Credit: Where do people go to borrow?

STEPS: Ten years of exploring change

Voices: Making the case for economics
Welcome
to the Summer issue of Society Now, the ESRC’s regular magazine which showcases the impact of the social science research we fund.

This issue is heavily focused on the result of the EU referendum with a special 14-page feature in which experts give their views on the effects on the UK economy, people, political system, nations and society.

Elsewhere, we celebrate ten years of the ESRC STEPS Centre and its achievements in building pathways to sustainability.

Opinion pieces look at why the plastic bag charge has changed consumer behaviour almost overnight but why other ‘green’ initiatives are less successful. And who is winning the social media battle in the US Presidential election.

Professor Stephen Machin, newly appointed Director of the ESRC Centre for Economic Performance, answers questions on a range of issues including Brexit, strategies for economic growth, the success of academy schools and why crime might be falling.

And, finally, we examine the work of the 2016 Celebrating Impact Prize winners and how they are making a difference to people and society.

Nick Stevens, Editor - nick.stevens@esrc.ac.uk

In this issue

REGULARS
3 News
12 Opinion
Social media in the US Presidential election.
13 Opinion
Why the plastic bag charge changed behaviours.
28 The UK by numbers: Energy
37 Information and updates
People, news in brief, websites and events.

FEATURES
10 The pathways approach
Nathan Oxley of the ESRC STEPS Centre explains its achievements over the past ten years across sectors and continents.
14 Brexit – What next?
The consequences of the referendum on membership of the EU will affect the UK economy, demographics, political system and society as a whole for years to come. Experts give their views on what they think will happen next, and how the UK might look in future.
30 Credit where credit’s due?
Millions who lack access to affordable credit are turning to more expensive options than payday loans that are potentially more damaging.
32 Voices: Expert evidence
Professor Stephen Machin, Director of the ESRC Centre for Economic Performance (CEP), talks about wage inequality and potential effects of Brexit on the UK economy.
34 Four years of impacts
Winners of the ESRC Celebrating Impact Prize shine at the awards ceremony attended by a 100-strong audience.

CONTRIBUTORS
Victoria Boelman is former Head of Research of the Young Foundation
Niklas Loynes is an ESRC-funded PhD student at the University of Manchester
Professor Stephen Machin is Director of the ESRC Centre for Economic Performance (CEP)
Anand Menon is Professor of European Politics and Foreign Affairs at King’s College London and Director of the UK in a Changing Europe Initiative
Nathan Oxley is Communications and Impact Manager, ESRC STEPS Centre
Lorraine Whitmarsh is Professor of Environmental Psychology, Cardiff University and the Tyndall Centre for Climate Change Research
Loneliness in old age is not inevitable

ONELINESS IN OLD age is not inevitable, according to recent research based on the English Longitudinal Study of Ageing (ELSA).

“One of the major stereotypes prevalent in our society is that old age is almost guaranteed to be a time of loneliness,” says researcher Professor Christina Victor.

Surprisingly, then, only about 10 per cent of older people themselves complain of significant loneliness – a figure that has remained unchanged since the 1940s.

“Findings from our study over a ten-year period indicate this ‘lonely’ group is made up of three distinct sub-groups. For half of them loneliness appears to have been established for at least ten years and is, we suspect, possibly a lifelong experience,” says Professor Victor. “Then we have ‘lonely’ people who are moving into loneliness – possibly due to a bereavement – and those moving out of loneliness – perhaps because they have adjusted to changed circumstances. Crucially, lonely people are not a homogenous group.”

The latter point is the fundamental reason that many current interventions such as one-to-one befriending or organised social events are largely ineffective, she believes. “To be blunt, sending a befriender to visit a person who has a lifelong experience of loneliness is unlikely to make a jot of difference,” she says. On the other hand, targeting help at a carer who has just lost their loved one and has a limited social network to fall back on could well prove beneficial.

While loneliness is less widespread than many people fear, more old people in the UK will suffer from loneliness, and associated poorer health and wellbeing, as the UK population ages. But research suggests that people can do more to protect themselves.

“One of our most interesting findings is that expectations of loneliness are strongly associated with loneliness outcomes,” she explains. “In other words, loneliness is almost a self-fulfilling prophecy: those who believed that loneliness was a normal part of ageing were more likely to experience loneliness as they grew older.”

And while pets do not protect against loneliness, strong social networks certainly do. “This research tells us that the stereotype of lonely old age is harmful,” says Professor Victor. “We need to adopt a positive outlook on old age and tend social relationships that are meaningful to us throughout our lives for the minority who are lonely, policymakers need to appreciate the nuances and differences in loneliness to ensure support is targeted and not one-size-fits-all.”

We need to adopt a positive outlook on old age and tend social relationships that are meaningful to us throughout our lives.

Contact Professor Christina Victor, Brunel University
Email christina.victor@brunel.ac.uk
Telephone 01895 268730
ESRC Grant Number ES/K004077/1

NEWS

Managing the aftermath of terrorist attacks
Franchising helps UK retailers
Feeling connected could alleviate depression
Grandmothers influence child health
Better measures of child poverty
Breakdown service for Africa’s water pumps
Parents need to hide their fears
Sociability helps language impairments
More support needed for separated migrant children
Social media serves welfare function
Maths struggle explained
IN BRIEF

REPRODUCTIVE HEALTH
The low uptake of reproductive health services in sub-Saharan Africa directly influences both health and survival prospects of women and their children, as well as their economic participation and poverty. New research in Burkina Faso and Tanzania will increase understanding of the decision-making processes around the use of reproductive health services, and identify and test innovations designed to increase the uptake of the services offered.
ESRC grant number ES/N014618/1

GENOMIC PROMISE
In India approximately 42-45 million people are carriers of Inherited Blood Disorders (IBD) such as sickle cell and thalassaemia and up to 37,000 babies with IBD are born each year. A 40-month Indian case study aims to inform policy and practice on the far reaching social and ethical ramifications of using genomic technologies as a means to ‘prevent’ recessive gene disorders.
ESRC grant number ES/N015665/1

ONLINE CREDIT
The market for high-cost, short-term credit products has grown significantly in the last five years. Part of this growth is due to a shift in how this credit is accessed in that customers can now easily apply for cash or pay day loans online. Researchers will investigate the relationship between the digital interfaces used to access credit and customers’ decision-making processes.
ESRC grant number ES/N012666/1

Managing the aftermath of terrorist attacks

LESSONS LEARNED FROM the murder of Fusilier Lee Rigby can result in better management of the consequences of terrorism in the future, says a team of criminologists and computer scientists from Cardiff University currently working with the police National Counter Terrorism Functions Command.

Their in-depth study of the use of social media and other publicly accessible data from the first tweet at the Lee Rigby crime scene through to the conclusion of the court case sheds new light on the community impacts of terrorist attacks.

“To date attention has focused on how social media can be monitored to spot individuals who pose a potential risk of terrorism,” says researcher Professor Martin Innes. “But not all attacks can be prevented. We wanted to explore whether social media can contribute to better managing the community impacts of those attacks that do succeed.”

The research team examined more than 35 million data points related to the Lee Rigby case collected over a 12-month period, to create a resource tracking the changing dynamics of public reaction in the aftermath of a terrorist atrocity. “By analysing this resource we find a patterning of social reaction to the terrorist attack which has important implications for how counter-terrorism resources are used following future incidents,” he says.

Crucially, researchers discovered a ten-stage process of social reaction (termed the ten Rs). For example, immediately after the murder people at the scene of the crime started ‘reporting’ what they had observed via social media. At around the same time, others in the vicinity were ‘requesting’ information about what was happening. Later stages in the process included the use of social media to organise ‘retaliatory’ violence and attempts to ‘recruit’ others to a cause.

“Our work has shown that social media is increasingly important in influencing how the public understand terrorist attacks and what happens in the aftermath,” he says. “This has important consequences for police and authorities in terms of helping them engage in anticipatory actions that can take the heat out of a tense situation and reduce opportunities for the kinds of secondary, retaliatory crimes by extreme political groups that we saw following Lee Rigby’s killing.

“While political rhetoric insists we will not be cowed by terrorism, these acts do have complex effects and impacts,” says Professor Innes. “We can’t stop every terrorist attack, but by understanding community impacts we can manage the consequences better.”

Contact Professor Martin Innes, Cardiff University
Email innesm@cardiff.ac.uk
Telephone 02920 875387
ESRC Grant Number ES/L008181/1
Feeling connected could alleviate depression

GROUP IDENTIFICATION – in other words, one's subjective sense of belonging to a group and of commonality with other group members – could play a vital role in supporting mental health and wellbeing, according to research from the University of Dundee.

Findings suggest that the greater the number of social groups (eg, family, local community or a leisure group) one identifies with, the lower the odds of being depressed and the greater the likelihood of feeling satisfied with life. Using data from Scotland, researchers also found that identifying with more groups lowers the odds of smoking or drinking heavily and increases the odds of exercising and eating healthily. “If confirmed by further studies, then our findings could support the idea of ‘social prescriptions,” says researcher Professor Fabio Sani. “So, for example, a health professional could present a depressed patient with a list of local social groups and encourage them to join one or more of the groups with which they could identify.

“This type of social prescription could be used in tandem with either medication or psychotherapy and prove especially useful for patients who do not want to take antidepressants or who find psychotherapy unhelpful.”

Franchising helps UK retailers

UK RETAILERS NEED to ‘think bigger’ to escape the economic slowdown of Western Europe, says a Leeds University Business School study.

Researchers focused on one major multinational UK retailer and explored whether a franchising model based on franchisees with capabilities sufficient to develop and manage the branded store network through a country or region could be a good way to grow abroad.

Findings show that the model used, Area Development Franchising, was critical in enabling the company to expand overseas and into markets where there is high growth but also occasional political, economic and social instability. “Investment and operating risks are minimised as the franchisee partner absorbs these headwinds,” says researcher Professor Matthew Robson.

Large and small British firms could learn from this research, say the researchers. They should not just stay close to home but instead consider emerging markets where UK-branded products are positively perceived.
IN BRIEF

ADDRESSING THE PAST
Looking at Northern Ireland and the Republic of Ireland, researchers will examine the relationship between apologies, abuses and dealing with the past. This socio-legal analysis will focus on harms inflicted by paramilitaries, churches and the corporate sector and explore how apologies have been constructed, delivered and received. International and comparative research will also explore these themes in other contexts.

ESRC grant number ES/N010825/1

PARTNER ABUSE
Domestic violence is one of the most common forms of crime. Given the volume of cases and limited police resources, predictive tools developed in the 1990s aimed to pinpoint those cases with a higher probability of future harm. Researchers will evaluate those existing tools and, using data from the police and other organisations, develop better predictive models to improve risk assessment tools.

ESRC grant number ES/M01178X/1

INTERFERING SPEECH
Designers of hearing aids and cochlear implant processors face particular difficulty in separating one person’s voice from the interfering speech of other talkers in the background. New research aims to increase understanding of how human listeners separate speech from interfering sounds and help refine computational models of listening. Such refinements will help improve the performance of hearing aids in adverse listening conditions.

ESRC grant number ES/N014383/1

Grandmothers influence child health

UNDERSTANDING THE ROLE of extended families is a crucial factor in the design of policies aimed at changing childcare practices, according to recent research into the role of extended family networks in rural Malawi.

Findings show that the success of home visits providing pregnant women and new mothers in Malawi’s Mchinji District with information on how best to feed their infant was undermined if the paternal grandmother was alive. “This could be due to a divergence between traditional views and new information,” says researcher Dr Bansi Malde.

Overall, the study points to a highly influential role for grandmothers on child health in this region. “Interventions could be more successful if they sought to integrate senior women rather than focusing exclusively on mothers,” she explains.

Better measures of child poverty

IN A PERFECT world of child poverty targets and measurement, income measures would be complemented by non-income ones, and analysis of root causes would go beyond what happens in the family, suggests recent research in Burundi, Ethiopia and Vietnam.

Measuring child poverty on the basis of family income alone may lead to groups of deprived and vulnerable children being excluded from help, says researcher Dr Keetie Roelen. “Using non-monetary measures in contrast to monetary measures identifies different groups of children as being poor. So, children living in families with above-poverty income are still deprived because they don’t have access to basic services such as schooling, good sanitation, or water and vice versa.”

Recent debate about child poverty in developing countries, but the UK also, has focused on the ‘root causes’ of poverty such as unemployment and family breakdown. “Moving away from an income measure as the main target for child poverty is not a bad thing per se, but focusing on the root causes at the level of the family alone, is worse,” says Dr Roelen. “It disregards complex factors that determine whether a child is doing well or not, and also places the responsibility for tackling child poverty on parents and children themselves.”

Parents and children in Burundi, Ethiopia and Vietnam told researchers that achieving good outcomes is a complex task involving a variety of influences: parents, other families, the community and, notably, government. “Hence, this study highlights the crucial and continuing importance of policies that put in place the structural changes required to improve child poverty outcomes: for example, employment, access to schools, improved sanitation and healthcare services.”

Contact Dr Bansi Malde, Institute for Fiscal Studies
Email: bansi.m@ifs.org.uk
Telephone: 0207 291 4800
ESRC Grant Number ES/J009253/1

Contact Dr Keetie Roelen, Institute of Development Studies
Email: k.roelen@ids.ac.uk
Telephone: 01273 91524
ESRC Grant Number ES/K001833/1
Around 200 million rural Africans depend on water supplied by community hand pumps lifting groundwater for their basic needs. Yet one third of hand pumps are out of service at any one time. When a hand pump breaks, it stays broken for weeks or months creating longer journeys for the women and girls who must collect water from other, often dirtier, water sources.

