# Who Studies Economics?

## Diversity in the UK Economics Pipeline

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### Summary

This report presents a comprehensive overview of diversity in economics, pioneering the analysis of socio-economic background alongside gender and ethnicity for UK students. It highlights:

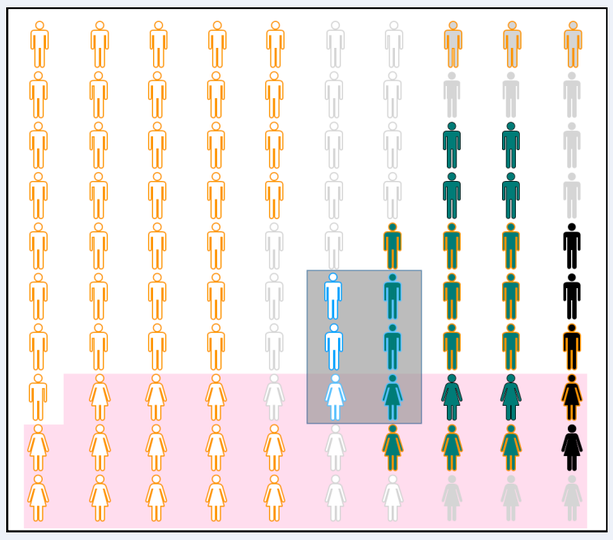
- the lack of socio-economic diversity in economics, as well as gender imbalances.
- Despite meeting the pre-requisites, students from lower socio-economic backgrounds are less likely to study economics at university.
- Students from lower socio-economic backgrounds and ethnic minority groups face higher dropout rates and are awarded lower degree classifications. This can limit their access to graduate opportunities and negatively impact social mobility.


### Data

*Source*: Higher Education Statistics Agency (HESA).
UK-domiciled, full-time, UG students (2016/17 - 2020/21).
Reported **ethnic groups** following UK Office for National Statistics coding.
Various measures used to capture socio-economic background:

- *Household Social Class*, based on parents occupation
- *Low Participation in HE*, based on student address (students living in neighbourhoods with low registrations to higher education)
- *Private or public schools*, based on high school attended
- *Parental education*, based on parents HE education

**Figure 1: Economics UG student composition, Russell Group**



UK-domiciled students, 2016/17 - 2020/21
Yellow outline for higher socio-economic backgrounds, grey shadow for students from lower socio-economic backgrounds

**only 1/3 of students are women**
(all gender/ethnicity/socio-economic background)

**White** male students from higher socio-economic backgrounds is the dominant group in economics

- **33 out of 100** in Russell Group universities

**~20 out of 100** students are from a **British-Asian** ethnic background

- of which 50% from higher socio-economic background

**5 out of 100** students are from a **Black** ethnic background

- **Less than 1 in 100** is from a lower socio-economic background

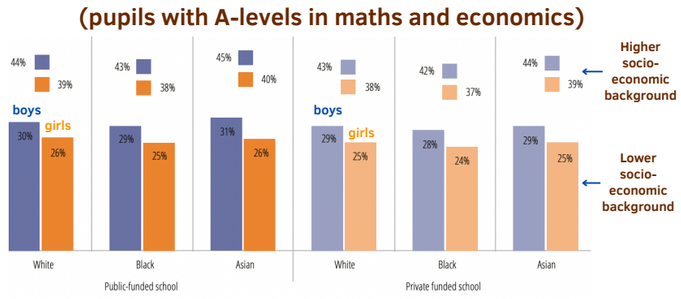
**Only 6% of economics students in Russell Group universities are from lower socio-economic backgrounds. Economics has the lowest representation of students from low participation areas in higher education among all disciplines**

## LACK OF DIVERSITY STARTS BEFORE UNIVERSITY

Economics is more likely to be taught in UK private and selective high schools. Among pupils studying economics in high school, there are notable trends in university enrolment *(Figure 2)*:

- **Girls** are less likely to study economics
- Students from **lower socio-economic backgrounds** are less likely to study economics
- Economics does attract students from **ethnic minorities**

