

THINK TANK NEW IDEAS FOR THE 21ST CENTURY

Integrated academic debate is silver lining to the global crisis, says Frances Ruane

In his 2001 book, *Public Intellectuals: a Study of Decline*, Richard Posner argued that increased specialisation meant modern academics no longer had the skill-sets to engage in critical commentary about the world in which they lived. The American lawyer and economist reckoned specialisation had led to knowledge silos, whereas integrated intellectual frameworks were needed to address the world's great problems.

Analysis of the global economic crisis does need highly integrated frameworks to connect macro-economics, monetary and fiscal policy, banking regulation, housing and credit markets, and political and economic decision-making processes at national, regional and global levels. Given this, what role could or should academic economists play?

Events often unfold too quickly for thorough research, while complex issues require individual economists to go beyond their areas of specialisation. Without research to underpin the analysis, public comments by economists

have to be qualified rather than definitive — a change from the language they most often use. The most effective contributions draw on theoretical knowledge, and question rather than advise. Academics can also help by explaining concepts such as “subordinated debt” that are new to public debate.

As the crisis emerged, Irish academics became significant sources of knowledge. Their independence was particularly important because of public mistrust about information from banking and regulatory sources. Individual economists came under pressure to comment on all aspects of the downturn, even when issues lay outside their research expertise. Most avoided this by leaving it to colleagues who specialise in macroeconomics and finance.

Prior to the crisis, economists from financial institutions were regular contributors to media discussions and public debates. This reflected both their availability to engage (to enhance their employer's brand recognition) and their ability to communicate effectively to a

general audience — a benefit of being less specialised than academics.

The global economic downturn brought the economics profession into a space traditionally occupied by economic journalists and vice versa. Academics have gone head to head on TV, meeting the requests of producers for “expert debates”. However, a typical RTE Prime Time, for example, leaves little time for studio debate, with much of the time devoted to a dramatic-sounding introduction, followed by equally dramatic visuals interspersed with sound bites.

While economists have become more generalist, journalists have become more specialised. Several journalists have written books, meeting a need that economists have shown almost no interest in filling. With access to global knowledge via the internet, economic journalists are also less dependent on direct contact with local experts, who increasingly seem to be used to add credibility rather than for expertise.

Blogs such as irishconomy.ie provide

journalists with a variety of viewpoints. But, like all public debates compared with academic ones, blogs suffer from content not being subject to any refereeing process.

The roles of economic journalists and economists will continue to overlap while the downturn dominates the news. Eventually a new harmony should emerge, in which the role of the academic economist as a public intellectual becomes more reflective and less preoccupied with real-time commentating. The requirement for expertise to inform the public has already reduced, while the knowledge of economic journalists has increased.

So has the crisis caused any change among Irish economists? It has certainly reconnected the profession with the economy, in contrast to the “bubble years” when serious debate about economic and social issues was infrequent. That led

academic economists to focus almost exclusively on academic publications in the face of a policy-making system that ignored any evidence they produced.

There may be two silver linings to the current cloud: first, the crisis may stimulate more multi-disciplinary research in economics; and second, it may increase recognition of the benefits of more open and informed economic debate for national and global economic stability.

Had academic economists walked away from the analysis of the crisis, an opportunity would have been missed. To their credit, they did not.

Frances Ruane is director of the Economic and Social Research Institute (esri.ie). This is an extract from her contribution to *Reflections on Crisis: The Role of the Public Intellectual*, published by the Royal Irish Academy (ria.ie)

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