This sounds like a problem which insurance could help address, pooling risk and lowering costs through the creation of a shared maintenance service say researchers from the University of Oxford. But would communities see this as an acceptable approach and, more important, be able to pay regular premiums despite high levels of poverty?

Researchers explored these questions in the coastal county of Kwale, Kenya, in two ways: first, by introducing a rapid maintenance system which guarantees to fix hand pumps less than three days after breakdown; and, second, by exploring community capacity to pre-pay on a monthly basis for this service.

Findings show that the professional maintenance approach dramatically improves hand pump functionality but a hand pump insurance model was less well-received, with widespread distrust of ‘insurance companies’ and products like life or health insurance currently on the market. However, the economic logic of pooling risk still holds and in December 2015, the research team established FundiFix, a local company which provides an efficient maintenance service with a pre-payment system using mobile money (MPESA). Six months on, 50 out of 300 communities have signed up, paying premiums of around £7 per month.

“The ‘FundiFix’ maintenance model is being rolled out to communities, schools, clinics and other water infrastructure services such as small piped systems and solar pumps in Kwale and other counties in Kenya,” says Associate Professor Robert Hope. “A performance-based financial model has been developed with a Maintenance Services Trust Fund blending user, government and donor finance. This structure combining a risk-pooling community payment system with effective investor oversight to ensure the security of water supplies has gained support from Unicef, Unilever, DfID and other groups. We now have a platform from which to scale this approach in Kenya and beyond.”

Parents need to hide their fears

When parents or other adults show they are afraid of something, then children can become scared of it too, say researchers from the Causes and Interventions in Childhood Anxiety laboratory (CICA) at Kingston University. On the other hand, while children quickly learn fears, evidence suggests that they can equally quickly ‘unlearn’ them, potentially saving themselves a lifetime of anxiety.

Researchers showed children aged between six and 11 pictures of flowers, caterpillars, snakes, worms and Australian marsupials, either alone or alongside a picture of an adult looking frightened. Surprisingly, the children believed that even harmless things like flowers posed a threat when shown with a scared-looking adult. But if the children saw the image later with pictures of happy adult faces, their fear responses typically dropped back to what they had been at the start of the experiment.

“The message is probably to try not to show children your fears if you can,” says researcher Dr Chris Askew. “But if you notice you have done, then by showing more positive facial expressions and emotions, you might be able to reverse the effects and prevent fear from developing.”

Contact Associate Professor Robert Hope, University of Oxford
Email robert.hope@ouce.ox.ac.uk
Telephone 01865 2758812
Web www.smithschool.ox.ac.uk/research-programmes/water-programme
ESRC Grant Number ES/K012150/1

Contact Dr Chris Askew, Kingston University (now at University of Surrey)
Email c.askew@surrey.ac.uk
Web sites.google.com/site/cicaresearchlab
ESRC Grant Number ES/J00751X/1
Sociability helps language impairments

ABOUT ONE IN 15 British children has a language impairment which affects their ability to learn and use language despite otherwise normal development, meaning that each year over 56,000 children start school with language difficulties. As these difficulties can persist into adulthood, with potential adverse effects on wellbeing, researchers investigated factors that can enhance resilience of children with Language Impairments (LI).

Using the Manchester Language Study, the UK’s largest longitudinal study of individuals with language impairments, researchers identified the frequent sociability of children with LI as a positive strength and a source of resilience. Seventy-one per cent of children with LI were found to be highly ‘prosocial’, bringing positive ‘prosocial’ attributes to interactions with others, including being helpful and sharing, showing kindness and consideration, cooperating and expressing empathy.

To date, there has been no systematic effort to build on these prosocial tendencies in intervention programmes. “It is more common to target areas of deficits rather than strengths,” says researcher Professor Conti-Ramsden. Language intervention has the potential to change the developmental course of children’s language difficulties and improve long-term outcomes. “But it may be time to re-think intervention goals for children with LI that include developing existing strengths that can in turn influence longer term outcomes,” she stresses.

More support needed for separated migrant children

SEPARATED OR unaccompanied migrant children only make up about three per cent of the wider care population, but numbers are likely to grow and their distinct needs must be recognised by authorities and foster carers, say researchers from the Rees Centre for Research in Fostering and Education at the University of Oxford.

Until fairly recently, most unaccompanied children arrived in Britain having been sent by their parents in search of a better education. “As such many foster carers found these children to be relatively well-prepared for their separation, grateful for the opportunities being offered to them with the potential to make good progress,” explains researcher Professor Judy Sebba.

In contrast, a growing proportion of separated migrant children now arrive in Britain from conflict zones having experienced wide-ranging trauma including witnessing or experiencing torture or abuse. “Not only do these children arrive into foster care having managed difficult experiences, they then have to manage the multiple, and sometimes conflicting ways they are processed by the state where immigration concerns can take precedence over access to welfare,” says Professor Sebba.

Further challenges range from language difficulties to uncertainty over the foster child’s age. Very often foster carers must accept uncertainty, ambiguity, mistrust and silence as they care for separated teenagers who are frequently living with doubt about their futures and may have multiple reasons not to discuss their lives fully.

Fostering teenage children is challenging enough in ordinary circumstances, but training, support, as well as mentoring from foster parents with prior experience, is likely to prove increasingly important for foster carers of unaccompanied children, say researchers.

Nevertheless, a recent survey suggests that over three-quarters of foster carers felt the placement of a separated child was going ‘very well’ for them and for the young person in their care.

Contact Professor Gina Conti-Ramsden, University of Manchester
Email ginaconti-ramsden@manchester.ac.uk
Telephone 01509 228218
ESRC Grant Number ES/I00064X/1

Contact Professor Judy Sebba, University of Oxford
Email judy.sebba@education.ox.ac.uk
Telephone 01865 274001
Web reescentre.education.ox.ac.uk/search/teenagers-in-foster-care/
ESRC Grant Number ESA000717/1
Social media serves welfare function

SOCIAL MEDIA might bridge the geographical gap between military personnel on overseas deployment and their families, but it doesn’t erase the psychological strains that come with forced and institutionalised separation.

A study of social media use within the Royal Navy, Army and Royal Air Force demonstrates that social media does serve a number of welfare functions allowing, for example, military personnel to maintain familial ties and friendships despite geographical separation. This can make homecoming easier by facilitating a smoother transition into family life. Yet it is important to bear in mind that social media also creates new and unfamiliar security concerns to be addressed by the UK military.

Maths struggle explained

A THREE-YEAR STUDY exploring the skills important for learning maths has pinpointed key reasons why some children find maths easy, and others struggle.

“To succeed with maths, children need to learn the relevant facts, know how to apply appropriate procedures, and understand the concepts involved,” explains researcher Dr Camilla Gilmore. “But learning maths facts, carrying out procedures and understanding concepts rely on different combinations of skills. For example, the set of thinking skills known as executive functions – holding and manipulating information in mind (working memory), ignoring distractions and flexible thinking – are more important for using maths facts and procedures than they are for understanding concepts.” Researchers say one reason why many children find maths difficult is that it draws on such a wide range of skills. If a child has difficulties with any one of these skills it might affect their maths achievement. Indeed, children with similar levels of overall maths achievement might have very different strengths and weaknesses.

If a child is struggling, teachers should look at the strengths and weaknesses in these underlying skills, rather than focusing on their overall performance. Simple games can be used to highlight the weaker skills so that teachers can help children to identify strategies to overcome these difficulties.

GENDER DYNAMICS

Despite declining rates of fertility and rising levels of female education, Indian women’s labour force participation has not only remained low in the Indian context, but also declined in recent years. Researchers aim to gain a better understanding of the barriers to women’s labour force participation through a detailed case study of the gender dynamics of labour markets in West Bengal. ESRC grant number ES/N014723/1

TRANSNATIONAL TIES

Do transnational ties impede a person’s ability to form national and local identifications and integrate into countries of settlement? Researchers will examine the relationship between the local and transnational citizenship experiences of Bangladesh-origin Muslims in London and Birmingham. The study will generate policy recommendations aimed at improving the relationship between Bangladeshi residents and central and local government. ESRC grant number ES/N000986/1

MARGINALISED YOUTH

The uncertainty, violence, poverty and rights of marginalised youth living in Nepal and Ethiopia are the focus of a new study. Researchers will examine how to support and sustain pathways out of poverty for marginalised youth living in impoverished, fragile and conflict-affected communities which may also be prone to natural disasters. Findings will be presented to national policymakers with a remit for poverty alleviation. ESRC grant number ES/N014391/1
The pathways approach

The ESRC STEPS Centre has for ten years explored the complex ways in which change happens and how learning across sectors and continents, and exchanging ideas with researchers and citizens, is vital to building pathways to sustainability. By Nathan Oxley

The Sustainable Development Goals, launched this year, are the latest framework to support human flourishing across the world. They recognise that choices made about growth, urbanisation and industrialisation have consequences for the resources people need to survive, like clean water, ecosystems, or accessible, productive land.

The big challenge for the new global goals is to look at these choices, examining how and why they are made. Can rolling out new or emerging technologies fix our dependence on fossil fuels, or prevent disease? How can cities cope with demand on water supplies and space? Who gets to set development agendas, and what evidence do they use?

Animal-to-human diseases are good examples of how societies and their environments shape each other. Outbreaks are affected by animal husbandry, food preparation, where people live, and burial practices; and by bigger trends in where people live (in relation to wild animals like bats), and how health systems are structured. Good responses also rely on people trusting medical authorities – a problem for Sierra Leone, where recent conflict had led to deep distrust of the government.

These insights from STEPS and other researchers in the UK and Sierra Leone fed into the Ebola Response Anthropology Platform (ERAP), accessed by more than 16,000 users, which delivered online and face-to-face advice to policymakers and practitioners on identifying and diagnosing cases, managing death and funerals, caring for the sick, improving communications and community engagement.

ERAP members formed a social science subgroup of the UK Government Scientific Advisory Group for Emergencies (SAGE), advising the Government’s Chief Medical Officer and Chief Scientist, and presenting evidence to three UK Parliamentary Inquiries on Ebola. ERAP members also advised the World Health Organisation, the Department for International Development, the Ministry of Defence, Christian Aid and others.

ERAP also directly shaped response activities in Sierra Leone, including implementation of locally appropriate Community Care Centres, safe burials, social mobilisation approaches and vaccine trials, and pre-departure training for 362 clinical
The 2014 Ebola outbreak in parts of West Africa led STEPS researchers and others to mobilise their insights on how to prepare and respond to infectious diseases.

personnel on engaging effectively with socio-cultural practices.

Nurturing low carbon innovation

In 2015 178 countries signed a new international agreement on climate change. One of the vital ways of cutting fossil fuels is to invest in low-carbon technologies, including in the Global South, where lifestyles are changing and demand for energy rising. The UN system has promoted market mechanisms to help poorer countries pay for more expensive low-carbon technologies and initiatives – but the hardware has not always been used effectively or has gone to only a few middle-income countries.

To overcome these challenges, new thinking was needed. Instead of focusing on hardware, the UN should support the building of technological capabilities. This means nurturing the networks of relationships between firms, entrepreneurs, universities, government departments and NGOs in poor countries – providing training, capital and access to markets in the right places. These relationships provide the fertile ground upon which innovation can flourish – not just by importing technology, but thinking about how it can be used and adapted for local contexts. For example, small solar home systems have been a relative success in Kenya – but only through government, entrepreneurs, donors and researchers working together and learning from each other.

These ideas had been developed by David Ockwell, Rob Byrne and other colleagues, working since 2006 with various institutions (the United Nations Framework Convention on Climate Change (UNFCCC), the OECD, government departments and development banks). Now, Climate Innovation Centres are in place in seven countries, and the ideas are still being discussed and developed. In 2014, the Technology Executive Committee of the UNFCCC met to discuss how to support ‘National Systems of Innovation’, and the discussion continued at official side events at the most recent global climate conference in Paris.

Supporting the next generation of researchers

As well as research in developing countries, the STEPS Centre has run annual summer schools in Brighton since 2012, aimed at early career researchers. The Centre especially aims to recruit participants from developing countries, providing financial support and keeping fees low – and has attracted participants from over 50 countries, who keep in touch via an alumni network.

Through the Summer School, STEPS shares its core ideas and methods with the next generation of researchers – testing and questioning the pathways approach, and exploring how research methods can be used in creative ways to meet sustainability challenges.

To reach a wider audience, the summer school is now being turned into an online course, with video lectures, reading lists and additional material available free of charge.

Going global

In 2015 and 2016, STEPS launched the Pathways to Sustainability Global Consortium – with six ‘hubs’ around the world hosted in like-minded institutions in South Asia, China, Africa, Latin America, North America and Europe. This global approach aims to encourage learning across continents and cultures – for example, comparing the different challenges of low carbon development in China and Kenya, or looking at how urban water supplies are managed in Mexico and Delhi.

Helped by new funding from the International Social Science Council, STEPS is now starting a global project on how ‘transformations’ happen – exploring how local problems with energy, water and food can be transformed in six countries through research, exchanges and a series of creative events. The events are designed to bring a group of people together with the desire to shift seemingly intractable dilemmas, by creating ‘prototypes’ of new designs or ways of working. Testing how these events work, and learning from them, will be an important outcome.

