

The Economic Journal

— Editors' Report

The Managing Editors make their Annual Report to the Council of the Royal Economic Society in November. The 2006 Report was presented on their behalf by Andrew Scott.

This is the second annual report during my period as Managing Editor. Inevitably in a second year problems become familiar rather than novel; there comes a greater awareness of the challenge of achieving sustained high performance in the face of a relentless wave of submissions and a heightened appreciation of the efforts of past editors. I am glad to say however that with the continued support of the Editorial Board we have either consolidated or further improved across a number of indicators.

- Submission numbers continue to increase leading to a further reduction in our acceptance rate and presumably reflecting an increase in quality.
- Turnaround times improved further so that the average paper was dealt with in under 4 months.
- The journal continued to be ranked highly in the ISI citation index.
- The Conference Volume was successfully integrated into the Editorship of the main journal.

With the current editorial board having been in charge for two years the published papers in the journal are increasingly reflecting our efforts and values. With the editors having achieved a better understanding of the editorial process we look forward to consolidating these gains and hopefully using them as a basis for further improvements in the standing of the journal in the remaining years of our stewardship.

Editorial changes

After two years as an editor, Jaume Ventura stepped down from this role on June 30th 2006. The editorial board would like to thank Jaume for his contribution as a key member of the new editorial team and particularly for his role in raising the international profile of the journal as a publisher of macro-economic papers. I am pleased to announce that as from 1st January 2007 Antonio Ciccone of Universitat Pompeu

Fabra will fill the vacancy left by Jaume's departure. Antonio's main editorial responsibility will be in the areas of growth, development and international trade. Until Antonio's arrival as Editor, and in the absence of Jaume, I will take on a double load as editor.

There have also been some changes amongst the Associate Editors. Emmanuel Saez resigned as a consequence of his appointment as Editor of the *Journal of Public Economics*. We wish him well and thank him for his assistance. We are pleased to welcome back Marianne Bertrand (Chicago Business School) to the team as an Associate Editor and look forward to being helped by Abigail Payne of McMaster University. The majority of papers submitted are dealt with by the main Editors but the Associate Editors play a critical role in helping with

Table 1: Geographical Distribution of Submissions 2001 – June 2006

Region	1 Jul 2005- 30 Jun 2006	1 Jul 2004 – 30 Jun 2005	First Half 2004	2003	2002
UK	110 (17%)	114 (18%)	41 (19%)	108 (22%)	89 (20%)
USA & Canada	213 (33%)	205 (33%)	60 (27%)	156 (32%)	137 (31%)
USA	188	181	54	141	121
Canada	25	24	6	15	20
Europe	224 (35%)	214 (34%)	89 (40%)	160 (33%)	150 (33%)
Belgium	11	4	5	7	9
France	18	14	9	11	10
Germany	52	54	13	29	30
Italy	24	26	15	19	15
Netherlands	28	22	11	24	28
Scandinavia	35	39	14	35	27
Spain	20	24	7	12	18
Other	36	32	15	23	13
Other	95 (15%)	94 (15%)	30 (14%)	68 (13%)	70 (16%)
Australia/NZ	16	20	3	15	16
China/HK	18	7	2	4	9
India	4	5	1	5	2
Israel	12	11	7	11	11
Japan	14	15	6	10	9
Other	31	36	11	23	23
Total	642	627	220	492	446

more difficult decisions and we are grateful for their assistance. In particular we would like to express our gratitude to Jon Temple and Leeat Yariv for their commitment to the journal during this past year.

Progress over the year

Submissions

Over the last year (1st July 2005 to 30th June 2006) we received a total of 642 submitted papers. This is a modest increase (2 per cent) from the 2004-5 number and suggests that the increase in submissions that occurred with the introduction of Editorial Express and the online submission process is a permanent state of affairs. Geographically the submissions are nearly identical with last year — one third from North America, one sixth from the UK, one third from the rest of Europe and one sixth from elsewhere. The largest source of submitted papers was the USA (188) followed by the UK (110).

