Spring forward...

As so frequently happens, the Spring issue of this Newsletter coincides with the Society’s Annual Conference. A report on the Conference itself inevitably, therefore has to wait for the July issue. But some of April’s content, notably the Secretary-General’s Annual Report, emanates from the Conference and it is only by the heroic efforts of all concerned that copy meets the printer’s deadline. The Report is particularly interesting this year (and needs to be read in conjunction with ‘RES office news’) for the account it gives of new, additional, appointments to the Society’s payroll. It describes what is, in effect, the ‘professionalisation’ of the Society — or at least of its administration. Fortunately, as Sue Holloway showed in the Treasurer’s Annual Report the Society is in a financial position which has been strong for some years and likely to strengthen in the immediate future.

The Treasurer’s Report is another product of the Annual Conference. It has not traditionally been published in the Newsletter but it is an important and interesting document and one might argue that a version at least should appear in these pages, in addition to the Society’s website. Views are invited.

That said, fitting it into the April issue might be a problem given the new practice, anticipated in our January issue, of moving the Reports from the editors of our two principal journals from January to April. The effect is to make this issue ‘report-heavy’, with a corresponding reduction in space for more spontaneous contributions. Fortunately, Angus’s Letter from America meets his usual excellent standard and we have two interesting pieces by Paul Ormerod and Giles Keating. All three give cause for thought in their different ways.
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, reports of conferences and meetings, and news of major research projects as well as comment on recent events.

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The Royal Economic Society is one of the oldest and most prestigious economic associations in the world. It is a learned society, founded in 1890 with the aim ‘to promote the study of economic science.’ Initially called the British Economic Association, it became the Royal Economic Society on receiving its Royal Charter in 1902. The current officers of the Executive Committee are listed above.

The Society’s bee logo

The Society’s logo, shown below, has been used from its earliest days. The story behind the use of the bee refers to the ‘Fable of the Bees’ by Bernard Mandeville, an 18th Century essayist which alludes to the benefits of decentralisation by looking at co-operation amongst bees and showing how the pursuit of self-interest can be beneficial to society. The Latin quote comes from Virgil and speaks of the drive of bees.

For membership benefits, subscription fees and how to join the Society, see back cover or go to:
www.res.org.uk

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Letter from America —

On blood, immigrants, and intellectuals

Angus contrasts current attitudes in the USA towards intellectuals and immigrants with those of the founding fathers.

America can seem very strange to foreigners. When I first set foot in New Jersey with my family in the summer of 1979, I somehow imagined that the place was infested with gangsters. Not from The Sopranos, which then lay far in the future, but more likely from reading Tintin in America to my kids, or from versions of the Al Capone story in the Reader’s Digest that, as a child in Scotland, had badly scared me. We visited a hamburger place — in those days hamburgers were thought to be healthy, and compared with the British versions of the 70s, probably were — and as I carried my tray to a table, there was a loud pop. I looked up, and a man across the room had his hands over his face, with gore oozing between his fingers. Just as I had supposed.

Universities held in low repute

Today, America is probably more famous for the rampant anti-intellectualism of its administration than for a relatively quiescent Mafia. We are terrorized more by populists than by gangsters, and populists seem to hate immigrants and intellectuals in equal measure. President Trump is an ardent (and apparently genuine) mercantilist, and if he had a science advisor — which he has not managed to get around to selecting — he or she would likely recommend leeches or alchemy. The tax bill passed in December not only redistributes from poor to rich, but also imposed a tax on university endowments, and, in an early version, proposed to tax as salaries the tuition relief that graduate students nominally receive as an accounting counterpart for the teaching they must do. Universities are generally unpopular, with 58 percent of Republicans saying that colleges and universities have a negative effect on the way things are going in the country. Only 28 percent of Democrats agree, but taken together, the numbers are not encouraging.

Even the UK is suspect

Immigrants are seen even less favorably than intellectuals, especially if they come from Muslim majority or terror prone countries. In 2015, one of my fellow Nobel Laureates was Aziz Ancar, who was born in Turkey, another, Bill Campbell, was born in Ireland. The UK was long classified as terror-prone because of the IRA, a classification which would have done in not only me, but Oliver Hart in 2016. In what now seems like the good old days, we were warmly and knowledgeably welcomed to the White House by President Obama. In 2017, the Nobel visit to the White House did not take place, perhaps by mutual agreement, given that several laureates were no keener to meet the President than was the President to meet them. And after all, what could Trump possibly learn from Richard Thaler, who works, among other things, on self-control?

One immigration measure on the table is the RAISE Act, proposed in the Senate by Tom Cotton and David Perdue, and supported by President Trump. It aims to cut immigration by half, and would subject potential immigrants to a test to select only those whose skills are thought by the sponsors to benefit the country. The New York Times published a version of the test, on which 30 points were needed to qualify. I scored 31, just scraping by. The decisive factor for me was not my Cambridge BA, which did not count, but my high income, which I should not have had had I not been already in the US. Then I noticed a footnote. A Nobel Prize counts 30 bonus points — elevating me to 61 — but not just any Nobel Prize. It must be in a STEM subject. Peace and literature are apparently not useful in today’s United States. I was surprised only that economics did count. Mercantilism, anyone?

What would John Winthrop have thought?

Yet there is another side. The Puritans who started the Massachusetts Bay colony greatly valued learning, and founded Harvard within a few years of their arrival. Richard Hofstadter in his history of anti-intellectualism in America quotes Moses Coit Tyler ‘Only six years after John Winthrop’s arrival in Salem harbor, the people of Massachusetts took from their own treasury the fund from which to found a university; so that while the tree-stumps were as yet scarcely weather-browned in their earliest harvest fields, and before the nightly howl of the wolf had ceased from the outskirts of their villages, they had made arrangements by which even in that wilderness their young men could at once enter upon the study of Aristotle and Thucydides, of Horace and Tacitus and the Hebrew Bible.’ Shortly thereafter, Oxford and Cambridge recognized Harvard’s degrees as equivalent to their own. Of course, Trump is no Puritan.

Hofstadter’s story is one of cycles, of periods of commitment to scholarship, and periods of turning away, largely associated with changes in religion. In more modern times, the US made a large commitment to education after Sputnik in the early 1960s. As for immigrants, we are often
Economics is far from being an empty box. Indeed, it contains what is probably the only general law across the whole of the social sciences. Namely, agents react to incentives. Exactly how they might react is not always easy to gauge in advance, for humans can be very creative in their responses. But without this concept, many outcomes in both the economy and in society more generally can be difficult to understand.

In practical contexts, economists occupy commanding positions. Central banks, finance ministries, regulatory bodies are packed with economists. Much of public policy has to pass through the filter of economics. It is therefore easy to appreciate why economics often stands aloof from other disciplines. Many economists feel that other scientific endeavours have little to teach them about how the economy operates.

A simple illustration of this insularity is the statistical package R. Free to download, it spans a far wider range of functionality than is contained in econometric packages. R has become the research tool of choice across many disciplines. Yet most economists remain ignorant of even its existence.

The opinions of Nobel Laureates on this matter may be rather more persuasive. Daniel Kahneman, Richard Thaler and Robert Shiller all struggled for decades to gain acceptance of the need to enrich economics with the insights of psychology. Thaler describes this process at length in his book *Misbehaving* (2015). The injunction of Vernon Smith in his 2002 Nobel lecture needs to be taken far more seriously. He writes: ‘I implore students to read narrowly within economics, but widely in science. Within economics there is essentially only one model to be adapted to every application: optimization subject to constraints due to resource limitations…. the economic literature is not the best place to find new inspiration beyond these traditional technical methods of modelling’ (p.510).

A central challenge for economics at the moment is how to deal with the issues raised by what we can think of as ‘cyber society’, with its stupendous increases in both the volume of information which is being created on a daily basis, and the connectivity between agents.

I would go so far as to say that we need a new, major branch of our discipline to address this challenge, one which we might term ‘algorithmic economics’.

What, for example, are economists contributing to the current debate about fake news? This is a topic of major concern to policy makers. Yet economists are conspicuous, and paradoxically this seems the appropriate phrase to use in this context, by the very low profile of the discipline in the discussions.

The journal *Science* is one of the top two scientific publications in the world, the other being *Nature*. On 9 March 2018, *Science* carried a piece entitled ‘The science of fake news’. There are 16 authors, a real multidisciplinary team. But none of them holds a full-time post in a university economics department. One is employed as an economist by Microsoft, and Richard Thaler’s collaborator, Cass Sunstein is an author, but he is in the law school at Harvard.

It is not as though economics has failed to think about how cascades of behaviour might spread across groups of agents. The famous paper by Bikhchandani and colleagues on this — it has nearly 7,000 citations — was published 25 years ago. Their model is based on Bayesian principles. It describes how information cascades can grow through rational herding in a sequential social learning process, with each agent balancing what he or she already knows against what others can be seen to be doing.

In the same issue of *Science* a team of data scientists at MIT published the results of the largest ever study of fake news. Over 100,000 stories tweeted by some 3 million users were analysed over a ten year period.

There are two key ways to measure the spread of a tweet. The first is, quite simply, the number of users who retweet it. The second is the length of the link the tweet passes through. Most tweets are never retweeted at all. But if your tweet is retweeted by a friend, and in turn someone retweets your friend’s retweet, its ‘length’ is two.

The conclusion of the MIT research is rather depressing. Fake news and rumours spread much faster and reach more people than accurate stories, using both measures of the spread of a tweet.

It is not immediately apparent that the economic theory of rational information cascades helps explain these findings.

Social media analysis, of course, might be thought to offer a potentially misleading picture because its user base is obviously not representative of the population as a whole in terms of standard socio-economic classifiers such as age and income. However, there is increasing evidence
that it provides a representative indication of the distribution of emotions and attitudes across the population.

A key building block of economic theory is revealed preference. We traditionally attach relatively little weight to surveys which ask for opinions on the available alternatives in any given situation, preferring to rely on the preferences revealed in actions. In the same way, social media reveals emotion and attitude, in ways which are very hard to systematically disguise.

In the January 2018 edition of this Newsletter, for example, Alan Kirman describes the study carried out on the French Presidential election by a team led by David Chavalarias at the Institut pour la Complexité in Paris. This was based on a database of tweets and retweets and analysed the evolution of the groups supporting the various candidates.

Rather puzzlingly, Kirman states that the research was ‘difficult to implement because of the sheer quantity of information involved’. In fact, algorithms which are readily available in the public domain — in the package R for example — will comfortably handle very large amounts of unstructured text data on social media.

By coincidence, Rickard Nyman, a computer scientist at UCL, and I carried out a real time analysis of the 2017 UK General Election for a commercial client with Twitter data, using a variety of machine learning algorithms. Using only the 1 per cent random sample of tweets which is made available and applying filters to ensure the tweets were actually about the election, we obtained 8.1 million tweets by 1.2 million users during the campaign. This was analysed on a laptop using algorithms available in R.

The two main parties, Conservative and Labour, achieved their highest combined share of the vote at any election since 1970. In the 2015 election for example the share was 67 per cent, compared to the 82 per cent in the 2017 vote. There was a major squeeze on the minor parties. The analysis identified at an early stage that this was the likely outcome. The topics which were being discussed was a key focus of the analysis. Brexit was by far the most frequently discussed topic. The British Election Survey, carried out at every election and based upon an expensive conventional survey of tens of thousands of respondents, came to the same conclusion — published in early August rather than in real time!

