

Chapter 13

For or Against the European Banking Union: How Internationalisation Affects the Position-Takings of ‘German-Speaking Economists’ on Crisis Issues



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Introduction: Taking Positions on Different Forms of Crisis

In today’s world, economists are not only academic specialists of economic behaviour but have turned into public and media mediated authorities that shape what political and other social agents know about the world (Maeße 2015a). The ivory tower may still function as their home and powerbase, but their scope of action is global and their expertise has performative effects on the whole of society (MacKenzie 2007). Economic ideas and concepts structure how we see human behaviour and social life, how we think we could and should influence it and to what purpose (Vogl 2010).

Consequently, when crisis struck in 2008, economists were involved on all fronts at the same time. The financial instruments that failed only existed because financial economics had become highly mathematised over the years. The people made redundant were experts trained in economics and socialised as professionals in business schools and economic departments. Those who had deregulated financial markets in the years prior to this had been deeply absorbed by a basic set of economic ideas tightly interwoven in the overarching neoclassical paradigm: that unhampered (particularly financial) markets create optimal results, further the public good and are consequently of general public interest. At the same time, political action had to be taken, policies to counter the crisis were needed, and economists’ expertise was sought by those in charge. As a result of this, the crisis did not

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diminish the importance of the profession of economics for modern economies and states alike (Mudge and Vauchez 2018). Instead it turned into a catalytic moment because it gave different factions within economics a chance to reposition themselves in order to gain or preserve their influence and their careers.

Statements and position-takings by economists in this situation roughly fall into two main categories. On the one hand, economists engage in detecting causes of the economic crisis and framing them as problems, proposing solutions to solve these problems and naming agents responsible for taking action (or accusing them of inaction). In June 2012, for example, the European Council decided to go ahead with forming the Single Supervisory Mechanism (SSM) and the European Stability Mechanism (ESM) because they saw it as “imperative to break the vicious circle between banks and sovereigns” (Euro Area Summit Statement on 29 June 2012). The announcement of effectively creating a European banking union was immediately met by resistance not only by German politicians, but also by German-speaking economists. Within less than a week, an open letter opposing an EU banking union was written and ultimately signed by 274 “German speaking economists” (Krämer et al. 2012). This almost instantaneously triggered a response by another group of economists in favour of a European solution to the banking crisis, who issued an open letter signed by 221 economists (Burda et al. 2012). Here, we have two opposing and strong statements on the feasibility of a European solution to a certain dimension of the economic crisis.

On the other hand, economists take issue with their own discipline and profession (Caspari and Schefold 2011), asking the question: “Why didn’t we see this coming?” Reactions fell into two large camps that shared the perception that something has to change and aired their views in two open letters in 2009. The first letter was signed by 83 economists and pleaded to “Rescue ‘Wirtschaftspolitik’ at German Universities” (Aberle et al. 2009). It called for a renaissance of economics as a discipline geared towards consulting government on creating and maintaining institutions, a view deeply rooted in the tradition of German ordoliberalism (Pahl 2011a). The second letter was signed by 188 economists and strongly opposed this view, appealing to “Restructuring German Economics According to International Standards” (Adam et al. 2009). It argues that more internationalisation and mathematization is needed and attributes many of the failures of German academic economics to it lagging behind international developments.

Taking position on either the economic crisis or the crisis of economics is part of daily academic life for economists and the two are interconnected as shown by those 104 economists that signed one of the letters on the EU banking union as well as one of the letters on the state of the discipline. Opinions expressed are understood by other economists as statements made in certain economic discourses and used to locate speakers, to understand what certain speakers stand for and to position themselves in relation to them (Angermüller 2013). The magnitude of statements is estimated with reference to the speaker’s position in relation to other economists, drawing on the knowledge of their achievements and career trajectories. At the same time, this kind of understanding is only possible because those observing and reacting to these statements have the ability to ‘read’ each other, always in perspective, due to their own professional socialisation.

If this holds true, an epistemological conclusion has to be drawn and a basic research hypothesis can be proposed. In order to explain opposing statements on either of the crises, we have to consider not only political, bureaucratic and economic circumstances but also the relationships between economists. This can be done by reconstructing the field of economists, by capturing the historical changes it underwent or is currently undergoing and by grasping how involvement in academic, political and professional practices is structured. Starting from these epistemological premises, it becomes possible to formulate the general hypothesis that position-takings on either of the crises are interconnected and both differences between and similarities of the statements can be seen as having structural homologies to the positions of the agents uttering them (Lebaron 2000).