As a recent report by SciDev.Net pointed out (Sustainability Science in a Global Landscape – www.elsevier.com/research-intelligence/resource-library/sustainability-2015), high-income countries produce three quarters of all research output on sustainability. The level of collaboration between researchers in the global South is still low. The STEPS Consortium hopes to address this, and show how learning across sectors and continents is vital to building pathways to sustainability.
HE 2016 PRIMARIES have made one thing increasingly apparent – even if pundits, journalists or academics initially disagreed – this electoral cycle is far from typical. The Democrats’ contest featured the rise of Vermont Senator and self-proclaimed socialist Bernie Sanders, from quasi-obscurity to beating the overwhelming favourite, Hillary Clinton, in key contests such as Michigan or Washington. The GOP race, where ‘The Party Decides’ is usually a safe bet, completely shook Republican orthodoxy. Donald Trump managed to clinch the nomination in a strong field of establishment- and donor-friendly candidates. Moreover, Trump achieved this unprecedented victory while being opposed by the party elite and disagreeing with GOP policy orthodoxy on free trade, limited government and social conservatism.

As explanations for Sanders’ and Trump’s unlikely achievements, experts have pointed to America’s changing demographics, its persistent inequality and the increasing political polarisation as structural factors that enabled these successful insurgent campaigns. Additionally, exceptional, modern campaigns shaped around two unusual personalities were required to exploit these conditions. Crucially, both candidates made use of social media strategies in order to accentuate their strengths and reinforce their core messages.

Arguably, the bulk of Donald Trump’s campaign followed a simple pattern: he would post something ‘outrageous’, be it retweeting white supremacist memes or incorrect immigration statistics. This then gained traction, soon dominating traditional mass media, particularly cable news. This way, Trump managed to anchor himself to the news cycle, allowing him to repeat his simplistic message (three ‘policy’ proposals) at his rallies or online, while other, more traditional candidates failed to mobilise sufficient support through local organisation and campaigning. Trump won key states without any noticeable ‘ground game’ while other candidates recruited thousands of volunteers.

Sanders’ social media strategy was considerably different, but nonetheless impressive in its effectiveness. He garnered organic, grass-roots support on social media, with campaigning groups emerging across the country. Events in Sanders’ support were rallied online, either in conjunction with the official campaign or through non-affiliated third parties. Spreading his left-wing populist messages on social media was arguably essential for the success of his fundraising strategy: lots of small-amount donations from lots of people.

Now, Sanders has dropped out and endorsed Clinton, while Trump has been confirmed as the official GOP nominee. Trump continues to post questionable content, which is no longer going unchecked by the mainstream media, while Sanders has pivoted his strategy towards #NeverTrump. So far, it is unclear if Clinton will use social media as successfully as her opponents – some of her recent attempts at engaging with the ‘Twittersphere’ have ranged from embarrassing (misunderstanding Venn diagrams) to seriously inept (asking for feelings about student debt to be expressed in three emojis). It may be difficult for her to reinforce her message as her campaign has relied more on the idea that she is best suited for the job based on her competence and experience than making audacious policy proposals through memorable slogans. But having gained endorsements from high-profile tweeters like Elizabeth Warren, she may be able to use such ‘surrogates’ to enhance her online support, as winning over Sanders’ young and highly devoted social media followers will be essential in shaping an election-winning coalition. My research shows that Sanders dominated Twitter traffic throughout the primary season, outperforming his polling averages significantly when comparing his proportion of Twitter mentions to Clinton’s.

Trump now needs to attract independents and undecideds, so may want to adopt a more traditional campaign style and tone down his tweeting, both in terms of frequency and language. Conversely, Clinton should adopt a Sanders-esque social media strategy, focusing on the repetition of simple policy messages, which offer enough in terms of substance to win over the #BernieOrBust devotees. These strategies will not be easy for either candidate to deliver, as they go against what they know and what has proven successful in the past. Whoever ends up winning, and whichever strategy proves victorious, this election surely still has surprises to come, and may well redefine not only electoral campaigns but the entire nature of American politics.

Both candidates made use of social media strategies to accentuate their strengths

Social media is more important than ever in this US presidential election, helping to redefine American politics. By Niklas Loynes

Niklas Loynes is an ESRC-funded PhD student at the University of Manchester researching the feasibility of using social media data to accurately forecast democratic elections

Email niklas.loynes@postgrad.manchester.ac.uk
Latest figures show that in less than a year, the English carrier bag charge has led to reductions in single-use carrier bags of around 80 per cent. This is similar to reductions achieved in other countries, including Wales (90 per cent), Scotland (80 per cent) and Northern Ireland (72 per cent), where similar charges have been implemented. Not only has this policy been extremely effective in changing its target behaviour, it has proven popular with the public, no doubt partly because the money raised goes to charity; but it also seems to be because most people believe action should be taken to address environmental issues, like marine pollution.

But public concern about environmental issues doesn’t typically translate into environmentally-friendly behaviour. The so-called ‘attitude-behaviour’ gap is well-known in this area – most people say they are concerned about the environment but are reluctant to act accordingly. So, why does charging as little as 5p for a carrier bag apparently work to get people to bring their own bags to the shops? It seems the amount charged doesn’t really matter. Rather, the charge works because it disrupts habits. Without a charge, we typically take a new carrier bag without thinking about it. Habits are notoriously difficult to change and providing information alone tends to make little difference. But changing economic, physical or social conditions are likely to make us reassess our options and act differently. A carrier bag charge works because it forces people to think about whether they want a new bag or not. Unlike economic measures, like subsidies, which may be embedded within prices, the carrier bag charge is a separate and visible transaction, the purpose of which is well understood by consumers.

Critics of the charge ask how much impact reusing carrier bags has in the grand scheme of environmental problems. Carrier bags only make up two per cent of household waste, but they are a significant problem for marine wildlife and regularly washed up on beaches or discarded in the streets as litter. Nevertheless, if we are to make a real dent in the amount of waste going to landfill or to rising carbon emissions, much more significant lifestyle changes are needed. Insulating our homes, reducing travel and eating less meat make a much bigger difference in the fight against climate change – but these behaviours are much harder to change.

So, how can we move people beyond ‘simple and painless’ behaviours, like recycling or reusing carrier bags, to these more ambitious, impactful actions? One tantalising suggestion is that a carrier bag charge could act as a ‘foot-in-the-door’ for broader lifestyle change, by getting people to think differently about themselves. People like to act consistently with their self-image, so if doing something ‘green’ makes them feel they are a ‘green person’, this may have knock-on effects for other green choices. This idea of ‘behavioural spillover’ is being explored in several projects at Cardiff University. So far, findings suggest a carrier bag charge may actually work to suppress behavioural spillover to other green behaviours, like using public transport, probably because it is externally motivated. In other words, people reuse bags to avoid paying, rather than because they care about the environment (ie, an intrinsic motivation). These findings, like those from values research, suggest framing green actions as being financially sensible may work against promoting ambitious low-carbon lifestyle change because it encourages self-interest. Rather, appealing to people’s desire to be green or waste-conscious, or stressing community benefits, may work better. Of course, achieving lifestyle change commensurate with the scale of the climate change challenge will take concerted and wide-ranging action by all societal actors. Reusing carrier bags is a step in the right direction, but now we need to apply our understanding of habits and motivation – along with other factors that drive and constrain behaviour – to achieve more ambitious lifestyle change.
Brexit – What next?

The consequences of the 23 June referendum on membership of the EU will be felt for generations to come, affecting the UK economy, demographics, political system and society as a whole. In this special, extended feature a range of ESRC-funded experts give their views on what they think will happen next, and how the UK might look in future.

Professor Anand Menon
What the vote says about us

Professor Iain Begg
Striking new deals

Dr Simon Usherwood
What next for party politics?

Professor Jonathan Portes
The effects on the UK labour market

Professor Michael Keating
Could Scotland remain in the EU?

Dr Angus Armstrong
The Brexit effect on the economy

Professor Mark Hart
How will SMEs be affected?

Professor Jane Falkingham
Who are the EU migrants?
The referendum was a defining moment in our history. So much has happened and continues to happen since 23 June that it is probably too early to draw any definitive conclusions about its impact. But three issues can be highlighted as being of particular interest to political scientists. First, its impact on our parties. The European issue cut across party lines and will continue to have serious implications for both main political parties. Second, the nature of the campaigns, and particularly the systematic denigration of experts and expertise by proponents of a Leave vote represented a challenge for many groups, and not least academics. Finally, the scale of turnout, particularly among people who have not generally turned out to vote in general elections, contains many lessons about the nature of contemporary Britain.

The genesis of this singular political event was, of course, rather parochial and lay in the politics of the Conservative Party. David Cameron’s promise to hold a referendum on EU membership was based on a desire both to maintain unity within his own party and forestall a threat from UKIP. The failure of this strategy was underlined when 138 Conservative MPs decided to defy the Prime Minister and back Brexit. The bitterness caused by these divisions was clearly, if briefly, revealed in the leadership contest that followed the Prime Minister’s resignation.

Nor was the Labour party immune to such divisions. Certainly, the parliamentary party was far less divided than the Conservatives, with only 10 MPs backing the Leave camp. Yet only 63 per cent of Labour voters supported the Remain camp, with voters in traditional Labour heartlands, particularly in the North East, turning out in large numbers to vote for Brexit.

The referendum campaign exacerbated an already glaring rift between the leadership and Labour MPs. For all Jeremy Corbyn’s stated commitment to the Remain camp, his halfhearted efforts to campaign, the obstructive role of his team within the Remain campaign, and his pro free movement rhetoric (which did little to reassure Labour supporters concerned about immigration) led many within his own parliamentary party to accuse him of being complicit in the triumph of Brexit. And this in turn sparked the internal dissent that has culminated in the current leadership election.

It also revealed the scale of the challenge to a Labour party seen as out of touch with the core concerns of its voters in areas where it easily beat UKIP into second in the General Election. Leave brought in 70 per cent of the vote in Havering, 62 per cent in Barking and Dagenham, and 63 per cent in Bexley. (Precise comparison is difficult because the units used for the referendum were not the same as the constituencies by which general elections are organised). If UKIP can translate this referendum success to electoral votes, previously safe Labour seats would be threatened.

The referendums had people talking about politics in a way seldom seen of the establishment among many, and particularly those left behind by globalisation. I remember one incident at one of the number of town hall meetings we held in the run-up to the referendum. We were in Newcastle, discussing the fact that the vast majority of economists agreed that Brexit would lead to an economic slowdown. A two per cent drop in the United Kingdom’s GDP, I said, would dwarf any savings the country would make from curtailing its contribution to the EU budget. “That’s your bloody GDP,” came the shouted response, “not ours.”

To my mind, this points not to a lack of faith in expertise as much as to a suspicion of the kinds of evidence frequently deployed in national political debates. Aggregate data does not, by definition, adequately address the profound regional differences that characterise this small island. Thus, to go to Spalding, as we did, and discuss the beneficial net impact of migration was to miss the point that in some parts of the country, such as South Lincolnshire, national benefits paled into insignificance in comparison to the pressures placed on public services during periods of high inward migration.
Clearly this poses a challenge to the academic community. We must do a better job when it comes to explaining the difference between the aggregate and the particular. Yet even more so, it confronts our politicians with a need to unite a divided country. Whatever the flaws of the process, the referendum represented a unique democratic moment. Seventy per cent of eligible voters turned out to cast their ballots, including, as we have seen, many who do not generally bother to stir themselves on election days. On trains and in pubs, round family dinner tables and in the office, it had people talking about politics in a way seldom seen.

It is the responsibility of government to address the concerns raised in the vote. For one thing, this will involve, as Damian Chalmers and I have recently argued (openeurope.org.uk/intelligence/britain-and-the-eu/3-step-brexit-solution), ensuring that ‘non-stakeholder society’ be involved in any debate over the nature of Brexit. Perhaps more important, it means that government must act to address the concerns to which voters gave voice.

It is not merely in this country that the forces of revolt are on the march, whether via the Front National in France or the Trump presidential candidacy in the US. The embrace of free trade and globalisation, combined with political systems prioritising appeals to wavering middle class voters, have conspired to condemn a significant part of the electorate to political isolation. In all these places, established parties, rather than dealing promptly with the legitimate grievances that have generated such anger, have waited until hurt feelings have grown into political movements capable of challenging long-time incumbents.

The levers that need to be pulled to address these issues rest in the hands of the government. Training, education, the provision of adequate housing, and ensuring a more equal distribution of the spoils of globalisation are all matters for which the British government has primary responsibility. Each would, in its own way, help to bridge the chasm that has grown between the globalised middle class and the white, blue collar working class.

Leaving the European Union implies serious and possibly severe consequences for the British economy and British society, as other contributions to this issue make clear. Politically, however, it may yet serve as a wake-up call. And it is in the response of government domestically that we will divine whether this call has been heeded or not.
The withdrawal negotiations will have to cover a wide range of policy areas, given the reach of the EU into areas as diverse as judicial co-operation, scientific research and local economic development. What, for example, should happen to existing projects bringing together partners from UK and other EU universities, or distinguished researchers at British universities who have secured five-year grants from the European Research Council, bearing in mind that UK involvement is justified by UK payments into the EU budget?

Will multi-annual infrastructure projects part-financed by the EU’s Structural Funds be allowed to continue, or will their sponsors have to choose between raising funding from alternative sources and being curtailed? A big question concerns what happens both to citizens of other EU countries living and working in the UK, and to UK citizens in other EU countries. Vague promises have been made, but they will need to be turned into firm commitments, including about what they mean for access to healthcare and other social policies. On these and many other detailed questions no-one really knows.

A new relationship with reU will have a number of dimensions. Much of the debate, both before and (more so) since the referendum, has been about whether the UK can somehow retain its access to the EU single market after Brexit, while curbing the freedom of movement of workers from other EU countries and drastically cutting (or eliminating) its EU ‘membership fee’. The dilemma here is that curbing the inflow of migrant workers from other EU countries was the most compelling reason for the Leave vote, yet is incompatible with preserving UK membership of the single market.

