

**PROSPERING**

**WISELY**

**How the humanities  
and social sciences  
enrich our lives**



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# Introduction

BY LORD STERN OF BRENTFORD,  
PRESIDENT OF THE BRITISH ACADEMY

**‘Prosperity’. What does it mean, and how can it be fostered? How can people and communities have the opportunity to prosper, in the sense expressed by Amartya Sen, of expanding their capabilities ‘to lead the kind of lives they value, and have reason to value’? [1]**



**Nicholas Stern**

research and scholarship in humanities and social sciences do. The quest for a better, deeper, more valuable life has always been at their heart. They seek to illuminate the human condition and explain how economies, cultures and societies function. In addition to the intrinsic value of this quest, the insights it generates can guide – and promote – reasoned political and public discourse, by bringing fresh knowledge and ideas to the fore.

The UK's deep reservoir of research and expertise across these disciplines – from history to psychology, economics to law, literature to philosophy and languages to archaeology – is a national asset which informs and enlarges our understanding and decision-making. It is driven by a desire to examine and explain human behaviour and aspirations: to

Our times confront us with tough choices, as societies, as economies, and as individuals. To understand challenges which include an ageing population, migration, sustaining the environment and managing climate change, we require conceptual clarity and impartial, evidence-based research and analysis, together with open-mindedness and creativity in exploring new ideas.

This is precisely what

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1. A. Sen, *Development As Freedom*, New York, 1999, page 18

understand empirically how and where society is functioning and malfunctioning; to explore the ethical foundations of decision-making and its underlying assumptions; to seek to learn from history; to scrutinise how evidence supports or undermines policy options; to analyse the drivers and implications of a changing world economy and polity, and how different societies and cultures interact. It encompasses all of the elements that make for 'a good life' and a healthy society.

Alongside the complementary and similarly essential disciplines of science, engineering and medicine, the humanities and social sciences are vital drivers of human progress. They provide the rigorous scrutiny and insights, the ideas and the long-term thinking that can and should have a profound influence on social and cultural well-being, on a modern economy driven by knowledge and innovation, and, ultimately, on our place and reputation in the world. A society without thriving social sciences and humanities risks achieving at best only an arid kind of prosperity, far less rich than our creative human culture deserves – and at worst confusion, apathy, decline and conflict.

As my predecessor as British Academy President, Sir Adam Roberts, observes, 'I do not know of a single major problem

that we face, be it the environment, how to get economic growth started again, or how to reconstruct business in an era where we are past the stage of heavy reliance on industrial manufacture, that does not require attention both from the physical sciences and from social sciences and humanities.' [2]

The crucible for creating ideas and understanding, and developing learning and expertise here in the UK is in our universities, hugely respected throughout the world. Humanities and social sciences are taught by 65,000 academic staff (more than a third of the total, and around half of all active researchers). One million UK undergraduates study them (46 per cent of the total) together with some 60 per cent of all postgraduates; and most leaders in public life – government, business and the voluntary sector – were educated in these disciplines. They also attract some 250,000 overseas students annually (nearly 60 per cent of the total), making vital contributions to the future of our international relationships and to our economy. [3]

The kind of economy the UK now has, and shares with more and more of the developed world, depends on the fuel of creativity, knowledge and skills from social science and the humanities, just as it needs capital resources and

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2. In his interview for this booklet. Video version and longer text version available at: [www.britishacademy.ac.uk/prosperingwisely/roberts](http://www.britishacademy.ac.uk/prosperingwisely/roberts)
  3. All figures are sourced from HESA (Higher Education Statistics Agency) published data for the academic year 2011/12 and the REF Survey of Submission Intentions, published by HEFCE, January 2013

equipment. This ‘fuel’ helps achieve growth that can renew and adapt – by driving innovation, by challenging, by questioning and by offering up new ideas. It is central to one of the fastest growing sectors, the cultural, creative and digital industries, which Government estimates as accounting for at least 8 per cent of GDP. [4] But that is just one part of the economy where these disciplines matter.

More than three-quarters of the UK economy is now in services, which flourish by employing people with knowledge and skills from the humanities and social sciences – skills of critical analysis, problem solving, negotiation and communication, teaching and listening, and speaking other languages. And these contributions go far beyond sectors classified as ‘services’, into companies in manufacturing or natural resources. An oil company, for example, needs the skills of geologists and engineers but, just as important to its ability to function successfully, it also needs skilled human capital and specific sector skills in a range of other areas. These include international relations, political economy, law, marketing, finance, management (particularly of risk), geography and logistics, the history, culture and languages of places where it produces and sells, and so on.

In this booklet we illustrate the humanities and social sciences at work: how academics are using their research, insights and expertise to improve people’s well-being, in the UK and internationally. We describe how their work helps sustain the political and legal frameworks that protect a healthy, politically engaged democracy. Occasionally, this requires challenging and serious questioning of existing ideas and structures, or of the powerful. And we give examples of how understanding, knowledge and new ideas can inform and influence public policy and help bring about change.

This document contains contributions drawn from longer interviews with some of the UK’s leading academics, all Fellows of the British Academy (FBAs), which offer illustrations of the great potential of informed public reasoning in action. Fuller versions of these interviews can be found in the online version of the booklet, available through our website at [www.britishacademy.ac.uk/prosperingwisely](http://www.britishacademy.ac.uk/prosperingwisely)

The British Academy’s Fellows embody and represent the very best of academic life in the humanities and social sciences. Their work spans a rich diversity of fields which, together, make a huge contribution to our national life. Some of this world-class research is

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4. ONS recorded the size of the UK service sector as 77.8% of GDP in April 2013, [http://www.ons.gov.uk/ons/dcp171778\\_315661.pdf](http://www.ons.gov.uk/ons/dcp171778_315661.pdf). The proportion that can accurately be allocated to the creative, cultural and digital industries is statistically elusive. The 8% government estimate is quoted by Jeremy Warner, *Daily Telegraph*, 3 March 2011, see: <http://www.telegraph.co.uk/finance/comment/jeremy-warner/8358045/Intellectual-Property-reform-cannot-be-dictated-by-Google.html>. DCMS figures also indicate that the sector accounts for some two million jobs and is worth over £36bn a year.

carried out by teams of researchers, but much comes from the commitment and talent of individuals, building on a rich legacy of scholarship stretching back through decades and often centuries.

Academics and politicians have a shared responsibility to use this knowledge and understanding to help create an intellectual atmosphere in which more people, especially the young, feel moved to contribute. Their involvement matters, not only because of their talent, energy and ideas, but also because it is their futures at stake. The revolution in communications and social media has created unprecedented opportunities for interactive public discourse. Yet the Hansard Society's annual survey of voter engagement in 2012 reported finding 'a disgruntled, disillusioned and disengaged public, turning away from politics. Across almost every area of engagement examined by the audit trends were downward, in many instances to the lowest levels ever recorded.' The 2013 report confirmed that this was not a blip: it found that just 41 per cent of the adult population would be certain to vote in an immediate general election and for 18-24 year olds that figure was just 12 per cent. [5] These figures reinforce the impression that the public political arena – the quality and quantity of questioning, and the serious discussion of evidence – is shrinking before our eyes.

We have, in my view, reached a position which is potentially of great historical significance. We are witnessing a decline in confidence, and sometimes a growing mistrust, not only in political processes and politicians, but in social institutions such as the media and journalism, the police and religious organisations. Inequality is rising on many crucial dimensions. We have, for many, a confusion or anxiety around moral or social values, and community or individual identity. In my own subject of economics, we have less confidence in our ability to understand processes of growth, employment and change. We must seek growth that is sustainable in relation to our natural environment. And these difficulties are not confined to our own country; they are reflected in many societies, rich and poor, around the world. These difficulties affect us all, from young people looking for work, to older people worried about the future of their healthcare.

If we, as a society, cannot put this process into reverse, we will all be the losers. We need a new kind of national conversation, and the voice of the humanities and social sciences must be at its centre. Our researchers and scholars help delineate the choices we confront as a society and as individuals, and how best to respond. They help make the complex intelligible, and help

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5. See <http://www.hansardsociety.org.uk/research/public-attitudes/audit-of-political-engagement/>

us understand human values and possibilities. Their business is to challenge and question, and their challenges are sometimes awkward and difficult for those in authority. They demand rigour and honesty, they force alternative ethical or social perspectives into the open. The British Academy has a key role in a new national conversation that can strengthen public discussion and help us understand better the meaning of prosperity, and identify pathways to greater prosperity, in all its dimensions.

We have chosen the title *Prospering Wisely* to underline how the humanities

and social sciences can help shape our standard of living and further our quality of life. Prosperity by itself is not enough: it must be married with wisdom. In a complex modern society, we need to *think* and *understand* in a way that is open, creative and rigorous. And we must talk to each other in a reasoned, reflective and careful way. We hope this booklet helps to show how a wise understanding of prosperity can deepen and broaden well-being across our society, help us think about and tackle the great challenges of our times, and give us valuable insight into our lives and communities.

