



ROYAL ECONOMIC SOCIETY

NEWSLETTER

Issue no. 126

July 2004

ROYAL ECONOMIC SOCIETY

The conference issue

In this first issue since the Society's Annual Conference, at Swansea, we have the two regular features of the Secretary-General's Annual Report to Conference and a report on the conference itself. This year, David Warsh writes an entertaining piece which reveals what regular conference-goers have known for some years — namely that it is very difficult indeed to get round all the sessions and produce an accurate synthesis of such a wide range of activity. It being July, we also have Ray Rees writing from Germany — revealing for what it shows about how readily anti-EU sentiment in the UK is transmitted to our continental neighbours.

Amongst the special contributions we have Martin Weale on the work of the recently-established UK Statistics Commission and an article by the editor bringing together the many reasons for studying economics (and being an economist) that contributors to the *Newsletter* have provided over many years. There is also an entertaining summary of the ESRC's latest research on changes in life in Britain during the Second Elizabethan era, written by Romesh Vaitilingam and a survey of the latest research on health economics carried out by the National Bureau of Economic Research in the USA.

On a different note altogether, we apologise to members who may receive this issue of the *Newsletter* later than we would wish. We have reported before on our use of new technology and revised working methods to bring down the production time from roughly six weeks to about two. This obviously has advantages in terms of timeliness. But we have also discovered some downside — it leaves no recovery time when things go wrong for whatever reason. We'll be keeping the situation under review.

• Secretary-general's report	3
• Letter from Germany	5
• Health economics	6
• Conference report	7
• Why study economics?	9
• The work of the Statistics Commission	13
• Gender issues in economic research	15
• Seven ages of man and woman	16
• RES news items	19
• Conference diary	21

Royal Economic Society

Newsletter

Published quarterly in

January, April, July and October

Editor

Dr Peter Howells,
School of Economics,
UWE Bristol,
Coldharbour Lane,
Bristol BS16 1QY

Fax: (44) (0)1722 501907
Email: peter.howells@uwe.ac.uk
mail@sarum-editorial.co.uk

Information Secretary

Ms Eleanor Burke,
London Business School,
Sussex Place,
Regent's Park,
London NW1 4SA

Fax: (44) (0)20 7724 1598
Email: eburke@london.edu

Newsletter - subscription rates

The *Newsletter* is distributed to members of the Society free of charge. Non-members may obtain copies at the following subscription rates:

- United Kingdom £5.00
- Europe (outside UK) £6.50
- Non-Europe (by airmail) £8.00

Next issue

Newsletter No. 127 - October 2004

Articles, features, news items, letters, reports etc. should be sent to the Editor by:

15 September 2004

Items concerning conferences, visiting scholars and appointments should be sent to the Information Secretary by:

16 September 2004

Contributions from readers

The *Newsletter* is first and foremost a vehicle for the dissemination of news and comment of interest to its readers. Contributions from readers are always warmly welcomed. We are particularly interested to receive **letters** for our correspondence page, **reports of conferences and meetings**, and news of **major research projects** as well as **comment on recent events**.

Readers might also consider the *Newsletter* a timely outlet for comments upon issues raised in the *Features* section of *The Economic Journal*. We can normally get them into print within three months of receipt.

Visit our website at:

www.res.org.uk

Designed by

Sarum Editorial Services

www.sarum-editorial.co.uk

The Annual Report of the Secretary-General

The Secretary-General, Professor Richard Portes, presented the following report on the Society's activities to its Annual General Meeting, on 5th April during the 2004 Annual Conference at Swansea, with apologies for his absence.¹

THE RES ANNUAL CONFERENCE returns this year to the University of Wales Swansea, where we had a very successful meeting in 1996. The local organisation and facilities will doubtless be excellent this year as well. The Conference is an annual occasion for members of the Society to discuss their work and the issues facing economics in the UK and outside. But the Royal Economic Society has a wide range of activities, and I shall report on our journals, the initiatives coming from the Society's various committees, and RES expenditures supporting our members and the progress of economics in the UK and elsewhere.

New names, new faces

This is a year of change in many positions of leadership in the Society's activities: a new President; new editors of *The Economic Journal* and *The Econometrics Journal*; new chairs of CHUDE, the Committee on Women in the Profession, and the Committee on the Public Profile of Economics.

This meeting marks the end of the three-year term of the Society's President, Stephen Nickell. Members may not be aware of how much work the job involves. Steve has been an extremely active and dedicated President, and he has devoted substantial time to the affairs of the Society and the profession as a whole. I thank him warmly on behalf of all members, but also personally: it has been a great pleasure to work with him. I am sure he will maintain his commitment to the RES and his participation in our affairs. At this Annual General Meeting, John Sutton takes office as President. He will chair his first Council meeting at the end of this month. We also welcome at this AGM six newly-elected members of the Council: David Begg, Julia Darby, Raquel Fernandez, Kevin Roberts, Margaret Slade and Sushil Wadhvani.

I reported last year on the relaunch of the Society's website and the many innovations it offered. I am pleased to say that the considerable time, effort and expense put into this have paid off handsomely, and we have had a great deal of positive feedback. I urge those who have not fully exploited the facilities now available to go to the website and see for yourselves. Your comments and suggestions are very welcome.

Publications

A major item of news to report this year is the changeover in the leadership of *The Economic Journal*. Mike Wickens and his colleagues have completed two terms, during which they have restructured the journal and enhanced its status as a leading general journal. The Managing Editors' report to Council, published in the January 2004 issue of the Society's *Newsletter*, set out with great clarity the policies and achievements of the *EJ*. In the same issue, Mike Wickens (in a reply to Pranab Bardhan), reflects on the differences between a general journal and field journals and gives a thoughtful perspective on the tasks and responsibilities of editors. These articles are excellent background from which to view the new editorial team's quest to raise further the standing of *The Economic Journal*.

Succeeding Mike as coordinating Managing Editor is Andrew Scott (London Business School), and he will be joined by Marianne Bertrand (Chicago GBS), Leonardo Felli (London School of Economics), and Jaume Ventura (Universitat Pompeu Fabra). Steve Machin (University College London) will be continuing as Features Editor. The institutional affiliations make it evident that this is an international team, and the new group of Associate Editors is equally diverse. Both the Managing and the Associate Editors are also of exceptional quality, very hard to achieve in an environment of intense competition for top researchers to serve in editorial positions. I am very excited by the prospects.

The Econometrics Journal, our fully electronic product, has more than fulfilled our high expectations. Under the outstanding editorship of Neil Shephard, it has attracted first-class authors and provided them with the speedy, accurate publication that the online mode permits. Neil has now passed the mantle to Karim Abadir, in whom we can have great confidence.

The *Newsletter* is a lively read — informative and often thought-provoking. Peter Howells, the Editor, has commissioned a range of feature articles that make it a valuable resource for all the Society's members, in the UK and abroad,

academic and non-academic. Improvements in production technology have enabled us to keep the cost of this activity constant over the past four years, while its content has expanded.

The media have given substantial coverage to *EJ* papers and to the Annual Conference. Romesh Vaitilingam does a superb job in bringing relevant material to the attention of journalists. Many of us will have been delighted that his achievements in this and other areas were recognised by the award of MBE in the June 2003 Honours List. The Society's media initiative has won substantial praise, and we are determined to build on this to enhance the public profile of economics and demonstrate its relevance. Equally important is its rigour — we want students, policy-makers, and the informed public to realise that understanding the economic issues that concern them requires a lot of hard analytical work and careful, technically sophisticated study of the data. That said, we must then try to make our understanding accessible to a non-technical audience.

ELSSS

The RES has assisted in the launching of the Electronic Society for Social Sciences (www.elsss.org), which is described at length in the January 2003 issue of the *Newsletter*. ELSSS is now negotiating with a top publisher that would act as distributor of its first journal, the *Review of Economic Theory*, and we can expect news soon. The ELSSS manuscript management software may be adopted by the *EJ*.

Annual Conference

The Annual Conference is overseen by our Conference Secretary, Jonathan Haskel, and his committee. We all benefit greatly from the work that they do for us. Francesca Cornelli, the Programme Chair for this Conference, has assembled an excellent programme of both contributed papers and invited sessions. The invited lectures are being given by Willem Buiter (Hahn), David Hendry (Sargan), Douglas Bernheim (*Economic Journal*), and Caroline Hoxby (*Review of Economic Studies*). The *EJ* Conference issue will be edited by Rachel Griffith and Jonathan Temple. The local organiser at Swansea is Nigel O'Leary, to whom many thanks.

RES Committees

The Committee on Women in the Economics Profession has for several years been chaired by Heather Joshi. She has done an excellent job, especially in developing the factual (statistical) basis for the Committee's work. We are fortunate that Jane Humphries has agreed to succeed her. The Committee will have a special session during this Conference, and its activities and output are set out in detail on the RES website. The Society continues its interchanges with funders and users of economic research and employers of economists through the Research Liaison (with ESRC) and Public Sector Economists Liaison Committees. Economists in British universities owe much to John Beath, who has been an extremely hard-working and effective Chair of the Committee of Heads of Departments of Economics (CHUDE). I had announced the end of his term

two years ago, but he responded to our request to stay on, and so stepped down only at the end of 2003. Denise Osborn has taken on this post, which is highly important for academic economics in the UK, as John's dedicated service demonstrated. Alan Carruth is the new Secretary of CHUDE.

The committee on the public profile of economics is now chaired by Andrew Dilnot. The third in the series of Annual RES Lectures launched by the committee was given by John Vickers in London and Edinburgh. An article summing up his discussion of 'Competition Economics' appeared in the January 2004 issue of the *Newsletter*. The lectures are aimed at non-specialists, especially school students, one of whom wrote an enthusiastic endorsement of this initiative that also appeared in the January *Newsletter*. The fourth lecture in the series will be given in London and Edinburgh by Carol Propper in December of this year. The committee has also led RES participation in Open Days organised by HM Treasury and also involving the Bank of England. These have brought the best final-year undergraduates from over 40 universities to London, seeking to convince them of the merits of economics as a career. The Committee is currently reviewing work it commissioned on developing new teaching materials for economics in secondary schools.

