Paradigms and policies: the state of economics in the German-speaking countries

Jakob Kapeller\textsuperscript{a,b}, Stephan Puehringer\textsuperscript{a,c} and Christian Grimm\textsuperscript{a}

\textsuperscript{a}Institute for Comprehensive Analysis of the Economy, Johannes Kepler University Linz, Linz, Austria; \textsuperscript{b}Institute for Socio-Economics, University of Duisburg-Essen, Germany; \textsuperscript{c}Institute of Economics, Bernkastel-Kues, Germany

ABSTRACT

This paper studies research interests, paradigmatic orientation and political involvement among roughly 700 full professors of economics at universities located in German-speaking countries. We collect biographical and institutional information on these professorships to derive indicators for research orientation, paradigmatic stance and political involvement. The main contribution of this paper is empirical; it documents the fairly homogeneous paradigmatic stance of German-speaking academic economics, analyzes the interplay between paradigmatic orientation and the policy process and contributes to a better understanding of the role of economic experts in German economic policymaking. Regarding the latter, we found that a highly asymmetric involvement of (under-represented) pluralist/heterodox perspectives relative to (over-represented) ordoliberal views in policy contexts is characteristic of economic policymaking in Germany.

KEYWORDS

economic sociology; economic and political paradigms; academic institutions; German economics; economic policy advice; ordoliberalism

JEL CLASSIFICATION

A11; A14; B5

“What is very clearly true […] is that German economics is different from economics everywhere else in the world. They still believe in austerity even though the IMF, which is not a left-wing organization, has said austerity doesn’t work” (Joseph E. Stiglitz in Phillips, 2016).

The global financial crisis and the paradigmatic structure of economics

The global financial crisis (GFC) of 2007/08 and the subsequent economic crises in Europe and the US initiated a period of increased concern for and intensified
criticism of the current state of academic economics. This criticism of academic economics is advanced by in- and outsiders of the field and typically rests on the observation that economists did not warn against the consequences of financial fragility (Colander et al., 2009; Krugman, 2009; Golub et al., 2015) and lacked a comprehensive framework for understanding financial calamities ex-post (Blyth and Matthijs, 2017; Katzenstein and Nelson, 2013). In addition, some economists were even held partly responsible for the economic calamities, as their political support for financial market de-regulation in the run-up to the crisis was attributed to either ideological convictions (Cahill et al., 2012; Mirowski, 2013) or personal financial interests standing in conflict with their alleged role as ‘neutral’ economic experts (Carrick-Hagenbarth and Epstein, 2012). On a more fundamental level, it was argued that the dominant economic paradigm, which is organized around the axiomatic core of neoclassical economics, systematically overestimates the stability of financial markets (Kotz, 2009; Elster, 2009) and, hence, leaves one ill-equipped to understand the dynamics of financial crises.

These arguments all relate to the debate on the paradigmatic development of current economics, which in recent years has been articulated through the notion of an ‘empirical’ or ‘applied turn’ within mainstream economics (Angrist et al., 2017; Backhouse and Cherrier, 2017; Aistleitner and Pühringer, 2020) as well as through calls for a more pluralistic orientation of academic research and teaching in economics in general (Hodgson et al., 1992; Garnett and Reardon, 2011; Dobusch and Kapeller, 2012b). In 2014, these efforts to create a more pluralist economics discipline culminated in the International Student Initiative for Pluralism in Economics (ISIPE, 2014), comprising more than 100 student groups in 34 countries, which published a plea for pluralism and interdisciplinarity in economic teaching and that also found support among a series of prominent economists. These calls for greater pluralism and openness can be interpreted as a reaction to the emergence of a rather narrow and closed conceptual monism in mainstream economics, which is accompanied by a corresponding marginalization of alternative approaches, typically subsumed under the label ‘heterodox economics’ (Rothschild, 2008; Lee, 2008). However, despite the manifold criticisms invoked against the neoclassical mainstream, there are hardly any indications of paradigmatic change in economics (Green and Hay, 2015; Pühringer, 2015; Blyth and Matthijs, 2017).

Parallel to this debate on the peculiar paradigmatic structure of current economics, a similar research discourse on economic policy has evolved, which centers on the narrow recipes offered by standard economics in times of depression (Wilkinson, 2014; Chwieroth, 2010). Conventional economic policy in this contexts mimics the conceptual lopsidedness of economics as an academic discipline and leads to a “silo approach in economic policy making” (OECD, 2014) that assigns priority to stable budgets, deregulated (labor) markets and international competitiveness. Particularly in the aftermath of the crisis, Germany adhered strongly to these conventional economic policy prescriptions and, hence, demanded austerity measures from more crisis-ridden Eurozone countries (Bulmer and Paterson, 2013; Blyth, 2013; Piketty, 2020). This stance was confronted with opposition during the Eurozone crisis, with some vocal critics coming from the U.S. and the U.K. (Krugman, 2012; Münchau, 2014; The Economist, 2015). In this debate, German economists were criticized for their conservative policy views, their allegedly ‘ordoliberal’ attitude and their peculiarly orthodox interpretations of standard
textbook models. This critique also provoked defensive statements, stressing the ‘mainstream academic views’ (Burda, 2015) of prominent German economists or the misguided labeling of austerity policies as ‘ordoliberal’ (Feld et al., 2015). In general, much of the debate and critique against German economics evolved around the role and the impact of ordoliberalism on German economic policy.

Against this backdrop, this paper not only contributes to the general debate on change in economics after the GFC, but also illuminates the multifaceted relation of economic paradigms, economic research programs and economic policies by providing answers to the following pertinent question: What are the main characteristics of economists within German-speaking countries in terms of their academic research profile as well as their paradigmatic orientation, and how do these characteristics translate into political contexts? Can we clarify the exact role ordoliberalism plays in this specific context? By answering these questions, we hope to contribute to a better understanding of the alleged peculiarity of German economics and the role of ordoliberalism in German economic policymaking.

To answer these questions, this paper studies the academic research profile and the political involvement of about 700 full professors of economics at universities located in German-speaking countries. To do so, we collected biographical and institutional information on these academics by inspecting personal and professional websites as well as publicly available CVs, to derive reliable indicators for their paradigmatic orientation and main research interests, as well as for the degree and type of their political involvement. The main contribution of this paper, hence, is empirical; it documents the fairly homogeneous paradigmatic stance of German-speaking academic economics and identifies some important specificities relevant for understanding the gaps between the overall characteristics of economists in Germany and their impact on political decision making and public debate.

The remainder of this paper is structured as follows: The next chapter reviews current debates on the paradigmatic and social structure of economics, with a specific focus on past findings and results that seem especially relevant for the case of German economics. Section Three introduces our methodological approach, which consists of an indicator-based analysis of the academic research profiles and the political and public involvement of economists in the German-speaking countries. In Section Four, we present our main findings regarding institutional and sociodemographic data, the academic research profiles, and the political and public involvement of the economists under study. In doing so, we also compare German to U.S. economics and highlight some specific characteristics of German economics. Section Five offers some concluding remarks.