## NOTE

**In this booklet we use the terms ‘prosperity’ and ‘well-being’ in a wide sense, embracing the range of human and social functioning – usage that derives ultimately from the ancient Greek notion of human flourishing, or *eudaimonia*, and which has been given systematic development by economists, psychologists and others.**

**The three chapters that follow focus in turn on distinct aspects of prosperity: firstly, understanding the meaning of, measuring and seeking to foster fuller,**

**better lives; secondly, nurturing a healthy, open democracy; and finally, continuing to encourage inventiveness, fresh thinking and the growth of knowledge. In each case we illustrate the powerful contribution made by the humanities and social sciences. The views expressed here are not a single voice and not a ‘position’ of the British Academy. Some may be controversial, for which no apology is needed; as we argue here, lively debate and disagreement is an indispensable part of a rich and healthy intellectual life.**

# Living Better

**Beyond material measures of individual wealth, people want to live in a society that invests in its people, one that allows them to prosper. But how can this be achieved in a world of stark inequality facing equally stark economic and resource challenges?**

## WHAT MAKES FOR 'A GOOD LIFE'?

Well-being is a crucial element of prosperity. Since antiquity, philosophers and historians have reflected on what makes for a good life, and in our own time, social scientists have become increasingly influential in getting governments to recognise its importance.

In 2008 French President Nicolas Sarkozy asked the

Nobel prizewinning economists (and British Academy Fellows) Joseph Stiglitz and Amartya Sen to establish an international commission to explore wider ways of capturing prosperity which extended beyond Gross Domestic Product (GDP) or income per head. These would challenge the world to develop a new set of internationally approved measures that could encapsulate all of a nation's human and physical resources – including leisure time, people's sense of community, equality of opportunity and the quality of public services.

This 'Commission on the Measurement of Economic Performance and Social Progress' (which also included leading British economists Tony Atkinson FBA and Nicholas Stern) reported the following year and its recommendations had considerable influence. It identified eight dimensions that make up overall well-

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6. Sarkozy Report – source: <http://www.stiglitz-sen-fitoussi.fr/en/index.htm>  
(Quote is from Executive Summary, page 8)



being, many of them missed by conventional measures of prosperity: economic well-being and work; health, education and political voice; personal relationships, environment and security. The Commission examined each of these concepts in detail, and explored some of the relationships between them ('traffic jams may increase GDP as a result of the increased use of gasoline, but obviously not the quality of life'). Its report pointed to possible ways of measuring them and also highlighted the vital importance of gathering subjective, qualitative evidence, including self-reported data on life satisfaction. [6]

A new Commission to explore the ways in which well-being can drive practical government policies at an individual, community and regional level was established in 2013 by the Legatum Institute, chaired by former Cabinet Secretary Lord O'Donnell. [7] After the 2010 UK election, Prime Minister David Cameron asked the Office for National Statistics to start rating Britons' overall sense of their own well-being in an annual 'life satisfaction' index; the first findings for 2011/12, published in 2012, showed an average score of 7.41 out of 10. An update for 2012/13 published in July 2013 suggested this had risen slightly to 7.45, [8] although it has been pointed out that major national celebrations such as the Diamond Jubilee and Olympic Games

may have complicated straightforward comparisons with the previous year. [9]

The Organisation for Economic Cooperation and Development (OECD) is similarly placing ever-increasing emphasis on the need for prosperity to be examined and assessed across a much wider range of measures. In its 2013 Development Cooperation report, *Ending Poverty*, it highlights the importance of the world moving beyond a focus on economic growth alone. OECD Secretary-General Angel Gurría says in his foreword to the report, 'The number and diversity of actors in development is increasing, global interdependencies are growing, and inequalities are on the rise despite periods of economic growth. These trends call for broader measures that address poverty and development not only as a question of income, but also of inequality, sustainability, inclusiveness and well-being.' [10] This growing consensus represents a call not only for scholars and experts in different fields to use their specialist knowledge and research to improve the way these areas of life can be measured, but to encourage them to go further in seeking improvements across these measures, or at least to help ameliorate the threats today's major challenges pose to them – and advise and challenge policy-makers accordingly.

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7. Legatum Institute, see <http://www.li.com/programmes/commission-on-wellbeing-policy>
  8. ONS report 2012 – source: <http://www.ons.gov.uk/ons/guide-method/user-guidance/well-being/index.html>
  9. See for example the response from the New Economics Foundation, <http://www.neweconomics.org/press/entry/increases-in-uk-well-being-but-can-they-be-sustained>
  10. See <http://www.oecd.org/dac/dcr2013.htm>

## EVIDENCE-BASED RESEARCH AND PUBLIC REASONING

This is not to deny that financial prosperity remains vital to the quality of people's lives and the opportunities they have. One of the most obvious challenges for politicians, as for many social science researchers and academics, is to explore specific ways to improve the material circumstances of particular groups within society. Governments do sometimes act on the evidence brought forward on the basis of rigorous research. For instance, the 2012 report on fuel poverty led by Sir John Hills FBA, Professor of Social Policy at the London School of Economics (LSE) demonstrated the flaws in current measurement systems and proposed new and better ways of assessing it. In response, the Department for Energy and Climate Change announced plans to find better ways of achieving 'affordable warmth' for low-income households, through new heating and insulation measures. [11]

In a similar vein, the Commission on Funding of Care and Support led by the economist Sir Andrew Dilnot was a key influence on the recent government announcement for the state to cover care costs once they exceed £75,000 (from 2017). Dilnot welcomed this policy change despite the figure being set

considerably higher than his report had proposed, telling the BBC's *Today* programme: 'It is a shop with no prices at the moment and you've got to be very, very wealthy to be comfortable in a shop where there are no prices. This should radically reduce anxiety and create a world where providers and consumers of care can plan'. [12] The steadily ageing population is one of the biggest societal challenges of our time and has been chosen as the first topic for *The British Academy Debates*, a series of public discussions held in different UK centres, starting in February 2014. The aim of these debates is to set out some of the possibilities and pitfalls of public policy-making in each area, says Nicholas Stern, based on careful analysis and discussion of the key issues, concepts and options surrounding it. 'We want them to help avoid ill thought-out, short-term policy-making, so that when decisions are made, they are made with more maturity than you find in the usual cut and thrust and sloganising. And we hope they will demonstrate the value of informed, structured public reasoning.'

Most would recognise the vital importance of both physical and mental health to people's well-being. Many psychologists devote their careers to exploring ways to ameliorate specific mental health difficulties faced by

11. See [http://webarchive.nationalarchives.gov.uk/20121217150421/http://www.decc.gov.uk/en/content/cms/funding/fuel\\_poverty/hills\\_review/hills\\_review.aspx](http://webarchive.nationalarchives.gov.uk/20121217150421/http://www.decc.gov.uk/en/content/cms/funding/fuel_poverty/hills_review/hills_review.aspx)

12. *Today* programme, BBC Radio 4, 11 February 2013. More on the 2011 Commission on Funding of Care and Support can be found at <http://webarchive.nationalarchives.gov.uk/20130221130239/http://www.dilnotcommission.dh.gov.uk/our-report/>

particular groups of people – but these are not issues for psychologists alone. One notable example has been the collaboration between two British Academy Fellows, David Clark, Professor of Psychology at Oxford University and national clinical adviser at the Department of Health, and Lord Layard, founder of the LSE’s Centre for Economic Performance. Drawing on their respective research expertise in psychology and economics, they campaigned successfully for the introduction of cognitive behavioural therapies that could run alongside and sometimes replace drug treatment for people with anxiety and depression. These ideas have been heavily influential in the NHS, where the development and growth of the IAPT initiative (Improving Access to Psychological Therapies) now offers thousands of people more widely available and more cost-effective routes back to better health. [13]

Similar, intensely practical concerns motivated Dame Hazel Genn FBA, Dean of the Law School at University College



**Hazel Genn**

London (UCL) and a former lay member of the Judicial Appointments Commission. In her groundbreaking investigation *Paths to Justice*, [14]

she emphasised hitherto neglected relationships between people’s health and well-being and unresolved problems in legal disputes. A highly influential study for policy-makers in the Labour Government when it appeared in 1999, it has remained a reference point for successive ministers in thinking about the cost and effectiveness of legal services. She believes this was because it shifted the focus to ‘the impact that unresolved legal problems can have on people’s health, on social relationships, on family relationships; how having a legal problem you cannot solve can have a cascade effect, so that everything starts falling to pieces.

**‘Instead of focusing on what judges, lawyers and the courts were doing, *Paths to Justice* flipped government thinking to ask “Hang on, what is it that people want? What do the consumers or potential consumers of the legal system want from it?” It changed the way the government thought about things.**

‘What I am interested in is how the law works’, she adds. ‘Does the law do what it is supposed to do? Can people use it the way we want them to be able to? How does the law support social order? How does the law support economic activity, economic development? Might it be that the law and the justice system are as

13. See <http://www.iapt.nhs.uk>

14. H. Genn and S. Beinart, *Paths to Justice*, Oxford, 1999

important to our nation's health as our hospitals?'

