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RESEARCH IN ECONOMICS

DISCUSSION NOTE

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Research in Economics

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Research in Economics is complex and complicated. It is the same for every researcher around the world. Even the best of the best goes through the same struggle. The best way of learning research in Economics is by failing. You fail once, you try again. You fail again, try again. It is iterative until you succeed in your quest of being the best of the best. You won't find any rules and regulations about conducting research in Economics because there aren't any. All we find is an individual perception that turned out to be successful for them. I am not talking about the kinds/types of Economics research. Also, not discussing about the methodology in Economics research or even about how to write an Economics research paper.

Research in Economics means bringing out the meaning to/in/for life through social welfare. This can only be achieved by solving globally and locally significant problems where we are concerned with the maximization of social welfare among maximum people in the world.

The most difficult part of STEEM² is Economics. It is not because I am an Economist, but because anything and everything we work for could/would impact the lives and livelihood of the people in the form of income levels, savings, expenditure, consumption, price, quantity, import and export, and production and manufacturing of goods and services among many other things. I do not say that Science, Technology, Engineering, and Mathematics aren't important, they are equally important, but the amalgamation of these four with social welfare for all weighs more. It has to be understood that Economics is not just social science. Economics is a different kind of science which is a difficult discipline to explain in words and there won't be

² STEEM – Science, Technology, Engineering, Economics, and Mathematics

any one interpretation for it and certainly not a perfect one available. It is something one should conduct³. That's the closest I think one can come up.

When it is about maximizing the welfare for the majority of people, it becomes extremely important to understand how do we bring out the quality research in Economic Sciences? Most of the research I observe are excellent but lack the significant factor where it should be impactful either globally or locally or both. The research having both global and local significance is generally considered astronomical. One should not confuse oneself with having an astronomical topic. Great topics might not result in great research work or vice-versa. Therefore, how do we conduct quality research?

So far, the best way I find is to consider Economic Sciences research as the construction of a road. Quality research is focused on the construction of road rather than merely filling of tiny bits of angular rocks in the road already constructed well.

How do we find such a quality research topic? It is certainly not a magic, and nobody carries a magic lamp like Aladdin where a Genie would appear and grant three wishes. It requires deep understanding of the subject-matter, recent trends and related problems pertaining to welfare. But again, we need to understand that the policymakers work for maximizing the welfare for the majority of population in the country. The effects could be duplicated with the effective implementation of the same in other states of the world. But that's a separate deal altogether.

I have always critically analysed research work with a thought as to how this research work is locally or globally significant? Why this research is not locally or globally significant?

³ Using big data to investigate and resolve problems in the field of public economics. Extensive use of advanced mathematics apart from, mere, Statistics. Inclusive approach towards bringing applied science while analysing economic aspects, allowing researchers to bringing out a more focussed research work. Such instances and notion cannot be ascertained into one single definition for Economic Sciences.

How does this research work maximize the welfare of the maximum people of the country? Such questions could make one develop a research work that could resolve such issues and questions pertaining to local or global significance.

To develop quality work, one can attend seminars and graduate level work-in-progress seminar, one can read at least abstracts, introduction, and results and conclusion in QJR⁴, JPE⁵, AER⁶, RES⁷, ECMA⁸, NBER⁹ working papers, and other leading journals of Economics and Econometrics (reading mainly depends on the interest and objective of the researcher or that of the reader), reading survey articles¹⁰ in the research field, reading both old and bad journals, reading books of Economics concern, discussion among each other, and talking to non-economists about the welfare issues and their perspective on the matter.¹¹

It is highly advised not to expect topics from your advisors. They wouldn't wait for you to come up with the quality research. They are reputed and have established themselves to think and build upon such quality work. The whole process is a game of patience, and it is something that most of the young upcoming Economists lack in them. They don't understand what gardening is. Gardening is an act of patience where you lay the seeds and wait while watering them every day with appropriate quantity of water (the frequency of watering the plant per day is of utmost importance too). As season changes, the sapling requires appropriate nutrients in the form of manure and NPK¹² fertilizers. Yet, the uncertainty in the efficiency and optimality of whether it will bloom or not is highly unpredictable. It remains both complex and

⁴ QJR – The Quarterly Journal of Economics.

⁵ JPE – Journal of Political Economy

⁶ AER – American Economic Review

⁷ RES – Review of Economic Studies

⁸ ECMA - Econometrica

⁹ NBER – National Bureau of Economic Research

¹⁰ in Journal of Economic Literature and Handbook of Economics, among others.