### Setting the stage: the paradigmatic and social structure of economics

#### Recent debates on the peculiar character of economics

Recent empirical studies in the field of economic sociology found that economics occupies a unique position within the social sciences. Its peculiarity is driven by a variety of features, including stark limits to interdisciplinary responsiveness (Fourcade, 2009; Fourcade et al., 2015), a high degree of internal stratification and a strong role in policymaking, as well as the existence of a dominant and
encompassing theoretical approach that characterizes research and teaching in mainstream economics. For this article, the latter three aspects are of prime importance.

The first of these three findings indicates that the “elite in the profession” (as invoked by Colander et al., 2004: 490) are composed of comparably narrow groups of interrelated departments (Fourcade et al., 2015; Hodgson and Rothman, 1999), journals (Aistleitner et al., 2019; Heckman and Moktan, 2020) and actors (Colussi, 2018). However, this rather close-knit network has a comparatively strong imprint on the profession, as economists tend to focus on the top of their discipline, which is evidenced by the fact that the concentration of citations in economics is actually increasing over time (Glötzl and Aigner, 2019), whereas it is decreasing for most other fields in the social and natural sciences (Larivières et al., 2009). For the purpose of our paper, this finding implies a need to inspect the more exclusive circles of economists in Germany to get a better grasp on the exact contours and potential reasons for Germany’s alleged peculiarity.

Secondly, social science scholars are concerned with the political and societal impact of economists and the ‘economic ideas’ they promote (Campbell, 1998; Campbell and Pedersen, 2014). In doing so, they highlight different levels and devices by which economists influence political programs, processes and decisions. Among these are the professional authority of economics, the institutional positions of economists, and the establishment of a specific economic style of reasoning in political discourse (Fourcade, 2009; Hirschman and Berman, 2014; Christensen, 2017). Thereby, the comparative analysis of national knowledge regimes by Campbell and Pedersen (2014) emphasizes the impact of institutionalized policy advice from economic research institutes in Germany. However, while the crisis of the corporatist German model has reduced the importance of institutionalized policy advice, economic experts from economic research institutes and newly funded think tanks still have a high impact on policymaking (Flickenschild and Afonso, 2018; Plehwe, 2017; Pühringer, 2020). Against this background, our paper addresses the political involvement of German economists on three different levels and aims to highlight paradigmatic as well as ideological power structures within politically involved economists, as recently shown for the U.S. by van Gunten et al. (2016).

In addition, research on the role of economists in public policy debates typically distinguishes between the specific role of highly visible ‘public economists’ – in the sense of ‘public intellectuals’ – and the general symbolic capital associated with being an economist. In the former case, scholars with different disciplinary backgrounds analyze ‘public interventions’ (Eyal and Buchholz, 2010) of those economists, who are highly visible in political and public debates. Prominent examples of highly influential economists in the U.S. include Milton Friedman (e.g. Jones, 2012), John Kenneth Galbraith (e.g. Chirat, 2018) and in the present day, prominent economists such as Paul Krugman, Joseph Stiglitz and Dani Rodrik. In this context, our paper employs this stream of research by using visibility rankings to assess the overall robustness of our argument by analyzing the role of highly visible and/or influential economists.

The final finding of interest for this paper is on the existence of a dominant and encompassing theoretical approach. While the debate on the marginalization of specific schools of economic thought and the supposed homogeneity of the economic mainstream is manifold (see e.g. Colander et al., 2004; Dobusch and
Kapeller, 2009; Rodrik, 2018), in this paper we mainly refer to two partially conflicting diagnoses: the alleged tendency of paradigmatic closure in mainstream economics, which comes with the corresponding exclusion of heterodox approaches (like evolutionary economics, radical economics, post-Keynesian economics or ecological economics) and, on the other hand, the claim that the economic mainstream already comprises a set of heterogeneous approaches and, hence, exhibits theoretical diversity. In this view, the marginalization of heterodox economic approaches cannot be based on paradigmatic prejudice (Colander et al. 2004) as there exists a great variety of different theoretical models in ‘cutting-edge’ research in mainstream economics.

According to Colander (2000), this so-called ‘edge of economics’, which is labeled as ‘Colander’s Edge’ (Lavoie, 2012) in what follows, consists of various novel research fields, such as evolutionary game theory, ecological economics, behavioral/psychological economics, complexity theory, experimental economics, computer simulation and advanced econometrics dealing with the limitations of classical statistics.

In contrast, heterodox economists and critical observers emphasize the narrow paradigmatic boundaries of current mainstream economics and argue that “economics is unique among the social sciences in having a single monolithic mainstream, which is either unaware of or actively hostile to alternative approaches” (King, 2013: 17). Against this backdrop of paradigmatic division in economics, our paper contributes to the mainstream-heterodoxy debate by providing a comprehensive empirical analysis of the current paradigmatic state of economics in German-speaking countries. Furthermore, we also inspect whether these paradigmatic alignments in the German economics profession help to explain distinct economic policy reactions after the GFC and to what extent heterodox views are represented in policy contexts.

Are German economists really different?

Throughout the Eurozone crisis debate, Germany and German economists were criticized for their rather conservative policy prescriptions, with much of this critique directed toward the impact of ordoliberalism on German economic policy. To put it briefly, the ordoliberal tradition distinguishes between the ordo principle, which assigns responsibility for the overall economic and institutional order to the state, and economic policy understood as the fine-tuning of the business cycle. As a consequence, ordoliberals stood and continue to stand mostly in opposition to Keynesian-oriented economic policies (Bibow, 2018; van Esch, 2014). Additionally, the ordoliberal tradition is well-known as one of the core strands of a broader neoliberal movement (Mirowski and Plehwe, 2009; Ptak, 2009).

The ordoliberal tradition, which is sometimes conceived as a ‘German oddity’ (Beck and Kotz, 2017), also had a long-standing formative impact on German and European economic policy. Empirical examples for the impact of ordoliberal ideas can be found in various contexts, including (i) the historical development of the European Union (e.g. the competition policy of the European Economic Community in the 1960s, the Single European Act in 1987, and the foundation of the ECB in 1998; see Campbell and Pedersen, 2014; Feld et al., 2017; Ergen and Kohl, 2019), (ii) monetary policy, where monetary stability and the associated
inflation aversion of the German Bundesbank are key policy drivers (Howarth and Rommerskirchen, 2017; Carstensen and Schmidt, 2018), and (iii) debates on fiscal policy articulated through the repeated call for strict austerity measures, labor market flexibility and the opposition to a move toward a European banking or fiscal union after the GFC (Blyth, 2013; Piketty, 2020; Ville and de Berckvens, 2015).

Hien and Joerges (2018a: 2) argue that the “spectre of ordoliberalism” today “has become an item of the common national container […] frequently used by politicians and economic elite to communicate with the public”. Thus, aside from recent developments of the ordoliberal research program in academic economics, ordoliberal reasoning presumably plays a major role in German government ministries and the bureaucracy, as well as in economic policy institutions such as the Bundesbank. An example is provided by the German Minister of Finance, Wolfgang Schäuble, who distinguishes “US policymakers”, who “like to focus on short-term corrective measures” from German officials, who “take the longer view and are, therefore, more preoccupied with the implications of excessive deficits and the dangers of high inflation. […] This aversion to deficits and inflationary fears, which has its roots in German history in the past century, may appear peculiar to our American friends, whose economic culture is, in part, shaped by deflationary episodes” (Schäuble, 2010). This example is not only telling in a literal sense – it is also indicative of the dogmatic views of German policy officials as it simply ignores the deflationary episode in Germany’s economic history that fueled the ascension of the Nazis to power.

