map child penalties around the world, recognising that the arrival of children continues to be the main driver of the large differences in male and female careers. To improve our measurement and understanding of child penalties and of its root causes, the Hub has launched a project to measure what exactly happens to women's careers when their children are born. We use a novel methodology that addresses the data issues encountered so far. Our initial results show that the negative impact of the arrival of children on female careers varies significantly across countries with the same level of development. Policies and the socio-economic environment do matter. Also, those child penalties are actually relatively modest in very low-income countries, where the main source of wealth is farming at a very small scale. In these households children don't appear to get in the way of female work, and women work no matter what. With industrialisation and urbanisation, work becomes incompatible with childcare, and also in broad terms less female friendly. Working outside the house is a relatively recent development. This shows how social norms can and do change.

Another recent work looks more deeply at what we call the talent gap. That is, the impact on talent allocation, and consequently on productivity, that the lack of full women participation ends up having in companies and in

countries. In other words: how much do we lose in economic terms by maintaining structures that keep women at home?

There is a clear economic incentive to eliminate gender gaps, as this would lead to greater productivity for the same wage bill. Improving allocation has proven to work better than trying to increase productivity of the misallocated workers. Our research, which is based on data from more than 100,000 workers from multinational corporations present in 101 countries, has led to a striking conclusion: addressing the misallocation of female talent and eliminating barriers that keep women out of the labour market would result in an increase of productivity on average by 32 per cent. We cannot say whether women see these barriers as constraints, or whether they have internalised the norm; in both cases, however, the misallocation is costly for society.

We also conclude that a more diverse and productive workforce could be achieved by offering packages that tackle some of the causes that keep women out of the labour market, such as childcare on premises, flexible hours or female-only transport.

A third and very interesting research piece deals with the ask gap. Our research shows that women ask for lower salaries than their male colleagues with the same profile. And we found that this ask gap determines the end salary bid. We observed a 3.3 per cent ask gap in a recruitment company for software engineers, which resulted in a pay difference of US\$4,000-US\$10,000 a year.

But what are the reasons behind this ask gap? Why would women ask for lower salaries than their colleagues in the first place? Many women likely lack access to the detailed salary information many men have, probably because they do not participate in the same networks. It is also possible that women face cultural pressures to ask for less. If women have access to the right information, they will be able to ask for more. Companies would then have to adapt and pay them more.

The Hub is also working on an innovative project trying to understand and measure norms, that is the average belief of what an individual should do, which are directly correlated with the participation and conditions of women in the labour market. Using algorithms we can determine what makes a certain place more culturally conservative and which kind of policies have made that possible.

These are only some examples, but there are more to come. We have the expertise, the people, the academic resources and the funding to set the agenda and to make a difference. And more importantly, we are determined to do it.



Eliminating barriers that keep women out of the labour market would result in an increase of productivity on average by 32 per cent. ”



POID: Programme on Innovation and Diffusion

The Programme on Innovation and Diffusion (POID) was developed in February 2021. POID carries out cutting-edge research into how to boost productivity through nurturing innovation – ideas that are new to the world – and how to diffuse these ideas across the economy.

The £5 million programme will be led by Professor John Van Reenen, OBE, the Ronald Coase Chair in Economics at LSE and former director of the Centre for Economic Performance.

Professor Van Reenen is renowned for his research on productivity, which looks into the causes and consequences of innovation for economic life, both in terms of “soft” innovation such as changes in management practices and “hard” technologies such as information technology and artificial intelligence.

Speaking about the programme, [Professor Van Reenen](#) said:

“We’re at this very challenging juncture in our history. The COVID-19 pandemic and the measures we’ve had to take (lockdowns and other things) to help mitigate its costs, have left a huge economic black hole of growth, so we face this enormous challenge to build back.

The Programme on Innovation and Diffusion is focused on trying to understand how we can get back to more sustainable growth of productivity, growth of income and growth of wellbeing in the UK and around the world.

We’re really interested in innovation; so how ideas are created, how they are sustained, and what type of economic and social factors improve that.

But it’s not just about the creation of ideas, the innovation, it’s also about how those ideas spread which is called diffusion; how they diffuse around the economy, around firms, across countries.”



The programme is funded jointly by the [Economic and Social Research Council](#) and the [London School of Economics and Political Science](#).

Find out more about POID on their [website](#) and in this [video](#).



Programme on
Innovation and Diffusion

Research Profile: Gilat Levy



Gilat Levy is Professor of Economics at the LSE Department of Economics and STICERD Economic Theory Programme Co-Director. Her research focuses on microeconomic theory, political economy, and law and economics.

What motivated you to study economics?

Mine was not the standard route; I grew up in Israel and I was actually working as a journalist prior to studying at university. I was covering issues relating to economics, mainly unions and industry relations. The political economy of it was fascinating and I remember long hours of wage negotiations involving government ministers, union leaders and industry figures. From there it was pretty clear to me that I wanted to study economics and the political aspects of decision making in society.

Your key expertise are: microeconomic theory, political economy, and law and economics. When and why did you decide to focus your research on these areas?


I like micro theory which I find beautiful as well as grounded in simple ideas about human behaviour. At the same time, I am very passionate about politics and am affected by daily political events. And so some of it is reflected in my research, namely in topics in political economy that interests me. For example, I have worked on the reasons for and the effects of discrimination. While I focus on theoretical models to explain and explore these issues, it is always real world issues that I am motivated by.

What is the main focus of your research?

My current research focuses on behavioural political economy, where cognitive or structural biases can affect decision making in society. With Ronny Razin and Ines Moreno de Barreda, we look at how correlation neglect – the inability of voters to understand how the information sources around them are correlated – can affect political decision making and manipulation of voters. With the proliferation of online information sources, this has become a big issue for companies like Facebook, that have to remove what they call “inauthentic coordinated behaviour”.

Another relevant bias is selection bias. With Ronny Razin we looked at how individuals are affected by the beliefs of those around them, not taking into consideration that they may have chosen to be near these individuals specifically because they have similar beliefs. For example, it is well documented that some individuals choose to segregate away from others who are different from them on observables such as socio-economic measures, gender, ethnicity, skin colour, etc. Being in a segregated environment can exacerbate your beliefs about those different from you as all around you have similar beliefs, and selection bias implies that you do



While I focus on theoretical models to explain and explore these issues, it is always real world issues that I am motivated by. 

not take into account the beliefs and information of those who had not segregated. This endogenous formation of echo chambers, together with selection bias, can increase labour market discrimination. As an aside, the economics literature on discrimination has almost given an excuse to discriminate by assuming that individuals have preferences for discrimination (“taste-based” discrimination). I think that it is important to challenge this assumption and explore the role of information as well as power structures to understand better the sources of discrimination.

Your current research looks at the recurrence of populism, hugely topical in the context of today’s world politics. Could you tell us more about this research?

Together with Ronny Razin and Alwyn Young, we are exploring a model in which voters differ in their subjective world views. Consequently, because they consider the same historical data through the prism of different models, even fully rational and otherwise similar voters can have persistent differences of opinion. In politics, such differences in model specification translate into differences in realised policy decisions when different groups are in power. And understanding the implications of differing world views can shed light on an important aspect of populism. While the amorphous concept of “populism” has perhaps as many definitions as authors, the simplicity of populist world views are an important aspect of such movements. For example, motivated by the experience of populism in Latin America, Dornbusch and Edwards (1991) suggest that populism is “an approach to economics that emphasises growth and income redistribution and de-emphasises the risks of inflation and deficit finance, external constraints and the reaction of economic agents to aggressive nonmarket policies.” Under this view, populist policies are motivated by world views that focus only on a subset of factors (for example, only short-run considerations) compared to a more complex macroeconomic model of growth and inflation suggested by experts and adopted by other political players. Anti-pluralism, anti-immigration and nationalist views espoused by populists also necessitate a simple definition of group identities. And so we investigate political competition between groups that hold complex and simple world views respectively.

Our key results are that this gives rise to perpetual political cycles, as well as extreme policies advocated by the group holding the simple world view. In a nutshell, when the complex govern and implement their broad policy agenda this increases the omitted variable bias of the simple group. The simple group believes that the complex group are wasting resources on irrelevant policies and they fully attribute the outcomes they observe to the few actions taken on the policy instruments they deem relevant. This increases the simple group’s assessment of the likely effectiveness of a more decisive narrow policy agenda and mobilises them in support of political candidates who will implement it. However, when the simple govern they produce systematically inferior results, as their extreme actions are revealed to be less effective than anticipated. This reduces the intensity of their political activism, thereby allowing the complex group to regain power. Thus, the economy suffers from inevitable political cycles and the recurrence of narrow and inefficiently extreme policies.



Follow your heart and work on what interests you.
It is hard to conduct research without passion. ”

Which piece of research have you been most proud of and why?

One of my first papers was a new look at political parties. I feel that it is very relevant and allows us to explain many issues relating to party politics and policy making. The key idea is to look at how parties enable compromise between factions, by allowing for commitment vis à vis voters. In general, politicians may find it very difficult to commit to voters to implement some campaign promises. Why would voters believe them? But when different politicians cooperate within one party, they may find it easier to commit to one another, as in a small group it is simpler to monitor others' behaviour and hence enforce commitment. Voters are aware of this and can believe promises that represent efficient agreements among politicians in the same party. This idea allowed me to see how parties can create compromises across multidimensional issues. By compromising on some issues internally, parties can reduce the dimensionality of the conflict space. A big question in political economy is why the poor do not expropriate the rich. In my model it is natural for rich voters to cooperate in one party with some segment of the poor, and to facilitate a compromise in which taxes and redistribution are lower, but targeted redistribution to this segment or interest group is higher.

Could you tell us about your upcoming research plans?

There is a recent worry about increasing polarisation across voters' preferences as well as politicians' views and policies. But zooming out and taking a more long-term view, polarisation is not new, and we can witness cycles of polarisation and moderation across parties and voters. More generally, there are lots of cycles in politics. In the paper on populism, we show how groups with different subjective models of the world take their turn in power, and so we face cycles of populism. Many political scientists have described different ideological cycles in US politics and elsewhere. Together with Ronny Razin, we are now looking at the effect of voters' short-term memory on the political cycles of polarisation and moderation. Short-term memory implies that when society learns from its history, some information is lost, and a situation of uncertainty can lead to polarisation as each party will find it easier to push its own interest when the public is not sure what the right policy is. On the other hand when we "experiment" with different policies, learning is more accurate leading to an agreement in the public about what is the right course of action, pushing the parties to focus on that policy. Cycles of moderation and polarisation are then a natural feature of short-term memory.

If you could give aspiring economists one piece of advice, what would it be?

Follow your heart and work on what interests you. It is hard to conduct research without passion.

Research Profile:

Daniel Reck



Daniel Reck is Assistant Professor of Economics at the LSE Department of Economics, STICERD Associate and a Faculty Associate at the International Inequalities Institute. His research focuses on behavioural economics, public economics, and international taxation.

What motivated you to study economics?

I have been interested in mathematics since a young age. I grew up in a relatively comfortable middle-class home but I had a few formative experiences that confronted me with the high level of inequality in my hometown of Tulsa, Oklahoma. Studying economics gave me a way to use my natural inclination toward mathematics and statistics to try and understand social problems. Like a lot of people I initially thought economics was all about finance and the stock market, but when I started to grasp how many, many individual choices create these massive economic forces that shape our world, I got hooked. I had a few great teachers as well. I took my first economics course in high school from an inspirational teacher, Larry Robinette, and I had an outstanding instructor and mentor during my undergraduate degree, Dr. Aparna Mitra. These teachers inspired their students to think for themselves to build understanding, they taught how to both respect powerful ideas and criticise them, and they helped me see how I could make studying economics into a career.

