

What Should Turkish Economists Do and How Should They Do It?

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Abstract

This paper argues that the research Turkish economists do helps Turkey far less than it should, and too often it is done merely to get published and not to most effectively solve the problems that Turkey faces. It suggests two ways of dealing with such problems: one is for Turkish universities to develop a new journal-ranking method focusing on a particular research niche, and to use that ranking to evaluate research; the second is a voucher system that would give Turkish demanders of Turkish economic research more direct control over what research is done. Each proposal would change the incentive structure confronting Turkish economists, making what they want to do much more consistent with what Turkish society wants them to do.

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1. Introduction

Let me begin this paper with my pat answers to the title questions: What should Turkish economists do? Whatever they want to do, as long as it is consistent with surviving within the institutional structure. How should they do it? With gusto. Were I to leave it like that, this would be a very short paper. But I won't, since academic papers are supposed to be longer than three lines.

2. What Should Turkish Economists Do?

Expanding upon the first answer, I will state that I am a strong believer in the principle that everyone should do whatever he wants to do, but with the qualifying phrase, "as long as it is consistent with surviving within the institutional structure." It is the institutional structure that determines effective wants, and one can only understand what goes on in a field by understanding the institutional structure that underlies it. The central policymaking action takes place in the evolution of norms and institutions and the incentives embodied in them, not in the abstract notion of incentives that most academic economic-policy discussions revolve around.

Because I believe norms and institutional structures are key to determining what we do, I disagree with the way standard historians of science portray science as a search for the truth in a setting devoid of institutions. That doesn't describe the scientists I know, including me.

Finding the truth is only one element in most scientists' institutionally constrained utility function. For academics, finding and holding a well-paying position generally ranks far above "finding the truth" in their effective utility function. (If it doesn't, they will probably not remain academics for long.) Even those who have tenure or secure academic jobs still have academic politics to worry about, which strongly influences the decisions they make. As Stephen Wolfram put it, "My view about doing basic science is that if you have no choice, then getting paid by a university is a fine thing to do. If you have a choice, there are a lot better ways to live."

3. Institutionally Embedded Incentives in the Economics Profession

In my view, the incentives embedded in existing academic institutions to publish in "appropriate journals" push a large majority of economists to structure and report their research in a way that serves little purpose to society. Somehow the publications that are considered "appropriately quality-

weighted” economic journals are supposed to equate with more economic knowledge, but that just isn’t so. Far too often, the primary role of publications in economics is to meet research requirements, as well as advance the person doing the research, not advance knowledge. Publication has become an end in itself, not an input into deep thinking about subjects or solving economic problems. The cost of this “end-in-itself” research is enormous; half, or more, of most university professors’ time is devoted to research. So the nature and usefulness of academic research represent a leading public-policy question.¹

I am not arguing against research.² Appropriate research does not detract; it contributes to teaching. The question I am asking is: what is appropriate research? I am against the practice of diverse types of research being forced into a one-dimensional ranking that does not capture the many purposes of research. That ranking metric has undermined the research activities of a substantial proportion of the economics profession. It has led economists of all stripes to judge research in reference to a one-dimensional global ranking system that doesn’t take account of the multifaceted nature of research. For example, in one university economics program’s ranking metrics, one paper in a top journal can be the equivalent of 200 articles in a journal ranked 30 or 50 journals lower, and 1,000 articles in a journal ranked 100 levels lower. That may be an appropriate ranking for a certain type of research, but it is not valid for most research.

The actual rankings are set by the particular programs, meaning that what is considered “acceptable” differs from school to school. At the 20 university programs that regard themselves as contenders for Top Five status, acceptable journals are those in the top five to (possibly) 10 globally, as measured by one of the standard journal-ranking metrics. As one moves down the rankings of economics programs, the journal acceptability increases, but the general ranking of journals does not.

There are well over 1,000 journals in economics, so publishing in one of them is relatively easy for a serious researcher who takes the time to under-

¹ I have made these arguments about research in a variety of forums. See, for example, Colander (2010) and Colander and Nopo (2011).