However, contrary to its alleged public and political impact, ordoliberalism as an economic research program seems to be losing credibility among German economists. For instance, in 2009, Rüdiger Bachmann, Dirk Krüger and Harald Uhlig, three German economists working in the U.S., initiated a petition titled “Rebuild German economics according to international standards!” (Bachmann et al., 2009), which was supported by about 150 German economists. In their petition, the authors stressed the need for an empirical turn in economic policy research and accused leading ordoliberals of following “old dogmas”. In a survey by the German Economic Association (GEA) conducted in 2010, 46.7% of the respondents supported the position of Bachmann et al. (2009), while 22.8% supported the converse position of the ordoliberals (Fricke, 2017).

This observation is also confirmed when comparing surveys of the economics profession in the U.S. and in Germany. Recent surveys of the members of the American Economic Association (AEA) as well as of the members of the German Economic Association (GEA) revealed some convergence with respect to major policy issues. Addressing the issue of government interventions in the business cycle in 2015, 36% of economists in Germany agreed that fiscal policy instruments have a stabilizing function on the business cycle. Furthermore, 53% agreed with provisos and only 8% disagreed. Compared to older surveys, this overall positive responses indicates a significant increase in support for fiscal policy measures among economists in Germany (Fricke, 2017)3. In contrast, when U.S. economists were asked about the impact of fiscal policy on a less than fully employed economy in 2011, 19% disagreed, 34% agreed with provisos and 46% agreed. Contrary to the German case, this result indicates a decrease in the belief in the effectiveness of fiscal policy when compared to older surveys conducted in 2000 and 1990 (Fuller and Geide-Stevenson, 2014).4 However, for our purpose, the main insight is that
from a bird’s-eye view, there is not much different between the policy attitude of the average economist in the U.S. and the average economist in Germany, at least in terms of fiscal policy.

While surveys of German and U.S. economists are not fully comparable, recent results indicate a trend of increasing harmonization of the responses of German and U.S. economists regarding issues such as paradigmatic orientation, the importance of empirical research, the role of fiscal policy, and the preference for market-based policies (Fricke, 2017). However, Fricke (2017) also reports that quite often, the majority position among German economists on economic policy issues (e.g. minimum wages, the ‘banking union’ etc.) substantially deviates from the position of the group of most influential German economic policy advisers. Against this background, we aim to provide a more comprehensive analysis of the specific characteristics of the German economics profession, to arrive at a more definite and nuanced answer to explain the specific stance of German economic policy, given that the average economist in Germany is not much different from her or his international counterparts.

Methodological approach

The central aim of this paper is to present results from a survey of professors of economics located in universities in Germany, Austria and Switzerland (henceforth referred to as ‘the German-speaking area’). The study is based on comprehensive online biographical research of CVs and related information obtained from personal and professional websites of the researchers under study.

Data collection

Data collection was conducted from autumn 2015 to spring 2016, with a focus on full professors of economics at public universities in the German-speaking area. Despite reforms in recent years, the academic sector in Germany is still rather hierarchically structured and reflects the long tradition of the German ‘Ordinarienuniversitäten’ organized around ‘professorial chairs’ (Lehrstühle; see Östling, 2018). These ‘professorial chairs’ represent the highest strata of economists in terms of academic recognition.

The data collection process was organized as follows: in a preparatory step, we compiled a list of economics departments in 89 German-speaking universities and identified all full professors of economics. This led us to a sample of 708 economists (45 in Austria, 95 in Switzerland and 568 in Germany), which served as a basis for all further analysis.

The aim of this paper is to develop an indicator-based typology of economists in the German-speaking area, based on a transparent, multistage survey procedure comprising qualitative as well as quantitative information, which allows for a comparative analysis of the individuals contained in the dataset. We thus follow a recent trend of applying indicator-based analyses and typologies for research on the field of academic economics (Fourcade, 2009; Rossier, 2020; Schmidt-Wellenburg, 2018). In our empirical analysis, more than 20 different variables have been taken into the account, which cover three broad categories of interest: (i)
institutional and sociodemographic characteristics, (ii) academic research orientation and (iii) political involvement (Table 1).

In line with the aforementioned findings on the extraordinary role of ‘public economists’, media debates and the public policy arena are dominated by a small group of highly influential ‘star economists’. To access this dimension, we employ supplementary information from a ranking of public impact of economists published by Frankfurter Allgemeine Zeitung (FAZ). This ranking distinguishes between three categories, ‘science’, ‘politics’ and ‘media’, where the latter two are also subsumed under the heading ‘public’. According to this ranking, Hans-Werner Sinn, Clemens Fuest, Marcel Fratzscher, Lars Feld and Michael Hüther are the most influential public economists in Germany; however, international economists such as Paul Krugman, Joseph Stiglitz, Thomas Piketty and Lawrence Summers are also found in this group. In order to address the question of the public impact of the economics profession in Germany, we make use of the ‘media’ categories in the FAZ rankings of economists from 2015-2018, to identify the twenty most publicly visible economists in Germany in recent years (Table 2).

Data processing and coding

While we could directly import the data on (i), institutional and sociodemographic characteristics of professors in economics, from our prime sources, information regarding the academic research profile and the political involvement of economists proved to be more difficult to assess, as it required us to make assumptions on how to process the underlying data to arrive at suitable indicators.

In order to examine (ii), the academic research profile of economists in the German-speaking area, we assess the general research focus, the paradigmatic orientation and the specific topical foci of economists in these countries. For the general research focus, we collect self-proclaimed research interests, to assign the economics professors to one of five general research areas (microeconomics, macroeconomics, public economics, econometrics, diverse), where the latter category contains those economists that have a comparatively broad range of research interests covering more than one sub-discipline. In further evaluating these data, we make use of both self-proclaimed research interests and the derived general research focus.