German Economics as a Discipline in the Academic Field

The space of economists reconstructed here is part of the academic world and, as such, all agents in it hold the shared perception that they are engaging in scientific practices in order to produce true statements. Their work is driven by an interest in disinterestedness, as is the case in any field in which symbolic forms are produced (Bourdieu 1998a): The descriptions and explanations of economic phenomena are published as contributions to the imagined pool of objective knowledge, not as moves in the struggles to improve one's position, although they always also have this effect. The disinterestedness guarantees the autonomy of the academic field and, at the same time, the double-faced character of academic practices is an open secret known to anyone engaging in science (Bourdieu 2004: 25). This not only leads to many practices aimed at upholding disinterestedness but also results in two kinds of habitual abilities needed to engage in this practice and two kinds of objectified forms of such abilities – scientific and academic capital – that structure this field.

Scientific capital is a special form of symbolic capital that depends on the general cultural and more specific academic merits that agents have acquired (see also Münch in this volume). Such symbolic capital is the ability to objectify certain aspects of the world, to produce doxical categories and worldviews used throughout society as basic and natural ontologies (Bourdieu 1989). Symbolic capital materialises in publications and statistics which in turn indicate a scientist's reputation to his or her peers. This is at the heart of his or her ability to continue to produce scientific statements. This makes publications a form of scientific capital in two ways: each publication notes the historically objectified value-form prized at that very moment and becomes a sought-after resource for future engagement (Bourdieu 2004: 55). Hence, scientists struggle not only to produce these statements but also to influence how such statements should be legitimately made. At the same time, publications have a wide societal impact and contribute to symbolic domination beyond the academic field: they inform legitimate descriptions of the world, state what the facts are, what has to be done and who can do what.

Academic capital consists of academic merits in the form of qualifications obtained, the organisational influence and manpower one commands due to one's position in academic institutions such as universities, research institutes or academies and the financial resources one is able to thus mobilise. Here, the links with other forms of capital and hence other fields becomes apparent, particularly politics and the economy (Bourdieu 1998b: 36). In general, economic capital transfers into academic capital in the form of university and research funding, whereas political capital transfers into academic capital by deeming certain disciplines to be researching subjects of general public interest or directly contributing to the common good, which will again translate into funding. All positions in the academic field integrate scientific as well as academic capital and agents constantly engage in practices that transfer one into the other. The type of statements and the symbolic capital making them possible are the stakes fought over and, at the same time, statements translate into political influence, income, social prestige and social structural position. Practising science is a constant quest for knowledge and, at the same time, it is a struggle over legitimate forms of cognition and one's place in the social space.

Economists distinguish themselves from other disciplines through the theoretical assumptions and methods they use to produce true statements about economic phenomena other disciplines cannot produce (Schmidt-Wellenburg and Lebaron 2018). They share a mind-set that they have incorporated through their scientific socialisation in the PhD phase, a not only reflexive but in many ways tacit knowledge that allows them to produce economic research questions, utilise mathematical techniques in order to analyse data so as to reach economists' conclusions. Being a member of this tribe not only means being able to engage in the tribe's practice but, at the same time, being able to show the legitimate, objectified symbolic tokens associated with membership. It is those tokens that can be used to trace the differences between different agents: official qualifications including a hierarchy of institutions awarding these, publications including a hierarchy of types of publishing and outlets, membership of academic circles and associations and working for or consulting with political and economic agencies. All the different tokens can be used to envisage relationships of power as well as of meaning between economists, making it possible to trace the forms and distributions of scientific and academic capital in this specific disciplinary space.

Since World War II, German economics has become more and more internationalised. What was once "Nationalökonomie", a science closely associated with the nation state and focused on understanding the economy as a national-bound system, became linked to the US field of economists, when the US government and various philanthropic organisations such as the Ford Foundation became involved in rebuilding German academia (Hesse 2012). Exchanges of lecturers, researchers and students with the US were academic merits in their own right. Over time, together with US PhDs, these changed from being something extraordinary into common career opportunities, very often opening up possibilities for top German economists to pursue a career in the US. From the 1990s onwards, German PhD

education was reinvented along the US paradigm of graduate schools, departments were restructured by denominating chairs along the trinity of mic-mac-metrics (micro-economics, macro-economics and econometrics) with assorted applied specialisations, and teaching today follows the global textbook canon (Colander 2008; Pahl 2011b; Maeße 2015b).

The potential for transnationalisation is linked to the universal languages of English and mathematics, modelling and statistics in economics. In addition, the focus of economics as a universal science attending to an anthropologically universal phenomenon, market exchange, and presenting general solutions for how to further and govern markets, frees academic economics from much of its historical rooting (Fourcade 2006). As a result, some areas of German economics became sucked into the transnational academic field of economists dominated by US-based academic institutions and international organisations. It is important not to forget, however, that this does not mean that all German academic economists hold a Chicago or Harvard PhD and publish in the *American Economic Review*. As Marion Fourcade (2009) has shown for the US, UK and France, the national pathways and institutional characteristics prevail to this day, but in each of the various national contexts, a transnational part of the field of economists has developed.