Your research interests are primarily in behavioural welfare economics and public economics. When and why did you decide to focus your research on these areas?

I did not make the deliberate decision to specialise in these topics until around the second year of my PhD. I guess I was instinctively interested in these things before then. I did my PhD at the University of Michigan, where thanks in part to my advisor Joel Slemrod there was a wonderful and supportive community of public economists. The informal lunchtime seminar in public finance has really great free lunches, which I was very keen on as a first-year PhD student. You had to attend the talk to get the free lunch, and seeing those talks piqued my interest in public economics research. My interest in inequality and the public policy debate made public economics a natural fit in the first place, but I like to joke that the deliciousness of those lunches is the reason I am a public economist. As for behavioural economics, I learned a lot about psychology during my undergraduate education, which could get confusing because economists and psychologists take really different approaches to understanding human behavior. Studying behavioural welfare economics is my way of continuing to wrestle with that tension between classic economic theory and psychology and trying to understand what it means in practical terms for the debate about public policies.



Studying behavioural welfare economics is my way of continuing to wrestle with that tension between classic economic theory and psychology and trying to understand what it means in practical terms for the debate about public policies. ”

What is the main focus of your research?

I have two threads of research ongoing right now. The first thread concerns tax evasion by wealthy individuals. Much of this work I do in collaboration with researchers at the US Internal Revenue Service, along with academic co-authors. There is a long and deep literature on tax evasion, but recent events, like the exposure of substantial offshore tax evasion by wealthy individuals in many countries, make it clear that we do not understand tax evasion by the wealthy very well. The main difficulty is that the types of evasion favored by wealthy individuals are much more sophisticated than evasion by most other individuals. This makes evasion by the wealthy more difficult to measure, and it raises questions about how policy should combat evasion by the wealthy. Traditionally, the most powerful tool policymakers have to combat evasion involve the collection of information from reliable third parties. For example, LSE reports my salary information to HMRC, which makes it essentially impossible for me to evade on my income taxes. But in the case of wealthy individuals with complex, international finances, it is unclear how such third party information can be obtained by the IRS and how useful it will be for enforcement.

My recent and ongoing research on this seeks to understand what types of tax evasion are more prevalent for wealthy individuals, what this tells us about when and why people evade taxes in general, and what are the effects of policy reforms targeting these types of tax evasion. I co-authored a new working paper on how the sophistication of tax evasion by the wealthy affects the measurement of the extent of tax evasion. I also have some ongoing work on the evaluation of policy that aims to curb tax evasion by wealthy individuals. One ongoing project seeks to understand the impact on tax compliance of a recent, ambitious, controversial reform called the Foreign Accounts Tax Compliance Act. In another new project, we try to approach the question of how best to combat evasion by the wealthy from a theoretical perspective, to try and connect estimates of the causal impact of reforms to optimal policymaking.

The second thread of my current research concerns the role of normative judgments in behavioural welfare economics, which is a little more abstract than tax evasion. The rise of behavioural economics has given policymakers a more realistic understanding of human behaviour and a lot of new and exciting tools for trying to improve policy (defaults, nudges, etc). But behavioural economics also introduces serious problems for the use of theory and evidence to study the welfare effects of policy reforms, which is the aim of a lot of work in public economics. We classically assume that we can infer things about people's welfare by observing their behaviour, but this no longer seems appropriate when we observe people behaving in potentially irrational ways. Because of this difficulty, evaluating welfare in the light

of behavioural economics requires normative judgements, i.e. assumptions about what welfare truly is. How we ought to make these assumptions is the source of a lively debate.

My work enters into the debate by trying to show how given some empirical evidence, alternative normative judgments shape our conclusions about which policies are desirable. I have written one published paper on this issue for the setting of defaults – options that people are assigned when they make no choice. A large literature shows that changing defaults can have a massive influence on behaviour. In this case, the normative judgments policymakers must confront are 1) whether individuals' sensitivity to defaults reflects some kind of bias towards inaction or a real decision cost that people must incur to deviate from the default, and 2) whether and how much they should promote or discourage some behaviour paternalistically. We show how judgments on these questions shape the optimal default that policymakers should set. A recent working paper considers the same basic question for the fundamental issue of reference dependence.

You've recently conducted research on tax evasion at the top of the income distribution. Could you tell us more about your findings?

The motivating question for that paper was about the prevalence and the form of tax evasion done by individuals at the top of the income or wealth distribution. To date, the best evidence we have on the overall extent of tax evasion comes from random audits. Tax authorities around the world, including the US IRS, periodically audit a random sample of tax returns in order to estimate the "tax gap," or the amount of taxes that should legally be paid that are not paid. In this paper, my co-authors and I first show that if you take data from random audits of individuals at face value, tax evasion is highly uncommon at the top of the income distribution. From these data we might adopt as accurate the old adage that "the poor evade and the rich avoid." But a wealth of data from other sources – data on offshore tax evasion, from operational, non-random audits, or from random audits of the businesses owned by high-income individuals – suggests that in fact tax evasion is quite prevalent at the top, much more prevalent than random audit data would suggest. The explanation: due to the relative sophistication of high-end evasion, the auditors conducting random audits usually do not detect the most important forms of evasion at the top. By drawing on a wealth of new data, our study offers direct evidence that this is the case, and then further leverages what we know about two specific forms of tax evasion – the use of offshore bank accounts to conceal wealth and the use of pass-through businesses to under-report income – to construct revised estimates of the tax gap at the top of the income distribution.

Can you tell us more about your research on the welfare economics of reference dependence?

My paper on reference dependence fits into the second thread of research above, on behavioural welfare economics. One of the most influential findings in behavioural economics is that individuals often evaluate the options they choose from relative to a reference point, and they particularly try and avoid losses relative to that reference point. This creates an instance of the problem I mentioned earlier: knowing that reference dependence matters creates some exciting new possibilities for policy but it leaves us with little idea of how to think about welfare. So, my

co-author (and LSE PhD alumnus) Arthur Seibold and I wrote a paper about how normative judgments shape welfare inferences in the presence of reference dependence. Here, the main normative judgment policymakers need to make concerns whether the phenomenon we call “loss aversion” reflects a behavioural bias or rather a preference that people have to avoid losses. We show how answering this question matters for evaluating the welfare effects of policy reforms, and we illustrate these with an application to pension design, where statutory retirement ages like the “Normal Retirement Age” in a pension scheme appear to serve as reference points for people’s retirement decisions. This serves to illustrate how these abstract questions about what welfare really is end up mattering for important policy questions like whether policymakers should raise the Normal Retirement Age in a public pension system.

Which piece of research have you been most proud of and why?

I would have to say “Tax Evasion at the Top of the Income Distribution,” if only because of the impact I see the paper having on the policy debate in the United States. We happened to finish the paper and post it online just as some policymakers in the US were considering increasing the resources available to the IRS significantly, with the express aim of reducing tax evasion by wealthy Americans. Because of this, a lot of policymakers in the Biden administration and in Congress seemed to really engage with our research, and we may play a small, contributing role in a reform to fund the IRS, which is indeed badly in need of resources to modernise its services and combat sophisticated tax evasion. I recognise that in many ways the immediate impact the paper is having results from fortunate timing – we began the work on the paper four years ago when a US tax enforcement reform was nowhere in sight. Still, seeing something that I worked hard on purely out of my own academic interests having real influence over important policies has been rewarding and humbling.

Could you tell us about your upcoming research plans?

There is a lot more I want to learn about both of the topics I mentioned earlier. On tax evasion, I mentioned some work in progress that seeks to understand the causal impact of specific policies targeting high-income tax evasion. I also want to better understand how to integrate estimates of the impact of enforcement policies into theories of optimal taxation. A large literature concerns optimal tax rates at the top of the distribution, but a lot less examines how top taxes should be enforced. On behavioural welfare economics, I have at this point worked



Policymakers in the Biden administration and in Congress seemed to really engage with our research, and we may play a small, contributing role in a reform to fund the IRS, which is indeed badly in need of resources to modernise its services and combat sophisticated tax evasion. ”

out a way to think about normative judgments in some specific situations, like those where default effects or reference dependence are present. I want to build on these to articulate some more general principles about normative judgments, empirical evidence, and welfare, principles behavioural economists could use to understand welfare in any setting. I also want to better understand the limitations of behaviourally motivated policy reforms. It's well established for taxation, for example, that when a government relies too heavily on a tax, people will react adversely, which has undesirable consequences. What happens if a government leans too hard on the available psychological tools to try and influence behavior? How do people react, and what does this mean for welfare?

Who has influenced or inspired you the most?

I was lucky to have a fantastic advisor in grad school, Joel Slemrod. Joel is a serious scholar who teaches his students to engage with a subject in a really deep and critical way, but he is also incredibly kind, supportive of his students, and generous with his time. It's an example I want to emulate. In my personal life, I would have to say my parents. My mother and father were musicians and music educators until they recently retired. They taught me a lot about how to work really, really hard at something and how to follow my own interests and stay passionate despite all that hard work.

If you could give aspiring economists one piece of advice, what would it be?

As a researcher, it's helped me a lot to follow my interests and not worry too much about what research I thought would be in demand or what topics are popular. No one will ever be more interested in your paper than you are when you first start working on it, so you have to pick something you're really, truly excited about. Reflecting on what really interests you can also help guide your effort when inevitably things get confusing and difficult during the research process. I guess I should add that of course, your level of interest should not be the sole criterion for picking a project. You do also have to make sure that what you want to do is feasible, and that is where I have found external feedback really useful.



No one will ever be more interested in your paper than you are when you first start working on it, so you have to pick something you're really, truly excited about. ”

Educating for Impact

We equip our students with the skills, knowledge and confidence to think critically and creatively about the challenges of the world through the lens of economics and to contribute to the design of workable solutions to these challenges.



Student Competitions

We take great pride in our students participating in internal and external competitions to expand their knowledge and build skills as critical investigators. Our programmes teams are on hand to provide students with the support they need to take part and we celebrate their successes on our [News](#) and [Community](#) webpages

It was wonderful to see our students succeeding in two prominent competitions: [The ONS Renaissance Prize](#) and the [UChicago Oeconomica Econometrics Game 2021](#).

The ONS Renaissance Prize

The Office for National Statistics (ONS) Renaissance Prize was launched to encourage and celebrate the development of economic thought and argument, using a statistical evidence base, among UK undergraduates.

2020

In 2020, undergraduate students **Brooklyn Han** (BSc EME), **Patrick Leitloff** (BSc Economics), **Sally Yang** (BSc Economics) and **Eddy Zou** (BSc Economics) won the competition for their essay on the value of the Sustainable Development Goals for the British Economy. The judging panel stated that the arguments used in their essay were “strong, well-evidenced and referenced” and “the style and mechanics were good”.

