Economists, the public and the media

Readers will recall that our previous (July) Newsletter contained an article by Simon Wren-Lewis deploring the way in which mainstream economic opinion had been treated by most of the media in the weeks leading up to the referendum on the UK’s membership of the EU. This obviously touched a sensitive nerve since the debate has continued, and widened, since then. The Centre for Macroeconomics (CFM), for example, used one of its surveys to sound out economists’ views on why the majority view was so badly misrepresented. We have space only for a short version of the findings but they are interesting if only for the range of problems (and possible solutions) suggested by the profession. One of these, but only one, is the limited ability of most academic economists to respond to journalists in ways which make their message clear. It is worth noting that for some years now, the ESRC has offered free media training to researchers in receipt of its grants and we report on that provision briefly here, on p.15. Judging by the response of two beneficiaries the training is both welcome and effective. Maybe there is a case for making this facility more generally available.

There is little point in economists becoming more media savvy, however, if the media themselves cannot report economists’ views responsibly and accurately. We have commented several times recently that the merits of leaving/staying in the EU was one issue on which economists showed extraordinary unanimity. This did not, however, prevent the BBC from presenting the arguments as though they were evenly balanced. As we report on p. 11, the complaint currently rests with the BBC Trust. Be sure we will be following events and reporting again in January.
THE ROYAL ECONOMIC SOCIETY

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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.

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 Society’s Newsletter

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On becoming superannuated

In which Angus compares the experience of dealing with the UK and US pension authorities and discovers that while some are worse than others, ‘... no one looks forward to dealing with bureaucracies.’

R etirement and retirement saving have been frequent topics of this Letter during the two years of its existence. In my first years at Princeton, I was greatly impressed by the differences between defined contribution (American academics) versus defined benefit (UK academics) pension schemes, and especially so by the enormous sums that could be accumulated at retirement in a booming stock market by top young superstars who were highly paid from the beginning of their careers. The 2008 crash was a pointed reminder that such returns are in part a reward for bearing risk, and for many ex-young stars, now middle-aged professors, it was an extremely unwelcome surprise to discover that half of their assets had evaporated. The subsequent recovery, now blithely supposed by many professors to have been both natural and inevitable, has saved them, their students, and their employers, from having to teach into an advanced and decrepit old age.

A defined contribution scheme presents an ageing professor with a huge disincentive to retire. Even for those of us who have an adequate accumulation, the decision to go from a large monthly paycheck to precisely nothing is a terrifying decision. A defined benefit scheme has a downward step, not a precipice. Academics are well-paid, but the world is a tough place, and many friends of my age cohort have grown-up children whose financial futures are far from assured, and who depend on their parents’ support, now and in the future. Many who would be delighted to quit the classroom with a pension are entirely unwilling to do so with zero salary replacement.

A dean of the faculty at Princeton once told me that he spent almost all of his time on three tasks, trying to hire minorities, trying to find jobs for the spouses of potential new hires, and trying to persuade people to retire. He and his assistants had long stalked a recalcitrant 85-year-old, who knew exactly what was going to happen, and decrepit old age. According to the British pension system, he would have been easier had I anticipated the phone call from Stockholm that came four days later, but Anne and I had decided, not without trepidation, that we had enough for the future; Anne has no intention of retiring soon, and we are fortunate not to have needy dependents. At the same time, my financial rules themselves. And so it still proved, many years later. The online forms were not easy, much that was demanded seemed not to apply and, as usual, there was insufficient space to explain just why, but I did the best I could and pressed the submit button. I received some (snail) mails, and even managed to successfully mediate an implausible but successful interchange between the American tax authorities and the British pension system. There were two phone calls to officials, whom I imagined as kindly middle-aged aunts wearing cardigans and drinking tea, who knew exactly what they were doing. Soon, I was the happy recipient of two modest but welcome monthly checks, one from the University Superannuation System, and one from the state. They appear in my bank account with neither fuss nor bother.
Not so with my application to the American system, though it promised an easy all-online experience. All went well at first, but my joint-citizenship must have raised a flag, and I was told to come into one of the Social Security Administration centers; I should have been just as pleased to be told to report to the nearby state prison. But when I got there, with an internet-issued appointment, I was seen quickly by a not very friendly employee behind very thick glass. I presented the number the system had given me, but was told that the computer had no record of it or of me. I was told to wait to be seen in an inner sanctum, and settled down and tried not to think of Dickens or of Kafka. I was surrounded by unhappy supplicants, almost all African American or Hispanic, some with physical or mental disabilities, and a good many in distress. People had lost documents, been cut off from support, and were battling not-always-responsive or helpful officials whose own powers were clearly limited; it was hard to know which group to sympathize with more. Perhaps I was too readily conditioned by Dickens and Kafka, for I was quite soon ushered through security into another office, without glass barriers this time, and quizzed by a young woman with a presumably more powerful or better connected computer. ‘What will your income be this year?’ she asked. Given the social security rules, this should not have been relevant, but I told her. In the US, unlike Britain, Nobel prizes are treated as ordinary income, and then there was my retirement bonus, as well as Anne’s and my regular full year salaries (I was not retiring until the following July), and a little consultancy income, so when I named the preposterous amount, I thought that the game was up. My questioner did not react, but left her desk for a minute or two, and on her return told me that what I earned was irrelevant, and how would I like to be paid. As I got up to leave, one of her colleagues stood and asked if it was really true that I had won a Nobel Prize. Yes, I said. Wonderful, he said, shaking my hand, and as all of his co-workers rose to applaud, he said, ‘We’ve never had a Nobel prizewinner in this office before.’

Digital Skills Boost Your Earning Power: New Evidence for OECD Countries

The Annual Congress of the European Economic Association took place in Geneva in August. One of the many papers to attract interest was by Oliver Falck, Alexandra Heimisch, and Simon Wiederhold on the effect of digital skills on earnings. This is a shortened version of that paper.

Objective measures of ICT skills

For our analyses, we use data from the Programme for the International Assessment of Adult Competencies (PIAAC), providing information on ICT skills in 19 developed countries. PIAAC is the product of collaboration between participating countries through the Organization for Economic Co-operation and Development (OECD), and uses leading international expertise to develop valid comparisons of skills across countries and cultures. The survey was conducted between August 2011 and March 2012. PIAAC was designed to provide representative measures of the cognitive skills possessed by adults aged 16 to 65 years, and had at least 5,000 participants in each country.

The PIAAC data are unique as they provide objective measures of numeracy, literacy, and ICT skills (each measured on a 500 point scale), which can be compared within and across countries. To assess ICT skills, participants were given a series of problem scenarios and asked to find solutions to them using ICT-based applications such as an Internet browser and web pages, email, word processing, and spreadsheet tools. Often, solving the tasks required a combination of several applications, for example, managing requests to reserve a meeting room using a web-based reservation system and sending out e-mails to decline reservation requests that could not be accommodated. Previous studies instead had to rely on measures of ICT skills reported by survey participants themselves, which are prone to substantial mismeasurement.

Key findings...

Using novel data on ICT skills from PIAAC, the OECD’s "PISA for Adults", we show that ICT skills are substantially rewarded in modern labour markets. These positive wage effects of ICT skills can partly be attributed to the fact that individuals with higher ICT skills work more often in jobs that involve abstract tasks (requiring problem solving, adaptability, and creativity), which pay substantial wage premia. At the same time, the higher an individual’s level of ICT skills, the less often she works in routine, easily automatable jobs. Regarding the determinants of ICT skills, show that ICT skills are developed by performing ICT-related tasks, while having access to (high-speed) Internet is a precondition for this learning-by-doing.

Estimating causal wage effects of ICT skills

The major empirical challenge was to assess whether any estimated association between ICT skills and wages...
Indeed depicts a causal effect. A prime concern is that more able people may be more likely to accumulate ICT skills and may independently receive higher earnings because of their higher ability. Also, better jobs may more likely use and reinforce skills or they may provide the resources to invest in adult education, training, or computer courses. These are only two examples of the potential problems in a simple estimation of the wage returns to ICT skills. To address these problems, we exploit technological peculiarities in the broadband Internet infrastructure, because of which some persons got access to high-speed Internet earlier than others simply by chance. We show that having (early) Internet access kickstarts learning-by-doing in ICT skills.

In our first empirical strategy (cross-country strategy), we exploit the fact that existing voice-telephony networks were upgraded in most countries to provide broadband access. In consequence, countries with better-developed voice-telephony networks before the introduction of broadband in the late 1990s or early 2000s could roll out broadband faster than countries lagging behind in voice-telephony infrastructure. Our second empirical strategy (within-country strategy) makes use of the fact that some German municipalities, by chance, are too far away from the necessary infrastructure to have early access to broadband. We observe that people who were lucky enough to have early broadband access, because they live either in a country with a well-developed traditional voice-telephony network or close enough to the appropriate infrastructure in Germany, have higher ICT skills than their unlucky counterparts, but do not differ from them in their numeracy or literacy skills, which were also tested in PIAAC.

To address the potential concern in the cross-country strategy that richer and more productive countries have better-developed voice-telephony networks as well as higher wages and more skilled workers, we exploit that different age cohorts were differently affected by broadband. In particular, Figure 1 shows that the age pattern in the impact of broadband availability (determined by the initial voice-telephony networks) on ICT skills is inverted-U-shaped. The youngest cohorts in PIAAC (aged 16-34 years) were toddlers or still at school when broadband emerged; the oldest cohorts (45 years and above) were already reluctant to use the new technology when it emerged. The middle cohorts (aged 35-44 years), however, entered the labour market or started university in the early years of the Internet era. Thus, these persons had a lot of reason to use the Internet, so learning-by-doing should be strongest for them. Survey evidence shows a similar age pattern for time spent on the Internet, suggesting that age is indeed a suitable proxy for the take-up intensity of the Internet and therefore for the strength of the learning-by-doing channel. To use this age pattern, we instrument ICT skills with an interaction between the extent of a country’s initial voice-telephony networks (determining the timing of introduction and diffusion of broadband) and age cohorts (determining the intensity of use of broadband). Doing so, we combine instrumental-variable (IV) estimation with a difference-in-differences strategy, effectively identifying returns to ICT skills based on differences in ICT skills and wages between age cohorts within countries.