The well-being of citizens has always been dependent on the existence of sound legal structures and courts, and the legal doctrine and theory they depend on is under constant interrogation and refinement by scholars. 'We influence the way judges think', Genn explains. In England, the common law is founded in the decisions of judges in individual cases: academics then seek to put it in order, framing how the law is developing on the ground. 'Practitioners depend heavily on academic lawyers not just to write heavy-duty analysis of doctrine, but also to explain. We write practitioner texts and distil the essential principles they need to have at their fingertips in order to advise clients and argue cases in court.' [15]

## THE CHALLENGES OF INEQUALITY

For a long time scholars have emphasised both differential and absolute prosperity, with many arguing that the former matters most. The sociologist (and former President of the British Academy) Lord Runciman argued in his seminal work *Relative Deprivation and Social Justice* that relative deprivation arises where people believe they have a realistic expectation of obtaining something that other people

with whom they can readily compare themselves possess. Health inequalities are a classic example. As Sir Michael Marmot FBA said recently, 'I would say to any government that cares about the health of its population: look at the impact of their policies on the lives people are able to lead and, more importantly, at the impact on inequality. Health inequality, arising from social and economic inequalities, is socially unjust, unnecessary and avoidable, and it offends against the human right to health.' A newly published British Academy Policy Centre report also examines these challenges, and proposes possible approaches local authorities might adopt to mitigate them. [16]



**Anthony Heath**

These kinds of challenges have also been lifelong concerns of Anthony Heath FBA, Professor at Oxford and Manchester universities and an expert on various kinds of inequality.

He has worked with government departments in Whitehall and with the United Nations Development Programme in Bosnia and Herzegovina, and with the OECD on ways of increasing disadvantaged minorities'

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15. A video version of this interview with Hazel Genn and the longer text version published in a special edition of the *British Academy Review*, are available at [www.britishacademy.ac.uk/prosperingwisely/genn](http://www.britishacademy.ac.uk/prosperingwisely/genn)
16. W.G. Runciman, *Relative Deprivation and Social Justice*, London, 1966. Michael Marmot, quoted in *The Guardian*, 30 October 2013; <http://www.theguardian.com/society/2013/oct/30/britain-inequality-public-health-timebomb-marmot>  
See also the British Academy Policy Centre report '*If you could do one thing... Nine local actions to reduce Health Inequalities*, 2014, available at [http://www.britac.ac.uk/policy/Public\\_Policy.cfm](http://www.britac.ac.uk/policy/Public_Policy.cfm)

access to labour markets, on promoting social cohesion and on tackling racial discrimination in the labour market. In his latest research, he has sought to shine a light on issues of ethnic inequality, in particular black unemployment rates. ‘Young black men have double or treble the unemployment rate of their white contemporaries. I think that is a major issue of social injustice – and that it threatens social cohesion and social order,’ he says. ‘Are we living up to our ideals of a liberal society offering equality of opportunity? The evidence shows that these inequalities are huge and are not declining. So the next stage is to try to think what could be done. What reforms would be effective? Can we investigate potential levers that might go some way towards reducing the inequality?’

**‘The National Audit Office argued in a recent report that under-employment of minorities costs the economy something like eight or nine billion pounds a year. So there is a very powerful business case for tackling issues of discrimination and under-employment.’**

Tangible policy outcomes often emerge from this type of research, such as the last Government’s introduction of education maintenance allowances, based on findings that working-class

children were leaving school early, often for economic reasons. Detailed empirical research can also play an important role in getting to the heart of an issue: defining the facts and discouraging politicians from taking potentially dangerous wrong turnings. British Academy funding contributes to these kinds of social science research; [17] and Heath points to the example of a recent study he carried out for the Department for Communities and Local Government. ‘They wanted rigorous, impartial evidence on whether ethnic diversity undermined cohesion or not. We had no idea until the results came out. The research actually showed that diversity had no negative effects on social cohesion and that the real driver of lack of cohesion was poverty and neighbourhood deprivation.’ [18]

## INFLUENCING HUMAN BEHAVIOURS

Government’s interest in the tools which can encourage people to change their habits or behaviours, and ‘nudge’ them into behaving differently, has resulted in the creation of the Behavioural Insights Team in the Cabinet Office. [19] ‘You can tell people that eating doughnuts is bad for their health, or you can make it more difficult to eat doughnuts,’ says Nicholas Stern. ‘The first is information; the second is nudge. You are intervening

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17. For an example see Dr Shawanda Stockfelt discussing how her British Academy Postdoctoral Fellowship has enabled her to research educational aspirations among Black Caribbean males in the UK. Available at [www.britishacademy.ac.uk/prosperingwisely/pdfs](http://www.britishacademy.ac.uk/prosperingwisely/pdfs)
  18. A video version of this interview with Anthony Heath and the longer text version published in a special edition of the *British Academy Review*, are available at [www.britishacademy.ac.uk/prosperingwisely/heath](http://www.britishacademy.ac.uk/prosperingwisely/heath)
  19. The phrase ‘nudge’ stems from *Nudge: Improving Decisions About Health, Wealth, and Happiness* by Richard Thaler and Cass Sunstein, New York, 2008

in favour of the higher against the lower self, or the longer term against the shorter term self. Many would instinctively think, “Well, that is probably the right thing to do”. But social scientists and philosophers ask, “Is that obvious? Who are you to intervene?” In public policy decisions, you quickly run into these kinds of problems, and it is our duty, from the perspective of the humanities, right through the social sciences, to help in structuring a discussion of responses.’

Hence social scientists investigate the reasons why many people apparently do not think about the perils of sugar and salt in the same way as they think, for example, about nuclear waste or pollution. There is a growing body of important research on mistrust and uncertainty, how people access information, how they calibrate risk, and the abiding force of habit. Philosophy and ethics are central here: to examining, for instance, how we think about time in the present and the future, and the interests of the very young or those yet unborn.

In some ways perhaps the greatest challenge of all is responding to the impact of fossil fuels on our planet. Science tells us what is happening, but we need profound behavioural change to stand a chance of turning the tide and

preventing disaster for future generations. As author of the seminal 2006 Stern Review on climate change, Nicholas Stern emphasises that this risk cannot be seen as minor, in terms of likelihood; and that the stakes are potentially immense. At base, this is a crisis about survival.

**‘We risk – not just a remote risk, a substantial risk – redefining the relationships between human beings and the planet. We risk hundreds of millions, possibly billions, having to move and, if history tells us anything, that will involve severe and extended conflict. The reasons for that conflict cannot just be switched off; you cannot just make peace with the environment having distorted it in the kinds of ways that are now possible. Delay is dangerous as there is a ratchet effect, as flows of greenhouse gases raise concentrations in the atmosphere and long-lived high carbon capital and infrastructure are “locked-in”.’**

The Stern Review has had worldwide influence. It offered an assessment of the costs and risks of inaction relative to the costs and risks of action. It examined the range of options available to governments around the world, stressing the urgent need for a global approach to the issue and arguing that the cost of

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20. N. Stern, *Stern Review: The Economics of Climate Change*, Cambridge, 2006. See: [http://webarchive.nationalarchives.gov.uk/+/http://www.hm-treasury.gov.uk/sternreview\\_index.htm](http://webarchive.nationalarchives.gov.uk/+/http://www.hm-treasury.gov.uk/sternreview_index.htm)

radical present-day actions to cut emissions is small relative to the economic and human costs climate change could impose. [20]

Countering these risks, says Stern, requires the drawing together of economics, psychology and international relations, as well as the natural sciences that help us understand the perils of climate change. 'And economic history and industrial revolutions and what people have done to their environments in the past. It is international politics, ethics, game theory, industrial economics – the whole gamut. You have to bring everything to bear on this subject, because it is a subject that is all embracing.'

And he adds: 'The humanities and social sciences are all about not being able to wave a wand. They are about how you deal with understanding the issues of our time when it's difficult. It is trying to make the difficult and the complex simple enough in terms of principles and ideas that we can find a way forward.' [21]

## OUR CULTURE AND IDENTITY

In what the *Daily Telegraph* called a 'symbolic gesture to celebrate St George's Day', the Communities Secretary Eric Pickles said he wanted

to recognise the old names of former counties such as Cumberland, Huntingdonshire and Westmorland as part of the 'tapestry of England'. 'Our local history', he said, 'makes us who we are.' [22] This view sees identity and well-being as inexorably linked, pointing



**Jonathan Bate**

to the importance of our sense of where we belong and how we relate to our cities and countryside. This has been a central theme of national life for at least two centuries, crystallised in the Romantic era,

when William Wordsworth expressed passions for his native landscape which have coloured our shared sensibility and led to widespread modern-day support for our National Parks and the National Trust. Jonathan Bate FBA, Provost of Worcester College, Oxford, has shown how these institutions owe their origin in large part to Wordsworth's influence. [23]

Bate also points to Wordsworth's contemporary and friend, Samuel Taylor Coleridge, as a valuable guide to well-being. In a collection of essays he edited for the Arts and Humanities Research Council, [24] he contrasts

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21. A video version of this interview with Nicholas Stern and the longer text version published in a special edition of the *British Academy Review*, are available at [www.britishacademy.ac.uk/prosperingwisely/stern](http://www.britishacademy.ac.uk/prosperingwisely/stern)
  22. 'Eric Pickles wants to reclaim historic county names', *Daily Telegraph* 23 April 2013, <http://www.telegraph.co.uk/news/10011425/Eric-Pickles-wants-England-to-reclaim-historic-county-names.html>
  23. See Bate's pioneering work of literary 'ecocriticism', *Romantic Ecology*, London, 1991
  24. J. Bate (ed.), *The Public Value of the Humanities*, London, 2011