We spoke to Brooklyn Han about his experience of the competition:

“I participated in a team of four in the 2020 ONS Renaissance Essay Prize, addressing the question of whether a UK Government commitment to the Sustainable Development Goals is good for business and the economy. I didn’t know most of the team at the start, but it seemed that we all came together because of our interest in research, and we bonded very quickly in spite of COVID-19 restrictions necessitating virtual interaction. We planned a timeline so that each of us could work flexibly alongside our studies, and arranged regular meetings to discuss and provide updates. These Zoom calls were productive, but often filled with casual chatter, which made the overall experience relaxed and memorable. Importantly, for myself, I learned an immense amount from my teammates – all of whom are in the year below me – our teamwork was inspirational and gave me the confidence to pursue research at a more advanced level.

It was pleasant news that the 2021 prize was awarded to an LSE student now in the Economics Department; perhaps it can become a yearly tradition for the brilliant students here”



2021

We are delighted that undergraduate student **Wilson King** (BSc EME) won the 2021 competition for his consideration of the changes the coronavirus (COVID-19) pandemic has brought to the measurement of consumer prices. The judging panel noted that Wilson's essay stood out from a strong field for the comprehensiveness of the discussion, and for the clarity with which quite technical issues were explained. [Find out more.](#)

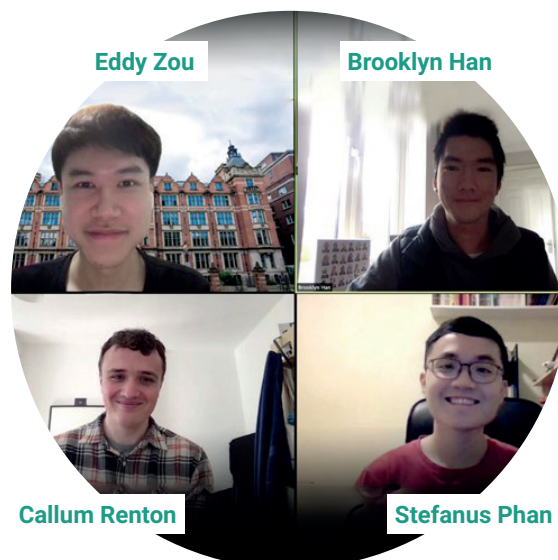
UChicago Oeconomica Econometrics Game 2021

The Econometrics Game, started by the University of Chicago's [Oeconomica Society](#), is a competition where teams of one to four students from top universities are given a dataset and 14 hours to devise and answer a question of economic importance. Each team must then write a comprehensive research paper. The teams judged to have the best papers are then selected to present their findings in front of a panel of judges.

Eddy Zou (BSc Economics), **Brooklyn Han** (BSc EME), **Stefanus Phan** (BSc EME) and **Callum Renton** (BSc EME) were awarded first place for their paper [Covid and the City: Intra-Hospital Transmission of COVID-19](#).

Brooklyn Han (BSc EME) shares his experience of the competition:

"I signed up to Chicago University's Econometrics Game with my peers from a similar research-oriented background; it seemed like a worthwhile challenge to put our quantitative research skills to the test, and a beneficial distraction from our upcoming exams. The task was to produce a short research paper in 13 hours given a prompt and a dataset, and we ended up investigating the role of hospitals in the transmission of COVID-19 in New York City; we then delegated responsibilities with some of us focusing on collecting additional sources of data and others reviewing and summarising existing literature. Our team was one of the five finalists selected from a pool of 22, and we were very honoured to present in front of a judging panel which included the 2013 Nobel Laureate, Lars Peter Hansen. We were even more delighted to find out that our paper and presentation was "unanimously" deemed the winner."



Introducing the First Year Challenge and Python to our curriculum

The academic year 2021/22 will mark the launch of the new LSE BSc Economics curriculum. The culmination of years of planning, this once-in-a-generation change to the curriculum combines the rigorous study of economics principles with ideas from the frontier of the discipline, alongside rich opportunities for broader skill development as students progress through the curriculum on their path to becoming economists.

From the outset students are encouraged to think critically and creatively when examining the challenges of the world through the lens of economics and to work collaboratively to explore solutions to those challenges through research and data analysis.

Recent innovations in the extracurricular offering of the Department of Economics have highlighted the benefits from student collaboration in tackling intellectual challenges, and the greater sense of engagement, autonomy and community this helps to foster. And it is with this spirit in mind that the First Year Challenge and Python have been embedded into the new Year 1 curriculum.



The First Year Challenge

The First Year Challenge (FYC) involves groups of four or five students working together in the first few weeks of their university life to tackle a challenge, aided by carefully chosen clues and supported by their Academic Mentor, with the aim of producing a short video showcasing their research and ideas. The videos themselves serve as a springboard for further discussion and debate, as well as social events to celebrate prize-winners whose videos stand out in a range of categories.

First introduced in 2018, FYC themes have ranged from an analysis of the financial crisis through the lens of Keynes versus Hayek, to the role of the welfare state and its origins in LSE founder Beatrice Webb's 1909 Minority Report. The First Year Challenge thus invites students to grapple with important questions from the start of their university life and to explore the role LSE has played in contributing to these important debates.

Designed and led by our wonderful team of Undergraduate Tutors, the First Year Challenge has three main aims. First, to foster a greater sense of community amongst students and staff, developing a sense of identity and togetherness by introducing students to the School's history and to their Academic Mentor. Second, to engage students in academic research early on,



The First Year Challenge thus invites students to grapple with important questions from the start of their university life. ”

developing students' understanding of important economic phenomena and the skills needed to identify and analyse suitable data to better understand them. Finally, to encourage peer exchange and learning through a variety of media, including development of presentation and digital skills and of communicating knowledge to a wider audience.

From this upcoming academic year, the First Year Challenge will be part of Economics EC1P1, an exciting new course whose objective is for students to learn to think like economists by using economic theory to produce compelling arguments and economic data to distinguish and quantify them. The very first EC1P1 FYC challenges students to take inspiration from LSE economists Arthur Lewis, Amartya Sen and Nick Stern and develop their own index to quantify wellbeing, incorporating aspects of climate change, and to contrast it to GDP. The debate on how to appropriately measure wellbeing continues and now LSE students will offer their contributions.

Python for Economics

With Python an increasingly popular coding language for economists and in growing demand by employers, the Department of Economics has for the past two years run the Python for Economics week in the Lent Term as an extracurricular activity. Students worked intensively over a short space of time in small teams, assisted by a coach, to analyse an economics topic, and then presented their findings to participants. In doing so the students developed project management, collaboration, communication and coding skills, always applied to economics themes and informed by research in related literature.

The first phase is an online course created in collaboration with the LSE Digital Skills Lab which contains the basics of Python, developed to explore the minimal set of concepts and syntax needed to be able to write code, with advanced libraries and tools taught during the Python Week itself. Since learning by doing is the most effective strategy for developing coding skills, the projects are structured around this pedagogical principle. Each team works on an economics project under the guidance of their coach, starting from an exploration of literature related to the project, followed by analysis of the data or the model at hand, and the writing of code needed for the analysis. The week ends with each group presenting their work and a panel discussion of LSE alumni on their professional experience using Python and programming in general. LSE Economics alumni Stephen Hansen (Professor of Economics at Imperial College), Jaume Vives (PhD candidate at MIT) and Swati Mardia (former Python for Economics coach, now at Facebook) formed the 2021 panel.

The enthusiastic response of students to the Python for Economics week and our experience running it has been instrumental in embedding Python into the new curriculum. BSc Economics students will gradually learn Python over the first year courses Economics EC1P1 and Macroeconomics I EC1B1, culminating in a Python-based group macroeconomics project. This will pave the way for students to engage in further coding challenges in their second year and for all to graduate from LSE with much valued coding capabilities.

LSE Economics of Environment and Energy (EEE) Camp

STICERD's first Economics of Environment & Energy (EEE) Camp was held at LSE and online from 27-30 July 2021. Organised and led by current PhD students in the Department of Economics, the group covered a range of topics related to doing research in environmental economics: the science of climate change, how humans are altering local environments, the latest data and methodologies being used in the field, and how energy markets function and need to change going forwards. During the camp, students were joined by several guest speakers – Solomon Hsiang (Berkeley), Achim Dobermann (IFA), Dave Donaldson (MIT), and Mar Reguant (Northwestern) – to hear their views on promising research areas for the field.

One of the organisers, Tim Dobermann (PhD Economics), shared his experience of the camp:

“LSE's inaugural EEE Camp – hopefully the first of many – was a week brimming with ideas on how to take this important field of economics further. After a difficult year for everyone, it was also a great chance to meet in person and build a team dynamic. There's lots to look forward to for this coming year!”



LSE Economics of Environment and Energy (EEE) Camp

Global LSE Economics

LSE exists to educate, share knowledge and encourage debate across the globe. We will create a home for the curious, in London, online and around the world.

[Find out more](#)



Faculty prizes and awards

Professor Lord Richard Layard presented with a Lifetime Achievement Award by ESRC

Professor Lord Richard Layard has been presented with the [2020 Celebrating Impact Prize for Lifetime Achievement](#) from the Economic and Social Research Council (ESRC), for his work in economics which spans more than 50 years.

Richard Layard, Emeritus Professor of Economics in the Department, founded and directed the [Centre for Economic Performance](#) and has spent almost his entire career at LSE. His research spans areas from the economics of education, unemployment, and wellbeing and mental health. He has been at the forefront of research into wellbeing since the publication of his book [“Happiness”](#) in 2005.

Announcing the award, Jennifer Rubin, ESRC executive chair, said: “The impact of Lord Layard’s work can be seen in so many areas across the fields of education, employment, mental health and climate change and his influence is felt in academic research, public policy, community engagement – and across the political spectrum.”

Receiving the prize, Professor Layard said:

“I’m conscious of two hugely important institutions that have framed my life, one is LSE, where I’ve had so many wonderful colleagues ... and the second is the ESRC, they have supported most of my work and in particular over the last 30 years they have given the most incredible support on a continuing basis to the Centre for Economic Performance.”

Read [more](#) | Watch the [video](#)

Dr Xavier Jaravel, Best Young French Economist 2021

Dr Xavier Jaravel has been awarded the [Prix du meilleur jeune économiste de France 2021](#) (The Best Young French Economist Award 2021).

This annual Le Monde and Le Cercle des économistes award is given to a French economist under the age of 40. It’s a wonderful and well-deserved acknowledgement of Xavier’s many outstanding academic contributions.

Xavier follows in the footsteps of Professor Camille Landais, who won the award in 2016.

Read Xavier’s [interview](#) about the award (subscription needed).



Professor Lord Richard Layard



Dr Xavier Jaravel

Professor Daniel Sturm awarded an ERC Advanced Grant

Professor Daniel Sturm has been awarded a [European Research Council \(ERC\) Advanced Grant](#) for the project “Quantitative Models of Cities”. The project, which will run from 2021-2026, builds on research by Daniel Sturm and his co-authors to develop economic models of how firms and residents compete over limited space in cities and how this competition shapes the productivity and residential amenities of city neighbourhoods and the flow of commuters.

The ERC grant will enable Daniel Sturm and his co-authors to combine this modelling approach with detailed data for cities to address key questions of urban policy. These include how new transport infrastructure affects employment patterns and city productivity, the costs and benefits of restrictions on building heights, and the optimal allocation of space to different land uses in cities.

Professor Sturm said:

“The majority of the world’s population already lives in cities and this share is increasing rapidly throughout the developing world. This makes it imperative to improve our understanding of the agglomeration forces that pull people into cities.

