

A photograph of the University of Manchester building, a large Gothic-style stone structure with multiple arched windows and a prominent entrance arch. Green tree branches are visible in the foreground, partially obscuring the building. The text 'MANCHESTER 1824' is in the top left, and 'The University of Manchester' is below it. A large purple banner at the bottom contains the title 'Proposal prepared for Ahmed & Ann El-Mokadem' and the date 'August 2021'. At the very bottom, a few people are walking on the sidewalk.

**MANCHESTER**  
1824

The University of Manchester

UNIVERSITY OF MANCHESTER

**Proposal prepared for Ahmed & Ann El-Mokadem**

August 2021



Ahmed, as one of the University's proudest alumni, we are honoured that you have shared your concept for a new model of economic theory fit for the 21st century.

We acknowledge your expertise as an economist with such a wealth of knowledge, experience and global understanding and we share your excitement about the emergence of revolutionary thinking on economic policy.

It is recognized that there are deep divisions across our society, where current economic systems, focused on productivity and GDP, sacrifice both people and the planet. Your own "One World One People Manifesto" illustrates a profound inequality where 40% of the world live in countries where income is distributed unequally.

The world needs a new model of economic growth that enables all humanity to prosper within the finite resources of the planet. The current economic model, which originated centuries ago, is increasingly seen as unsustainable, driving divisions and damaging our fragile world.

We share your ambitions to urgently challenge the status quo and respond to the global environment which has only been exacerbated by the pandemic.

We are pleased to present a range of initial ideas as to how the University of Manchester could support the development of your vision Ahmed. We hope this paper captures your thoughts and pays tribute to the warm relationship we continue to have with both you and Ann. I very much look forward to exploring this further.

"putting blind faith in markets- while ignoring the living world, society, and the runaway power of banks has taken us to the brink of ecological, social and financial collapse."

**Doughnut Economics Kate Raworth**



Professor Dame Nancy Rothwell





# Global Challenges

## An alternative economic perspective

As a society, we are all facing a series of challenging circumstances which have only been exacerbated by the recent pandemic. A snapshot of the world now reveals the following:

- One person in nine does not have enough to eat
- Two billion people live on less than \$3 a day
- 70 million young people cannot find work
- In 2015, the world's richest 1% now own more wealth than all the other 99% put together
- Global average temperature has risen by 0.8%
- 40% of the world's agricultural land is now seriously degraded
- By 2025 two out of three people worldwide will live in water-stressed regions

As you have outlined in our conversations Ahmed, there are new economic thinkers such as Kate Raworth, Tim Jackson and Marianna Mazzucato offering a broader approach to the horizons of economic thinking. Instead of pursuing a growth at all costs policy, they are advocating the need for a sea change in how all humanity can prosper within the means of the planet. They believe that equality and prosperity for all should be the guiding principles as to how we move forward as a society.

Such an approach has echoes of our own Arthur Lewis, recipient of the Nobel Prize for Economics and known of course primarily for his work in development economics.

However, as eye-catching and revolutionary as these ideas and policies are, they need to be grounded in a solid theoretical framework, delivering a new economic theory tailored for the concerns and challenges of the 21st century.



Sir William Arthur Lewis (1915–1991), economist, Nobel Prize winner and Britain's first black professor

# Why the University of Manchester?

## World-leading expertise building on a platform of research excellence

As the University of Manchester enters its third century, we are looking ahead to the ground-breaking opportunities which will define Manchester's future success and crucially, the specific areas where Manchester's expertise can make a unique and lasting impact. We are looking to a future where we will expand our world-leading research to address the most challenging global questions and ensure that all our activities make a positive difference to society.

Manchester is one of the oldest centres for the study of economics in the UK, with a Chair in Political Economy established in 1854. Since then, many famous names in economics have worked in Manchester, including three Nobel prize winners (Sir John Hicks, 1938-46, Sir Arthur Lewis, 1948-58, and Joseph Stiglitz, 2004-2010). The UK's first Department of Econometrics was established at Manchester in 1959. Current staff are leaders in their chosen fields, 75% of research activity was rated as world-leading or internationally excellent and in the latest REF, Manchester Economics was ranked 7th out of 28 in terms of research power.