John Stuart Mill's essay on the utilitarian philosopher Jeremy Bentham – who argued 'the greatest happiness of the greatest number is the foundation of morals and legislation' – with that on Coleridge, who argued that what we need to do is find the good, the true, the beautiful, the significant, and those are things that cannot be quantified. Bate adds:

**'If we simply followed Bentham it would be football for everybody; if you simply followed Coleridge you might have a rather elitist sense that the people were excluded from high culture. What Mill argued for was some kind of balance between the two.'**

That leads back to our starting point: the desire to identify better ways of measuring the full mix of elements that contribute to human happiness and well-being. It also highlights the importance of the emotional and spiritual dimension of culture; the arts and culture, like religious faith, are a source of well-being to millions of people. As the Archbishop of Canterbury Justin Welby said recently, 'A flourishing economy is necessary but not sufficient. A healthy society flourishes and distributes economic resources effectively but also has a deep spiritual base which gives it its virtue.' [25]

Bate is also the biographer of John Clare, the Northamptonshire poet. He describes him as 'the greatest writer from a humble origin that England has ever seen (Scotland had Burns). He is also our greatest writer about the natural world: flowers, trees, the life of nature.' Bate's biography helped inspire the campaign to preserve Clare's cottage near Peterborough, and facilitate visits there by city children in ways that promoted comparisons between past and present-day cultures. One of the discoveries that proved most fascinating was how greatly this 19th-century poet was interested 'in environmental fragility and ecological change. He witnessed great changes to the land and landscape around him and was an ecologist and conservationist before his time. The rediscovery of that aspect of his work gave a very interesting literary dimension to the questions of what do we do about environmental crisis that have now come to such public prominence.' [26]

In these ways our greatest artists and writers explore and illuminate, sometimes in unexpected ways, timeless human questions. Equally, the creative arts constantly influence each other and are cross-fertilised by academic research. For instance, a creative collaboration between Jonathan Bate and the actor Simon Callow led to the successful production *Being Shakespeare* (first

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25. See interview with the Archbishop in the *Daily Telegraph*, 21 October 2013: <http://www.telegraph.co.uk/news/religion/10392659/Economic-growth-is-not-enough-to-make-Britain-healthy-says-Archbishop-of-Canterbury.html>
26. A video version of this interview with Jonathan Bate and the longer text version published in a special edition of the *British Academy Review*, are available at [www.britishacademy.ac.uk/prosperingwisely/bate](http://www.britishacademy.ac.uk/prosperingwisely/bate)



performed in 2011): the story of Shakespeare's life, dramatised through extracts from his plays. Ideas may be generated by a book, in turn inspired by new research, in turn generating new public interest, reinforced in the media. The recent burst of interest in the Tudor politician/statesman Thomas Cromwell was nurtured by new scholarship by academic historians on early 16th-century government, building on but in important respects revising earlier work. This charged the imagination of Hilary Mantel, whose Man Booker prizewinning novels *Wolf Hall* (2009) and *Bring Up the Bodies* (2012) have reawakened a national interest in Cromwell, the king he served, in Henry VIII's wives and the whole Tudor period – spurring the public to explore Hampton Court and other historic houses, and inspiring other books and television programmes.

There is boundless evidence of this kind of public fascination with the past. When Richard III's remains were discovered beneath a Leicester car park, the nation (indeed the world) was gripped. When archaeologists discovered letters home from Roman soldiers stationed on Hadrian's Wall and the letters were translated, there was real excitement at being able to hear these ancient voices; with thousands of people going to the Roman fort at Vindolanda to see where they had come from. And where 'we' had

come from was a central theme of the dramatic 2012 Olympics Opening Ceremony, with the writer, Frank Cottrell Boyce, drawing heavily on research on British history, culture and the work of the great documentary filmmaker Humphrey Jennings, who in turn drew on a huge legacy of previous scholarship. Though not always immediately visible, a direct line runs from past scholarship to present-day creation.

### 'KNOWLEDGE IS DYNAMIC'



**Mary Beard**

In this sense knowledge is always active; new research keeps shifting its frontiers. 'Our culture remains in dialogue with the classical world',

insists Mary Beard  
FBA, Professor of

Classics at Cambridge University and popular guide to the ancient world through her television programmes and newspaper articles. 'You couldn't take classics out of Western culture and leave anything behind but a torso. It would no longer make sense.'

**'You cannot just say "We do not need people studying classics any more, because we have got everything**

**translated, we have got a library; that will do". Knowledge is dynamic and changing. You can easily see that if you go back to translations of Greek tragedy from the early 20th century. They are now close to unreadable – because we are now engaging with Greek tragedy in a different way. Translation is always about rediscovery that changes all the time.'**

Our research and interpretation, she adds, 'are laying foundations for what is going to happen in fifty or a hundred years. Judging it by what happens next year is foolish. When you say to people, "Do you want there to be a London stage in which we never see Greek tragedy? Do you want there to be a world in which nobody knows who Virgil was?" of course they say no.' A vital characteristic of knowledge is that it is *active*, 'because if we want to have these things, it is not a question of just putting a preservation order on them; it is a question of going on doing them.

'We do not want a world without the history of western culture still present in it; we do not want to go to art galleries where nobody knows what the Renaissance painters were painting, because nobody knows what Ovid's *Metamorphoses* said.' [27]

The cultural economy is a vital part of our fast-expanding creative and digital industries, generating prosperity in a direct economic sense. Just as important, for a great many people, is the way in which cultural life and inheritance is central to their personal sense of well-being. Humanities research often feeds both people's innate human curiosity and their need for fresh intellectual or cultural satisfaction. As Professor Peter Hennessy FBA (whose books on post-war history tap into our sense of 'generational kinship') puts it: 'There is a tremendous appetite for history, which is very heart-warming. It meets the human desire to make sense and to put a bit of a pattern on your own experience, the times you live through. As well as the individual patterns there are collective patterns – that is the nerve we touch. And that is a high utility, a very high utility.'

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27. A video version of this interview with Mary Beard and the longer text version published in a special edition of the *British Academy Review*, are available at [www.britishacademy.ac.uk/prosperingwisely/beard](http://www.britishacademy.ac.uk/prosperingwisely/beard)

# A Healthy, Open Democracy

**Prosperity includes the ability to live in a robust and supportive environment, with a judicial and governmental framework that protects the rights, freedoms and security of individuals, groups and nations, educates and develops its citizens – and also provides vital space for questioning and dissent.**

## WHAT KEEPS IT THAT WAY?

Maintaining the UK's longstanding traditions as an open society and democracy is far from automatic: it requires constant vigilance – a process heavily dependent on insights from humanities and social science disciplines. As Peter Hennessy observes, 'If in an open society and democracy the public is denied the chance of casting an



**Peter Hennessy**

informed vote, that is an own goal of mammoth proportions. The political parties are indispensable, but they operate by mobilising prejudice more successfully than the competition. Careful use of evidence is not at the top of their hierarchy of needs, so you have to have somebody to say, "Wait a minute. It is not that simple" or "We have been here before. Just think a minute".' In the political arena, knowledge that is grounded in research and scholarly method will always be locked in a struggle with partisanship and supposition.

Lord Hennessy writes and broadcasts on the civil service, contemporary history and defence, on Number Ten and the office of prime minister with great authority. Now sitting as a crossbench peer, he

provides powerful reminders to those holding power in Whitehall and in the Cabinet that their predecessors often confronted similar problems of security and public policy. He recalls a passage from the novelist and politician John Buchan about how we situate ourselves in time and space: ‘in the cycle in which we travel we can only see a fraction of the curve’ – and adds, ‘that matters to us as human beings but certainly applies to those in authority.’ Ministers and governments need and deserve expert advice, and although they vary in their ability to use academic talent well, scholarship and research can often contribute, vitally and immediately, to important political outcomes.

Before the last General Election, Hennessy was one of the expert scholars who studied historical precedents for transitions and hung parliaments, in an attempt to specify what the monarch does and does not do in the circumstances of the House of Commons having no overall majority. A small group of ‘five or six lawyers, historians, public policy people, with the Whitehall people, the Palace and the Cabinet Office’ met to agree ‘what the constitution was on hung parliaments, and the Queen’s prerogative to appoint a prime minister and all that. We agreed a draft, which then went public to a select committee, in time for the 2010 election, where to my surprise it

turned out to be pivotal.’ So, as the exit polls came, commentators (including Hennessy) were able to talk knowledgeably about precedents and protocols – to be, as he puts it, impersonators of the British constitution, explaining the constitutional backcloth to the formation of a new government.

**‘Politicians are exhausted. They are desperate. They either want to cling on to power or want their one chance of power and they are prone to say silly things about the British constitution (which slips through their fingers like mercury). So having that bit of paper, which the scholars had helped formulate, in the television and radio studios turned out to be absolutely critical. That’s an example where scholarship rather mattered.’ [28]**

## ACADEMICS AND POLICY-MAKERS

‘An academic can bring passion and energy,’ says the barrister, human rights expert and LSE law professor Conor Gearty FBA, ‘but also a strong sense of independence, of not being bought. They are, after all, usually funded by the taxpayer to teach and research. What an amazing social good that is. We academics can call it as we see it. That is a fantastic resource for policy-makers and politicians who are interested in reason.