Understanding how cities work and how they are affected by urban policy choices has been made even more urgent by the COVID-19 pandemic. The very generous funding from the ERC will enable us to bring our understanding of the forces that shape cities to an exciting new level.”

Professor Camille Landais awarded an ERC Consolidator Grant

Professor Camille Landais has been awarded a [European Research Council Consolidator Grant](#) for the project “GENEQUALITY”. The project will run for five years (2021-2026) and aims to understand the root causes of the strong specialisation in gender roles at the arrival of children, how this affects gender inequality, and what can/should be done about it.

Speaking to Professor Landais about the news, he said:

“I am just absolutely elated. One of the exciting dimensions of the project will be its use of new techniques from the natural language processing literature to offer new measures of gender norms, and uncover the way they are formed and affected by policies.”



Professor Camille Landais



Professor Daniel Sturm

A special event to mark ten years of Professor Sir Christopher Pissarides' Nobel Prize

Public panel: Technology and the labour market

Together with the Centre for Economic Performance, the Department hosted a public event to mark ten years of **Professor Sir Christopher Pissarides' Nobel Prize**.

Christopher Pissarides (LSE), Barbara Petrongolo (Oxford University), Rachel Ngai (LSE), Daniel Susskind (Oxford University) and Minouche Shafik (LSE) met to discuss advances in artificial intelligence, robotics, biotechnology and other areas bound to have ever greater impacts on jobs and the labour market. They spoke about how employment prospects and wages of different types of workers will be impacted by these developments and whether jobs are going to disappear.

Watch the [video](#).



Professor Sir Christopher Pissarides



Professor Oriana Bandiera



Professor Nava Ashraf

Dr Thomas Sampson awarded an ESRC Grant

Going Global? Firms, Trade and Productivity After Brexit



Dr Thomas Sampson

Dr Thomas Sampson and colleagues from UCL are undertaking a three-year project on trade after Brexit, looking at how the UK economy is changing in response to the withdrawal and will provide estimates of the effect of Brexit on productivity, trade, output, wages and living standards.

[Find out more here.](#)

Professors Nava Ashraf and Oriana Bandiera receive the 29th Arrow Award

Professors Nava Ashraf and **Oriana Bandiera**, **Edward Davenport** (BSc Economics 2015, MSc Economics 2018) and **Scott S. Lee** received the 29th Arrow Award for the best paper in Health Economics:

Nava Ashraf, Oriana Bandiera, Edward Davenport, and Scott S. Lee, 2020. [“Losing Prosociality in the Quest for Talent? Sorting, Selection, and Productivity in the Delivery of Public Services”](#) American Economic Review, 110(5): 1355-1394.

On giving the award, the Committee for the Arrow Award of the International Health Economics Association said they were proud to acknowledge the authors of this innovative and informative paper, which investigates whether career benefits for health workers attract talent at the expense of prosocial motivation in Zambia.

Banque de France and Toulouse School of Economics Prizes in Monetary Economics and Finance: Professor John Moore and Professor Silvana Tenreyro

Professors John Moore and **Silvana Tenreyro** have received the Banque de France and Toulouse School of Economics Prizes in Monetary Economics and Finance. John Moore was awarded the Senior Prize, and Silvana Tenreyro was awarded the Junior Prize Europe.

Awarded every two years, these prizes recognise researchers “who have developed fundamental concepts in monetary economics and finance.” Their aim is to encourage research that contributes to a better definition and implementation of policies conducted by central banks.



Professor John Moore



Professor Silvana Tenreyro



Professor Ricardo Reis



Professor Nobuhiro Kiyotaki

2021 Yrjö Jahnsson Award: Professor Ricardo Reis and Professor Silvana Tenreyro

Professors Ricardo Reis and **Silvana Tenreyro** have been awarded the 2021 Yrjö Jahnsson Award.

The Finnish [Yrjö Jahnsson Foundation](#) established this biennial award in 1993, for a European economist no older than 45 years old, who has made a contribution in theoretical and applied research that is significant to economics in Europe. The [European Economic Association](#) (EEA) cooperates in the selection of the award winners.

Ricardo and Silvana were selected for their important contributions to macroeconomics: “This includes work on monetary economics, on inequality and macroeconomic outcomes, on fiscal policy and automatic stabilisers, and currency unions. Their work has had deep impact on macroeconomics and they have each individually also made important contributions to other fields” (EEA).

BBVA Frontiers Knowledge Award: Professor John Moore and Professor Nobuhiro Kiyotaki

Professor John Moore and **Professor Nobuhiro Kiyotaki** (Visiting Professor, 2019/20) won the 13th BBVA Frontiers of Knowledge Award.

The award, shared with Ben Bernanke and Mark Gertler, honours their contribution to understanding how financial market imperfections affect macroeconomic fluctuations. John and Nobu’s work in this area was carried out when both were in the Department and highlights the continued contribution of Department members to the most important intellectual debates in our profession. It is a most well-deserved recognition. They join our colleague Philippe Aghion, who was one of last year’s winners of this prestigious award.

Bernhard Harms Prize of the Kiel Institute for the World Economy 2021: Professor Lord Nicholas Stern

Professor Lord Nicholas Stern has been awarded the Bernhard Harms Prize by the Kiel Institute for the World Economy. The award is in recognition of his pioneering work on the economic costs of climate change.

Kiel Institute President Gabriel Felbermayr said: "It is not least thanks to his work that efficient economic incentives such as CO2 pricing are playing an increasingly important role in today's political debate on effective measures to limit CO2 emissions."

The Bernhard Harms Prize of the Kiel Institute for the World Economy has been awarded every two years since 1964 and annually since 2020. The award honours academics for exceptional research in global economics or practitioners for outstanding promotion of global economic relations.



Dr Swati Dhingra appointed to expert panel supporting the UK Department for International Trade (DIT)

DIT convened five leading economic and trade experts to advise on how to develop and use cutting-edge new trade models and techniques. This is part of the Department's efforts to maximise the benefits of free trade deals and enhance the UK's trade negotiating ability.

The panel will advise DIT's Chief Economist on how best to incorporate wider global economic developments – including the impact of COVID-19 and increased protectionism – into its economic and trade modelling.

Dr Swati Dhingra is one of the five members on this panel, led by Professor Tony Venables, BP Professor of Economics at Oxford University. [Read more.](#)

Dr Maarten de Ridder



Unicredit Prize for Best Job Market Paper in Macroeconomics (2020/21): Dr Maarten de Ridder

In September 2020, the University of Copenhagen, with joint sponsorship from the UniCredit Foundation, organised a [conference](#) inviting leading PhD economists in macroeconomics graduating in 2020 to present and discuss their work. A prize of €1000 was to be awarded during the conference to the most promising junior macroeconomist.

The 2020 Unicredit Foundation prize for best job market paper in macroeconomics was awarded to **Dr Maarten de Ridder** (London School of Economics), Elisa Rubbo (Princeton University), Karin Kinnerud (Norwegian Business School) and Christian Wolf (University of Chicago).

2021 WRDS Best Paper Awards: Professor John Van Reenen

Professor John Van Reenen, Dr Sabrina T. Howell, Dr Jason Rathje and Jun Wong has received a WRDS Best Paper Award for their paper, [Opening up Military Innovation: Causal Effects of "Bottom-Up" Reforms to U.S. Defense Research.](#)

Wharton Research Data Services (WRDS) provides the leading business intelligence, data analytics, and research platform to global institutions – enabling historical analysis and insight into the latest innovations in academic research.

[The WRDS Best Paper Awards](#) recognise that the best financial research is changing policy and practice at firm, regulatory and national levels, and demonstrating the value of the institutions and researchers who conduct it.

Professor John Van Reenen





**Professor Lord
Nicholas Stern**

2020 SIEPR Prize: Professor Lord Nicholas Stern

Professor Lord Nicholas Stern was awarded the prestigious [SIEPR Prize](#). [The Stanford Institute for Economic Policy Research \(SIEPR\)](#) gives the award every two years to a scholar or policymaker who has deeply influenced economic policy. This is the first time the prize has been awarded to a recipient from outside of the USA.

“We are delighted to honour Nick Stern with the SIEPR Prize,” said Mark Duggan, the Trione Director of SIEPR and the Wayne and Jodi Cooperman Professor of Economics at Stanford. “His previous work on climate change has been enormously influential in academic, business, and policy circles throughout the world.”

With the 2006 publication of the 700-page Stern Review on the Economics of Climate Change, Stern made a compelling case for calling out climate change as the world’s greatest and widest-ranging market failure.

The work found that significantly cutting carbon pollution would cost just one percent of global GDP, while doing nothing would cost the world up to 20 percent of its GDP. The report held several policy prescriptions, including carbon pricing, support for low-carbon technologies, and improved energy efficiency.

“It is a great honour to be awarded this special prize,” Stern said. “SIEPR is an outstanding institution and it is a privilege to be included amongst the very distinguished previous recipients. Stanford has been an extraordinary leader across so many disciplines, especially economics, and I am delighted to hear of Stanford’s new initiative to establish the school of sustainability, recognising the immense challenges of climate change, and where – again – Stanford will lead.”

Find out more and watch Nicholas Stern receive the award [here](#).

Research Grants: Dr Daniel Reck

Dr Daniel Reck has received two research grants to support his research agenda on tax enforcement and high-wealth individuals:

- In 2021, Dr Reck received a \$331,000 grant from [Arnold Ventures](#) to support his research on “Evaluating Policy to Combat Tax Evasion at the Top of the US Income Distribution”. Arnold Ventures is a philanthropy dedicated to tackling some of the most pressing problems in the United States.
- In 2020, Dr Reck received a \$289,000 [Economic and Social Research Council \(ESRC\)](#) New Investigator Grant to support his research on “The Taxation of Concealed Offshore Wealth: Evidence from US Enforcement and Implications for Inequality.” The New Investigator Grant supports new researchers at the beginning of their careers to become independent researchers through gaining experience of managing and leading research projects and teams.



Daniel Reck

Global Impact and Reach from our Alumni

We caught up with our alumni to discuss their time at LSE and their career journey after university.



Meet Alham Ahmad

BSc Economics and now an A-Level teacher at Cranford Community College

What motivated you to choose the LSE Department of Economics?

Applying to LSE was always my biggest aspiration and visiting LSE Open Day in Year 12 only solidified this. This proved to be a sheer motivator in ensuring I meet the entry requirements. Achieving and being predicted A*s in my A-Levels made me wonder – “if I scored the best possible grade, then why not apply to the best universities in the country?” LSE is renowned for its international reputation, and I was keen to study at a prestigious university as well as studying in Central London. The course structure was also very appealing, it consisted of a strong focus on mathematics, as well as providing me with the possibility to study outside options including economic history and languages.

What are your fondest memories of your time in the Department?

My three years as an undergraduate student at LSE was an incredible experience. It allowed me to grow as a person, broaden my academic knowledge and explore new interests. My first and final years were by far the ones that I have the fondest memories of. In my first year, I particularly enjoyed the MA100 and ST102 courses. I vividly remember my lecturers and have taken on board their teaching styles into my own practice. From Dr Ioannis Kouletsis I have learnt to teach mathematics with extreme patience and provide examples with logical steps. From Professor Steve Pischke and Dr James Abdey, it was how to make conventionally



“boring” subjects more interesting, by making it more personal and including jokes, wherever necessary. For instance, having a board of “#mathsmemes” is what I use to help students relate common misconceptions and formulae to memes that they are familiar with. My final year was the most enjoyable in an academic sense as I specialised in modules of interest – including industrial, international, and labour economics. Aside from my academic memories, I also enjoyed exploring Central London during my free hours with my friends from campus. Retail therapy was the best way to “kill” time during a three-hour gap between lectures and classes. In addition to this, a few of us undergraduates initiated perhaps what was the LSESU’ first “schism”, as we broke away from the LSESU Persian Society and “co-founded” the LSESU Afghan Society when it was in its prime. Unfortunately, back then it was not official as we were way below the minimum 15 person limit – there were only four of us!