Until the last week of the campaign, there was a strong correlation between the Conservative lead in the opinion polls and the proportion of tweets which were about Brexit. In the last week, the polls moved in the government’s favour, and the widespread expectation was that it would be returned with a small increase in its majority. In contrast, the proportion of tweets about Brexit declined still further, so the actual result did not come as a surprise.

Robert Shiller’s Presidential Address to the AEA in 2017 was on ‘Narratives in Economics’. He poses the challenge to the profession that ‘The field of economics should be expanded to include serious quantitative study of changing popular narratives’ (p.967).

Keynes emphasised the importance of sentiment and narrative, writing for example of the ‘waves of irrational psychology’ which drive the business cycle. But he lacked the tools to make these ideas operational.

Brian Arthur (McKinsey Quarterly October 2017) notes the huge success of algorithms in diverse areas such as digital language translation, face recognition, voice recognition and inductive inference. He goes on to say that ‘What came as a surprise was that these intelligent algorithms were not designed from symbolic logic, with rules and grammar and getting all the exceptions correct. Instead they were put together by using masses of data to form associations’.

In other words, the algorithmic approach works by using what we might describe as a different type of intelligence. It is far from the purpose of this piece to enter into debates about what is meant by the philosophical concept of intelligence. What I mean here is simply that machine learning algorithms succeed by discovering and matching patterns in data. They have a comparative advantage over humans in this respect. The approach is different from the way in which people usually try and address these types of problem.

Shiller’s vision for the direction in which research should go is correct. But his idea that we need to learn from literary theory in order to identify narratives is not. The algorithmic approach does it for us, finding associations by clever statistical methods using large amounts of data.

The algorithmic approach to the analysis of text data has advanced very rapidly. A few years ago, a popular way of gauging sentiment, for example, was based on a count of specific words whose emotional content had been established by surveys or experimental work separate to the text being studied.

This whole approach has now been overtaken in machine learning analysis. Algorithms can learn the sentiment of a document directly from its content. They learn in the context of the overall set of documents being examined which words have positive or negative emotional content. Further, it is not just individual words which are identified, but phrases and groups of words. All this is done without reference to literary or linguistic theory.

In the context of machine learning algorithms applied to more conventional, quantitative data sets, the profession is responding rather more positively to scientific developments. Mullainathan and Spiess, for example, have a very nice paper on machine learning and econometrics in the Spring 2017 issue of the Journal of Economic Perspectives.
What needs to be appreciated is that the best machine learning algorithms are considerably more powerful than the econometric tools we have at our disposal. Manuel Fernandez-Delgado and colleagues compared the performance of 179 algorithms on 121 challenging data sets, in a paper published in the *Journal of Machine Learning Research*, as long ago (!) as 2014.

They found that two machine learning algorithms, random forests and support vector machines, were decisively the best. Generalised linear models and logistic regression were ‘simply not competitive at all’ (p.3195). The research was of course carried out before the development of the new generation of deep learning neural network algorithms, though these of course do appear to need substantial amounts of data.

The dramatic rise of cyber society raises further key questions for economics. What does it mean, for example, to exercise rational choice in a world in which there is such a massive abundance of data that it is not possible to gather and process anything other than a tiny fraction of the total amount available in any given context? Can we reasonably maintain the assumptions of stable and transitive preferences when agents are bombarded with the choices, opinions and behaviours of others?

But these are broader and deeper questions. What economists can do quite readily is to embrace the concept of algorithmic economics — modelling and analysis based on AI machine learning and computational statistics — to extend our understanding of the modern world.

Notes:
1. Paul Ormerod is a Visiting Professor at University College London (UCL). His latest book, *Against the Grain: Insights from an Economic Contrarian*, will be published this spring by the Institute of Economic Affairs in conjunction with City AM newspaper
2. https://www.aeaweb.org/articles?id=10.1257/aer.107.4.967&within%5Btitle%5D=on&within%5Babstract%5D=on&within%5Bauthor%5D=on&journal=1&q=Shiller&from=j

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**UK Honours**

As the *Newsletter* went to print in January, we learned of a number of honours being awarded to members of the Society.

**Diane Coyle** was appointed CBE for ‘services to economics and the public understanding of economics’. She is currently a member of the Natural Capital Committee and a Fellow of the Office for National Statistics. Diane has taken a leading role in debates about reforming the economics curriculum and is a contributor to the free online CORE economics curriculum and its associated textbook *The Economy*. She is also a leading figure in the annual Festival of Economics in Bristol, which has been running since 2011. Her books include *GDP: A Brief but Affectionate History* and *The Soulful Science* (both Princeton University Press). She has worked at the Treasury and in the private sector as an economist and founded the consultancy Enlightenment Economics, where she has worked extensively on the impacts of mobile telephony in developing countries. Diane is currently a member of the RES Council and is involved in a number of RES initiatives.

**Tim Besley** is School Professor of Economics of Political Science and W Arthur Lewis Professor of Development Economics in the Department of Economics at LSE. He is also a member of the National Infrastructure Commission. He is a Fellow of the Centre for Economic Policy Research, the British Academy and the Econometric Society, where he is President for 2018. He is also a Foreign Honorary Member of the American Economic Association and the American Academy of Arts and Sciences. In the past, he has been the President of both the European Economic Association and International Economic Association and was an RES Council member 2000-2005. Tim was appointed a Knight Bachelor ‘for services to economics and public policy’.

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**Letter from America**

reminded that the US is a nation of immigrants, but here too, attitudes change over time, and are different from place to place. California, with more than a quarter of its population foreign born, likes its immigrants, and is locked in a legal battle with Attorney General Jeff Sessions, a longtime opponent of immigration, and once a senator from Alabama where there are few immigrants.

But what about the mafia and the burger joint? Turned out I was the shooter. I had accidentally dropped a plastic packet of tomato ketchup from my tray, then stepped on one end, causing the packet to explode and to shoot red liquid into my fellow patron’s face. Sometimes, after all, the blood is only fake blood.

Author’s note: This is a revised and updated version of remarks made at the Swedish Consulate, New York on Nobel Day, December 10th, 2017.
Introduction

The year 2017 was a very significant one for the Society, with the establishment of the Society’s London office and the first staff employed directly by the RES taking up their posts. Despite some inevitable disruption during the transition to the new office, the Society was able to continue with almost all of its previous activities, while also beginning the process of mapping out a medium term strategy for the future.

While this report is primarily concerned with Royal Economic Society activities during 2017, I am also taking the opportunity to look forward to some developments planned for 2018 and beyond.

RES Officers and Council

Alongside the staff, many people have contributed a great deal to the work of the Society in various ways. Firstly, I would like to thank the four people who have helped to guide the Society through important decisions in their respective roles as presidents. Peter Neary was confirmed as President and Nick Stern as President-Elect at the 2017 AGM, with Andrew Chesher becoming Past-President. Having helped make pivotal decisions during 2016 about the Society’s administrative organisation, Peter continues to play a key role as President in all important decisions. Andrew was similarly involved during 2016 and has unstintingly given his time to assist the Society during 2017, including chairing both the judging panel for the Young Economist Essay Competition and the Communications and Engagement working party. Nick has also played an important role as part of the presidential triumvirate, especially in relation to forward-looking decisions on the Society’s development.

After an enthusiastic and influential three years involvement in presidential roles, John Moore completed his term as Past President of the Society at the 2017 AGM. Everyone involved in working with John, including members of the Executive Committee and Council, is delighted that he has accepted an invitation to remain active in RES affairs as a Life Vice-President.

Meanwhile, the 2018 AGM marks the end of the terms of six Council members who have served since 2013, namely Oriana Bandiera, V Baskar, Sarah Brown, Vincent Crawford, Andy Haldane and Jonathan Portes. In particular, I would like to thank Sarah for her work over the last year as a Council representative on the Executive Committee. Subject to ratification at this year’s AGM, Sascha Becker, Allesandra Guariglia, Michael McMahon, Rain Newton-Smith, Barbara Petrongolo and Imran Rasul join Council until 2023.

Executive Committee members undertake substantial responsibilities for the Society, both as its legal trustees and in key administrative roles. Whether ex officio members of the Executive Committee through their roles or as Council representatives, all give a substantial amount of time to the Society and its activities. During 2017, Richard Smith completed his term as Managing Editor of The Econometrics Journal after serving in that role for a remarkable ten years. All who worked with him at the RES will join me in thanking Richard for his many contributions to the journal and the Society, including as an Executive Committee member. The Society is also delighted to welcome Jaap Abbring, who has been Managing Editor of The Econometrics Journal and an Executive Committee member since May 2017.

Silvana Tenreyro also stepped down during the year as chair of the RES Women’s Committee and Executive Committee member. Under difficult circumstances, Silvana undertook a great deal of work to ensure that the 2016 Women’s Committee survey and report on the gender balance in academic UK economics was completed as scheduled, for which we are very grateful. Shortly after leaving her RES role, Silvana became a member of the Bank of England’s Monetary Policy Committee, an important national role in which we wish her well.

Although standing down at the 2017 AGM as a member of the RES Council and Council representative on the Executive Committee, Sarah Smith generously agreed to become Women’s Committee chair. Hence, having thanked Sarah last year for her work over the previous five years, we now welcome her back in a new role, in which she is again an Executive Committee member.

The Society

At the end of 2017, the Society’s membership stood at 3,918. Although a decline on the previous year (4,232), this remains substantially higher than the 3,631 members in 2015. The largest decline in 2017 was the number of student members, down from 1312 in 2016 to 1136 in 2017, and represents a return to the numbers between 2013 and 2015. The Society is keen to engage more closely with its student members in future and, by better understanding their needs, to develop a membership...
The geographical composition of the Society's membership is largely unchanged, with 44 per cent of 2017 members in the UK, 27 per cent elsewhere in Europe, 16 per cent in the United States or Canada and 13 per cent in the Rest of the World.

The Treasurer reports that the Society remains in excellent financial health. Indeed, the Economic Journal made a larger than anticipated surplus of £249k in 2017, resulting in the deficit between the Society’s income and expenditure being less than £30,000, and much less than planned in the 2017 budget. In addition, the net gain on investments was £567k, with the Society's net assets standing at around £6.8 million at the end of the year. This large sum not only provides a substantial buffer, but the income on investments is important in helping to finance on-going and planned activities.

Support costs increased significantly in 2017 to over £350k, as a result of centralising the administration of the Society and appointing a Chief Executive and Operations Manager in London, including a period of overlap with the Society’s previous support staff based in St Andrews. Further centralisation of administration will take place during 2018 and beyond, in order to provide a professional staff able to help the Society advance its primary aim, namely to promote the study of economics.

Leighton Chipperfield became the Society’s first Chief Executive in May, with Marie-Luiza de Menezes preceding him in post by a few months as Operations Manager. Later in the year, Alexander Augustin joined as Office Administrator. Although not able to take up the position until early 2018, Barry Watts was appointed as Communications and Engagement Manager. Other appointments are planned for 2018, largely bringing in-house posts that were previously out-sourced. The new office is working very well and all staff are enthusiastic in their support for the Society.