Support for members

Despite the fall in the value of our assets and our decision to keep the membership subscription frozen for the fifth consecutive year, the RES is determined to continue its support for activities that we believe are of considerable benefit to members and the profession at large. The Society has again offered six Junior Fellowships this year. The annual Easter Schools (now held well after Easter) in economics and econometrics, each lasting for a week, attract considerable excess demand from advanced PhD students and new faculty. That is because of the exceptionally high standing of those who come to lecture — this year, James Hines and Tim Besley on 'Public Economics and Political Economy' and a group of six distinguished practitioners of financial econometrics. We are grateful to ESRC for its support of these training workshops. We shall continue to offer small grants for support of research as well as conference grants, administered by Chris Milner.

RES administration

The smooth functioning of the Society has for many years depended heavily on the efforts of Kathy Crocker, our Membership Secretary, and Eleanor Burke, the Administration Officer who works with the Secretary-General. We are always happy to respond to any queries from members.

Note:

1. The report was read in the absence of the Secretary-General by Professor John Beath.

Letter from Germany: 'In Profile'

In this year's letter from Germany, Professor Ray Rees, Professor of Economics at the University of Munich, reports on his recent interview by a German magazine. As Ray says, the questions he was asked reveal a great deal about the way that UK attitudes to the EU are seen in continental Europe.

In the UK, an economics student will be quite accustomed to the fact that a large proportion of the people who teach him or her originate from another country. In Germany, on the other hand, only a small handful of economics professors are non-German, or at any rate not from the German-speaking countries. If we were to organise a group outing we could do it in a minibus, if not a large Mercedes. This makes us a little exotic, which is the reason I think for my being 'profiled' recently in a magazine (*Das Wirtschaftsstudium*) whose readership consists mainly of economics students and professors. The 'profile' took the form of a short biography followed by about twenty questions, put by the editor, and my answers to them. I found it interesting to see what the questions revealed as to what Germans might want to know about the UK and about what a British academic working in Germany thought. Here are a few examples. How would you have dealt with them?

Q. You are British and have lived and taught in Germany for a number of years. Great Britain is growing faster than Germany. What are they doing better there than we are, in terms of economic policy?

I tried to answer this question at some length in my last year's Letter from Germany, but here I had to answer in three short sentences. What is interesting is that the question confirms the shock the Germans have had in learning that British per capita GDP is now higher than theirs — at the beginning of the 1980's it was about half of that in West Germany. There is still however considerable reluctance to accept the reforms to the labour market and social security system that most economists argue are necessary to put Germany back on track. Also, opponents of these policies are fond of pointing to the British rail system and the NHS, whose horror stories receive a lot of coverage here, as reasons for not going down that road. These are scare tactics rather than consistent arguments though.

Q. There are many Britons who speak in favour of their country's exit from the EU and for joining the North Atlantic Free Trade Area, including taking over the dollar. Crazy — or could it really happen one day?

I cannot believe that anyone seriously advocates joining NAFTA and adopting the dollar, and I do not really believe that anything but a loony minority seriously advocates UK withdrawal from the EU, the results of the recent elections notwithstanding. But am I getting out of touch? Impatience with Brussels bureaucracy, and refusal to adopt the Euro until the economic conditions are right, on the other hand, are perfectly

sensible and not at all unique to the UK. Again, the question reflects the coverage that anti-European politicians and newspapers in the UK receive in the press here.

Q. By his participation in the Iraq war Blair has aroused in Europe a lot of anger and annoyance. At the same time he wants to play a leading political role in Europe. Isn't a reality check called for?

I had been struck for the most part by the loss of support and political difficulties Blair's Iraq policy had caused him in the UK, and had not really thought about this dimension of the issue. But of course it has damaged him in Europe too. On the other hand, since Italy, Spain and Poland also participated, it is hard to see this as evidence that Britain is uniquely 'non-European' and 'pro-American'. All the same, I think it has much reduced Blair's stature in Europe.

Q. There are still astonishingly many monarchies in Europe - not only in Great Britain. Isn't that something of an anachronism?

In the popular press and magazines in Germany the antics of the more prominent members of the British royal family receive about as much coverage as they do in Britain. Perhaps it's the result of having grown up in a Welsh socialist household, but I do believe that the end of the reign of the present queen would be the perfect time to inaugurate the Republic of Great Britain, with a President, whose functions would roughly be those of the present monarchy, elected for, say, five years, by a free vote of the House of Commons. My candidate for the first president would be Lord Dahrendorf. I do not, of course, expect this to happen.

Q. In Germany there are more and more Bachelor and Master's programmes. Now, after only twelve years in school and three further years for a Bachelor's degree one is a graduate at 21. Won't that mean a drastic fall in the level of a university education?

Currently, the main German university qualification is the Diplom, for which students take on average six years. After completing high school at about eighteen or nineteen, and (if male) doing a year and a half's military or civilian service, one enters university aged about twenty to twenty-two, so typically German students graduate at age twenty-seven or twenty-eight.

...continued on p.14

Recent research in health economics

The National Bureau of Economic Research currently supports seventeen major research programmes. Michael Grossman is the director of the Health Economics Programme at the National Bureau of Economic Research. The following highlights are taken from his Programme Report in the Spring 2004 issue of the NBER Reporter.¹

The problem of obesity has recently received a great deal of recent coverage in the media, while the causes and consequences of substance abuse has never been out of the news. As regards the former, the USA has led the way in both the scale of the problem and the amount of research into its 'economic' dimensions. The NBER's Health Economics Programme, which has expanded rapidly in recent years, conducts research on substance use, obesity, the determinants of health outcomes and the determinants of health care costs. We draw attention here to a small fraction of that work.

Substance use and abuse

The programme considers the determinants and consequences of 'substance use' and focuses in particular on the relative merits of various control policies. In the case of cigarettes for example, price turns out to be a powerful policy tool. Grossman reports the programme's findings that raising tax has a strong effect on quit rates — a 10 per cent increase in the price of cigarettes increasing the probability that a pregnant woman quits smoking by 10 per cent. Estimates suggest that a 30-cent increase in cigarette tax would have the same effect as enrolling women in prenatal anti-smoking programmes. Increasing taxes also encourages young adults to quit and is just as effective in populations with a high smoking incidence as in the population at large. Furthermore, research shows that reductions in the price of nicotine replacement therapies also increase quit rates.

With alcohol, the focus has been on policies to reduce the negative consequences of drinking rather than on the consumption of alcohol as such. Again, the role of price is marked. For example, in the case of binge-drinking, researchers found that 'bans' on alcohol consumption were relatively ineffective. (Campuses which banned alcohol for students and staff were no less prone to the problem than campuses that banned alcohol only for those under 21). By contrast, a \$1 increase in the price of a beer (equivalent to roughly 50 per cent) reduced the likelihood of transition from moderate to binge drinking. Advertising is also relevant, particularly in its ability to encourage under-age drinking. As regards violent and criminal behaviour the effects of tax increases are mixed. Increases appear to reduce the probability of violent assault but to have less effect on robbery, sexual assault and carrying offensive weapons. Raising taxes has little effect on the frequency of sexual encounters but it does increase the probability of using appropriate forms of birth control. Changes in the market price of marijuana also have a significant effect on consumption.

Obesity

The recent growth in obesity has triggered media alarm in many countries, but the figures are truly worrying for the USA where the percentage of adults who are clinically obese has doubled since the late 1970s. More alarmingly, the figures for children have tripled. According to Grossman's figures, some 300,000 US adults per year die of an obesity-related disease. The rate of increase in the problem is significant as it rules out genetic explanations and suggests some social and/or economic cause. It will surprise no one that the growth of fast food restaurants (per capita) is heavily implicated in this trend but this in turn raises the question of why such outlets are so popular. Grossman suggests that part of the explanation is the increasing scarcity of nonmarket time and the increase in participation rates and hours worked by women and draws attention to research which suggests that one third of the increase in child obesity can be explained by the increase in average hours worked by women. The same complex changes in patterns of living may also be playing a part in another proximate cause of obesity, namely changes in food technology which allow attractive (but high calorie) meals to be factory produced and reheated at home with the aid of the microwave. As Grossman says, taken together much of the research suggests '...that the upward trend in obesity may be an unintended consequence of economic growth.'

Determinants of health

What makes some people healthier than others. We know, of course, that average levels of health are differentiated by geography and by social class. Controlling for these, however, many studies suggest that years of schooling correlate closely with a wide range of health indicators. We must be careful about omitted variable bias, however. It may be that what this correlation is picking up is the fact that people with a high future time preference make higher investments in *both* education and health. One way round this problem is to use instrumental variables. IV estimates suggest that education has an independent effect, with an extra year of schooling reducing the probability of death within the next ten years by 3.6 per cent. The relevance of schooling to health is further emphasised by studies which show how the more educated react more rapidly to situations in which new health-related information becomes available.

Note:

1. The full *Report* can be read at:
www.nber.org/reporter/spring04

Conference Report

The Society's Annual Conference took place this year at the University of Swansea Swansea, April 5-7. This report on the event was contributed by David Warsh who was for many years economics columnist of The Boston Globe. He now writes weekly at www.economicprincipals.com. He is the author of three books: The Idea of Economic Complexity (Viking, 1984), Economic Principals: Masters and Mavericks of Modern Economics (The Free Press, 1993) and Knowledge and the Wealth of Nations: A Story of Economic Discovery (forthcoming, Norton, 2005).

The invitation to attend the Royal Economic Society meetings as an observer in April 2004 seemed a welcome assignment. As an economic journalist, I specialized in reporting for American newspapers on the production and distribution of economic knowledge that took place mainly in universities, but in other venues as well. In this connection, I had attended all but two of the American Economics Association meeting since 1975. ('Covered' is too strong a verb, since rarely did these meetings generate much news.)