We’d love to hear about your career journey. What did you do when you left LSE and what are you doing now?

When my time at LSE was coming to an end, I took into consideration two possible career routes. Going into secondary teaching or working as an analyst in the aviation industry. There definitely was a trade-off between my love for aviation and diffusing my passion for learning to the next generation of students. Whilst everyone I knew was looking into investment banking or applying for their masters, I took the unconventional route. When my friends found out about my career plans, their response was the same – that teaching was the perfect career for me, given my background in tutoring, and how I would book study rooms on campus and lead our productive revision sessions. This is a decision that I have never looked back on. I was initially planning to apply through Teach First. Nevertheless I wanted to be able to work where there is a sense of attachment – that being in my local community. Being born and raised in West London, I looked no further to schools within my local area. Luckily there was a vacancy available at my former school – Cranford Community College: a mixed ability comprehensive consisting of around 1500 students, where 82% are from an EAL background. The academy takes pride in its diverse melting pot of cultures. The school and its students have been judged



I vividly remember my lecturers and have taken on board their teaching styles into my own practice. ”

by Ofsted as Outstanding in all areas. What better way to return to the school that supported my academic progression for seven years? And to highlight the meritocracies of how education is a powerful tool and that your background does not dictate or determine your prospects. I applied to train as a mathematics teacher, and I was quick to realise that this is the right career option for me. I weathered many storms along the way, including essays, official observations, and virtual lessons during the pandemic. It was only a matter of time until I was invited to teach A-Level Economics too.

Could you tell us more about your role at Cranford Community College?

I'm glad to say that I am approaching my fourth year as a teacher at Cranford Community College. After a successful first year, there have been a lot of different roles that I have conducted. In my first year, I was given the opportunity to teach Italian and Turkish as an extra-curricular subject to KS3 students (aged 11-14). Senior members of staff thought that my style of teaching is more compatible to A-Level, thus I was given responsibility of teaching multiple A-Level Mathematics classes. I was privileged to have been given a Teaching and Learning responsibility in coordinating the A-Level curriculum. Following changes to the structure of the academy post-pandemic, I accepted the responsibility to teach A-Level Economics too. In three years, I have taught four different subjects, ranging from my degree subject to my passion for languages.

If you could give one piece of advice to current LSE Economics students, what would it be?

It might sound very cliché but enjoy and savour every moment. There are times when things get difficult, especially during your second year. Reflect on your achievements – being admitted into LSE is maybe one of the biggest achievements. This was something that motivated me, ensuring that I would be pleased with my outcome after three years. Once you understand econometrics in your second year, everything is possible (well... academically speaking). Academia aside, enjoy what else LSE has to offer. Celebrate LSE's cosmopolitanism and learn about different cultures as you meet and make friends from almost every single country. Joining societies is an easy way to achieve this. I wish I could go back and relive my three years at LSE, but now it comes to preparing the next generation of students who are hoping to make their academic dreams a reality.



Meet Shania Bhalotia

MSc Economics and now a PhD student
in the Department

What motivated you to choose the LSE Department of Economics?

The MSc Economics programme at LSE is a popular programme to apply to after the undergraduate degree in my college, so I had known about the programme from very early on. The course is very well structured and provides all the necessary tools to work on economics, in the academic as well as corporate sector. Additionally, the two-year programme also seemed to provide a nice transition from studying economics qualitatively in my undergraduate programme to adopting a more quantitative approach. The fact that the Department of Economics has excellent faculty for all the different fields within economics and that the PhD in economics at LSE is among the top programmes in the world were also reasons to pursue my MSc at LSE.

What are your fondest memories of your time on the MSc programme?

I think my fondest memories of the MSc programme are the little chats that I had with other students in my cohort, in the lecture theatres before the lecture started or in the breaks, outside the class before and after the seminars and in the corridors of the study rooms. While a lot of these conversations were with people I usually studied and socialised with, in some instances, I got the chance to talk to people outside this set of people, and these conversations often went beyond the course work, to include discussions on research ideas, government policies in our respective countries, cultures and at times even the best places to eat in London. Through these chats I realised that I was in the company of amazing people, who are brilliant and humble.

How has the MSc Economics programme influenced you?

When I was in the final year of my undergraduate course and deciding what to apply for next, one of the considerations was applying for an MSc and I had made a list of pros and cons for it. Under the column of cons, I had written "Would probably have to do a PhD". I think I wrote it this way at that time because perhaps subconsciously I knew that I would start thinking about doing a PhD once I am in a master's programme. Why I wrote it under cons is quite unclear to me now! By the end of the Lent Term of my first year of MSc, I decided that I wanted to do a PhD. The first year of the programme made me realise that I liked economics a fair amount and was interested in doing research in the subject, even though I was still studying undergraduate level courses. I became even more sure of my decision in my second year. The programme helped me decide what I would like to do next. The coursework also helped me realise which fields of economics interest me the most. Having found the macroeconomics module in the first year particularly interesting, I chose Monetary Economics as my field-course in the second year and macroeconomics continues to be an area I am interested in for my research.



Engage with people with an open mind and take all that you can from these conversations. Irrespective of the topic, people will always have something to say that will be of interest or of use to you. ”

You've just completed your first year on the LSE PhD Economics programme – congratulations! Please could you tell us about your decision to continue your studies after the MSc programme?

It was during the MSc that I decided I would like to pursue a PhD. It was primarily the course content and some initial interactions with faculty about research that influenced my decision. I worked as a research assistant in the summer after my first year of MSc and as a teaching assistant in my second year to get some experience in research and teaching. I applied to a few PhD programmes, however, due to an injury, I was unable to put the required effort on my applications and was aware that my applications would not be up to the mark. I got a few waitlists but did not get into a programme I wanted. I decided to apply for full-time research positions instead, to get some training in research before I applied for PhDs again and subsequently worked in the trade programme at the Centre for Economic Performance at LSE. This turned out to be an excellent learning opportunity. I worked on different aspects of research through different projects, from literature review, to primary survey and analysis. I also developed an interest in the trade literature and began to look at the intersection of trade and macroeconomics. I applied to PhD programmes again and continued at LSE in the MRes/ PhD in Economics.

If you could give one piece of advice to current MSc Economics students interested in pursuing a PhD, what would it be?

My advice to current MSc students who are interested in pursuing a PhD would be, use this opportunity to talk to people, the other students in your cohort as well as faculty. Engage with people with an open mind and take all that you can from these conversations. Irrespective of the topic, people will always have something to say that will be of interest or of use to you. A substantive proportion of what I know about research is through talking to people. I also have a piece of advice for those who are not sure if they want to do a PhD – take note of what excites you among the things that you are studying or reading. One doesn't just know that they want to do a PhD, I believe coming to the conclusion is also a process. As you study, read and discuss about economics, you may figure out if and what you like about the subject. If you haven't been able to decide during your MSc if you want to do a PhD, then that's fine, you do not have to give up the idea of doing a PhD just because you are still unsure. I think pursuing a PhD is largely about being inquisitive and excited about some aspect of the subject.



Meet Sebastian Graves

MSc Economics and now an economist with the Federal Reserve Board of Governors

What motivated you to choose the LSE Department of Economics?

I chose LSE because I thought (and still think!) that it is the best place to do a master's in Economics. When I started my master's I wasn't sure whether or not I wanted to go on to do a PhD. But I knew that if I did, LSE had a long history of placing students into top PhD programmes. And if I didn't, a master's from LSE would stand me in good stead for a job in either the private or public sector.

We'd love to hear about your career journey. What did you do when you left LSE and what are you doing now?

I graduated from LSE in 2015 and then moved to the U.S. to start a PhD in Economics at New York University (NYU). I had offers from a few similar universities but chose NYU in the end because it is particularly strong in macroeconomics, which has always been the area of economics that interested me most. My wife and I were also excited to be able to live in New York for a few years and use that as a base to explore the U.S.

It took five years to complete my PhD. The first year built on what I had learned at LSE, but with more maths! In the second I took field courses in various macroeconomic topics and began the transition from coursework to research. The remaining years were spent focusing on my thesis. While working on my PhD I also spent time working as a teaching assistant for various courses at NYU and working as a research assistant for Tom Sargent and Simon Gilchrist, who were both on my dissertation committee.

In the summer of 2019 I spent a few months as a Dissertation Fellow at the Federal Reserve Board in Washington D.C., and I then went on the 2019/2020 academic job market. I ended up accepting a job at the Fed in February 2020, just before COVID-19 hit. I graduated a couple of months later and moved to D.C. to start working, not knowing that over a year later we would still be working remotely!

Could you tell us more about your role at the Federal Reserve Board of Governors?

I work as an Economist in the Trade and Financial Studies section of the International Finance division at the Fed.

I split my time between research and policy work. Most of the policy work that my team does is using macroeconomic models to provide "alternative scenarios" to the baseline staff forecast for the international economy. These scenarios comprise part of the "Tealbook" of analysis and forecasts which is constructed by the Fed's staff economists for the Federal Open Markets Committee (FOMC) before each monetary policy meeting.

Most of the rest of my time is spent on various research projects. The Fed is a great place to do economic research as there are hundreds of other PhD economists: no matter what you are working on, there are guaranteed to be many people that can help you out or provide advice for your research.

Another benefit of working at the Fed is that economists are given a lot of freedom to pursue research interests in a wide variety of fields and topics. Recently I have been completing various projects that I began during my PhD at NYU, as well as starting new projects with other economists both within the Fed and also in academia.

How has the MSc Economics programme influenced you and your career?

The MSc Economics programme has had a huge impact on me. Most obviously because if I hadn't studied at LSE I wouldn't have ended up doing a PhD and getting the job that I am currently doing.

But more broadly the MSc Economics programme provided the perfect foundation for my PhD and made me a better economist. Compared to other people on my PhD programme I arrived from LSE with a strong background in macro and microeconomics. That freed me up to focus on the maths, where I was weaker, as I had only taken the bare minimum of maths courses when I was an undergraduate (not knowing that I would want to do a PhD a few years later). Without having done the maths camp at the beginning of the master's at LSE I would have been even more out of my depth on that front when I started my PhD.

If you could give one piece of advice to current LSE Economics students, what would it be?

Learn to code! I didn't as an undergraduate, nor really while I was doing my master's at LSE. So it was a steep learning curve for me when I got to NYU. Even if you don't want to do a PhD, it's useful for any job where you need to work with and be able to manipulate data.



I chose LSE because I thought (and still think!) that it is the best place to do a master's in Economics. ”



Meet Celine Zipfel

PhD Economics and now Assistant Professor, Department of Economics, Stockholm School of Economics

What are your fondest memories of your time in the Department?