During 2017, and in one of his first actions as Chief Executive, Leighton Chipperfield initiated a review of RES strategy. This has involved detailed discussions, individually and in relevant meetings, with members of the Society’s Executive Committee and Council. A consultation with members is also being undertaken, closing in April 2018. A summer launch is planned for the new strategy, which will underpin the Society's activities over the next five years.

Journals and conference

The Economic Journal had another very successful year, academically as well as financially, with the total number of regular submissions (1629) slightly exceeding the figure for 2016 (1617). Submissions to the journal have increased by an impressive 53 per cent since 2012. An important indicator of success is the journal’s Impact Factor, with that for 2016 (released in June 2017) increasing from 2.370 in 2015 to 2.608 in 2016. The journal continues to be highly international, with 17 per cent of 2017 author submissions from the United Kingdom, 25 per cent from United States and Canada, 37 per cent from Europe and 21 per cent from the Rest of the World.

The Econometrics Journal not only changed Managing Editor during 2017, but also implemented a fundamental change in editorial policy intended to facilitate the rapid publication of high quality research papers relevant to contemporary econometrics, with primary emphasis placed on important and original contributions of substantive direct or potential value in applications. Although the number of new submissions increased slightly in 2017 to 182 (2016: 176), 109 of these were desk-rejected by the editorial office. In response, the journal website has been updated to more saliently communicate the new policy and to advertise the journal. The journal’s Impact Factor (released in June 2017) dropped from 1.116 in 2015 to 0.513 in 2016, though the five-year Impact Factor is stable at 1.583.

Various prizes are awarded by the Society each year in relation to papers published in our journals. The 2017 RES Prize for the best unsolicited paper published in the Economic Journal was awarded to Robert Warren Anderson, Noel Johnson and Mark Koyama. Prizes are also awarded for the best unsolicited paper by an author within five years of their PhD. The Austin Robinson Prize for the Economic Journal in 2017 has been awarded Josephine Duh and Dean Spears, with K Ulrich Hounyo and Bezirgen Veliyev sharing the Denis Sargan Prize for The Econometrics Journal in 2016.

The Society continues to be grateful to the editors of both journals for the hard and highly professional work they perform on our behalf.

The Society’s current journal publishing contract with Wiley, our publisher, comes to an end in December 2018. The Society engaged the services of a publishing consultant and initiated a working group to make a recommendation based on a tender. This process began in 2017 and is expected to conclude in early 2018, with the new contract operating from the beginning of 2019.

The Society’s 2017 Annual Conference was held at University of Bristol on April 10-12. Sarah Smith (Bristol) and Michael McMahon (Warwick) were Programme Chair and Deputy, and Leandro de Magalhaes (Bristol) and Senay Sokullu (Bristol) were Local Organisers. Almost 600 people attended the conference, an increase on 575 in 2016. Although 39 non-presenting PhD students registered for the conference under the £10 scheme, this was down on the 61 such students for 2016. Programme highlights for 2017 included keynote lectures given by Gita Gopinath (Harvard), Hilary Hoynes (Berkeley) and James Stock (Harvard),
John Moore hosting a plenary session in discussion with the Nobel Prize Winner Oliver Hart, and a policy plenary on Post-Brexit Economics chaired by Diane Coyle. Social events featured a reception at the Bristol Museum and Art Gallery and a Gala Dinner in Brunel’s Passenger Shed.

As RES Conference Secretary, Neil Rickman has overseen the Annual Conference since 2013. During that period, the conference has increased substantially in scale and complexity, and Neil has played an active role in these developments. He steps down in Autumn this year and the Society is grateful for all the work he has done.

Postgraduate support

The Society continues to provide substantial support to postgraduate (especially PhD) students in economics. Now in its third year, a Postgraduate Symposium was held immediately following the 2017 Annual Conference in Bristol. Under a student organising committee, this brought together students at all stages of their theses to discuss and disseminate their research. The Symposium continues to be international, with about a third of the 120 attendees travelling from overseas.

In addition, the Society has organised a PhD Job Market Meeting annually in January since 2006. To maximise attendance and to avoid undue competition with other meetings, in 2017 the decision was made to bring forward the next job market meeting to December. This resulted in two meetings during the year, in January and December 2017 respectively, with both meetings held at Westminster Business School (WBS), London. The events followed the format of previous years. Keynote talks were tailored to the audience of delegates who were in the early stages of their careers in economics, while students (who are required to be RES members to attend) from the UK, rest of Europe and the US presented their research either through a formal presentation or a poster and were available for formal and informal interviews with attending institutions. The move to December appears to have been successful, with 360 and 444 students attending the January and December meetings respectively (compared to 350 for the January 2016 meeting), with 16 and 22 recruiting institutions respectively (23 for the January 2016 meeting).

The twenty-seventh RES Easter Training School on ‘Advances in Industrial Organisation’ was held at the University of Essex in April 2017 under the directorship of Professor Eric Smith. The Schools are designed to bring advanced postgraduate students and other early career economists (including from the public sector) together to learn about recent developments in a selected field from internationally renowned experts. The 2017 lecturers were Rachel Griffith (IFS and Manchester), Rocco Macchiavello (London School of Economics) and Aviv Nevo (Pennsylvania). This was the second School held at the University of Essex and, like the Schools in previous years, received excellent feedback from participants.

After a thorough review by an Executive Committee working group, the Society decided in 2017 to discontinue the previous RES Junior Fellowship Scheme. Although the fellowship awards were valuable to individuals who received one and also to their departments, they were heavily concentrated in a few institutions. After considering costs and benefits, the Society concluded that the benefits did not justify its costs and hence no awards will be made in future under this scheme. Nevertheless, the Society is committed to continuing to support PhD students through a range of activities and to exploring the best ways to help develop their careers.

Undergraduate and departmental support

Last year the Society, in conjunction with the Economics Network, launched a video competition for undergraduate students. Students, individuals or teams, were asked to produce short films that use economics to shed light on the real world. Although only a small number of entries were received in this inaugural year, the quality was high, with Oskar Birol (University of Edinburgh) and Robert and Fraser Clark (London School of Economics) being joint winners.

To date, the Society has supported undergraduate education primarily through the Economics Network, for which the RES provides a substantial grant each year. The Network’s activities include organising a biennial conference on economics education (including a very successful one in 2017), running GTA and early career workshops, and publishing the Economic Review, a magazine for A-Level students of economics.

A new development in 2017 was the decision to provide three years funding for the CORE project. The funding will help train and build networks of teachers who wish to adopt CORE’s approach to teaching economics and to introduce the material to PhD students. CORE will partner with the Economics Network to deliver this work.

Economics units in UK universities are also supported through CHUDE, the Conference of Heads of University Departments of Economics. CHUDE is a committee of the Society and comprises Heads of Economics at universities in the UK. Bi-annual meetings, which offer a forum for discussion of issues of interest, include representatives from the Government Economic Service and the Bank of England. CHUDE often acts for the Society in providing feedback to official consultations, in 2017 contributing to two consultation exercises following the Stern Review of the REF process, and is preparing a consultation response regarding the future creation of a Knowledge Education Framework (KEF). The chairperson is co-opted to the Society’s Executive Committee and sits on the Economics Network managing board. Eric Pentecost and Daniel Zizzo complete their terms as CHUDE chair and secretary, respectively, at the end of 2018, and the Society is very grateful to them for the active roles they have played in UK economics.

www.res.org.uk/view/resNewsletter.html
Communication and engagement

For many years, the Society has engaged with young people (particularly students of A-level economics) through its Annual Public Lecture and the Young Economist of the Year Essay Competition. The 2017 Public Lecture was presented by Stephen Machin on ‘Why Commit Crime: Economic incentives for criminal behaviour’, and was well received by audiences in both London and Manchester. After three years in Manchester, and following a bidding process, the RES Public Lecture for 2018-2020 will be presented at the University of York, with the 2018 lecture also to be given in London.

The Young Economist of the Year Competition was established in 2007 and continues to attract a large number of entries from A-level/International Baccalaureate economics students. Each student submits an essay chosen from a range of topics set by the Society and the final judging is undertaken by an RES panel, chaired in 2017 by the Society’s President Andrew Chesher. The joint winners were Louise Averill and Matthew Thorne.

With communication and engagement firmly in mind, 2017 saw the organisation of evening events, under the title ‘RES Presents’, during the Annual Conference. These well attended and lively events for the general public included two panel sessions on Post-Brexit Economics and Re-Skilling the UK, together with a discussion with Mervyn King hosted by Andrew Chesher (RES President). Thanks go especially to Sarah Smith for her work in initiating ‘RES Presents’, alongside overseeing the academic conference sessions. Where feasible, it is planned that ‘RES Presents’ will be repeated during future conferences, including the 2018 conference at the University of Sussex.

The Society once again supported the 2017 Festival of Economics at Bristol with a grant and the RES promoted itself with a stand at the event. The Society also co-operates with the British Science Association, nominating the President of the Economics Section of the BSA. As the 2017 President of the Economics Section, Oriana Bandiera organised a session at the Festival of Science entitled ‘How can caring for one another affect economic decisions?’

For some years, Wiley has hosted the Society’s website and maintained its membership database. This arrangement will cease with the end of the current contract in December 2018. It is planned that membership will be dealt with in the Society’s office, enabling more direct communications between the Society and our members.

A working group under Andrew Chesher has been meeting over the last year to review the Society’s communication and engagement efforts. One priority has been the website, for which not only is the current contract coming to an end, but it is acknowledged to be outdated. Plans are now well advanced for launching a new website towards the end of 2018, with additional developments taking place over the coming years. As RES

Communications and Engagement Manager, Barry Watts is now leading this work.

Until the appointment of Leighton and Barry, Robin Naylor oversaw RES communication in his role as Deputy Secretary-General. This included overseeing the Society’s website, liaison with the RES Media Consultant, the Conference Committee (especially on matters relating to filming) and the Economics Network. In conjunction with Leighton, he has recently been heavily involved in the journal publishing tender and the development of the new website and membership systems. Robin will step down from his role at the end of 2018, with the work of the Deputy Secretary-General being taken by the RES office. The Society is hugely indebted to Robin for all he has done over an extended period.

Thanks are also due to Peter Howells, the Editor of the RES Newsletter, who continues to ensure the Newsletter contains interesting articles, correspondence, obituaries and general information. Peter performs a terrific service on behalf of the Society and our members.

The Society has engaged Romesh Vaitilingam as Media Consultant for around twenty years. Over this period, Romesh has overseen the production of press briefings and liaised with journalists in relation to papers presented at the RES Annual Conference or published in the Economic Journal. His work has undoubtedly led to more papers attracting media interest than would otherwise have been the case.

Women’s committee and grants

The Society’s Women’s Committee aims to identify the current position of women economists in academic departments and in business; to monitor changes in the position of women and to make these data widely available; to support women throughout the economics profession by the establishment of networks; to increase contacts of women in similar situations; to identify the underlying causes of the under-representation of women in economics and to seek to change or affect them. Activities in 2017 included a lively and topical lunchtime session at the Annual Conference presenting new research findings on ‘Why do so few women study economics?’. During the year the Committee also published its 11th report on The Gender Balance in UK Economics Departments and Research Institutes, which showed continued slow progress in the representation of women. As already noted, Sarah Smith succeeded Silvana Tenreyro as chair of the committee during 2017.

