

Stefania Paredes Fuentes

Who Studies Economics?



The pipeline for Black Economists

Economists contribute to shape decisions that have far-reaching societal impacts. As such, it is crucial that our policy makers and economists reflect the diversity of our society. Regrettably, the field of economics currently falls short of the diversity it needs. Notably, Black ethnic groups in the UK are significantly under-represented in this discipline, highlighting the urgency for our community to take more proactive steps in breaking the barriers and addressing the biases that impact the culture in our discipline.

In the Diversity RES Report “[Who Studies Economics?](#)” released in March 2023, we show the diversity of economics students at various stages of their studies. This brief highlights how the economics pipeline looks for UK economists from Black ethnic groups in the academic years 2016/17 - 2020/21, analysed in the report.

→ Economics is attractive to young students from Black ethnic groups

Table 1: Students entering the economics pipeline in the UK by ethnicity

	British and Wales census 2021	All students	A-levels in economics	Studying economics at university
Black	4%	6%	8.2%	8.4%
White	82%	74%	64.5%	59.9%
Asian	9%	12%	21.0%	23.4%
Mixed	3%	5%	5.7%	5.8%
Other	2%	2%	1.5%	2.5%

Notes: UK-domiciled students registered in an UK university in the academic years 2016/17 - 2020/21, Source: [HESA data](#)

Data for the British and Wales census 2021 available at: <https://www.ons.gov.uk/census>

Data is reported for broad ethnic groups as considered by UK national statistics in the 2021 Census. In the original report, we documented statistics for disaggregated ethnic groups (when sample sizes were big enough). More information regarding ethnic groups in the UK available here:

<https://www.ethnicity-facts-figures.service.gov.uk/style-guide/ethnic-groups>

A-level in economics is relatively popular among students from Black ethnic minorities. Over the five academic years from 2016/17 to 2020/21, approximately 8% of university students with A-level in economics were from a Black ethnic group. This figure is roughly

equivalent to the proportion of students pursuing economics degrees during the same period. This popularity of economics among Black students is significant, especially considering that individuals from Black ethnic groups make up only approximately 4% of the population in Britain and Wales and 6% of the student population (Table 1).

It seems thus that there is a great enthusiasm for economics among students from Black ethnic groups in the UK!

→ Black students are more likely to abandon their studies in economics

Despite of the enthusiasm for the study of economics, we notice that non-continuation rates (students dropping out of university) in economics are higher among students from Black ethnic groups compared to other ethnic groups: 12% in Year 1, 8% in Year 2, and 3% in their final year (Table 2). These non-continuation rates reflect on the graduation statistics. In fact, while students from Black ethnic groups represent around 8% of those entering the economics pipeline (Table 1), they represent less than 5% of those graduating in economics (last column in Table 2).

Table 2: Non-continuation rates for economics students by ethnicity and graduates distribution

	Non-continuation rates			Graduates
	Year 1	Year 2	Year 3	
Black	11.5%	8.3%	3.3%	4.9%
White	6.4%	4.0%	1.0%	78.1%
Asian	8.1%	4.5%	1.8%	11.0%
Mixed	9.0%	4.4%	1.6%	4.1%
Other	8.1%	4.6%	1.7%	1.9%

Notes: UK-domiciled students registered in an UK university. Source: [HESA data](#)

Non-continuation rate is defined as those students who did not transition from one level of university study to the next (e.g. from year 1 to year 1). Data is available for the academic years 2016/17 - 2019/20 (data for the 2020/21 cohort is released with the 2021/22, once it is possible to match students across years).

Graduates refers to the distribution of graduates in economics across ethnicities in the five academic years 2016/17-2020/21.

→ Black students are less likely to be awarded a *good degree* in economics

In the 2020/21 academic year, 92% of economics students achieved a '*good degree*,' defined as a second-upper class (2:1) or above surpassing the overall student average of 79%. This may reflect the high entry requirements that most economics courses required, and hence the high level of preparation of students who register in economics degrees.

However, notable disparities exist among different ethnic groups, with Black ethnic group students achieving the lowest rates. Over five academic years, 78% of Black students graduated with a '*good degree*,' and 24% with a first-class degree, compared to 90% and 41% for White students, respectively (Table 3).

Table 3: Proportion of upper-second class and first class degrees by ethnicity

	Economics		All students	
	Upper-second class (2:1) and above	First class (1st)	Upper-second class (2:1) and above	First class (1st)
Black	78.5%	23.8%	64.8%	17.0%
White	90.5%	40.9%	80.6%	33.1%
Asian	86.5%	35.7%	71.8%	25.9%
Mixed	88.7%	36.7%	78.6%	29.7%
Other	83.8%	33.4%	78.6%	30.5%

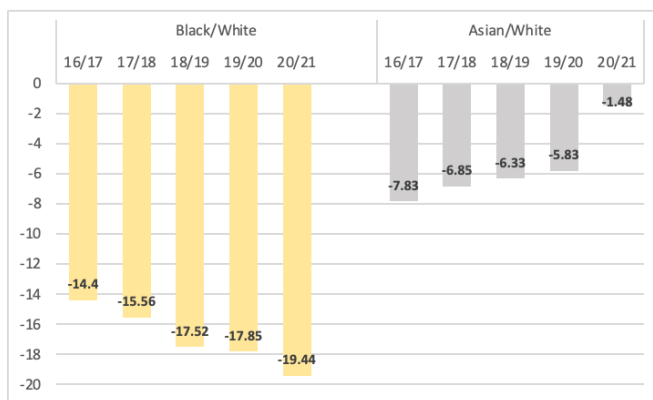
Notes: UK-domiciled students registered in an UK university graduating in the academic years 2016/17 - 2020/21. Source: [HESA data](#)

These results impact the prospects of students from Black ethnic groups of pursuing careers as economists. Many graduate jobs in the public and private sectors require a 'good degree' for entry-level positions. This discrepancy reduces opportunities for students to access these jobs and, consequently, limits the potential for more Black economists in society. Furthermore, research suggests that a 'good degree' is a key factor influencing future earnings, while lower degree classifications are associated with lower earnings, which means that these results may be hindering social mobility for students from Black ethnic groups.