My fondest memories involve my classmates and the friendships I formed during my six years on the PhD programme. A PhD is a long and painful journey! Sharing the experience with smart, kind people who were both able to empathise with my struggles and willing to collaborate and exchange ideas (and go to the pub at the end of a long week!) made it so much better. Somehow, we managed to sustain these dynamics and relationships after everything went virtual (well, except the pub). During the job market last year especially, I realised how lucky I was to have such smart and supportive people around me – in my cohort but also in the younger cohorts and even older cohorts who had already graduated and moved on to tenure-track positions by that time. Several of them were generous enough to donate their time and energy to listen to my mock talk, go over my slides, give me mock interviews, and offer their learnings from their own experience of the job market. This was incredibly valuable and I am so grateful to all of them.

Congratulations on your appointment as Assistant Professor at the Stockholm School of Economics! Please could you tell us about this role?

Thank you – I am delighted! I started about a month ago. I'm still finding my bearings – it was a big move for my little family – but it's been fantastic so far. My colleagues are extremely kind, welcoming and smart. I feel ready to dive into the tenure-track journey with both feet now! On the teaching front, my duties involve supervising master's students (i.e. help them with their dissertations) and I'll be the lecturer on the MSc Development Economics course next semester. I've started creating the syllabus and putting together the reading list, and I love it. On the research front, I'm currently revising the three papers that made up my PhD thesis before submitting them to different journals in the next few months, and I'm also working on developing new ideas and research projects. I feel incredibly lucky to have so much freedom in how I spend my time at work. Of course, it's still early days and there are many challenges ahead, but I'm just incredibly happy to be here and get to enjoy the ride.

How has the PhD influenced you and your career?

A lot! First, when I started the PhD, it was hard to imagine I would ever go on the academic job market. I found research extremely exciting, but I thought I didn't have what it takes – I was one of those people suffering from what we call "impostor syndrome". I found the core courses in the first year very challenging. I had been out of school for a few years and found it really hard to get back into "student mode". We were also only assessed via one exam at the end of the academic year at the time, which I found incredibly stressful. But eventually I made it through, and at some point there were no more courses, just research and teaching. I quickly fell in love with teaching, but found research difficult. I spent most of my third year reading



Research is never perfect and never really “finished” – it takes humility to accept this and live with it. ”

academic papers on topics I was interested in...And I had ideas, but they always seemed either not novel enough or impossible to answer with existing data. One of the big turning points was a conversation with my advisors in my fourth year – I think they could see that I was struggling, but they stuck to their guns of encouraging me to work on big, important questions that I really cared about. It might have been easier for them to tell me to pick a topic that was “trendy” in the field of development economics at the time or to focus on developing a specific skillset most in-demand on the academic job market. They were absolutely right not to – I feel like I’m now working on a topic I could easily spend the next decade of my life working on. A whole research agenda came out of my PhD. And despite the bumps in the road, somewhere along the way I realised I couldn’t imagine ever doing anything else than research. This is probably the most valuable thing that I got out of the PhD.

Could you tell us about your experience of the job market and your advice for future candidates?

It was tough, but in many ways it was also the most formative and enriching part of my PhD. You will learn so much – about your own topic, about academic research, and about yourself. My main advice would be: apply everywhere, and treat every opportunity, every interview and every call-back like the incredible opportunity that it is to have a team of experts be entirely focused on your research while they assess whether you’d be a good fit for their department. Try and not worry too much about the outcome (of course, that’s much, *much* easier said than done) and focus on what you’re learning at each step of the process. Yes, it is incredibly stressful, and yes, you will probably work harder than ever before in your life. But at every step of the way, you will finetune your skillset in some way – your research skills, your communication skills, your ability to speak in front of an audience without falling apart, your ability to think on your feet, your interpersonal skills... In retrospect, this was really an invaluable experience.

More broadly, if you could give one piece of advice to current LSE PhD students, what would it be?

Probably to keep your head down and try to enjoy the journey. It turns out that everyone suffers from “impostor syndrome” from time to time, and I learned that it’s best to leave your ego out of it. A PhD is an opportunity to figure out how much you love research (and teaching), and whether you could see yourself spending years or even decades trying to find answers to important questions and contribute to expanding your field of research – no matter how small this contribution may seem. Also, research is never perfect and never really “finished” – it takes humility to accept this and live with it.

Research Centre Updates 2020/21

Centre for Economic Performance

Future research

CEP has started its five-year programme of work (2020-25) as an Institute after being awarded £8.2m by the [ESRC](#). The funding will allow the Centre to further its work tackling two major economic and social questions: how to improve economic performance and how to share the gains from greater prosperity more effectively. Allied to this over the next three years researchers will be contributing to the Economy 2030 inquiry, a [joint venture between CEP and the Resolution Foundation](#), and chaired by LSE Director, Minouche Shafik. This will explore major changes and challenges facing the UK economy over the next decade, with a focus on how best to respond to economic shocks from Brexit, COVID-19 and the transition to a zero-carbon future in terms of their effect on people, places and firms, and come up with possible responses. The £1.8m inquiry is being funded through the Nuffield Foundation.

30th anniversary

Established in 1990, in 2020/2021 we have been marking [CEP's 30th anniversary](#) with events, publications and celebrations throughout the academic year. We began in September with the award of our 30th anniversary prize to **Vanessa Huang** for her essay on making happiness a policy objective. The competition was run with the LSE SU Economics Society. **Richard Layard** kicked off the first of our three "CEP director" lectures with a talk on how to "Make Wellbeing the Goal". **John Van Reenen** has spoken on "Going for Growth" and **Stephen Machin** rounded off the series in the summer term with his talk "Move On Up", about social mobility. **Alan Manning** contributed to the LSE Festival events with a pre-recorded talk on [New Technology and the Future of Work](#), and **Daniela Scur** wrote an accompanying [blog](#) on work during the pandemic. We have also launched the CEP Insights series, short articles about key contributions that CEP research has made in areas of economics ranging from wellbeing to Brexit. The series is aimed at an undergraduate audience. The dedicated 30th anniversary section of CEP's website includes videos from directors' talks, the Insights series and a specially-commissioned animation, which illustrates CEP's values, achievements and ambitions.

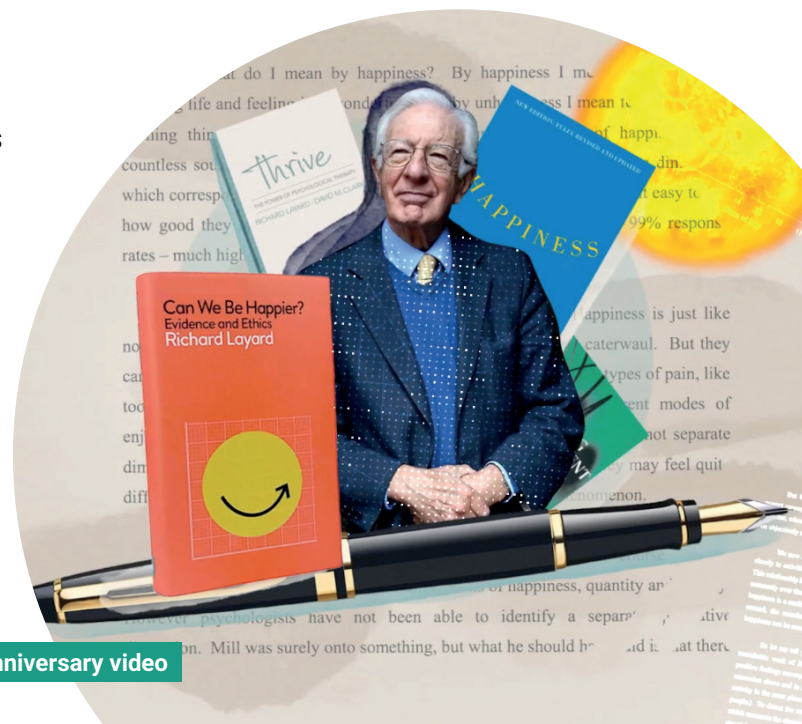


Photo credit: CEP 30th Anniversary video

COVID-19 analysis series

The pandemic created an urgent need for research on how best to manage the economic impact of the crisis both in the short-term, and for the future when planning a sustainable and inclusive recovery. To help communicate this research CEP launched a new series of COVID-19 analyses – non-technical briefings on topics such as the impact of school closures, how the self-employed were coping, which firms were at risk and how firms were using technology to innovate and survive. Indeed, much of this research was greatly informed from past CEP research, such as post-recession economic scarring; the role of job guarantees and the minimum wage; the impact of work and education losses; the importance of innovation and management practices in improving productivity; and understanding spatial disparities. Under COVID-19, CEP researchers have also needed to build up new data to understand the current situation with bespoke surveys on the self-employed, UK businesses, 16-25 year olds, and urban workers in India.

These analyses gained extensive and regular coverage by the *BBC*, *Financial Times*, *The Times*, *Telegraph*, *Guardian* and the *Economist*. Highlights included **Gus O'Donnell**, co-author of *When to Release the Lockdown?* on BBC Radio 4's flagship *Today* programme and writing in *The Times*, about the need to use wellbeing to guide policy decisions during the crisis. And BBC's Panorama programme "Has Covid Stolen My Future?" featuring CEP survey results that showed people aged 16-25 were more than twice as likely as older workers to have lost their job and interviews with authors **Lee Elliot Major** and CEP director **Stephen Machin**.



Influencing policy

CEP's work also guided and shaped major policy announcements during the pandemic, and CEP researchers regularly briefed policymakers and appeared before parliamentary select committees.

Building Back Better Research by **Anna Valero** and **Capucine Riom** was cited in the government's budget document *Building Back Better: Our plan for growth* in March 2021, helping to inspire the new "Help To Grow" interventions for SMEs in order to raise productivity through implementing digital technology and better managerial practices. Over £500 million was allocated to the "Help to Grow" scheme. Work by CEP research director **Henry Overman** and co-authors on understanding area disparities was also cited. Research by **John Van Reenen** and **Peter Lambert**, together with the Alliance for Full Employment, led by former PM Gordon Brown, highlighted in January 2021 that more than one in seven businesses faced closure without government support – the March 2021 budget extended support packages.

Labour market policies under COVID-19 **Stephen Machin** gave evidence to the House of Lords COVID-19 Employment Inquiry in July 2020; and **Guy Michaels, Alan Manning** and others provided advice to Tim Leunig, Economic Adviser to the Chancellor on “Labour Market Responses to COVID-19 Unemployment Crisis”. **Jack Blundell** and **Stephen Machin** made a set of recommendations in written evidence to the Treasury Select Committee on COVID-19 and self-employment, based on LSE-CEP surveys of self-employed workers throughout the crisis.

The rise of domestic abuse under lockdown was a national concern. CEP research by **Tom Kirchmaier** and **Ria Ivandic** was cited in debates during the passage of the Domestic Abuse Act through parliament. CEP research showed how lockdown changed the pattern of domestic abuse and the reporting of it, and how making better use of existing data through machine learning technology could improve police responses.

New projects: Brexit and beyond

Brexit has been a key area of research for CEP, which has been at the forefront of forecasting and assessing the impact of the UK withdrawal from Europe. The Centre’s early **Brexit analysis** was driven by theoretical and modelling insights developed in our Trade programme. These trade models were then used by CEP researchers in real time to look at the economic consequences of different scenarios, including No Deal. Researchers then analysed post-referendum data, challenging the myth of Global Britain with work uncovering a drop in inward and outward FDI, slowing economic performance, reduced real wages and training in the UK, as well as a negative impact on wellbeing for both leave and remain voters. **Thomas Sampson** and colleagues from UCL are now undertaking a three-year project on trade after Brexit, looking at how the UK economy is changing in response to the withdrawal and will provide estimates of the effect of Brexit on productivity, trade, output, wages and living standards.