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28. A video version of this interview with Peter Hennessy and the longer text version published in a special edition of the *British Academy Review*, are available at [www.britishacademy.ac.uk/prosperingwisely/hennessy](http://www.britishacademy.ac.uk/prosperingwisely/hennessy)

**‘The inter-relationship between the academic who is thinking about what ought to happen, and the politician or policy-maker who is saying “Yes, you may be right, but let me tell you why that won’t work” is a tremendously creative space, and it works to the benefit of the general public because they get policies mediated by a politician but rooted in independent thought.’**



**Conor Gearty**

For Gearty, this has never been more important. ‘We seem to be drifting into a state of affairs where we think we are in a democracy, we think we respect the rule of law, we

think we respect human rights, but in fact people are getting poorer, people are getting discriminated against more than they were, and we have secret justice, and we have special courts, and we have Guantanamo.’

Crucially, he sees the future of intellectual work in the social sciences as a future centred on problem solving: ‘that is where there is an explosion of energy from the academics, and it shows the public that actually they can produce value.’ His recent book *Liberty and*

*Security* [29] discussed democracy, the rule of law, discrimination and secret justice, all subjects of intense contemporary political and public interest. What the social scientist can do, he says, ‘is take a jumble of stuff that looks very confusing and arrange it in a readable form. This book is short, because I wanted people to read, then understand stuff and then, because they understand it, see that they can cope. They can cope by engagement as citizens; they can cope by knowing how to contribute to a circumstance they want to bring about. The academic renders intelligible that which is confusing, and provides an agenda for those inclined to take action.’ [30]

There is a long and important tradition of challenge and subversiveness here; at times society’s health may best be served by scholars from the ‘awkward squad’. The 2002 Reith Lectures by Professor Onora O’Neill FBA, which offered a powerful critique of notions of accountability throughout the public sector, led to widespread acceptance that the supposedly remedial introduction of transparent performance indicators had in fact lessened public trust. [31] Baroness O’Neill’s subsequent work on the BBC after the Hutton Inquiry and more recently on press ethics and regulation has also been widely influential at a time when debate over

29. C. Gearty, *Liberty and Security*, Polity Press, Cambridge, 2013

30. A video version of this interview with Conor Gearty and the longer text version published in a special edition of the *British Academy Review*, are available at [www.britishacademy.ac.uk/prosperingwisely/gearty](http://www.britishacademy.ac.uk/prosperingwisely/gearty)

31. Onora O’Neill’s Reith Lectures can be found at <http://www.bbc.co.uk/radio4/reith2002/>. See also her recent TED talk on the decline of Trust: [http://www.ted.com/talks/onora\\_o\\_neill\\_what\\_we\\_don\\_t\\_understand\\_about\\_trust.html?utm\\_source=email&source=email&utm\\_medium=social&utm\\_campaign=ios-share](http://www.ted.com/talks/onora_o_neill_what_we_don_t_understand_about_trust.html?utm_source=email&source=email&utm_medium=social&utm_campaign=ios-share)

the accountability of the fourth estate has perhaps never been louder. [32]

Anthony Heath says it is the duty of scholars and researchers to remind decision-makers about unintended consequences or evidence they may prefer not to hear – ‘telling truth to power’. He says: ‘I take the optimistic view that more information is going to make for better government – and that even information that you do not like, you would still be wise to take on board rather than suppress. I hope my research would be of interest to a government of any complexion.’

His latest project ‘was going to be a book all about the political exclusion of minorities and how this has all kinds of unfortunate consequences for lack of political participation, apathy, alienation, and so on. In fact the evidence did not show that; the evidence is a very positive story that second-generation ethnic minorities are politically very well-integrated. They participate at more or less the same rates as their white British contemporaries. In fact Britain, compared with many other countries in Europe or indeed America, has been rather successful at the political integration of ethnic minorities... All the things that politicians have complained about you actually find are getting better in the second generation without any political

interference.’ [33] He adds: ‘One of the crucial things about social science is to get genuinely independent evidence which we can check against the claims made by political parties for their own political advantage. It gives you an independent basis for holding government to account.’

The economist and commentator John Kay FBA makes a similar point. ‘When people are rightly more and more sceptical about the value and the reliability of the information with which they are presented, in the press or, equally nowadays, by government, then having people out there who are just trying to tell the truth as best they can is terribly important’, he says. To achieve this involves education and the spreading of understanding so that citizens can be equipped to debate, discuss and challenge. In his influential book *The Long and the Short of it: Finance and Investment for normally intelligent people who are not in the industry*, Kay further extends the principle to enabling people to challenge received wisdoms and question the quality of advice they receive. ‘In that little book I said to the reader that, even if at the end of this, you still do not feel confident enough to manage your financial affairs yourself, at the very least you will be able to ask some pretty penetrating questions of the people you do hire.’ [34]

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32. See her chapters ‘Accuracy, Independence and Trust’ in *Hutton and Butler: Lifting the Lid on the of Power*, British Academy/OUP, 2004; and ‘Transparency and the Ethics of Communication’ in *Transparency: The Key to Better Governance*, British Academy/OUP, 2006. On more recent press regulation, see for example: <http://www.fljs.org/content/what-should-press-regulation-regulate>, May 2012
33. A.F. Heath, S.D. Fisher, G. Rosenblatt, D. Sanders & M. Sobolewska, *The Political Integration of Ethnic Minorities in Britain*, Oxford, 2013
34. See J. Kay, *The Long and the Short of it: A Guide to Finance and Investment for Normally Intelligent People Who Aren't in the Industry*, London, 2009

## A CONTESTED SPACE

The freedom to contest, to challenge, to critique, is a crucial hallmark of a healthy society. The right to dissent, to argue, to hear differing points of view, to reject received wisdom has long distinguished the free from the less free state. This is especially true, according to Conor Gearty, in moments of crisis, when 'what the community, what the public want is some guide to understanding. That is where a person who has specialised in understanding behaviour, or in understanding culture, can become relevant; or it might be a lawyer, who can actually understand the relationship between the law and an event. There is this way in which an academic, independent, informed, committed to reason, with no axe to grind, can communicate effectively at moments of the highest importance.'

Research and scholarship can therefore help people make informed choices and express themselves as citizens. This of course presupposes they live in a society that confers such essential human rights as freedom of expression and provides the space for contestation and challenge. These rights also assume that citizens have proper access to justice in order to make their formal rights effective – a longstanding theme for Hazel Genn. 'The courts are operating at their best

when they allow people who are not powerful to become powerful by bringing a more powerful person, or the state, to account', she says. But civic involvement also turns on what we understand by being subjects, citizens and political participants – a road that leads us back to antiquity.

The Cyrus Cylinder is widely regarded as history's first declaration of human rights. Created by King Cyrus in Persia some 2,500 years ago, it encouraged freedom of worship throughout the Persian Empire and allowed deported people to return to their homelands. Much admired by Thomas Jefferson, it stimulated great interest when British Museum Director Neil MacGregor FBA recently organised its loan to Iran and the USA. Five centuries later, an example dear to Mary Beard is how Cicero set down general principles of good government which were at issue in Republican Rome, in some of his best-known surviving speeches. In his denunciation of the Roman rebel Catiline, and subsequent execution of Catiline's associates without trial, Cicero raised political questions we still face.

'What we are seeing in 63 BC', says Beard, 'are the roots of our issues about homeland security, how far the state should be able to suspend its normal rules of operation and citizens' rights, in

order to protect itself against terrorist threat. It has been discussed in those terms from Ben Jonson to Ibsen, precisely saying “how should the state respond to threats from the inside?” That’s not a plea, she adds, for every ten-year-old to learn Latin, but for there to be some classical scholars whose expertise can provide our culture with the knowledge and understanding of where it has come from.

### LEARNING FROM THE PAST

Religious belief is one of the issues where a perspective from the humanities is indispensable for policy-makers since the declining numbers of British people attending traditional public worship regularly may lead them to underestimate the importance of religious belief and practice in most societies of the modern world. Far from fading away and becoming a picturesque irrelevance, as many quite sensible and well-informed Western academics believed half a century ago, religion is a growing force in human society, for both good and ill, and we need to realise just what it means to live in a modern multi-cultural nation. Virtually all our cultures, particularly those most recently arrived, live their lives amid religious rhythms, and shape their identities through them. Research can provide valuable insights into the complexities of meaning and

help us understand some of the modern-day tensions that arise. [35] And by explaining how narratives of the past created present differences, historians of religion and theologians can help us celebrate diversity and not merely tolerate the different.

The historian’s vocation also involves questioning the record and its interpretation. Diarmaid MacCulloch FBA is Professor of the History of the Church at Oxford University, well known for his classic work on the Reformation and his televised *Christianity: The First Three Thousand Years*. [36] He explains:

**‘History’s main purpose is to stop us telling mistaken stories on which we then act. History is full of examples of very bad history leading to very bad actions. The obvious one, which is no less true for being obvious, is the Third Reich, which was built on an entirely false view of history. In an evil, totalitarian dictatorship like that, all history is poisoned. But the same is true for any democracy. Particularly in a democracy, telling the story right is really very important, because so many people are involved in making decisions, even if it is just a vote at an election.’**

A contemporary example MacCulloch cites to show the importance of

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35. For an example see Dr Sadek Hamid discussing how his BA Postdoctoral Fellowship has enabled him to research the concept of jihad. See video referenced in footnote 17
36. D. MacCulloch, *Reformation: Europe’s house divided*, Penguin, 2003; *Christianity: The First Three Thousand Years*, Penguin, 2011





**Diarmaid MacCulloch**

understanding the past in relation to the present is the Parliamentary debate on equal marriage in 2012. ‘One of my proudest achievements was to complicate the debate in the

House of Lords’, he

says. ‘That related to a lot of the work I had done on the history of the Church. What I was hearing from the traditionalists in the debate was that there was a thing called “traditional marriage” which was under threat. One of my television producers, a voting member of the Lords, used the script we had created on Christian history to show how complicated the history of marriage actually is.’

