

GLOBALISATION HUB - RESEARCH FUNDING CALL

[Rebuilding Macroeconomics](#) (RM), funded by the Economic and Social Research Council (ESRC) and hosted by the National Institute of Economic and Social Research (NIESR), is inviting calls for research proposals under its Globalisation Hub.

Our long-term aim is to transform macroeconomics back into a policy-relevant social science. As an intermediate step we will provide recommendations to the ESRC on our suggestions for the future shape and direction of research in Macroeconomics. We are looking to support projects that aim to identify promising areas for future research (on a 'proof of principle' basis), rather than seeking to obtain definitive answers from what will inevitably be limited project budgets.

RM will consider proposals which are genuinely innovative; which are oriented towards policy-relevant problems; and which are rigorous but may be overlooked by traditional funding sources. We are particularly interested in interdisciplinary proposals and the introduction of new methods to macroeconomics.

Process

The application procedure will consist of two stages.

- For Stage 1, applicants should submit an outline statement of up to 1,000 words, using the form provided below. An indicative outline cost level should also be supplied, though a formal costing is not required at this stage.

Stage 1 applications should be submitted to r.arnold@niesr.ac.uk by 24.00 on 1 August, 2018.

- Successful applicants from Stage 1 will be invited to proceed to Stage 2. They will be required to submit a more detailed version of their proposals, including: a Case for Support; a Justification of Resources; a Timetable; an Impact and Communications Plan; and a formal Budget.

The budget limits for projects are £25,000 to £150,000, at 100% fEC. Successful applications will be funded at 86% fEC.

Globalisation Hub: Call for Project Proposals, June 2018
Hub Leader: Stephen Kinsella

Criteria for Research Funding

The Globalisation Hub of [Rebuilding Macroeconomics](#) (RM) is looking to fund pilot research projects that address over-arching question of *'Can Globalisation Benefit All?'*

In a workshop held in May 2018, we discussed the changing role of the major institutions of globalisation in a multi-polar world. We brought together a diverse group of academics and policy makers to approach this topic through different scholarly lenses. A background note, summary and presentation videos from the workshop [are all available here](#). This meeting helped to frame the first set of pilot research projects that we are looking to support.

Macroeconomic models often introduce an overseas sector by differentiating between currencies, assuming barriers to the cross-border movement of goods and services (non-traded) and labour and perhaps capital flows and even different commercial policy choices such as tariffs. These are essentially transaction costs and so in most cases, removing such barriers leads to higher social welfare. This has provided some justification for the presumption that ever greater economic integration, or 'hyper-globalisation' over the last three decades, implies higher standards of living.

However, this approach ignores the fact that most of these boundaries or constraints are in fact policy choices. It ignores the reasons, or motivations, for why they even exist in the first place. Only when one considers that they are a policy choice can there be any benefit to stopping short of full economic integration. We would like to consider what these motivations may be, why do limits to complete integration emerge and what might be the policy trade-offs involved. This may include what anxieties emerge from integration and what might be an appropriate compensation to enable support for greater integration.

Some control over economic activity is necessarily coordinated at international fora. Yet many controls on activity, such a taxation, regulation and even monetary and financial policy have, most of the time, been the domain of the nation state. Economic integration blurs these distinctions. Moreover, nation states differ enormously in size and power their ability to influence the international agenda. This suggests a richer analysis to capture some of the rationale and realities of globalisation.

We are looking for research proposals which look at the motivations for policy frameworks which retain control at the nation state and which are shared on a global basis. We are looking for research which asks why limits to globalisation emerge, and where these limits are placed upon societies, what their effects are. This research can be historical in its focus but must directly inform the world we live in today.

A number of themes emerged from the workshop which may help in assessing the motivation for the possible limits of economic integration.