**Figure 2: Conditional probabilities of studying economics (pupils with A-levels in maths and economics)**



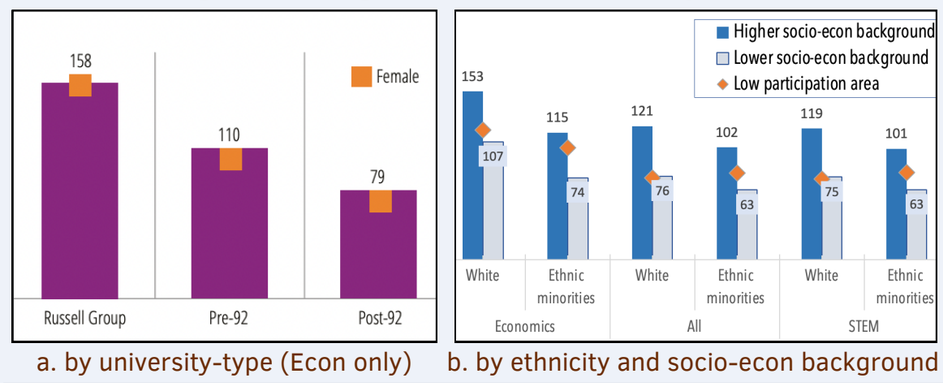

- Year 1 students (2016/17 – 2020/21).
- Ethnic groups pooled following "BAME" classification: Black Caribbean, African and Other are under "**B**lack"; Asian Indian, Pakistani, Bangladeshi, Other, and Chinese are under "**A**sian".
- Probabilities are estimated using standard Logit models with robust standard errors

## STUDENT'S CHOICE OF UNIVERSITY & SUBJECT MAY BE INFLUENCED BY LOCATION

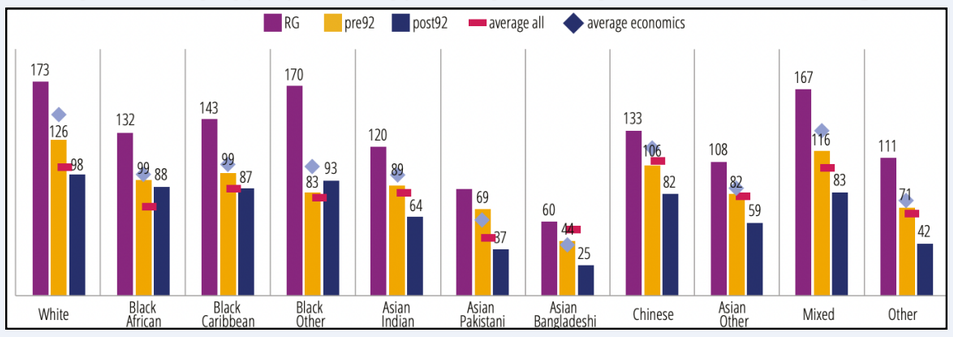
- **166** HE providers in the data
  - **24** Russell Group
  - **33** Pre-1992
  - **95** Post-1992
- Offer of economics is **highly concentrated**
  - **15** universities enrolling **40%** of all econ students
  - **49%** econ students are studying in a Russell Group university, **19%** in a Post-92 university
  - **<50%** of Post-92 universities offer an econ degree

- Economics students travel an average of ~**126km** to their chosen university, exceeding the UK-domiciled student population average of ~**96km**
- **Gender** does not significantly affect home-university distance for economics students *(Figure 3a)*
- Home-university distance for **White students from higher socio-economic** backgrounds is longer: ~153km *(Fig 3b)*
- Students from **lower socio-economic backgrounds** are more likely to attend universities closer to home *(Fig 3b)*
- Home-university distance varies among **ethnic minorities**, with notable differences across different groups *(Fig 3c)*.

**Figure 3: Average distance home-university in km**




a. by university-type (Econ only) b. by ethnicity and socio-econ background



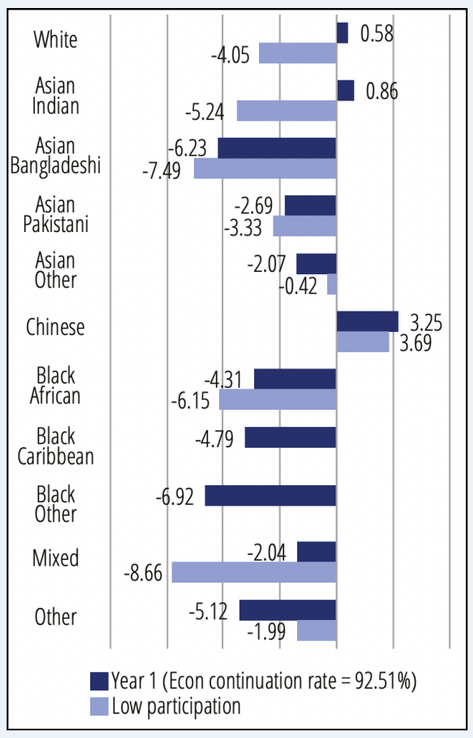

c. by university-type and detailed ethnicity

UK-domiciled, Year 1, students, 2016/17 - 2020/21

**The availability of economics degrees is heavily concentrated geographically (South England) and by university type (Russell Group and older universities), posing challenges for students from the North and from lower socio-economic backgrounds to access such programmes**