From this setting, we can derive the main hypothesis to be examined here: the politico-economic statements on the European banking union aired through the media and aimed at the field of politics are linked to the positions held by German economists, positions that have been greatly affected by the internationalisation of the field. Those who have profited from internationalisation and have been involved in recent years in researching transnational and European phenomena are those who opt for a European banking union. Those who opt for a national solution to the banking crisis, conversely, are those who have not profited from internationalisation because their careers are inextricably linked to the older and more nationally anchored areas of the field more closely associated with classic ordoliberal positions aimed at the nation state. Practice theory is at the base of the argument: the practical sense inherent to agents lets them engage in practices and produce behaviour with “family resemblances” (Wittgenstein 1980: 67) even across different social settings, ranging from research projects and publishing to engagement in politico-economic discourse. Hence, the task is to reconstruct the practical sense by showing the family resemblances and uncovering the main structural dimensions of the space occupied by economists underlying them.

Generating the Data

The individuals observed are the 480 signatories of the two letters on the EU banking union. The threshold that needs to be overcome to sign one of the letters (or indeed both, as 15 signatories did) is relatively low compared to other forms of taking sides on the issue. Hence, not only those who routinely engage in public discourse but also

many academic backbenchers signed. This enables us to examine more than just the discursively highly vibrant areas of the German-speaking field of economists (cf. Hirte 2013), although it is not possible to quantify exactly who has self-selected him or herself from the overall population of economists. The reference made in all letters to the German language points to the high level of integration of German, Austrian and Swiss academia in which 82.9% of the signatories are employed as professors, with 74.6% having been born in or holding the citizenship of one of the three countries and 82.3% having received their PhD from a German-speaking university. The position of professor is held by a total of 90.6% of those in our study and lies at the basis of their ability to publicly voice their opinions and actually be heard (Schmidt-Wellenburg 2013: 342 ff.).

Curricula Vitae as Sources of Information

Indicators for the amount and composition of capital that economists hold can best be observed in their *curricula vitae* (CVs). Writing a CV enables academics to objectify their positions using standard means of evaluating their achievements and closely associated legitimate ambitions that make up their careers. At the same time, CVs are used in the field of economists to measure the worth of academic agents and to judge their potential. Standard evaluative practices involving CVs are hiring, applying for funding, and awarding grants and prizes. CVs are a synopsis of all different types of practices that are highly objectified, legitimated and worthy, in other words, the forms of capital in the field that empower those who hold them and position them in relation to others. At the same time, a CV reveals the standards of valuation used by the person writing it. As a result, differences between CVs become very important and should not be glossed over; they should not be aligned to one ideal model.

In addition to the CVs, alternative sources accessible online were used to gather information included in some CVs but not all: membership lists, Kürschners Deutscher Gelehrten-Kalender Online and Deutsches Hochschullehrerverzeichnis (both online databases on German-speaking academics), Munzinger Online (biographical database of German speakers), GEPRIS (German Project Information System, a database on academic research funding in Germany), Deutsche Nationalbibliothek (the German National Library), www.econbiz.de (database on publications in economic sciences) and the Social Science Citation Index (SSCI). Information from CVs and other sources was taken into account for up until the end of 2013, in order to document agents' properties held in summer 2012.

Grounded Theory Coding and Multiple Correspondence Analysis

In order to capture the practical sense inherent in a certain practice, the behaviour of various agents has to be closely monitored and compared to each other. The aim is to reconstruct the rules that make the communalities and differences intelligible to an observer. These reconstructed rules should not be confused with the habitual dispositions that effectively structure behaviour. They much more resemble a possible hypothesis about what happens that can be used to understand the situation (Schmidt 2012). If they cannot make what is observed intelligible, they need to be adjusted in the process of research. In order to create such a hypothesis, it is necessary to break with the everyday perception of reality (Bachelard 1978). The intuitive habitual understanding of practice has to be replaced by a reflected reconstruction of our understanding and the understanding of others. It helps here to concentrate not on the dispositions inherent in habitus, but on externalized, objectified and often directly exhibited properties of agents, which in turn correspond to their dispositions. These social properties have to be scientifically reconstructed by developing categories that order individual characteristics into collective properties (Bourdieu and Wacquant 1992).

This can be done by using grounded theory methodology (GTM). Here, hermeneutic interpretation structured by reflexive steps of open coding, contrasting codes and recoding is used to unearth the main meaning structures behind a certain class of social phenomena (Corbin and Strauss 2008). GTM and field analysis when seen in a practice theoretical framework share the basic methodological concept of creating knowledge by breaking with presuppositions, by reconstructing categories using the idea of maximal or minimal differences between observations, by reconstructing rules as observed sense and attempting to refine or redesign these by taking on more and different material, trying to adjust scientific statements and observed behaviour in a fitting process (Kelle 1994; Diaz-Bone 2007).