To identify the paradigmatic stance of economists in the German-speaking area, we build on our theoretical considerations and introduce two different indicators: one tailored to capture paradigmatic diversity along the mainstream-heterodoxy continuum, another aiming to assess diversity within mainstream economics along the lines of ‘Colander’s Edge’. Regarding the former, we not only differentiate between (neoclassical) mainstream economics and heterodox economics, but also introduce ‘plural mainstream’ as a middle category to capture those economists that participate in mainstream as well as in heterodox discourses. This categorization is based on publications in refereed economic journals as listed in the Social Sciences Citation Index (SSCI). In doing so, we use the list of heterodox economics journals provided by the Heterodox Economics Directory to identify those journals, that are in principle open for heterodox submissions. The Heterodox Economic Directory, first published in 2005 (Lee et al., 2005) and currently in its sixth edition, “aims to document the institutional diversity and breadth of the heterodox
| Variable | Indicator | Operationalization |
|----------|-----------|--------------------|
| (i) Institutional and socio-demographic data | | |
| Institutional variables | University, country, size economic department | – |
| Socio-demographic data variables | Name, gender, age, academic age, citizenship of economics professors | – |
| (ii) Academic research focus | | |
| Research focus I: Self-proclaimed research interests | Statements/keywords describing research interests in CV or website | – |
| Research focus II General research area | Qualitative assignment based on self-proclaimed research interests | Macroeconomics, Microeconomics, Public Economics or Econometrics: min. 50% of research interests belong to a specific area. 'Diverse': < 50% with a clear assignment |
| Paradigmatic stance I: Mainstream vs Heterodoxy | Number of publications in journals listed in the Heterodox Economics Directory | Mainstream: < 3 publications Plural mainstream: min 3 but less than 50% of total journal publications Heterodox economics: min 50% of total journal publications |
| Paradigmatic stance II: 'Colander’s Edge’ | Presence of keywords for research areas in ‘Colander’s Edge’ in self-proclaimed research interests or journal publications | Standard economics: no keywords ‘Colander’s Edge’: keywords in self-proclaimed research interests supplemented by titles and keywords of journal publications |
| Topical focus I: Reference to Ordoliberalism | Number of publications in specific ordoliberal journals | No reference: < 3 publications Ordoliberal reference: min 3 publications |
| Topical focus II: Research on financial crises | Presence of keywords referring to the global financial crisis in publication titles | No reference to crisis: less than 5% of publications Weak reference to crisis: min 5% but less than 50% of publications Strong reference to crisis: min 50% of publications |
| (iii) Political involvement | | |
| Policy support | Link to economic research institutes | Affiliation to or institutional position in economic research institutes |
| Policy engagement | Political think tanks; institutions or petitions with a proactive political agenda; petitions with an ideological agenda | Membership (in Scientific Advisory Boards), Board or other position in organizations; official support for petitions |
| Policy advice | Official economic policy advice bodies (Scientific Advisory Boards in German Federal Ministry of Finance or Economic Affairs; German Council of Economic Experts) | Membership or position |
Table 2. Ranking of 20 most influential public economists in Germany.

| Rank | Name                       | Affiliation                      |
|------|----------------------------|----------------------------------|
| 1    | Clemens Fuest              | Ifo-Institute                    |
| 2    | Marcel Fratzscher          | DIW Berlin                       |
| 3    | Hans-Werner Sinn           | Ifo-Institute                    |
| 4    | Joerg Zeunert              | KfW                              |
| 5    | Michael Huether            | IW Koln                          |
| 6    | Carsten Brzeski            | ING                              |
| 7    | Holger Schmieding          | Berenberg Bank                   |
| 8    | Peter Bofinger             | University of Wurzburg           |
| 9    | Thomas Piketty             | Christian-Albrechts-Universität   |
| 10   | Thomas Mayer               | Flossbach Speyer Research Institute |
| 11   | Las Feld                   | Paul Kruger                      |
| 12   | Christoph Schmidt          | RWI                              |
| 13   | Joseph Stiglitz            | Columbia University              |
| 14   | Christoph Schmidt          | RWI                              |
| 15   | Stefan Bielmeier           | DZ Bank                          |
| 16   | Thomas Piketty             | University of Bonn               |
| 17   | Peter Krugman              | Harvard University               |
| 18   | Paul Krugman               | University of New York           |
| 19   | Isabel Schnabel            | University of Bonn               |
| 20   | Achim Wambach              | ZEW Mannheim                     |

Ranking according to the weighted average of the FAZ media ranking from 2015-2018 (authors' own calculations). Economists from nonacademic institutions are printed in gray.
economic community within academia” (Kapeller and Springholz, 2016: preface). It comprises a collection of 144 economic journals, which are open to submissions incorporating heterodox perspectives. In our work, we draw on this collection to identify the paradigmatic orientation of individual contributions made by the economists studied in this paper. Economists are classified as heterodox if more than 50% of their publication outlets for refereed works are in journals listed in the Directory. If economists do publish in heterodox outlets but the majority of their articles are published in outlets devoted to the mainstream, they are assigned to the middle category, ‘plural mainstream’. In both cases, we use a threshold value of (at least) three publications in refereed heterodox outlets before a researcher is assigned to one of these two categories. In this respect, our contribution builds on existing work highlighting the separation between mainstream and heterodox journals (e.g. Dobusch and Kapeller, 2012b; King, 2013; Lee et al., 2010).

The second indicator to classify the paradigmatic stance of economists in the German-speaking area – ‘Colander’s Edge’ – is based on the arguments provided by Colander (2000) and Colander et al. (2004) – and aims to capture the degree of conceptual diversity within contemporary mainstream economics, that is, the “changing face of mainstream economics” (Colander et al., 2004: 485). The indicator only applies to economists not already categorized as heterodox and can take two different values: ‘standard-economics’ and ‘Colander’s Edge’. An economist is classified as working in ‘Colander’s Edge’ if his or her research interests or recently published papers relate to at least one of the seven keywords provided in Colander et al. (2004) to circumscribe the “changing face of mainstream economics”. These keywords are evolutionary game theory, ecological economics, behavioral economics, complexity theory, experimental economics, computer simulation, and econometric work dealing with the limitations of classical statistics. Following an argument put forward in scientometric studies (e.g. Dobusch and Kapeller, 2012a), we also added economic geography to this list of keywords.

In terms of topical foci, we aim to identify those economists in the German-speaking area that can be connected to an ordoliberal research agenda or that have published research related to the financial crises or the GFC. For the case of ordoliberalism, we design a binary variable which is, again, based on journal publications. Regarding this aspect, a number of specific journals with a traditional ordoliberal emphasis (ORDO-Jahrbuch für die Ordnung von Wirtschaft und Gesellschaft, Zeitschrift für Wirtschaftspolitik, Perspektiven der Wirtschaftspolitik, Orientierungen zur Wirtschaft- und Gesellschaftspolitik) are treated as indicative of an economist’s proximity to ordoliberalism. Again, at least three publications in these specific outlets are necessary for an economist to be assigned to the ordoliberal research field; otherwise, we assume no relation to ordoliberalism.

To identify researchers that work on crisis-related issues, we examine all publication titles since 2008 to trace links to financial crises in general or the GFC in particular. We distinguish between three different categories of economists: Those who have a strong research interest in the financial crisis (at least 50% of their publications cover this issue or they published a monograph related to the financial crisis), those with moderate interest (at least 5% but less than 50% of publications), and those who, by and large, do not refer to the crisis (<5% of publications). For our further analysis, we conflate ‘moderate’ and ‘strong’ research interest in the financial crisis into one single category.
Finally, the third area of our analysis focuses on (iii), political involvement. In this context, we only focus on economists at German universities, to better align this part of the analysis with our main research interest. We capture political involvement at three levels: First, the category policy support comprises connections of economists in Germany to government-funded economic research institutes. The second category, policy engagement, captures relations to think tanks, organizations and public petitions, which pursue a clear political agenda. The third category is labeled policy advice and comprises all professors of economics taking part in institutionalized economic policy advisory boards. In this context, we focus on three major institutions, namely the German Council of Economic Experts (‘Sachverständigenrat zur Begutachtung der gesamtwirtschaftlichen Entwicklung’, GCEE), and the scientific advisory boards of the German Ministry of Finance (BMBF) and Economic Affairs (BMWi), respectively.