Historians, says MacCulloch, ‘are always revising the previous story. It is a very destructive profession – very often we have to dismantle cherished myths and destroy the previous stories from the previous generation. It is rather difficult because historians are paid by the government and by the public, and very often they don’t want their stories disrupted.’

Last year he tackled the confident stereotypes of Englishness in a three-

part television series *How God Made the English* (BBC 2, 2012) – and in particular the common belief that ‘Englishness is tolerance’. ‘No’, MacCulloch concluded, ‘the English have been one of the most intolerant people in history. That is a very important lesson for us to learn. As a nation, we must not be complacent about our past. We must see how difficult it has been to become a tolerant nation, and it’s only historians who can show us that. It seems to me that it is actually a service to the nation to be a bit annoying, but that is what the profession is about.’ [37]

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37. A video version of this interview with Diarmaid MacCulloch and the longer text version published in a special edition of the *British Academy Review*, are available at [www.britishacademy.ac.uk/prosperingwisely/macculloch](http://www.britishacademy.ac.uk/prosperingwisely/macculloch)

# Fuelling Prosperity and Growth

**Ideas, innovation and knowledge are the key drivers of modern economies. Their role, says the OECD ‘as compared with natural resources, physical capital and low skill labour, has taken on greater importance. Although the pace may differ, all OECD economies are moving towards a knowledge-based economy.’**

This is echoed in the 2004 Kok Report: ‘The knowledge society is a larger concept than just an increased commitment to Research and Development (R&D). It covers every aspect of the contemporary economy where knowledge is at the heart of value added – from high-tech manufacturing and Information and Communications Technologies (ICTs) through knowledge intensive services to the overtly creative industries such as media and

architecture.’ The Work Foundation, reflecting this steady trend, suggests that ‘knowledge workers’ will have grown from 31 per cent of the UK workforce in 1984 to 45 per cent by 2014. Over the same period skilled and semi-skilled jobs will fall from 28 per cent to 18 per cent and unskilled from 16 per cent to 9 per cent. [38]

## THINKING BEYOND GDP

Knowledge and skills are not only directly productive in making the most of both natural and (particularly) human resources, but are also the drivers of ideas that allow productivity to grow. And in thinking about the meaning of productivity it is crucial to think about much more than GDP. As a recent report

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38. These quotes can all be found in the Work Foundation Report, *Defining the Knowledge Economy*, 2006, available at: [http://www.theworkfoundation.com/assets/docs/publications/65\\_defining%20knowledge%20economy.pdf](http://www.theworkfoundation.com/assets/docs/publications/65_defining%20knowledge%20economy.pdf)

from the LSE Growth Commission (drawn up by leading economists and FBAs including Nobel laureate Christopher Pissarides, Tim Besley and Nicholas Stern) made clear, there are serious limitations with conventional measures of prosperity: ‘Changes in GDP are an inadequate measure of human well-being. For example, growth could be generated by damaging the environment with detrimental longer-term consequences. More fundamentally, assessing developments in well-being also requires looking at the distribution of market outcomes and improvements in public services. At present, however, the focus of public attention is almost exclusively on quarterly GDP releases as the barometer of economic progress.’

The Commission also points to the vital role the UK’s world-class higher education system plays in fostering growth: ‘the benefits from maintaining funding for research and an open environment in which universities can compete for the best minds as students and faculty cannot be overestimated. The knowledge and understanding created in universities play a central role in building a flexible and adaptable economy. The higher education sector benefits the UK economy as a source of skills, of innovations that raise productivity – and of valuable export earnings in the form of foreign students

who choose to study here (an enormous industry of global growth).’ [39]

Many of the students who come to the UK are the leaders and decision-makers of the future. The relationships they make with fellow students and teachers, and the attachments they forge with our economy and culture last for the rest of their lives. They gain, and we gain; the world economy and society and the British economy and society are enhanced – not just for the period they are with us, but far beyond.

In 2009, Russell Group universities alone accounted for an estimated economic output of over £22bn per annum. [40] It may be hard to quantify precisely how the strengths of UK research and scholarship relate to increments in output or jobs, but the evidence is all around us. Better economic and organisational understanding adds to the cognitive capacity of corporate boards and the sustainability of their management strategies. Engineers collaborate with sociologists and clinicians to improve the quality of life of older people, helping identify new products that can help them and provide new business opportunities for others. More subtly, ethical protocols drawn up by philosophers and theologians define the acceptable boundaries for pioneering areas of research and medical

39. The LSE Growth Commission published its first report in September 2013.

See: <http://www.lse.ac.uk/researchAndExpertise/units/growthCommission/documents/pdf/LSEGC-Report.pdf>

40. Russell Group, *Staying on Top: The Challenge of Sustaining World-Class Higher Education in the UK*, 2010

practice. As John Kay says, ‘People who make practical decisions – which can range from the design and technology of an iPod to big policy decisions about how the financial system should be organised – make these decisions in a framework of ideas that is, in the end, framed by a series of academic disciplines.’

### CULTURE AND ‘SOFT POWER’

One of the clearest examples is the way that the humanities nurture the UK’s flourishing arts and creative industries, from which the UK draws growing international benefits. The Culture Secretary, Maria Miller, talks about the huge value of ‘soft power’. British culture and creativity, she says, ‘are now more in demand than ever before. We should be increasingly proud to use the label “made in Britain”.’ The UK has the largest creative sector in the European Union, the largest in the world in terms of GDP, and according to UNESCO is, in absolute terms, the most successful exporter of cultural goods and services in the world, ahead of even the US. [41] Rising numbers for tourism, for gallery and theatre admissions, for international sales of movies, television programmes and digital products, and for architectural and design exports testify to the sector’s importance at a time when others are flat-lining or in decline.

A newly published British Academy report analysing the importance of ‘soft power’ and the UK’s role in the world concludes that ‘if we accept that soft power can be defined in terms of the resources that are thought to generate attraction on the part of others ... then we can focus on culture, political values and foreign policy. Britain undoubtedly has a wealth of such assets’. The report instances Britain having the world’s longest history of both parliamentary democracy and industrialisation, its intellectual heritage and legacy of renowned thinkers and scholars, and its pioneering reputation in science and technology from Newton to Berners-Lee which few countries can rival. [42] In a world where capital and labour are increasingly mobile, choice of business location is increasingly influenced by the cultural and educational appeal of a particular country or city. Maintaining the UK’s rich legacy in these areas, fuelled by world-leading humanities and social science scholarship and expertise, can be a major magnet for economic and other activity. Similarly, a country’s strong reputation for tolerance and freedom can attract those looking for somewhere to create and build.

There is plentiful evidence of the UK’s attractiveness as a place to visit, do business in, invest in, or migrate to – and also as a place to come to for the quality

41. Maria Miller, ‘Fighting culture’s corner in an age of austerity’, speech at the British Museum, 24 April 2013, <https://www.gov.uk/government/speeches/testing-times-fighting-cultures-corner-in-an-age-of-austerity>

Data on the creative sector taken from the British Council website:

[http://creativitycities.britishcouncil.org/creative-industries/what\\_are\\_creative\\_industries\\_and\\_creative\\_economy](http://creativitycities.britishcouncil.org/creative-industries/what_are_creative_industries_and_creative_economy)

42. More information available at: [www.britishacademy.ac.uk/softpower](http://www.britishacademy.ac.uk/softpower)

of learning it affords and the opportunity for intellectual stimulation. Conor Gearty recently attended a seminar in a country that invests heavily in education. 'But all the students want to leave, and they come in particular to UK universities', he said. 'The prime minister spoke directly before me, and he said: "why not come and do your degrees here? We have great engineering, we have great this, we have great that."' But what they do not have [in their country] is respect for freedom of expression, tolerance and diversity.' It is hard to overstate the immense value of the UK's open, intellectually rich environment, and vital to understand its importance in fostering growth and the innovative use of knowledge.

### RESEARCH THAT DRIVES INNOVATION



**Vicki Bruce**

Knowledge exchange and the generation of new knowledge are not straight forward, automatic or even linear. Often these processes are unpredictable: the accumulated

evidence points in one direction, but then things turn out quite differently, according to Vicki Bruce FBA, Professor of Psychology at Newcastle University.

**'Progress', she says, 'is like moving up a spring, so progress is onwards, but sometimes one appears to go backwards a bit. As you round the turn of the spring you ask questions in a different way or you are getting new technology that allows you to make an advance.'**

Pioneering UK research on facial recognition has been heavily influential in the way that CCTV images and memories of faces are now used in criminal justice. When Bruce began her research in this area, psychologists were just starting to demonstrate that people could remember hundreds of pictures of faces in laboratory experiments. 'And at the same time ... there were lots and lots of cases of appalling miscarriages of justice where witnesses had testified that innocent people had committed crimes. We had this extraordinary paradox: that people were good at remembering faces and very bad at remembering faces.'