The UK will, consequently, have to work out what future economic relationship with the EU it wants. Trade and investment linkages will be a big component of this, but by no means the only one, because the right to do business with other EU countries is about more than formal trade barriers such as tariffs. For the City of London, for example, authorisation to operate in reU (known as ‘passporting’) will be crucial, because unless UK rules are deemed to be equivalent, any financial intermediary wanting access to the EU market will require separate regulatory consent.

There has been discussion of a whole range of ‘models’ for a post Brexit relationship. Probably the least risky economically would be for the UK to have a status similar to Norway of participating in much of the single market, perhaps with some new curbs on free movement of labour.

However, another prominent claim in the referendum campaign was that the UK would gain from no longer having to contribute to the EU budget, yet Norway continues to pay a membership fee. This model seems, already, to have been ruled out.

At the other extreme, the UK might simply be treated on standard World Trade Organisation (WTO) terms, with the same access to the EU market as China. There has also been discussion of a ‘Canada’ model in which a new free trade arrangement gives the UK privileged access to the EU for exports of goods, but would be likely to mean limits on market access for UK services.

For the UK, the WTO model would require both replacing deals with other countries to which it is a party as a result of EU membership and striking new ones with favoured partners, such as the US or Australia. In some cases, ratification by the full WTO membership will be required, never an easy or rapid process.

The future relationship in other policy domains has been given much less attention but is nevertheless important. The UK has been a leading actor in EU security policy and in international relations, and has been influential in setting EU positions. Some new arrangement will be reached in due course, but it will not be easy because the Brexit process is likely to have eroded trust between the UK and its current EU partners.

How the UK adapts domestically to life outside the EU will also be contentious. Promises were made to farmers during the referendum campaign, and the Chancellor has since confirmed that funding equivalent to money from ‘Brussels’ for farm support, science and local development will continue up to 2020. Beyond then, could the need to curb public expenditure mean the commitment ends? More broadly, with regulations emanating from Brussels covering so much – from clean beaches to food standards – what will it make sense to discard or amend and how will decisions be taken?

Brexit may well mean Brexit, but what Brexit means will take quite some time to elucidate.

Professor Iain Begg is professorial research fellow at the European Institute, London School of Economics and Political Science; Senior Fellow, UK in a Changing Europe initiative.
**FEATURE BREXIT – WHAT NEXT?**

The referendum result has thrown the British political party system into turmoil. What will the political landscape look like in the run-up to Brexit?

By Dr Simon Usherwood

**Party politics post-referendum**

EVEN AS THE dust still rises from the EU referendum, it is clear that it represents one of the most important and consequential events of post-war British politics. Not only does it mark a sea-change in the direction of the UK’s model of international engagement, but it has also provided some notable challenges to the party political system.

The challenges are three-fold.

First, European integration has become deeply internalised into the party system. For over 40 years, the broad sweep of British politicians have worked on the basis that EU membership is a given and that while there might be a need to push for reforms to the European Union itself, that is best effected through participation. The rapid growth of withdrawalist attitudes has thus begged many questions and queried many positions, especially since most MPs remain pro-membership.

Second, the decision to leave the EU has opened up a whole new set of policy options to all parties. The apparent lack of planning by either the Leave campaign or the Government for this scenario has meant that even a half-baked idea stands more of a chance than it has for a long time; hence all the people telling us ‘what the result means’.

Third, there is the more Machiavellian challenge of politicians making the most of a good crisis. While attention is directed elsewhere, policies can be ditched or changed, and political enemies fought or marginalised. Whatever the proximate cause, the chance to unpaint oneself from a corner is not one to be passed up lightly.

**Tory regrouping**

Given that the referendum was driven very much by pressure from the Conservative backbenches and that the leading figures on both sides of the campaigning came from the party, it is perhaps surprising that the Tories seem to have come out of the referendum relatively unscathed for now.

In large part this has been due to the lack of committed pro-Europeans left in the party. Instead, those who are not viscerally eurosceptic are essentially pragmatic. Theresa May typifies this very well, able as she was to put her (admittedly light) campaigning for Remain behind her to take up the position of Prime Minister on the basis that ‘Brexit means Brexit’. Even if this is still to be fleshed out into an agenda for leaving the EU, it has served well enough up to now, especially with the appointment of various prominent Leavers to the Cabinet.

Indeed, the speed with which the Conservative party managed to re-group after 23 June highlights the extent to which the tensions over Europe within the party over the past quarter century have played out in the sceptics’ favour. Even if May does end up falling out of favour with her party should she try to backtrack on Brexit, it is almost impossible to see any replacement who would try anything other than pursue the policy more firmly.

**Labour’s confoundment**

By contrast, it has been Labour that has taken the full hit of the referendum. The lack of enthusiasm within the parliamentary party over Jeremy Corbyn turned into outright hostility over his lack of engagement with the Remain campaign, prompting a motion of no-confidence and the leadership contest with Owen Smith.

The problems facing the party are profound and possibly insurmountable. While most MPs are pro-EU, their leader and, more important, their voters are much less so: old Labour heartlands in the North have seen some of the most obvious discontent about immigration and globalisation.

With Corbyn looking more likely than not to win the leadership contest this summer, the MPs are going to have to decide whether to try to turn him out again, buckle under or split off to form a new liberal cosmopolitan centre-left party (possibly with the Liberal Democrats).

This last option is the most radical, but with Momentum set to become more influential within Labour and the potential hardening of the Tories’ policies, the much-neglected centre of the spectrum
might look ripe for the picking. The risk will be that Labour cast themselves out of power for a generation – much as they did in the 1980s after the SDLP split.

UKIP’s triumph?

The most uncertain future of any party is that of UKIP. While they have secured a famous victory in the referendum result, it does open up the difficult question of what the party is for any more.

The efforts under Nigel Farage to broaden the policies and appeal of the party over the past decade have been successful in moving away from its original sole focus on EU membership, but this has been done at a price. UKIP lacks any core ideology, being bound only by what it dislikes, rather than any coherent set of objectives. The removal of the

"The Tories seem to have come out of the referendum relatively unscathed for now"

EU element means that much of this binding now rests on the issue of immigration, which might itself become less viable if restrictions on free movement of EU nationals are introduced post-Brexit.

In addition, the resignation of Farage has left a leadership contest with no one of his calibre to step in, a consequence of his long period in office and unwillingness to have anyone challenge his authority during that time. Whoever takes over will have to decide how much they reproduce Farage’s opportunistic and broad template, as against setting out a new, more cohesive policy agenda. The latter option will give the party more resilience, but at the likely price of losing some supporters.

With no obvious opportunities to increase their profile until the 2020 general election, with a Labour party that might reconnect with its Northern constituents and with the coming loss of their most prominent representatives – their MEPs – the party is set for a difficult period. As so often before in British political history, populism is proving to be a very rocky road.

Muddling through

If the potential of radical change in British party politics is bigger than it has been for a very long time, then it is also important to remember that this is not the same as saying it will happen. The key characteristic of the system has been its capacity to make pragmatic adjustments and avoid deep ruptures.

At this stage it is too soon to raise 2016 to the same level as the birth of the Labour movement in the early 20th century or even the rise of third party politics since the 1980s. But at a time when few seem to know what to do next, it might only take a few bold decisions to shape the next 20 years, as the UK sets out on a new phase of its history.

In fact, the main immediate impact of the referendum on immigration is likely to be via the wider economy. If, as most economists continue to predict, we see a significant downturn (even if not a recession) this could reduce European immigration substantially, since most is work-related; this will be exacerbated by the fall in sterling, which reduces the value of UK wages in euro (or zloty) terms. A sharp reversal in EU migration flows would, paradoxically, ease the political pressure on the UK government, while at the same time worsening our short-term growth prospects.

But the longer term impact on the UK labour market will depend on the nature of the UK-EU relationship post-Brexit. Before the referendum, those campaigning for a Leave vote rejected Norway/Switzerland-type options, accepted that we would not be a member of the Single Market on anything like the current terms (although we could negotiate a bilateral trade deal), and argued for an immigration system that did not discriminate.
between EU and non-EU nationals – an ‘Australian-style points system’.

But this slogan in itself tells us little about the economic implications. Such a system could be very restrictive. Applying the same migration rules to EU nationals as currently apply to non-EU ones would reduce net migration by perhaps about 100,000 from current levels. It follows that further significant reductions in non-EU migration – which is currently slightly higher than EU migration – would be required to meet the government’s pledge.

The economic consequences – on growth and the public finances – would be significant. Employers would have a variety of alternative options, including increasing efforts to recruit local UK workers, young people or older workers, but it is likely that some sectors would suffer significant recruitment difficulties. The incentives for irregular migration and illegal working would of course also increase significantly. The evidence on the impact on wages suggests that there a restrictive policy might have some (relatively small) positive direct impact on wages for low skilled workers, although little or none for medium and highly skilled workers. However, the impact on incomes would be more than offset by the wider negative economic and fiscal impacts.

On the other hand, some proponents of Brexit have argued that it would allow a more liberal approach to non-EU migration. This would mean that immigration continued to run at historically fairly high levels; it could, however, support a rebalancing from unskilled to skilled migration. If appropriately structured, a relaxation of controls on skilled migration could potentially relieve some of the barriers to growth imposed by current government policy, which prevents some companies from recruiting for skilled jobs, despite the evidence that such restrictions damage productivity and growth. A particular issue would be the impact on relatively low-paid, but skilled, occupations in the public sector, such as nurses. Current restrictions on non-EU migrants have led to significant staff shortages. If a new system precluded EU migrants as well in these sectors, this would make things even worse; if, on the other hand, it allowed more non-EU migrants as well, matters might improve.

There would also be consequences for some sectors that rely heavily on migration from within the EU to fill relatively low skilled jobs. The impacts on wages would be stronger and, for the unskilled, more positive in this scenario. Rebalancing towards higher skilled migration could, in principle, both raise wages for the lower skilled and improve the fiscal impacts of migration, boosting post-tax incomes.

But since the referendum result, political and economic realities have made both of these options look increasingly unattractive. There appears to be a growing consensus that the UK should seek to maintain as full access to the Single Market as possible. At the same time, as noted above, it is impossible to view the referendum result as anything other than a rejection of free movement in its current form. Some degree of control of EU migration for work purposes would appear to be a political necessity.

As a consequence, it looks likely that the UK’s negotiating position may coalesce around what has been described as ‘EEA minus’. This implies that while free movement would not continue as now, we would not move to an immigration system that gives effectively equal treatment to EU and non-EU nationals; there would still be a considerable degree of preference for the former, but with some restrictions that do not currently exist.

How would this work? The most feasible option would be to impose no specific restrictions with respect to occupation or skill level, but simply to restrict the issuance of new National Insurance numbers to EEA nationals, with a monthly or annual ceiling. Once that ceiling were hit, any further EEA nationals seeking to work in the UK would have to apply through the system that currently applies to non-EU nationals. This would not stop them travelling to or living in the UK, but they would not be able to work legally.

This would mean that much continued EEA migration would be for relatively unskilled or low-paid jobs – the hoped for ‘rebalancing’ towards skilled migration would not occur. Another possible downside might be an increase in irregular work. But against that, it could be administered in a relatively cheap and light-touch way, and with less disruption to employers. It also has the potential advantage that if EEA migration does indeed fall sharply over the next two years, as the UK economy weakens and EEA nationals feel less welcome here, any quota may in practice not have much impact.

We won’t know for some time which of these scenarios materialises. In the meantime, there will be considerable uncertainty for both migrants in the UK and their employers. There is ample economic evidence of the benefits to the UK economy and labour market from migration, especially over the past two decades; policy choices made now will determine whether that continues to be the case in future.

Jonathan Portes, Principal Research Fellow, National Institute of Economic and Social Research; Senior Fellow, UK in a Changing Europe initiative.

What does freedom of movement in the EU mean?
Free movement of workers is a fundamental principle of the EU. Citizens of EU Member States are entitled to:

- Look for a job in another EU country
- Work there without needing a work permit
- Reside there for that purpose
- Stay there even after employment has finished
- Enjoy equal treatment with nationals in access to employment, working conditions and all other social and tax advantages

Source: ukandeu.com
Could Scotland remain in the EU?

The vote for Brexit has reopened the debate about Scottish independence and increased calls for a second referendum. Many believe this time Scotland would vote to leave the UK and stay in the EU. What is the future for the Union? By Professor Michael Keating

In 2014 SCOTLAND voted by 55 per cent to stay in the United Kingdom. Now it has voted by a larger margin (62 per cent) to stay in the European Union. Can it remain in both? One way would be to stop Brexit. The legislation to take the UK out of the EU would on first sight require the consent of the Scottish Parliament under the Sewel Convention, as it affects devolved matters. On the other hand, relations with the European Union are a reserved matter and the Convention, as incorporated into the Scotland Act (2016) includes the word ‘normally’, allowing the UK Government to argue that Brexit is not a normal matter. There seems little doubt that Westminster would prevail, albeit at the cost of a confrontation with Holyrood and a constitutional crisis to add onto that already created by Brexit.

Scots have not obsessed with Europe as have people in some parts of England.

There is talk of a ‘Greenland in reverse’. Greenland has domestic home rule within Denmark, as Scotland does within the UK, but in 1979 withdrew from the European Communities. Yet Greenland is a small part of a state, the larger part of which is in the EU and therefore able to play a full role in European matters and even look after the interests of the islands where necessary.

After Brexit, many of the competences currently at European level will revert, not to Westminster but to Holyrood. These include agriculture and fisheries, environment policy and areas of higher education including university fees and research. It might be that the Scottish Government would continue to look to Brussels rather than London for policy leadership in these matters and seek to align its policies with those in Europe. It could continue to cultivate partnerships with regions and cities in Europe and engage in co-operation with them. None of this would touch on the big issues of the single market, trade and free movement of people, nor would they give Scotland a role in EU policymaking.