CEP researchers and associates are currently working on three projects for the Low Pay Commission, looking at “The impact of the UK National Living Wage on earnings, employment, hours and incomes” with Giulia Giupponi (now at Bocconi) and Attila Lindner (UCL); a joint CASE-CEP project on “The impact of the UK National Living Wage by disability and ethnicity” with **Nikhil Datta, Stephen Machin** and **Abigail McKnight**; and, **Andrew Clark, Maria Cotofan** and **Richard Layard** on “The true returns to the choice of occupation and education”. Their findings will contribute to a report to be published at the end of 2021.

Early career researchers are also embarking on new projects, on which they have successfully secured research funding, including: **Pawel Bukowski** who will look at inequality within and between regions looking at national and regional income inequality with cross-country analysis by partners in France, Germany and Canada; and **Matteo Sandi** on the links between education and crime in the UK using newly released Ministry of Justice data.

STICERD

The last academic year has been, in many ways, the most challenging that STICERD has known, not least because we had lost that face-to-face interaction that binds us together as a community. Despite these challenges, our staff and PhD students in the centre managed to carry out an impressive amount of research and related activities across the various programmes in STICERD. We awarded 25 STICERD grants to colleagues throughout the School, from PhD students up to Professors, on a wide range of topics from “Inflation and macroeconomic policy during the COVID-19 economic recovery” to “The impact of land redistribution in post-apartheid Namibia”. In addition to the research grants, STICERD continued to offer support for PhD students in the Centres’ research groups from the Michio Morishima Fund.

The 2020/21 academic year also saw the introduction of a new research programme in STICERD, The [Economics of Environment and Energy \(EEE\) Programme](#). The programme is directed by **Professor Robin Burgess** and brings together a dynamic group of researchers working on the interaction between human activity and the natural environment. The programme runs a weekly seminar and helps train the next generation of scholars working on the economics of environment and energy by running a pre-doctoral research assistant programme and by guiding the work of current LSE PhD students.

This year also saw the establishment of the [Hub for Equal Representation](#), directed by **Professors Oriana Bandiera, Camille Landais and Dr Nina Roussille**. The Hub, hosted in STICERD is funded by the Bill and Melinda Gates Foundation and focuses on understanding the origins of the persisting barriers to an equal workplace and finding evidence-based solutions to overcome them. We are also grateful for the continued support we have received for our other self-standing programmes in STICERD such as the [Hayek Programme in Economics and Liberal Political Economy](#) and the [Spinoza Foundation Programme on Institutions, Organisations and Growth](#).

Although we were unable to host events in person, our wide range of seminars continued online covering subjects such as: Theoretical Economics, Econometrics, Public Economics, Economics of Industry, Development, Growth, Political Science and Political Economy, and Psychology and Economics. A highlight from the 2020/21 academic year was the STICERD Morishima public lecture: [Awakening the Giant Beast: from pandemic to economic recovery](#) delivered by **Dr Cecilia Rouse**, Chair of the Council of Economic Advisers. In the lecture, Cecilia offered a rare inside view of U.S. economic policymaking at the beginning of a new presidency. As we end another busy year in STICERD we are looking forward to being together on campus again during the next academic year and welcoming visitors back to the Centre.

STICERD

Suntory and Toyota International Centres
for Economics and Related Disciplines

Research at LSE ■

Centre for Macroeconomics (CFM)

The Centre for Macroeconomics (CFM) is the premier research institute in macroeconomics in the United Kingdom, engaging in fundamental research on key issues that range from financial crises to inequality, and providing a bridge to economic policy and policymakers. The CFM brings together a diverse – but interconnected – set of institutions, ranging from policy making (Bank of England) through applied policy research (National Institute of Economic and Social Research) to academia (University of Cambridge, University of Oxford, LSE, and University College London), and includes more than 120 researchers. This creates a unique environment for imaginative, policy relevant, and intellectually robust research. The CFM is funded by the Economic and Social Research Council (ESRC), and was founded in 2012.

The Centre's main research activities in the past were divided into five major research programmes which address the key issues of unemployment, fiscal austerity, financial markets, shifts in the world economy and the development of new methodologies. In its second stage, the Centre is pursuing six research agendas on the UK's role in the global economy, the interaction between inequality and macroeconomic dynamics, the changes that technology brings about to the labour market, the evolution of the world income distribution, the management of public and household debt, the future of monetary policy, and the development of new methodologies.

Research is disseminated through close to one hundred public lectures, workshops, and seminars every year. Research is published through a discussion paper series on RePEc (Research Papers in Economics), and disseminates through numerous joint events with policymakers and presence of the Centre's research in all major macroeconomics policy debates. The CFM survey (organised jointly with the Centre for Economic Policy Research, CEPR) gives a voice to academic macroeconomists who are typically not active in the media, providing a comprehensive picture of the views within the academic community on key topical questions.



More information can be found at cfmsurvey.org

International Growth Centre (IGC)

The International Growth Centre (IGC) aims to promote sustainable growth in developing countries by providing demand-led policy advice based on frontier research.

The IGC directs a global network of world-leading researchers and in-country teams in Africa and South Asia and works closely with partner governments to generate high-quality research and policy advice on key growth challenges. Based at LSE and in partnership with the University of Oxford, the IGC is majority funded by the UK Foreign, Commonwealth and Development Office (FCDO).

Find out more on their [website](#) and read their [2020-2021 Annual Report](#).



Developing LSE Economics for everyone

The LSE Department of Economics is committed to embedding equity, diversity, inclusion and sustainability across its programmes, processes and procedures, developing a Department that works for everyone.



LSE's Applicant Mentoring Programme (AMP)

In Michaelmas term of the 2020/2021 academic year, PhD students **Arnaud Dyèvre, Yannick Schindler and Tillman Hönig** organised a mentoring initiative aimed at helping applicants from underrepresented backgrounds prepare their applications to economics PhD programmes.

The programme matches applicants with PhD Economics students at LSE to help reduce the information barriers involved in applying to competitive economics PhD programmes. Here, Yannick writes about setting up the initiative, the mentoring experience, and next steps for AMP.

It can be easy to forget as an admitted PhD student, but there are a lot of information barriers involved with the PhD application process and these barriers are particularly important for applicants without access to family or friends who are familiar with the PhD application process. It is the hope of Arnaud, Tillman and I that through our mentoring initiative, we can share some of the tacit knowledge about PhD admissions that is difficult for people outside of academia to obtain and that by extension we are helping level the playing field of PhD admissions. As this type of tacit knowledge is least accessible by applicants with backgrounds that have traditionally been underrepresented in economics, we hope that our initiative will help create more diversity in the incoming PhD economics cohorts, not just at LSE but at other top universities as well.

Our mentoring programme works by matching prospective applicants to PhD students in the department and fortunately for us, many of our colleagues shared our enthusiasm for this project: 31 PhD students signed up to mentor prospective applicants after our first call for mentors! As a result, we were able to mentor 95 prospective applicants and to provide very personalised one-to-one advice to our mentees on issues ranging from writing a good personal statement to GRE test taking strategies. Our mentees for the 2020/21 application cycle came from 17 different countries and many shared inspiring stories of the obstacles and challenges they had already overcome to have the opportunity to study at the undergraduate level and what it meant to them to now be applying to PhD programmes.

One mentee from Brazil told us how she was the only woman in her undergraduate economics programme and how glad she was to see an initiative like ours help applicants from traditionally underrepresented backgrounds. A mentee from India told us how he was the first



31 PhD students signed up to mentor prospective applicants after our first call for mentors! As a result, we were able to mentor 95 prospective applicants. ”



person in his community to attend a leading Indian university. He shared with us how being born into a lower caste meant that he had to overcome intense discrimination throughout his studies but how he nevertheless hoped to pursue PhD studies in economics. Elena Casanovas, an AMP mentee in 2020, is now an AMP mentor for the 2021 application round. She also shared her experience with us:

"I was relatively new to economics and did not necessarily have a good benchmark to measure the strengths and weaknesses of my application. The AMP matched me with a current PhD student with similar research interests and first-hand knowledge of the departments I intended to apply to, who reviewed my application materials and provided targeted advice.

Being able to talk with him was a wonderful experience, and gave me a boost in confidence at a critical moment in the application process.

Currently, I am an MRes (first year of the PhD program) student at UCL. The AMP has just expanded to UCL and I have joined as a mentor. I am looking forward to continuing the good work and to help make economics a more diverse field."



We heard many stories like these, and it was clear that a common theme uniting these accounts was that our mentees felt that they were severely disadvantaged by not having access to the types of social networks that were helping some of their other peers apply to competitive PhD programmes and scholarships. They also felt very discouraged by the lack of role models within economics with whom they could identify. While we always knew about these issues, hearing first-hand accounts made us even more confident and resolute about AMP's mission.

Since the last admissions cycle, our programme has undergone some large changes. Sadly, Tillman left the initiative after graduating from the PhD programme and moving to Germany. As we said our goodbyes to Tillman, we also welcomed a new team member, Gaia Dossi (2nd year PhD), who will help Arnaud and I coordinate AMP. We are also very excited to share that our programme has been extended beyond LSE and that for the 2021/22 admissions cycle we will be working closely with PhD economics students at Cambridge, Oxford, UCL, and Warwick. By setting up similar mentoring programmes at these universities, we hope to significantly increase our capacity for mentoring. Given the large strides our programme has made in its first year of existence, we are excited about this coming academic year, the stories we will hear from our mentees, and possibly even welcoming some of our mentees as colleagues at the start of the 2022/23 academic year!

If you want to find out more about AMP, please visit our webpage [here](#) or see the LSE AMP page [here](#).

The Research in Color Foundation

Diversifying economics through mentoring and financial support

The [Research in Color Foundation \(RIC\)](#) is “dedicated to increasing the number of PhD students of color in economics and economics-adjacent disciplines, and amplifying meaningful economic and policy research on communities of color.” Find out more on their [website](#).



RIC match individuals from underrepresented backgrounds looking to pursue a PhD programme in economics and related fields, with seasoned professionals who serve as mentors. Together, the mentor-mentee pair identify research ideas, explore additional needs before embarking on a PhD programme and work on a 6-month long independent research project.

This project aims to give the mentee an idea of what to expect on a PhD programme and set the foundation for potential research interests to be carried out over their doctoral work. Mentees are given the opportunity to present their research projects to their mentors and other interested parties at the RIC Annual Symposium.

In addition to providing mentorship, the RIC plans to provide financial support to mentees, such as covering application costs.

LSE Economics alumnus Dr Rocco Macchiavello (PhD Economics, 2006) was a mentor for the 2021 RIC cohort. We spoke to Dr Macchiavello about his experience of being a mentor:

“While the focus might be on emphasising support for the mentees, an initiative like RIC is especially enriching for mentors – typically faculty or researchers at a more advanced stage of career – who, because of their own journey, might not have had the opportunity to pause and reflect upon the challenges often encountered by folks with different backgrounds and the importance of addressing those. At least in my experience, the mentor-mentee relationship has thus been incredibly rewarding. In practical terms, the relationship has not been unlike the one I would have with any tremendously talented and passionate students looking forward to start a personal journey in research.”