Bruce worked on how physical features of the human face are recognised with physicists using laser scanning to build 3D surface images. The research was developed on the assumption that the brain recognised faces in three dimensions, but what the evidence proved was in fact that recognition was actually based on much simpler 2D

patterns of lights and darks. This sensitivity to image features makes it possible to remember specific pictures very well, but can confound memory in more natural conditions. It was her metaphorical spring in operation – ‘how you can take these twists and turns and do research driven by one question then find something different’. The work in turn spurred study of how computers might recognise faces, and was then applied to the bases of resemblance between CCTV images and suspects, and how misleading these, too, can be. [43]

### DEALING WITH THE UNEXPECTED

The expertise and research of leading economists and social scientists has been particularly valuable to the business and finance sectors as they strive to recover from the banking crisis and subsequent recession. When ‘business as usual’ failed, it was they who played a crucial role in stimulating fresh thinking. Sir John Vickers FBA, Warden of All Souls College, Oxford, chaired the Independent Commission on Banking, and his authoritative recommendations on the structure of financial institutions and the separation of investment from retail banking are now working their way through the system. [44] John Kay’s similarly far-reaching examination of UK equity markets and their capacity to invest for the long term, on behalf of the

Department for Business, Innovation and Skills [45] created, as one newspaper put it, ‘a ground-breaking blueprint for corporate responsibility, investment – even the future of capitalism itself’. [46]



John Kay

The experience of the financial crisis – foreseen by some, but all too few, or all too little heard – should also remind us of the importance of constantly questioning ideas

and asking whether we are sufficiently expert at researching the unexpected. In reacting to the crisis, says Kay – a founder of the Institute for Fiscal Studies (IFS), now an influential *Financial Times* columnist – policy-makers focused on keeping the system afloat.

**A pragmatic response to the financial crisis was reasonable but ‘quite hopeless as a framework for deciding how in the long run you prevent that kind of crisis happening again.’ For that we needed fresh thought, analysis and theoretical revision. Now is the moment, he predicts, when more fundamental thinking and ideas will start influencing policy. In 2007, separating risky investment**

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- 43. A video version of this interview with Vicki Bruce and the longer text version published in a special edition of the *British Academy Review*, are available at [www.britishacademy.ac.uk/prosperingwisely/bruce](http://www.britishacademy.ac.uk/prosperingwisely/bruce)
  - 44. The Independent Commission on Banking, Final Report (HM Treasury), September 2011
  - 45. The Kay Review of UK equity markets and long-term decision making: final report (Department for Business, Innovation and Skills), July 2012
  - 46. ‘Kay review makes mark on culture of the City’, *Financial Times*, 23 July 2013, page 19

**banking from the ordinary lending and payments systems of high street banks in the UK was impossible to contemplate. Now, distinguishing what Kay calls the utility from the casino in the financial system is becoming public policy.**

In an economy addicted to what Bank of England official Andrew Haldane calls instant gratification, scholarship's longer-run timescales can be a vital counterweight. Research can mitigate the way capital markets focus on the immediate. [47] Ideas germinate only in time, says Kay: 'They influence behaviour, but it is gradual, like dripping on a stone.' Theory in one area influences empirical investigation elsewhere, finally inflecting practical action and policy in another place. He looks back three decades to the IFS's work on fiscal neutrality – the idea that the tax system was not designed to secure good or penalise bad behaviour – as an illustration of how previous analysis, once considered marginal, eventually moved into the mainstream. Today, public consensus that the system did not penalise bad behaviour sufficiently would be overwhelming.

[48]

As the economist Peter Boettke has said, 'Critics of economics say that economists know the price of everything but the

value of nothing. Nothing, perhaps, is so dangerous intellectually in the policy sciences as an economist who knows only economics, except, I would add, a moral philosopher who knows no economics at all.' [49]

## CROSSING CONTINENTS

Almost three-quarters of the UK economy is now in services and in a myriad of ways these are infused (as the LSE Growth Commission emphasised) by the knowledge and skills that training in humanities and social sciences develop in individuals. The ability to sell to other countries – or persuade people there to invest here – requires knowledge and understanding of other societies, their pasts, their economies and their social structures. Foreign language skills in particular play a crucial role in opening up many overseas markets – one of the reasons why the British Academy, with other partners, is campaigning for serious attention to be paid to the UK's growing language deficit. More broadly, these skills open up many other kinds of cross-national and cross-cultural discourse, including diplomacy and international security – a point forcibly made in the Academy's recent report *Lost for Words*, and echoed in the American Academy of Arts and Sciences' report, *The Heart of the Matter*. Quoting Senator William Fulbright, it stresses the

47. *Financial Times*, 30 May 2013

48. A video version of this interview with John Kay and the longer text version published in a special edition of the *British Academy Review*, are available at [www.britishacademy.ac.uk/prosperingwisely/kay](http://www.britishacademy.ac.uk/prosperingwisely/kay)

49. P.J. Boettke in his introduction to the new edition of Ludwig von Mises's *Socialism, Laissez Faire*, 2012. Available at <http://lfb.org/today/the-significance-of-mises-socialism/>

vital importance of ‘intercultural education’ and empathy – what he called ‘the ability to see the world as others do and allow for the possibility that others may see something we have failed to see, or may see it more accurately’. [50]

As research itself becomes an ever more international enterprise, the importance of language skills, for all areas of research, is increasingly evident as a way of enabling scholars to cross frontiers of understanding, to mutual advantage in both directions. A critical understanding of the role of translation is a vital part of this. Carol Palmer, director of the British Institute at Amman, Jordan – one of the overseas institutes supported by the British Academy – organises workshops for teachers and researchers from across the Middle East and North Africa. The goal, she explains, ‘is to help academics develop themselves and train their students to be aware that translation is not just a technical skill, and understand the choices that translators make, and how that influences what is understood.’ [51] These areas are proving a rich and important field of study, ranging from exploring the complex relationship between cultural memory and translation, and the limits and boundaries of language, to analyses of the enormous range of linguistic diversity, and its cultural strengths, inherent in modern-day Britain. [52]

We need more people who can supplement their specialist knowledge in a particular professional, scientific or other disciplinary area with an understanding of other languages, cultures, religions or moral codes. Understanding other faiths has become a growing social and political imperative. If policy decisions are made in this country in relation to one of our vital trading partners across the world, or if we send aid or aid-workers abroad, without understanding the religions which will be encountered, that vacuum of understanding is as dangerous and as counter-productive as not understanding the economic structures or the transport network.



**Adam Roberts**

Sir Adam Roberts FBA draws on a life’s work studying peace, conflict and war in different regions of the world. His book *Documents on the Laws of War*, first published in 1982,

remains hugely influential both among academics and for practitioners in contemporary combat zones. In foreign and security affairs, he says, scholars are bound to point out that the history of relations between states demonstrates fundamental differences in perspective

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- 50. See [http://www.britac.ac.uk/policy/Lost\\_For\\_Words.cfm](http://www.britac.ac.uk/policy/Lost_For_Words.cfm) and Commission on the Humanities and Social Sciences, *The Heart of the Matter*, American Academy of Arts & Sciences, Cambridge (Mass.), 2013
  - 51. Quote from Carol Palmer taken from the British Academy video [www.britishacademy.ac.uk/palmer.cfm](http://www.britishacademy.ac.uk/palmer.cfm)
  - 52. British Academy Postdoctoral Fellows talk about how the scheme is enabling them to pursue research in these areas – Dr Sharon Deane-Cox studying translation and cultural memory in the context of World War Two France, and Dr Petros Karatsareas studying innovation and change in UK immigrant communities. See video referenced in footnote 17



and values. The advice might be that intervention is usually difficult and could embroil the UK for a generation.

**‘Making the policy environment more complex may save us from serious difficulty, even tragedy. In the 1990s we were guilty of thinking that globalisation sweeps all before it and we simply underestimated the complexity of the task of rebuilding fractured societies, be they in Afghanistan or Iraq. That was largely because of a lack of interest in and knowledge of those societies, and their long-standing internal divisions.’**

He continues: ‘We have a mania for having lots of very up-to-date information, whether it comes from news agencies, television or intelligence agencies. It is a mania for up-to-date information without a sense of where a society is coming from and what its collective experience has been.’ As William Dalrymple’s history of the British-Afghan conflicts of the 19th century, *Return of the King*, has shown, we have been here before.