The reliance of broadband rollout on traditional voice-telephony networks also led to an uneven distribution of broadband Internet access within countries in the early years of the Internet era, which we exploit in the within-country strategy. Specifically, in West Germany, the general structure of the voice-telephony network dates back to the 1960s when the provision of telephone service was a state monopoly having the declared goal of providing universal telephone service to all German households. While all households connected to a main distribution frame (MDF) enjoyed voice-telephony services in the same quality, only those households closer than 4,200 meters (2.6 miles) to their assigned MDF could gain access to broadband Internet. Past this threshold, broadband access was no longer feasible due to signal attenuation, and parts of the copper wire had to be replaced with fibre wire to provide broadband access. Since this replacement involved costly earthworks that increased with the length of the bypass, certain West German municipalities were effectively excluded from early broadband Internet access.
Modern labour markets substantially reward ICT skills

In the cross-country analysis, one additional point in PIAAC’s ICT skills assessment leads to roughly a 0.6 percent wage increase. This implies that if an average worker in the United States — a country with ICT skills below the OECD-average (see Figure 2) — increased her ICT skills to the level of an average worker in Japan — the top-performing country — her wages would increase by about 8 percent. This effect size is similar to the wage effect of an additional year of schooling in developed countries.

Strikingly, estimated returns to ICT skills are very similar in our within-country strategy, exploiting variation in ICT skills at a fine geographic scale between German municipalities. Comparing our results for the returns to ICT skills to those on PIAAC's numeracy and literacy skills in Hanushek et al. (2015), we find at least suggestive evidence that ICT skills are somewhat more valued in the labour market than other, more traditional cognitive skills.

Testing the validity of the identification strategies

A series of validity checks and robustness tests bolster confidence in our IV strategies. First, we show that our instruments do not predict the ICT skills of first-generation immigrants, who are unlikely to have acquired ICT skills in the PIAAC test country. Nor are the instruments associated with any appreciable changes in numeracy or literacy skills, which we consider strong evidence that our identification strategies isolate the effect of ICT skills (vis-à-vis generic skills or general ability) on wages. With the latter placebo test, we address Di Nardo and Pischke’s (1997) concern that computer users have unobserved skills that might have little to do with computers per se but that increase their productivity.

We also provide a careful assessment of the exclusion restriction of our IV approach that exogenous broadband availability affects today’s wages only through individuals’ ICT skills, and not directly in any other way. In fact, we account for the two most prominent channels of direct productivity effects of broadband: the introduction of online job search channels, which increases the quality of job matching, and that broadband is directly productive for firms, affecting wages of workers irrespective of their own usage of ICT skills. We also show that households in Germany without broadband Internet access do not selectively relocate to regions where broadband is available.

What explains the positive wage effects of ICT skills? A task-based approach

A unique feature of the PIAAC survey is that it combines individual-level information on ICT skills, wages, and detailed occupation in a single dataset. This allows us to find a potential mechanism behind the positive returns to ICT skills, namely, that the proliferation of personal computers caused a shift away from routine tasks — that is, those more amenable to automation — toward problem-solving and complex communication tasks (typically called ‘nonroutine abstract tasks’). We expect that the complementarity of computers (requiring ICT skills) and abstract tasks allows workers with high ICT skills to select into abstract jobs and to benefit from the wage premia these jobs pay. Indeed, we find that higher ICT skills increase the abstract task content of jobs and decrease their routine task content. Back-of-the-envelope calculations suggest that occupational selection explains a significant portion of the wage increase caused by higher ICT skills.

Policy implications

By showing that ICT skills are rewarded quite substantially in the labour market, our results support Neelie Kroes’s notion of ICT skills as ‘the new literacy’. Since ICT skills are likely to become increasingly important in our increasingly technology-rich world, their acquisition (or absence) has serious implications for individual labour market success and overall inequality. Thus, the rather lacklustre performance of some European countries in the PIAAC assessment of ICT skills is all the more worrisome — in particular, the post-communist countries and Ireland con-
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Undergraduate multimedia competition

The CHUDE Steering Group has discussed and approved the idea of an undergraduate multimedia competition to be run by the RES and Economics Network along the following lines.

The competition is designed to encourage undergraduate students to explore how economics can be used to understand the real world and to communicate economic insights in a clear and intelligible way.

Student teams are asked to produce a three minute film that uses economics to shed light on the real world. The topic is up to the students. The film could tackle a major issue (the fallout from BREXIT, rising inequality or climate change) or focus on the economics of everyday life (whether Uber is a good thing and why people sign up for gym membership that they don’t use). The film should not be a mini lecture but an entertaining and informative short ‘documentary’ that brings economics to life through application. It should be intelligible to a non-specialist audience.

Entries are limited to one per institution. The winner will be chosen by a panel consisting of one RES council member, one member from the Economics Network and an independent (non-academic) member. The judges will be looking at the underlying economic content, the application to the topic and the clarity of exposition. The technical quality of the films will not explicitly be taken into account, although the judges will be looking at the overall structure of the film and how the material is presented to generate and sustain interest.

The winning entry will be awarded with a prize (to be decided) and will be automatically entered into an international multimedia competition organised by the International Economic Association every three years.

Guidelines

Teams should consist of two to six students all of whom must be nonfinalists. Teams may be drawn from across different years and involve joint honours students so long as their degrees involve a substantial economics component.

Entries will be limited to one team per institution and must be authorised by the Head of Department (or by a nominated academic within the Department).

The film must not be longer than three minutes. It can be accompanied by a one page factsheet which provides references and sources for facts.

Deadlines

Entries must be submitted by 30th April 2017 The winner will be announced by the end of June.

Final details will be available shortly.

Notes:


References:

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FOLLOWING THE REFERENDUM decision for the UK to leave the European Union (EU), policy-makers in both the UK and the EU will face some difficult choices. These choices are likely to have non-trivial and long-lasting consequences, and macroeconomists can offer guidance on their macroeconomic aspects. This raises questions not only about what macroeconomists can do to obtain a good understanding of the needs of the countries involved, but also about the way that the macroeconomics profession as a whole can effectively make its position known to policy-makers and the public.

Before the referendum, there was near unanimity in the profession on the negative economic consequences of a vote for Brexit.2 There are obviously many aspects that matter besides the economic, and the outcomes of elections and referenda are typically not easy to understand. But some, like Simon Wren-Lewis in our July Newsletter, have argued that neither the economic arguments nor the sureness of economists’ views reached voters and policy-makers.3

Paul Johnson, director of the Institute for Fiscal Studies (IFS), argues that the profession itself is responsible for these failings.4 He gives three reasons:

First, the profession has failed to communicate basic economic concepts. In terms of arguments relevant to the Brexit referendum, he mentions the mistaken beliefs that a fall in the exchange rate will make UK citizens richer and that there is a fixed number of jobs in the economy. Second, he points out that there is a ‘collective lack of speed, agility and focus on issues of overwhelming importance.’

Third, there is a lack of leadership. In particular, the communication of economists’ views is left to individuals and institutes such as the IFS, the Centre for Economic Performance (CEP), the Centre for Macroeconomics (CFM) and the National Institute of Economic and Social Research (NIESR).

Evidently, there is not a (prestigious) institution with the resources and skill to take serious action when the economics profession as a whole is so convinced that some important pieces of knowledge need to be revealed effectively and strongly. One institution that comes to mind is the Royal Economic Society (RES), but it is not currently set up to fulfil such a role. In fact, a visit to the RES home page shows little mention of Brexit.5

Similarly, although the Centre for Economic Policy Research (CEPR) has devoted attention to Brexit on Vox, their portal for research-based policy analysis and commentary, as an organisation they have not been part of this discussion. A reason for these organisations not to adopt institutional positions on such questions is that they operate as inclusive networks of researchers.

Simon Wren Lewis suggests that ‘Failing to have a collective voice was compensated for on this occasion by letters and polls. … And right from the start, the long-term costs of Brexit were expressed in term of costs for the average household.’ He thinks that part of the problem is ‘the lack of knowledge of economics (and in this case Europe) among many political commentators’.6 He adds that Paul Johnson’s critique ‘is like blaming scientists for not warning enough about climate change.’

There is also the possibility that the issue is not (just) about communication. There is the possibility that economists are simply not in touch with the problems that UK citizens typically face. Most academic macroeconomists interact frequently with institutions such as the Bank of England and HM Treasury (HMT), but less so with institutions such as the Joseph Rowntree Foundation, which focus more directly on economic and social problems experienced by individuals and communities. So the issue may be that the economics profession is not just seen as part of the class that benefits from the modern economy, it is part of a different class, a privileged class that especially benefits from EU membership.7

The survey

This CFM survey focused on the question of whether some change is needed in the economics profession — and in particular whether (at least) some institutional change is needed to communicate views of economists more effectively and possibly to represent the views of the profession as a whole.

In other fields it is not unusual for prestigious institutions to search the public spotlight for important issues. For example, recently, the Royal College of Nurses put out a warning on funding cuts and their likely negative consequences to the nation’s health.8 Such statements receive wide coverage in the press. Moreover, the press typically simply reports these statements and often provides additional background information. Views of
economists are also aired in the media, but are usually accompanied with a disagreeing opinion even when few in the profession hold dissenting opinions.

**Institutional changes in the profession?**

The first question asked whether we should seriously consider some type of institutional change in the economics profession. We understand that it is difficult to answer this question without providing a specific proposal. Here we just wanted to find out whether the members of our profession think that we should seriously aim for some substantial changes or whether we should not.

**Question 1:** Do you agree that the economics profession needs an institutional change that promotes the ability to communicate more effectively with policy-makers and the public at large and to make clear when economists have a united view; and do you agree that we need to introduce leadership to help achieve this improvement through coordinated efforts?

As the figure below shows, forty-one panel members answered this question of which 44 per cent either agreed or strongly agreed, 7 per cent neither agreed nor disagreed, and 49 per cent either disagreed or strongly disagreed. Weighted with self-assessed confidence, the balance shifts towards agreed: 48 per cent either agreed or strongly agreed and 46 per cent either disagreed or strongly disagreed.

Although opinions seem to be split, the results of this survey question are still remarkable for two reasons:

First, as indicated in the accompanying comments, many panel members who do not think that the profession needs *an institutional change ... and introduce leadership* still pointed out that there are problems in the relationship of the academic macroeconomic community with policy-makers and the public at large.