Over the years I had formed a mental picture of the RES as well, mainly on the basis of reading *The Economic Journal*, the proud old scientific journal whose pattern of citation frequency increased backward instead of forward in time. I was spending the first half of the year at the American Academy in Berlin. It was only a time zone away. And soon enough I would be attempting to persuade economists, in the United Kingdom and elsewhere, of the significance of the developments in growth theory that transpired, mostly in the United States, during the 1980s and 1990s. So why not go to Wales to see what was going on?

The trip to Swansea turned out to be somewhat disorienting. The general features of the meetings were familiar enough. The language of economics was the same. But there was something about the goings-on that I didn't quite understand. I hadn't reckoned on the difficulty of fitting into a framework what was being said by persons who for the most part I did not know. Mainly, it was the format was somewhat unfamiliar — the bewildering array of parallel sessions. The visit exposed great gaps in my knowledge of the emerging European economic scene. I found life in the recently-devolved Wales more interesting than anything going on inside the meeting rooms.

Economics and publicity

I remembered that I was a journalist and not an economist. I began to gather information about how the institution of the RES differed from that of the AEA, and how it had changed over the years. I spent some time thinking about the meetings in their present form.

The British Economic Association was formally organized in November, 1890, five years after its American counterpart opened for business. Among the founders of the AEA was Richard T Ely. In his autobiography (*Ground Under Our Feet*), he recalled 'tramping through the rain' with a friend down to the local Associated Press office after the first meeting 'to see that we had such publicity as we both felt we deserved.'

In contrast, the BES arose amidst skirmishes in the late 1880s between economists at Oxford and Cambridge Universities over who would be the first to launch a professional journal. Oxford succeeded first with its *Economic Review*, but Cambridge succeeded best when it secured the editorship of *The Economic Journal*, to be published under the aegis of the British Society. But such was the tenderness of the situation that, at the inaugural meeting, Alfred Marshall enjoined his fellow economists to be restrained in their criticism of one another — all this according to the intellectual historian A W (Bob) Coats, who took Marshall's caution to be 'a significant comment on the prevailing lack of professional self confidence' at the time. For years thereafter, the executive committee of the association was reluctant to hold the kind of annual conferences with papers and discussions as did its American counterpart, even after winning a Royal Charter and changing its name to the RES in 1902.

A century later, the situation is reversed. The AEA is more or less indifferent to press coverage of its proceedings, of which there is little or none. But the RES has a talented and energetic press officer, whose duties include calling attention to its annual conference. Underneath, however, there are elements of continuity. From its shaky beginnings, the RES rose steadily in acclaim. It was never more prominent than in the 35 years between 1911 and 1946 during which John Maynard Keynes was editor of the *EJ*. Yet the three leading American journals — the *Journal of Political Economy*, the *Quarterly Journal of Economics* and the *American Economic Review* — never relinquished their leadership. And with the end of World War II it became apparent that the center of economic education had shifted decisively to the United States. There followed a long period of relative decline in Britain's universities' importance to the research consensus of the discipline, even as their colleges remained bright and lively places to teach and learn.

By the early 1980s, a considerable resurgence had had taken place, especially in London, where the London School of Economics and University College once again had begun attracting top faculty and students from all over the world, but in the new universities and the Scottish, Welsh and Irish universities as well. Even Oxford and Cambridge were coming into the hands of a new generation of leaders. This very interesting story, or rather series of stories, is under-documented and too-little understood. Yet well into the 1980s, the RES meetings continued to be ill-attended and somewhat moribund.

This problem was solved by Frank Hahn of Cambridge University, during the rolling three-year term during which in he served as president of the RES. He did this by reaching out

to the Association of University Teachers of Economics and persuading its major domo, A Robert Nobay, to combine the groups' meetings and merge their organizations. The AUTE was a very different sort of organization from the RES. When its members met, it was mainly to uninhibitedly speak the language of economics; to build resumes by presenting papers, to compare notes, to chew the fat, to play. I was able to speak only briefly if at all to the principals. Hahn was lively but wheelchair-bound in Cambridge, former RES secretary general Aubrey Silberston was in Brussels, his successor Richard Portes in New York, and Nobay was teaching in Australia. But Hahn and Silberston agreed that it had been Hahn's initiative that led to a merger of the two meetings. The AUTE had a lively meeting of committed teachers and their students; the RES had deep pockets, from decades of investing in common stocks. This was the marriage that saved the RES meetings and made them what they are today.

The invited lectures

I was disappointed that no presidential address was given at the meetings. Such talks are a way of communicating shared values to members, and of charting organizations' progress over time. Since RES presidents serve for three years at a time, however, such addresses are given only every third year. So four invited lectures took pride of place in Swansea. Each of these was highly interesting. Of the four, David Hendry's report on 'Automatic Model Selection' was by far the most exciting — especially a demonstration I suspect that barely half the audience (not including me!) realized what he was doing when he fit a model for money demand before our eyes in real time. Hendry's claims were very bold: 'Just as the computer replaced the adding machine, as the adding machine replaced pencils and paper, automatic selection is going to do that for your generation.' Maybe so. But general-to-simple approaches of the sort Hendry advocates are still controversial among econometricians. Some feel that too much knowledge of the world is 'tacit' and not easily codified to allow scientists to be so easily replaced by a recipe. Such arguments about tools are common enough; as with the controversies about, say, the problem posed by heteroskedasticity in times-series data, or those among partisans of artificial intelligence and their detractors, they can take decades to resolve. But Hendry's claims struck me as being the real news of the conference.

Caroline Hoxby and Douglas Bernheim reported on work in progress, Hoxby is perhaps near the end of her project on schools, Bernheim is at the beginning of game-theoretic work on the part that emotions may play in problems involving memory and anticipation.

Each is a leader in an 'invisible college' or researchers working at the uppermost level on a problem of global significance; each was working with a set of tools that could be shared by others and applied to a wide variety of related problems. Such talks by themselves must be worth the price of admission to many members. The admirable Willem Buiter, filling in for the absent Kenneth Rogoff, was the most charming of the lecturers - and the least compelling. That central banking has nothing to do with character and leadership? I doubted it.

The special sessions

The special sessions, on the other hand, were something of a disappointment. It was not that the presenters weren't interesting, but often than not they spoke at cross purposes. For example, the session featuring Marc Ivaldi of the Institut d'Economie Industrielle, Michael Katz of the University of California at Berkeley and Lars Hendrik Roller most recently of INSEAD had the makings of a first rate discussion panel. Katz and Ivaldi have played major roles in creating a new network economics; Roller, as chief economist for the European Union's Competition Commission, has moved into the kind of senior policy job that Katz once held at the U S Federal Trade Commission. But instead of joining in a structured discussion, each of the three talked about papers whose applications were essentially unrelated — all too often talking past one another in mode which seemed to me to all too characteristic of the meetings.

Most satisfying to me was the session on women in economics. Lena Edlund of Columbia University has published two papers in the *Journal of Political Economy*. Her findings on the significance of individual consent in marriage were fresh (the difference in transaction costs among extended and nuclear families were a big part of the story). Alfonso Diez ('Polygamy, Land and Labor') and Berta-Estevé Volart ('Gender Discrimination and Growth: Evidence from India') had something to say as well. There was an underlying unity of approach. The discussion was lively. But the 57 parallel sessions, spread out over most of three days, often seemed little more than glorified poster sessions. The papers themselves I put in a drawer. I took them out again only two months later to see what had seemed important.

The parallel sessions

Alas, when I did, nothing much stood out — not because papers themselves were deficient, but because of the overall lack of context. The sessions seemed to me to have slighted the overall principle of consensus, which holds economists to the responsibility of moving, however slowly, in the direction of pinning things down. In the sessions I audited, presenters talked about what he or she had been doing, but generally made little effort to relate findings to the consensus of the community of experts in a given research area. There were few session chairs and fewer discussants. The discussion in the meeting rooms usually took a back seat to the vigorous discussions in corridors and the dining halls.

It occurred to me then that these were raw files. They were the work of talented young economists, most of them young and probably half of them Europeans — not at all the stuffy old Oxbridge types I had expected. These scholars' departments had paid for them to attend the meetings, as long as they presented papers. It was a way to build resumes. The Society had gone to considerable lengths itself beforehand to comb submissions for interesting results, to write these up as press releases. But the meetings were for the most part an occasion for those who attended to talk among themselves. Almost deliberately, the sessions were of secondary interest

...continued on p12

Why study economics?

By the time the next Newsletter appears, several thousand new undergraduate students will have committed themselves to studying for a degree in economics. For many, the path will seem long and steep. In this article the editor brings together a morale-boosting list of benefits, most of which have been scattered through earlier issues of the Newsletter. If it reads like a campaigning manifesto for the study of economics, that is because it is.

Over the years, this *Newsletter* has touched on a wide range of evidence that together makes a compelling case for the study of economics at undergraduate level. Some of this is 'hard' evidence, drawn from the increasingly systematic study of the returns to higher education provoked by the Dearing Report. Some of it is less scientifically based, coming from the accounts of economics graduates contributing to our 'Economists in...' series. It is also a theme that surfaces in a surprisingly high proportion of the obituaries that we publish - many students who took up economics in the 1930s and 40s did so because they saw it as a way to change the world for the better. We bring these and other reasons for studying economics together here.

The returns to higher education

As all economists know, salaries go with productivity and thus, broadly, with skill and qualifications and so the idea that graduates earn more than non-graduates is hardly a surprise. There may be news in the numbers, however.

- Over the period from 1993 to 2000, on average male graduates earned on average 15 percentage points more than non-graduates, while the premium for female graduates was about 19 points.

It is also noteworthy that this was a period over which participation in higher education roughly doubled (from about 17 per cent to 34 per cent) and one might have expected this increase in the supply of graduates to erode the premium. But it didn't, generally, happen. There is some narrowing of the differentials for female graduates; for males the premium actually increases.¹

- In 2003, the OECD calculated the internal rate of return on a UK higher education course as 17.3 per cent p.a. (for men) and 15.4 per cent p.a. (for women).² These were the highest returns for any OECD country.