However, a new economic theory for the 21st century is as much about the social sciences as about economics, and as a University, interdisciplinary academic collaboration is a hallmark of our approach. We would bring a wealth of world-class minds, both established and early career researchers, from across politics, philosophy, sociology, psychology as well as economics to question accepted thinking and deliver the intellectual step change that will transform current thought.

By way of illustration, we note that behavioural science has been making significant inroads into challenging the neoclassical economic orthodoxy that continues to prevail in many branches of the economics discipline. Role models include Herbert Simon, Daniel Kahneman and most recently, Richard Thaler – all of whom have contributed Nobel Prize-winning work that challenges the core behavioural assumptions underpinning the standard economic model, and in each case offering insights that have transformed key elements of economics and the decision sciences.

In addition, two key institutes would be pivotal in informing research in this area. Firstly the Global Development Institute, which continues to drive forward new ideas promoting sustainable development and social justice for all, and the Productivity Institute, where we partner with eight other institutions across the country in a bid to help policy and business leaders across the UK understand how to improve productivity and living standards.





# Social Responsibility and Civic Connections

This thinking undoubtedly fits with our social responsibility strategic goal where we are committed to making a difference to the social, economic, cultural and environmental well-being of our communities – locally, nationally and internationally. Nowhere is this better illustrated than the fact that in 2021, the University of Manchester was world number one in THE Impact Rankings for our commitment to the UN Sustainable Development Goals.

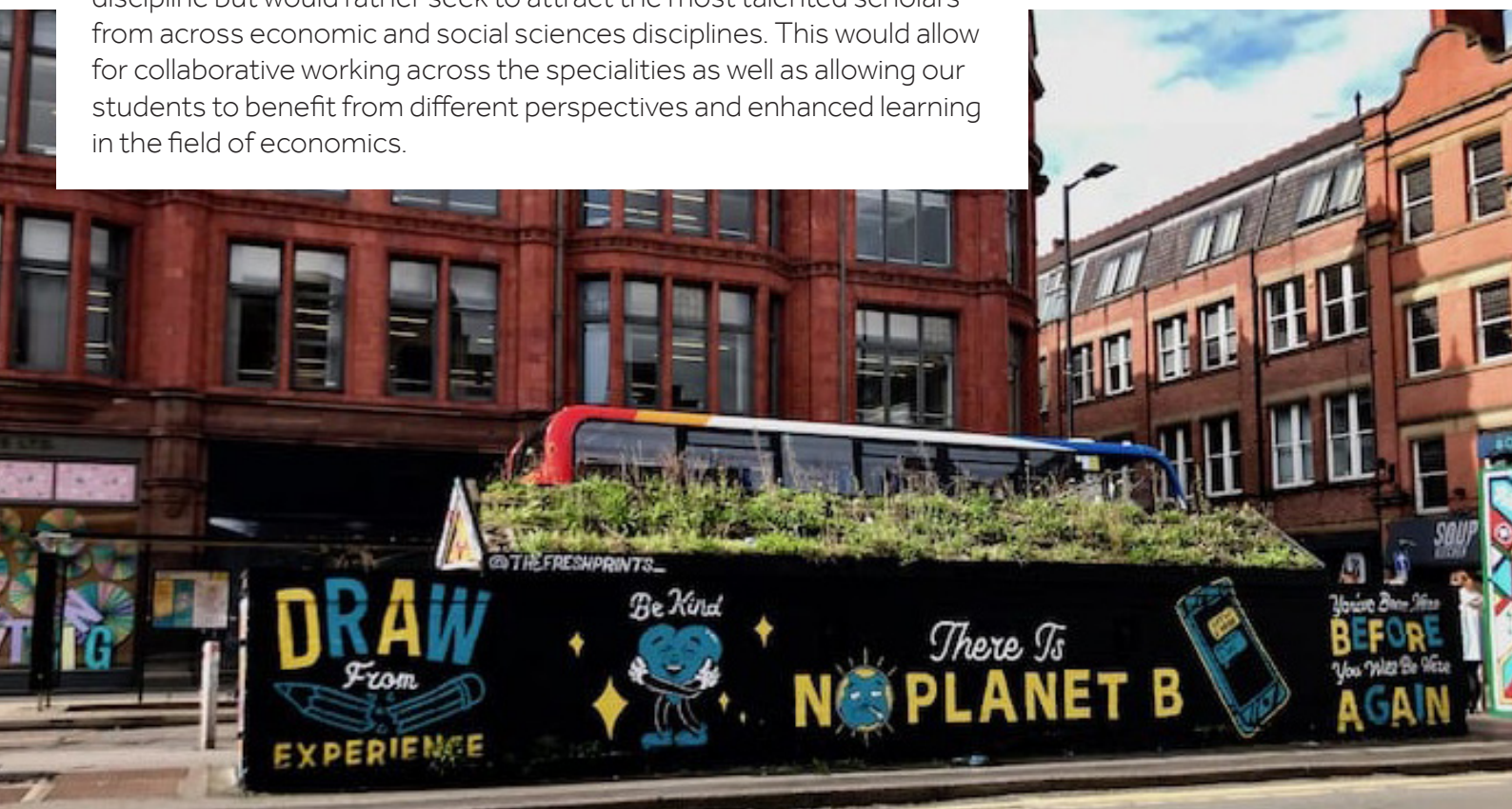
Civic engagement is a core part of our vision and strategic plan. It reflects how our work is enhanced and inspired by our location in Greater Manchester and the way we improve lives across our city and region. For us, contributing to the wellbeing and prosperity of Greater Manchester is a fundamental part of our purpose. Perhaps not coincidentally, Greater Manchester has ambitions to be the first doughnut city in the UK where