Second, it is telling that almost half of the panel members thought that the problems are serious enough to consider a substantial change in how the profession is organised.

This summary starts by reviewing some of the problems that the profession faces according to the panel members. Next, we discuss the reasons given why a change in the profession is either not desirable or not feasible. The discussion of this survey question ends with some proposals put forward by those who think that some change is needed.

Several commentators argued that economic problems that are important to many are not getting sufficient attention by academics. Charles Bean (London School of Economics, LSE) wrote that ‘Academic economists need to be much better engaged with the concerns of policy makers and the public. Moreover generally speaking the profession has gone backward in this regard over the past thirty years’ Ray Barrell (Brunel) pointed out that ‘the profession holds policy advice in low regard’. Specific examples given were distributional and regional issues and in particular their relationship with trade and migration. Social cohesion and political stability are also mentioned.

Nicholas Oulton (LSE) noted that ‘the economics profession is quite happy to discuss the effects of ethnic conflict on growth but in Africa. But any such discussion about Britain is either taboo or dismissed as non-economic.’ Martin Ellison (Oxford) added that ‘we need to bang on about poverty, distributional issues, regional policy and the like, just as much as financial market supervision and the value of the exchange rate.’

Several reasons were given for this concentration on a limited set of topics by our profession. Andrew Scott (London Business School) said that ‘we develop our own language and a reinforcing list of what the issues are. As a consequence what we say, how we say it and what we talk about do not connect with a range of issues that bother the wider public. Like many experts we prefer to talk amongst ourselves and like to use our language and our concepts and then blame others for not understanding them. In some ways this survey is another example. Who other than experts will look at the results?’

Ray Barrell (Brunel) argued that ‘the incentives we face need changing. Promotion depends on publications and REF [Research Excellence Framework] evaluations, and policy-related output is not highly graded. Whilst this remains the case we will not be noticed.’ Similarly, Panicos Demetriades (Leicester) wrote that ‘economics will only become more relevant if the top journals
become more open [to papers that challenge the dominant paradigm].’

Although there seemed to be consensus that the profession faces some problems and that there is scope for improvements, there was no consensus on the appropriate response. In particular, there was strong opposition to the possibility of an institution, leadership or a coordinated effort to represent the views of academic economists.

A repeated argument given is the importance of academic independence. Ricardo Reis (LSE) wrote that ‘As intellectuals, we are more effective when we come up with independent thoughts and arguments that, when put together, may end up making a diverse strong case for a particular policy option. … Having a “leader” deciding on what is the “common view” would be stifling to scientific inquiry and ultimately work against academic freedom.’ A related argument was made by Patrick Minford (Cardiff) who said that ‘usually a head count of how many there were on each side does not establish which side is right, in ANY science.’

Even among the panel members that agreed with the proposition that some change is needed, there was doubt on how to bring that about and in particular whether a stronger RES or leadership could achieve it. But some panel members do give specific suggestions. Tim Besley (Stirling) would like to see ‘mechanisms being put in place to make the press more accountable for the way the media report on economic issues. David Bell (Stirling) would like to see ‘mechanisms being put in place to make the press more accountable for the statements that they make and a review of the BBC Charter so that it reflects the balance of argument among professional economists rather than always giving the impression that there are two sides to every argument (and therefore implicitly weighting them equally).’

Simon Wren-Lewis added that we need ‘regular surveys of ALL academic economists (not just its ‘stars) to find out economists’ views on key issues.’

Finally, it should be mentioned that some panel members argued that there is also scope for improvement in terms of the way the media report on economic issues. David Bell (Stirling) would like to see ‘mechanisms being put in place to make the press more accountable for the statements that they make and a review of the BBC Charter so that it reflects the balance of argument among professional economists rather than always giving the impression that there are two sides to every argument (and therefore implicitly weighting them equally).’

Influence of economic arguments in the referendum

The next set of questions asked our panel members about the importance of economic arguments in the outcome of the referendum. Although our experts were very interested in this question and were careful observers, we want to stress that our panel members are not experts in understanding why voters vote the way they do. Thus, we are breaking new ground with this survey.

**Question 2: What do you think is the most likely reason that a majority of UK voters went against the near unanimous advice of the economics profession?**

1) Voters chose to leave the EU for non-economic reasons.
2) Voters did not believe the economic arguments put forward (for example, because they thought the arguments put forward by macroeconomists with dissenting views made more sense or because voters have little faith in economists in general)
3) Voters think that the preferences of economists do not align with their own preferences. (This includes the possibility that they thought that the predicted negative economic consequences would not affect them personally).
4) Economists did not explain the reasons for this consensus in sufficiently clear language.
5) Voters did not know that there was near-unanimity among economists.

We asked, for each of these five possibilities, whether they were ‘an important’ reason for the Brexit outcome. The question was answered by 41 of our panel members. A majority of 54 per cent thought that the most likely reason for the vote for Brexit was that UK voters considered non-economic arguments more important. With 22 per cent, the view that voters perceive economists’ preferences to be different from theirs also receives non-trivial support.

In the corresponding follow-up question, a strong majority of 71 per cent (when we left out neither agree nor disagree) indicates that this misalignment did play an important role. A related point is made in a study by political scientists Matthew Goodwin and Oliver Heath: ‘the vote for Brexit was delivered by the ‘left behind’ social groups that are united by a general sense of insecurity, pessimism and marginalization, who do not feel as though elites, whether in Brussels or Westminster, share their values, represent their interests and genuinely empathize with their intense angst about rapid social, economic and cultural change.’

A majority of 68 per cent (leaving out neither agree nor disagree) thinks that voters did not believe the economic arguments put forward. The comments make clear that panel members have different views on why this is the case. Specifically, there is no consensus on whether there was something seriously wrong in how knowledge of the economists was communicated to the public at large.

Ethan Ilzetzki (LSE) writes ‘Economists elaborated the costs of Brexit very clearly. I expect very few in the public were unaware of these costs and for the most part I think they believed the warnings. This was very picked up by the media and put the Brexit camp on the defensive. Michael Gove would not have resorted to attacking “experts” or comparing economists to Nazi scientists if he didn’t feel that our message was getting through to the public. Brexites consciously campaigned primarily
on national pride (‘Independence Day’) and immigration, knowing that the economic cost-benefits were not their strong turf.’

By contrast, David Cobham (Heriot-Watt) says that ‘voters did not believe the economic arguments put forward, in part because we’re poor at explaining them to non-economists, and voters probably had little idea about the spread of economists’ views (partly because the BBC felt obliged to ‘balance’).’

Others also take issue with the way the media represented economic arguments. Morten Ravn (University College London, UCL) commented: ‘The Press distorted the debate. The BBC, for example, gave as much airtime to the one per cent minority of economists that supported Brexit as it did to the other 99 per cent.’ Nevertheless, fewer than 30 per cent of the panel members (leaving out those that neither agreed nor disagreed) thought that lack of knowledge of the near unanimity was an important factor and fewer than 5 per cent think that it was the most important reason for the vote for Brexit.

Suppose the main assessments of our panel members are correct. Then one might conclude that this referendum was mainly about things other than economics and that economists should not worry much about the role that economic arguments played. Nor should they be concerned about the possibility that the economic arguments put forward were not received clearly and fairly.

But if our panel members are correct in thinking that a substantial fraction of UK voters believes that the opinions put forward by economists in the public domain only reflect what is beneficial for ‘their type of people’ and are not about objective research focusing on what is good for typical people and/or the country as a whole, then this is something that the academic community surely should take to heart.

One possibility would be to form a non-partisan committee with a wide set of representatives who might outline research questions thought to be important. Universities could then highlight how effective they are in making progress on these issues.

As an additional incentive, government funding as determined, for example, by the Research Excellence Framework (REF) outcome could be made dependent in part on how successful universities are in doing research related to these priorities. This suggestion is consistent with the recommendation of the just published independent review of the REF to emphasise impact on public engagement and understanding.10

Endnotes:

1. The monthly CFM survey informs the public about the views held by prominent UK-based economists on important macroeconomic and public policy questions. The full survey and report on the standing of academic economists can be found at cfmsurvey.org

2. See https://mainlymacro.blogspot.co.uk/2016/05/economists-say-no-to-brexit.html and also the June CFM survey available at http://cfmsurvey.org/surveys/brexit-potential-financial-catastrophe-and-long-term-consequences-uk-financial-sector. In a recent survey of leading US economists, a large majority thought that the Brexit vote’s outcome would also have long-term negative consequences for the UK economy (and for the rest of the EU). See http://www.igmchicago.org/igm-economic-experts-panel/poll-results/?SurveyID=SV_429IJHJQVPBV1nb.

3. The failure of economists to make an impact had earlier been raised by David Cobham in this Newsletter in connection with the 2014 general election. http://www.res.org.uk/view/art3July15 Features.html

4. See http://www.if.org.uk/publications/8339

5. Although Brexit was discussed in a plenary session at the RES 2016 annual conference, summarised at Vox: http://www.voxeu.org/article/royal-economic-society-s-panel-brexit

6. See https://mainlymacro.blogspot.co.uk/2016/07/economists-brexit-and-media-epilogue.html

7. A point raised by David Starkie in our correspondence column. See below, p.19

8. See https://www.theguardian.com/society/2016/jun/18/government-reckless-axing-student-nurse-funding


10 Available at: https://www.gov.uk/government/publications/research-excellence-framework-review

Academic economists and the media - the RES complains to the BBC

The June 23 referendum on EU membership presented the population with the biggest economic and political choice in a generation. Economists played a key role in that debate with major reports from the Centre for Economic Performance at LSE, the National Institute of Economic and Social Research, and the Institute for Fiscal Studies, among many others. This was an issue where economists were able to speak with, very nearly, one voice. Whatever the political issues, questions about immigration, democracy and sovereignty, virtually all economic work showed that the long term economic costs of leaving the single market were likely to be substantial.