**Empirical results**

This section provides the main findings of our analysis in four steps. First, we offer some descriptive results focusing on the institutional and sociodemographic characteristics of our sample. In the second part, the central outcomes regarding the academic research profile of economists in the German-speaking area are presented. In the third part, we relate our findings on research profiles to the political orientation and involvement of German economists and compare the situation of German economics to the U.S. In the fourth and final part, we highlight the special role of ordoliberalism in German economics and thus provide some evidence on the peculiarities of German economics and German economic policy advice.

**Institutional and socio-demographic data**

In sum, our sample consists of 708 economists (Austria 45 (6.4%), Switzerland 95 (13.4%), Germany 568 (80.2%)) in 89 universities. The largest universities in our sample, as measured by the number of Chairs in Economics, are all located in Germany (with 26 at the University of Bonn, 23 at the University of Frankfurt and the LMU Munich, and 22 full professors at the University of Mannheim). 658 (92.9%) out of 708 professorships in economics have a specific designation (e.g. public economics, macroeconomics, economic policy); the remainder (7.1%) are simply termed ‘economics’. The total percentage of female professors in our sample is 12.4%, which is quite similar to the gender ratio of economics professors given in other studies (Ceci et al., 2014; Ginther and Kahn, 2014). Whereas the percentage in Austria (13.3%) and Germany (13.7%) is quite similar, in Switzerland (7.4%) the percentage of female economics professors is significantly lower. We furthermore analyze the trend in the proportion of female economics professors. To this end, we divide our sample into different cohorts based on academic age and find that the percentage of female economics professors in German-speaking countries has increased over the time, from about 8% in the oldest (1971-80) to slightly below 20% in the youngest (2006-12) cohort.

Finally, we examined the nationality of economists in our sample. About 90% of economics professors at German universities are also German citizens, while in
Austria the proportion of ‘domestic’ professors is 60.9% and in Switzerland only 34.8%.

**Academic research profile**

To present our empirical findings, we first focus on the general research areas occupied by the researchers under study. In this context, our data indicates a dominance of microeconomic research orientations (50.5%) across German-speaking universities, while less than a fifth of the economists in our sample can be assigned to macroeconomics (18.8%). Furthermore, specializations in public economics (6.6%) and econometrics (6.2%) are more rarely found, but each of those fields still represents slightly more than 5% of our total sample. Finally, a comparably high percentage of economists (17.8%), mainly coming from older cohorts, have a research focus covering at least two of these research areas and thus are assigned to the category ‘diversified’.

In a next step, we inspected the paradigmatic stance of professors of economics in the German-speaking area (Figure 1) and its relation to the main research areas as well as the topical foci of researchers. Overall, we found that in total only 3.2% of the professors in our sample are heterodox economists, while 5.6% belong to the category ‘plural mainstream’. In contrast, the percentage of professors working in ‘Colander’s Edge’ is much higher at 15.8%. However, the vast majority (75.5%) of scholars have been assigned to the (neoclassical) mainstream in a more traditional sense. This result is quite robust in variations in the relevant threshold; taking, for instance, two instead of three publications in heterodox economic journals as minimum requirement for inclusion in the category ‘plural mainstream’, the percentage of mainstream economists is only slightly reduced to 72.3%. If we take a look at national differences, the case of Austria stands out due to the historically stronger role of heterodox traditions (King, 2019): in Austria, roughly 20% of researchers are classified as either ‘heterodox’ or ‘plural mainstream’, compared to

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**Figure 1.** Topical foci of economists in the German-speaking area.
Switzerland and Germany, where the joint share of heterodox and plural economists is only about 5% and 8%, respectively.

Breaking down these findings to the university level shows that the University of Bremen (where 3 out of 3 full professors of economics are assigned to the non-mainstream) is the only institution with a heterodox majority among its professors. In addition, we found that there are only four more universities – out of 89 – with a majority of non-mainstream economists. All of them are relatively small (no more than six professorships) and located in Germany. While this finding resembles the more general insight from science & technology studies that small groups tend to be more disruptive and challenging toward dominant ideas (Wu et al., 2019), these locations with a non-mainstream majority are typically also characterized by specific institutional histories, which are extensively discussed by Heise and Thieme (2016).

In contrast, most large and prestigious universities, like Bonn, Munich or Mannheim, are overwhelmingly dominated by mainstream economists. As has been emphasized, the percentage of economists working in ‘Colander’s Edge’ is much higher than that associated with the ‘plural mainstream’. Whereas the latter is characterized by a principal openness to heterodox approaches, ‘Colander’s Edge’ on the other hand signifies a greater internal diversification within mainstream economics. More importantly, a large majority (about 85%) of the economics professors working in ‘Colander’s Edge’ have an expertise in behavioral and experimental economics, which implies that of all the research areas mentioned by Colander, the interrelated duo of behavioral and experimental economics is the only one that managed to gain real traction in the German economics profession.

Further analysis indicates that behavioral economics – as the dominant force within ‘Colander’s Edge’ – clearly represents a case of internal diversification of the mainstream, as only 3.8% of those researchers, who are associated with behavioral or experimental economics, also belong to the plural mainstream (see also Dobusch and Kapeller, 2012b, as well as Glötzl and Aigner (2018), who reach similar results). This minimal overlap indicates that ‘diversity within the mainstream’ and ‘plurality beyond the mainstream’ are indeed separated in practice, at least in the context of behavioral and experimental economics. Against this backdrop, Colander’s original classification seems somehow unsystematic as it comprises both upcoming research programs within the economic mainstream (behavioral/experimental economics) as well as more marginalized approaches, like complexity economics or ecological economics.

Figure 1 reproduces the results already stated and illustrates how paradigmatic orientation impacts on the preferred research focus: While, for instance, the total percentage of economists working in ‘Colander’s Edge’ is 15.8%, their presence is considerably stronger in microeconomics (27.6%), much weaker in macroeconomics (1.5%) and absent for public economics (0%). In contrast, plural and heterodox approaches are more present in macroeconomics (9.2%) that in microeconomics (7.8%), while all public economists are assigned to the mainstream. Against this backdrop, internal diversification in mainstream economics again seems to be constrained to specific areas of research.

In our analysis of the current paradigmatic structure of the German-speaking area, we furthermore assess the role of the ordoliberal tradition. In sum, 48 (6.8%) out of 698 professors show a relation to ordoliberalism. Unsurprisingly,
ordoliberalism is relatively more important for German economics (8.1%) compared to Austria (2.2%) and Switzerland (2.1%). Within ordoliberalism, the share of professors associated with a plural mainstream (10.4%) is considerably higher than in the total sample. This can be explained by the historical composition of ordoliberalism, which is partly connected to other paradigmatic approaches, including evolutionary, Austrian, social and neoclassical economics. Therefore, economists with a relation to ordoliberalism are slightly more receptive to ideas beyond the mainstream and also have a greater interest in the history of economic thought.