The system of codes developed from coding CVs and additional sources using the qualitative software MAXQDA links each economist to certain codes and hence properties. This information was exported and then examined and quantified using geometric data analysis (GDA). GDA allows us to explore the relationships between the properties of individuals in order to find the main structures in a given group of individuals (Le Roux and Rouanet 2004: 10ff.). It ideally complements GTM because it also uses cross tabulations of properties but to an extent that could never be checked by hand nor interpreted using a method that does not use chi-square statistics, dimension reduction using least square techniques and graphical representations of multidimensional spaces. On the other hand, without a controlled construction of categories as proposed by GTM, these instruments may well construct either meaningless or distorted spaces representing only official meanings because they are based on official categories.

GDA was used at two stages of the project. First, hierarchical agglomerative clustering (HAC, taken from SPAD 8.2), which follows the same inductive logic as GTM, was used to construct variables with multiple but mutually exclusive categories in a certain area of practice, plus one category for individuals who do not share any properties coded for this area. For this, the codes initially generated using GTM were subjected to a multiple correspondence analysis (MCA) including only individuals that had at least been assigned 'yes' for one of the codes examined. The cloud of individuals was then partitioned into sub-clouds using HAC (Le Roux and Rouanet 2004: 106). The decision where to cut the hierarchical tree and, consequently, how many partitions to use was made on the basis of three criteria. First, a big loss in inter-cluster inertia by the fusion of two clusters is seen as an indicator to use the prior partition. Second, properties that characterise the clusters had to be interpretable in context of the CVs in order to be able to formulate cluster characterizations that can then be assigned to each one of the economists as his or her property. Third, the number of individuals assigned to each cluster should not vary too much between classes making it possible to capture differences between all individuals and not only between one major and a few minor classes, so as not to lose too much information for the final MCA.

Second, specific MCA (taken from SPAD 8.2) was used to reconstruct the space of properties and individuals because it allows us to set certain categories of active variables as passive, which is very useful for preventing an overrepresentation of some characteristics of individuals that are described by more than one modality. In addition, the individuals were weighted according to their stance towards the European banking union, since both camps were not equally present in the data set and this would have distorted the space towards the preferences of the larger group.

The categories used as active variables in the MCA fall into four broad classes that are important throughout the historical period of all careers observed: academic merits, scientific practices, academic memberships, and scientific funding or generating income by consulting or working in politics or business. In addition, two groups of passive variables were used. The first group encloses variables that further characterise individuals' scientific positions in more detail, but would add unnecessary complexity to the construction of the space, such as age. The second group consists of variables that allow us to describe the engagement of economists in politico-economic struggles, such as having affiliations with political parties and partisan foundations or as taking position on current political issues, or that enable us to pinpoint their stance on internationalising the discipline of economics. See the Online Appendix for a more detailed description of all variables.

Reconstructing the Space of German Economists in 2012

On the basis of the data described above, a specific MCA was conducted using 78 active properties grouped into 20 variables. The first three axes capture 77.66% of the overall variance when corrected using Benzécri's method (Le Roux and Rouanet

2004: 200 ff.; to calculate the correction by means of Benzécri's method for a specific MCA using SPAD 8.2 see the Excel macro accessible at www.cevipof.com/fr/l-equipe/l-equipe-administrative/bdd/equipe/43 written by Flora Chanvril.). Here, I will focus on the first (53.55%) and second axis (17.49%) in detail, since the third axis (6.72%) has only an indirect relationship to the position-takings of economists on the issue of the European banking union. The objective is to make sense of the main structural dimensions that organise the data by examining the categories that contribute to a large extent to the orientation of the axes (Le Roux and Rouanet 1998; Le Roux and Rouanet 2004: 217 f.). In a second step, I will present a theoretical argument that attempts to spell out the logic that links these properties together (Duval 2013: 115 f.).

Interpretation of Axis

The first axis can be interpreted as depicting the volume of capital and hence power in this space of economists. It constitutes a hierarchy of positions with lower, less well-equipped positions to the right and higher, better equipped positions to the left. The following seven variables account for approximately three quarters of the axis orientation and describe academic practices and achievements: average journal ranking 14.46%, current university 10.15%, type of funding 9.49%, non-German research institutes 9.35%, form of academic engagement 9.24%, PhD 8.87%, German research institute 8.43%. Engagement with governmental institutions or business hardly contributes. For a more detailed interpretation, I will take a closer look at those 17 modalities that contribute between 2.0% and 7.5% each to the axis and fall into two large groups, situated on both sides of the first axis running from right to left (Fig. 13.1).