Table 2: Subject Breakdown of Submissions 2001 - June 2006

	1 Jul 2005- 30 Jun 2006	1 Jul 2004- 30 Jun 2005	First Half 2004	2003	2002
General Economics and Teaching	13	5 (1)	2	3	7
Methodology & History of Thought	6	6	1 (1)	5 (1)	3
Mathematical & Quantitative Methods	97 (2)	38 (6)	9 (2)	14 (3)	18 (5)
Microeconomics	118 (2)	115 (5)*	46 (2)	88 (3)	77 (8)
Macro & Monetary Economics	87 (1)	82 (3)	25	71 (8)	71 (4)
International Economics	65	80 (3)	34 (2)	62 (2)	36 (4)
Financial Economics	40	33 (3)	12 (1)	28 (4)	27 (7)
Public Economics	36 (1)	35 (2)	14 (1)	27 (1)	24 (1)
Health, Education & Welfare	24	28 (2)	10	21	19 (4)
Labour & Demographic Economics	56 (1)	83 (1)	21 (1)	70 (9)	71 (7)
Law & Economics	5	8	1	6	4
Industrial Organisation	33	29 (2)	11	27	23 (3)
Business Economics	1	4	3	2	1 (1)
Economic History	4	3	3	2	2 (1)
Economic Development	32	52 (4)	15	41 (2)	39
Economic Systems	5	4	2	3 (2)	4 (1)
Agricultural/Natural Resources	5	12	3 (1)	7 (1)	3
Urban, Rural & Regional Economics	8	9	4	9 (2)	14 (1)
Other Topics	7	1	4	11	4
TOTAL	642 (7)	627 (32)	220 (11)	497 (38)	446 (47)

There was however some change in the fields that were submitted. We experienced a very dramatic increase in the field of Mathematical and Quantitative Methods (97 compared with 38 the year previous and 14 before that) although this was matched by a fall in Labour Economics (down from 83 to 56) and Development (from 52 to 32). Whilst disappointed with the fall in Labour and Development the rise of theoretical submissions is pleasing. We have made raising awareness of the *EJ* as a possible outlet for theoretical papers a priority and the figures suggest that these efforts have borne some fruit.

Editorial processing time

Probably the most keenly observed of our statistics by authors is our editorial processing time (Table 3). While the final numbers cannot be computed (as some papers submitted in the last year have still yet to have their fate decided) the indicators are that we have maintained the rapid turnaround of last year — the average paper receives a response within 13 weeks. Table 4 shows a detailed monthly breakdown of how rapidly these submissions were processed, split by whether a rejection or a revision decision was issued. A total of 231 papers were rejected without being sent to referees and this decision was made within the first month (normally within a week of submission). A further 280 papers received a decision and referee reports within 6 months. As a consequence a total of 80 per cent of *EJ* submissions received a decision within 6 months. While this performance compares well with most journals and the past history of the *EJ* there are some signs that concern the editors. In particular there has

been an increase in the number of papers that take more than 8 months to process. While some long lags in processing papers are inevitable, given our dependence on referees, the increase in this proportion is something we are taking steps to remedy.

One way that we continue to achieve fast turnaround time is through our use of rejecting papers before sending them out to referees — this accounted for 34 per cent of submissions last year. As Table 3 shows use of screen rejects

has risen steadily over the years and predates the current editorial board. With the large increase in submissions that has occurred we feel this is an appropriate policy. Finding good quality and timely referees is always the most difficult task of being an editor and this use of screen rejects relieves the refereeing burden considerably. We also stress that rejection at this stage is rarely about the quality of the paper and is much more based on an Editor's assessment on the suitability of the paper. Most papers at this stage are rejected as it is felt they lack a broad enough contribution to be considered for the *EJ* or are more suited for a specialised journal. Having spoken

to several authors it would also appear that the majority appreciate the rapid turnaround rather than losing six months in a failed submission. However not everyone appreciates the speed and some bemoan the lack of referee reports. On balance it is our intention to continue with this policy although we do not seek to increase the proportion of summary rejects any further.

