

# *The Economic Journal*

## Managing Editors' Report

*The Managing Editors made their Annual Report to the Council of the Royal Economic Society in November 2004. The report was prepared for Council by Mike Wickens on the completion of his term as Co-ordinating Managing Editor.*

THIS IS THE FINAL REPORT of the Managing Editors of *The Economic Journal* for the period July 1996 - June 2004 at the completion of their second, and final, four-year term of office. Instead of just covering the past year, as in previous reports, before turning to the latest editorial statistics, this report starts by briefly reviewing the whole eight years of tenure of the Editors.

### A review of the period 1996-2004

From the outset, our main concern has been to improve the international standing of *The Economic Journal*. The RES took a significant step in this direction when in 1996 it appointed an editorial team of five people instead of having, as before, just a single Managing Editor. It had become increasingly difficult for one person to make informed decisions on papers across the whole breadth of economics as, even with the advice of associate editors, the final judgment still rests with the Managing Editor. Making decisions when one knows an area well is difficult enough, as we have found; making decisions without knowledge of an area invites errors of judgment and an overdue dependence on the advice of referees. With a team of Managing Editors we have been better able to ensure that submissions are dealt with by an editor with specialist knowledge of the area. This improves the selection of appropriate referees and the interpretation of their advice. I wish I could say that we had always been successful in these matters, but regrettably this would not be true. The decision of the RES to continue with a team of Managing Editors is surely correct.

One of the first things we did as new Managing Editors was to re-organise the *Journal* into three separate sections: 'Articles', 'Features' and the 'Conference Issue'. Previously, submitted and invited papers were together with other items such as the 'Policy Forum', software articles and book reviews appearing in each issue. The complaint, made by a large number of people, was that submitted articles were not accorded the status they deserved as it appeared that they were being treated on a par with invited papers of all sorts. The result was that authors were reluctant to submit their own research to the *Journal*. Although we felt that this view tended to overlook the merit and value to the reader of invited papers, we accepted that the *Journal's* first aim must be to publish original research of the highest quality for the benefit of the general reader, hence the re-organisation.

To judge by the responses that we received, the change of format was welcomed with enthusiasm. Introducing 'Features'

also gave us the opportunity to widen the scope of invited papers and provide a better vehicle for keeping the general reader up to date with developments in economics and reviews of different areas in the subject. I think that Steve Machin, who has edited 'Features' from the start, has done a wonderful job and established 'Features' as an essential component of *The Economic Journal*.

As part of our efforts to raise the international profile of *The Economic Journal* we appointed a Board of Editors chosen for their eminence as international scholars to advise on general policy, to assist in editorial decisions and to encourage the submission of outstanding papers they become aware of before their submission elsewhere. The annual Board meeting has been held at the Royal Economic Society's Conference in order to encourage participation in the conference. Having an editorial board also gave the Associate Editors the opportunity to participate in the general policy formation of the *Journal*. We introduced *The Economic Journal* Lecture which has been delivered at the annual RES conference and published in the *Journal*. This has been given by major international scholars, including our Board members. We have also sought to apply the highest international standards to paper selection by seeking referees from abroad who are currently working in the relevant area.

We also attempted to encourage the submission of more technical papers. At the same time, we have sought to take account of *The Economic Journal* being a general journal by requiring authors to write an introduction, suitable for the general reader, that explains the significance of the paper and its findings.

Advances in electronic access are steadily changing the face and role of academic journals. We have been trying to take advantage of these by making the *Journal* more web-based. Together with Blackwell and the RES, we have improved the *Journal's* web site, putting book notes and reviews on the web and, most recently, switching to on-line submission, which will begin soon. In response to requests from members we have made the *Journal* available on CD ROM. We made a number of changes to the *Journal* designed to make substantial savings in production costs. With the RES's support we have reduced the real cost of members' subscriptions in an attempt to retain membership and maximise the readership of published articles.

A more profound issue arising from developments in electronic access is whether in the future there is still likely to be a role for journals and peer review when the latest research can be

made available more or less immediately it is completed. I think the answer is that the role of journals and peer review will change, and is already changing. Instead of providing access to current research as in the past, increasingly the role of journals will be to assess and signal the quality of this research, and to provide informed comments to authors. The peer review element will therefore become more important. Already, of course, statistics on the numbers of downloads provide a measure of the interest in a paper.

To judge by the correspondence received by editors, journals are assumed to be almost exclusively for the benefit of authors.