In discussing the role of economics in the run up to the referendum the RES executive committee was concerned that this degree of agreement was not reflected in media coverage, and in particular coverage by the BBC. Indeed much coverage presented ‘balance’ by pitting an independent economist reporting the evidence against somebody from the leave campaign making political claims or against one of the tiny minority of economists who took a contrary view. Worried that this was both misleading for the public and potentially damaging for the profession the executive committee took the decision to write to the BBC complaining about its coverage of economics in the run up to the referendum. That complaint was rejected by BBC executives, and now sits with the BBC Trust.
The limits to ‘whatever it takes’: Lessons from the gold standard

Economists generally agree that Mario Draghi’s London speech on 26 July 2012 was crucial in stopping the self-fulfilling Eurozone crisis (Rebooting Consensus Authors 2015). While markets were awed by the ECB President’s pledge to do ‘whatever it takes’ to preserve the euro, only a few observers paid attention to the limitations attached to this vow—‘within our mandate’.

As always, the devil is in the details. In 2012, markets apparently chose not to test the limits of the ECB’s new commitment. No doubt, it would have been difficult to contend that the Eurosystem did not possess enough firepower to make its pledge credible. However, even in case the economic sustainability of a given monetary policy is unquestionable, its political sustainability is not necessarily so. Central bankers’ actions are embedded into a specific institutional context, and such a context is crucial in determining to what extent the pursuit of monetary targets is going to be effective.

The institutional constraints to central bankers’ actions

• Textbooks assume that the right to issue cash allows the central bank to expand liabilities at will, thus subtracting it from the basic constraints to which all other banks are subjected. The strength of such an organisation (i.e. the sustainability of its monetary policy) is theoretically infinite.

• But real-world central banks are not merely money-issuing agencies — they are complex organisations endowed with a bundle of different (and possibly conflicting) tasks (Ugolini 2011). As a result, their strength depends on the combination of their rights and obligations. The strength of real-world central banks (i.e. the sustainability of their policies) is then decidedly finite, and its extent is a fundamental determinant of their ability to pursue their targets effectively (Stella 1997, Bindseil et al 2004, Archer and Moser-Boehm 2013).

• The existence of a correlation between central bank strength and policy effectiveness is confirmed by a number of empirical studies (e.g. Klüh and Stella 2008, Adler et al 2012, Perera et al 2013). All enquiries, however, only cover recent periods, and one might wonder whether their conclusions are tied to the peculiarities of today’s international monetary system — especially in the case of peripheral countries, whose short-dated adoption of ‘sound’ monetary targets might be at the root of poor policy effectiveness.

• As a result, it is interesting to ask whether also core countries with a consolidated record of policy target stability may be vulnerable to the same kind of problem.

An illustrative case: The Bank of England in the heyday of the gold standard

In a recent paper, I argue that the Bank of England (BoE) during the final era of the classical gold standard (1889-1914) provides a relevant case to test whether the correlation between central bank strength and policy effectiveness also applies to core central banks with a long-standing commitment to ‘sound’ monetary policy (Ugolini 2016).

• The BoE stood at the very centre of the global monetary system — the pound sterling was by far the leading international currency of the time, and the ‘Old Lady of Threadneedle Street’ was seen as ‘the conductor of the international orchestra’ (Keynes 1930).

• The BoE’s staunch attachment to conservative monetary policy was universally acknowledged — in spite of the occurrence of a series of violent financial crises, the pound’s convertibility into gold had never been discontinued since 1821, and official gold reserves had never fallen below legal limits since 1866.

Despite this remarkably successful record, however, the BoE suffered from a fundamental weakness due to the mutual inconsistency of the package of rights and obligations assigned to it:

• On the one hand, the BoE was expected not only to preserve gold convertibility, but also to perform balance sheet policy aggressively in case of crisis (viz. unlimited lending of last resort through its non-stigmatised standing facilities).
• On the other hand, the Bank lacked adequate financial resources for performing balance sheet policy on a satisfactory scale without jeopardising convertibility. Political factors prevented the BoE from securing additional ways to expand its liabilities — shareholders opposed additional capital calls; Parliament opposed an increase of banknote circulation; and bankers’ lobbies opposed the introduction of reserve requirements.

The sustainability of the BoE’s monetary policy

To what extent was the BoE’s monetary policy sustainable? Or differently put — given the constraints that were imposed on it, how much of the money market would the BoE have been able to ‘internalise’ in its balance sheets while performing its lending-of-last-resort functions?

• At the time Walter Bagehot wrote *Lombard Street*, the central bank was still relatively big with respect to the money market, and this made internalisation of a sizeable portion of it a viable option (Bagehot 1873, V.3).

• By the end of the century, however, this was no longer the case. The growth of the BoE’s balance sheets had not kept pace with that of the overall financial sector – the ratio of the central bank’s assets to the total assets of UK financial institutions was low and slightly shrinking (Table 1).

• This is confirmed by the fact that the BoE was small by the international standards of time (Figure 1). It was also small by nowadays’ standards — its balance sheet’s size was around 5 per cent of GDP in 1909, comparing with 17 per cent for the ECB and 24 per cent for the Fed in 2014 (Constâncio 2015).

This means that a huge (and growing) amount of assets had the potential to find its way to the BoE’s balance sheet, but only a small (and shrinking) share of this stock could actually be accommodated. This was due to the fact that the expansion of the BoE’s portfolio during crises was not matched by an enduring expansion of its liabilities. Why? Because the banking system was unwilling to keep deposits with the central bank, and used to withdraw as soon as possible all the liquidity it was provided through the standing facilities. As bankers’ lobbies had fiercely resisted the introduction of both reserve requirements and reserve remuneration, the BoE could not force or incentivise banks to keep resources deposited with it.

This situation made monetary policy implementation increasingly difficult over time:

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Table 1. Size of selected central bank assets and liabilities relative to GDP for a number of countries, 1909

<table>
<thead>
<tr>
<th></th>
<th>Stock Capital</th>
<th>Banknote Circulation</th>
<th>Bullion Reserve</th>
<th>Total Balance Sheet</th>
</tr>
</thead>
<tbody>
<tr>
<td>UK (end-of-year)</td>
<td>0.72%</td>
<td>1.44%</td>
<td>1.91%</td>
<td>5.33%</td>
</tr>
<tr>
<td>France</td>
<td>0.46%</td>
<td>12.85%</td>
<td>10.95%</td>
<td>16.59%</td>
</tr>
<tr>
<td>Germany</td>
<td>0.41%</td>
<td>4.71%</td>
<td>2.06%</td>
<td>6.89%</td>
</tr>
<tr>
<td>Austria-Hungary</td>
<td>0.83%</td>
<td>8.66%</td>
<td>6.42%</td>
<td>11.96%</td>
</tr>
<tr>
<td>Italy</td>
<td>0.31%</td>
<td>7.66%</td>
<td>4.60%</td>
<td>10.93%</td>
</tr>
<tr>
<td>Belgium</td>
<td>0.66%</td>
<td>11.56%</td>
<td>4.21%</td>
<td>14.75%</td>
</tr>
<tr>
<td>Netherlands</td>
<td>1.06%</td>
<td>14.92%</td>
<td>7.38%</td>
<td>16.89%</td>
</tr>
<tr>
<td>Switzerland</td>
<td>1.41%</td>
<td>7.40%</td>
<td>3.91%</td>
<td>9.94%</td>
</tr>
<tr>
<td>Norway</td>
<td>1.44%</td>
<td>5.89%</td>
<td>3.82%</td>
<td>9.09%</td>
</tr>
<tr>
<td>UK (mid-December)</td>
<td>0.72%</td>
<td>1.41%</td>
<td>1.72%</td>
<td>4.54%</td>
</tr>
</tbody>
</table>

Source: Ugolini (2016). Note: As (due to commercial banks’ window-dressing practices) the BoE’s balance sheet were on average much larger at year’s end than in the rest of the year, data for mid-December are also provided.
Features

- Due to the strict constraints imposed on its balance sheet adjustment process, the BoE got increasingly obliged to move official interest rates aggressively in order to discourage use of its standing facilities.
- As a result, domestic interest rates got much more volatile in the UK than elsewhere (Figure 2). Such violent fluctuations were unanimously considered as obnoxious to the real economy. Industrialists, politicians, and authoritative economists started to complain loudly about the situation (see e.g. Palgrave 1903).

The contradictions of the system eventually exploded in July 1914, when (in spite of huge capital inflows towards the UK) the Bank proved unable to sustain the whole demand for cash at its standing facilities, and actually defaulted on its convertibility mandate well before the beginning of WWI (Keynes 1914, De Cecco 1974, Roberts 2013).

Relevance

No doubt, the BoE under the gold standard was very different from nowadays’ central banks. However, this example is relevant in pointing out that institutional constraints matter (a lot) for any central bank, even the most systemic and reputed one. The fact that inconsistent central bank mandates can potentially jeopardise the conduct of monetary policy was recently confirmed by the dramatic U-turn performed by the Swiss National Bank in January 2015:

- In obedience to its monetary stability mandate, the Swiss National Bank had long been explicitly committed to cap the appreciation of the franc with respect to the euro.
- The risk of facing losses on its huge foreign reserves, however, put enormous political pressure on the BoE from its main shareholders (the cantons).
- In the end, exchange rate commitments proved too difficult to justify in the long term and had to be brutally defaulted (Brunnermeier and James 2015).

As in the case of the 19th century BoE, the recent Swiss example shows that an economically sustainable monetary policy can well be politically unsustainable – thus leading to its eventual demise. There might be lessons looming here for the Eurozone too – before markets might be tempted to test the political sustainability of the ECB’s policy, it might well be worth clarifying the institutional constraints to the Eurosystem’s action – whose contours currently appear to remain dangerously blurred.

Note:
1. Stefano Ugolini is Assistant Professor of Economics, University of Toulouse. This article first appeared on the voxEU.org website (August 2016), http://voxeu.org/article/limits-whatever-it-takes-lessons-gold-standard. We are grateful to voxEU.org for permission to republish it.

References:
Houblon-Norman/George Fellowships

Applications are invited for Houblon-Norman/George Research Fellowships tenable at the Bank of England during the academic year 2017/2018. Appointments will be for full-time research on an economic or financial topic of the candidate’s choice, preferably one that could be studied with particular advantage at the Bank of England. The length of any appointment will be by agreement with successful applicants, but will not normally be less than one month, nor longer than one year.

Senior Fellowships will be awarded to distinguished research workers who have established a reputation in their field. Fellowships will also be available for younger post-doctoral or equivalent applicants, and for these, preference will be shown to British and other EU Nationals. The award will normally be related to academic salary scales.