Modalities that describe a low overall volume of capital, for instance, not having obtained funding (3.5%), never having being affiliated with a research institute (2.6%), and never having published an article in a journal that is ranked in the *Handelsblatt*-ranking (4.5%) are located to the right. Individuals situated here put their academic efforts into publishing monographs (2.9%) and engage in the areas of general economics and economic education, in management and financial sciences as well as statistics (3.6%). Those with a profile like this are most certainly not at the forefront of scientific progress as understood by the majority of economists in the field. Two other categories suggest why this could be the case: being an emeritus (2.1%) and being employed by a university of applied sciences (2.4%), which means much more teaching and often working in business or closely with businesses.

On the left-hand side, we see those that publish in journals ranked in the highest quartile of the *Handelsblatt*-ranking (7.3%), the other quartiles not contributing as much to the first axis, but nicely ordered from high to low along it. High-end journals such as *American Economic Review*, *Econometrica*, or *The Journal of Finance* are all in English, mostly US based and seen as the main outlets of current high-profile economic research, whereas non-US-based or even non-English-language

Axis 2 - 17,49 %

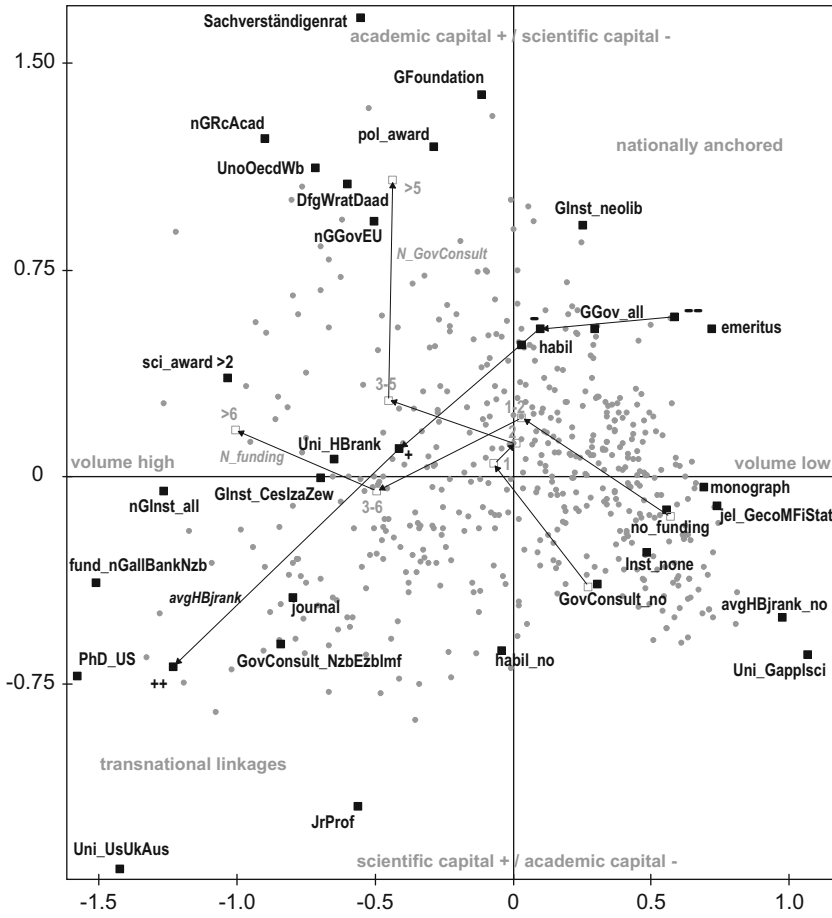


Fig. 13.1 Cloud of modalities in plain of axes 1 and 2 with 33 active modalities contributing the most to the plain and passive projection of the number of political consulting engagements and the number of funded research projects

journals rank in the lowest quartile. Publishing mainly in high ranking journals goes hand in hand with focusing academic production on publishing journal articles (5.1%). Economists located here have affiliations to non-German research institutes (7.5%) such as the US National Bureau of Economic Research and special German research institutes (3.1%) such as the CES-Ifo Institute in Munich, Institute of Labour Economics (IZA) in Bonn and the Centre for European Economic Research (ZEW) in Mannheim, all of which are internationally renowned for their scientific reputation and less for a certain ideological imprint.

Consulting or working at another type of internationally acclaimed research institution can also be seen here: national central banks, the European Central

Bank or the International Monetary Fund (2.3%). This goes hand in hand with acquiring funding from non-German research institutions, national central banks and other banks (5.0%). The career paths of economists located here often include a PhD from a US university (4.0%) as well as being employed by a US, UK or Australian university (2.2%) or at a German economics department ranked in the top 27 departments by the 2011 *Handelsblatt*-ranking (2.3%). It seems natural that having received more than two scientific awards (3.7%) can also be seen here, being both a form of symbolic recognition and masking of how this space works as a scientific universe: all the other forms of capital mentioned above, the struggles to obtain them and the positioning of those who do not fare well in these games to the right of the axis are forgotten when scientific genius is marked and put on display by bestowing some with many prizes (Lebaron 2006).