Where does this leave the reader? If readers dislike the articles published in a journal, they simply stop reading and subscribing to the journal. The decline in the exposure of articles would then be to the detriment of authors. Editors must therefore strike a balance between the interests of the author and the reader. For example, the most common complaint is the length of time taken to make a final decision on a paper. In most cases this is due to the slowness of referees (i.e. other authors). Speeding up decisions is of course highly desirable, but there is a trade-off between the interests of the author and reader. The author wants a quick decision. The reader too would like journals to publish research as soon as possible, but also expects articles to have been carefully screened for errors, to be well written and, most important, to have something of substance to say. An important role of the editor is to adjudicate on this trade-off. Now that the reader has easy and fast electronic access to the latest research, and the signalling element is becoming more significant, we could find the decision-making process taking even longer. It is certainly something to be aware of and to guard against.

This is a good opportunity to express our enormous thanks to our thousands of referees. We all know how important it is to have competent and conscientious referees to assess our work. The life of an editor becomes a nightmare if referees give incorrect or poor advice, are extremely late with their reports, or fail to send one in at all without informing the editors. These are the main cause of delays in decisions. They also make wrong decisions more likely and are a great source of frustration for editors. On the other hand, to a very large extent we are all dependent on the goodwill and social conscience of referees. The editors have tried to match the referee to the paper by taking advantage of the search facilities of the web. As well as the author getting a sound report, hopefully the referee will then also get some benefit from reading the paper carefully. In this way, refereeing becomes less costly in terms of research

time given up. Even so, there are many unsung heroes who have given an enormous amount of their time in helping to raise papers to the required standard for publication when they could have just sent in a brief report recommending rejection. I thank these referees especially.

The Managing Editors are also greatly indebted to our editorial assistants. Especial thanks are due to Kathy Crocker, for her many years of service to the RES both as Membership Secretary and for running the *Journal* office so efficiently. We are also extremely grateful to Mary Brooks, Paula Cook and Annette Johnson also at the York office, to Elaine Herman who

has assisted Christopher Bliss throughout, to Jim Myton who has assisted David De Meza and to Tamar Pagrach who has assisted Gerard van den Berg .

**Table 1: Geographical Breakdown of Submissions 2000-June 2004**

|                         |          |           |          |           |
|-------------------------|----------|-----------|----------|-----------|
| <i>UK</i>               | 41 (19%) | 108 (22%) | 89 (20%) | 99 (23%)  |
| <i>USA &amp; Canada</i> | 60 (27%) | 156 (32%) | 137(31%) | 140 (32%) |
| USA                     | 54       | 141       | 121      | 124       |
| Canada                  | 6        | 15        | 20       | 16        |
| <i>Europe</i>           | 89 (40%) | 160 (33%) | 150(33%) | 121 (28%) |
| Belgium                 | 5        | 7         | 9        | 6         |
| France                  | 9        | 11        | 10       | 10        |
| Germany                 | 13       | 29        | 30       | 19        |
| Italy                   | 15       | 19        | 15       | 12        |
| Netherlands             | 11       | 24        | 28       | 23        |
| Scandinavia             | 14       | 35        | 27       | 20        |
| Spain                   | 7        | 12        | 18       | 7         |
| Other                   | 15       | 23        | 13       | 24        |
| <i>Other</i>            | 30 (14%) | 68 (13%)  | 70 (16%) | 72 (17%)  |
| Australia/NZ            | 3        | 15        | 16       | 12        |
| Hong Kong               | 2        | 4         | 9        | 6         |
| India                   | 1        | 5         | 2        | 4         |
| Israel                  | 7        | 11        | 11       | 14        |
| Japan                   | 6        | 10        | 9        | 13        |
| Other                   | 11       | 23        | 23       | 23        |
| <i>Total</i>            | 220      | 492       | 446      | 432       |

the case. They also tell us that *The Economic Journal* has tended to maintain its readership more than nearly all of its other journals, having a renewal rate of about 82 per cent.

### *The Economic Journal's ranking*

The ranking of *The Economic Journal* is very different depending on the measures used. The ranking of *The Economic Journal* in the *Journal of Economic Literature*, June 2002, by Pieters and Baumgartner is 6. This looks at citations in the 42 leading economics journals after deducting self-citations. The *Journal* ranks after the *AER*, *JPE*, *Econometrica*, *QJE* and *REStud*. The SSCI 'impact factor' ranking in 2002, which does not deduct self-citations, is 28, the SSCI 'immediacy factor' ranking is 14. The overall ranking corrected for age of journal, impact, self-citations and page numbers is 18, according to a recent study by Kalaitzidakis, Mamuneas and Stengos (2003).