Finally, Figure 1 indicates the paradigmatic stance of economists who have done work on crisis-related issues. We found that only a minor proportion of economics professors in our sample (14.5%) published books or journal articles dealing with the GFC or financial crises after 2008\textsuperscript{12}. Given some empirical evidence for the reluctance to deal with economic and financial crises in mainstream economics (Acemoglu, 2009; Pühringer and Hirte, 2015), the comparatively high share of heterodox researchers (8.2%) among those that engage with the GFC could be expected. Comparatively speaking, the GFC is a more important research issue for heterodox economists, which is in line with the general supposition that the economic mainstream views capitalism as a self-equilibrating phenomenon, while heterodox economists are more strongly inclined to emphasize the role of crisis and conflict.

To introduce a temporal dimension into our analysis, we rearranged our sample of economists according to their academic age to form seven different age-cohorts, by taking the year in which our subjects received their PhDs as a starting point. This procedure allows us to capture temporal trends, as summarized in Figure 2.

In line with other recent work on the general development of economics (Angrist et al., 2017), we find a growing focus on microeconomic research topics – an increase also associated with the now prominent position of behavioral and experimental economics –, whereas the share of economists focusing on macroeconomic subjects decreases from 26.9% in the oldest to 17.1% in the youngest cohort. In a similar vein, the percentage of mainstream economists rises more or less continuously, from 76.9% in the oldest to 98.1% in the youngest cohort, which indicates that the complete marginalization of heterodox economics is a more recent historical phenomenon. A similar observation can be made for the ordoliberal tradition, where association is even more strongly correlated with (academic) age. This finding is in line with recent literature on ordoliberal reasoning and its position in economics (e.g. Hien and Joerges, 2018b). Finally, the GFC as a research topic has a slightly higher relevance for older cohorts compared to younger economists.

For the detailed topical analysis of the research and paradigmatic profile of the German-speaking area (Figure 3), we examined the relevance of the five most important research interests conditional on the paradigmatic and topical orientations shown in Figure 1. In Figure 3, we show the relative proportion of the five mostly used keywords relative to all keywords in this group with at least two occurrences. To do so, we aggregated very similar keywords (e.g. microeconomics and microeconomic theory) into joint categories.

In the full population, the share covered by the five most common keywords in all keywords is relatively low, which is plausible as the full population exhibits greater heterogeneity than the subgroups described by the other columns. For
instance, economists assigned to ‘Colander’s Edge’ form a quite homogeneous group related to microeconomic oriented research fields, where the interrelated fields of experimental and behavioral economics add up to almost one third of all keywords. In contrast, the share of researchers concerned with policy-relevant issues such as ecological and environmental economics, macroeconomics, economic policy or evolutionary and innovation economics is higher within the groups of plural mainstreamers, heterodox economists and researchers interested in crisis-related issues. Scholars with reference to German ordoliberalism on the other hand show a strong focus on public finance related issues, which cover up to 20% of all keywords in this subset. Contrasting these latter two findings, we find that the paradigmatic division strongly aligns with differences in topical foci, where more pluralist & heterodox researchers tend to focus on key socio-economic challenges like environmental degradation, growth and distribution, whereas ordoliberal researchers are more concerned about the role of public finance(s). Against this backdrop, the subsequent section will explore whether this alignment between paradigmatic and topical orientation also translates to the level of political involvement.
In sum, our findings point to a strong paradigmatic homogeneity in German academics that has been increasing over time. Novel developments from a paradigmatic perspective mostly pertain to microeconomic issues from a mainstream perspective, which goes along with a relative neglect of macroeconomics, economic policy, crises and heterodox traditions among younger cohorts of economists in Germany. Consequently, we find that these topics are comparatively more important for economists with a pluralist or heterodox orientation.

**Political involvement and paradigmatic orientation of economists in Germany**

The alleged orthodox and conservative view of German economists was at the center of a controversy between U.S. and German economists on the design of adequate policies in the aftermath of the GFC. Stiglitz, for instance, stressed the allegedly extraordinary political orientation of German economists, particularly in comparison with the U.S., where a majority of economists support liberal ‘interventionist policies’ (Hedengren et al., 2010; Klein and Stern, 2009). In a similar vein, several authors stressed the importance of the “Rhine Divide” (Brunnermeier et al., 2016) for the case of Europe, where the German stance conflicts with a rather Keynesian-oriented policy paradigm that is more dominant in France (van Esch, 2014). However, at least for the case of the U.S., the surveys discussed in Section 2 indicate that, on average, economists in the U.S. and Germany share similar views regarding the role and potential of fiscal policy. Against this backdrop, the hypothesis of a peculiarity of German economics in general does not seem too convincing.

To provide a more precise analysis of this alleged peculiarity, we suggest focusing more strongly on the issue of transmission of economic expertise into public debates and policymaking. For this purpose, we look solely at German economists \( n = 568 \) and distinguish between three different forms of political involvement: policy support, policy engagement and policy advice\(^ {13} \).

At the level of policy support, we analyze economists with affiliations to government-funded economic research institutes, which do play a central role in German public economic debates (Campbell and Pedersen, 2014; Flickenschild and Afonso, 2018). Overall, the most important institution in quantitative terms is the CESifo Group Munich, with 120 (21.1%) affiliations among German economists. Other frequently mentioned research institutes are the Institute of Labor Economics Bonn (IZA) with 74 (13.1%), the Centre for Economic Policy Research (CEPR) with 56 (9.9%), and the Centre for European Economic Research Mannheim (ZEW) and the German Institute for Economic Research Berlin (DIW), with 37 (6.5%) affiliations respectively. By matching the political support category with the paradigmatic profile of economists (Figure 4), we found that economists associated with the category of policy support show an even stronger inclination toward mainstream approaches than the overall population of German economists. For instance, while every second mainstream economist is affiliated to policy support institutions, only a quarter of heterodox economists are. Given the importance of economic research institutes in public economic debates and for policymaking in Germany, this underrepresentation further lowers the potential political impact of alternative economic views.
In the category of policy engagement, which comprises economists active in think tanks and organizations or supporting public petitions with the aim of exerting political influence, we found a slightly higher share of heterodox/pluralist economists as compared to the category policy support. However, the share of mainstream economists in this sub-group also surpasses the corresponding share for the full population, as economists associated with ‘Colander’s Edge’ are slightly less visible in such contexts. A possible interpretation of the pattern obtained in Figure 4 is, hence, that economists holding alternative views would be willing to engage with policy issues (which is why they are engaged) but have difficulties in actually getting a hearing at the respective policy-relevant institutions (as covered by the remaining two categories).

The most prominent institution related to policy engagement in our sample was the ‘plenum of economists’, which has 169 members (29.7%) in our sample. Furthermore, we identify substantially more and closer connections of economists to ordoliberal or neoliberal German think tanks, such as the ‘Initiative New Social Market Economy’ (INSM)\textsuperscript{14}, the ‘Kronberger Kreis’ or the ‘Friedrich von Hayek Society’, than to think tanks with an ‘interventionist’, Keynesian orientation or a link to the trade unions (e.g. ‘Keynes Society’, ‘Böckler Foundation’). Moreover, 90 German economists in our sample (15.9%) signed the neoliberal petition ‘Hamburger Appell’ (Funke \textit{et al.}, 2005), which was launched in 2005, aiming to push for rigid labor market reforms.