David Mayes, who bears the responsibility of proof reading papers, has borne a heavy load with this rise in papers published and his continued support is much appreciated.

Rankings

While processing speed is important in encouraging authors to submit, the most important aspect of the journal is its intellectual

standing in the community. Inevitably the profession has its own subjective views on the relative ranking of different journals but every year ISI produce rankings based on citation statistics. The *EJ* continues to perform well by this criteria. During 2005 the *EJ* was cited 3760 times compared with 3252 the previous year. This led the *EJ* to be placed 7th in the citation rankings and once more classified as a top 5 general journal (behind *AER*, *Econometrica*, *JPE* and *QJE*).

Table 3: Editorial Processing after Initial Submission

	1 Jul 05 to 30 Jun 06	1 Jul 04 to 30 Jun 05*	2003	2002	2001
New Submissions Received	642	627	492	446	432
Papers Withdrawn	2	4	6	2	5
Dealt with by editors alone	217 (34%)	182 (29%)	120 (24.4%)	103 (23.1%)	121 (28%)
Sent to Referee:	423	441	365	341	306
Wait for referee's report Returned within:					
1 Month	18%	18%	16%	18%	15%
2 Months	37%	35%	22%	25%	35%
3 Months	28%	27%	22%	24%	24%
4 Months	10%	10%	17%	16%	15%
Even Longer	7%	10%	23%	7%	11%
Average	8.6 wks	9 wks	11 wks	9 wks	10 wks
Time Distribution for all submissions - excluding withdrawals	640**	623	486	444	427
0-1 month	39%	24%	6%	3%	9%
1-2 months	4%	3%	7%	5%	14%
2-3 months	8%	9%	9%	14%	10%
3-4 months	11%	11%	8%	9%	7%
4-5 months	10%	13%	9%	11%	9%
5-6 months	7%	8%	9%	10%	9%
Even Longer	21%	32%	52%	48%	42%
Average	13 weeks**	17 weeks	25 wks	24 wks	21 wks

** These figures are accurate as of 30 September 2006. The final average time distribution for this period is likely to rise as 42 papers from Apr-June 2006 are still awaiting referees reports and/or decisions.

Acceptances

With the large increase in submissions over the last two years (up more than a third) inevitably our acceptance rate has declined (it now stands at around 8.5%). However even though the acceptance rate has declined the number of papers accepted has increased meaning that while we have achieved a fast turnaround time between submission and an editorial decision there have been increasing lags between acceptance and publication. To overcome this problem we will be publishing an extra issue in 2007 and will also increase the average journal length by around two papers an issue. It is also our intention to further raise standards and gradually lower the acceptance rate further.

RES Prize and *EJ* Lecture

The RES prize for the best paper published in 2005 was awarded to Christian Dustmann and Tilman Börgers 'Strange Bids: Bidding Behaviour in the United Kingdom's Third Generation Spectrum Auction'. A committee consisting of the RES President, the *EJ* Managing Editor and

Professor Tim Besley of Bank of England and London School of Economics will decide the prize for 2006. The *EJ* lecture at the RES Annual conference was given by Narayana Kocherlakota 'Household Heterogeneity and Real Exchange Rates', co-authored with Luigi Pistaferri. The paper has now been accepted for publication in the conference volume. The 2007 *EJ* lecture will be given by Professor Abhijit Banerjee of MIT.

Conference volume and features

This last year saw the conference volume edited by Carlo Perroni (Warwick), Steve Machin (*EJ* Features Editor) and myself. This marked a transitional year from the past

arrangement whereby the Conference volume was guest edited. As from next year Steve Machin and I will be editors. We hope this will help integrate the Conference volume more cleanly into the main *EJ*.