### *The Economic Journal Lecture*

*The Economic Journal* Lecture at the 2004 annual RES conference at Swansea was given by Douglas Bernheim (Stanford). Ariel Rubinstein (Tel Aviv University) has agreed to give the Lecture in 2005.

## Royal Economic Society Prize

The prize, worth £3000, for the best article in *The Economic Journal* in 2003 was awarded to Geir Asheim and Martin Dufwenberg for their paper, 'Deductive Reasoning in Extensive Games' which appeared in the April 2003 issue of *The Economic Journal*. The prize committee consisted of the President of the Royal Economic Society, Professor John Sutton, Professor Alan Carruth, a member of the Royal Economic Society Council and, on behalf of the editors, Mike Wickens.

## Statistics

As already noted, one of the main aims of the Editors when we began eight years ago was to strengthen the international standing of *The Economic Journal*. The editorial statistics for 2003, the last complete year for which there are statistics, indicate a measure of success. In 2003, 492 articles were submitted compared with 446 in 2002, 432 in 2001 and 493 in

1997, the year we started. Table 1 shows that 33 per cent of the total number of submissions were from Europe (excl. the UK), the same as in 2002, but 4 percentage points higher than earlier years. Submissions from North America have stayed constant for the last four years. In 2003 they were 32 per cent. An increase in European submissions occurs in most countries, but the increases in Germany, Scandinavia and Spain have been particularly large. To some extent these changes are a reversal of previous trends. As suggested in a previous annual report, perhaps they reflect an improvement in research quality in Europe that allows authors to aim more for top international journals like *The Economic Journal*. It also implies that the

*Journal* is establishing itself as a key player among European journals. The proportion of submissions from the rest of the world fell from 16 per cent to 13 per cent. UK submissions were 22 per cent, compared with 20 per cent in 2002.

**Table 2: Subject Breakdown of Submissions 2001-June 2004**

(Acceptances to date in brackets)

|                                     | 2004 | 2003    | 2002     | 2001     |
|-------------------------------------|------|---------|----------|----------|
| General Economics and Teaching      | 2    | 3       | 7        | 6        |
| Methodology/History of Thought      | 1    | 5 (1)   | 3        | 6        |
| Mathematical & Quantitative Methods | 9    | 14 (1)  | 18 (4)   | 25 (2)   |
| Microeconomics                      | 46   | 88      | 77 (7)   | 82 (10)  |
| Macro & Monetary Economics          | 25   | 71 (1)  | 71 (2)   | 71 (9)   |
| International Economics             | 34   | 62      | 36 (4)   | 42 (3)   |
| Financial Economics                 | 12   | 28 (1)  | 27 (5)   | 25 (1)   |
| Public Economics                    | 14   | 27      | 24       | 21 (1)   |
| Health, Education and Welfare       | 10   | 21      | 19 (3)   | 15 (3)   |
| Labour & Demographic Economics      | 21   | 70      | 71 (2)   | 50 (5)   |
| Law and Economics                   | 1    | 6       | 4        | 3        |
| Industrial Organisation             | 11   | 27      | 23 (1)   | 33 (1)   |
| Business Economics                  | 3    | 2       | 1 (1)    | -        |
| Economic History                    | 3    | 2       | 2        | 2 (1)    |
| Economic Development                | 15   | 41      | 39       | 31 (1)   |
| Economic Systems                    | 2    | 3       | 4 (1)    | 2        |
| Agricultural/Natural Resources      | 3    | 7       | 3        | 11 (2)   |
| Urban, Rural & Regional Economics   | 4    | 9       | 14       | 7 (1)    |
| Other Topics                        | 4    | 11      | 4        | -        |
| TOTAL                               | 220  | 497 (4) | 446 (30) | 432 (40) |