² My focus in this article is on research. There are also incentives to be an adequate teacher, but at most US programs, the teaching aspect of the job is overshadowed by the research aspect. Academic economists see themselves as economic researchers first. In fact, at many programs, being too devoted to teaching is seen as a negative—it means that the economist does not have a sufficiently high focus on research. Thus, at some universities, a teaching award is called the “Kiss of Death” award by students, since it suggests that the person had spent too much time on his or her teaching.

stand the publication process. To the degree that the journals have the same focus, a one-dimensional ranking is reasonable. But all journals do not have the same focus. A journal devoted to a special area—the history of thought, Turkish economic problems, economic education—or to a different audience, such as a multidisciplinary journal or a journal devoted to a more general audience, will not be ranked highly in the standard rankings; yet it might include superb research and be much more helpful to readers than research in the so-called top journals. My point is that the proper ranking of journals depends heavily on the reader's interest.

For non-economists, for individuals intent on solving particular problems, and for policymakers, lower-ranked journal articles are often far more valuable than higher-ranked ones because the information in the former often focuses on a relevant problem. For example, this paper is, I suspect, much more useful to individuals interested in the Turkish economics profession than are just about all of the papers published in the Top Five economics journals.

This institutional reality of US economic programs is, in my view, crazy. With all programs using a single dimensional metric for measuring “research output,” economists are forced to compete on the basis of that metric, foreclosing the development of many major contributions economists could be making to society; it also represents an enormous waste of research effort on the part of the profession, where a sameness among programs leads to a situation of far too little specialization. It is the equivalent of all countries producing the same good, and thus not taking advantage of comparative advantages.

Here are two examples in the US of what I mean by lack of specialization.

Case Study #1 is a university economics program in the heart of oil country that ranks in the bottom third of such departments in US academia. This school not only does not specialize in oil and resource economics; it does not have a single oil specialist economist. The program has a hard time recruiting top students and struggles to place its graduates. If this program specialized in oil economics and saw its primary job as training oil economists, it could be close to the top in its niche—oil and resource economics. It would be able to place its graduating students in positions with probably double the salaries that their counterparts of today are receiving. Furthermore, it could recruit students of the highest caliber whose goal would be to specialize in oil economics. In its niche, it would outshine Harvard, and anyone looking for an oil economist would seek out its graduates, not those of the Top Ten. Also, it could afford to be much more selective in accepting students, since it would be offering something unique.

Case Study #2 is a program at a university with a prestigious medical school in a large US city. It also ranks in the bottom third of US economics programs according to the standard one-dimensional journal metric. It, too, has trouble both attracting top students and finding jobs for them after they graduate. Serendipitously, it also boasts some of the top economists in the field of economics education. While it deploys the economists on its staff in both of the specialties of economics education and medical economics, the program's official view of health is as a component of micro-economics and not as its special niche.³ Advancement depends on publications ranked by the standard journal metric. This discourages its professors from doing research on economics education, since such research is generally only published in specialty journals devoted to that particular topic. Likewise, academics steer clear of research into applied areas of health, where economics is blended with other specialties to arrive at an interdisciplinary approach to a problem. Neither type of research is seen as promising, since neither will lead to being published in sufficiently highly ranked publications, which are spelled out in the one-dimensional journal-article ranking system that this university adheres to (as does almost every other university economics faculty in the US). (I have even known some economics programs not to give much weight to an article that appeared in *Lancet* or *Science*, since they are not ranked on the normal economics-journal ranking metric!)

If this program developed its own ranking in those two areas—health-care economics and the economics of education—and judged its success in terms of how its faculty did in this ranking, it could emerge on the national scene as a leader in grooming future professors to teach undergraduates in these specialties and in providing health economists to government, industry, and medical schools. It might even turn out to be one of the top five programs globally in its niche. Instead, it languishes as a wannabe program that doesn't have one chance in a million of moving up.