Application forms (to be returned no later than 30 October 2016) and details are available from:

http://www.bankofengland.co.uk/research/houbllonnorman/index.htm

or by emailing the Houblon-Norman/George Fund account:

MA-HNGFund@bankofengland.co.uk

Postal applications should be addressed to the Secretary to the Houblon-Norman/George Fund, Bank of England, Threadneedle Street, London EC2R 8AH.

ESRC Media training

Recent debates about economists’ engagement with a wider audience have mentioned the possibility that one cause of the problem is economists’ lack of experience in dealing with the media (see p.8 above).

Readers may not be aware that all Economic and Social Research Council (ESRC)-funded academics can receive free media training, allowing them to develop their interview technique, explain the findings of their research, and pitch their story. The media training sessions are run by Chris Jameson and Tony Prideaux of Inside Edge Media Training.

The course is a one-day session for researchers, at any stage of their career. Whether a PhD student, postdoctoral researcher or senior fellow, the practical media training session provides the guidance needed to engage the media with confidence — and plenty of opportunity to practice.

The course includes:

• showing how the media can be an effective tool to disseminate research and increase its impact
• helping delegates understand what journalists want from researchers, and the news angle of research findings
• providing experience of being interviewed by a broadcast journalist in different scenarios
• offering techniques for taking control of an interview and getting a message across

Comments from satisfied customers —

‘I found the media training day incredibly useful. The coaching on “top lines” (learning what news angle your research has) was particularly helpful - as an early career researcher it was great practice in figuring out the key message of my work. I also found the practical aspects of the workshop valuable. I was really nervous about this aspect of the training, but Chris and Tony were fantastic. They gave excellent feedback and created as comfortable an atmosphere as possible. I’ve been recommending the training to colleagues (they think I’m on commission!). An absolutely brilliant course.’ — Rebecca Wheeler, a PhD student at Goldsmiths, University of London.

‘The training session far exceeded my expectations in providing me with hands-on training on media interviews including TV and radio. The simulation of a TV studio interview was incredibly realistic - it made me all nervous at first, and the breakdown of everything from my responses to posture was excellent. I learned so much; and this comes from someone who has media experience — so thought he already knew a thing or two about tackling interviews already!’ — Dr Antonis Vradis, Durham University.
The Economics Section President for 2016, Prof Christian Dustmann (UCL), organised a session titled *UK migration: separating fact and fiction*, speaking along with Prof Tommaso Frattini (Milan).

Dustmann began by recognising that, when he started researching on migration at the end of the 1980’s, it was a New World phenomenon. Over time it has become global and of particular interest in Europe. He pointed out that, whilst migration has become a defining political issue in the UK, and more so than in Europe, the UK is somewhere in the middle of countries when looking at the percentage of immigrants in the population, and in the increase in the foreign born population. He noted that, in looking across countries there was a high level of heterogeneity, with countries differing significantly in the country of origin and educational level of the migrants they receive. This made it difficult to draw general conclusions from any work done for one particular country. The UK stands out among European countries in the exceptionally high level of education of its immigrant population.

When discussing attitudes to immigration, Dustmann noted that economic factors were not a key determining issue. Social and cultural factors are much more important, as his research with David Card and Ian Preston has shown. He pointed out that, by showing that individuals vastly overestimate the numbers of immigrants in their country, with higher overestimates the lower someone’s educational level.

In understanding what are the economic effects of migration, Dustmann emphasised that it is very difficult to establish causality since we do not have a counterfactual with which to compare. To construct this missing counterfactual is the key challenge in empirical work that determines e.g. the effects of immigration on the labour market. For the UK, the existing evidence does not indicate a clear impact of immigration on employment, and only very modest effects on wages at the low end of the wage distribution, but positive effects further up the distribution. He illustrated that migrants tend to upgrade their labour status over time, often starting in work which is below their skill and educational attainment and moving up into more appropriate skill level employment over time.

Frattini then took over and focused on the fiscal consequences of migration, which have been a major cause of concern. The demand for public services is dependent on the demographic composition of the population, and thus immigration poses additional and possibly different demands on public services. However, he emphasised that in order to address the overall fiscal impact of migration one has to take into account that migrants work and hence contribute to the revenue governments receive. Assessment of fiscal contribution of immigrants requires assigning each individual the estimated tax contribution, and the expenditures in terms of benefit payments and public services. The analysis requires detailed data on the various items of government revenues and expenditures, so that the researcher can estimate for all items the amount which is attributable to each individual or group of individuals. There are many conceptual issues that need to be addressed, such as how to allocate the education immigrants bring with them, the cost of which has been borne by the country of origin; how to treat second generation immigrants; or how to allocate the cost of providing public goods. In this context, Frattini argued it is important to distinguish between pure public goods, the cost of which is determined independent of the size of the population (e.g. providing security for a country’s borders) compared to congestible public goods which became more used as population expanded (e.g. schools). Finally he presented evidence for the UK that immigrants are less likely to claim benefits or live in social housing than the native population. Further detailed analysis of the fiscal contribution of immigrants shows that those who came to the UK after 2000, and in particular those from EU countries, made a substantial net fiscal contribution.

The highly engaged audience asked questions throughout the session and raised a range of issues when the session concluded, providing evidence that migration is a source of major public interest and that the public wish to understand better the key issues which underpin the debate.

Thanks go to the British Science Association and the Royal Economic Society for providing support for this event.

Note:
1. University of Birmingham
Reforming the economics curriculum

In 2014-15 we reported on three initiatives to revise the teaching of economics, each of which was inspired to some degree by the apparent difficulty that economics had in warning of the crisis of 2007-8. Two years on, it seems worth reviewing progress. We had an update from the CORE project in our April issue (no.173). Below, Calum Michell reviews recent events at the ‘Post-Crash Economics Society’. We shall have an update from the Association of Heterodox Economists shortly.

Two years since students at Manchester University instigated a national debate on the value of economics education, the PostCrash Economics Society (PCES) has merged with Rethinking Economics, a wider community of 45 student groups in 15 countries, all of which presenting a concerted call for change. Supported by prominent academics and respected professional economists, and with two offices and a small staff team of RE alumni, the students are now calling for change at the national level, as well as locally.

Three such students have authored a book (with a foreword by Bank of England Chief Economist Andy Haldane) The Econocracy: the perils of leaving economics to the experts, setting out the concerns students have both with the way economics is used in the public arena, as well as the shortcomings of economics graduates who go on to occupy influential positions.

Key to the book’s argument is a piece of research analysing the nature of undergraduate economics education. We examined 170 modules at seven leading universities, finding that more than half of compulsory exam marks were given to a candidate’s ability to ‘operate a model’, conversely, only 8 percent of marks were given for candidates ability to evaluate i.e. asking students to make some form of independent judgment. We view this uncritical approach to learning economics as a key problem in undergraduates education.

Believing that the public do not understand economics, nor trust economists, we have begun a campaign for understandable economics at Ecnmy.org, providing simple explanations of economic concepts and economic news in a way that is relevant to people’s daily lives. In 2015, concerns with the state of economics were the subject of the film Boom Bust Boom, which combined Monty Python’s Terry Jones, Daniel Kahneman, puppetry, and members of Rethinking Economics, and was reviewed by the New York Times.

In the UK, students have been offering an alternative understanding of how economics can be taught. With the guidance of Lord Robert Skidelsky and HaJoon Chang, we are developing two ‘Massive Open Online Courses’ (MOOCs) on ‘The Philosophy of Economics’ and ‘Unsettled Questions in Economics’. We have also influenced higher education policy, offering a submission to Lord Nicholas Stern’s review of the Research Excellence Framework, and contributing to the QAA’s Subject Benchmark Statement.

Endnotes:
2. Rethinking Economics
3. ‘The international network Rethinking Economics believes that the economics we have been studying is unfit for purpose. Our education is ahistorical, uncritical, disconnected from the real-world and gives future policymakers a narrow understanding of economic reality.’
4. Published by Manchester University Press. http://www.manchesteruniversitypress.co.uk/9781526110138/
8. www.rethinkeconomics.org/get-involved/curriculum-reform
Evidence-based policies in universities: The gender earnings gap at the LSE

Oriana Bandiera was recently asked to examine the university’s own data to measure the gender gap at LSE. This a brief summary of her findings. The full report can be seen at: www.lse.ac.uk/intranet/LSEServices/equityDiversityInclusion/docs/theGenderAndEthnicityEarningsGapAtLSE.pdf

Like most organisations, universities pay the average woman academic less than her male counterpart. Unlike most organisations, universities have access to excellent data and employees who have the skills to analyse the determinants of these gaps. Yet, statistical analyses of university data are surprisingly rare and so are evidence-based policies. The London School of Economics (LSE hereafter) took a first step towards change by asking Oriana Bandiera, one of its economics professors, to measure gender gaps among academics and professional service staff. This column summarizes her findings for academics, both on earnings and promotions.

The raw difference in average earnings is in line with the national average across occupations: women academics are paid 16.5 per cent less than their male colleagues, slightly less than the national average of 18 per cent. Mean differences are of course difficult to interpret as they might be driven by differences in traits that determine productivity. The key innovation of Bandiera’s analysis is that she exploits the fact that LSE, as all research universities, collects information on its academics’ projected REF scores. These are a good proxy for research productivity, which, in turn, is a key determinant of pay (at the LSE, 1 point improvement in REF scores is associated with 18 per cent higher earnings). The analysis can thus assess whether women are paid less because they are less productive or whether they receive lower pay for the same level of research productivity. The evidence favours the latter: Men and women have similar REF scores, and controlling for REF scores does not explain the gender gap. Differences in age and tenure (women tend to be younger) explain some of the gap, but controlling for all these factors together leaves an unexplained 11 per cent difference.

The rest of the analysis sheds light on the anatomy of this difference always controlling for age, tenure and REF scores. Three findings are of note.

First, the gap is larger at higher deciles, ranging from 0 at the first decile to 9 per cent at the median, to 30 per cent at the highest decile. This shows that the gap is driven by highly paid academics, who are disproportionately male.