**Table 3: Editorial Processing after Initial Submission\***

|  | 2003   | 2002  | 2000     | 1998     | 1996    |
|--|--------|-------|----------|----------|---------|
| Submissions received   | 492    | 446   | 461      | 434      | 503     |
| Papers withdrawn   | 6      | 2     | 4        | 1        | 1       |
| Dealt with by Managing Editors alone                               | 120    | 103   | 103      | 139      | 78      |
| Sent to a referee:** Referee returned within:                      | 365    | 341   | 354      | 294      | 424     |
| 1 month  | 16%    | 18%   | 14%      | 32%      | 31%     |
| 2 months   | 22%    | 25%   | 33%      | 30%      | 35%     |
| 3 months   | 22%    | 24%   | 25%      | 21%      | 22%     |
| 4 months   | 17%    | 16%   | 12%      | 10%      | 7%      |
| even longer  | 23%    | 7%    | 15%      | 7%       | 5%      |
| for an average of:   | 11 wks | 9 wks | 10.5 wks | 8 wks    | 7.5 wks |
| Time distribution for all submissions (excluding withdrawn papers) | 486    | 444   | 457      | 433      | 502     |
| less than 1 month  | 6%     | 3%    | 12%      | 19%      | 12%     |
| 1 - 2 months   | 7%     | 5%    | 11%      | 11%      | 12%     |
| 2 - 3 months   | 9%     | 14%   | 7%       | 10%      | 15%     |
| 3 - 4 months   | 8%     | 9%    | 12%      | 11%      | 19%     |
| 4 - 5 months   | 9%     | 11%   | 13%      | 14%      | 12%     |
| 5 - 6 months   | 9%     | 10%   | 12%      | 9%       | 11%     |
| even longer  | 52%    | 48%   | 33%      | 26%      | 19%     |
| for an average of:   | 25 wks | 24wks | 19 wks   | 17.5 wks | 17 wks  |

\* These figures do not include the Conference issue, Lectures or Obituaries.

\*\* Since 1999 the figures are for receipt of referees' reports only. All previous figures are receipt of a response.

Table 2 gives the subject breakdown. The proportions in different subject areas tend to fluctuate considerably from year to year which makes interpretation difficult. The main differences compared with 2002 are an increase in submissions in microeconomics and international economics. Microeconomics continues to be the largest subject area, with 18 per cent of total submissions in 2003. Although the number of submissions in microeconomics is highest, the proportion has been falling in recent years; it compares with 17 per cent in 2002, 19 per cent in 2001 and 22 per cent in 1999. The increase in international economics is considerable. The proportion has increased from 8 per cent in 2002 to 13 per cent in 2003. Macro and monetary economics retains its second position with 14 per cent of submissions, which is down from 16 per cent in 2002.

Editorial data for 2002 are given in Table 3. For comparison, the figures for 2002 are in parentheses. Of the 492 (446) submissions in 2003, 24 per cent (23 per cent) were rejected without being sent to referees. After the first round of refereeing 55 per cent (54 per cent) were rejected. 12 per cent (13 per cent) were invited to revise and resubmit. 7 per cent (10 per cent) are still without a decision. The situation on 2003 submissions on 22 September 2004 is 10 (7) papers have been accepted for publication, 80 per cent (77 per cent) were rejected, 7 per cent (9 per cent) are with authors being revised or with referees again after revision, 3 per cent (6 per cent) await an editorial decision, 4 per cent (6 per cent) still await a first decision, and 7 per cent (12 per cent) are in the process of revision.

800 (879) requests were made for referees' reports in 2003 of which 83 per cent (81 per cent) were provided in time to be of use in the editorial decision. The average time for referees to send their first report was 11 (9) weeks. 77 per cent (83 per cent) of referees' reports were received within 4 months.

Table 4 reports data on the time taken to send a letter inviting a revision or a rejection. Of the 57 (56) papers for which a revision has been invited, 8 (17) were made within six

months and 24 (34) within eight months. The corresponding figures for sending a rejection letter were 80 per cent (80 per cent) rejections in total, of which 56 per cent (61 per cent) were within six months and 72 per cent (81 per cent) within eight months. Taking a decision to reject is quicker because it can often be made after just one referee's report while an offer to revise is nearly always based on more than one report and often needs more detailed editorial scrutiny, including a letter of advice to authors. Even so, these figures show that over-all, decision-making has been significantly slower in the last year. This is very regrettable. Much of this deterioration can be attributed to one of the Managing Editors.

A total of £7993 (£9083) was paid in fees to referees in 2003

in the following manner: taken as cash 77 per cent (59 per cent), as an RES voucher 4 per cent (11 per cent), or paid to charities 19 per cent (30 per cent). Unusually, this year, OXFAM with 28 per cent was ahead of Amnesty International with 27 per cent, which was followed by Save the Children with 15 per cent.

## Reviews (from Jayasri Dutta)

I have just completed my fourth as Review Editor. Starting in October 2000, I attempted to implement a slightly different policy for book reviews for the *EJ*, following discussions at

### Books received, 1998-2004

|      |     |                   |     |
|------|-----|-------------------|-----|
| 1998 | 688 | 2002              | 600 |
| 1999 | 575 | 2003              | 390 |
| 2000 | 685 | 2004              | 553 |
| 2001 | 738 | to September 2004 |     |

Editorial board meetings. This policy was to have fewer reviews of books of higher research quality in areas of active and mainstream research in Economics, reviewed by top-flight researchers in those areas. In addition, I have commissioned several review articles surveying current research in some fields.