The clearest way of remaining fully in the EU would be for Scotland to become independent. Brexit provides a justification for this, as it was made clear at the time of the 2014 independence referendum that ‘No’ meant remaining in a United Kingdom within the EU.

Yet the path would not be easy. Westminster’s consent would be required for an independence referendum. There are some English-nationalist political forces in England who are relaxed about Scottish independence, but there is still a unionist majority at Westminster. Whatever the moral arguments, other EU states would not necessarily welcome Scottish secession from the UK. Neither EU institutions nor other member states would want to get the issue of Scotland mixed up with Brexit negotiations or be seen to be helping the break-up of a European state. This makes a seamless transition to independence with simultaneous EU membership very difficult.

It would be easier if Scottish independence came first, before the UK actually left the EU. Then Scotland could apply to join the EU. Scotland might hope for a fast-track admission in view of the fact that it meets the entry criteria. Arrangements could then be put in place so that Scotland remained within the scope of European law and policies while accession was negotiated. It may be that in the transitional period Scotland could be in a special arrangement like that of Norway, which is within the single market and bound by most European policies but not in the EU itself.

With Scotland in the EU and the rest of the UK outside, however, there would be a hard border between Scotland and England. Access to the UK market for Scottish goods and services and Scottish workers would be hampered. Since the UK market is much more important than the rest of Europe to Scottish business, this might not look like a good bargain.

If the rest of the UK were to negotiate access to the single market, however, matters could be easier. Some kind of free trade agreement is likely, perhaps with restricted provisions on free movement. The essential point is that, the more free trade the UK negotiates with the EU, the easier it would be for Scotland to keep itself in both the British and EU markets. A Norway-type deal, with full UK membership of the single market, would be the best for Scotland’s economic interests.
Yet this would not necessarily stave off independence demands. The more free access there is to both markets, the less need there is for Scotland to stay in the UK. Norway has to accept most EU policies but has no say in making them. Scotland, unlike Norway, has expressed a preference for EU membership. If the UK were to get a Norway-style deal, Scotland would have a motive to go for independence, giving it a seat in the EU councils (unlike the UK).

Many of the problems raised about independence in 2014 would remain, notably that of the currency. The SNP’s plan in 2014 to use the Pound Sterling was widely criticised. Even the SNP’s Plan B, to use the Pound unilaterally, was criticised for allowing the UK to set monetary policy in Scotland. With Scotland in the EU and the rest of the UK outside, these problems would be multiplied.

The pledge by the EU to recognise that it is a multi-currency union and to look after the interest of states outside the Euro will lapse with the rest of David Cameron’s reform package. In any case, the provision is redundant as, with the UK out, all member states would be in the Euro zone, obliged to join it or (for Denmark) with a currency pegged to the Euro. Without the UK, the rest of the EU could move to tighter regulatory, banking and fiscal union. They would scarcely bend to the interests of a small state that insisted on using a non-European currency. The most likely outcome would therefore be a Scottish currency, perhaps with an obligation at some point to join the Euro.

Another weakness of the Yes campaign in 2014 was the public finances, even when the oil price was a lot higher than now. It might be that, this time, the turbulence in the post-Brexit UK economy will counteract these fears. Scotland’s relatively generous provision for public expenditure lasted as long as Scotland’s oil paid for it, and it is already under pressure from MPs and voters in the south. It is likely to have to pay its own way whatever happens. This does not alter the fact that a convincing story would be needed to convince Scots that, after independence, the necessary reforms can be put in place to increase growth and revenues.

The final problem concerns the sequence of events. A premature and losing independence referendum would destroy Scotland’s bargaining position and divide the nation, just as the UK has been divided by Brexit. Polls before the European referendum suggested that the prospect of Scotland being taken out of the EU against its will increased support for independence only marginally. Polls taken in the immediate aftermath of the vote are a poor guide to long-term attitudes. Scots have not obsessed with Europe as have people in some parts of England, nor has the migration debate been as strident, but nor have Scots been outstanding Europhiles.

It may be not so much the European issue itself that influences the public but the lack of appeal of the post-Brexit government in Scotland. Europe may just add to the list of issues on which the political agenda is being shaped differently in Scotland from England and Wales, and another sign of the rebuilding of the nation as the main political point of reference. With the Labour Party in meltdown, Britain has lost one of the pillars of union and we might wonder what the basis of a future No to independence campaign may be.

The United Kingdom has been moving towards a new form of statehood, beyond the traditional categories of independence and sovereignty. Brexit represents a sharp reassertion of sovereignty, with the slogan ‘take back control’ in a world in which the old certainties of sovereignty have gone. As the UK is reconfigured in the wake of Brexit, the one thing of which we can be reasonably sure is that it will not represent a return to the union of old.

Michael Keating is Professor of Politics at the universities of Aberdeen and Edinburgh, Director of the Centre on Constitutional Change; Senior Fellow, UK in a Changing Europe initiative.

How important are EU structural funds to UK regions?

Before Brexit, between 2014-2020 the UK was set to receive €109.9 billion in European Regional Development and European Social Funds (structural funds). The funds aim to reduce economic and social inequalities between the EU’s regions.

Wales – one of the UK’s poorest regions – was set to receive £2.4 billion between 2014-2020, the highest figure of any UK region. In contrast, the South East – one of the UK’s richest region – would have received £286 million.

EU structural funds have played an important role in sustaining employment in poorer UK regions. Since 2007 it is estimated that ERDF projects have created 44,113 jobs in Scotland, 36,640 jobs in Wales and 20,149 jobs in Yorkshire.

Source: ukandeu.com
The UK’s brave new world

Will Brexit be part of a deeper economic retrenchment, or a catalyst to reinvigorate global integration? By Dr Angus Armstrong

The UK’s Decision to leave the EU is a watershed event. It is likely to bring to an end the free movement of labour and restrict the flow of services trade between the UK and EU. This coincides with the creeping fragmentation of cross-border finance in the aftermath of the global financial crisis. How world leaders respond will determine whether Brexit is part of a deeper retrenchment, or a catalyst to reinvigorate global integration. Outside the EU our prosperity, more than ever, depends on the outcome.

Medium term Brexit impact

Careful analyses of the consequences of Brexit consider the change in regime only. They do not conflate other possible policies at the same time as they may, or may not, happen.

The most significant consequences are in the medium term. The UK has chosen to be less economically integrated with the rest of the EU. This is likely to lead to lower levels of migration and trade. As a result, the economy is likely to be less specialised and less productive with a lower level of investment. This means that the UK will produce less output each year than it otherwise would have done.

How much less output? There is a range of estimates, but the average of detailed forecasts is that by 2020 the UK will produce about three per cent less each year than it would otherwise. Of course, the exact number depends on the nature of the UK’s future economic arrangements which have to be negotiated. But if we consider that each one per cent less output is worth about £700 loss per household each year, this gives an idea of the cost of less integration. This is for an ‘average’ household: some will have a less of a loss and others a bigger loss.

Over the short-term, say before 2020, the temporary impact may be greater. Brexit has created an unusual source of uncertainty. We simply do not know what our international economic arrangements will be. Until this is resolved, foreign companies may postpone direct investment into the UK and businesses may be more cautious about investing. Exactly how managers will respond is extremely difficult to tell. According to a Bloomberg poll, more than half of market economists expect the UK to have a short recession in the next 18 months.

Twenty-first century trade policy

A fair challenge to this approach is whether the assumption of less integration is realistic. After all, the UK can still sell goods to the EU. And even in the worst case scenario, tariffs today are only around three per cent on average. These are fair points.

But trade is no longer about simply putting goods on ships and sending them off to foreign lands. Our firms operate at the forefront of complex global supply chains. Many of our exports contain inputs from several other countries. This simple point ought to change how we think about trade and policy. The part that generates wealth for UK firms is ‘domestic value added’. The UK earns more value added from the export of services than from goods.

Chart 1 shows that most of our value added comes from exporting business services, financial services, wholesale and retail activity and transport and telecoms. No-one is saying that the rest is not important. But we must be clear eyed about which industries add the greatest value when we think about trade policy.

Chart 1: Domestic and Foreign Value Added in Exports by Industry

Source: OECD Trade in Value Added Tables, 2011 data

Trade policy for these industries is not just about reducing tariffs and subsidising industries. It is agreeing common standards and regulation; property rights and investment protection; infrastructure and communications; and, the free movement of ideas and human capital. If Brexit is to mean something, then some of these regulations and movement of people will no longer be the same. How far we diverge from EU standards and protections depends on our future negotiations.

Whether our digital industries have the same access to EU markets in future will depend on whether UK regulations on data protection...
are considered to comply with EU regulations. Similarly, whether UK financial services firms can have the same access depends on whether regulations are considered to be equivalent with EU regulations. In both cases the EU is the sole adjudicator which creates something of a regulatory Sword of Damocles for the UK.

Rewriting the trade rules

An important reason for the UK choosing to leave the EU is ‘to take back control’ of some levers of economic policy. For the first time in more than four decades the UK will be able to lead trade negotiations rather than as part of a 28-nation union. Before finding new opportunities, including a way to deal with our Sword of Damocles, three urgent negotiations are required.

First, the UK will need to re-establish its own WTO membership terms. This involves agreeing the terms of engagement with all of the other 160 member states (‘Most Favoured Nation’ terms).

The UK may have more success striking its own trade deals with other countries.

This may be more involved than it appears. Strictly speaking, the EU may also need to re-negotiate its own terms of engagement without the UK.

Second, the UK has to agree a new governance arrangement with the EU. Ministers have suggested that a notice to withdraw from the EU will be submitted early next year. This starts a two-year period to negotiate the separation agreement. The UK must also negotiate a separate and more complex agreement to set out the future economic governance arrangements with the EU. This will require the unanimous agreement of all other 27 member states, and even ratification in some national assemblies.

Third, the UK will no longer be party to the EU’s 53 Preferential Trade Agreements (PTAs), mostly with developing nations. Without wishing to downplay this task, it is reasonable to assume that the UK could transpose many of these existing agreements.

Brave New World

The possible opportunity for the UK is that it may have more success striking its own trade deals with other countries. This could compensate for the reduced integration with the EU. This really means joining deep integrated modern trade deals which grant access to domestic service sector markets. It is these agreements, not generic tariff reductions, that are beneficial to the types of industries in chart 1. However, these agreements encroach on areas which are usually considered to be the domain of domestic policymakers. There is a risk of ‘losing control’ of traditional domestic policy.

The UK may seek to join the Trans-Pacific Partnership which was agreed earlier this year. This includes 11 countries from the US to Peru to Japan and New Zealand, and one-third of world output. There is a risk that this will not be ratified by Congress. If this fails, then it is unlikely that the much-maligned Transatlantic Trade and Investment Partnership will happen. Both agreements are unpopular, but they offer market access that would benefit UK firms.

Whether the UK can offset, and more, the likely loss in EU market access remains to be seen. From an economics perspective, this will require trade agreements offering deep market access rather than plain vanilla WTO tariff agreements. Whether momentum to create such agreements will materialise or whether they fall into abeyance is essential to whether the UK can increase trade outside of the EU. The UK has become a bet on the direction of globalisation.

Dr Angus Armstrong, Director of Macroeconomics, National Institute of Economic and Social Research; Senior Fellow, UK in a Changing Europe initiative.
An Entrepreneurial Perspective

What will be the effect of Brexit on small- to medium-sized UK businesses? By Professor Mark Hart

A LEAP INTO THE unknown is the consequence of what the majority of UK voters chose on 23 June irrespective of their individual motivations as they cast their vote. As we extract ourselves from the EU, our direction of travel as an economy enters the realms of crystal ball gazing. Commentators latch on to the latest ‘piece of evidence’ as proof positive that either economic meltdown or a new golden era of economic growth has commenced. The ‘experts’ ply their trade and spin a weekly narrative as we watch Whitehall grapple with this brave new world. After the vote the only thing we can confidently state is that the impact of Brexit is unknown and cannot be predicted with any degree of certainty.

So what can we be certain of? Well, Enterprise Research Centre research shows that there is a very small proportion of the UK business population (around 12,000 businesses growing at 20 per cent per annum over a three-year period which the OECD calls ‘High-Growth Firms’) that have had a disproportionate impact on job creation over the last 16 years and, as a consequence, on the economy as a whole.

Working with these fast-growing businesses and their ambitious owners, as we do in the Enterprise Research Centre alongside our colleagues in the Aston Centre for Growth, we have gained an insight into the behaviour and strategies that this important group of businesses adopt that will be crucial to the post-Brexit economic environment.

First, they are more likely to grow than other small businesses in times of economic uncertainty as we observed in the 2008-10 financial crash and associated recession, so many will take Brexit in their stride. Second, they also embrace innovation as they position their business to respond to emerging opportunities from whatever source. So, the uncertainty in the markets and the hesitant actions of competitors created by Brexit can work to the benefit of these more ambitious entrepreneurs. Third, although not many small business owners actually trade in international markets (less than one in five), an outward-looking perspective and engagement in exporting is crucial to the growth of these small fast-growing businesses, and the current valuation of the pound will be of assistance.

It is also important to note that these ambitious entrepreneurs are located in all parts of the UK and operate in all sectors of the economy. This is important as we need to build a national consensus about growth including all parts of society. Finally, these ambitious entrepreneurs are more likely to come from a diverse set of backgrounds reflecting all ethnic groups and including large numbers of the immigrant population. Limiting migration to the UK for those without a job offer may be a tempting policy option in the future as the UK Government seeks to apply the brakes to the flow of people into the UK. However, this may exclude some potential migrant entrepreneurs seeking new opportunities in the post-Brexit environment – an impact we need to be careful to avoid.