In line with this finding of an underrepresentation of heterodox ideas among politically engaged economists in Germany, the FAZ media ranking shows that ‘pragmatic Keynesian’ (Lavoie, 2010) positions in the German economic discourse are, to a certain extent, ‘imported’. This means that visible public economists taking such a stance often come from other countries. Aside from Marcel Fratzscher and Peter Bofinger, visible economists taking Keynesian stances in German public discourse are, following the ranking of the FAZ, either based in the U.S. (such as Paul Krugman, Lawrence Summers and Joseph Stiglitz) or in France (Thomas Piketty).
Incidentally, these economists not only fill a gap in terms of the policy discourse; they also enrich the respective discourse in terms of paradigmatic diversity, as two out of these four economists fall in the category of plural economists (according to the criteria laid out in Section 3). These observations align well with the finding that more pluralist authors tend to focus on different topics as well as with their alleged exclusion from large parts of the political arena.

We also examined the social network structure of public economists identified with reference to the FAZ media ranking by mapping their institutional links to non-university institutions, such as economic research institutes, advisory bodies, and academic and advocacy think tanks\(^{15}\). The resulting two-mode personal-institutional social network further underscores the marginalization of pluralist economists. It shows that German Keynesians (Peter Bofinger, Gustav Horn) and international contributors to German debates both lack strong ties to the dominant cluster in terms of policy engagement, which centers around ordo- and neoliberal institutions such as the Ludwig Erhard Foundation and the Initiative for New Social Market Economy (INSM). However, more recent developments in the FAZ ranking indicate a trend in favor of pragmatic Keynesian and other critical economists, to the disadvantage of traditional ordoliberal discourse coalitions (Schwarzbaumer et al., 2019). Examples include Jens Südekum, Sebastian Dullien, Claudia Kemfert and Achim Truger, who substantially improved their position in the FAZ ranking 2020, not least due to their high scores in politics and in the newly-established category ‘social media’ (Figure 5).

Finally, we focused on the members of the three main German economic institutions for policy advice: the German Council of Economic Experts (GCEE) and the scientific advisory boards in the German Ministries of Finance and Economic Affairs. When matching the policy advice category with the paradigmatic orientation, we found that all the German economists of our sample who engaged in policy advice institutions belong either to the mainstream (90.6%) or to ‘Colander’s Edge’ (9.4%), while none of them can be classified as heterodox or plural mainstream, which, again, can be interpreted as a sign of the exclusion of alternative

\[\text{Figure 5. Social network structure of public economists.}\]
economic views from important parts of the political landscape. And indeed, this observation marks a stark difference to the U.S., where among all still living chairmen of the Council of Economic Advisers, which can be seen as the prime policy advice institution in the U.S., about 20% could be classified as heterodox or pluralist economists (according to the criteria laid out in Section 3).

To sum up, the dominance of mainstream economists is obvious at all levels of political involvement. However, whereas in the categories of policy support and policy engagement heterodox and plural mainstream economists at least have a minor share, the category of policy advice is exclusively composed of mainstream economists.

The specter of ordoliberalism

Regarding the specific impact of ordoliberalism, we found only a rather weak ‘conservative’ and/or ordoliberal bias in the overall population of German economists at the level of research orientation (8%), which is, furthermore, declining over time. At first sight, these findings imply that the importance of ordoliberalism as a core ‘German oddity’ is small and declining. This impression, however, changes significantly, if we direct our focus toward economists who reside in the categories of policy engagement and policy advice. Within these subgroups, the respective numbers increase to 13.4% for the category of policy engagement and about 40% for the category of policy advice (see Figure 6), which is arguably the category in our framework that is associated with the greatest potential impact and influence, as these circles offer an institutionalized forum for providing direct policy recommendations. This finding indicates that the alignment between paradigmatic and topical orientation observed in Section 4.3 also translates to the level of political impact. Ordoliberal scholars are known to have a more conservative policy stance (Blyth, 2013; van Esch, 2014) and show a corresponding topical focus on public finance, whereas economists of more pluralist persuasions tend to focus on key social challenges, such as environmental degradation, unemployment or distribution. While both groups represent only a small share of the overall population.

Figure 6. Ordoliberalism and Neoliberalism in the political involvement of German economists.
(both about 8-9% in total), their uneven representation in political contexts, where ordoliberalism is massively overrepresented, while (other) alternative economic views are next to totally excluded, emerges as a key reason for the lopsidedness of economic policymaking in Germany.

To critically reflect on the robustness of this surprising finding, we borrow from the approach applied by Mirowski and Plehwe (2009) and Pühringer (2020), who identify economists with personal links to ordo-neoliberal institutions and public petitions as members of a ‘German neoliberal thought collective’ (GNTC). By applying this institutional definition and employing the broad collection of neoliberal think tanks provided by the TTNR (2020), we identify members of the GNTC in our dataset, which allows us to assess the robustness of our finding on the increasing importance of ordoliberalism in policy contexts. Figure 6 shows that both identification strategies – ordoliberalism as well as the GNTC – lead to very similar overall outcomes.

Hence, we found that ordoliberalism still plays a decisive role in Germany’s economic policymaking. This points to the fact that selection processes within German economics matter a lot for the formation of specific political views and positions in Germany: although many economists in Germany hold rather pragmatic views toward the potential of interventionist policies, such economists do not seem to self-select (or get selected) into more influential policy circles, which dominate public debates (policy engagement) as well as actual policymaking (policy advice). In such contexts, not only do we find a disproportional presence of ordoliberal ideas – which in relative terms increases five-fold (from 8% to 40%) when moving from the overall population to the most influential policy institutions – but we also see that economists based outside Germany enter the public debate to partially compensate for the lack of visible alternative views on economic policymaking in Germany, notwithstanding the trend of a stronger presence of pragmatic Keynesians and other critical German economists in recent years (Schwarzbauer et al., 2019).

Our findings on the important role of ordoliberalism among publicly visible and politically influential economists are in line with other empirical studies reporting a strong and densely connected German neoliberal/ordoliberal power structure organized around think tank networks (Plehwe et al., 2018; Pühringer, 2018; Flickenschild and Afonso, 2018; Plehwe, 2017), particularly when compared to its Keynesian, center-left ‘interventionist’ counterpart, and thus offer an explanation for the relatively strong German calls for austerity measures after the crisis. Our results furthermore support the thesis that the European reaction to the financial and economic crisis is partly shaped by ordoliberal ideas (Biebricher, 2014; Bonefeld, 2012; Blyth, 2013) and also gives some indication as to how this ordoliberal influence emerges despite the low number of researchers actually dedicated to an ordoliberal research program.

Conclusion

This paper provides an analysis of the institutional and paradigmatic structure of the economics discipline in German-speaking countries, as well as an analysis of the political involvement and orientation of economists in Germany. For this purpose, we applied an indicator-based analysis to the CVs and research profiles of
more than 700 professors of economics at German, Austrian and Swiss universities. We use their self-proclaimed research interests and publications in economic journals to assess their paradigmatic orientation and topical foci, and data on memberships, associations and related aspects to document the degree of political involvement in different dimensions.