In addition to the material rewards there are other benefits. Readers will recall

- Andrew Oswald's work on happiness and well-being, in which being 'well-educated' is listed as one of the positive factors.³
- A recent survey also showed that graduates were more likely to be multi-skilled (and flexible) and to enjoy better health, with less smoking and obesity, than non-graduates.⁴

The same survey also revealed that graduates are:

- more likely to demonstrate the attributes of active citizenship
 - more likely to be racially tolerant
 - less likely to hold authoritarian views
 - more likely to bring up children with good maths and reading skills
 - less likely to be involved in crime
- amongst other desirable characteristics.

...and to economics in particular

Predictably, the returns vary between disciplines. Readers will recall the case made to HEFCE recently by the President, Steve Nickell and by John Beath that economics should be treated as a part-laboratory based subject for funding purposes.⁵ Part of their argument was that spending on economics delivered particularly good value

- because employers were prepared to pay a very high premium for economics graduates.

The following is an extract from their table 2, re-ordered to rank disciplines by the size of the premium - the percentage by which pre-tax hourly pay exceeds that of those with 2 A-levels but without a degree, on average over the period 1993-1999.

Percentage gaps, 1993-99

<i>Degree subject</i>	<i>Men</i>	<i>Women</i>
Accountancy	52	89
Economics	47	73
Medicine	40	39
Law	40	73
Mathematics	39	56
Engineering	34	56
Business and management	34	48
Science	24	33
Social Science	22	33
Architecture	16	53
Education	14	39
Languages	14	38
Arts	1	23
Nursing	-4	6

These rankings are much the same as those reported by Walker and Zhu (note 1) who draw the conclusion that employers value a discipline requiring a good level of quantitative skills.

The Nickell/Beath table shows the difference between the earnings of samples of employees graduating in different disciplines and those of employees with only 2 A-levels. These samples include employees of various ages and experience. Another way of evaluating the return to different degrees is to compare the salary of an economics graduate directly with the salaries of other graduates at defined stages of their careers. This is what Clive Belfield and Peter Sloane did, as reported in a 1998 *Newsletter*.⁶ Much of their evidence came from the survey of over 18,000 graduates from two academic years, 1985 and 1990, commissioned by the National Committee of Inquiry into Higher Education. Amongst the many findings they reported in the Newsletter were the mean salaries for male and female graduates in economics and other disciplines. These were graduates of 1990 and their salaries (in 1996 prices) were:

	Economics		All disciplines	
	Male	Female	Male	Female
1 year after graduation	£14,755	£12,693	£12,910	£12,786
6 years after graduation	£22,424	£20,597	£20,650	£19,006

- Male economics graduates start with a higher salary than the average of other graduates and the differential grows over time. After 11 years economists in the 1990 cohort earned the highest salaries of all, with the exception of graduates in clinical dentistry.

When it comes to careers, the occupational distribution is also favourable. In the Belfield/Sloane report,

- 21 per cent of male economics graduates and 25 per cent of females went into managerial and administrative occupations. The figures for graduates in other disciplines were 13 and 18 per cent respectively. The benefits to females are particularly clear.

Job satisfaction

Belfield and Sloane's article also pointed out that the survey found economics graduates reporting

- higher levels of job satisfaction than graduates in other disciplines.

In a less scientific way, this same message comes from economists whose careers, past and present, the *Newsletter* has reported on. Perhaps the first point to make, from our 'Economists in...' series, is that economics graduates seem particularly well suited to a variety of careers. We have heard from economists working in arts administration, the City, the OECD, the FSA, the Bank of England, the IMF and others. People who are prepared to write about their jobs are probably a self-selected group when it comes to levels of job satisfaction but the reports are notable not just for their evidence on this point ('...let's just say I'm not planning on early retirement' - Andy Haldane, Bank of England⁷) but for two other things as well. The first is the number of economists that are employed in large organisations. Although we are fortunate in being able to get economists who are often near the top of their profession to write for us, they make clear that they are writing as members of large teams.

- Good jobs for economists are not restricted to those few posts that are in the public eye.

The second theme that comes through is the range of work that economists do and the skills that they draw upon. To a large extent this is a reflection of the Walker/Zhu point above namely that

- employers value the quantitative literacy that comes with being an economist but they also value the economist's analytical skills, particularly the ability to examine an issue as part of an interconnected system.

The deep commitment that many economists feel to their subject has appeared many times in these pages in the obituaries and appreciations of departed colleagues that readers have been kind enough to contribute. Since 2001, we have lost (amongst sadly many others) Walter Newlyn⁸ and Glyn Davies,⁹ both of whom knew the poverty of South Wales in the 1930s and believed that in understanding the causes of that slump they might be able to do something to prevent future ones. Similar sentiments (without the Welsh connection) encouraged Brian Reddaway¹⁰ to switch to economics from the natural sciences. David Worswick¹¹ also took the view that minimising unemployment was the first priority of policy and worked with Sir William Beveridge on the foundations of the welfare state. Heinz Arndt and Peter Bauer¹² were two of many émigrés from Nazi Europe to which UK universities gave sanctuary in the 1930s and both felt a compulsion to help overseas and less developed countries. (The article on p.6 above reveals an impressive list of ways in which economic research can contribute directly to well-being).

Economics is not an easy subject to study. But its rewards, in material terms, are better on average than the rewards from virtually any other discipline, however we measure them. At least as important, economists enjoy the highest levels of job satisfaction reinforced, for some at least, by the conviction that they are changing the world for the better. This is worth remembering when the going gets tough.

Notes:

1. I Walker and Y Zhu *The Returns to Education: evidence from the Labour Force Surveys*, DfES, University of Warwick (2001)
2. OECD Indicators 2003 Table A 14.3
3. 'Happiness and Economic Performance', *Economic Journal*, 1997, 107, 1815-1831.
4. *Revisiting the Benefits of Higher Education*, Bynner, Dolton, Feinstein, Makepeace, Malmberg and Woods for the Institute of Education; HEFCE, April 2003.
5. S Nickell and J Beath, 'Why economics should be in the HEFCE part-laboratory cost band', *Newsletter* no.125, April 2004.
6. C Belfield and P Sloane, 'Graduate Salaries', *Newsletter* no.101, April 1998
7. A Haldane, 'Economists in the Bank of England', *Newsletter* no.108, January 2000
8. *Newsletter* no.120, January 2003
9. *Newsletter* no.121, April 2003
10. *Newsletter* no.119, October 2002
11. *Newsletter* no.114, July 2001
12. *Newsletter* no. 118, July 2002

Annual Conference 2005

CALL FOR PAPERS

The 2005 Annual Conference will be held at the University of Nottingham from **Monday 21st to Wednesday 23rd April**.

Keynote speakers include:

Professor Orley Ashenfelter (Princeton)
Professor Clive Granger (UCSD)
Professor Bengt Holstrom (MIT)

The Programme Committee invites submissions of papers from academic, government, and business economists in any field of economics and econometrics for the **General Sessions**. Proposals for the organisation of **Special Sessions** on Specific Topics are also welcome.

General Sessions

Papers are invited in any subject area included in the Economic Journal. **Two hard copies** of papers should be sent by **11 October 2004** to Professor Richard Disney at the address below. Only completed papers will be considered. Do not submit papers electronically. Each submitted paper should nominate a corresponding author. The paper should include the **e-mail address** of the corresponding author and an abstract, JEL Classification number(s) and up to 5 Key Words.

Submitting authors must not act as a corresponding author for more than one paper. Address for submissions (please include full address):

**Professor Richard Disney,
Chair, RES Conference 2005,
School of Economics,
University of Nottingham,
Nottingham, NG7 2RD**

Notification of acceptance will be sent by mid-December 2004.

Special Sessions

There will be eight special sessions, and proposals for organising sessions on specific topics are invited. The Conference Committee is particularly looking for proposals that combine technical rigour with policy relevance. Proposals at this stage should contain no more than a **one page outline**, should specify the session theme and the name of the individual who would be responsible for the organisation of the session. Names of proposed authors of papers should be included in the proposal. Special session proposals should be sent by **30 August 2004** to Professor Richard Disney (**by email** in Word or PDF format) at RES2005-papers@nottingham.ac.uk

Financial Assistance

Postgraduate students who present papers at the Conference will be eligible for financial support.

Conference Volume

Papers which are accepted for the Conference will be eligible for consideration for publication in the Conference Volume of *The Economic Journal*.

(All speakers are expected to pay the conference fee.)

Changes at *The Economic Journal*

A new team of managing editors is in the process of taking over at The Economic Journal. The following is a shortened version of the editorial published by the new team in the July issue of the Journal describing their policy and procedures.

From July 2004 we become Managing Editors of *The Economic Journal*, with the handover from the existing team completed by September 2004. Steve Machin will be continuing as Features Editor, a post he has held since 1998.

We are fortunate in being able to accept a substantial inheritance from the existing Editors — Mike Wickens (Editor since 1996), Chris Bliss (1996), David de Meza (1999) and Gerard van de Berg (2001). They have maintained and enhanced the reputation of *The Economic Journal* for publishing papers of high quality and originality. They have also overseen an increase in the number of issues and streamlining the output by drawing a distinction between Articles, Features and Conference papers. On behalf of the readership of the journal we would like to express our thanks to the Managing Editors for these achievements and also acknowledge the contribution of the Board of Associate Editors as well as the able administrative support provided by the York office.

We also inherit from the previous editors the same aims — that the *EJ* should be a high quality general journal contributing to both the academic and policy debate by publishing papers of the highest international standards. To achieve these aims we intend to focus on three key factors:

- *Scope*: As a general journal we aim to cover all aspects of the profession — reflecting both new areas of research interest and existing areas. We are committed to publishing both high quality theoretical work as well as applied empirical papers.

- *Quality*: We seek to publish papers that are creative and original but subject to the highest technical standards. As a general journal we encourage papers that engage a broad range of readers but firmly believe this is consistent with publishing work on methodological issues or that uses sophisticated techniques. We would encourage submissions in all these areas.