## STUDENTS FROM LOWER SOCIO-ECONOMIC BACKGROUNDS AND ETHNIC MINORITY GROUPS ARE LESS LIKELY TO PROGRESS AND GET A "GOOD" DEGREE IN ECONOMICS

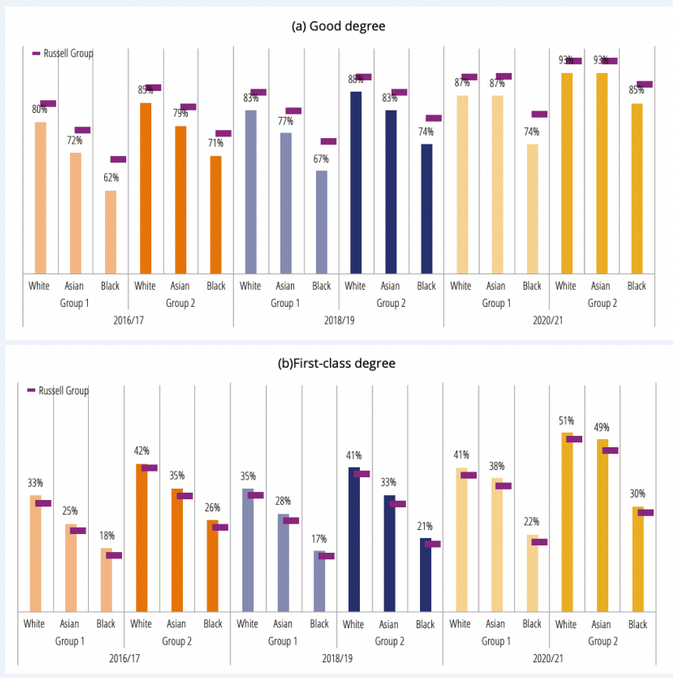
**Figure 4. Percentage points differences in continuation rates by ethnicity and participation area to HE (Year 1)**




- Overall, high continuation rates in economics
- Higher continuation rates for women
- Lower continuation rates in Year 1: 92.5% vs 95.5% in Year 2, and 98.6% in Year 3.
- Notably, continuation rates are lower for students from **ethnic minorities** *(Figure 4)*.
- Students from **low participation areas** in higher education, including White students, are more likely to drop out *(Figure 4)*.
- Lower continuation rates for ethnic minorities and lower socio-econ backgrounds also in Years 2 and 3.

- **Women** are more likely to achieve upper-second and first class degrees in economics than men.
- Students from **lower socio-economic backgrounds** are less likely to be awarded first class and good degree in economics. COVID19 made these gaps larger *(Fig. 5)*.
- Students from **Black ethnic backgrounds** are less likely to receive first-class and good degrees in economics *(Fig. 5)*.
- The **Black/White gap** in first class degrees has increased over time.

**Figure 5. Conditional probabilities of graduation outcomes**




% for male students who studied economics and maths in a public high school, estimated using standard logit models with robust standard errors.
**Group 1:** Students from lower socio-economic backgrounds
**Group 2**: Students from higher socio-economic backgrounds
"Good degree" corresponds to an overall mark above 60 (out of 100), "First degree" corresponds to a mark of 70 (out of 100) or above.

Economics has substantial influence in shaping societal policies, with its graduates occupying roles in government and central banks, and academic economists conducting research informing policy decisions.

However, economics grapples with a lack of diversity, and this report highlights its elitist nature. A diverse pool of economists brings forth a spectrum of perspectives and experiences crucial for informed and effective policy-making. Conversely, a lack of diversity may lead to 'groupthink' and biased decision-making. This issue extends to economics research, where the choice of 'worthy' research questions is influenced by researchers' personal experiences and prevailing trends in publishing.

**Structural barriers and cultural norms are holding back under-represented groups in economics. We need a strong and unwavering commitment by the government, universities, employers, and the current community of economists to address these challenges and ensure that under-represented groups are given real opportunities to succeed**