Our empirical findings indicate that heterodox and plural mainstream economists are a minority among economists in Germany (together about 9% of the full population) and that recent trends have contributed to further amplifying this asymmetry between mainstream economics and alternative approaches. Perhaps surprisingly, we found that a similarly small share of economists in Germany (8%) are related to the ordoliberal research program; hence, from a bird’s-eye view ordoliberalism and heterodox approaches seem to be marginalized to a similar degree, as both groups hold minority views within the economics profession in Germany.

Furthermore, we found some substantial differences with regard to these subgroups that improve our understanding of the specific trajectory of German economic policy in the past decade. For instance, the share of economists working on the GFC is much higher for heterodox economists (31.8% vs. 14.5%), who also tend to be more interested in policy-relevant topics, like macroeconomics or environmental economics. At the same time, this group of heterodox and pluralist economists is underrepresented in institutionalized policy contexts. Conversely, we show that neo- and ordoliberal ideas, organized around think tanks and institutions such as the Initiative for New Social Market Economy, the Kronberger Kreis, the Eucken Institute and the Friedrich von Hayek Society, are overrepresented in policy contexts. This observation strengthens the observation that economics in Germany is probably quite similar to economics elsewhere in the developed world, but selection into policy-relevant spheres might follow different, more idiosyncratic criteria, where intellectual closeness to traditional German attitudes in economic policymaking is rewarded with greater political visibility and influence.

Given that pluralist and heterodox economists as well as economists who support ‘pragmatic Keynesian’ positions played a minor role at the level of economic policy advice after the GFC, our findings suggest that critical Keynesian perspectives were often ‘imported’ from foreign economists with more pluralistic paradigmatic orientations. However, more recent developments indicate that new critical voices, like those of Claudia Kemfert (DIW), Jens Südekum (DICE), Sebastien Dullien (Böckler Foundation) and Achim Truger (GCEE), are gaining ground in public debates, potentially challenging the dominance of traditional ordoliberal discourse coalitions (Schwarzbauer et al., 2019).

In sum, this paper suggests that aside from contextual factors, like role of Germany as a ‘winner’ in the international race for economic competitiveness or its function as a ‘steward’ in the genesis of the European policy institutions (Gräbner et al., 2020), the ideological bias in German public debate and economic policymaking that prevailed in the last decade can be understood as drawing on two factors: a strong, but not exceptional, paradigmatic homogeneity among economists in Germany, as well as a highly asymmetric positioning of pluralist/heterodox perspectives relative to ordoliberal views in policy contexts.
Notes

1. See Gräbner and Strunk (2020) for an overview of the recent debate on pluralism in economics.

2. In recent years, prominent ordoliberal economists have stressed the resemblances of the ordoliberal tradition with public choice economics, constitutional economics and new institutionalism and aimed at a realignment of ordoliberalism under the heading of ‘Ordnungsoekonomik’ or ‘order economics’ (Feld et al., 2017; Vanberg, 2014). Indeed, under the influence of Hayek – who was a professor at Freiburg from the 1960s onwards – and in collaboration with James Buchanan, ordoliberal scholars aimed to adjust ordoliberalism to mainstream economics. Upon the awarding of the Eucken-Medal to Buchanan, the Eucken Institute praised him for his contributions to modern order economics “in a spirit related to the Freiburg School” (“in einem der Freiberger Schule verwandten Geist”).

3. The exact question was: ‘Fiscal policy can be an effective instrument to stabilize the business cycle. Do you agree?’. In 2006, for instance, about 29% of the respondents answered ‘no’. Questions from the GEA surveys were translated by the authors.

4. The exact question was: ‘Fiscal policy (e.g. tax cut and/or expenditure increase) has a significant stimulative impact on a less than fully employed economy’. However, despite the negative trend, these results still report an overall positive attitude towards fiscal policies, which is also reflected in the very supportive responses to the question ‘Appropriately designed fiscal policy can increase the long-run rate of capital formation and economic growth’: 52% of the respondents agreed, 34% agreed with provisos and only 13% disagreed (Fuller and Geide-Stevenson 2014).

5. The paradigmatic orientation of economists is just a minor point in the GEA surveys.

6. Universities of Applied Sciences have been excluded from this analysis as they clearly represent ‘second-tier’ universities in the German-speaking academic world, which exhibit a clear focus on undergraduate and graduate teaching.

7. Notwithstanding the methodological critique advanced against this ranking and its potential bias in favor of mainstream media, we employ the FAZ ranking because of its wide range and popularity.

8. The paradigmatic classification, as well as the identification of an ordoliberal reference, is not based on the specific content of publications but on the journal outlets.

9. For the variable on policy engagement, we additionally had to complement our own data with input drawn from the database of the TTNR (2020) and from previous research on think tank networks of German economists (Pühringer, 2020). We also included former connections because many institutions (e.g. the Kronberger Kreis) periodically change their board members.

10. Due to the focus on publications in refereed journals, our full sample is slightly reduced from 708 to 698 economists, because 10 of them have not published in academic journals or there was no publication record available.

11. If we, in contrast, restrict the category plural mainstream to at least 4 publications in heterodox journals, the percentage of mainstream economists increases to 78.5%.

12. As outlined above, we grouped “strong” and “moderate” research interest in the financial crisis here. We want to thank an anonymous reviewer for drawing our attention to this inaccuracy.

13. The transmission of economic expert knowledge into politics is a multifaceted process that is affected by personal relationships between experts and politicians as well as ad-hoc committees and commissions. However, we base our analysis of economists’ political impact on institutionalized forms of political involvement. Additionally, we employ the FAZ media ranking as a complement to include publicly visible economic advisors, who are not part of institutionalized policy advising.

14. For an in-depth analysis of the political and discursive strategy of the INSM, one core actor in the GNTC, see (Kinderman, 2017).

15. We apply social network analysis, more precisely the community detecting algorithm the Louvain Method (Blondel et al. 2008), to highlight community structures in the social network of public economists.
Acknowledgements

We want to thank Friedrich Schneider, the editor and three anonymous reviewers for their valuable comments and suggestions, which substantially improved our paper.

Disclosure statement

The authors declare no conflict of interests

Funding

This research was funded by the Austrian Science Fund (FWF) [Grant number: ZK60-G27].

Notes on contributors

Jakob Kapeller is philosopher and socio-economist. He is Professor at the Institute for Socio-Economics (www.uni-due.de/soziooekonomie) at the University of Duisburg-Essen and heads the Institute for Comprehensive Analysis of the Economy (ICAE) at the Johannes Kepler University (JKU) Linz (www.jku.at/icae). His research interests include socio-economic change from a political economy perspective, the history of economic and political ideas, distributional issues and heterodox economics.

Stephan Puehringer is post-doc research associate at the ICAE at the JKU Linz. His main research interests include Political Economy, the performativity of economic thought and power structures in economics. In his work he applies discourse and social network analysis of economics and economists and bibliometric methods and is hence contributing to the field of Social Studies of Economics.

Christian Grimm currently works at the Institute for Philosophy und Scientific Method (ISPM) at the JKU Linz as a Lecturer. His main research interests include history of economic thought, heterodox economics, political economy and social philosophy. Furthermore, he works for a book publisher in the fields of economics and business administration.

ORCID

Jakob Kapeller http://orcid.org/0000-0002-7538-9706
Stephan Puehringer http://orcid.org/0000-0003-2902-1895

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