- Humanity has widened its sphere of cooperation over the centuries; thanks in part to technological advancement and in part to the global reach of certain types of institutional structure. Are our identities a limiting factor in the extent or speed of integration? Adam Smith noted that we have more compassion--and more enmity--for our neighbour than for those farther afield. To what extent has experience and institutional arrangements influenced our ability to widen our sphere of cooperation and how can this be extended further?
- Perhaps surprisingly, trade theory has hardly been integrated into the core models of macroeconomics. This lack of integration means we lack convincing answers to questions like: to what extent can differences between groups of winners and groups of losers start to have macroeconomic consequences? Can the so-called distributional consequences start having first-order macroeconomic consequences? What might be the social consequences if so-called winners and losers are clustered in regions?
- The extent of economic integration is a policy choice which inevitably creates winners and losers. Economists often state that some form of compensation is required to show an unambiguous improvement in social welfare. Yet is it even possible to identify such groups and how would one formulate a compensation plan? Is this question simply about tax and subsidies, or are people looking for more meaningful support and perhaps new opportunities? What is an appropriate framework to think about compensation?
- Clearly there is tension between the realities of the nation state and identities of its citizens, and the macroeconomic models that are supposed to represent it. Has there been a misalignment of nationhood and the institutions of globalisation? Is there a way that political representation typically at the level of the nation state might be reconciled with greater international cooperation? What might global integration imply about 'social contracts' within countries at different stages of development?
- In macroeconomics we tend to assume a nation is large (US) or more generally small and unable to influence international prices. Yet we live in a multi-polar world with at least two maybe three giant economic superpowers, and almost 200 small countries and territories. Not only do these giant states influence global prices, we know that not all states are equal when it comes to observing rules even within formal structures. Are there some policy models where countries are so asymmetric in size and influence?

We have no wish to be overly prescriptive and this list of ideas is not intended to be exhaustive. We welcome proposals which take a different perspective to our question, and that we may have inadvertently neglected.

Goals of the Call

We are looking for ambitious and genuinely fresh ideas. We place a weight on interdisciplinary approaches and the inclusion of new methods, but the purpose must be toward understanding the macroeconomy. We seek proposals that may come from outside the existing economics profession, but also proposals from economists who are open to dialogue and who may be combining new tools and methods from other disciplines with existing economic ideas.

Proposals could come from within the existing economics profession or combine the existing profession with ideas from other subjects. Examples include, and are not limited to, ideas from anthropology, political science, psychology, international relations, public policy, sociology, geography, or international political economy. We are interested in funding high quality, original work that would not likely receive funding from other, more mainstream, funding avenues.

Details of the Call and Applying

- Projects will be expected to begin by 30 September 2018, or as soon as possible afterwards, and to last no longer than eighteen months.
- Anyone may make an application. Applicants will usually be attached to a university, think tank, commercial or government organisation through whom funding will be channelled. Applicants may have any disciplinary background and research skill set. Projects may involve placements inside, and perhaps partially supported by, relevant policy-making or similar institutions.
- A successful proposal will combine economics with at least one other interdisciplinary aspect. There is no predetermined set of disciplines that are acceptable. Any proposal that addresses the research question using genuinely new ideas from other relevant disciplines is welcome.
- Successful applicants will be required to sign a formal agreement with our funding body, the National Institute of Economic and Social Research. This agreement will require successful applicants to develop an impact strategy and to contribute to Network meetings and conferences, as well as to the Rebuilding Macroeconomics website via occasional blog posts.

Review Process

Proposals from the first-stage will be reviewed by the Hub leader in consultation with the management team. The successful candidates will be invited to submit a fuller application which will be reviewed by at least three further reviewers consisting of at least one person with an economics background, one from policy or civil society, and one from a non-economics academic background.

Reviewers will be asked to put high weight on the degree to which a proposal might help to test new approaches and methodologies for understanding, 'How should we model the institutions of globalisation?'

For more information, applicants are referred to our workshop documents from the [Globalisation Hub homepage](#). Proposals that offer genuinely alternative approaches to answering this question will be favoured over those that adopt approaches that are well-established within the core of the existing macroeconomics discipline.