

1 Biased scientific practice

Economists are themselves economic agents who respond to incentives—summarized by **PPP: power, patrimony, publications**. This creates structural distortions in how knowledge is produced and rewarded. Three major sources of distortion are identified:

1. Economic Interests and the "Consensus"

- the “*Consensus*” often reflects the interests of advanced countries. **Roemer (2011)**: The intellectual foundation of the Consensus was actively built through:
 - Funding of conservative U.S. think tanks in the 1970s.
 - Promoting laissez-faire ideology: *freedom = no state intervention, governments = corrupt, markets = always good.*
 - Propagation through media owned by wealthy interests.
- economist gain PPP if they follow the mainstream (publications, visibility, funding, hierarchy, institutional gatekeeping, advancement)
- Gramsci “cultural hegemony”: how dominant classes maintain power not just through force, but through ideas.
- Neo-colonialism in the academy?

2. Geographic Distortion

- Economics publishing is geographically skewed toward the Global North.
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- **Map data**: Top-5 journal publications per capita are highly concentrated in the U.S. and Europe.
- **Implication**: Researchers are incentivized to study familiar/high-income contexts to maximize publication chances. This diminishes external validity, a study works in the US but not in Brazil (do example of crime pls ty)

3. Institutional Incentives in Scientific Production

- **Citation patterns**: Non-novel papers receive are less likely to be published in high-impact journals, more citations than moderately or highly novel work.
- **Romer (2016)**:
 - we want perfect competition in the market for ideas
 - Science uses competition to coordinate—but, like markets, it is vulnerable to *collusion*.
 - **Social norms** discourage public disagreement with prestigious figures (high cost of dissent). a sort of honor code.
 - A norm that places an authority above criticism helps people cooperate as members of a belief field that pursues political, moral, or religious objectives
 - An indifferent tolerance of obvious error is even more corrosive to science than committed advocacy of error

Why This Matters: Voices of Concern

- **Paul Romer (Nobel 2018)**: Critic of the profession’s resistance to change.
- **Willem Buiter (2009)**: Academic macroeconomists often technically skilled but practically irrelevant in policy settings.
- **Leamer (2009)**: Macroeconomics is intellectually rigid and disconnected from empirical relevance.
- **John Kay (2014)**: Economics students express growing dissatisfaction; the goal should be to teach *pragmatism over paradigms*.

- **Reis (2018):**
 - Criticism of macroeconomics stems from how it’s taught, not from lack of student interest.
 - Undergraduate debate is healthy; graduate-level teaching remains overly rigid and benchmark-focused.

Key Takeaways

- Be aware of the **limits and assumptions** behind both empirical tools and theoretical models.
- Acknowledge the **plurality of valid alternatives** in economic theory and methodology.
- Recognize that we may not be in a “normal” historical period—context matters for how economics should be done.