A small group of these ambitious entrepreneurs we work with presented their growth plans in the immediate aftermath of the Brexit vote as part of a national growth programme and what was in evidence was the confidence they displayed about their future growth plans. On average, they were predicting around 35 per cent growth in output in each of the next three years which is almost double the OECD definition of a High-Growth Firm (20 per cent per annum over three years). This too is not ‘evidence’ in any real sense but it does provide an insight into levels of confidence about future success which is driven by their entrepreneurial mindset. The challenge is to grow the number of ambitious small business owners in the UK economy.

Leadership and small business growth programmes run by many business schools across the UK have been instrumental in working with entrepreneurs like this to provide them with the knowledge and skills to make them more effective leaders. Such programmes will be crucial in the post-Brexit era but the danger is that many are currently funded through the European Regional Development Fund so we need to build the evidence base on their effectiveness to ensure that appropriate replacement funding is made available from the UK Government. Yet another demand upon this yet-to-be-determined amount of money that will accrue from savings of the membership fee upon exit from the EU!

Leaving the EU and the challenge of uncertainty in their various markets will not change the mindset of these ambitious entrepreneurs in the short-term but getting the rules of disengagement, and indeed the terms of new trade deals settled, is a crucial short-term objective of Whitehall and its new departments and ministers. Over the decades one of the most important complaints of small business owners has been ‘stop constantly changing the regulations governing how we do business’. Entrepreneurs will do the rest.

“ These entrepreneurs are in all parts of the UK and operate in all sectors of the economy ”

Professor Mark Hart, Deputy Director, Enterprise Research Centre, Aston Business School
www.enterpriseresearch.ac.uk
www.aston.ac.uk/aston-business-school/business/centre-for-growth
The implications for EU migrants

What are the characteristics, attitudes and entitlements of EU migrants living in the UK, and how are they likely to be affected by Brexit? By Professor Jane Falkingham and the Centre for Population Change UK in a Changing Europe project team

In the debate around the UK’s membership of the EU, the topic of migration from other EU countries and free movement was high on the agenda. As part of the ESRC’s UK in a Changing Europe initiative, and to inform the debate and provide an independent source of information and insight about UK-EU relations ahead of the EU referendum, in the six months leading up to 28 June the ESRC Centre for Population Change undertook a series of focused research projects examining the implications of Brexit for EU migrants. The research explicitly focused on the characteristics, attitudes and entitlements of EU migrants as arguably being amongst those immediately and directly affected by Brexit.

The first project, led by Jane Falkingham, Maria Evandrou and Athina Vlachantoni with Frank Feng, provides a demographic profile of individuals born in the EU living in England and Wales. Secondary analysis of the 2011 Census highlighted that around four per cent of individuals living in England and Wales in 2011 were born in another country in the EU, constituting 2.5 million people. Amongst these, around a quarter (24 per cent) were born in Poland and a further 22 per cent were born in countries of the ‘new EU’, i.e., in the Accession countries which joined the EU between April 2001 to March 2011. Sixteen per cent were born in Ireland, 11 per cent in Germany and 27 per cent were born in other countries of the ‘old EU’ (i.e., countries who were EU members before April 2001). Compared to those born in the UK, EU-born migrants are more likely to be young, in employment, skilled with qualifications, living in privately rented accommodation and in good health, confirming other research that the majority of EU migrants are making a positive contribution to the UK economy.

Interestingly many are also in partnerships with UK-born partners and a significant minority have children, highlighting that the decision of the UK to leave the EU will affect the family lives of the migrants themselves and their wider UK-born family members. The research revealed that around 40 percent of EU-born individuals are married, and that amongst those EU-born who are married or partnered, one-third are partnered with person born in the UK, whilst just over a half are partnered with a person born in the EU. Approximately one-third of EU-UK partnerships have at least one dependent child; as do 44 percent of EU-EU partnerships.

At present, it is unclear what the future may hold for EU nationals living in the UK. Families with European bi-national couples may be affected by Brexit in terms of their eligibility to stay in the UK, directly affecting the ability of the partners to stay together in the UK. Second, non-UK partners might also be affected in terms of their ability to maintain economic activity in the UK, thereby having an impact on the socio-economic position of the family. Finally, it is unclear how the nationality and citizenship status of the children of bi-national couples may be affected, especially if the other EU country does not allow dual citizenship. Across the different EU27 states, there exist a range of complex rules regulating dual nationality.

Across the different EU27 states, there are a range of complex rules regulating dual nationality.

How many EU citizens live in the UK?

According to data from the Office for National Statistics, 2,338,000 million EU citizens (excluding UK citizens) lived in the UK in 2014. The figure represents 4.6% of the UK’s population.

Polish citizens form the largest group, 853,000. Irish citizens are the second largest, 331,000. Other large groups include citizens of Romania (175,000), Portugal (175,000), Italy (170,000), France (160,000) and Lithuania (155,000).

How many British citizens live in the EU?

According to data from the United Nations, in 2015 1.2 million people born in the UK lived in other EU countries. Spain is host to the largest group, 308,000. The second largest number lives in Ireland, an estimated 254,000. France is third with 185,000. Germany hosts 103,000, and 64,000 live in Italy.

Source: ukandeu.com
British citizenship or (3) take no action. In order to provide a counter-factual, the migrants were also asked the same questions regarding their choices over the next five years if ‘no Brexit’ occurs. On average, Brexit was found to have an activating influence, with only 14 per cent answering that they would not take any action if the UK chose to leave the EU, compared to 20 per cent if the UK stayed in the EU. However, interestingly, only a minority reported that they would consider leaving the country in the face of Brexit (11 per cent), while almost three quarters would adopt a ‘civic integration’ strategy (74 per cent). Of those employing a ‘civic integration’ strategy, 71 per cent said they would seek permanent residence in the case of a Brexit and 29 per cent would apply for citizenship. Although the survey sample presented in this paper is not representative of the EU migrant population in the UK as a whole, our findings show that a large proportion of EU migrants are intending to stay in the UK, and that Brexit may actually push certain resident EU citizens to apply for citizenship who would otherwise not contemplate applying. Now that the referendum has taken place, the team are hoping to repeat the survey to confirm these findings; it may be that the reality of Brexit, along with the rise in anti-migrant sentiment expressed in the immediate post-referendum period, may have resulted in a shift in attitudes.

Brexit may actually push certain resident EU citizens to apply for citizenship

At present Theresa May has yet to invoke Article 50 and for the time being the rights of EU migrants to live and work and have a family life in the UK remain unchanged. Going forward the Government needs to take into account not only of the positive economic contribution made by EU migrants to the UK economy, but also that many have formed partnerships with UK-born individuals and have children. Given their work and family lives, it is no surprise that many are intending to seek to remain. Care needs to be taken to ensure that their political and social rights are protected during the transition, and that the important social investment role that the welfare state can play is recognised. By doing so, the UK economy will benefit from greater productivity, and UK society will benefit from greater cohesion.
We present an at-a-glance overview of the key issues in Britain today. This issue our focus is on energy. Statistics from the Department of Energy & Climate Change Energy Trends (June 2016) UK Greenhouse Gas Emissions (2014) and UK Energy Statistics (2015).

**THE UK BY NUMBERS**

**ENERGY**

**Renewables' share of electricity generation was 29.1 per cent in 2016 Q1, up 2.3 percentage points on the share in 2015 Q1, mostly reflecting increased capacity. Wind speeds and rainfall were lower than 2015 Q1.**

Plant biomass increased by 1.2 TWh (29 per cent) to 5.5 TWh in 2016 Q1, the highest increase in absolute terms across the technologies. Solar photovoltaic showed the highest increase in percentage terms (41 per cent) from 1.0 TWh in 2015 Q1 to 1.3 TWh in 2016 Q1 due to increased capacity.

Renewable electricity capacity was 31.2 GW at the end of 2016 Q1, a 11.8 per cent increase (3.3 GW) on a year earlier, and a 2.4 per cent increase (0.7 GW) on the previous quarter. Of the 0.7 GW increase in 2016 Q1, over half was due to new, mainly large-scale, solar photovoltaic capacity.

**2014 UK GREENHOUSE GAS EMISSIONS**

In 2014, UK emissions of the basket of seven greenhouse gases covered by the Kyoto Protocol were estimated to be 514.4 million tonnes carbon dioxide equivalent (MtCO2e). This was 7.7 percent lower than the 2013 figure of 557.3 million tonnes.
Renewable electricity generation was 83.3 TWh in 2015, an increase of 28.9 per cent on the 64.7 TWh in 2014, with bioenergy up by 27.8 per cent and wind generation up 26.4 per cent. Renewables’ share of electricity generation was a record 24.7 per cent in 2015, an increase of 5.6 percentage points on the 19.1 per cent in 2014.

In 2016 Q1, 0.1 GW of installed capacity was confirmed on the Feed in Tariff scheme, increasing the total to 5.0 GW, across 833,785 installations.
Credit where credit’s due?

In recent years, policymakers and the media have focused on the high cost of payday loans, highlighting extremely high interest rates. But the millions who lack access to affordable credit turn to even more expensive options that are potentially more damaging. By Victoria Boelman

The UK is a society built on the availability of consumer credit. Many of us take it for granted and rely on it to purchase everything from a new home to a mobile phone. For some it is also an important element in simply managing their day-to-day living. Credit can help people to deal with economic shocks like a cut in working hours, smooth the bumps of an irregular income, and spread the cost of high-price items like cars.

But an estimated 12 million people in the UK lack access to these forms of mainstream credit. ‘Sub-prime’ customers are those judged too risky and pushed out into the alternative, more expensive, credit market. This is the world of payday loans, doorstep loans (led by companies such as Provident Financial and Morses Club), rent-to-own furniture stores (of which Brighthouse is the market-leader) and other options, including pawnbrokers and logbook loans.

In recent years, policymakers and the media homed in on the high cost of payday loans, rightly highlighting the extremely high interest rates (with APR in the thousands) and the problems caused by them, as well as the common practice of rolling over of loans, and heavily charging those who have defaulted. In 2014 the bubble burst for the booming payday loan industry when the Financial Conduct Authority (FCA) acted to bring in a price cap, dramatically shrinking the market and effectively cutting off thousands of consumers from being able to access this type of credit as lenders tightened their lending criteria. Today, payday loans are a closely regulated product offering loans at a rate which is often more affordable than what even mainstream lenders are offering for small short-term loans.

Yet this unwavering attention on the payday loans industry means that only part of the story is being told. Our research in Wales, funded by the ESRC What Works in Tackling Poverty programme led by the Public Policy Institute for Wales, clearly shows that other forms of high-cost credit are more prevalent, more expensive and often more damaging to many of society’s most vulnerable consumers. Doorstep loans and rent-to-own are used by more people, and cost more. This drains money from local economies and limits what parents are able to invest in their children.

High-cost credit customers come from all walks of life but are most likely to be young families. They are no less likely to be in employment but are often on low pay or ‘zero hours’ contracts, the ‘working poor’. People turn to high-cost credit for a wide range of reasons, from simply making ends meet, to dealing with a ‘life shock’ such as job loss or bereavement, to paying for Christmas or the ‘back-to-school’ costs of a young family.

Yet the reasons why people choose high-cost credit, and indeed one form of credit over another, are inherently complex. The world of behavioural economics has much to offer in this field – like everyone, high-cost credit consumers are subject to short-cuts in their decision-making, relying on heuristics and biases in thinking. For many of the same reasons so few people switch electricity supplier or bank, so too do people fail to shop around for the best credit deal. Once more people are not that mythical, rational, ‘homo economicus’.

That is not to say that people cannot be helped to make better choices. There is ample opportunity

‘Sub-prime’ customers are those judged too risky and pushed out into the alternative, more expensive, credit market.
to improve financial capability (in our survey over one-third of high-cost credit customers, and almost one-quarter of all Welsh consumers could not calculate even simple interest on a £100 loan) and confidence in choosing between financial products. This is a clear area of priority for the education of future generations. But young people are also clear that when it comes to credit and debt, what they ‘need to be shown is the reality of it because that’s what’s going to shock people’.

At the same time, it cannot be ignored that high-cost credit products are extremely appealing: they are quick and convenient, and their emphasis on low weekly repayments makes them seem affordable and often affords customers a sense of control. Rent-to-own stores in particular are also a route to obtaining aspirational furnishing and electronics that may otherwise be out of reach. Importantly they are also perceived as ‘for people like me’, tapping in to underlying fears of banks who lend more than you need, or won’t lend at all, and who are the most powerful and ‘official’ if repayments are missed.

Ultimately, there are communities across the UK where borrowing on the doorstep, or buying through weekly payment stores, is a common way of life. Although the industry may be experiencing a slow decline, home credit agents still pick up new clients through personal referrals and by cold calling in target estates in the run-up to Christmas. Rent-to-own stores build new business by incentivising customers to ‘refer a friend’. In both cases, the personal relationship is vital and the pervasive nature of these types of borrowing serves to further reinforce the shortcuts in decision-making which negate shopping around for better deals.

However, what the research cannot advocate for is a harsh regulatory or legislative approach to effectively push the majority of home credit and rent-to-own lenders out of business, as has been the case with payday loans. If that were to happen today, millions of households across the UK would be left with almost no access to credit at all, potentially pushing them into the hands of illegal lenders at worst, or relying on options such as pawn-broking.

To tackle this issue and improve access to affordable credit for the most vulnerable in society, there is a need for a more diverse and competitive market. Alternative lenders such as Credit Unions and Community Development Financial Institutions are playing a part in this, as are some new social enterprises seeking to provide an alternative rent-to-own offer. Yet much more is needed. This will require a heavy investment and commitment to growing a more thriving ecosystem for innovation in affordable credit, ranging from better regulatory support to increased social finance to support the heavy start-up costs faced by social enterprises and other social sector innovators.
One of your research interests is wage inequality: how much do immigrants actually depress wages (or not) as has been claimed?