Second, women tend to work in departments that pay less. For instance, women account for 50 per cent of faculty in Anthropology and less than 25 per cent in Finance and Economics. This differential sorting explains about half of the gap, but a large gap remains among high paying departments. While the number of women is too low to estimate department specific gender gaps, pooling Economics with related quantitative departments (Accounting, Management and Finance) reveals a 19 per cent gap.

Third, differences in rank (Lecturer, Reader, Professor) account for 25 per cent of the earnings gap. In other words, women earn less both because they are less likely to belong to the higher ranks and because they are paid less at parity of rank. In line with the quantile estimates, the gap is largest among Professors.

The last set of findings suggests that the gap is partly due to differences in promotion. The second part of the report tackles this question directly by following the cohorts of men and women hired as lecturers between 1998 and 2002 from the start of their career until today. These cohorts were chosen as they were the only ones to guarantee a long enough observation period for Lecturers to have been promoted to Professors.

Looking at earnings along the entire career (from recruitment till 2015) reveals that the gap is zero for the first four years and it grows at a steady rate after that. This is matched by a difference in promotion probabilities to the rank of Reader and Professor. The differences are stark: after 10 years, 35 per cent of men, but only 20 per cent of women are estimated to be readers, but the probabilities start converging after year 11, so that after 17 years both men and women have a 50 per cent chance of having been promoted to reader. However as the Reader promotion gap starts to close, the Professor promotion gap widens. Men start being promoted earlier than women and, by year 15, the probability that a man has been promoted to Professor is more than twice as large: 24 per cent for men and 11 per cent for women. The promotion gap does not close in our sample period: 17 years after they were hired as Lecturers, women are still half as likely to have been promoted to Professors.

Taken together, the findings reveal substantial earnings and promotions gap at parity of age, tenure, and, most importantly, research productivity. What is left unanswered is why the gap exists. One possibility is that, due to social norms that place most of the burden of childcare on women, men are more mobile and hence have a higher outside option when bargaining for salary. While this, and other possible explanations, create demand for future research, the current analysis enables the LSE to use evidence to inform its gender policies and hopefully serves as an example for other universities equally concerned about gender inequality.
Academic economists and the media

Sir,

Simon Wren-Lewis’s *cri de coeur*, in the July *Newsletter*, asks why the media lost interest in academ-ics’ views in the lead-up to the Brexit vote. Could it be that the media, staffed generally by intelligent, discerning journalists, (even the ‘red-tops’) were aware that the academic community as a whole was severely conflicted? UK universities depend upon the EU currently for 8 per cent of their student customers; they also receive about £1 billion per annum in research grants from the EU; you do not bite the hand that feeds you. Evidence of this dependency has come since the Brexit vote from letters to the press pointing out that many in the university sector ‘have benefited from very substantial EU initiatives and funding’ asking for reassurance from the Government that research will be protected in a post-Brexit world (see, for example *Daily Telegraph* letters, July 2).

What is surprising is that the academic community has un-self-consciously pursued the pro-Brexit stance; Professor Wren-Lewis’s piece for example fails to mention or allude to the universities sector conflict of interest. Moreover, the general lack of pluralism during the debate, in spite of the foregoing mentioned munificence, is deeply disappointing, if not of more general concern. The universities contribution appeared to have been characterised by ‘group think’ and ‘intellectual capture’ or to use Wren-Lewis’s phrase, ‘politicisation of the truth’. With the benefit of hindsight, perhaps the RES should have taken the initiative, forcing some pluralism into the debate electing ‘champions’ to research and pursue opposing views using, if necessary, academic resources from outside the EU.

David Starkie
University of Applied Sciences
Bremen

Pluralism and maths in economics


Some readers will be interested to see that the debate continues in the blogosphere — ‘Economics without math is trendy but just doesn’t add up’ is the title chosen by Noah Smith for his attack on heterodox economics in Bloomberg View (https://www.bloomberg.com/view/articles/2016-08-08/). Steve Keen’s reply, ‘Pluralism is needed in economics’ appears at: http://econintersect.com/pages/opinion/opinion.php?post=201608152241.
Keith Cowling

Keith Cowling was one of Europe’s leading industrial economists and a long standing advocate of industrial policy. He was also renowned for being highly critical of the state of contemporary capitalism, believing that its monopolistic tendencies led to recession and stagnation and was prone to abuse of corporate power. He conducted this critique by uniquely combining both neoclassical and heterodox approaches to economics, but with an empirical rigour that gained him the wide respect of the economics profession.

Born in Scunthorpe in 1936, the son of a train driver, Keith was a triallist in his teens at Scunthorpe United. From Scunthorpe Grammar School, he started studying Agricultural Sciences at Wye College, a branch of the University of London, but there his interests moved away from agricultural science to agricultural economics.

After completing a doctorate in agricultural economics at the University of Illinois in Chicago, Keith began his academic career in 1961 at the University of Manchester. He quickly progressed, and was promoted to Senior lecturer only four years later. It was at Manchester where Keith met his future wife Barbara, who worked as a research assistant. In those days, econometric models were estimated using the University’s mainframe computer, and researchers would bring their data cards to be keyed into the machine, often collecting the results the following day. It was during these regular visits that their relationship blossomed. In 1966, Keith moved to the new University of Warwick and it was here that he switched his research interests towards the developing field of industrial economics. In 1970 he was appointed the Clarkson Chair in Industrial Economics in the newly formed economics department, at the youthful age of 33.

In the early 1970s, economics at Warwick was vibrant, although the department was some way from being one of the world’s leading faculties (which it proudly is today). Keith played a significant early role in this transformation. First, as Head of Department (1975-1978), he was instrumental in persuading the University to invest in new Professorships and to making some astute star appointments, which sowed the seeds of the department’s development. Secondly, his own research career was also flourishing, with notable seminal papers on Price-Cost Margins and Market Structure (co-written with his PhD student, Michael Waterson) in 1976, and in 1978, a paper (with Dennis Mueller) estimating the high social costs of market power in the US and the UK, argued as largely a result of ‘wasteful’ advertising expenditure by corporate firms trying to stifle competition and maximise profits at the expense of consumers. Indeed, the wider impact of advertising was a long term interest for Keith, and — in what he always regarded as his favourite paper — with John Brack, he empirically demonstrated how ‘excessive’ advertising tended to distort work-leisure choices in the US, with workers undertaking longer hours so as to satisfy a desire for higher levels of materialism. Outside Warwick, Keith was an early President of the European Association for Research in Industrial Economics (EARIE) and founding editor of the International Journal of Industrial Organization. Such was his growing reputation, that he reluctantly turned down an opportunity to take up (future Nobel Laureate) Oliver Williamson’s vacant Chair at Yale.

At this time, Keith began to take a stronger interest in the relationship between a country’s industrial structure and its macro-economic dynamics. He was particularly influenced by Baran and Sweezy’s Monopoly Capital (1966) leading to his own Monopoly Capitalism (1982), where he demonstrated that both rising industrial concentration and industry profit margins were likely to have adverse distributional consequences, reducing effective demand and leading to recession. With another PhD student, Roger Sugden, this analysis was extended to the global economy, where the activities of transnational corporations were considered as exacerbating the problem, often re-locating (or threatening to relocate) production off-shore, leading to de-industrialisation and undermining local development. In his framework, understanding economic governance processes was critical in achieving outcomes in the wider public interest. Keith was thus keen to explore alternative possibilities for industrial development. Along with Roger (Sugden) and others, in the mid-1990’s he founded the European Union Network for Industrial Policy (EUNIP). In this regard, Keith saw the potential in so-called ‘non-hierarchical’ and more co-operative modes of production, specifically in regional clusters or industrial districts of independent small and medium sized firms, such as in the successful Emilia Romagna region of Northern Italy.

As a person, Keith was charismatic and forceful. As an academic, he was always engaging and open to new ideas, always listening and offering instead his careful thoughtful perspective. Because of this, he was able to work productively with a wide variety of people over many years, and in some cases, with others who may have held different views. He was also an inspirational teacher and an extremely supportive PhD supervisor, where he gave students’ work the utmost scrutiny, offering criticism and praise in appropriate measure. Many of his former PhD students have gone on to have highly successful careers as either academic and/or professional economists in their own right. Despite retiring in 2003, Keith continued to conduct research, recently co-
De Cecco debunked the myth of the gold standard. As in the first two decades of the 19th century, Britain was now a case of free trade imperialism: *laisser faire* was maintained in the letter but not in the spirit. The gold standard has never been ‘automatic’: monetary policy was as discretionary as ever — thanks exactly to its impurity. When the price of silver relative to gold started to fall, and with enduring commodity price deflation, monetary reforms and revolutions in financial institutions characterised every country and area. The gold exchange standard works only if the power of the centre vis-à-vis the periphery is unchallenged, something which was fading away; in the meantime the reforms muted the system into a ‘pure’ gold standard. The system was destabilised. The international financial setting had become polycentric and oligopolistic, with the US acting as a financial colony realising its trade surplus in gold. In the same British financial system a few all-purpose banks displaced merchant bankers and discount houses, and eroded the position of a Bank of England still conducting banking activities. Even before the War, when the risk of a European conflict materialised, the internal tensions caused the collapse. The tree felled by the crisis was already rotten.

Money and Empire captures de Cecco’s worldview. His approach was historical, aware of institutions and actual developments, but also theoretically informed and moving from the preoccupations of the present: ‘every history is contemporary history’. In Schumpeter’s terminology, he was in fact a living testimony of the power of ‘monetary analysis’ versus ‘real analysis’. De Cecco championed Friederich List as the intellectual antagonist to Ricardo’s static and abstract international monetary views, where theory was identified with reality. Adding dynamism and history, the German economist inquired into the true causes of the wealth of nations, and saw in economics one of the arts of statesmanship. Increasing returns and asymmetries among nations lead to List’s view of modernisation as ‘revolution from above’: his recipe was state intervention, and the blending of protectionism and corporatism. But he was not an ‘arch-protectionist’. De Cecco fully understood that opposing free trade and protectionism as polar opposites is meaningless: free trade is a form of economic policy, and protectionism is appropriate in some stages of economic growth.

De Cecco was born in Rome in 1939, the 17th of September, and died in Rome the 2nd of March 2016. He graduated in Law (Parma) and Economics (Cambridge). He taught at the Universities of Norwich, Siena, the European University Institute (Florence), La Sapienza (Rome), at the Scuola Normale Superiore (Pisa) and at LUISS (Rome). He collaborated with the Historic Research Office of the Banca d’Italia. His columns in ‘Affari e finanza’, the weekly supplement of *La...