Finally

It is clear that the Society is in good health, in both financial and human resource terms. Many people, not all of whom are named here, put in considerable effort for the Society and the discipline of economics. As always, RES members are key stakeholders; your support for the Society and its work is invaluable.
Economic Journal — Editors’ Annual Report, 2017

The joint managing editors presented their Annual Report to 136th RES Executive Committee Meeting in February. This is an edited version of that report which is available in full on the Society’s website.* Table numbers used below are the same as those used in the full report.

Overview
The data in this annual report for 2017 cover the full calendar year of 2017. Previous data have been compiled up to and including the third quarter of the calendar year.

• In 2017, we received 1676 submissions, including new/re-submissions of regular papers, conference papers and the last remaining re-submissions of the final Feature papers. See Table 1.

• The total number of regular submissions for 2017 (1629) has exceeded the total number of submissions (1617), including conference and feature papers, for 2016. See Table 1.

• Geographic distribution of submitted papers is similar to that of last year. See Table 2.

• 884 regular submissions were dealt with by the Editors alone (summarily rejected (Table 1); of these, 88 per cent were returned to the authors within 14 days, with 11 per cent being returned within 15 to 30 days and only 1 per cent taking between 1 and 2 months. This is a slight drop in turnaround times compared to last year but still high and better than previous years.

• For 2017, over 70 per cent of regular submissions that were sent to the referees were returned to authors within four months of submission; only 1 per cent took longer than six months (Table 3). Again, this is a drop on last year but still an improvement on 2015 and previous years.

• The vast majority of referees responded within three months, with 58 per cent responding within two months (Table 4). The Editors are very grateful to the referees for their excellent performance.

• The 2016 Impact Factors (released in June 2017) saw an increase in the journal’s Impact Factor, from 2.370 in 2015 to 2.608 in 2016. The journal’s five-year Impact Factor also increased from 3.578 in 2015 to 3.859 in 2016.

• The EJ is ranked 42/347 in the Economics ISI subject category ranking. Last year’s ranking was 31/344.

• Google Scholar has produced a new ranking of economics journals, based upon citations of articles published in the last 5 complete years (2012-16). In this ranking the Economic Journal ranks 13th (just ahead of the Journal of the European Economic Association in 14th place and just below the Journal of Political Economy in 12th place). Focusing more narrowly on academic refereed economics journals, this ranking places the Economic Journal as the 10th most cited.

• All accepted papers continue to be checked using anti-plagiarism software before publication.

• The journal continues to use its Twitter account to promote news and content.

• Rachel Kranton and Nezih Guner have joined the board as Managing Editors.

• Andrea Galeotti completed his terms as a Managing Editor in December 2017.

• Barbara Petrongolo and Gilat Levy will join the board as Managing Editors in 2018 to replace Martin Cripps and Kjell Salvanes who are both due to complete their terms in 2018.

• Over 2017, the first set of the final feature papers were published and the final Feature issue with the remaining 25 papers will publish in July 2018.

• The remainder of the backlog of regular papers waiting for publication will be cleared in 2018 with funding from both Wiley and the RES.

• The office remains at UCL. Benita Rajania returned to the journal for a fixed term from April 2017 to March 2018 to cover the Publishing Editor role until the post is moved to the RES central office. Catherine Waite resigned as Publishing Editor following the end of her maternity leave in October 2017.

Journal information and statistics
2.1 Current Editorial Team
The current editorial team consists of:

Joint Managing Editors
Estelle Cantillon, Université libre de Bruxelles
Martin Cripps, University College London
Nezih Guner, CEMFI Madrid
Rachel Kranton, Duke University
Morten Ravn, University College London
Kjell G. Salvanes, Norwegian School of Economics
Frederic Vermeulen, University of Leuven
Hans-Joachim Voth, University of Zurich

Publishing Editor
Benita Rajania, EJ Publishing Editor, UCL (email: ej@res.org.uk)
The RES/EJ have just entered into a contract with Mattson Publishing Services to cover the role from January 2018 until 31 December 2018.


### 2.2 Editorial Board changes

Incoming and outgoing Managing Editors overlap for six months in order to make the process smooth and to allow a forward-looking approach which ensures high calibre academics continue to join the editorial board.

The Economic Journal is pleased to announce that from 2018, there will be a 50-50 gender split on the editorial board.

- Rachel Griffith left the Board by 30/03/2017 and was replaced by Estelle Cantillon.
- Andrea Galeotti left the Board by 31/12/2017. Rachel Kranton has replaced Andrea - she joined the Board in April 2017.
- Nezih Guner joined the Board as the eighth editor in July 2017.
- Martin Cripps will finish his second term in July 2018 and Gilat Levy will replace him, beginning her term in February 2018.
- Kjell Salvanes will leave the board at the end of September 2018. Barbara Petrongolo will replace him and joins the board in April 2018.

### 2.3 Submissions (Tables 1-2)

The sum total for 2016 (1617). See Table 1.

### 2.4 Editorial Processing Time (Tables 3-6)

Table 1 shows that 884 regular submissions were dealt with by the Editors alone (summarily rejected). The Editors do this for papers that in their view have a low

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**Features**


David completed his term as a Joint Managing Editor of the Economic Journal in 1988 and served as the journal’s Production Editor from 1989 and was a key member of the editorial team during all those years. David reviewed the accepted manuscripts, checked the copy-editing and intervened if needed when authors raised issues about the editing of their manuscripts. He consistently ensured that the production standard of the EJ was impeccable through all the shifts and changes in modern journal publishing and ushered the journal through all these transitions and issues without ever letting the standards slip. He will be sorely missed by the journal and by the editorial team who have worked with him for many years. We will miss his diligence, dedication, care and the attention he gave the journal to ensure the highest quality content. David’s obituary appeared in the January issue of the Newsletter, no. 180.

The geographic distribution of submissions (Table 2) is similar to that of last year, with the largest share coming from Europe (37 per cent) — down slightly on last year’s 40 per cent high. A quarter of submissions came from USA and Canada, consistent with 2016. UK submissions recovered this year, up from 15 per cent to 17 per cent.
probability of getting published in order to help keep turnaround times down.

Editorial turnaround times (Table 3) remain quick. Only 3 per cent of papers took longer than five months, with only 1 per cent taking longer than six months.

The ability of the Editors to keep turnaround times down is in no small part owing to the quick response we get from the referees. Table 4 (in the full report only) shows that 58 per cent of referees responded within two months — this is a slight drop from last year’s high of 64 per cent.

Table 3 also shows response times separately for papers that were invited to revise and resubmit and those that were rejected. Of authors invited to revise and resubmit, 61 per cent received a decision within four months.

Table 5 (in the full report only) shows the number of new submissions handled by each Editor and the number of resubmitted revisions (as shown by the +).

Table 6 (in the full report only) shows the number of papers submitted to the conference volume and decisions made.

2.5 Rankings and impact factors (Table 7)
In June 2017, the 2016 Impact Factors were released and the journal saw an increase in its Impact Factor on 2015, from 2.370 to 2.608.1

Table 7: Journal Impact Factor

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<tbody>
<tr>
<td>2015</td>
<td>2.37</td>
<td>3.46</td>
<td>4.077</td>
<td>4.03</td>
</tr>
<tr>
<td>2016</td>
<td>2.608</td>
<td>2.608</td>
<td>2.758</td>
<td>4.03</td>
</tr>
</tbody>
</table>

2.6 Plagiarism checking
Three years ago we introduced a new system under which we scan all accepted papers through anti-plagiarism software before publication. We use iThenticate software, recommended by Wiley. The software has mainly flagged up issues related to authors omitting to reference their own prior work. These omissions have been rectified before publication. We will continue to operate this policy.

2.7 Social media
The journal launched its Twitter feed in April 2013. The feed provides access to articles, media briefings and news.

2.8 Circulation statistics and membership of the RES (Tables 8-10)
These are shown in Tables 9 and 10 below. Additional data is contained in table 8, available in the full report only. Table 9 shows a slight trend away from print to online membership. However this masks an earlier, sharp, movement from away print towards online that occurred earleir between 2012 and 2015. This earlier shift is shown in table 9 in the full report. The fuller version of the table also shows strong growth in membership from 3179 members in 2012 to 3918 in 2017. Table 10 shows that approximately half of RES members are based overseas. Table 10 in the full report shows that this proportion has held fairly steady since 2012.
2.9 Page budget

For 2017 and 2018, the page budget was increased to allow for an additional 25 papers per year to clear the backlog of regular papers. Two bumper ‘Feature’ issues (Oct 2017 and July 2018) with approximately 25 papers each will publish the final features in the *EJ* and close this part of the journal. These issues will be published outside of the normal *EJ* page budget.

### 3. Prizewinners

The 2016 prize winners have been included below. 2017 winners will be announced at the annual RES conference at the University of Sussex in March 2018.

#### 3.1 Austin Robinson Memorial Prize

Awarded to the best paper published in the *Economic Journal* in a given year by an author (or multiple authors) who is within 5 years of receiving his or her (or their) PhD as selected by the Editors of the *Economic Journal*.

The 2016 Austin Robinson Memorial Prize was awarded to Sergey Nigai (ETH Zurich) for his article published in June 2016: ‘On Measuring the Welfare Gains from Trade Under Consumer Heterogeneity.’

#### 3.2 RES Prize

Awarded to the best paper published in the *Economic Journal* in a given year as selected by the RES President, a representative of the *Economic Journal* Editorial Board and one invited judge from the RES Council.

The 2016 RES prize was awarded to Dan Anderberg (Royal Holloway, University of London), Helmut Rainer (University of Munich and Ifo Institute), Jonathan Wadsworth (Royal Holloway, University of London) and Tanya Wilson (University of Stirling) at the Royal Economic Society’s 2017 Conference for their article published in the journal November 2016: ‘Unemployment and Domestic Violence: Theory and Evidence.’

#### 3.3 Referee prizes

Up to 14 prizes awarded each year for referees judged by the Editors to have made an outstanding contribution in this capacity. The 2016 winners were:

- Anna Aizer, Brown University
- Massimiliano Amarante, Université de Montréal
- Matthew Elliott, University of Cambridge
- Raymond Fisman, Boston University
- David Hemous, University of Zurich
- John Bailey Jones, University at Albany, SUNY
- Kevin Lang, Boston University
- Lucas Maestri, FGV/EPGE
- Luigi Pascali, University of Warwick
- Hillel Rapoport, Paris School of Economics
- Kate Smith, Institute for Fiscal Studies
- Vincent Sterk, University College London
- Jan Stuhler, Universidad Carlos III de Madrid
- Nora Traum, North Carolina State University

### 4. Altmetric report

From January 2017 to January 2018, 349 *EJ* articles received online mentions recorded by Altmetric. A large part of the activity came from Twitter (4,738 tweeters). *EJ* articles were mentioned in 610 policy papers, published by Institute for Fiscal Studies, UK Government
Launch of the Bennett Institute for Public Policy

The launch of this new interdisciplinary institute, based at the University of Cambridge, is scheduled to take place just as this issue of the Newsletter is distributed to readers. Diane Coyle, Bennett Professor of Public Policy, explains the thinking behind the initiative.