- *Speed*: As well as offering authors a fair and insightful refereeing process it is critical that the submission process is a fast one. An immediate step we are taking is to move the submission process to an entirely web-based electronic process. Details regarding how to submit electronically will be announced on the Society's webpage (www.res.org.uk).

All papers will initially be dealt with by the Coordinating Managing Editor, Andrew Scott, and then allocated amongst the four editors according to their specialist field of interest. Correspondence with the author regarding the status of the paper will be handled by the assigned editor but publication of a paper has to be agreed unanimously by the editors.

We look forward to providing a fast and insightful editorial service for your papers and helping the *EJ* contribute to a vibrant intellectual debate.

Marianne Bertrand
Leonardo Felli
Stephen Machin (Features)
Andrew Scott (Coordinating Editor)
Jaume Ventura

Conference reportcontinued from p.8

For its outreach, the RES has hit upon a very sound principle: to cull submissions for the most interesting papers, digest them and group them together in a series of press releases, to be presented to journalists in London in a session apart from the conference. This leaves members at the meetings free to talk economics among themselves with none of the impedance-matching devices that characterize the American meetings. That is both a gain and a loss, but it is a real difference.

Indeed, at a certain point I realized that the RES had become very much like a regional association meeting in the United States: the Eastern, Western, Southern, Midwest Associations. I often have thought that the valuable role that these annual get-

togethers play in maintaining profession esprit-de-corps is not sufficiently widely understood. These are the people who teach economics, who review and integrate the findings made by its research professionals, who continue in many cases to play the game themselves. In the RES case, it includes many students on their way up. Such bright people, talking among themselves! But the excitement of such meetings will not get the detailed examination it deserves, not this year, not from me.

Humbled by my failure to get more out of the meetings as an outsider, I decided to invest my observer's honorarium on a membership, a trip to next year's meetings and a dormitory room.

The Work of the Statistics Commission

The Statistics Commission was set up in 2000 as a body independent of the Government Statistical Service whose function is to promote the quality and integrity of official statistics. Here Martin Weale, Director of the National Institute of Economic and Social Research and one of the Commissioners, describes the background to the Commission¹ and some of the issues it has addressed.

The Statistics Commission was established in 2000 as a body independent of the Office for National Statistics and the Government Statistical Service in order to help ensure that official statistics are trustworthy and meet the needs of users. This development was part of the continuing evolution of the United Kingdom's framework for official statistics. The Central Statistical Office was set up in 1941 as part of the Cabinet Office because Winston Churchill was concerned that arguments about the facts were getting in the way of Cabinet consideration of policy. It would be nice, but perhaps a little unrealistic, to be able to say that that particular problem has since been resolved. The statistical structure was developed and reviewed repeatedly in the subsequent decades. Following concerns about the accuracy of GDP estimates the Central Statistical Office became an independent agency in 1989 with the Director reporting to the Chancellor of the Exchequer but with access to the Prime Minister.

The role of the CSO

The CSO was concerned primarily with economic statistics but had limited influence over the other government departments that were also primary sources of economic statistics. Responsibility for the Business Statistics Office in Newport moved from the Department of Trade and Industry to the Central Statistical Office and it similarly took over employment and labour force data from the Department of Employment. In 1996 it merged with the Office for Population Censuses and Surveys to form the Office for National Statistics and its Director also became Registrar-General for England and Wales with responsibility for registration of births, marriages and deaths.

Being trustworthy of course covers a number of aspects. Perhaps most obviously it means that statistics should be free from gross errors. But it also means that the public should feel assured that statistics mean what they say. There is little expectation that political pressures will lead to statisticians publishing a figure of two when their calculations show that the answer is one. The risk is more that pressure may be applied to statisticians to adopt definitions or methods of calculation not because they are good in themselves but because they produce figures which put a favourable gloss on the government's per-

formance. It also needs to be remembered that there are many different forms of users. Most obviously there are government departments and, for economic statistics, the Bank of England. Indeed in 1981 the Rayner Review argued that the purpose of a statistical service was 'primarily' to meet the needs of these users. In the years that followed, 'primarily' was interpreted as 'exclusively' both inside and outside government to the long-lasting detriment of the service. It is obvious to anyone who stops to think about it that there are other users who are equally entitled, in the public interest, to demand data from government, either because they cannot collect them efficiently for themselves or because the data are needed as part of the process of democratic accountability. Parliament and the Opposition need data to hold the Government to account. Academics need data for research purposes. And parents may need data on local schools when making choices about the education of their children.

Legislating for trust?

The observations about the risk of political pressures on the statistical system raise the question whether there should be legislation to protect the independence of the statistical service, as there is in many other countries. One of the Commission's tasks, and probably its most important so far, was to report on this issue, starting its work only after it had been in existence for two years. We produced a report *Legislation to Build Trust in Statistics*,² arguing firmly that a legal framework was needed to maintain the integrity of the statistical service. This would deal

We produced a report...arguing firmly that a legal framework was needed to maintain the integrity of the statistical service. This would deal with other potential abuses, such as Ministers anticipating or delaying the release of data for political gain.

with other potential abuses, such as Ministers anticipating or delaying the release of data for political gain. A voluntary Code of Practice was introduced last year supposedly dealing with points such as these; the Commission has identified a number of breaches since then. It is clear that they were not all inadvertent — for example, Mr Peacock, a Scottish Minister for Education said on 20th January 2004 that '...in releasing the ..data.. I have breached the National Statistics Code of Practice'. There have been other occasions, such as recent concern about the Department for Transport asking ONS not to publicise some environmental data, where there has been a suspicion of political pressure but this was not borne out on investigation. But plainly if there were a legal framework such suspicion would

be less likely and would be easier to counter when it did occur. Obtaining redress after a compliance failure would also be more certain.

Devolution and national statistics

As the Commission has developed its other activities it has begun a programme of systematic reviews of major areas of statistics, with one on health statistics near completion and another on school education statistics just starting. One picture which emerges and comes as something of a surprise to users of economic data is the absence, in many areas, of data covering the whole country. Devolution has strengthened the process whereby England, Scotland, Wales and Northern Ireland have their own departments producing their own administrative statistics. So it is a matter of concern to us that there is no web portal on health statistics which gives easy access to statistics on, say, hospital episodes, for the whole country. As the devolved administrations develop their own methods and techniques this problem is likely to worsen. The Commission wants to see the major Whitehall departments taking seriously their responsibilities as UK departments to provide UK data and not just draw themselves in to an England-only mindset.

The Census

At the same time we have investigated issues which have appeared to be of public concern. Westminster Council approached the Commission after the 2001 Census showed a population some 30 per cent smaller than the previous estimates had shown; this had a substantial effect on the Council's funding. Some statisticians complained that in questioning the data the Commission merely reduced public confidence in statistics. We did not, and do not, accept that argument. The Westminster shortfall was larger than any other in the country, so the Commission felt that it was a sensible issue to investigate. Our interim report³ found that the method used by the ONS to impute for non-response had not worked as it should have in Westminster for reasons which were probably relevant to only a small number of districts. The ONS is now carrying out a detailed address-matching exercise so as to identify addresses missed from the Census and the estimates resulting from that may well turn out to be above the Census estimates.

Reducing revisions

Another recent area of work of particular interest to economists has been the question of revisions to estimates of GDP growth. In the autumn of last year there was concern about revisions, for example that the ONS had 'doubled' its initial quarterly estimate of GDP growth. How journalists would have reported the revision if the initial estimate had been zero is unclear! The Commission⁴ found that UK revision performance is similar to or slightly better than that of other countries with which it was possible to make a comparison. But it was also critical of the methods used, in advance of hard data, to estimate the contribution of construction output to overall growth. More generally, if the ONS placed its methods and the projections generated by its models in the public domain, then it is quite likely that they would benefit from informed free advice on how the methods might be improved on.

The European environment

European legislation is an important influence on some areas of statistics. The Commission hopes to join forces with at least one other similar body from the rest of the European Union so as to explore whether there are areas of common interest or views that might helpfully be expressed jointly on pan-European issues. But the outcome of that will have to wait for a future report.

Economists and the Statistics Commission

The Commission is glad to hear from users of statistics about issues of concern to them. Applied economists are not known for feeling that their data needs are adequately met. The RES might wish to consider whether its concerns about data and statistical issues are sufficient for it to develop more substantial links with the Commission.

Notes:

1. The Statistics Commission is chaired by Professor David Rhind. The other members are Dr Colette Bowe, Sir Kenneth Calman, Dame Patricia Hodgson, Dr Janet Trewsdale, Mr Derek Wanless and Mr Martin Weale. Its web address is www.statstcom.org.uk
2. *Legislation to Build Trust in Statistics* (2004). Available at www.statscom.org.uk/media_pdfs/reports/legislationtobuildtrust.pdf
3. *The 2001 Census in Westminster: Interim Report* (2003). Available at www.statscom.org.uk/media_pdfs/reports/census%202001.pdf
4. *Revisions to Economic Statistics* (2004). Available at www.statscom.org.uk/media_pdfs/reports/revisions_main_report.pdf

In Profile

...continued from p.5

Taking a year off the high school curriculum and replacing the Diplom by a BA will shorten this by four years. So, yes, graduates in future will certainly be much younger, though still not below the European average. Critics of this reform, which is proceeding very rapidly in the universities, see it as a process of 'dumbing down', and yet another instance of aping the American system (the more appropriate comparison would be with the British) to the detriment of tried and trusted German institutions. I think this distrust is misplaced and, at least in economics, where I have experience, the change is a good idea. As well as saving time and resources and increasing flexibility, I think the BA/MA programme actually offers a better education in economics than the old Diplom does. But detailed argument for that position will have to be provided on another occasion.

The remaining questions ranged widely, over EU expansion (would I support admission of Turkey to the EU?), globalisation (good or bad?) to Welsh and Scottish nationalism. It was interesting to have to formulate my views on such a variety of subjects and express them pithily, in no more than three sentences each. I look forward to reading the profiles of the other exotics, my fellow occupants of the minibus, such as Avnar Shaked at Bonn and Nick Baigent at Graz, to see what they reveal about themselves in this process.