The body of evidence suggests not much, despite much populist appeal for the claim. It is a highly charged issue though. Jonathan Wadsworth’s review on ‘Immigration and the Labour market’ is actually the most downloaded CEP publication, with an amazing almost half a million downloads. The review makes it clear that there is no evidence of an average wage-reducing effect of migration, and that any effects on wages of low skill workers or on local labour markets are small.

If there is a Brexit scenario resulting in fewer immigrants, what would be the impact (if any) on low wages?

Again, not much. There may be a small wage-increasing effect from reduced supply if net migration falls a lot, but even with a big change in immigration this will likely be modest. More worrying as a direct consequence of Brexit will be downward pressure on wages because of the negative economic shock from trade losses from leaving the EU. Also, if inflation rises from its currently very low level, there is a danger of going back to the kind of real wage falls that characterised the wages of almost everyone in the labour market (apart from very high earners) from 2008 to 2015.

What effect do you think the National Living Wage will have on businesses, the public sector and the wider economy?

This is yet to be seen. My event study of the stock market response of large quoted companies to the National Living Wage announcement with Brian Bell provided evidence of expected profit reductions for employers of minimum wage workers. It also implied that employers will likely adjust to the wage cost shock by the time of the 2020 target announced in George Osborne’s budget of July 2015. It is a big hike in the wage floor for workers aged 25 and over and it is clear that minimum wage coverage (the number of workers paid the minimum) will rise substantially, both from National Living Wage introduction, but also from navigating towards the 2020 target. The concern is for low wage employers who do not have means to adjust to the minimum wage increase.

Raising productivity is the key issue for the economy, and more investment with less austerity is key to this.”
Would you advocate more investment and less austerity to boost the UK economy?

Yes, but the issue is how to achieve this. Insufficient investment has been one of the reasons why UK productivity has been so weak since the downturn caused by the financial crisis. Productivity levels are still 20 per cent below what would be predicted by the pre-crisis trend. Raising productivity is the key issue for the economy, and more investment with less austerity is key to this. The LSE Growth Commission recommendations were very clear on this. Investment in skills, infrastructure and innovation are vital to generate growth.

What is the impact of academy schools on educational attainment? Does the evidence base really stack up and does the success of academies come at a price for the most vulnerable pupils in society?

The rapidly growing evidence base on academies seems to suggest that the first tranche of academies introduced by the Labour government between 2003 and 2010 did deliver improvements in pupil performance. These conversions to become an academy were very much targeted at poorly performing schools in disadvantaged areas, and could be thought of as an overall school improvement programme. My research with Andrew Eyles points to significant improvements in the GCSE performance of pupils who were already enrolled in the converting schools before they became academies (what we refer to as legacy enrolled pupils).

The picture on the mass academisation that followed the election of the Coalition government in May 2010 seems to be much less promising. Just over 200 schools became academies under Labour, but now over two thirds of secondary schools (over 2,000) and nearly 20 per cent of primary schools (over 3,000) have become academies. Many of these schools were already high performing schools, which is a complete switch around of Labour’s policy of using academies to improve the worst performing schools. The evidence we have on the effects of the post Coalition conversions so far points to a lot more variation in outcome, and little evidence of pupil performance improvements due to conversion in general.

You also do research on the economics of crime. Why do you think crime has been falling in the recent past?

Recorded crime has certainly been falling very rapidly, especially in settings where crime rates have been traditionally higher. In big cities, measured crime has been dropping very substantially. You will notice I have said recorded and measured here. There are clear issues with measuring crime accurately and my view is that the crime fall may well be overstated by these numbers. For example, online crime is on the up and yet it is neither very accurately recorded nor – until recently – contained in the recorded crime statistics. This is an area I intend to do research on and so will be able to say more on in the future.

In terms of the crime drop itself, there are clearly a number of candidate explanations that have empirical content. My research has pointed to some key factors. Increased police presence in some settings and more efficient policing more generally seem to matter. Likewise there is a strong crime-reducing effect of education, and so rising education through time also appears to have gone hand in hand with crime reduction.

Does it frustrate you that politicians seem to ignore the advice of academic experts? Is it the nature of modern politics that the ‘facts’ are made to fit the policy rather than the other way around?

Not really. And in fact, it is hard to characterise this being the case for politicians in general. What does seem to be the case is that some politicians are more open to using the evidence base than others, and it is sometimes possible to get relevant research findings used carefully in policy debates and implementation. Some good examples where this has worked well that I have been involved with are minimum wages and social mobility. Research here clearly played a significant role in affecting policy development and implementation. But, of course, there are many other cases where use of evidence has been much more haphazard and indeed nonexistent. It is an important challenge – now and in future – to enable academically rigorous evidence to be used in political debate. CEP is trying to play its part here, for example by setting up channels of communication between government and academe (eg, through the Growth Commission) and by trying to spread best practice to departments when our researchers take up positions in government.

The CEP is an interdisciplinary research centre at the LSE. It studies the determinants of economic performance at the level of the company, the nation and the global economy by focusing on the major links between globalisation, technology and institutions (above all the educational system and the labour market) and their impact on productivity, inequality, employment, stability and wellbeing.

Tel +44 (0)20 7955 7673
Email cep.info@lse.ac.uk
Web cep.lse.ac.uk
Twitter @CEP_LSE
I was really surprised and heartened by the amazing breadth of projects that were entered for the ESRC Impact Prize,” commented Professor Tim Dafforn, member of the Impact Prize judging panel and Chief Scientific Adviser at the Department for Business, Innovation and Skills. “The quality really shows that impact is alive and well in the social sciences!”

The fourth year of the ESRC Celebrating Impact Prize culminated on 22 June with an awards ceremony attended by a 100-strong audience. The prize is an annual opportunity to recognise and reward outstanding impacts that ESRC-funded researchers have had on business, policy and society more widely – in the UK and worldwide.

Outstanding International Impact

Winner: Professor Melissa Leach, Institute of Development Studies, University of Sussex (team application)

Within weeks of Ebola being declared a public health emergency of international concern in August 2014, Professor Melissa Leach and a team of anthropologists set up the Ebola Response Anthropology Platform (ERAP), an online portal for live information and dialogue.

ERAP has been accessed by more than 16,000 users online and shaped response activities in Sierra Leone, including implementation of locally appropriate Community Care Centres, safe burials, social mobilisation approaches and vaccine trials. Members of ERAP influenced UK strategy through a social science sub-group of the UK Government Scientific Advisory Group for Emergencies, and joined three core World Health Organisation committees, producing a range of influential briefings. The ERAP team is currently working with several organisations including UNICEF and the Wellcome Trust to develop the model for wider emergency preparedness and response.

“Winners and finalists should be congratulated on making a real difference to so many lives.”

Finalist: Professor Sonia Livingstone, London School of Economics and Political Science

The project UK Children Go Online (UKCGO) was the first large-scale study on the potential risks and benefits of online use for children, looking at how 9-19 year-olds access and use the internet. Findings from the project led to the establishment of the UK Council for Child Internet Safety and informed the UK’s first Child Online Safety Strategy, introducing e-safety as a topic in the curriculum.

The EU Kids Online project expanded the research across Europe, and led to the EU ‘Safer Social Networking Principles’ in 2009. Livingstone’s research also led to changes in service providers’ privacy practices and highlighted children’s digital rights worldwide through the UNICEF-funded Global Kids Online project.

Finalist: Dr Cathy Zimmerman, London School of Hygiene and Tropical Medicine

Over the last two decades Dr Zimmerman’s research on human trafficking has revealed the wide-ranging impact on health and wellbeing for trafficking victims. Her work has shaped international policy in key institutions, including the US State Department, the World Health Organization, the International Organization for Migration, the UK Home Office and the US Agency for International Development. Health provider training materials developed by Dr
Zimmerman with colleagues at the International Organization for Migration have been used in over 155 countries.

**Outstanding Impact in Public Policy**

**Winner: Dr Rachel Aldred, University of Westminster**

Despite clear economic, health and social benefits, relatively few British people have been getting on their bikes. Over the past six years Dr Rachel Aldred has explored the underlying barriers to cycling. Her research has had direct impact on cycling policy in London and beyond, improving guidance for designing cycling infrastructure in London and leading to the creation of ‘cycle superhighways’ with segregated cycle tracks.

She has introduced cycling ‘near misses’ police reporting, and helped develop the online Propensity to Cycle Tool to support transport planners and policymakers in deciding where cycling has the greatest growth potential.

**Finalist: Dr Nick Gill, University of Exeter**

The Detained Fast Track (DFT) system, introduced by the government in 2003, kept asylum seekers in detention while a decision on their case was speeded through by the Home Office. Dr Nick Gill’s study of more than 60 DFT cases made it clear that the system was not allowing detainees sufficient time to make their case properly. The research evidence helped secure a High Court judgment that the DFT appeals process was unfair and unlawful, ultimately leading the government to suspend the entire DFT system in July 2015. Any future Home Office scheme to speed up the asylum process will have to meet new stringent conditions to justify fast-tracking and identify who will be affected.

**Finalist: Dr Rachel Condry, University of Oxford**

Until Dr Rachel Condry’s three-year research project highlighted the problem, adolescent-to-parent violence was a hidden form of family violence with mothers in particular suffering in silence. Her research prompted the first formal government policy recognition of adolescent-to-parent violence, and a collaboration with the Home Office and Youth Justice Board led to the 2015 government guidance and advice for professionals working within health, education, social care, housing, policing and youth justice. The policy guidance and research findings are now being used to inform the training and practice of thousands of practitioners.

**Outstanding Impact in Society**

**Winner: Professor Theresa Gannon, University of Kent**

Every week, criminal firesetting in the UK causes 65 casualties and costs over £40 million. Professor Theresa Gannon’s research has led to the development of two new treatment manuals for prisoner and mentally ill firesetters, and training for more than 450 staff within the prison and health services. The treatment programme now plays a central role in the care, sentence planning, and discharge and parole decisions of the UK firesetters who have finished the treatment.

The theoretical model is used by probation officers in Australia, and this year more than 100 practitioners will take part in the firesetting training programme in the US and Canada.

**Finalist: Professor Jane Oakhill, University of Sussex; Professor Kate Cain, Lancaster University**

Up to 10 per cent of primary children experience difficulties with reading comprehension. Professors Jane Oakhill and Kate Cain’s research on the indicators of poor reading comprehension and the skills required for pupils to improve inspired revisions to England’s National Curriculum, English Programmes of Study, and Key Stages 1 and 2.

Their research underpins the Inference Training programme used in more than 600 schools nationwide; and LEE Comprensivamente, used by 900 teachers in Argentina, Uruguay and Brazil. It has also shaped the US-based training package Language Essentials for Teachers of Reading and Spelling, and informs the widely used UK and Spanish assessments of reading comprehension used throughout South America.

**Finalist: Dr Jo-Anne Bichard and Gail Ramster, Royal College of Art**

Access to public toilets is crucial for many people, including the elderly, pregnant women and those suffering from medical conditions, and lack of access has a huge impact on mobility and wellbeing. Research by Dr Jo-Anne Bichard and Gail Ramster highlighted the need for open data...
about public toilets, leading to the first national standard for open data and a change in Ordnance Survey policy to remove licence restrictions on public toilet locations.

Bichard and Ramster gathered data from the OpenStreetMap project, council websites and almost 300 Freedom of Information requests to develop the Great British Public Toilet Map – a unique resource listing 10,268 public toilets to date.

Outstanding Early Career Impact (in partnership with SAGE Publishing)

Winner: Dr Kath Murray, University of Edinburgh

Researching her PhD on police-public encounters, Dr Kath Murray revealed very high levels of stop and search incidents in Scotland – targeted disproportionately at teenage boys, undertaken without scrutiny or accountability, and largely carried out without reasonable grounds for suspicion.

The research sparked a wide debate, leading to the Scottish Parliament abolishing non-statutory stop and search and creating a statutory Code of Practice. Police practice was improved, including new recording practices, routine publishing of statistics, police providing an advice slip stating the officers’ details and reason for search, and a formal complaints procedure.

Finalist: Martin Hearson, London School of Economics and Political Science

Martin Hearson’s research has highlighted how tax treaties reduce the tax that some of the world’s poorest countries can collect from multinational companies – depriving the world’s poorest communities of hundreds of millions of pounds every year. He developed the ActionAid Tax Treaties Dataset, an analysis of 500 tax treaties which provides a simple way for policymakers and researchers to assess specific treaties. ActionAid is using his research to lobby for renegotiation of older agreements and a challenge to the ratification of newer ones in several developing countries.

Impact Champion

Winner: Briony Turner, King’s College London

Geographers travel all over the world conducting field research – but few tell the tale of their experiences abroad. PhD student Briony Turner co-founded Intrepid Explorers to enable researchers and guests to tell the stories behind their projects. It has proved hugely successful, inspiring not just researchers and academics but also a much wider audience.

Intrepid Explorers has hosted more than 100 talks as well as film screenings, Q&A panels and workshops, and inspired interdisciplinary collaborations between undergraduates, postgraduates and other universities. The website has over 10,000 unique users and the newsletter over 700 subscribers. Its public outreach events are regularly attended by more than 150 people, including schoolchildren.

Finalist: Alex Waddington, University of Manchester

Engagement Manager Alex Waddington has been central to the University of Manchester’s success in increasing public policy impact from the university’s research. He is a driving force behind policy@manchester, which has seen an increase in network engagement of over 800 per cent in three years. Waddington also developed Manchester Policy Week (a week-long series of events where researchers can meet with policy influencers), trained researchers in ‘blogging for policy influence’ and encouraged direct impact through evidence submissions to Select Committees.