April 16th brings the formal launch of this inter-disciplinary public policy institute, with a one day conference that includes: economists and social psychologists on the obstacles to effective policies addressing poverty and inequality; urbanists, planners, and architects on the economic role of cities; a perspective from policymakers on defining and measuring the aims of public policy and progress against them; and two of the UK’s leading technologists, Mustafa Suleyman of DeepMind and Baroness Martha Lane Fox of Doteveryone on the impact of technology on society.

A growing number of universities are establishing public policy centres and teaching programmes, following a long-established trend in the United States, and also perhaps reflecting the impact agenda in the REF. Our Institute for Public Policy will draw on Cambridge's depth and breadth of research in science and technology alongside the social sciences. There is surely substantial scope for more effective policy development by embedding social science alongside the natural sciences and technology in research and policy analysis.

The Institute’s first director is Professor Michael Kenny; I have recently joined as the Bennett Professor of Public Policy. Our initial research programmes will be: place and public policy, including an ESRC-funded project, ‘Between Two Unions’, on the constitutional future of the UK and Ireland; technology and innovation including a project on the digital state; science and democracy, including a partnership with Churchill College and Cambridge’s Centre for Science and Policy to explore the role of expertise in policy-making; and well-being, progress and policy.

It will be evident that each of these is inherently interdisciplinary and facing outward to the policy world. I have long believed it essential for economists to engage with the wider research and policy communities, and the public too. Our discipline holds an influential position in policy-making and political debate, and yet our reputation has taken a hit post-crisis — and post-Brexit vote — from which it has not yet recovered. Economists’ legitimacy to advocate and influence policies requires the profession to engage in more dialogue with others outside it, and more and better communication. There was indeed a session on Economic Communication at the Royal Economic Society’s Annual Conference on 26th March.

There are also of course many open research questions in a range of policy domains, and the potential to achieve a truly inter-disciplinary approach to the complex challenges of today’s world is a prize well worth aiming for. This will certainly be our intention as our Institute expands.

The entire research community also has a civic responsibility to work in ways that deliver benefits to society, from our local towns and cities to the nation and beyond our borders. It is an exciting time, a challenging time, to be launching our Institute; we hope to have many opportunities to work collaboratively with economists and other colleagues elsewhere on major policy challenges.

Notes:
1. For further discussion of the EJ and its impact factor see Newsletter no. 180, January 2018 p.5
The editorial process of *The Econometrics Journal* is overseen by its Managing Editor and Co-Editors, with the help of a Deputy Managing Editor and an Editorial Office. The Editorial Board is complemented by a large number of first-rate econometricians from around the world who, as Associate Editors, act as ambassadors, advisors, and senior referees of the *Journal*.

Managing Editor
On 1 May 2017, Jaap Abbring replaced Richard Smith as Managing Editor. Richard has been key to the development of *The Econometrics Journal*. He was one of its founders in 1988 and reorganised it twice. Just over a decade ago, he introduced the current editorial structure, which, to this day, allows the *Journal* to draw on a large number of excellent econometricians for advice and support. Last year, he introduced the new editorial policy, which emphasises the rapid dissemination of original contributions to econometrics with demonstrable value to applied research in economics.

Deputy Managing Editor
On 1 May 2017, Tobias Klein started as Deputy Managing Editor, replacing Alexei Onatski, who served as Assistant Editor and Book Reviews Editor. Tobias will continue Alexei’s good work, but in the elevated role of Deputy Managing Editor. He will generally support the Managing Editor and the Co-Editors in the management of the *Journal* and its strategy and, more specifically, take the lead in screening new submissions, editing book reviews, checking replication packages, and turning accepted into published papers.

Co-Editors
On 1 June 2017, John Rust joined *The Econometrics Journal* as a Co-Editor. The Co-Editors are now Victor Chernozhukov, Dennis Kristensen, Michael Jansson, and John Rust. John is not only a great researcher, but also a seasoned editor, with a keen interest in ensuring that econometrics is useful in applied research. This makes him a perfect fit to the *Journal’s* current editorial policy.

The Managing Editor, Co-Editors, and Deputy Managing Editor normally meet online in two Skype sessions per year. In 2017, we deviated from this norm by substituting a personal meeting at the January 2018 ASSA Meeting in Philadelphia for a second Skype meeting in December 2017.

Associate Editors
We are delighted that nine Associate Editors have accepted renewed appointments for three years from 1 January 2017. Robert Taylor (University of Essex) and Quang Vuong (NYU) resigned from that same date and Alexei Onatski (University of Cambridge) resigned both as Associate Editor and as Assistant Editor and Books Review Editor from 1 May 2017. We thank them warmly for their services to the *Journal*.

We are happy to report that Pedro Carneiro (UCL) and Alfred Galichon (NYU) have agreed to join *The Econometrics Journal* as Associate Editors from 1 January 2018. Moreover, 28 Associate Editors have accepted renewed appointments starting 1 January 2018. Serena Ng (Columbia University) resigned from that same date; we thank her warmly for her service to the *Journal*.

Editorial Office
On 1 May 2017, the Editorial Office moved with the Managing Editor and Deputy Managing Editor from the University of Cambridge to Tilburg University in the Netherlands. The Research Support Team of Tilburg University’s School of Economics and Management runs the Office. Janneke Schrama-Scheepens is the main Editorial Assistant and the primary Office contact. Other members of the Research Support Team take care of the Editorial Office in her absence.

The Cambridge Office facilitated the transition by providing documentation, setting up accounts, and transferring documents and emails. The Society’s Office set up email accounts in the res.org.uk domain. Wiley created an account on its content management system for the *Journal’s* web site.

The new Editorial Office met weekly with the Managing Editor and the Deputy Managing Editor. It has adopted Slack for organizing the workflow and the corresponding internal communications between the Editorial Assistant, the Managing Editor, the Deputy Managing Editor, and the research assistants charged with checking replication packages. It has started using Dropbox for storing and exchanging files.
The Editorial Office continued to send monthly reports on the flow of papers at the *Journal* to all Associate Editors and Co-Editors, often including some news from the Managing Editor.

2. Editorial policy

**Submission guidelines and review process**

We have implemented the new editorial policy that was developed in 2016, for all submissions from 1 January 2017 onwards. The goal of this new policy is the rapid and early dissemination of research in econometrics that is of substantive applied value. We pursue this goal by inviting submissions of shorter and more focused papers that demonstrate their applied value with an empirical illustration and striving to have these submissions

- assigned to an Editor or screen rejected within one week;
- peer reviewed within three months;
- revised quickly, by avoiding multiple and major revisions; and
- published online immediately after acceptance.

To facilitate such quick review and online publication, we require that all submissions follow strict new guidelines. In particular, they need to be typeset in the *Journal* style using its LaTeX template.

We have been and will be working hard on making this new policy a success, so that *The Econometrics Journal* will be the outlet of choice for econometric research that matters. A review of the first year under the new policy showed that we have been able to deliver the quick review and publication it promised, but also that its new focus and submission guidelines may have confused or deterred some prospective contributors. In response, at the end of 2017, we have updated the web site to more clearly communicate the editorial policy and advertise the *Journal*. We also fine-tuned the submission guidelines and streamlined the editorial process more generally. Finally, we have started a range of new initiatives, recorded in this report, to draw attention to our new editorial policy.

**Replication policy**

Following a pilot in 2017 that showed this to be feasible and useful, *The Econometrics Journal* now systematically checks all replication packages of newly accepted papers for completeness, proper documentation, and functionality. These checks will limit the publication of glaring mistakes by forcing authors to double check their data, code and results before publication. They will also ensure that empirical and computational results are replicable and that proposed methods can easily be used, thus increasing the credibility and usefulness of *The Econometrics Journal*.

The Editors do not intend to check for robustness, whether methods are appropriate, etcetera. Rather, they will simply check whether the submitted software and data are consistent with the results reported in the papers. The Deputy Managing Editor manages the replication file checks at *The Econometrics Journal*, aided by a pool of expert research assistants, who are all PhD students at Tilburg University.

The checks are part of a broader initiative of the Royal Economic Society to promote replicability of research by improving the replication standards at its journals.

3. Papers

**Submissions**

Some care needs to be taken in comparing submissions under the new editorial policy in 2017 with submissions in earlier years. The new policy requires that submissions are typeset in the *Journal* style using our LaTeX template (with exceptions for papers written in Word, etcetera). Submissions in 2017 that were not typeset in the *Journal* style were desk rejected by the Editorial Assistant before being entered into Editorial Express® and reviewed by the Editors. As a result, they are not counted as submissions in Editorial Express®. However, many, but not all, of these would have counted as summary rejections by an Editor in previous years (in which they would have trivially complied with the style requirements). Therefore, in comparisons with earlier years, it is appropriate to include many, but not all, of the submissions in 2017 that were desk rejected by the Editorial Office. To keep this practical, we simply report the extremes in which either all or none of these submissions are included.

Table 1 reports the number of new submissions and resubmissions in 2017, 2016, and 2015. The statistics for 2016 and 2015 cannot be found in earlier Annual Reports, because these covered July-June periods. To allow comparison with these earlier Annual Reports and the tables in Appendix B of the full report, on line, (which are updated tables from the previous Annual Report), we have also included statistics for the last two reporting periods, July 2015 June 2016 and July 2014 June 2015.

<table>
<thead>
<tr>
<th>Year</th>
<th>New submissions</th>
<th>of which handled by editors</th>
<th>Resubmissions</th>
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<tbody>
<tr>
<td>2017</td>
<td>182</td>
<td>73</td>
<td>31</td>
</tr>
<tr>
<td>2016</td>
<td>176</td>
<td>176</td>
<td>-</td>
</tr>
<tr>
<td>2015</td>
<td>168</td>
<td>168</td>
<td>-</td>
</tr>
<tr>
<td>2015/16</td>
<td>211</td>
<td>211</td>
<td>-</td>
</tr>
<tr>
<td>2014/15</td>
<td>157</td>
<td>157</td>
<td>-</td>
</tr>
</tbody>
</table>

In 2017, the Editors handled 73 new submissions (against 176 in 2016 and 168 in 2015) and the Office rejected 109 submissions that were not typeset in the *Journal* style. Only 25 of the latter were resubmitted.
Review

We continued to use Editorial Express® for the review process, to our full satisfaction. In 2017, 45 (61.6 per cent) of the 73 new submissions that conformed with the guidelines were summarily rejected. If we include the 109 submissions that were desk rejected by the Editorial Office, 154 (84.6 per cent) of 182 new submissions were summarily rejected. The corresponding percentages for 2016 and 2015 are 77.8 per cent and 78.6 per cent, respectively.

Figure 1 plots the cumulative distributions of the time from a new submission to a first editorial decision in 2017 (with and without submissions desk rejected by the Editorial Office), 2016, and 2015.4 As some, but not all, submissions desk rejected by the Editorial Office in 2017 would have counted as summary rejections in 2016 and 2015, we would expect the distributions for those earlier years to lie between the two distributions for 2017 if review times were stable. This is not the case. Robustly, decisions were delivered faster under the new editorial policy in 2017 than in earlier years.