The capital volume interpretation is supported by the location of the passive categories that depict the amount of funding acquired: they run from right to left in rank order starting with no funding and ending with more than six projects. Funding of projects is important, since it is a basic requirement for employing people to work on one's own research agenda and enables them and oneself to publish and gain a good reputation. At the same time, obtaining funding in itself discloses to the community the economist's ability to produce important research; this then becomes a basis for accumulating further funding and a catalyst for transforming scientific into academic capital and vice versa. Positioned close to the first axis, it shows quite nicely who has acquired more or less capital applicable in this universe and how the different forms acquired are transformed into one another through research projects.

The second axis distinguishes the practices and accompanying properties connected to academic, educational and state bureaucratic institutions at the top – the heteronomous pole – from those that are more focused on research and the purely scientific universe at the bottom – the autonomous pole. Eight out of 20 active variables account for approximately three quarters of the axis inertia. They all have a link to national institutions such as being a member of German (7.19%) or other national (6.15%) scientific academies and learned societies or institutions of academic self-governance, being affiliated to German foundations (5.55%), consulting or having worked for government institutions (12.27%). Other variables describe a direct connection such as committing oneself or not to a career as civil servant by acquiring a *Habilitation* (10.70%) or holding a position (6.62%) at a state-funded university (5.55%). Other variables are explicitly denoted as purely scientific such as – again – publishing in high ranking journals (9.62%). In order to illustrate this dimension, I will refer to the 16 properties that contribute the most to the second axis, ranging between 2.1% and 6.1% each. They fall into two large groups, one located at the top and the other at the bottom of the two-dimensional space depicted here.

Prestigious academic positions can be found at the top, often seen as bestowing whoever holds them with high academic honours and, at the same time, the opportunity to continuously exert power in this space and on the set-up of this space. These include membership in the German Research Foundation (DFG) the German Council of Science and Humanities (WR) or the German Academic Exchange Ser-

vice (DAAD) (7.19%), or membership of a non-German research council, academy or learned society (6.15%), or affiliation to a German philanthropic foundation mostly with a business background (5.55%). These are all institutions deeply anchored in the nation state context and responsible for directing funding, setting research agendas and structuring the allocation of academic capital. In addition, a *Habilitation* (5.17%) indirectly links up with nation state bureaucracies. Even more directly linked to national bureaucracies are those working for or consulting local, regional or national government institutions (2.18%), the German Council of Economic Experts (*Sachverständigenrat*) (3.38%), non-German governments or EU Commission or EU Parliament (3.54%), or international governance institutions such as the United Nations, the Organisation for Cooperation and Development (OECD) and the World Bank (2.1%). Being given political awards (2.27%), such as the *Bundesverdienstkreuz*, and having worked for or being affiliated to an ordoliberal or neoliberal institute or think tank (2.28%) such as the Walter Eucken Institute, the Initiative Neue Soziale Marktwirtschaft or the Mont Pelerin Society can also be seen as stemming from an engagement overlapping with the field of politics.

The economists located at the bottom are distinguished from the ones closely linked to state institutions at the top by not having acquired a *Habilitation* (6.09%) and currently holding or having held a junior professorship (3.8%). Again, these are the ones who also tend to publish in the top journals (3.38%) and concentrate on publishing journal articles (2.3%) in general. They are located at the autonomous pole and hence are also characterised by not consulting or having worked for any government institutions (2.62%). At the same time, the dimension is characterised by currently working at a US, UK or Australian university (3.25%), most of the universities in question being at the centre of internationalised economics.

The main characteristic of the second axis can be illustrated by plotting the number of consulting or job engagements with government institutions, one of the supplementary variables not used to construct the space itself. It runs from the lower right quadrant to the upper left quadrant and nicely illustrates how the importance of bureaucratic capital stemming from or linked to political institutions increases as a source of power in the academic context. The third axis will only be touched upon. It is again constructed by opposing scientific autonomy and academic heteronomy, although heteronomy is this time created by an overlap with the business world. Interestingly enough, this axis does not correspond to either a positive or negative stance towards the European banking union as a solution to the politico-economic crisis and since it only accounts for 6.72% of the total variance, it will not be examined any further.

Overall, the first axis can be interpreted as distinguishing positions by the overall amount of capital potent in this space. The second axis then distinguishes between academic capital built on positions in academic and, in the wider sense, state-bureaucratic institutions, and scientific capital as a reputation built on publishing research results acknowledged as new and well-founded. As is the case with many analyses that focus on hierarchies and diversity of certain social areas, the diversity documented at the higher end seems to be greater than at the lower end. This is not due to ignorance, but is in itself a symptom of the prevailing domination: it is

created by observing practices such as CVs that are drenched with symbolic power and function as important instruments of symbolic violence. Bearing this in mind, we can use the attributes that objectify the different forms and amounts of capital in certain areas of this space to understand the basic differences and communalities between economists located within it.