For more information on the ESRC Celebrating Impact Prize, see: www.esrc.ac.uk/impactprize

Twitter @ESRC

#impactprize
BRITAIN’S FORGOTTEN SLAVE OWNERS’ DOCUMENTARY WINS BAFTA

A TV documentary, Britain’s Forgotten Slave Owners, which was based on two major research projects funded by the ESRC and the Arts and Humanities Research Council (AHRC), won the 2016 Specialist Factual Bafta.

The programme, which aired on BBC Two in August 2015, saw David Olusoga explore the archives to reveal the surprising range of people who owned slaves and the sheer scale of the slavery business. The programme also offered a glimpse of how the slave owners’ wealth has seeped into every corner of Britain.

‘Legacies of British Slave-ownership’ is the umbrella for two projects based at University College London tracing the impact of slave-ownership on the formation of modern Britain: ‘Legacies of British Slave-ownership’ was funded by the ESRC and ‘Structure and significance of British Caribbean slave-ownership 1763-1833’, which ran from 2013-2015, was jointly funded by the AHRC and the ESRC.

For more information see: www.ucl.ac.uk/lbs

£9 MILLION FUNDING TO OPTIMISE UK FOOD SUPPLY AND TACKLE GLOBAL FOOD SECURITY

Five new interdisciplinary research projects have been awarded a portion of £9 million to help increase the resilience of UK food systems.

The projects integrate biological, environmental and social sciences to help ensure food security in the face of evolving worldwide markets, environmental and demographic changes, and threats posed by pests and diseases.

Projects including research into protecting crops from pests and increasing tolerance to adverse weather conditions will share the funding. The research looks to optimise resilience, productivity and sustainability across the food system, ensure resilient supply chains and influence food choices to relieve pressure on global food systems. The successful projects will focus specifically on increasing crop and livestock tolerance to weather, emerging diseases, price volatility and other environmental and social shocks, and include the development of models that can be used by the food security community globally.

The research programme was driven forward by the UK’s Global Food Security programme, with funding from the BBSRC, ESRC, NERC and Scottish Government.

For more information see: www.foodsecurity.ac.uk

ESRC 7TH RESEARCH METHODS FESTIVAL 2016

Latest innovations in research methods came under the spotlight when the University of Bath hosted the ESRC’s 7th Research Methods Festival 2016.

The festival covered a range of topics such as analysing Big Data, collecting data in hostile environments, survey design and new methods in disseminating research, and brought together academics and PhDs from around the UK.

Key themes for this year’s event, organised with the National Centre for Research Methods, included International knowledge exchange; cohort and longitudinal methods; analysis of complex datasets; research methods pedagogy; and careers and skills development.

Speakers included ESRC Chief Executive Professor Jane Elliott, Professor Emeritus Aaron Cicourel (University of California) and Professor Andrew Gelman (Columbia University).

Henna Patel, ESRC Policy Manager, said: “It was fantastic to see the seventh Research Methods Festival (RMF) take place this year at the University of Bath. The NCRM seeks to meet the methodological, training, and capacity-building needs of UK social science researchers from different disciplines, sectors and careers stages and the RMF is key in supporting these aims.”

For more information see: blog.esrc.ac.uk/2016/07/15/the-latest-developments-in-social-science-research-methods/#more-1086
People

QUEEN’S BIRTHDAY HONOURS 2016
A number of prominent social scientists and ESRC grant holders were honoured in the Queen’s Birthday Honours list.

Commanders of the Order of the British Empire
Professor Geoffrey Gilbert CBE, Professor of Sociology and Director, Centre for Research in Social Simulation, University of Surrey; and Director of ESRC-funded Centre for the Evaluation of Complexity Across the Nexus. For services to Engineering and the Social Sciences.

Professor Charles Jeffery CBE, Professor of Politics, University of Edinburgh and lately Director, Future of the UK and Scotland Research Programme; former ESRC Council member, recipient of ESRC funding and Impact Champion of 2015. For services to the Social Sciences.

Professor Margaret Snowling CBE, Professor of Psychology and President, St John’s College, Oxford; and former ESRC grant holder. For services to Science and understanding of Dyslexia.

Officers of the Order of the British Empire
Professor Susan Gathercole OBE, Director, Cognition and Brain Sciences Unit, Medical Research Council; and former ESRC grant holder. For services to Psychology and Education.

Professor Edward Melhuish OBE, Research Professor, University of Oxford and Birkbeck, University of London; and former ESRC grant holder. For services to Social Science.

PROFESSOR SIR RICHARD BLUNDELL RECEIVES ERWIN PLEIN NEMMERS PRIZE
Richard Blundell, Director of the ESRC Centre for the Microeconomic Analysis of Public Policy (CPP), Institute for Fiscal Studies, has been awarded the Erwin Plein Nemmers Prize in Economics for his important contributions to labour economics, public finance and applied econometrics. The Nemmers Committee recognised Professor Blundell’s work on the empirical microeconomic study of consumer, savings and labour supply behaviour.

PROFESSOR TONY MCENERY APPOINTED ESRC RESEARCH DIRECTOR
Professor Tony McEnery has been appointed as the ESRC’s new Research Director. Professor McEnery is Distinguished Professor of English Language and Linguistics at Lancaster University and Director of the ESRC Centre for Corpus Approaches to Social Science (CASS). His work at CASS has been focused on bringing linguistic analysis to bear on a number of topics such as climate change, Islamophobia, medical communication and poverty.

In February, Professor McEnery received the Queen’s Anniversary Prize at Buckingham Palace on behalf of CASS, for its work in ‘computer analysis of world languages in print, speech, and online’.

He will be joining ESRC as its Director of Research, on secondment from Lancaster University, in October 2016. Professor McEnery says: “I am really excited to be joining the ESRC at such an important time for research in the UK. The need for excellent social science research in the UK and beyond has never been stronger, and I view it as a privilege to be given the opportunity to work with the outstanding team at ESRC to help shape and direct social science research at this pivotal moment for our society.”

As the new Research Director, Professor McEnery will play a key role in ESRC’s corporate leadership, developing the strategy for ESRC, supporting and building internal capability and contributing to the closer integration of the Research Councils.

KARIN WOODLEY WINS EXCELLENCE IN DIVERSITY LIFETIME ACHIEVER AWARD
ESRC Council Member Karin Woodley has won the 2016 Excellence in Diversity Lifetime Achiever Award. The award honours an individual who has devoted a major portion of their professional life to enhancing the practice of equality and diversity, making significant, innovative, and cumulatively outstanding contributions to the cause.

The Excellence in Diversity Awards reward organisations for harnessing a truly diverse workforce, and recognise the significant efforts of organisations nationwide that excel in their commitment to equality and inclusion across all strands of diversity.

STEPHEN MACHIN APPOINTED DIRECTOR OF THE CEP
Stephen Machin becomes the new Director of the ESRC Centre for Economic Performance (CEP) at the London school of Economics and Political Science (LSE) from September. Professor Machin will move from University College London to take up a Chair in the Department of Economics at LSE.

Steve has been Research Director at the CEP since 2003 and is one of the world’s leading economists in fields as diverse as education, labour, inequality, crime and firm performance. He is a Fellow of the British Academy and of the Society for Labour Economics.

CEP’s current Director, John Van Reenen, will take up a tenured joint professorship in the Massachusetts Institute of Technology’s (MIT) Department of Economics and Sloan Business School.
News

£4.5 MILLION NEWTON FUND TO TACKLE ANTIMICROBIAL RESISTANCE

Six new research partnerships looking at ways of tackling the rise of antimicrobial resistance (AMR) have been created with £4.5 million investment by the BBSRC, ESRC and MRC through the Newton Fund, an initiative intended to strengthen research and innovation partnerships between the UK and partner countries.

The partnerships will see researchers from multiple disciplines at six UK centres of excellence work in collaboration with Chinese counterparts, thanks to match funding from the National Natural Science Foundation of China (NSFC) to foster collaboration across borders and between diverse disciplines to help stop the growing global burden posed by AMR.

The discovery and introduction of antibiotics in the 1940s gave us the ability to prevent women dying from post-childbirth infection, to treat tuberculosis and for farmers to protect crops and harvest from infection. However, as micro-organisms become resistant to antimicrobial treatments, including antibiotics, there is a very real possibility that the drugs we have come to rely upon may become obsolete.

Cross-border collaboration is a vital step to progress in this global risk.

Speaking on behalf of the collaborating UK Research Councils, Mark Palmer, Head of International at MRC, said: “The growing resistance of micro-organisms to anti-microbial therapies such as antibiotics is a public health issue of global importance and it requires an urgent global response. The outcomes of these awards will benefit both the UK and China through the sharing of knowledge, and hopefully lead to significant impacts on health and policy.”

The UK-Chinese partnerships, as part of the UK-China AMR Partnership Initiative, will bring together leading researchers from both countries, and from multiple scientific disciplines, in order to better understand the emergence and spread of bacteria, develop new interventions, and improve health and agricultural systems.

DEMENTIA TOOLKIT TO HELP PATIENTS, CARERS AND HEALTHCARE WORKERS

A comprehensive online database featuring the latest scientific evidence on what works in dementia care and treatment has been developed by the researchers at the Personal Social Services Research Unit, London School of Economics and Political Science (PSSRU at LSE).

The toolkit, devised by Adelina Comas-Herrera, David McDaid, Professor Martin Knapp and colleagues, is the first of its kind globally, and is funded by the ESRC. The Dementia Evidence Toolkit brings together more than 3,000 journal articles and 700 reviews of research studies in one place.

The aim is to make all this information publicly available in a form that is clear and easy to understand for dementia patients, their families and unpaid carers, as well as for staff working in health and social care. It will also benefit academics and those involved in decision-making both locally and nationally.

Dementia is the fastest growing major cause of health-related disability across the world, and the health, social and economic impacts are increasing because of an ageing population. There are around 850,000 people in the UK with the condition, a figure expected to rise to two million by 2051. There are currently no cures for dementia which is associated with ongoing cognitive decline such as memory loss, problems with judgement and often some behavioural issues. Instead, the focus for healthcare services is on slowing down dementia progression using different care approaches.

This new toolkit will help those involved in developing services and treatments for both people living with dementia and their carers. By searching the online database, they will be able to make informed decisions on which services and treatments are effective and how much they cost. It will enable them to check how strong the evidence is for a particular treatment or to identify how much more research is needed.

EVENTS

12 SEPTEMBER

Strategic Network: Data and Cities as Complex Adaptive Systems

This is the third of a series of events funded through the ESRC Strategic Network Data and Cities as Complex Adaptive Systems (Dacas). DACAS aims to promote an interdisciplinary complexity science approach to the study of urban data and the links between soft and hard systems as the basis for the development of innovative technological applications. [dacas.complexurban.com](http://dacas.complexurban.com)

21 SEPTEMBER

Workshop: Introduction to the British Social Attitudes Survey (BSA)

Organised by the UK Data Service and NatCen, this free workshop will cover data collection, research case studies using the BSA, and practicals using the BSA with SPSS covering opening the data, exploratory data analysis (frequencies, basic graphs, crosstabs), and how to weight the data. [www.ukdataservice.ac.uk/news-and-events/eventsitem/?id=4686](http://www.ukdataservice.ac.uk/news-and-events/eventsitem/?id=4686)

24 SEPTEMBER

UK Data Service Open Data Dive

The UK Data Service and Digital Innovation are running an intense all-day hackathon on 24 September at The Shed at Manchester Metropolitan University (MMU). The UK Data Service Open Data Dive aims to bring together coders, data enthusiasts, graphic designers and project managers to hunt down, crunch and beautify open social and economic data. [www.ukdataservice.ac.uk/news-and-events/eventsitem/?id=4626](http://www.ukdataservice.ac.uk/news-and-events/eventsitem/?id=4626)

10 OCTOBER

Raising Awareness of Mental Health in Higher Education (RAMHHE)

The RAMHHE conference aims to provide a social learning space that will encourage collaborative discussions and inform universities of the need to involve the student voice in the development of campaigns and awareness initiatives for mental health. Information from the conference will provide an interdisciplinary insight into how to raise awareness of mental health in higher education. [www.eventbrite.co.uk/e/raising-awareness-of-mental-health-in-higher-education-tickets-26502444525](http://www.eventbrite.co.uk/e/raising-awareness-of-mental-health-in-higher-education-tickets-26502444525)
Making sense of society

The ESRC magazine *Society Now* aims to raise awareness of our research and its impact. It addresses a wide range of readers, from the MP to the businessperson, the voluntary worker to the teacher, the public through to the social scientist, and is published four times a year (spring, summer, autumn and winter).

*Society Now* offers a readable, intelligent, concise overview of current issues concerning society.

To subscribe to the magazine, please send an email including your full name and address to: societynow@esrc.ac.uk

---

The Economic and Social Research Council (ESRC) funds research into the big social and economic questions facing us today. We also develop and train the UK’s future social scientists.

Our research informs public policies and helps make businesses, voluntary bodies and other organisations more effective. Most important, it makes a real difference to all our lives.

The ESRC is an independent organisation, established by Royal Charter in 1965, and funded mainly by the Government.

Web: www.esrc.ac.uk

Economic and Social Research Council
Polaris House
North Star Avenue
Swindon SN2 1UJ
Tel: +44 (0)1793 413000
Fax: +44 (0)1793 413001

EDITOR IN CHIEF Jacky Clake jacky.clake@esrc.ac.uk
EDITOR Nick Stevens nick.stevens@esrc.ac.uk
SUB-EDITOR AND RESEARCHER Debbie Edginton debbie.edginton@esrc.ac.uk
INFOGRAPHIC Tidy Designs