In 2017, between 53.4 per cent and 81.3 per cent of submissions were handled within 7 days. In contrast, in 2016 and 2015, only 9.1 per cent and 5.4 per cent of submissions were handled so quickly, despite the large shares of summary rejections in those years. Thus, we have moved from normally taking (way) more than a week for summary rejections to mostly handling these within a week (and often within a few days).

Similarly, between 93.5 per cent and 97.4 per cent of new submissions were handled within three months in 2017, a major improvement over the corresponding 82.4 per cent and 82.7 per cent in 2016 and 2015. Preliminary evidence also suggests that we avoided major and multiple revisions. The first revisions of new submissions in 2017 that we received were all accepted within a few days.

All in all, the review performance in 2017 is in line with the new editorial policy, which strives to screen within 7 days, review within three months, and avoid major and multiple revisions. We have been and are further streamlining the editorial procedures to further reduce the review times and fully implement the policy to avoid major and multiple revisions.

Replication file checks

As part of the pilot, from August 2017, the Deputy Managing Editor has set up an infrastructure, using Slack, Dropbox, and standardized procedures and forms, to check, with the help of a pool of expert research assistants, all replication packages for completeness, proper documentation, and functionality. Four PhD students, all fully employed by Tilburg University, have been (and are) providing services as research assistants in this pool (at the expense of the Society).

Once the Society decided, based on the pilot, to structurally support this facility, we have added a few sentences to the acceptance emails in Editorial Express® to make all acceptance decisions explicitly conditional on passing the replication file checks. Based on our initial experiences, and after consulting with the Co-Editors, we have improved the replication instructions to authors. The replication checks now run smoothly.

Production

The Journals freelance copyeditor, Rachel Lumpkin, resigned. We have set up a new production arrangement with Mattson Publishing Services in Baltimore, MD, for 2018, with the option to renew. Rachel Lumpkin has kindly taken up some work for 2018 to smoothen the transition. We have also received good support from Wiley.

Most downloaded papers in 2017

Jianqing Fan, Yuan Liao and Han Liu (Feb 2016): ‘An overview of the estimation of large covariance and precision matrices’

Ivan Canay (Oct 2011): ‘A simple approach to quantile regression for panel data’

Manuel Arellano and Stéphane Bonhomme (Oct 2016): ‘Nonlinear panel data estimation via quantile regressions’

Yu-Chin Hsu (Feb 2017): ‘Consistent tests for conditional treatment effects’

William Greene (Jun 2004): ‘The behaviour of the maximum likelihood estimator of limited dependent variable models in the presence of fixed effects’
Alfred Galichon (Jun 2017): ‘A survey of some recent applications of optimal transport methods to econometrics’

Yannick Hoga (Feb 2017): ‘Testing for changes in (extreme) VaR’

Søren Johansen, Rocco Mosconi and Bent Nielsen (Jul 2000): ‘Cointegration analysis in the presence of structural breaks in the deterministic trend’

Giovanni Compiani and Yuichi Kitamura (Oct 2016): ‘Using mixtures in econometric models: a brief review and some new results’


Special issues
The Journal has published a Special Issue on ‘Econometrics of Matching’ (http://www.res.org.uk/view/PSIP17a.html). The papers in this Special Issue arose out of the invited presentations given in the The Econometrics Journal Special Session on this topic at the 2015 Annual Conference of the Royal Economic Society.

The Journal has also published a Special Issue on ‘Econometrics of Networks’ (http://www.res.org.uk/view/PSIP17b.html). The Editorial Board of The Econometrics Journal occasionally commissions Special Issues on subjects of current interest and importance. ‘Econometrics of Networks’ is such a subject.

Richard Smith edited a Special Issue on ‘Model Selection and Inference’. The paper in this Special Issue originated in the invited presentations given in The Econometrics Journal Special Session on this topic at the 2016 Annual Conference of the Royal Economic Society.

The Journal is tentatively committed to a Special Issue on ‘Recent Developments in Nonlinear Econometric Modelling’, based on papers from the fifth International Symposium in Computational Economics and Finance (ISCEF2018) in Paris in April 2018. We will confirm this Special Issue after an initial screening of the submissions. Dennis Kristensen will be the Co-Editor in charge.

Commissioned articles
The Editors have decided to each year commission one larger article that reviews important new developments in econometrics and guides empirical researchers in their application. The articles will be written and reviewed over the course of each calendar year and published in the next. Sanjog Misra (Chicago Booth) has agreed to write an article in 2018, for publication in 2019, on the use of structural models and machine learning for firm policy making.

Impact
The 2016 Journal Citation Reports® (Clarivate Analytics, 2017) for The Econometrics Journal show that its (two-year) Journal Impact Factor has dropped to 0.513, while its five-year Impact Factor is stable at an all-time high of 1.583 in 2016. The Econometrics Journal was cited 791 times in 2016, a 26.4 per cent increase over 2015.

The new editorial policy and many of the current activities of The Econometrics Journal aim at promoting econometrics that matters and increasing the Journal’s influence on both econometrics and empirical economics. However, it will take some for this effect to be measured by the Impact Factors. The Impact Factors reported here cover citations of articles published in 2015 and before. Therefore, they do not reflect the impact of the new editorial policy, which only affected submissions from 2017 onwards (which will result in publications from 2018 onwards). The 2019 Impact Factors, which will become available halfway 2020, will be the first that (partly) cover publications under the new policy.

4. Prizes
The RES Past President, Andrew Chesher, presented the 2015 Denis Sargan Econometrics Prize to Igor Figure 1: Time from new submission to decision

The Editors of The Econometrics Journal decided that the 2016 Denis Sargan Econometrics Prize will be shared equally between Ulrich Hounyo (SUNY Albany) and Bezirgen Veliyev (Aarhus) for their article ‘Validity of Edgeworth expansions for realized volatility estimators’ in the February 2016 issue of The Econometrics Journal (http://onlinelibrary.wiley.com/doi/10.1111/ectj.12058/abstract). The Prize will be presented to Ulrich and Bezirgen by Andrew Chesher at the 2018 Annual Conference of the Royal Economic Society.

5. Events

Each year, the Editors of The Econometrics Journal organize a Special Session on a subject of current interest and importance at the Annual Conference of the RES (see http://www.res.org.uk/view/special-session-menu.html). At the 2017 Annual Conference in Bristol, the Editors organized a Special Session on ‘Econometrics of Games’. Elie Tamer (Harvard) shared his thoughts on causal inference in games, with special attention to the role of simultaneity. Phil Haile (Yale) presented joint work with Yuichi Kitaumura on the empirical analysis of auctions with unobserved heterogeneity. The Journal expects to report further on this event in a future Special Issue on ‘Econometrics of Games’. For the 2018 Annual Conference, the Editors prepared a Special Session on ‘Structural Macroeconometrics’, with presentations by Barbara Rossi (UPF/BGSE) and Marco del Negro (NY Fed).

Three Co-Editors (Dennis Kristensen, Victor Chernozhukov, and John Rust) and the Managing Editor have been and are actively involved in organizing the 2nd Conference on Structural Dynamic Models in Copenhagen. The Econometrics Journal supports this conference and intends to publish a Special Issue to disseminate its findings. See http://www.econ.ku.dk/cce/events/Dynamics2018/ for details.

In October 2017, the Society’s Executive Committee accepted the Managing Editor’s proposal that, from 2019, The Econometrics Journal will sponsor and publish the Sargan Lecture at the Annual Conference of the Royal Economic Society, with the following remit:

The Sargan Lecture commemorates the fundamental contributions to and profound influence on econometrics by (John) Denis Sargan. It does so by promoting econometric theory and methods with substantive direct or potential value in applications and their actual empirical application. The Sargan Lecture is sponsored and published by The Econometrics Journal.

We are very pleased and honoured that James Heckman (Chicago) has agreed to give the first Sargan Lecture under this new remit. James Heckman has deep knowledge of and affinity with the history of econometrics and has been putting state-of-the-art econometrics at the service of empirical economics for over four decades. He will both speak to the legacy of Denis Sargan and demonstrate the power of econometrics in advancing knowledge.

6. External communication

We have updated the Journal’s web content at ectj.org. In particular, we have made our submission guidelines, replication policy, and disclosure policy more salient there, with links from the Journal landing page in Editorial Express®. We intend to have this content migrated when the Society develops a new web site. We have increasingly been using news items on the Society’s web site to promote the Journal.

We have transferred our database of over 1700 email addresses to a mail list server, with the options to subscribe and unsubscribe. Only the Editorial Office will post to this list and will do so sparingly. We sent our Newsletter no. 7 to these contacts (before the transfer to a server) in January 2017. We skipped our usual Summer Newsletter, which would have come shortly after the change of Office. Instead, we sent an extensive Newsletter no. 8 in the beginning of 2018.

Wiley sent an email advertising the Journal to its own contacts. It also kindly offered to produce promotional material, which we followed up on in our preparations for the 2018 Annual Conference.

Acknowledgements

We are very grateful for the support of the Royal Economic Society and its officers. Particular recognition should be given to the Editors and the anonymous referees, whose efforts ensure that the quality of the Econometrics Journal is maintained and improved. We are also grateful for the assistance offered by our publishers at Wiley.

Notes:

2. Moreover, a few papers were submitted in the wrong format, and have been counted, more than once.
3. This is not evident though, as submissions were already down before we implemented the new editorial policy: Only 60 of the 176 new submissions in 2016 were submitted in the second half of that year.
4. For 2017, we used Kaplan-Meier estimators to correct for two submissions that were still under review when the data were extracted on 7 February 2018. Moreover, we imputed the times it took for the Editorial Office to desk reject the 109 submissions that did not conform with the guidelines to be uniformly distributed over 1, 2, and 3 days. These durations are not available from Editorial Express® and there is little point in hand collecting them, because the Office checked the submission holding tank on a daily basis (with some delays on weekends).
Obituaries

Elizabeth Serson Johnson

Austin Robinson has described how Elizabeth Johnson became the first editor of *The Collected Writings of John Maynard Keynes* (Keynes 1971-89) when in May 1954 the RES Council decided that the Society’s memorial to Keynes ‘should take the form ... of “a series of fine editions of the great economists’”, starting with “an edition of Lord Keynes’s writings published and unpublished”. The same meeting made Richard Kahn, Roy Harrod and myself responsible for this and authorized the appointment of Elizabeth Johnson to begin the work.’ (Robinson 1990, p. 152) By 1971 it was envisaged that the edition would comprise the ten books that Keynes published in his lifetime, three or four volumes republishing Keynes’s academic and other articles with associated correspondence and an estimated nine *Activities* volumes dealing with ‘his more ephemeral writings, ... hitherto uncollected, his correspondence relating to those activities, and such other material and correspondence as is necessary to the understanding of Keynes’s activities. The first four of these volumes are being edited by Elizabeth Johnson’ (Robinson 1971, p. x).