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**Obituaries**

**Marcello de Cecco**

Marcello de Cecco was widely celebrated as an authority on the evolution of the international monetary system. His most famous book is *Money and Empire. The International Gold Standard, 1890-1914* (Blackwell, 1974). A first version of the book was published in Italian by Laterza in 1971, with the title *Economia e finanza internazionale dal 1890 al 1914*. A later version was Einaudi’s *Moneta e impero* (1979). The argument by de Cecco was original and provocative, and is nicely anticipated in the two quotes opening the book. The first (only in the Einaudi edition and slightly inaccurate) is from Oscar Wilde’s *The Importance of Being Earnest*: ‘Cecily, you will read your *Political Economy* in my absence; the chapter on the Fall of the Rupee you may omit. It is something too exciting for a young girl.’ The second was from *Codex Justinianus*: ‘By no means will gold be given to the barbarians, but rather, if amongst them any is found, get as much of it out of them as possible, with subtle ingenuity’.

By the end of the 19th century the system of the gold standard was becoming fragile. Britain had manufacturing exports in decline relative to GDP (due to competition from the United States and Germany), while becoming a capital exporter: it remained, however, dependent on the world market for raw materials and on the Empire as an outlet. Britain enjoyed a monopolistic position thanks to non-tariff protection, while the Empire had a trade surplus relative to the rest of the world, but a deficit relative to Britain as a centre. The exception was India, because it succeeded in having a trade surplus, which was deposited in London. As Marshall and Keynes had very clearly in mind, this created the conditions for an effective gold exchange standard surrounding the gold standard. India became the pivot of the international settlement system, allowing Britain to square her trade accounts with the rest of the world.

Although Keith was not keen on working within the established order, he nevertheless sought a significant role in University governance, in the development of Coventry following its deindustrialisation, and in national politics through his role in an informal ‘think tank’ set up by John Smith, then Labour Leader of the Opposition, together with closet Labour supporters in industry. Thus Keith was held in high regard by so many people, not only in economics, but also across academia and in policy circles. Outside academia, he was a keen Coventry City football supporter, and enjoyed walking as a pastime. He leaves behind his wife Barbara, son Marc (Professor of Entrepreneurship at Brighton), and daughters Lee and Lucy.

*Phil Tomlinson*

*University of Bath*
Obituaries

His 1967 book, Saggi di politica monetaria (Essays on monetary policy), included four essays. The first, about the international gold exchange standard 1944-1965, prefigured his main area of research. The other three are jewels of a politically informed account of Italian monetary policy since the late 1940s until the early 1960s (the dynamics of money supply; the evolution of its financial structure; the 1947 stabilisation policy). Though the rational trend for the continental banking system should be towards a corporative planning, the governors of the Bank of Italy fostered liberalisations, favoured small banking, and neutralised the State in a reprivatised Italian financial system. The brutal anti-inflationary stabilisation promoted by Luigi Einaudi in 1947 proclaimed the peculiar attitude of Italian economic policy: malign neglect of Keynesian unemployment (and fatalistic acceptance of low capacity utilisation rates); migration as the only envisaged solution for structural unemployment; and accumulation of gold and/or reserves as the overriding target. The Marshall Plan was dramatically underutilised, and Italy escaped stagnation only thanks to the international boom induced by Korean War, to the State investments in early 1950s and the later export-led drive.

De Cecco came back again and again to the mid-1960s as a fundamental juncture. Italy’s half-century long decline was triggered by the inability of the Italian bourgeoisie to build a forward-looking answer to distributive conflicts and the competitions of new areas. First the restrictive monetary policies, then the stop-and-go policies, cut the ground under industry. Big firms engaged in an ‘accumulation without investment’. De Cecco provided an original ‘Ricardian’ argument to account for the following years of sustained workers’ struggle: though the labour market registered increasing rate of unemployment, firms’ labour demand concentrated on the core section of the male workers’ labour supply, those able to tolerate dramatic increases in labour intensity. The sequence of devaluations of the Italian Lira deepened a vicious circle in which Italian firms specialised in low-tech, labour-intensive small firms. De Cecco supported fiscal expansionary policies, without embracing the idea of the unconditional positivity of an explosion of the public debt like in the 1980s.

Dissatisfaction with the policy combination of devaluation with high public debt explains why de Cecco favoured European monetary unification for a long while, even though he knew quite well the contradictions of the euro. The single currency was a French project resisted by Germany, which coupled trade mercantilism to money/credit neo-mercantilism: a self-defeating zero-sum approach. He particularly insisted on the deadly combination of national dynamic of public debts with international liberalisation of the government bond market. He also lamented the lack of a common fiscal policy, and thought a solution was a federal Europe. He questioned current accounts disequilibria as the cause of the crisis: it is a contradiction to strive vigorously towards monetary union and consider national current account deficits and surpluses as important policy variables.

He told me once that in another country he would have been recognised for what he was, an ‘enlightened conservative’. There was a grain of truth, but also a passion for provocative paradoxes. In a 1977 paper he called Ricardo and Keynes enlightened conservatives who lived in troubled times. Labour was marginal and workers secondary (though capable of revolt) in both authors: the real protagonists were capitalists, financiers or renters. Capital accumulation in Ricardo and full employment in Keynes were means of social stabilisation: the solution was cheap food in Ricardo, cheap money (plus State direct investment) in Keynes. But in fact de Cecco was always careful never to divorce his inquiries about power and economics from a civil democratic (and even patriotic) engagement. Those who met him, as well as those who read him, know that he had a lot of fun.

De Cecco leaves his wife, Julia Bambord (Professor of English Language at the Orientale University, in Naples), two sons, Vincenzo and Francesco, and three grandchildren.

Riccardo Bellofiore
Università di Bergamo

The writings of John Maynard Keynes — A crowdfunding campaign

Readers will know that one of the many advantages of RES membership is the option to buy the major works of J M Keynes, at a discount. But while this series covers Keynes’s major works it amounts to less than half his total writings. A huge quantity of valuable unpublished material remains, scattered across 60 archives in six countries.

A project will be launched this month to complete the publication of all of Keynes’s remaining unpublished writings of academic significance. It is being co-ordinated by Prof Rod O’Donnell, University of Technology Sydney, Australia. Amongst the many challenges facing the project is finance and Rod has turned to crowdfunding using the Indiegogo website.

To support the project, readers are invited to spread the word prior to the campaign launch — to academic colleagues (in economics or elsewhere), students in classes, conference participants, policy-makers, parliamentarians, philanthropists etc. Also to make, and encourage, donations, of any size.

Further details of the project (including a link which explains the role of Indiegogo) can be found at:
http://neweconomicperspectives.org/2016/08/jmk-writings-project.html
Economics on film

The Annual Conference that took place in Brighton in March has spawned a number of short films on topics that featured there. Produced by Econ Films, the videos are mostly under four minutes and designed to share economic research with a wider audience. The full playlist is here:

https://youtu.be/FrunOtAIEBM?list=PLZo4iBEgQ8bxwqeJi0KRlmV4VYyehUnLS

Econ Films makes films and videos about economics, finance, business and public policy for any audience. The list can be seen at:

https://twitter.com/econfilm

Financial Assistance

We would like to remind Members that their membership entitles them to apply for a wide range of financial and other sources of encouragement and support offered by the Society to assist in the further study of Economics. In particular the Visiting Lecturer scheme offers RES members at university the opportunity to suggest the name of a distinguished overseas lecturer to visit and provide a lectureship series, with the fee for this to be paid by the Society (up to £2000). For more details of this and other schemes, please contact the RES office or see the website under Career/Education where a full list of financial support available from the Society is provided.

Keep your Society profile current!

The RES elections for Council will take place during January 2017 using both online and postal ballots. It is important for all RES members, where possible, to register a correct email address to their membership profile via the RES website and we urge members to please check that your details are registered correctly now. If you do not have an email address registered you could fail to receive a ballot for this or future Council elections.

More details on how to register to the RES website or correct your membership details online can be found on the RES website registration page and the election process is detailed on the RES Council election pages. 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

RES public lecture

The 2016 Society Public Lecture: ‘In Search of the Perfect Match — the economics of picking our partners and jobs’ will be given by Professor Philipp Kircher (University of Edinburgh) and held at the Royal Institution London on Tuesday 29th November 2016 and Wednesday 30th November 2016 at the University of Manchester. As priority is given to school groups, live broadcasting of this popular event will be offered again via pre-registration to participate in the lecture & Q&A at the London event via a remote interactive link. This has proved very popular across with schools from as far afield as New Zealand as well as widening outreach across the UK. We hope that schools, university student societies and any of our individual members will take the opportunity to try this exciting and convenient way of participating in one of our most popular events. Registration details will be available from the website by November.
RES Postgraduate Meetings
The RES PhD Meetings will take place at Westminster Business School, Marylebone Campus on 3-4 January 2017. The meetings provide opportunities for interviews between job market candidates and recruiting institutions, as well as research presentations and plenary sessions on key aspects of academic life. The Programme Committee will be taking submissions until 12am on 1 November 2016 and Registration to attend the event is now open. Those wishing to attend must hold RES membership and further details can be found on the website. Organisations wishing to books space at the meetings to recruit should contact the RES events organiser, Jo McWhirter on events@res.org.uk

Easter school (see p.23)
The Royal Economic Society Easter Training School 2017 will be on ‘Applications of Empirical Industrial Organisation Methods’ and will be held at the University of Essex, Colchester Campus from Sunday 2 April to Wednesday 5 April 2017. A Call for Nominations of suitable candidates will be sent to all UK universities in October 2016 or can be provided by the RES Office by email to: royaleconsoc@st-andrews.ac.uk

The deadline for Nominations from Heads of University Departments is Monday 16th January 2017 by email to: res.easter.school@essex.ac.uk, marked Easter School 2017 in the subject line. For further details please see the website or contact: Professor Eric Smith, esmith@essex.ac.uk