In the bottom right quadrant, we find those who rank low in today's internal hierarchy of economics, have not published much after their first book, generally their PhD, do not publish in internationally acclaimed journals and have only obtained minor positions in academic institutions or are located at the margins of economics proper. Economists in the top right quadrant have a fair amount of academic capital as emeriti and engage with local, regional and national institutions of government and especially ordoliberal and neoliberal think tanks. Economists in the top left quadrant are highly active in national and international government institutions and, at the same time, in national academic institutions, from where their high amount of academic capital stems. Their scientific counterparts in the lower left quadrant are located close to sources of scientific reputation and autonomy as well as government institutions autonomous from national and everyday politics such as the IMF and the ECB.

The space is structured by transnationalisation increasing from top right to bottom left and opposing nationally anchored economists with those with transnational linkages. These transnational linkages are accompanied by an increase in autonomy to follow the latest research programmes and to detach oneself from producing practically applicable governmental insights, ideal typically located at the other side of the space with the *Sachverständigenrat*. It is important to bear in mind that economists with transnational linkages do not need to be firmly rooted in other nationally anchored fields, for example, the US or French field of economists that are structured along the same logics (Lebaron 2001: 103) but would in other similar contexts most probably also be located at the transnational fringes. The transnationalisation of this space is also a generational phenomenon, as can be ascertained by the passive PhD cohorts (see Fig. 13.2): younger generations without a *Habilitation* and holding junior professorships benefit from changed rules of the game that go hand in hand with the internationalisation of the discipline, whereas older generations – emeriti with *Habilitation* qualifications – might lose out as change sweeps through the space and pushes them into the top right-hand corner.

Grounding Statements on European Banking Union and Future of Economics in the Space

In general, one can observe that the position-takings on the issue of the EU banking union are located in the midst of the cloud of individuals, since it is a property many share: those in favour of it are located in the top right and those against in the bottom left quadrant, with those having signed both letters closer to the barycentre. Similar to these other non-active properties depicting economists' stance on the future of

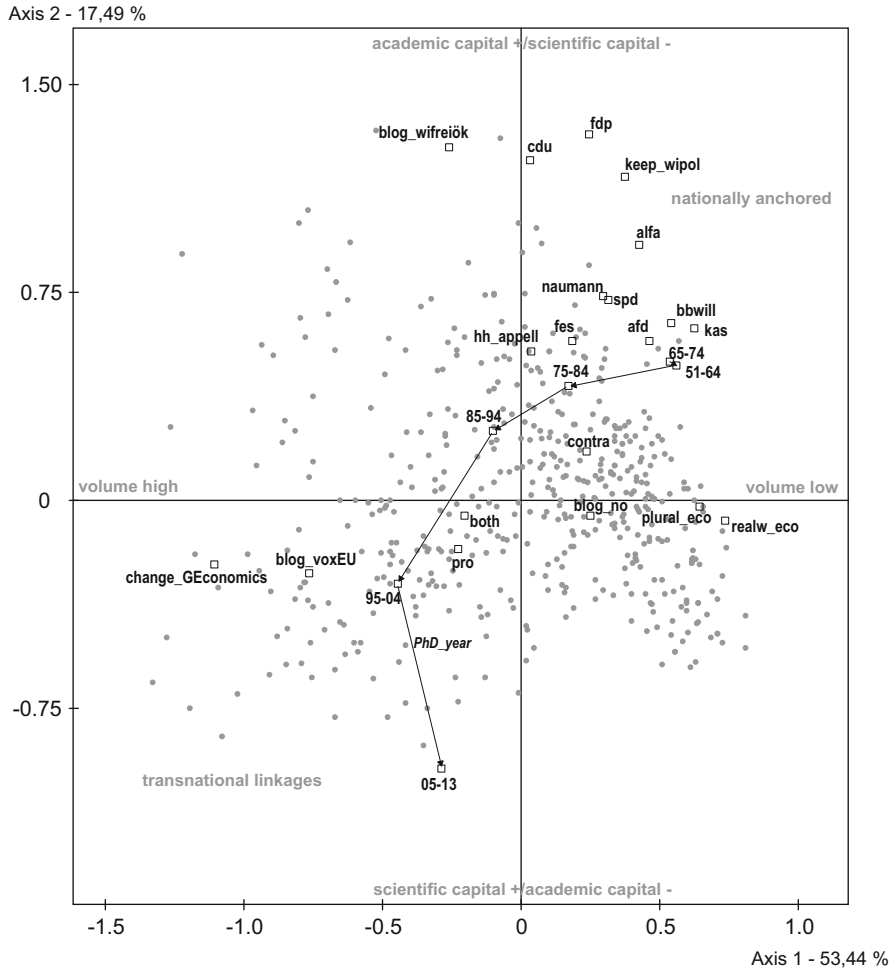


Fig. 13.2 Cloud of modalities in plain of axes 1 and 2 with passive projection of PhD cohorts and of position-takings on EU banking union, future of economics, political engagement and publishing in blogs

the discipline, their political engagement and writing in blogs are also arranged along the descending years of PhD thesis (see Fig. 13.2) and the ascending rank of journals in which articles are published (see Fig. 13.1), making the process of the transnationalisation of the space of economists the main indicator for understanding these position-takings in the politico-economic discourse.