Liz Johnson had arrived in Cambridge with her husband, the Canadian economist, Harry Johnson, in January 1949. Born in Ottawa in 1921, she met Harry in her first year at the University of Toronto, where she was an undergraduate studying English at University College 1940-44 and he was at Victoria College 1939-43. They both worked on the student newspaper, Varsity, of which she became assistant news editor in her final year. After graduation she worked as a reporter for the Ottawa Journal before and after a year at the Columbia School of Journalism, until they married in May 1948 (Moggridge 2008, pp. 26, 31 and 91). Her first, exciting, task for the Keynes edition was to read through the papers, at that time ‘heaped in bundles and boxes and old-fashioned wicker files’ and only roughly sorted by Roy Harrod for his *Life of John Maynard Keynes* (1951); as she later wrote, ‘Part of the fun of editing papers is the pleasure of legitimate eaves-dropping ... I met Keynes through his papers, and I was both charmed and exasperated.’ She also had to begin the huge task of locating the extensive and important Keynes material in the public and other archives (Johnson 1978). Harry was then a fellow of King’s College (1948-56) but, as Austin put it, his ‘meteoric career carried her to Manchester, London and Chicago and away from the archive of papers’, slowing the progress of the edition, with the result that I was appointed a second editor in 1969 (Robinson 1990, p. 181). Austin became joint managing editor of the edition in 1971.

As the first editor it was Liz who was responsible for the format of the *Activities* volumes of the edition, beginning with her first two, *Activities 1906-1914: India and Cambridge and Activities 1914-1919: The Treasury and Versailles*, published in 1971. Her other two activities volumes, *Activities 1920-1922: Treaty Revision and Reconstruction and Activities 1922-1932: The End of Reparations* appeared in 1978. She also carried out the main editorial tasks for *Indian Currency and Finance* and *The Economic Consequences of the Peace*, the other two of the first quartet of volumes to appear. The format differs from most collected editions in that it does not separate items by type (letters, memoranda, articles etc) but usually mixes document types up and ‘attempts to provide in lead-ins to particular documents what is often a running commentary giving the documents a context’ (Moggridge 1988 p. 73). As Austin wrote of these volumes, ‘It is their task to trace and interpret Keynes’s activities sufficiently to make the material fully intelligible to a later generation.’ In this she succeeded admirably, setting a fine example to her fellow editor.

After she finished her work for the edition, and now living in Chicago, Liz became an editor at the University of Chicago Press. I visited her regularly in Chicago and also saw her in London when she was visiting her and Harry’s two children Ragnar and Karen, so that we remained in close touch until her death last July.

References:


*Donald Moggridge University of Toronto*

Anthony Alan Brewer

Anthony Brewer, born in 1942 and passed away on 20 February 2018, was an eminent historian of economic thought. Tony was Emeritus Professor of the History of Economics at the University of Bristol which he joined in 1967. He served as the Head of Department of Econ-
omics at the University of Bristol which he joined in 1967. He served as the Head of Department of Economics from 2001 until 2004 and remained active in research and teaching until he retired in 2008.


Subsequently Tony focused on the 18th century. During the later 1980s and throughout the 1990s he was a prolific author of articles and reviews dealing with many aspects of the emergence of political economy in Britain and France. Perhaps his most significant contribution was *Richard Cantillon: Pioneer of Economic Theory*, published in 1992, a book-length study of one of his favourite early economists. Tony generally attempted to understand economic writings by concentrating on the internal consistencies of the theories of early authors. Sometimes, as in his analysis of the French statesman and economist A R J Turgot (1727-1781), this approach took the shape of a formal ‘rational reconstruction intended to reveal the logical structure of [Turgot’s] system’ (Brewer 1987, 417). He felt that such systematic reconstructions led to more thorough and meaningful insights than anecdotal approaches of previous historians who were mostly interested in finding the origins of modern ideas expressed in isolated passages of old texts. Unlike other historians of his generation, for example Donald Winch, who sought to situate earlier economic thought in the wider intellectual context of the time, Tony felt that by reconstructing the logical structure of their ideas, economists like Turgot and Cantillon could be shown to stand comparison with modern economic theory. *The Making of the Classical Theory of Economic Growth* (2011) reprinted a number of his articles, together with an introduction that summarised his views on the formation of classical conceptions of economic growth, giving pride of place to Adam Smith and, to a lesser extent, Turgot, Hume, Ferguson and Rae.

It was for his teaching in the history of economic thought that numerous students will remember Tony. He taught an undergraduate module on the history of economic thought for four decades and kept the subject at the heart of the economics programme at Bristol even when, from the mid-1980s onwards, it was increasingly vanishing from similar programmes elsewhere in the UK. He was an active propagator of the study of the history of economic thought in other ways too. He ran *Documents for the History of Economics*, one of the earliest historical repositories of economic texts on the Internet, which was mirrored and updated from earlier work undertaken by Rod Hay at McMaster University. His undergraduate course drew greatly on this resource, introducing students to the development of economic thought through an active engagement with some of the primary material available in the repository. Many students and colleagues will remember that, through his long association with the University and the city, he amassed a singularly impressive knowledge of Bristol’s local history that he wove into his teaching and conversations. It is a fitting testament to Tony’s efforts to promote the subject that the course he set up remains a popular and integral part of Bristol’s undergraduate economics programme today. As research in the history of the discipline flourished, while its teaching declined, Tony was a founding member of the European Society for the History of Economic Thought, and in the years 2006-2010 fulfilled roles as member of the Executive Committee and General Secretary. He served also as book review editor for the *Bulletin of the European Society for the History of Economic Thought*. Well-known and much-liked amongst historians of economic thought he held visiting positions at Duke University (North Carolina), Antwerp University (Belgium) and Chuo University (Tokyo).

Reference

*Richard van den Berg, Kingston Business School*

*Alvin Birdi, Department of Economics, University of Bristol*

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**RES Annual Conference, 2019**

The 2019 Conference will take place at the University of Warwick, 15th-17th April.

Keynote speakers include:

**Hahn Lecture**: Anne Case, Princeton University  
**Sargent Lecture**: James Heckman, University of Chicago  
**Economic Journal**: Eliana La Ferrara, Bocconi University  
**Past President’s Address**: Peter Neary, Oxford

Further details will follow.

(The 2020 Annual Conference will be held in Belfast).

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**Obituaries**
Comment —

The depreciation of sterling

The depreciation of sterling after the Brexit referendum is often viewed as an exogenous shock to the economy caused by the ‘leave’ vote. In this comment on an article in the January Newsletter Giles Keating suggests the truth is more complex.

Dear Sir,

The estimates for the costs of Brexit, succinctly summarised in the January edition of this Newsletter, are essentially estimates of the impact of sterling’s 2016 depreciation, which caused a squeeze on consumer real incomes and spending that appears to have been much larger than any stimulus to net trade or corporate expenditure. As the article points out, any counterfactual discussion is uncertain, but a key issue that has seen little discussion is the question of how far the depreciation was caused by BoE policy, and to the extent that it was, whether that was an endogenous move within a policy reaction function, or an exogenous policy shock that influenced the economy independently of Brexit.

The depreciation (using daily averages of the TWI) can be divided broadly into three stages. The first was a fall of around 9 per cent that occurred within a week of the referendum result, followed by a 2 per cent recovery by June 29th for a net fall of some 7 per cent, following the pattern of overshooting and partial/full recovery often seen in market reaction to news. Up to this point, the Bank’s signalling had focussed on financial stability, with the Governor’s speech on the day of the results stressing bank capital strength and announcing emergency liquidity lines, but making only the barest hint at monetary policy changes. This is the last data point before a further speech by the Governor on 30th June, which explicitly signalled the likelihood of monetary ease, with media interpretations focused on a rate cut.

This clearly triggered the second stage of depreciation, with the pound falling immediately through key chart points and then declining further in the period up to and beyond the policy meeting on 4th August, at which the Bank went much further than cutting rates, also introducing a new round of QE and signalling likely further easing. By 15th August, the pound had fallen 5.5 per cent from the level just before the Governor’s end-June speech.

In a third stage, after a partial recovery to early September that failed to regain the key level seen before the 30th June, the pound trended down to new lows in mid-October. This period saw newly hawkish language from the Fed that caused market implied probabilities of a US December rate hike to rise to around 60 per cent, with the ECB and BoJ protecting their currencies by subtly less dovish rhetoric. The BoE did not do this and would have faced a credibility problem had it done so, because it had shifted so decisively and so recently to a forward bias toward easing. This left the pound vulnerable.

There was then a modest recovery but in the 18 months after the referendum, the pound never regained the level seen just before the Governor’s 30th June speech, and was centred around the mid-August low reached soon after the BoE’s big policy ease.

In summary, the last available data point prior to the key June 30th speech showed a post-Brexit depreciation of 7 per cent with the pound on a rising trend; after that speech, the pound averaged some 5.5 per cent lower than that level, for at least 18 months. While we will never be sure, this provides strong circumstantial evidence that at least 5.5 percentage points of the depreciation — approaching half the total — are attributable to the BoE’s policy shift.

The Bank’s decision to ease so substantially seems to have been based on three core elements: first, a view that Brexit implied a lower equilibrium real exchange rate; second, a belief that decisive action was needed to bolster confidence; and third, the sharp drop in confidence shown by business surveys published after the result and before the August meeting. The first of these is still an area of debate, while the second raises the question whether it was monetary stability (as emphasised in the Governor’s first speech) or monetary policy that were crucial for confidence. On the third, there have been historic occasions when survey responses initially weakened sharply in response to unexpected events, only to rapidly rebound. This is exactly what happened on this occasion, but since the BoE did not wait for a second round of surveys, it is very difficult to determine whether the rebound would have happened anyway, or was a response to the policy easing.

Since Brexit is a one-off event, there are major research challenges in analysing whether the Bank acted endogenously within a given reaction function, or exogenously by changing that function. But this difficulty should surely not prevent a best attempt.

Yours faithfully

Giles Keating
Werthstein and St Catherine’s College, Oxford
Beethoven Str 43, Zurich 8002, Switzerland

www.res.org.uk/view/resNewsletter.html
Society Appointments and Thanks
(Changes at the RES)

Professor Lord Nicholas Stern becomes President of the Society from AGM 2018-2019. Currently Lord Stern is the IG Patel Professor of Economics and Government, Chairman of the Grantham Research Institute on Climate Change and the Environment at the London School of Economics. He is a Fellow of the Royal Society and served as head of the Stern Review on the Economics of Climate Change and was head of the Government Economic Service from 2003-2007.

Professor Peter Neary (Oxford) stands down as President of the Society from AGM 2018 to become Past President until 2019.

Professor Rachel Griffith (Manchester, IFS) becomes President-Elect of the Society from AGM 2018-2019. Rachel is Professor of Economics at the University of Manchester, Research Director of the Institute for Fiscal Studies (IFS) and Co-Director of the Centre for the Microeconomic Analysis of Public Policy (CPP).

Barbara Petrongolo joins as EJ Editor from April 2018. Gilat Levy joins as EJ Editor from February 2018.

Barry Watts joins the RES as Communications and Engagement Manager from February 2018.

Patrick Scott joins the RES as Communications Officer from March 2018.

Thanks to the following for their hard work and commitment to the Society:

Andrew Chesher stands down as Past President from AGM 2018.

Sarah Brown steps down as ExCo Council representative.

Andrea Galeotti stands down as EJ Editor.

Alexander Augustin stands down as Office Administrator.