In 2013 Roberts was part of a team from the International Institute for Strategic Studies holding the first ever talks of their kind with ‘top-level people’ in Islamabad and New Delhi. ‘We were

inquiring into the possibilities of arms control and of a reduction of tension between India and Pakistan – both nuclear parties that are outside the nuclear non-proliferation treaty. On this first mission the important thing to do was to listen carefully to both sides separately, to find out what the security concerns and worries are, and what they thought about various possibilities for a reduction of tension between the two states.’ All parties saw the meetings as a success, and hope to build on them. That offers a powerful example of the way that expertise gained from (in this case) a lifetime’s research into peacekeeping successes and failures and conflict reduction in hostile zones can make an active contribution to the search for improved international dialogue and understanding. [53]

In their different ways, each of these examples warns against simplistic thinking about what knowledge means in a modern 21st century economy and how we can nurture, value and use it. There is no longer a place for the kind of old thinking Nicholas Stern identifies as based on mechanical input-output models ‘where it is only if you can weigh it or give a formula for it that it has substance’. Today’s economy, based on knowledge and ideas, is far more fluid, far less capable of easy definition than any of its predecessors – but at the same

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53. A video version of this interview with Adam Roberts and the longer text version published in a special edition of the *British Academy Review*, are available at [www.britishacademy.ac.uk/prosperingwisely/roberts](http://www.britishacademy.ac.uk/prosperingwisely/roberts)

time, is in many ways more exciting and creative, provided we understand better where we are, the lessons of the past and the opportunities for the future.

A recent study of big data calculated 'there is enough information in the world to give every person alive 320 times as much of it as historians think was stored in the Library of Alexandria'. [54] This information explosion offers extraordinary possibilities, especially in an era of fast-rising open access – but only when married with sophisticated forms of analysis, interpretation and insight. Economic growth needs the constant fuel of human inspiration. It is that which puts knowledge to use. It depends on ideas created and exchanged across disciplines, between academics and producers, entrepreneurs and scientists, disseminators and translators. It requires critical scrutiny, innovative thinking and new ideas – processes and approaches nurtured by humanities and social science training and driven forward by high-level academic research and expertise. These are seed beds for the kind of prosperous, innovation-based economy we have now become, crucial elements both for future growth and success and for richness in our individual lives.

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54. Mayer-Schoenberger and Culier, *Big Data*, London, 2013

# Conclusion: The Value of the Humanities and Social Sciences

**This booklet has shown humanities and social science at work, describing how they can contribute to material progress, growth and innovation, cultural diversity, human well-being and understanding, and the functioning of a modern democratic state.**

It has argued that this powerful national asset generates new ideas, provides intellectual rigour, offers longer-term perspectives, challenges received wisdoms, stimulates curiosity, and strengthens understanding of the multiple challenges facing us as individuals and as a society. As the humanities and social sciences take their place at the centre of a new,

national conversation, we can start to understand what 'prospering' really means.

The theme 'Prospering Wisely' brings together these arguments and illustrations to emphasise the many ways in which the humanities and social sciences build up material progress, growth and innovation, while also viewing prosperity as wider than a purely economic measure. There are important ways in which scholarship can (and must) deny, disrupt and caution; that, too, is 'functional' in the broad sense. Democracy thrives on dissent; commercial opportunities often arise when we think most freely and creatively and leave conventional wisdoms behind.

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In a modern knowledge society, scholars and researchers are not confined to the universities. They are also creatively entangled with the worlds of business, politics and public management and business. In all directions markets and civil society increasingly depend on the knowledge and ideas they produce. 'It is important to remind government, and those who allocate resources, just what a powerful resource we are; just how much our activities matter', says Nicholas Stern.

The 'mission' of the humanities and social sciences is to strive to make sense of the world around us, to 'put a bit of a pattern on your own experience', as Peter Hennessy puts it. Quoting Einstein's maxim 'Never lose a holy curiosity', he says 'we exist to help take care of the curiosity of the species. If you have had the fires of curiosity lit inside your set of grey cells, it is a kind of sacred silken duty to pass it on. That is what gets us out of bed on a wet Monday in February. It is the spur and the spark.' And he adds: 'if you have uncurious people in authority, you are in trouble in a society.'

This thirst to enquire and seek answers stretches way beyond functional interventions and immediate impact. Hennessy puts it with typical bluntness: 'like all the most important things in life it is beyond metrics.' And, as Hazel Genn points out, 'there are so many things we

don't even know about the world. We need to be helping the government to solve the challenges that we know about now, but also to be thinking forward, about the challenges that are coming up. If you only concentrate on what gives us an immediate payoff, it is very short-sighted. The problem with government is that they are usually thinking in three- to four-year terms. We are the people who are going to still be there doing the research when this particular lot of politicians have gone and somebody else is coming in.' And, as John Kay emphasises, this is no less true as an indictment of many aspects of business and financial activity.

Governments, rightly, demand accountability. But any assessment of effect or 'impact' has to fit the nature of work that (says Jonathan Bate) often concerns the messy, debatable, unquantifiable but essentially human dimensions of life, including imagination, faith, truth, and goodness. Nor can the terms for assessments be too narrow, Kay adds. 'It's defining the ideas that make our society function, and that is what people studying the humanities for the last two thousand years have enabled us to do. That argument needs to be understood by people who have a rather limited concept of economic value and the ways in which value is created.' Narrow, short-sighted accountability, as

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55. O'Neill, Reith Lectures, *op. cit.*

Onora O'Neill has shown, [55] can undermine the activities under examination and democratic processes; more thoughtful and enlightened notions of the subject, and of the meaning of accountability, can enhance both.

The moral philosopher and former economist Professor John Broome FBA stresses that constant revision and intellectual adaptation are central to the humanities and social sciences. Good health, in our disciplines, he says, is about 'working up and knocking down arguments, going back to principles time and again'. That is one of the most important ways in which they contribute to a healthy society. It is also vital to acknowledge their normative and moral purposes. As Diarmaid MacCulloch says, the task of getting the story right is an ethical obligation. 'The sciences can tell us wonderful things about how to heal illness, how to cure particular sorts of malaise, but it is the humanities, it is the social sciences that talk about the malaise in society and explain the mysterious ways in which human beings behave to one another. They are not susceptible to being put into formulae or mathematical assemblages. They are that mysterious thing, human nature: that's what we deal with. If you don't have a healthy humanities and social sciences sector, your country will go mad.' The difficulty in 'nailing something down' as 'meaning

precisely X' does not lead us away from rigour or measurement; it makes us think more deeply about the issues we examine.

By most measures, the humanities and social sciences in the UK (rivalled only by the USA) lead the world. Yet they are still an underprized asset in many of the corridors of Whitehall, Westminster and what was Fleet Street. Not all historians write best sellers and make television series; not all sociologists produce reports that governments act on; not all economists regularly contribute op-ed pieces to the *Financial Times*. More of the enormous reservoir of expertise which these few examples illustrate could and should inhabit and be heard in government, and be more visible to the public. Humanities and social science scholars have to keep trying to speak intelligibly, to write well, to translate and unpack, maximising the public value of their work by sharing their insights with the widest possible audiences, using every mode of communication.

John Kay, who has moved between universities and business, regrets that academics can still be 'snooty about the idea of communicating or getting your name in the newspapers'. Mary Beard agrees. 'There is tremendous fear that somehow, if you move outside proper academic modes of dissemination, it is dumbing down. But people do not want to

be dumbed down to, they are not stupid. I have been privileged, because I have found a position in which I can talk, and people will take notice, whether to agree or disagree.’ And while academics like herself may be the ones in the limelight, she stresses their inter-dependency with those tunnelling the archives, and publishing in academic journals. We must never forget the people ‘who sit in the library, year after year, and work out what Thucydides was trying to say. They provide many of the most important discoveries.’

What is encouraging are the growing signs that academics and policy-makers are strengthening their engagement with one another – as, in a small way, the programme of British Academy Policy Forums helps demonstrate. On a larger scale, the involvement of the Economic and Social Research Council in Government’s 2013 ‘What Works’ initiative – which aims to help guide decision-making in tackling crime, promoting active and independent ageing, effective early intervention, and fostering local economic growth – illustrates a welcome recognition of the value of robust research evidence in policy-making. [56]

The edifice of knowledge is never complete. Today’s work rests on – at the same time as it revises – yesterday’s; that in turn is its fate tomorrow. For Jonathan

Bate, Shakespeare is both a midpoint and a living, changing reference. He is often venerated as the father figure, the place to begin, although he built on Chaucer and much other earlier literature. Shakespeare too has been constantly reinvented, revived and in turn had a shaping influence as the inspiration for so much later creativity. ‘So he is genuinely a figure who is constantly changing. But he’s a figure who, in his work – and in the story of the reinventions of his work – enables us to connect the past, the present and the future.’

Apprehending the condition of people is one of the many things that Shakespeare – both the ‘original’ and the ‘revised’ – is all about, says Nicholas Stern, ‘telling us what people want, what they do and trying to understand and celebrate some of the mysteries.’ He adds: ‘We have to take the concept of prosperity beyond income or consumption or material wealth. Much more than that, it is how we live, how we manage and live with uncertainty and anxiety. We must recognise both that insecurity and worry can make us less prosperous, and that uncertainty is a part of and sometimes the spice of life. The humanities and social sciences help us understand what prosperity means, and how it can be fostered, individually, in a community and in the world. That is one of the crucial reasons they matter so much, and why they are so important now.’

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56. See the Economic and Social Research Council’s website: <http://www.esrc.ac.uk/news-and-events/announcements/25222/esrc-participating-in-what-works-network-for-public-sector-investments.aspx> See also the newly published monograph *The Impact of The Social Sciences: How Academics and Their Research Make a Difference*, by LSE academics Simon Bastow, Jane Tinkler and Patrick Dunleavy, London, 2014



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