¹¹ Pischke, S., (2012), “*How to Get Started on Research in Economics?*”, London School of Economics and Political Science, London.

¹² Fertilizers labelled N, P or K indicate the nutrient content vis-à-vis nitrogen (N), phosphorus (P), and potassium (K). All three plays vital role in growth of the plant.

complicated to forecast the fruitfulness of this plant in the ongoing season. Still, the non-declining expectancy over the time continues in our act of gardening until we find ourselves successful which is dependent over various climatic factors continuously being affected by the change in climate.

Our past climate patterns reflect about what happened then, only for us to vaticinate and prepare ourselves. Here, we can observe that we studied past climate patterns for our futuristic actions towards safeguarding and social welfare of the people. Studying and analysing past should be done only to speculate our approach towards our social insurances. We are in no position to base our assumptions and hypothesize purely on the past events in our research work. It is required to build upon the work of the past, validate the research in the present scenarios only to forecast the future. Leaving the work merely at the conclusions of past analysis would not be sufficient. It is incomplete and it should be treated that way. The work of an Economic Historian only makes it better to understand how the economy reacted to the actions of the players-in-charge then. Here, I'll highlight the work of Dr. Michael Aldous¹³ who extensively works on investigating British CEOs of 18th, 19th, and 20th Centuries, examining behavioural factors such as personality traits, career progression, and networks on the firm performances and hence, the economy. He has investigated the British Railways, tea plantation during the British rule in India, and recently, investigating the role of Banians in the 19th Century Bengal Economy¹⁴. This research work extensively highlights the influence that the community of Banians had during 19th century Bengal Economy in British ruled – India and opens the scope for investigation as to how they are working now contributing and influencing the economy of an independent republic country, India.

¹³ Dr. Michael Aldous, Senior Lecturer, Queen's University Belfast, UK. [PhD-LSE'15, MSc-LSE'11, MBA-IEBS'07, and BA-UoNottingham'00]

¹⁴ Aldous, M. (2021). Partners, Servants, or Entrepreneurs? Banians in the Nineteenth-Century Bengal Economy. *Business History Review*, 94(4), 675-697. DOI: 10.1017/S0007680520000689.

As we know Prof. Paul N. Rosenstein-Rodan would believe that isolated and small efforts would not make a sustaining impact on economic growth¹⁵. If the process of development is to be initiated, we certainly require a big push in investment. To quote him,

“...launching a country into self-sustaining growth is a little like getting an aeroplane off the ground. There is a critical ground speed which must be passed before the aircraft can become airborne. Proceeding ‘bit by bit’ will not add up in its effort to the sum-total of the single bites....”

Drawing similarity to the Research in Economics, I clearly stated that our primary objective should be the construction of road rather than filling the gaps with angular rocks which explains its significance in global and local scenarios as well as a mean of social welfare.

In the words of Prof. Basanta Kumar Pradhan¹⁶,

“... there are three key elements that one should focus on in Economic Sciences research, viz., 1) theory, 2) empirical, and 3) output. To be considered a really good and quality research, one should at least make an attempt to have at least one of the three to be an original self-thought work. If all three elements are aboriginal, then the magnitude it would amount to would be nothing less than a breakthrough and miracles are, then, waiting to happen....”

¹⁵ Rosenstein-Rodan, P.N., 1943, “Problems of Industrialization of Eastern and South-Eastern Europe”, The Economic Journal, 53(210-211), pp. 202-211.DOI: 10.2307/2226317

¹⁶ Prof. Basanta Kumar Pradhan, Ex-Head, Development Planning Centre, Institute of Economic Growth, Delhi, India. Currently: Director, Indira Gandhi Institute of Development Research (RBI Endowed Research Institute), Mumbai, India

Understanding that progress in research is, simply, non-linear. There will be all sorts of hurdles, and moments where every great researcher thinks that nothing is going per plans but remember there are all swift and frisky curvets.

Thinking about the policy implications and implementation of the research work coherence with the available law of the land is the key to achieving the factor of global and local significance. The greater this factor, greater the impact of the research work. Most of the research work that I have witnessed are excellent, but they do not align with the laws of the land the research work is conducted for. Hence, their excellence becomes questionable pertaining to their implementation. Therefore, it is scrupulously required to work on such aspects of the research work. Else, why would you want to waste your time and effort for something that people and the communities do not either understand or ultimately value.

RECOMMENDED READINGS

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