2016 Junior Fellowship Scheme Award Winners
The RES received 47 applications for this increasingly popular research fellowship grant this year from 18 universities (Birkbeck, Birmingham, Cambridge, Edinburgh, Essex, Lancaster, Leicester, Loughborough, LSE, Manchester, Nottingham, Oxford, Reading, RHUL, Sheffield, Sussex, UCL and Warwick). The Society thanks all those who applied and also the panel of referees from the RES Council for their painstaking work. Congratulations are offered from the Society to the following candidates who have accepted a Junior Fellowship award for the forthcoming academic year 2016-2017:

• Arun Advani, University College London, ‘Melting Pot or Salad Bowl: The Formation of Heterogeneous Communities’
• Florian Blum, London School of Economics, ‘Food For Thought: Nutrition and Agricultural Technology’
• Joshua Lanier, University of Oxford, ‘Monotonic Demand and Expected Utility’
• Stephan E Maurer, London School of Economics, ‘Voting Behaviour and public employment in Nazi Germany’
• Christopher Roth, University of Oxford, ‘Conspicuous Consumption and Peer Effects: Evidence from a Randomized Field Experiment’
• Katja Smetanina, University of Cambridge, ‘Real-time GARCH: Does Current Information Matter?’
• Shixuan Wang, University of Birmingham, ‘Detecting at most two changes in Linear Regression Models’
• Guo Xu, London School of Economics, ‘How Does Collective Reputation Affect Hiring? Selection and Sorting in an Online Labour Market’

Young Economist of the Year 2016 Results
This ever-popular competition invites school students to write an essay of between 1,000 to 2,500 words, on a subject set by the President of the Royal Economic Society and distinguished judges, calling on key elements of A Level or International Baccalaureate courses, examples from the world around them and imaginative discussion.

From the final shortlist of 19 essays drawn from a total entry of nearly 1700, the judging panel of Professor Sir Charles Bean (London School of Economics), Stephanie Flanders (JP Morgan) and Professor Jonathan Haskel (Imperial College, London) selected three winners this year and wish to congratulate them, together with all of the other students that made the short list provided by our competition partners, Tutor2U.net. The overall standard was again extraordinarily high, with a wider array of schools participating than in previous years. A full report on their decisions can be viewed along with the winning essays on the website.

The 2016 Young Economist of the Year winners are:

• Sherwood Lam of The King’s School, Canterbury, who will receive the glass trophy and a prize of £1,000.
• Joint second place goes to George Keech of Bedford Modern School and Chung Yi See of Raffles Institution, Singapore, each of whom will receive £500.

New Director at the CEP
Stephen Machin has been appointed Director of the ESRC’s Centre for Economic Performance with effect from 1st September 2016. He succeeds John Van Reenen who is taking up a tenured joint professorship in the Massachusetts Institute of Technology’s (MIT) Department of Economics and Sloan Business School.
Royal Economic Society
Annual Conference 2017

Royal Economic Society Annual Conference
will be held at the University of Bristol on 10-12 April 2017.

Keynote speakers are:

Hahn Lecture
Gita Gopinath, Harvard University

Economic Journal Lecture
Hilary Hoynes, Berkeley University

Sargan Lecture
Jim Stock, Harvard Kennedy School

There will be a drinks reception at the Bristol Museum & Art Gallery on Monday 10 April and the Gala Dinner on Tuesday 11 April will be at the Passenger Shed, Isambard Kingdom Brunel's iconic old station.

Further information about the conference, including details of financial assistance for PhD students, is available via the conference webpage: http://www.res.org.uk/view/0/2017conference_home.html

Online registration will open in January 2017.

Please contact the Programme Chair (Sarah Smith) or Deputy Programme Chair (Michael McMahon), or the Local Organisers (Senay Sokullu and Leandro de Magalhaes) with questions about the conference.

Local Organisers Conference e-mail: Conference2017@res.org.uk

RES Annual PhD Symposium

On Thursday 13 April there will be a one-day symposium for PhD students. With the support of the Royal Economic Society, the RES Symposium of Junior Researchers is organised by PhD students for PhD students. Its objective is to bring together young economists to foster discussion and dissemination of research in all areas of economics. For further details please visit: http://www.res.org.uk/

News from the Economics Network

Economics Network Subscriptions
Subscriptions for the Economics Network are due for the 2016-2017 academic year. By subscribing to the Network, among other benefits, staff in your department will receive:

• Reduced registration fees for all staff at the early careers workshop, the DEE conference and other one-day symposia
• Free attendance for graduate teaching assistants at our economics specific training workshops
• Advice, support and consultancy for internal departmental workshops and away days
• Recognition of your department’s support on the Network’s website

Further details are available at: https://economicsnetwork.ac.uk/about/supporters.

NSS Results and Comparison
We have recently published a short report presenting NSS data for economics and related subjects from 2010 to 2016. View the report at: https://economicsnetwork.ac.uk/research/nss2016

UK Wikimedian of the Year
Martin Poulter, the Economics Network’s IT Manager, has been announced as ‘UK Wikimedian of the Year’. This award is given in recognition of those who have gone above and beyond the call of duty to help bring open knowledge to all.

Recent resources developed by Martin for the Economics Network:

• Guide to blogging in economics
• Map of the birthplaces of more than 5000 economists (to access, click ‘run’ and wait a moment, then click a dot to see name and year).

For further information: https://economicsnetwork.ac.uk
Conference diary

2016

November

3-5 November Manchester

The 28th EAEPE Annual Conference will take place at Manchester Metropolitan Business School. The conference theme is inspired by the historical legacy of the Industrial Revolution that has made Manchester a pre-eminent industrial metropolis of the world. The theme invites contributors to consider social and economic implications of industrialisation, deindustrialisation and transformation with particular attention to those institutions that flourish and decline around industries and manufacturing.

Further information:
eaep.org/?page=events&side=annual_conference&sub =eaepe2016_abstract_submission

17-18 November Warsaw, Poland

The Future of Europe – Central and Eastern Europe in a Comparative Perspective CASE – Center for Social and Economic Research 25th Anniversary Conference

The conference will host a blend of thematic and plenary sessions covering the most important economic and political topics now facing Europe. To that end, we are soliciting high-quality, unpublished work from scholars in economics, public policy, political science, sociology, and other disciplines, which deals with the lessons of the past 25 years and how they may be applied to Europe’s future. More details can be found on the website http://www.case-research.eu/en/node/59054#overlay-context=pl

Submission of papers:
case25conference@case-research.eu

Further information: agata.kwiek@case-research.eu

December

1-2 December Rome, Italy

25th International Rome Conference on Money, Banking and Finance. Keynote speakers:

Viral V. Acharya is Professor of Finance at the New York University, Stern School of Business, US;
Andrea Enria is the first Chairperson of the European Banking Authority, London, UK;
Jordi Gali is Director of the Center for Research in International Economics (CREI) at Universitat Pompeu Fabra

Further information: http://2016.mbf-rome.it

16-17 December Kolkata, India


Further information: http://eiitf.iift.ac.in
19-20 December Athens, Greece


Further information: http://www.atiner.gr/2016conferences

2017

January

3-6 January Santiago, Chile

Join over 400 economists from around the world at the beautiful Casa Central campus of Pontifical Catholic University of Chile, Santiago. All specialities in economics are welcome on the program.

Keynote speakers:
Robert F. Engle, New York University Stern School of Business, recipient of the 2003 Sveriges Riksbank Prize in Economic Sciences in Memory of Alfred Nobel
Orley Ashenfelter, Princeton University, and WEAI 2016-17 President-Elect,

Further information: http://www.weai.org/PR2017

March

1-3 March Guilin, China

The 7th Quantitative Economics Conference (QEC 2017) has been held annually in China since 2013. In 2017, QEC will be held from March 1 to 3, 2017 in Guilin, China. This conference will cover issues on Quantitative Economics. QEC 2017 and is now calling for Speakers. On behalf of the Engineering Information Institute, we cordially invite you to participate in QEC 2017 as a Speaker. If you have papers or abstracts in hand now, you may submit through the submission system below:


Further information: eco_mar@engii.org

April

20-21 April Darwin, Australia

The Seventeenth International Conference on Knowledge, Culture, and Change in Organizations, will be held at Charles Darwin University.

We invite proposals for paper presentations, workshops/interactive sessions, posters/exhibits, colloquia, Virtual Posters, or Virtual Lightning Talks. The conference features research addressing the annual themes and the 2017 Special Focus: ‘Succeeding and Achieving in Diverse Communities and Organizations.’

Further information: http://organization-studies.com/2017-conference

21-22 April Lucerne, Switzerland

The eleventh History of Recent Economics Conference (HISRECO) will be held at the University of Lucerne. Since 2007 HISRECO has brought together researchers from various backgrounds to study the history of economics in the postwar period. It is the organizers’ belief that this period, during which economics became one of the dominant discourses in contemporary society, is worth studying for its own sake. In particular, this area of research offers good opportunities to young scholars who are interested in interdisciplinary approaches to the history of economics.


27-28 April Prague, Hungary


June

19-23 June Santa Fe, Mexico City

CALL FOR PAPERS

The International Economic Association (IEA) is pleased to announce its Eighteenth World Congress. The congress is jointly organized with the Centro de Investigación y Docencia Económicas, CIDE, Mexico. The theme of the congress is Globalization, Growth and Sustainability. Deadline for paper submission is October 31 2016.


31 August - 5 September Maastricht, Netherlands

CALL FOR PAPERS

Paper are invited for the 44th Annual Conference of the European Association for Research in Industrial Economics (EARIE). Provisional deadline for paper submission is March 15, 2017.

Further information: http://www.earie2017.org/
Membership of the
Royal Economic Society

Membership is open to anyone with an interest in economic matters. The benefits of membership include:

- A print subscription to The Economic Journal, published eight times a year, depending on the membership package selected.
- Online access to The Economic Journal back to 1997 including access to forthcoming papers before publication of the print version.
- Online access to The Econometrics Journal including accepted papers as soon as they are typeset.
- Free submission of articles to The Economic Journal and the chance to win the RES prize of £3000 awarded every year to the author(s) of the best published paper.
- Quarterly copies of the RES Newsletter including topical articles, comment and letters.
- Reduced registration fees for both the RES Annual Conference and PhD Meetings and JobMarket.
- The opportunity to benefit from JSTOR’s ‘Register & Read’ initiative for individual scholars.
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<th>Europe (non-euro zone)</th>
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