Gender issues in economic research

The RES Committee on Women in Economics organised a special session at the RES 2004 Annual Conference illustrating the application of economics to a range of gender issues. This report was prepared by Ramya Sundaram, and Myrna Wooders, respectively the discussant and organiser, RES 2004 'Women in Economics' Committee Session.

Three papers, each focusing on aspects of the interaction between the structure of the family and economic outcomes of the community were presented at the 'Women in Economics' Committee session at the 2004 Royal Economic Society Annual Conference.

Marriage and consent

Lena Edlund, of Columbia University, highlighted the significance of giving individuals, particularly women, the right to contract their own marriage. This right, which she referred to as 'individual consent,' became widespread in the western world between the seventh and eleventh century with the spread of Christianity. It is only since the beginning of the twentieth century that this right is becoming increasingly common in other parts of the world.

Lena (with co-author Nils Lagerlof) focused on the impact of individual consent on the distribution of wealth within a family. She hypothesized that individual consent leads to transfers of wealth from the third generation (older parents) to the second generation (adult children). She further argued that the second generation cares more about investment in their children than do the children's grandparents. Investment in children, particularly in their education, can increase the rate at which a country grows. Thus, Lena contended, individual consent might have contributed to some extent to the rise of the Western world as an economic power.

To test this theory, Lena (with co-author Aminur Rahman) studied data from Bangladesh, which includes third generation families (consisting of a patriarch and his extended family), middle generation families (a nuclear family with or without a co-residing parent of the head of household), and nuclear families. While this research is still preliminary, the authors consistently found that children in homes including only a female grandparent seem to fare better than children in homes including a patriarch.

The demand for wives

Alfonso Diez of the University of Warwick, presented joint research with Ian Walker and Myrna Wooders, on the impact of female labour productivity on the incidence and intensity of polygyny. The model focused on rural situations with an 'outside option' for males. This option could be interpreted as employment in a city or emigration to work in another country.

Wives provide both children and labour. The demand function for wives (as a function of the bride price and the other parameters of the model) was derived and the main hypotheses were tested using a cross-country database. One of the main conclusions was that an increase in female productivity will lead to an increase in the bride price and in polygyny, measured as the average number of wives of each married man. The preliminary empirical results support the conclusions of the model but significance levels are not high.

Discrimination and economic growth

Berta Esteve-Volart, of the London School of Economics, presented work on the impact of gender discrimination on the growth rate of a country. The discrimination takes one of two forms — either the complete exclusion of women from the labour market, or the exclusion of women from managerial positions. This exclusion impacts economic growth through two channels. The first channel works by reducing the incentive of women to invest in human capital. The second channel works by decreasing the talent of persons in managerial positions, thus reducing the rate of innovation in the economy.

Berta tested her model using data from the different states of India. She found that the ratio of female-to-male managers, as well as the ratio of females to males among all workers, has a positive and significant coefficient, when regressed with GDP per capita as the dependent variable. She additionally used an instrumental variable to deal with the issue of causality — whether gender discrimination leads to lower economic growth, or whether economic growth by itself brings about reductions in gender discrimination.

Note:

The RES Women in Economics Committee is inviting proposals for the 'Women in Economics' Committee Session at the RES 2005 Annual Conference. Further details of the conference can be found on p.11.

Further information about the RES Women in Economics Committee and its activities can be found at: www.res.org.uk/society/women.asp

Seven Ages of Man and Woman

~ A Look at Life in Britain in the Second Elizabethan Era

In conjunction with its promotion of 'Social science week, 2004' the ESRC published the Seven Ages of Man, analysing the latest research findings based on some of Britain's largest sets of data. This summary was prepared by Romesh Vaitilingam.¹

All the world's a stage,
And all the men and women merely players:
They have their exits and their entrances;
And one man in his time plays many parts,
His acts being seven ages.

It is just over 400 years since Shakespeare described the 'seven ages' of life in *As You Like It*. How accurate is that narrative today?

One way of finding out is to draw on the wealth of information now available to us on the health, incomes, education, employment, families, relationships and social attitudes of the people of Britain — large-scale data sets like the three big birth cohort studies of 1958, 1970 and 2000/1, the British Household Panel Survey, the Workplace Employment Relations Survey, the English Longitudinal Study of Ageing and the 2001 Census.

The ESRC's *Seven Ages of Man* brings together studies by a group of leading researchers, who are using these resources to provide invaluable insights into the changing patterns of our lives in the second Elizabethan era.

Of course, some things never change: babies still come out 'mewling and puking' and children are still 'creeping like snails unwillingly to school'. But much is different — not just compared with Shakespeare's times but looking back only 20, 30, 40 years: for example, there have been considerable changes in the workplace, in the position of women and in our health and life expectancy in old age.

The following gives a brief overview of some of the most notable developments, all described in more detail in the *Seven Ages...* report. We begin with the infants of Shakespeare's first age and end with the 'oldest old' of his seventh age.

At first the infant: children of the new century

Lisa Calderwood reports on the Millennium Cohort Study, a project that will track the lives of nearly 19,000 children born in 2000/1. She notes that 15 per cent of these 'millennium babies' were living with just their mum at nine months — of these, nearly half see their dad at least once a week but nearly four in ten have no contact with him at all. And while most parents were not bothered about their baby's sex, of those that did mind, dads' preference was for a son while mums wanted a daughter.

Life chances: childhood experiences and later outcomes

Maria Iacovou looks at the changing experience of childhood and its impact on adult outcomes. Today's schoolchildren can

expect to remain in education much longer than previous generations - and to finish their educational careers far better qualified. But the circumstances in which they grow up still have an enormous effect on their later lives, including educational attainments, income, employment, self-esteem and marital stability.

And then the lover: can we all now choose individual fulfilment?

Simon Duncan and Darren Smith investigate how much truth there is in the 'post-modern' view that we can all now choose individual fulfilment in our personal lives. Looking at data on numbers of same-sex partnerships and couples who are 'unmarried with children' — indications, many argue, of a new 'individualised' society — they find that supposedly individualised choices are in fact constrained by social class, the local economy and local culture.

Thirty-something: time to settle down?

Shakespeare chose the occupation of soldier for his fourth age. We generalise this to people reaching their thirties, the time when most of them are establishing themselves in their adult roles. Elsa Ferri uses the 1958 and 1970 cohort studies to show how British society is witnessing an increasing prolongation of youth and dependency. As growing numbers seek the qualifications needed for success in a transformed labour market, traditional rites of passage to adulthood, such as entering employment, leaving home and starting a family, are being correspondingly postponed.

And then the justice? Women in the workplace

A cavalier interpretation of Shakespeare's fifth age links it to the world of work. Here, the Workplace Employment Relations Survey, first conducted in 1980, charts considerable change in the British workplace — from the 'winter of discontent' of 1978/9 to a time now when talk is rarely of 'industrial relations' but more of 'human resource management'. Keith Whitfield suggests that perhaps the key change has been the growth of the female presence in the workplace — but women still earn substantially less from their employment than men.

Not so brief lives: longevity expectations and wellbeing in retirement

James Banks and his colleagues point out that people currently at or nearing retirement will receive the most generous state pensions of any generation. What's more, as the English Longitudinal Study of Ageing confirms, they will also live considerably healthier and longer lives. Indeed, if they are foolish

about anything, it is that they do not realise just how long they are going to live. Those retiring in the next decade or so are also underestimating the chances of their retirement lasting at least ten years — and hence may not save ‘enough’.

Sans everything? Quality of life for the oldest old

Carol Jagger explores two surveys of Britain's 'oldest old' - those aged 75 or over — to assess the extent to which their final years are ‘sans everything’. The studies dispel many of the myths about ageing: even the oldest old live much of their life without the illness and disability considered to be a normal

part of ageing, though women on the whole spend more of their extra years with disability. And if some older people are lonely and dissatisfied, most are not and they continue to lead socially active and productive lives.

Note:

1. A longer version of this article first appeared in the ESRC's *The Edge*, 16, June 2004, pp.14-15. It is reproduced here with the kind permission of the author and the ESRC. The research referred to here is contained in *The Seven Ages of Man* published by the ESRC and available for download at: www.esrc.ac.uk/socialscienceweek/news.asp

News from the ESRC

ESRC Chair reappointed

Frances Cairncross has been reappointed as Chair of the ESRC for a further three year term, with effect from 1st April 2004. As we noted in the April *Newsletter*, Frances Cairncross was recently made a CBE and moves from the *Economist* to take up the post of Rector of Exeter College, Oxford, later this year.

Strengthening data resources

Professor Peter Elias (University of Warwick) has been appointed to the newly-created post of Strategic Advisor (data resources) for a three year period. He will take up the post in October. Professor Elias will have responsibility for the development of a National Data Strategy to support social science research. He will be a member of the UK Data Forum, a new high-level committee which will coordinate strategic decision making by those bodies which fund the development and maintenance of data resources. Professor Elias will also sit on the Advisory Board of the Economic and Social data Service.

PhD supervision

The Academy of Learned Societies for the Social Sciences and the ESRC together are organising a series of workshops aimed at those about to supervise doctorate students for the first time. The workshops last a day and draw mainly on advice in the ESRC's *Postgraduate Education and Training in the Social Sciences* (ed. Burgess, 1994). In September, a new edition of the handbook, *Supervising the Doctorate: A Guide to Success*, by Delamont, Atkinson and Parry will be published by the Open University Press.

Further details of the workshops can be obtained from: admin@the-academy.org.uk

Social science week 2004

The ESRC's annual ‘Social science week’ took place between 21st and 25th June. Designed to bring social science research

to a wider audience the week saw thirty-five events taking place throughout the UK, ranging from a debate for sixth formers in Essex to a workshop by the UK Data Archive on the use of real data in the classroom at Cambridge and a seminar on the contribution of refugees to national life in London. At all these events, participants were shown how social science research can contribute to better policymaking and, ultimately, a better society.