One of the consequences has been a far lower response rate from reviewers. The current volume contains 53 reviews (including joint reviews) and 2 review articles. This is somewhat lower than expected; I had hoped to raise the number to about 25 reviews per issue.

The response rate from reviewers has been particularly disappointing with respect to 'Notes' published on the RES web page. More than one reviewer declined on the grounds that notes on the web are less visible than those published in the *Journal*. There have been 22 Notes published so far this year and there are four which have been received and will be sent on to Blackwell's in due course.

There have been two review articles received this year; Vania Sena's review article was published in Issue 496, June 2004; and Michael Mandler's review article will be published in Issue 499, November 2004. Further review articles have been requested for future issues.

## Features (from Stephen Machin)

This brief report summarises the current state of play with the 'Features' part of *The Economic Journal*. Details of the next issue in February 2005 are given below. This is followed by a summary of symposia and stand alone articles that are currently at various stages of the editorial process.

The February 2005 issue contains a feature on 'Parental Leave

**Table 4: Responses to Authors**

|                 | Letters sent to authors inviting revision: |      |      |      | Letters sent to authors rejecting papers: |      |       |       |
|-----------------|--|------|------|------|---|------|-------|-------|
|                 | 2003                                       | 2002 | 2001 | 2000 | 2003                                      | 2002 | 2001  | 2000  |
| Within 1 month  | 0  | 0    | (1)  | (0)  | 27  | 15   | (39)  | (56)  |
| Within 2 months | 0  | 0    | (7)  | (0)  | 32  | 21   | (61)  | (50)  |
| Within 3 months | 0  | 0    | (2)  | (2)  | 44  | 60   | (41)  | (28)  |
| Within 4 months | 1  | 2    | (9)  | (5)  | 37  | 38   | (26)  | (48)  |
| Within 5 months | 2  | 10   | (3)  | (10) | 44  | 37   | (36)  | (49)  |
| Within 6 months | 5  | 5    | (3)  | (15) | 38  | 41   | (35)  | (40)  |
| Within 7 months | 8  | 6    | (3)  | (8)  | 37  | 36   | (25)  | (37)  |
| Within 8 months | 8  | 11   | (2)  | (10) | 26  | 31   | (23)  | (26)  |
| Even longer     | 33   | 22   | (26) | (22) | 108                                       | 66   | (42)  | (40)  |
| TOTAL           | 57   | 56   | (56) | (72) | 393                                       | 345  | (328) | (374) |

Note: 35 authors from submissions in 2002 (64 in 2001, 43 in 2000) are still awaiting a decision.

and Child Outcomes' introduced by Paul Gregg and Jane Waldfogel. The papers are by Jennifer Hill and Jane Waldfogel ('Maternity Leave, Early Maternal Employment and Child Outcomes in the US'), Sakiko Tanaka ('Parental Leave and Child Health Across OECD Countries'), Paul Gregg, Elizabeth Washbrook, Carol Propper and Simon Burgess ('The Effects of a Mothers Return to Work Decision on Child Development in the UK').

The same issue includes articles by David Blackaby, Alison L Booth and Jeff Franks ('Outside Offers and the Gender Pay Gap: Empirical Evidence from the UK Academic Labour Market'); James Mitchell, Richard J Smith, Martin R Weale, Stephen Wright and Eduardo L Salazar ('An Indicator of Monthly GDP and an Early Estimate of Quarterly GDP Growth') and an obituary of Abram Bergson by Paul A Samuelson.

Features being considered for the future include 'Migration and the UK Labour Market' (Dustmann *et al*); 'Computability and Evolutionary Complexity: Markets as Complex Adaptive Systems (CAS)' (Markose *et al*); 'Monetary Policy and Sterling Exchange Rate' (Cobham *et al*) and 'Industry and Labour Market Symposium' (Bas Ter Weel *et al*).

Among the articles planned are: 'Akerlof, Accounting Scandals and Accounting Regulation', (Meeks); 'Emulation, Inequality and Work Hours: Was Thorsten Verblen Right?' (Bowles and Park); 'UK Real-time Macro Data Characteristics' (Garratt and Vahey); 'Can Private Learn from Public Governance' (Frey); 'Alan Peacock and Cultural Economics' (Towse); 'Globalisation and Corporate Power' (Cowling and Tomlinson); 'Wages, Mobility and Firm Performance: An Analysis using Matched Employee and Employer Data from France' (Abowd, Kramarz and Roux); 'Immigration or Bust?' (Blake and Mayhew).