→ Intersectionalities matter, but the gaps remain

Regrettably, the gap in the percentage of first-class degrees awarded to White and Black students has widened over the years. From 14.4 percentage points in 2016/17 to 19.4 percentage points in 2020/21. For comparison, we observe that in the same year, the gap between Asian and White students has decreased (Figure 1).

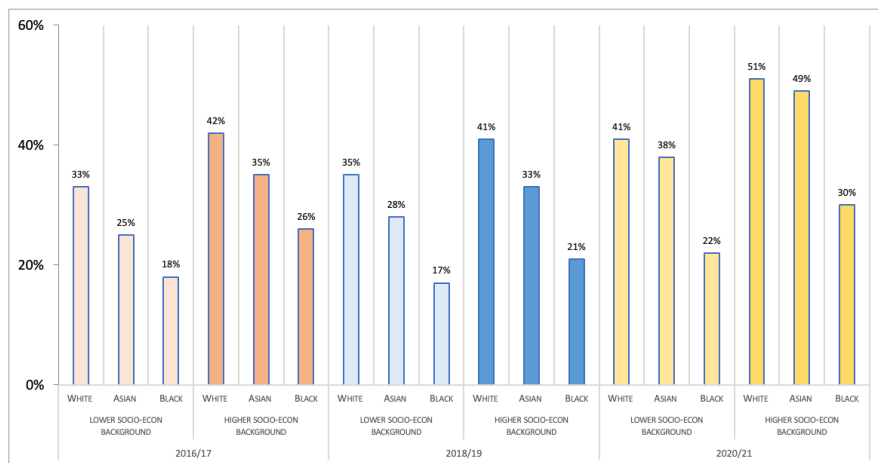
Figure 1: Gaps in percentage of first-class awarded in economics Black/White (yellow) and Asian/White students (grey bars)



Notes: UK-domiciled students registered in an UK university graduating in the academic years 2016/17 - 2020/21. Source: [HESA data](#)
 Black/White (Asian/White) gaps is the difference between the proportion of students from Black (Asian) ethnic groups being awarded a first-class degree in economics, and the proportion of White students being awarded a first-class

Controlling for various characteristics, we still observe substantial awarding gaps for students from Black ethnic groups. Figure 2 displays conditional probabilities of receiving a first-class degree for students with similar pre-university education and performance, attending similar schools, and considering socio-economic background and ethnicity. While first-class degree probabilities have increased for all groups, a notable gap persists between White and Black students. In 2020/21, a Black student from a higher socio-economic background had only a 30% probability of earning a first-class degree, compared to 51% for a White student with similar educational and socio-economic backgrounds.

Figure 2: Conditional probabilities to be awarded a first class degree in economics



Notes: UK-domiciled students registered in an UK university graduating in the academic years 2016/17 - 2020/21. Source: [HESA data](#)
 Full details on the graph and the methodology used available in the Royal Economic Society Diversity report [“Who Studies Economics”](#) (March, 2023)

It’s important to recognise the diversity within the ‘Black’ ethnic group, as detailed in the report. For example, UK Black African students exhibit a higher likelihood of studying economics compared to UK Black Caribbean (and other) students. Additionally, substantial differences exist in socio-economic backgrounds, with Black students from more disadvantaged backgrounds experiencing higher non-continuation rates and larger awarding gaps.

It’s essential to note significant disparities among institutions. The proportion of Black students is lower in Russell Group universities, with only 6 out of 100 students in these institutions coming from Black ethnic groups (and less than 1 out 100 from a disadvantaged socio-economic background). Moreover, while students attending a Russell group university are more likely to be awarded a *good degree*, this is not the case for students from Black ethnic groups attending these universities. This matters because Russell Group universities are often perceived as more prestigious and research-intensive

by employers who use university rankings to gauge students' preparation levels. Consequently, Russell Group graduates may have enhanced employment prospects, which further impedes the potential for Black students to pursue careers as 'economists' and hinders social mobility.

→ **Without intervention, change is not guaranteed**

While under-representation of Black economists is not due to a lack of interest or preparation in economics, it's crucial to explore the factors influencing their performance and experiences. We know that student experiences significantly impact performance and achievement.

Notably, these challenges extend beyond the university level. The 2021 RES-IFS Report on '[Ethnic Diversity in UK Economics](#)' highlights substantial ethnic gaps in recruitment within the Government Economic Service, the largest employer of economists in the UK. Additionally, the '[Review of Ethnic Diversity and Inclusion at the Bank of England](#)' in 2020 underscored issues within the bank's culture, resulting in higher attrition rates, fewer promotions, and a general lack of inclusion and sense of belonging among those from ethnic minorities.

We need all economists to come together, understand our responsibility for the lack of diversity in economics, and actively work in creating a better culture in our discipline. Failing to do so risks the loss of valuable talent.



Stefania Paredes Fuentes is an Associate Professor at the University of Warwick and Diversity Champion for the Royal Economic Society. She is the founder and chair the [RES Diversity & Inclusion Network](#). She co-authored the report "[Who Studies Economics: An Analysis of Diversity in the UK Pipeline](#)", which serves as the foundation for this brief.

www.stefania-paredes.eu

s.paredes-fuentes@warwick.ac.uk

[LinkedIn](#)