The issue is not only one of a needed change in specialization or focus; it is what these programs see themselves as doing, whom they hire, and the metric by which they measure success. If they occupied a niche within the profession, as I am suggesting they should, they would not be so eager to hire their professors from a Top Five or even a Top 20 program, given that such talent would not be a good match for the specialized needs of the university owning that niche. Instead, they would hire professors from those programs that ranked highest in the research appropriate for their niche. The economics pro-

³ Happily it, like most non-top US programs, does not even try to extend its research coverage to macro-economics, since what is currently taught as macro is of little use to an economist who does not specialize in a very narrow type of macro-economic modeling issues.

gram in Case Study #1 might even hire economists working as oil economists at oil companies, and Case Study #2 might turn to economists currently employed as health economists or as teachers of economics.

Forsaking the counterproductive custom of one-dimensional ranking (which condemns university economics departments to the bottom tier) in favor of a system where each program carves out a niche for itself would give rise to a veritable panoply of overlapping rankings reflecting the multiplicity of wide-ranging areas of national life where economics plays a role. Economics as a profession would then enter a new age, with its students getting a more relevant education and its professors contributing more to society.

4. What Does the Above Discussion Have to Do With Turkish Economists?

So what does the above discussion have to do with Turkish economists? In my view, a lot. Turkish (and other non-US) universities are in an even more difficult place than the non-top 20 US economics programs. Their chances of doing well in a one-dimensional global economics-ranking metric are minimal. First, they face the problem of language—it is more challenging to compete in a second language, and the global economics metric is all in English. Second, there is the distraction caused by side-talk. The research that shows up in articles generally results from informal discussions that have occurred among researchers interested in the particular problem. Economists who are not part of that informal discussion, which includes almost all Turkish economists in the areas and types of research that the global economic metric focuses on, have little chance of publishing in a highly ranked general journal.

A third problem is the existence of differing research foci. Turkey is a developing country but with particular economic problems unique to it alone. Unfortunately, the discussion of Turkey's specific geographically and culturally defined problems holds little interest for the typical global economist. But the solutions to such problems are of enormous interest to Turkish policymakers and the Turkish people. Working toward the resolution of such malfunctions and inefficiencies should be a central goal of Turkish economists' research. The stumbling block to realizing this goal, however, is the tendency of many Turkish universities to judge the quality of their economic research by the standard of a global ranking metric; thus, Turkish economists have scant incentive to direct their attention to Turkish economic problems: no matter how good such research is, it has less chance of being published in a high-ranking journal than similar research with a US focus.

With these three negatives forming a backdrop, how can one expect Turkish economists to perform their research with the gusto, or enthusiasm and energy, that I think is essential for high-quality output, whether in research or in teaching. It is inherently unfair to subject a young Turkish economist's research to the "judgment" of a global metric that is highly biased against anyone outside the top 20 US-based programs. In fact, to do so is a recipe for creating a cynical economist who may persist in doing research but has lost the gusto that leads to ground-breaking research and remarkable contributions far beyond what the incentives call for.

5. How to Make Turkish Economic Research Valuable to Turkey

University education is a national priority in Turkey; regions in Turkey know this, and so each province pressures the national government to provide it with its own campus. Responding to this phenomenon, the Turkish government has been establishing new state universities in all 81 provincial capitals; indeed, as of 2013, there are now more state universities than provincial capitals.

Each regional university has its own economics program, each of which should be a catalyst for economic development and better governance in its location. However, this is seldom the case. The researchers' focus is usually not on that region's specific inadequacies or bottlenecks, nor is it on the type of hands-on, nitty-gritty research that is required to actually solve a problem. Why? Because such research is not publishable in the journals that the researchers believe they are required to publish in if they are to advance. Unless those university economics programs emphasize the development of a research niche specifically tailored to the area they are in, and create a ranking metric that reflects that niche, they will add little of value to the local area and may even end up doing harm in the long run. Such harm will be the indirect result of having directed the most intelligent academics to pay attention to something other than that region's unique problems. Hence, I suggest a basic rule of reasonable research focus: to keep economists doing their research with gusto, every program should define its niche sufficiently narrowly so that it has a shot at becoming number one in that specialty area of economics.