Features continues to provide a range of quality papers on important topics under Steve Machin's editorship (see his separate report below). After much discussion it has also been decided to change the *EJ*'s book review policy. With the *Journal of Economic Literature* increasingly becoming the record of note in announcing books published it was felt that the *EJ* should take a different approach. Rather than providing short reviews for a large number of books we will be trialling the idea of focusing on a few key books and having lengthy discussions and debates regarding their content.

Table 4: Letters sent to authors

Letters inviting revision	-----				Letters of rejection				-----
	Within	1/7/05 to 30/6/06	1/7/04 to 30/6/05*	2003	2002	1/7/05 to 30/6/06	1/7/04 to 30/6/05*	2003	
1 month	0	0	0	0	231	183	27	15	
2 months	1	4	0	0	20	20	32	21	
3 months	4	8	0	0	52	62	44	60	
4 months	13	6	1	2	50	55	37	38	
5 months	15	9	2	10	64	59	44	37	
6 months	13	4	5	5	35	27	38	41	
7 months	11	3	8	6	23	13	37	36	
8 months	0	1	8	11	14	5	26	31	
Longer	34	7	33	22	79	20	108	66	
TOTAL	91	42	57	56	568	444	393	345	

The year ahead

With the papers published increasingly reflecting submissions from the early days of our editorship we hope that the most evident development in the coming year will be our efforts at shaping the intellectual agenda of the journal. Naturally we expect to continue to achieve rapid turnaround, and tackle the increase in longer duration papers. However after two years of our editorship and the new software system the process of publication is now hopefully well understood. In the area of academic publishing developments, we plan to adopt OnlineEarly in 2007. This system will enable papers to be published on the web in their official *Economic Journal* versions quickly upon acceptance rather than having to wait to be allocated to a future issue of the journal, which can involve lag times of a year or more. In addition to speeding the process from submission to publication for successful papers, OnlineEarly has the advantage of increasing the quantity of citations for The *EJ* thereby increasing citation rankings. The *EJ* Editorial Office and Production Editor, David Mayes, will be working closely with Blackwell to co-ordinate this transition in our production system. The priority for the Editorial Board of the *EJ* for the coming year will be further raising the academic quality of papers published and providing stimulating reading for the RES membership.

The 'Features' part of the *EJ*

Stephen Machin

Details of the next two issues in November 2006 and February 2007 (provisional) 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, plus the current state of the new Book Review Features.

November 2006 —

Profiling: General issues and case studies

'Introduction', Charles F Manski

'Generalising the Hit Rates Test for Racial Bias in Law Enforcement, with an application to Vehicle Searches in Wichita', Nicola Persico and Petra Todd

'Crime Minimization and Racial Bias: What Can we Learn from Police Search Data', Jeff Dominitz and John Knowles

'Search Profiling with Partial Knowledge of Deterrence', Charles F Manski

'Assessing Racial Profiling' Steven N Durlauf

'Profiling Problems with Partially Identified Structure', William A Brock

'Welfare Work Requirements with Paternalistic Government

Preferences', Robert Moffitt

'Profiling in Bargaining over College Tuitions', Dennis Epple, Richard Romano, Sinan Sarpca and Holger Sieg

'The Dynamics of Statistical Discrimination', Lawrence E Blume

The Theory of Corporate Finance, Jean Tirole. Review by David Webb

February 2007 (to be confirmed)—

Microfinance

'Introduction', C L M Hermes and Robert Lensink

'Using Repayment Data to Test Across Models of Joint Liability Lending', Christian Ahlin and Robert M Townsend

'Social Connections and Group Banking', Dean S Karlan

'Financial Performance and Outreach: A Global Analysis of Leading Microbanks' Robert Cull, Asli Demirguc-Kunt and Jonathan Morduch

'The Effect of Social Capital on Group Loan Repayment: Evidence from Field Experiments' Alessandra Cassar, Lucas Crowley and Bruce Wydick