Annual General Meeting (AGM)
The Annual General Meeting of the Society was held during the RES Conference at the University of Sussex on Tuesday 27th March 2018. Agenda and papers can be found on the website:


Society Prize Winners

Economic Journal
The Austin Robinson Prize for best unsolicited paper published in the Economic Journal by authors who are within 5 years of receiving their PhD, was awarded to:

Josephine Duh and Dean Spears, for their paper ‘Health and Hunger: Disease, Energy Needs, and the Indian Calorie Consumption Puzzle’.

The RES Prize for the best paper published in the Economic Journal was awarded to:


Econometrics Journal
The editors of The Econometrics Journal are happy to announce that the 2016 Denis Sargan Econometrics Prize will be shared equally between K Ulrich Hounyo (SUNY Albany) and Bezirgen Veliyev (Aarhus) for their article ‘Validity of Edgeworth expansions for realized volatility estimators’ in the February 2016 issue of The Econometrics Journal.
RES2018 Conference
YouTube Videos

This year the RES commissioned the filming of key sessions at the 2018 Annual Conference, and some additional short films. All films from the 2018 Annual Conference and from previous Conferences, are now available on the RES YouTube Channel: https://www.youtube.com/user/RoyalEconomicSociety

Grants and Fellowships

Members are reminded that the Society provides financial and other resources to support the education, training and career development of economists. Full details can be found on the website www.res.org.uk or from the office address above.

Updating Membership Details

The Society’s website is our hub for publicising RES activities, so we encourage you to keep your details up to date online. Members joining or renewing online are automatically registered with login access to the RES website. Once registered on the website you can update your membership details. Login is based on the email address and password you supplied in your membership application. Members who have joined by post will need to register online at www.res.org.uk. If you have any queries about your membership, please contact the Membership Services department at cs-membership@wiley.com or telephone +44 1865 778171. International toll free numbers can be found online at www.res.org.uk

Financial Assistance

Special Projects Grants

Applications are invited from Members of the Society for financial assistance on a one-off basis for the support of activities that further the understanding and use of economics. Examples might include seminars, workshops and mini-conferences, events to disseminate research and policy findings, and activities that support teaching and learning in the subject. Grants are not designed to provide financial support for undertaking a research project. Deadline for the next round is 20th May 2017.

Conference Grant Fund

The Society’s Conference Grant Fund is available to members who are presenting an economics paper, or acting as a principal discussant at a conference; support of up to £500 is available. Awards are made at least three times a year. The next closing date will be 31 May 2017 in respect of conferences which take place in the ensuing four months 31 May (for conferences in June, July, August, September).

Please note that the awards under the conference grant scheme are highly competitive, and selection will be based on the following criteria. These criteria should be addressed by the Head of Department in his/her supporting statement on the application form.

- Preference will be given to applicants who are new entrants to the profession.
- Preference will be given to applicants who are new entrants to the profession.
- Preference will be given for attendance at high-impact international conferences.
- Preference will be given to applicants whose attendance cannot ordinarily be funded from other sources, such as existing research grants.
- Applications will only be considered for projects/conferences in the area of economics

For further information on all of these schemes please visit http://www.res.org.uk/view/financialCareer.html [OR our website under Financial Assistance]

Economists’ papers

The Economists’ Papers website carrying an updated version of Economists’ Papers, 1750-2000; A Guide to Archive and other Manuscript Sources for the History of British and Irish Economic Thought is now available for consultation and free downloading.

The RES supported the construction of the original guide in 1975 and has now sponsored the website containing the updated electronic version. The guide is currently managed by the RES Publications Secretary as an extension of his responsibilities for scholarly editions, with the active assistance of Susan Howson and Donald Moggridge, experts on British economics in the twentieth century.

We hope to make the site not merely a valuable finding aid, but a means of stimulating interest in archives and archival work on the history of economics. Your interest and collaboration with the project is requested. Please pass the address on to anyone you think may benefit from knowing it.
Conference diary

2018

may

22-23 May Paris, France
ESCP Europe is to host the 35th International Conference of the French Finance Association. The conference will be jointly organized by ESCP Europe and the Laboratory of Excellence for Financial Regulation (LabEx-ReFi). Keynote speakers include: Maureen O’Hara, Robert W. Purcell Professorship of Management; Samuel Curtis, Johnson Graduate School of Management; Michael Weisbach, Professor and Ralph W Kurtz Chair in Finance, Ohio State University.

Further information: http://www.en.affi.asso.fr/131-conferences.htm

22-25 May London
CALL FOR PAPERS
9th Economics & Finance Conference is co-organized by the University of Economics Prague and in cooperation with the University of London. The deadline for abstracts and proposals is 22nd April 2018.

Further information: http://iises.net/current-conferences/economic/9th-economics-finance-conference-london-uk

june

7-8 June Aix en Provence, France
The 35th International Symposium on Money, Banking and Finance, annual meeting of the European Research Group (GdRE) will be held at SciencePo Aix. It is locally organized by the research department CHERPA.

Further information: https://gdre-scpo-aix.sciencesconf.org/

11-12 June Poznan, Poland
Trinity College Dublin, Monash University & Poznan University of Economics and Business are hosting the INFINITI Conference on International Finance 2018

Keynote speaker: Douglas Cumming
Professor and Ontario Research Chair
York University Schulich School of Business

Further information: https://infininiticonference.com/call-for-papers-2018/

18-19 June Frankfurt am Main, Germany
The European Central Bank (ECB) is holding its Tenth Workshop on Forecasting Techniques in Frankfurt am Main on 18 and 19 June 2018. This conference will bring together experts from all fields to exchange new ideas on utilising large datasets for macroeconomic and financial forecasting and to put new insights from econometric and statistical theory into practice in the current macroeconomic environment.

Invited speakers: Peter Buhlmann (ETH Zurich), Francis X. Diebold (University of Pennsylvania), Serena Ng (Columbia University) and Hal Varian (Google Inc.) have confirmed their participation.


18-19 June St Petersburg, Russia
The HSE Center for Market Studies and Spatial Economics will host the 7th International Conference on Industrial Organization and Spatial Economics in Saint-Petersburg, Russia during the FIFA World Cup.

Keynote speakers are: Laurent Gobillon (Paris School of Economics); Kala Krishna (Pennsylvania State University); Henry Overman (London School of Economics) and Andrés Rodríguez-Clare (University of California, Berkley).


21-24 June London
The Seventeenth Annual EEFS Conference will be held at Department of Economics, City University of London. Local organizing committee Professor Keith Pilbeam link Dr Fabrice Defever link and Dr Giulia Faggio. Conference registration fee (£295, £195 for research students) payment deadline: May 25th, 2018.

Further information: www.eefs-eu.org

21-23 June Amsterdam, Netherlands
This year the 13th Tinbergen Institute Conference will be held on International Trade and Development at the Tinbergen Institute in Amsterdam. The TI conference is held every year but on different topics. The atmosphere is informal and lively, characterized by significant audience participation. Keynote speakers:

Robin Burgess (London School of Economics)
Dave Donaldson (MIT)

Further information: www.tinbergen.nl/conference/international-trade-development/

26 -30 June Vancouver, Canada
Western Economic Association International 93rd Annual Conference. Keynote Address by Orley Ashenfelter, Princeton University.

Further information: http://www.weai.org/AC2018
July

5-6 July Manchester

The Centre for Growth and Business Cycle Research, at the University of Manchester will host its 9th conference on Macroeconomics, Economic Growth and Business Cycles in July. The conference is intended to provide a forum for the dissemination of recent research on macroeconomics, economic growth and business cycles. The Conference is unique in the UK, and should be of interest to both academic economists and policy makers alike. The Keynote Speakers for the 2018 CGBCR conference include:

Roger Farmer (Warwick, NIESR, UCLA)
Tommaso Monacelli (Bocconi)
Stephanie Schmitt-Grohé (Columbia)

Another two keynote speakers to be confirmed.

Further information: https://www.socialsciences.manchester.ac.uk/cgbcr/connect/conference-2018/

9-10 July Oxford and London

Oxford - Indiana Macroeconomic Policy Conference. The Nuffield College Centre for Applied Macro Policy (NuCamp) and the Center for Applied Economics and Policy Research (CAEPR) at Indiana University invite attendance at the inaugural Oxford-Indiana Macroeconomic Policy Conference. The conference will be held over two days, at the Nuffield Foundation and then at St John’s College in Oxford.

Participation has been confirmed by John Cochrane (Hoover Institution, Stanford University), Philip Lane (Bank of Ireland), Christopher Sims (Princeton University), Peter Stella (Stellar Consulting) and John Williams (Federal Reserve Bank of San Francisco).

Further information: http://users.ox.ac.uk/~exet2581/NuCamp-CAEPR-call-for-papers.pdf

25–27 July Granada, Spain

CALL FOR PAPERS

13th International Conference on Interdisciplinary Social Sciences will be held at the University of Granada. The conference examines the nature of disciplinary practices in the study of society and the interdisciplinary practices that arise in the context of ‘real world’ applications of social research and theory. The conference also investigates what constitutes ‘science’ in a social context and the connections between the social and other sciences. The focus of papers ranges from the finely grained and empirical (research practices and results exemplifying one or more disciplines) to wide-ranging multidisciplinary and transdisciplinary perspectives on knowledge and method.


September

5-7 September Göttingen, Germany

INFER and the University of Göttingen are organising the 20th INFER Conference. Previous conferences (cf. the history at http://www.infer-research.eu/) have attracted speakers from many different countries. We welcome both experienced and young researchers, academics and policy-makers and invite papers in a wide-range of topics.

https://editorialexpress.com/conference/infer2018

Invited speakers include:

Prof. Beata S. Javorcik, University of Oxford
Prof. Simon Gaechter, University of Nottingham
Prof. Paul Heidhues, DICE, University of Düsseldorf

Further information: http://infer2018.uni-oettingen.de

5-7 September Edinburgh

CALL FOR PAPERS

The 50th annual conference of the Money, Macro & Finance Research Group, organised by economists at Heriot-Watt University, will be held in the RBS Conference Centre, Gogarburn, Edinburgh, from 5 to 7 September 2018. Papers invited on all aspects of monetary, macro and financial economics. Selected papers will be published in a special issue of the Manchester School.

Keynote speakers Yuliy Sannikov, Princeton University; Stephen Cecchetti, Brandeis University; Fabrizio Mattesini, University of Rome, Tor Vergata; (MMF Special Lecture) Peter Sinclair, Birmingham University.

Further information:

https://sites.google.com/site/mmfconferences/home/50th-annual-conference

27-28 September Oxford

CALL FOR PAPERS

4th Oxford - Federal Reserve Bank of New York Monetary Economics Conference. We invite submissions to the joint Oxford-NY Fed Monetary Economics Conference. We will consider papers relating to all areas of monetary economics. Presenters will be offered accommodation and meals for the duration of the conference at Trinity College, Oxford. All participants are expected to cover their own travelling costs. At this stage, participation has been confirmed by Klaus Adam (University of Mannheim), Giancarlo Corsetti (University of Cambridge), Marco Bassetti (Federal Reserve Bank of Chicago), Silvana Tenreyro (Bank of England and LSE) and Richard Barwell (BNP Paribas).

The deadline for submissions is May 14th, 2018. Please email your paper to ox.nyf.2018@gmail.com. Decisions will be announced by the end of May.

Further information:

http://users.ox.ac.uk/~exet2581/OxNYFed-4th-call-for-papers.pdf
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