economics aligns with wider societal issues such as net-zero, health inequalities, inclusive growth and consideration of the circular economy. An opportunity for our leading-edge research once again to impact directly on the lives of people in our city and to address the levelling up agenda so often talked about.

Dr Marianne Sensier from the Alliance Manchester Business School has written extensively on the economic and social disparities across the UK and that “resilience needs to be considered alongside wellbeing and inclusive growth measures to understand how the proceeds of growth are being shared to all citizens. Collaborative and co-operative approaches are needed to share the proceeds of growth more equitably and build sustainable social value in economic recovery.”

## Arthur Lewis Centre

Our ambition, therefore, which we hope you share, is to create a multi-disciplinary centre of expertise to explore the development of a new economic theory created for the demands and challenges of the 21st Century. Although this sits naturally within the field of economics, we believe that it should not be limited to academics from a specific discipline but would rather seek to attract the most talented scholars from across economic and social sciences disciplines. This would allow for collaborative working across the specialities as well as allowing our students to benefit from different perspectives and enhanced learning in the field of economics.



# Academic Chair

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The success of such a prominent Centre will be contingent on the appointment of an Academic Chair with the strategic skills and ambition to lead the Centre.

The role of the Chair will be to develop and lead the research initiative bringing together academics from across Economics and the wider Social Sciences to promote multidisciplinary research. The Chair would promote and champion the programmes and projects which will build the public profile in this area. We believe our genuinely interdisciplinary approach would attract someone of high calibre bringing outsider knowledge, skills, and perspectives to bear, and in so doing, lead colleagues to undertake work at the world-class levels we are seeking to deliver.

To attract someone of the right calibre, an Academic Chair would require support in the region of £1.4million over 5 years.

## Postdoc research fellowships

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To build the capacity and capability of the new Centre, we will need to attract, educate, support and inspire the next generation of outstanding researchers wherever they are to be found in the world. The University has an important role in nurturing future research leaders who will bring their experiences to Manchester, sharing and gaining knowledge with our external partners and stakeholders.