What type of niches can Turkish economics programs carve out for themselves? Some, in tourist areas, might delve into the economic aspects of Islamic tourism; their goal would be to have the best researchers in Islamic tourism in the world. Others, in resource-rich locales, could make a name for themselves in certain resource-related studies. Still others associated with

finance could bring modern economics concepts to bear on Islamic finance. Other possibilities are linkages with local public finance and governance issues. Much of this work would be transdisciplinary, since real-world problems do not follow disciplinary lines. It would also be readable and understandable by policymakers, reflecting the needs of the region where the university was located.

To clarify what I am suggesting: establishing a niche is much more than a university economics department's having a research focus on an area. *A research niche requires an advancement metric that was inspired by that niche*; research is defined as to whether it is appropriate to that niche. Known for its research niche, a given university will be far less likely to recruit professors from programs that do not offer courses in that area of study. Rather, each program will fit in with other economics programs around the world that have similarly defined niches; thus, a Turkish university focusing on tourism might hire a graduate from a Chinese university similarly focused, just as a Chinese university might hire a graduate from a Turkish university. Hires might also cross disciplinary boundaries.

As each program develops its own ranking of publications most in tune with its research niche, there will no longer be a one-dimensional global ranking of publications. Instead, there will be many non-comparable rankings.⁴ This means that an article in a narrowly focused journal covering the area the university has chosen as its research niche will likely count as high, or higher, than one in a publication that ranks high in the current global publication rankings.

6. An Alternative Problem-Solving Metric

Unfortunately, creating a niche approach to research will be politically difficult, thus calling for an alternative proposal that can complement, and encourage, such an approach. In fact, it is a proposal that I put forth in *The Making of a European Economist* (Colander, 2009). In essence, the idea is to make the research portion of a professor's pay dependent on his meeting a market-determined metric rather than a journal-article research metric.

⁴ I am not saying that a program would not hire some general economists who are outside the program's niche or that they would not be interested in a top globally ranked economist should that economist be interested in being there. For example, if Dani Rodrik wanted to teach at a particular university, any economics department in the world, regardless of its research niche, would be crazy not to find a position for him. But those hires would be the exception.

This would require the establishment of a market-based system that builds an output metric into the funding mechanism for a research project, thereby doing away with the need for a system-wide post-research formal output metric. Specifically, the system would revolve around research vouchers, which I will call TRUs (Turkish Research Units), denominated in Turkish liras. Rather than paying professors to do some unspecified research, as is the current practice, the Turkish state would only pay professors for teaching, thus freeing up that portion of the university's funding that formerly underwrote research.

The state and other Turkish funding agencies for universities would then use those funds to create TRUs to distribute either directly or indirectly to the demanders of Turkish economics research in an amount equal to the research funding for salaries that they are already providing to the university. So if 50% of an academic economist's time is to be devoted to research, then 50% of his pay will not be supplied by the state directly to his university, but instead will be handed to demanders of his research. In turn, these "customers" would transfer these TRUs to the professors upon completion of a research project they had chosen to support. Accordingly, in order to be paid the research portion of his remuneration, the researcher would have to "earn" TRUs of that amount. These research projects bankrolled by such TRUs could originate with the professor or with the funding agency. The professor would then pass on the TRUs he or she earns to the university as the measure of the research's output, whereupon the university would convey to the professor the research portion of his total compensation.

This market-based research solution is relatively simple, modifying as it does the funding system of universities so that it directly incorporates an incentive to do research. If a professor carries out the research that funding agencies are willing to support, he or she gets compensated with the research portion of the salary; if one doesn't do "fundable" research, one doesn't get paid the research portion of his salary. In that way, the market-based research system provides a "market" answer to the incentive problem that is both more and less radical than the "impose a quantitative metric" rule that is currently being followed everywhere.⁵

⁵ The professors to whom I have presented this proposal have not been enthusiastic about it. This is not surprising. Few individuals like to submit themselves to the market, especially if they can receive payment without undergoing the ordeal of doing so, as they currently can.