The week coincided with the publication of the *Seven Ages of Man* analysing the latest findings from some of Britain's largest sets of data on its people, households and workers (see p.16 above).

Financial markets and the world economy

Professor John Driffil at Birkbeck College is the Director of the ESRC's new five year research programme on ‘World Economy and Finance’.

Recent events have given numerous vivid demonstrations of how financial markets can transmit shocks around the world with lightning speed, regardless of where they may originate. The aims of this programme are twofold. The first objective is to understand the ways in which financial markets and financial policies influence major global issues such as poverty, growth and transition. Specific questions under this heading include:

- What is the relationship between finance and growth?
- What is the relative importance of different types of finance?
- What role do financial institutions play in promoting financial development, investment, human capital etc?

The second major objective of the research is to analyse policy issues in a variety of institutional settings, now that the world economy seems to embarked upon an era of low inflation. What are the appropriate monetary and fiscal policies for maintaining stable growth without falling into deflation? Researchers will also look at the costs and benefits of ‘de-politicising’ fiscal policy.

The programme consists of some 30 or so individual projects and begins in March 2005.

For further information on all these items, visit the ESRC's website at: www.ESRC.co.uk

Economics and political science

The April-May issue of the Journal of the European Economic Association has just been published and contains selected papers and proceedings of the Eighteenth Annual Congress of the EEA which was held in Stockholm, 20-24th August 2003. Amongst the selections are three lectures which together show how economic analysis can give valuable insights into the design and functioning of political institutions.

THE LATEST ISSUE of the *Journal of the European Economic Association* features amongst other items the Presidential address by Torsten Persson 'Consequences of Constitutions', the Alfred Marshall Lecture: 'Kleptocracy and Divide-and-Rule: A Model of Personal Rule' by Daron Acemoglu, James A Robinson and Thierry Verdier, and the Joseph Schumpeter Lecture: 'Paying Politicians: Theory and Evidence' by Timothy Besley.

How do they get away with it?

The paper by Acemoglu *et al* looks at the behaviour of 'kleptocratic' rulers — individual rulers, often in Africa or the Caribbean, who seem able to divert a substantial fraction of their country's resources towards themselves with little or no constraint from the political process. They present a model of how kleptocratic rulers that expropriate the wealth and incomes of their citizens remain in power without a significant base of support in society. The success of kleptocrats rests on their ability to use a particular type of political strategy — divide-and-rule. Members of society (producer groups) need to cooperate in order to depose a kleptocrat. The kleptocrat may undermine such cooperation, however, by using tax revenues, the rents from natural resources and the funds from foreign aid to bribe other groups to maintain his position. Thus kleptocrats can intensify the collective action problem by threats which remain off the equilibrium path. In equilibrium, all are exploited and no one challenges the kleptocrat because of the threat of divide-and-rule.

Kleptocratic policies are more likely when foreign aid and rents from natural resources provide rulers with substantial resources to buy off opponents; when opposition groups are shortsighted; when the average productivity in the economy is low; and when there is greater inequality between producer groups (because more productive groups are more difficult to buy off).

Politicians and their pay

Besley's paper focuses on more conventionally accountable political systems and looks at the theory behind the idea that paying politicians better will improve their performance. The paper lays out a political agency model with adverse selection and moral hazard where politicians are subject to two-period term limits. This model provides a number of predictions about how the pay of politicians affects agency problems and these

predictions are examined in the light of data on U.S. governors. The empirical results are weakly encouraging to the view that pay rates of politicians affect behavior of this sample of politicians either by changing incentives or by altering the pool of politicians who put themselves forward for office. However, it is clear that the present exercise is only a first pass and much more needs to be done to produce a definitive account.

Constitutional rules and economic performance

In his Presidential Address, Torsten Persson reported on the recent progress in his research programme looking at the way in which constitutional rules affect economic policy and performance. In the first part of the lecture a number of hypotheses are presented and confronted with evidence from a wide range of democratic political regimes.

One hypothesis, for example, is about the effects of electoral rules. Suppose legislative seats are awarded by plurality rules rather than proportional representation (PR). This should tilt policy towards spending programmes with benefits targeted to particular geographical groups, not the electorate as a whole, and (perhaps) towards higher overall spending. The main theoretical idea behind this hypothesis is quite straightforward. If

candidates with the highest vote shares win every seat at stake — rather than seats in proportion to their vote shares — it becomes more attractive to target small and geographically concentrated groups of voters. (The same will hold true if each district represents a small share of the electorate.) According to Persson, the results indicate that a reform from an all-PR to an all-plurality-rule system would cut welfare spending by about 2 percent of GDP. This estimate is robust for a set of older democracies, a little more shaky for all democracies. When it comes to overall spending, the finding is robust across samples as well as estimation methods: an electoral reform would cut spending by about 5 percent of GDP.

Another hypothesis concerns the number of lawmakers elected per district and whether they are elected personally or as the result of a party list ballot. The larger the number the smaller the scope for rent extraction by politicians it seems. The same tendency follows if candidates are elected personally.

...continued on p. 20

RES

news items

The Economic Journal - a new editorial team

The Economic Journal's new editorial team took over at the beginning of July. The new team is headed by coordinating managing editor, Andrew Scott (London Business School) along with Marianne Bertrand (Graduate School of Business, University of Chicago), Leonardo Felli (London School of Economics), Stephen Machin (University College London), and Jaume Ventura (Universitat Pompeu Fabra).

The Journal office has moved from the University of York to London Business School (e-mail: econjournal@london.edu).

See page 12 above for further details.

Changing your address?

Newsletters and *The Economic Journal* continue to be returned by the postal authorities marked 'Gone away', 'Not known at this address' etc. If you are going to change your address shortly, please remember to advise the Society. The information should be sent to the Membership Secretary, Katherine Crocker, Department of Economics and Related Studies, University of York, Heslington, York YO1 5DD. E-mail: kc6@york.ac.uk

Free back issues of journals

Nearly complete sets of *The Economic Journal* (since 1955); *American Economic Review* (since 1951); *Journal of Economic Perspectives* (from first edition); *Journal of Economic Literature* (first issue to CD issues, then all subsequent CD issues). Available for donation to libraries, institutes, foreign universities and institutions. Shipping costs would need to be covered. Please contact Shelley Mark at e-mail: smark5@hotmail.com

Special offer to RES members

Newman, Peter

F Y Edgeworth's *'Mathematical Psychics' and Further Papers on Political Economy* (hardback)

Readers may wish to know of the recent publication by Oxford University Press of a volume of Edgeworth's writings under the above title. Some years ago, Peter Newman, one of the world's leading experts on the work of Edgeworth, undertook a commission from the Royal Economic Society to produce an edition of 'Mathematical Psychics' alongside other writings that had not been included in the three-volume edition of Edgeworth's *Papers Relating to Political Economy* (1925). Peter's death in 2001 prevented him from putting the final touches to the editorial apparatus. Largely as a result of the work of Margot Levy, who collaborated with Peter on the New Palgrave Dictionary of Economics, and with some assistance from Leofranc Holford-Strevens and Donald Winch, it has been possible to complete the book along the lines originally planned.

Besides 'Mathematical Psychics', the volume includes 'New and Old Methods of Ethics' (1879), never before reprinted, two short monographs 'On the Relations of Political Economy to War' and 'Equal Pay to Men and Women for Equal Work', and a selection of key articles and reviews, including all the important articles that Edgeworth wrote for the original Palgrave Dictionary. The volume is completed by the bibliography of Edgeworth's writings compiled by Alberto Baccini.

In addition to being the leading Anglo-Irish mathematical economist of his day, Edgeworth possessed a range of talents that enabled him to make major contributions to statistical theory and review books in the five European languages which he commanded. Peter Newman's introductions and editorial notes on 'Mathematical Psychics' enable readers to understand the complexities of Edgeworth's mathematics, his proclivities and oddities as an inveterate reviewer of books, and why he has increasingly been recognised as a seminal figure in the history of game theory and the study of the optimizing properties of markets under varying conditions. Leofranc Holford-Strevens has provided translations and background information on Edgeworth's extensive use of Greek and Latin references and sources.

No scholarly library will be complete without this valuable 650-page supplement to Edgeworth's own selection of his papers, which will be of interest to economists, mathematical economists, probability theorists, philosophers interested in utilitarian ethics, and all students of the history of economic thought.

The volume is available to members of the Royal Economic Society at a members' discount. Full price: £95.00 **RES members special discounted price of £76.00 (post free)**. Cheques (only) should be sent to Eleanor Burke, RES Administration Officer, London Business School, Regent's Park, London NW1 4SA.

Publications

The Society offers to its members a number of scholarly publications at special prices. These include: *The Collected Writings of John Maynard Keynes*; *Keynes Lectures, 1932-35*; *Malthus' Principles of Political Economy* and *An Essay on the Principles of Population*; *Official Papers of Alfred Marshall* and *The Correspondence of Alfred Marshall, Economist*.

A full list with the special prices may be obtained from Ms Eleanor Burke, Department of Economics, London Business School, Sussex Place, Regent's Park, London NW1 4SA. Fax: 44 (0) 171 724 1598. E-mail: eburke@london.edu or via the Society's home page on the internet (www.res.org.uk). Enquiries about rights, permissions and initiatives relating to editions and other scholarly works should be addressed to The Publications Secretary, Professor Donald Winch, Arts E, University of Sussex, Falmer, Brighton, BN1 9QN

Charter and Bye-Laws of the Society

The Charter and Bye-Laws of the Royal Economic Society are available to members of the Society who would like a copy. Please contact Eleanor Burke, Royal Economic Society, London Business School, Regent's Park, London NW1 4SA.

Committee for women in economics

Members in academic institutions will know that the Committee for Women in Economics (CWE) has carried out a series of biennial surveys of academic economics departments. These indicate that women have not progressed in academic economics in the same proportions as men. There is a wide range of reasons why we might not see more women in senior roles. Ideally, the CWE would like to improve understanding of the dynamics of career progress and/or dropout, and how men and women may be facing different opportunities, with different expectations and preferences. The questions it would like to answer are:

- whether women have the same career opportunities in academic economics as men?
- whether women making different career choices than men, and if so why?