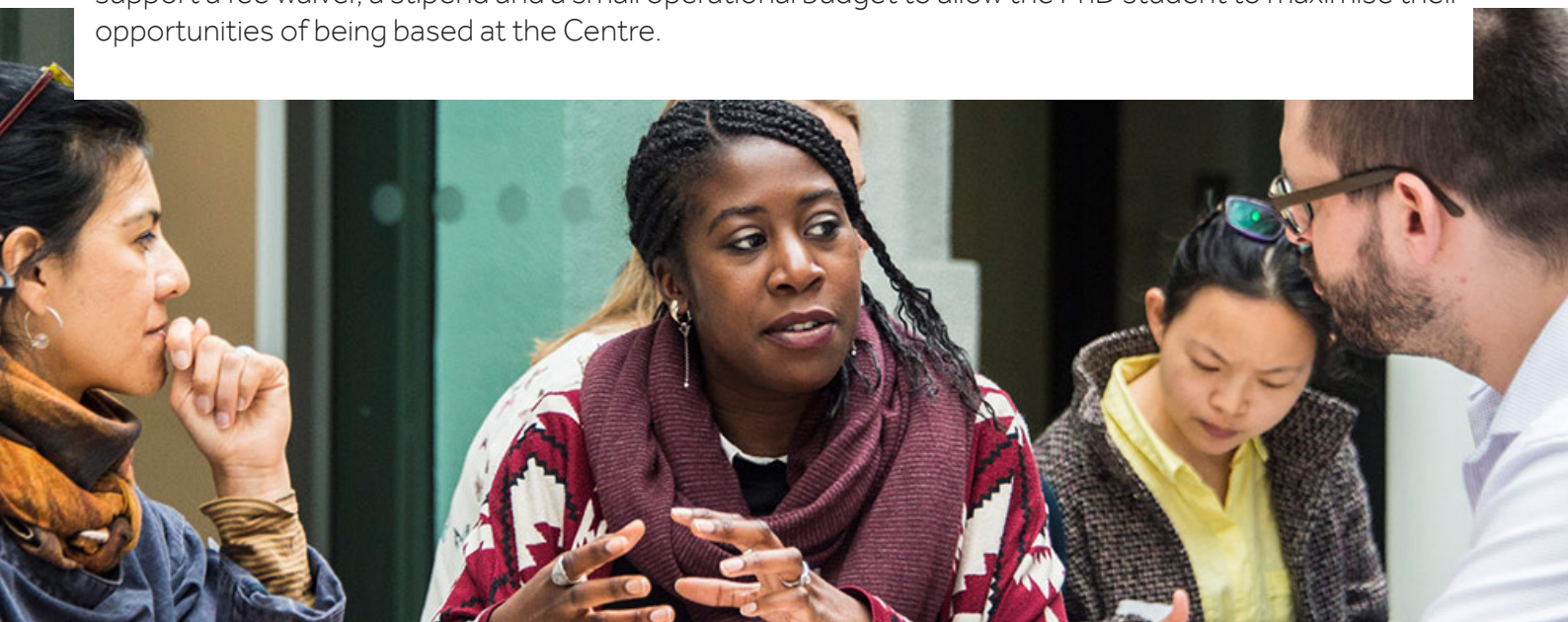
We would like to start to develop our research capabilities by offering 2 Postdoctoral Research Fellowships to work within the Centre. Two Postdoctoral Research Fellowships would require the support of £448,000 (£224,000 per annum for two years).

## PhD Scholarships

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The Centre will look to create four scholarships for young researchers at PhD level to carry out research across Economics and Social Sciences to inform the development of a new economic theory. We share your belief that young researchers will be passionate advocates in shaping the thinking behind such a new theory.

Four PhD scholarships would require funding of £480,000 (£160,000 a year for 3 years ). This would support a fee waiver, a stipend and a small operational budget to allow the PhD student to maximise their opportunities of being based at the Centre.





Thank you so much Ahmed, for trusting the University of Manchester with your vision and insight. We are delighted to have put this paper together and very much look forward to our further discussions on the strategic philanthropic opportunities it presents.



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