Lidya Stamper, Dr Macchiavello’s mentee, shared her experience of taking part in the RIC programme:

“Through the Research in Color Foundation, I was able to gain invaluable insight into the world of applied policy and economics research. Being mentored by Dr Macchiavello allowed me to gain experience in research design, ask questions about the PhD process, and learn from a leading economist in the development field. This mentorship program not only solidified my interest in policy research, but helped me better understand the tools I will need to conduct the type of research I hope to do. I am extremely grateful for the opportunities the Research in Color Foundation has provided me!”

Dr Macchiavello is Associate Professor of Management at LSE. **Lidya Stamper** has this year started the MSc in Social Research Methods at LSE.

PaTrek 2021

Patrick Savage (BSc Economics) and friends took on a 240-mile walk for charity.

In March 2020, I was diagnosed with Stage IV Hodgkin Lymphoma. To treat the cancer, I underwent six months of chemotherapy at the Christie Hospital and thanks to their incredible staff I'm now in remission. Without an effective treatment, I would've been left with less than a year to live; however, I was incredibly lucky that an effective treatment was available.

To ensure we were doing our bit in the fight against cancer, Phil Saunes (Economic History), Alex Smith (Law), Jorge Stevenson (Statistics) and I wanted to do a charity event to raise money for Cancer Research UK and The Christie Charity. On 22 June we set off from the LSE Campus to begin our 240-mile walk to The Christie Hospital in Manchester. The walk saw us covering 30-35 miles per day before we arrived at The Christie at lunchtime on 29 June.

There were some challenges along the way; in particular, a dropped phone into the canal on the first morning and a wrong turn on the last day which saw us walk 41-miles and arrive into the final stop at 2am! However, the amazing support we received throughout helped give us the boost we needed to push through and we successfully completed the walk, arriving at The Christie on time on 29 June.

Thanks to the incredible donations we received, we ended up raising over £80,000 for crucial research work into cancer. We were also recently awarded one of Cancer Research UK's Flame of Hope Fundraising Volunteers of the Year Awards. The support we received from everyone who got involved was unbelievable and ensured the event will make a real difference for people in the future who are diagnosed with cancer.



Introducing our Student Communications Ambassadors

In 2020/21, the Department's Communications team were looking for effective ways to communicate with our diverse and vibrant student body. This had been identified as imperative during the 2019/20 academic year when most of our students were studying remotely and away from campus, with fewer opportunities to interact with fellow students. In Michaelmas term, the Student Communications Ambassadors (SCAs) were born, with an aim to share their student experience through engaging articles, videos and social media engagement.



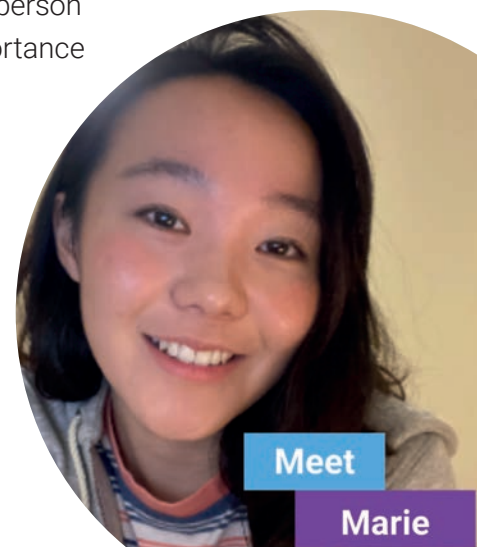
During term time, the Ambassadors met virtually with Alice O'Donkor, Student Engagement and Communications Assistant to review current communications in the department and generate new ideas. This saw the introduction of the Student Communications Ambassador Instagram Takeover – a week dedicated to new and prospective Economics students. Our Ambassadors filmed parts of their daily student routines, documenting their extracurricular activities and their experiences of living in halls. The Ambassadors also gave our Instagram followers an opportunity to ask them anything about living in London, studying in the Department of Economics, LSE and student life. The Q&A was well-received, succeeding in its endeavour to foster a greater sense of community and provide a window into Department life. In addition, the Ambassadors interviewed members of faculty, postgraduate and research students over the course of the academic year.

In the 2021/22 academic year, we will be recruiting additional Ambassadors to strengthen our internal and external communications as a department. You can find out more about the Student Communications Ambassadors on our [Community page](#). Feel free to follow [@lse.economics](#) on Instagram to learn more about our department and our student community.

Two of our Student Communications Ambassadors tell you more about their experiences:

"I approached the role of Student Communications Ambassador with the aim to share ways of making the most of the distance-learning experience. As I was very fortunate to live in halls during the lockdown, I was able to visit the LSE campus, attend in-person classes and make friends. What attracted me to the role was the importance of showing current and future students the various opportunities and resources available to LSE students as I know I would have very much appreciated this student input when I was deciding on which universities to apply to and attend. The role allowed me to meet professors, alumni and various people involved within the Department and make wonderful connections. In the future, I hope to continue to make relevant and interesting content for students."

Marie Ogino (BSc Economics, Year 2)



“As someone who lived in halls during my first year of university, I was able to meet peers and visit the LSE campus for some in person classes, despite the nature of the COVID-19 landscape. The desire to share this experience with other Economics students and allow them to be as involved as possible with both the faculty and each other, encouraged me to apply for the SCA role. Conducting interviews with postgraduate students as well as staff in the Department strengthened the overall student-faculty interaction and encouraged student voices to be heard and implemented – the most rewarding aspect of the role. In the future, as a SCA, I hope to maintain this student input and provide more informative and interactive content for students to engage with and utilise.”

Sanjana Chanda (BSc Economics, Year 2)



The LSE Beverage Report Podcast

I was honoured to have the opportunity to run the LSE Beverage Report Podcast for the 2020 academic year, and the Department has kindly offered me this chance to reflect on and discuss the experience. I have run the podcast for two years now, and it has been an excellent experience. It's been an honour to meet with countless brilliant speakers and discuss their pioneering work, especially pertinent during these uncertain times.

I would like to take a moment to tell the story of the podcast, of its founding and growth over the next year, as I believe this story highlights all the best features of the Department of Economics. I came to Dr Judith Shapiro with an idea, that the Department of Economics houses world-leading academics; however, most students have little exposure to these figures. I suggested a podcast would be an amazing vehicle to share the wisdom from within the Department, it would allow for students to get to know those world-leading figures as engaging conversationalists, hear accessible discussions of their work allowing for them to appreciate all the more the talent within these walls.

Every step since then is a testament to the Department; Dr Shapiro pointed me to the Communications Team – indeed, Judith alerted me to existence of the Comms team, prior to then I never gave much thought as to how all those newsletters arrived in my inbox – and I met another group of people I will always remember for their kindness and unending support, even, if at times, I was being quite annoying. Through the institutional support, I was entrusted to use the Department name and logo, hence securing a level of legitimacy I could never reach on my own – none of these figures would ever want to sit down with a Matthew Bradbury, but only where I acted as a representative of the London School of Economics Department of Economics. Institutional support allowed for the podcast to exist in theory, but it was only through the support of the Comms team that the podcast could exist in practise. The Comms team performed a million tiny tasks which I would have been incapable of doing, and without which the podcast never would have taken off: they created gorgeous graphics and social media strategies which assured that the podcast could reach a much wider audience. Here again I want to stress the excellence of the Department of Economics. It would have made everyone else's life infinitely easier and more straightforward to just say "no" to my hare-brained scheme, rather, they entrusted me to create a product, they trusted me to represent the Department externally as I sat down with eminent politicians and policy-makers, and they empowered me to keep growing the podcast.

I founded the LSE Beverage Report Podcast at the very start of 2020, watched it grow over the next year and a half until my graduation loomed and I looked for a new group of people to take over. At this point I was phenomenally lucky that Sarah Wang graced us with her involvement, kindly volunteering to run the podcast over the next academic year – Sarah is incredibly talented, and I cannot wait to see where she takes this humble affair.



Obituaries

It is with great sadness that the Department remembers those members of the LSE Economics community who have passed away recently.



Basil Yamey (1919-2020)

Basil Yamey spent almost his entire career at LSE. The native of South Africa joined the Department of Economics in 1947, where he stayed until his retirement in 1984, with the exception of a one-year spell at McGill University. He was a prolific academic, an effective administrator, and a kind friend to many. His academic work spans topics from industrial economics, monopoly and competition, and developing countries, to futures trading and the history of accounting. He was editor of the LSE journal *Economica*, convenor of the Department of Economics and Vice Chair of the Appointments Committee in the School.

He had a fondness for Italy and for the arts. Gentle and welcoming, he is remembered warmly by many colleagues, friends and students.

Basil passed away in November 2020. The Economics Community at LSE shares the sadness with his family and many friends. You can read more about Basil [here](#).

Read [Basil Yamey's obituary](#) on LSE's condolences page.

Maureen Colquhoun (1928-2021)

Maureen earned her degree in Economics from LSE in the mid-late 1940s and was elected to the House of Commons in 1974, where she served as a Labour MP (Northampton North) until 1979. From 1982-1990, Maureen served as an elected representative to Hackney London Borough Council.

As the first openly gay woman to serve as an MP, Maureen stood up for gender balance and equal representation of women in government positions, even if it meant standing alone. During her time in Parliament, Colquhoun campaigned to promote women's rights and representation across public life.

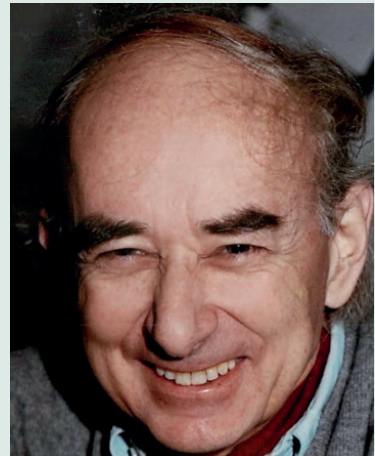
Read more about the courageous life and work of Maureen Colquhoun in this [LSE History Blog](#).



Lucien Foldes (1930-2021)

A Vienna native, Lucien Foldes came to LSE as a student, received both his undergraduate and Master's degrees from the School, before joining the academic staff. He was a member of the Department from 1951 until his retirement in 1996. He was also a member of the Financial Markets Group and the Systemic Risk Centre. Lucien started his career by writing on both applied and theoretical topics in business economics, public enterprise, and the economics of industry. Around 1970, going with the trend of the time in the profession, he taught himself more advanced mathematics and probability theory and became a mathematical economist, studying decision making under uncertainty and investment theory.

[Find out more](#) about Lucien's research.



lse.ac.uk/economics



Department of Economics
The London School of Economics
and Political Science
Houghton Street
London WC2A 2AE

E: Econ.Hub@lse.ac.uk

T: +44 (0)20 7955 7542/6426

**This information can be made available in alternative formats, on request.
Please contact Econ.Hub@lse.ac.uk**

The London School of Economics and Political Science is a School of the University of London.
It is a charity and is incorporated in England as a company limited by guarantee under the Companies Acts (Reg no 70527).

The School seeks to ensure that people are treated equitably, regardless of age, disability, race, nationality, ethnic or national origin, gender, religion, sexual orientation or personal circumstances.

Photos: Lisa Kosky Maria Moore, Nigel Stead, Matt Stuart, Pexels, Unsplash

Design: LSE Design Unit (lse.ac.uk/designunit)