Towards the bottom left we have economists who have built their careers on engaging with international institutions governing an internationalised economy as well as with international research institutes and universities, coming from generations of economists that did not confine their research to national economies. At the top right we have older economists from generations, mostly past the peak

of their careers, that research national economies, engage with national political institutions, and produce as well as continue to apply insights into how to govern these on the national, regional and local level. This is also evident from their engagement with political parties ranging from neoliberal and nationalist populist movements to all the established parties, and it shows in their work for party foundations. Engagement for the first wave of neoliberal restructuring of Germany, illustrated here by signing the Hamburger Appell in 2005, is also located in this area. It follows the national logic anchored in this region of space, since it was directed at national policies to reduce regulation, the cost of labour, state exposure and involvement in order to increase productivity and understood in the framework of nation states competing. The logic behind it portrayed the EU as a competitive arena in which the current state of struggles was objectified by EU or OECD rankings and the underlying imperative was to ‘do better than the other nations’ in order not to fall behind and become last in line: “Die rote Laterne [back light]” (Sinn 2003). When taking into account that writing in a blog involves more than signing letters and that a higher position transfers better into symbolic capital, which can be used to do just that, the location of writing for one of the neoliberal blogs at the top or writing for one of the pro-European blogs in the bottom left quadrant – both left of the barycentre – becomes apparent.

The stances taken towards the future of economics correspond well with the position-takings on the European banking union. Having signed to “Rescue ‘Wirtschaftspolitik’ at German Universities” is located in the top right quadrant, “Restructuring German Economics According to International Standards” in the bottom left quadrant. These differences can also be understood by reference to economists’ careers in either internationalised economics or nationally anchored ordoliberalism. That the economists located in the bottom right quadrant are not engaged much in these debates seems obvious for two reasons. They are either located at the fringes of economics as a university discipline having no PhD, hardly publishing or not publishing at all, or working at a university for applied sciences, or they come from or are closely associated with other disciplines. It is at this point in space that the properties of engaging in the movement for “Real World Economics” and “Plurale Ökonomie” are located; heretics who would like to change much more than just replacing an older orthodoxy with a new international one (cf. Davis 2008).

Conclusion

The results presented show that position-takings by German-speaking economists on two issues still highly contested today – the ‘internationalisation’ of German-speaking economics and the EU banking union as a solution to the EU banking crisis – were structured in 2012 by the positions held in the German-speaking field of economists. The positions are made intelligible by reconstructing the space of economists using GTM and MCA to unearth the main dimensions that structure relationships between economists. The main axes – capital volume and

the opposition of academic and scientific capital – resemble structures of hierarchy and differentiation between heteronomy and autonomy found in other academic fields (Bourdieu 1988; see also Münch and Baier & Schmitz in this volume). They intersect with two historical developments outside of but influencing the field. The first is the emergence of a European field of bureaucracy (Georgakakis and Rowell 2013) that offers not only new objects of research but also new opportunities for economists to engage with politics and hence access to new sources of academic capital. The second is the emergence of a new class of international research institutes, some located close to Eurocracy, others beyond it such as scientised national central banks, the ECB, and above all the IMF (Mudge and Vauchez 2016), that offer new sources of scientific capital to economists and integrate them into transnational linkages.

During the economic crisis that has prevailed since 2009, both developments have not declined but picked up momentum, leading to a situation where ever more possibilities open up for economists in the transnational realm (Schmidt-Wellenburg 2017). This contributes to an increase of autonomy from political institutions anchored in nation states and to a transnationalisation of the field (see also Swartz in this volume) and it creates the two opposing ‘camps’ of economists, one higher in the field hierarchy with international linkages, the other lower in the field hierarchy and anchored in the nation state, that make the different position-takings intelligible. At the same time, the crisis has not led to a fundamental overhaul, neither with reference to the politico-economic discourse on banking regulation nor on the future of the discipline of economics itself, but to incremental changes. It seems as if a transnational pragmatism, already strong before in both of the discursive realms, has managed to become the new general guiding principle. The high hopes associated with heterodox economic policies and heterodox economists at the beginning of the crisis were grounded by the forces of the field.

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