7. Some Specifics of the Proposal

It should be obvious to the reader that the funding agencies' role in guiding research would be greatly expanded under this scenario. They would influence academic research by their choice of where to direct the TRUs. If the funding agencies want to fund what I call scientific hands-off research, which is essentially the research that professors now do, they would provide the TRUs to scientific foundations, whose role would be much more prominent under this system. These scientific foundations would not only back supplemental research funds, as they currently often do; they would also subsidize the standard salary for the research component of a professor's work. Thus, any funded scientific hands-off research that is subsidized will have to make it through an initial scientific peer-review panel that will decide if that research is worthwhile. Admittedly, this places an initial hurdle in the path of scientific research, but successful negotiation of it is likely to boost the possible usefulness of the research. I would expect about 20% of the TRUs to go for such scientific research of the type now taking place.

I would expect another 20% of the research funding to support what I call teaching-oriented research. This is not scientific research, but is research that would benefit teaching. Work in economic history, the history of economic thought, institutional economics involving case studies, general policy work, and work involving discussions of broader ideas within economics all fall within this category. This research is not science, but it enriches teaching, and one would prefer teaching-oriented professors to apply themselves to this type of research. Thus, I would see funders establishing Teaching Foundations that would be given TRUs to allocate through a competitive process in the same way that the scientific foundations allocate their TRUs. There is much of this teaching-oriented research already going on in Turkey, although it is being squeezed out by the focus on a quality-weighted journal-article research metric. This proposal would provide a channel for it to receive funding if the funding agencies believed that it had merit.

Both of the above types of research are currently being done, and if transferring the funding structure of existing research were the only result of such a program, it would serve little purpose. My strong suspicion is that when the Turkish government is presented with the "academic research question" in this manner, it will not choose to fund anywhere near as much scientific hands-off research and teaching-oriented research as is presently the case. Instead, it will probably change the nature of the research it pays for by bypassing scientific agencies that support hands-off scientific research and teaching entities that fund teaching-oriented research in favor of applied-

policy non-profit agencies, NGOs, national government agencies, local government agencies, and possibly new emerging companies, all of which could use the advice of an economist. If this happens, the nature of the research chosen by academic Turkish economists would change significantly, becoming much more of the hands-on applied type that benefits the community where the university is located. Specifically, I foresee approximately 60% of the funding going toward hands-on research, i.e., where the university economists help the local community to solve problems with an economic component.

How would this be done in practice? The groups receiving these TRUs would post their “research jobs” on a website devoted to matching the demand for research with researchers. They could either post the number of TRUs they are willing to pay for the research, or they could put the research out for bid, but ultimately a match-up would result. The research could be for general consulting, or for a specific project, such as setting up a study or simply reviewing a study that has already been done. Agencies given TRUs might be required to post performance evaluations of the economists’ efforts with the funding agencies. These evaluations could be published on the website, or simply provided to other agencies that are casting about for suitable future researchers.

8. Conclusion

This has not been a run-of-the-mill economics article. It involves far too much conjecture and broad thinking than is appropriate for a usual journal article. Instead, it has been an exploration of a two-pronged problem—namely, the research carried out by Turkish economists helps Turkey far less than it should, and too often it is done to get published and not to most effectively solve the country’s problems.

I have offered two ways of dealing with these problems—one is for Turkish universities to develop a new journal-ranking method focusing on a particular research niche, and to use that ranking to evaluate research; the second is a voucher system that would give Turkish demanders of Turkish economic research more direct control over what research is done. Because each proposal would change the incentive structure presented to Turkish economists, each would affect which path Turkish economists decide to pursue. They would make what Turkish economists want to do much more consistent with what Turkish society wants them to do. And by making the two more consistent, it could lead Turkish economists to do their research with the gusto that should accompany it.

I have little expectation that either program will be implemented. But even if that is so, I believe that considering them will generate needed discussion and lead to proposals that adapt the ideas behind them into proposals that fit the specific Turkish institutional structure. I hope this article gives rise to a variety of other articles about variations on these proposals, and that *Ekonomi-tek* decides on practical incentive-compatible academic-research proposals as one of its research niches, becoming in the process the go-to journal for university economics programs all over the world who may be considering that issue.

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