In order to do this (and to improve the factual information about male/female career progression) the Committee is considering commissioning a large-scale professional survey. As a preliminary to that they have undertaken a comprehensive study of existing literature and data sources.

Titled 'Career Progression in Economics: a scoping report' this is available at:
www.res.org.uk/society/pdfs/fullreport8.pdf

Economics and political science

...continued from p.18

A third hypothesis concerns the form of government. Presidential, as opposed to parliamentary, regimes are expected to cut total spending. A key point in the theory is whether the executive is subject to a confidence requirement in the legislature. As presidential regimes have no such requirement, legislative majorities become less stable than in parliamentary regimes. If majorities re-form, issue by issue, broad spending programs suffer. No well-defined stable majority becomes a residual claimant on tax revenue, and this reduces the incentives to boost overall taxation and spending. This too seems confirmed by the data. 'Presidential regimes have smaller governments by at least 5 per cent'.

Persson also reported empirical tests of the predictions from a new model of parliamentary democracy which show that proportional elections raise government spending through their indirect consequences for party structures and types of government, rather than through their direct effects on policymaking incentives. Also, new empirical results suggest that constitutional arrangements may have important consequences for structural policies that promote long-run economic performance.

Conference Diary

2004

august

5-7 August

Oxford

Annual conference of the **International Association For Feminist Economics** (IAFFE) to be held at St Hilda's College, Oxford.

Further information from: www.iaffe.org/iaffe/default.asp

25-28 August

Stockholm, Sweden

First **EuroScience Open Forum** to be held in Stockholm. The forum aims to: present science and the humanities at the cutting edge; stimulate scientific awareness; and foster the debate on sciences and society.

Further information from: www.esof2004.org

26-27 August

London

Second annual meeting of the **OxMetrics User Conference** to be held at Cass Business School. The conference aims to provide a forum for the presentation and exchange of research results and practical experiences within the fields of computational and financial econometrics, empirical economics, time-series and cross-section statistics and applied mathematics.

Further information from: Giovanni Urga (g.urga@city.ac.uk) and <http://www.cass.city.ac.uk/conferences/oxmetrics2004/index.html>

september

6-7 September

Exeter

Annual meeting of **Economics Section of the British Association for the Advancement of Science**.

Further information from: Andrew Mullineux (e-mail: a.w.mullineux@bham.ac.uk).

6-8 September

London

Annual conference of the **Money, Macro and Finance Research Group** (MMFRG) to be held at Cass Business School. The conference will accommodate papers in all areas of interest to the MMF. Plenary sessions will have a dominant focus on Finance. Keynote speakers include Michael Brennan (UCLA), David Hirshliefer (Ohio State) and Bernard Dumas (INSEAD, joint with Raman Uppal, LBS). There will also be a Cass plenary session with contributions from David Blake, Harry Kat and Nick Webber.

Further information from: Alec Chrystal (a.chrystal@city.ac.uk)
Internet: www.cass.city.ac.uk/conferences/mmf2004

9-11 September

Nottingham

Annual conference of the **European Trade Study Group** to be held at the University of Nottingham.

Further information from: www.etsg.org

21-25 September

Paris, France

International conference on **John Kenneth Galbraith** to be held at Université du Littoral.

Further information from: www-heb.univ-littoral.fr/rii/

october

14-15 October

Hamburg, Germany

Conference on **New Economic Geography - Closing the Gap between Theory and Empirics** to be held at the Hamburg Institute of International Economics. The objective of the conference is to discuss current developments in empirical research and improve the knowledge related to this research area.

Further information from:
http://www.hwwa.de/Projekte/Forsch_Schwerpunkte/FS/EI/NEG2004.htm

28-31 October

Rethymno, Crete

International conference of the European Association of Evolutionary Political Economy on the theme of **Economics, History and Development**.

Further information from: www.eaepe.org

november

11-13 November

Georgia, USA

Annual meeting of the **Criminal Justice Association of Georgia**.

Further information from: www.ngcsu.edu/cjag/cjmeet.htm

15-16 November

Melbourne, Australia

Conference on International Business Research organised by the World Business Institute.

Further information from: www.worldbizconference.com

17 - 19 November

Innsbruck, Austria

Fourth annual CSI conference on Principles of International Institutions - Theoretical foundations and empirical evidence to be held at the University of Innsbruck.

Further information from: Mag. Lukas Pichler, Managing Director, CSI Centre for the Study of International Institutions, Faculty of Social and Economic Sciences, University of Innsbruck, Universitaetsstraße 15, A-6020 Innsbruck, Austria.
Tel: 43 512 507 7946 Fax: 43 512 507 2840
Email: csi@uibk.ac.at www.uibk.ac.at/csi

december

1-3 December

Rome, Italy

CALL FOR PAPERS

Thirteenth international conference on Banking and Finance to be held at the University of Rome Tor Vergata on the subject **Transparency, governance and markets**. Completed papers (pdf/word format and including full contact information) should be sent by **13 September 2004** to Professor Michele

Bagella (bagella@uniroma2.it).

Further information from: Professor Michele Bagella, Facoltà di Economia, University of Rome Tor Vergata, Via Columbia 2, 00133 Roma, Italy. E-mail: bagella@uniroma2.it

16-17 December

London

CALL FOR PAPERS

Conference on Common Features in London to be held at Cass Business School. The conference aims to provide a forum for the presentation of recent developments on common features and their implications for the analysis of co-movements in economic and financial series modeling, estimation, testing and forecasting. Extended abstracts or full papers should be sent by email by **31 October 2004** to Giovanni Urga (g.urga@city.ac.uk) with cc to all members of Programme Committee (see website below).

Further information from: Giovanni Urga at e-mail above or www.cass.city.ac.uk/faculty/g.urga/info1.html

16-18 December

Marseille, France

CALL FOR PAPERS

Fifteenth EC² conference on the Econometrics of Industrial Organisation will be held at the Université de la Méditerranée, Palais du Pharo. Invited speakers will include Bronwyn H Hall (Berkeley), Jerry Hausman (MIT), Margaret Slade (Warwick) and Frank Wolak (Stanford). Authors submitting a paper for the conference should send their paper to the scientific organiser, Alvaro Escribano by **1 October 2004**. Papers should be in the field of the conference, in the form of a pdf or a postscript file. Word files are also allowed, but in an rtf version. The paper should be sent to both of the email addresses below.

Further information from: alvaroe@eco.uc3m.es
alvaroescribano@comcast.net

2005

january

21-22 January

Budapest, Hungary

CALL FOR PAPERS

International conference on Central and Eastern Europe: A feminist economic dialogue organised by the International Association for Feminist Economics (IAFFE).

Further information from: Budapest@iaffe-europe.org or
www.iaffe-europe.org

february

3-4 February *Palma de Mallorca, Spain*

*Twelfth conference on **Public Economics*** will be held at the University of Balearic Islands in Palma de Mallorca-Spain, February 3-4 2005.

Further information from: ecopublica@ccee.ucm.es

april

21 - 23 April *Nottingham*

CALL FOR PAPERS

*Annual conference of the **Royal Economic Society*** to be held at the University of Nottingham.

Further information from: see page 11.

august

29 August - 2 September 2005 *Morocco*

CALL FOR PAPERS

*Fourteenth world congress of the **International Economic Association**.* Papers and abstract should be submitted electronically by **31 January 2005** to iea-wc@chu.hu. Papers should be in English, include name, affiliation, title of paper, postal and email address.

Further information from: Professor Laszlo Matyas, Central European University, Budapest, Hungary. E-mail: iea23aise@aol.com

Membership of the Royal Economic Society

Membership is open to anyone with an active interest in economic matters.

The benefits of membership include:

- Copies of the *Economic Journal*, the journal of the society, eight times a year.

The *Economic Journal* is one of the oldest and most distinguished of the economic journals and a key source for professional economists in higher education, business, government service and the financial sector. It represents unbeatable value for those who want to keep abreast of current thinking in economics. Issues are divided into those containing 'Articles' — the best new refereed work in the discipline — and 'Features' including symposia and regular features on data, policy and technology.

- On-line access to *The Econometrics Journal*, a new electronic journal published by the Royal Economic Society and Blackwell Publishers. The journal seeks particularly to encourage reporting of new developments in the context of important applied problems and to promote a focus for debate about alternative approaches.

- Copies of the Society's *Newsletter*. This is published four times a year and offers an invaluable information service on conferences, visiting scholars, and other professional news as well as feature articles, letters and reports.

- The right to submit articles to the *Economic Journal* without payment of a submission fee.

- Discounts on registration fees for the Society's annual conference.

- Discounted prices for copies (for personal use only) of scholarly publications.

- The opportunity to take advantage of the grants, bursaries and scholarships offered to members of the Society.

Details and application form are available from:

**The Membership Secretary, Royal Economic Society,
University of York, Heslington, York, YO10 5DD.**

Membership rates for 2004 are £45 (\$65) *

There is a reduced rate of £22.50 (\$36) for members who reside in developing countries (with per capita incomes below US\$500) and for retired members. A special offer of three years membership for the price of one at this reduced rate is available to full-time students who join the Society for the first time in 2004.

* All customers in the EU should add 5 per cent VAT to these prices or provide a VAT registration number or evidence of entitlement to exemption. Canadian customers please add 7 per cent GST or provide evidence of exemption.

Ordinary UK member: £45 + £2.25VAT = £47.25

Ordinary EU member: €68 + €3.40 = €71.40

Ordinary Canadian member \$65 + \$4.55 = \$69.55

Reduced rate members: \$36/€34/£22.50 + GST/VAT as appropriate.

If you would like to join the Society, complete the adjacent application form and return it to the Membership Secretary at the address above.

Please enter my name as an applicant for membership of the Royal Economic Society. I enclose a cheque for

..... in payment of my subscription for 2004.

Name:

.....

Address:

.....

.....

.....

Occupation..... Date.....