AIRLEAP Virtual Sessions for the 17th WEAI Conference
April 11, 2023, Melbourne, Australia, 8:30 AM – 6:30 PM AEST (GMT +10)
(AIRLEAP session times will update at the conference link)

Session #1 Human Rights, Refugees, and Challenges in Economic Development
Organizer: Steven Payson, University of Maryland
Chair: Brian Sloboda, Brian W. Sloboda, University of Maryland

1. Effect of Refugee Population on the Asylum Country's Gross Domestic Product Per Capita

Anom Ashok Dule, University of Maryland **JEL Code: F22**

Every year, people are forcibly displaced world-wide, major reasons being ethnic-wars, politically unstable situations, natural disasters, nationality issues, human-rights violation, and other factors that might may account for the fear of persecution in the home country. Consequentially, the affected population migrates to the neighboring states or countries which may create an uneven burden on these host countries, and may impact its polices, or economic activities. This study aims to study the research question, "What is the effect of refugee population, already claimed asylum, on the asylum country's gross domestic product per capita?". These effects of the refugee population by country of asylum (a country where asylum claim was granted) are studied across the available countries over a span of twenty-two years, from the year 2000 through 2021. I have constructed a panel data from several sources that accounts for my variables of interest, and its related covariates. I am using panel data methods, entity fixed effects and time fixed effects, to find the estimated effect and address the issue of omitted variable bias. I will also look into regions, Sub-Saharan African countries, Low-income countries, and OECD countries, to find the magnitude of effect for these regions.

Discussant: Sushma Shukla, Piedmont Virginia Community College

2. The Fable of the Mosquitos: Examining Banerjee and Duflo's Claim that RCTs Involving Mosquito Nets Saved Millions of Lives

Steven Payson, University of Maryland **JEL Code: I15**

Over the past two or three decades, no economic method of analysis has skyrocketed in popularity, and in research funding, more than randomized controlled trials (RCTs). Nowhere has this popularity been recognized more than in 2019 when Abhijit Banerjee, Esther Duflo, and Michael Kremer won the Nobel Prize in economics for their work on it. Furthermore, never has any method in economic research been so incredibly fused with principles of altruism, suggesting that an economist is a "good person who cares about others" when they perform RCTs. Likewise, RCTs have been touted by their protagonists as being the one and only, most reliable, and "most scientific," method for addressing humanity's greatest problem—abject poverty.

Within all this hoopla, euphoria, and hundreds of millions of dollars poured into RCT research grants, one story, in particular, has stood out as the RCT's posterchild. It is the one story that is most told, and most upheld as evidence for how wonderful RCTs have been for humanity. This is Banerjee and Duflo's story of how RCTs "*saved millions of lives"* by promoting the issuance of bed nets in malaria-ridden countries. By understanding this story better, we may
better understand the true value of RCTs in development economics, relative to the alternatives that exist for addressing world poverty.

Discussant: Debra Dwyer, Farmingdale State College

3. Human Rights Online: Towards a New Generation of Human Rights in the Virtual World

Julia Puaschunder, Columbia University **JEL Code: K24 Cyber Law**

Human rights guide interactions based on moral standards of human behavior. Despite the universal and inalienable character of human rights and their protection by national and international law, surprisingly human rights have just recently begun to be addressed in relation to digitalization. Three potential developments of human rights are envisioned in the artificial age: (1) Attention may shift from human rights protecting against surveillance by national governments towards regulation against the interference of big data insights reaping online entities. Privacy protection – like enacted in the General Data Protection Regulation and the Right to Delete – may leverage into an inalienable human right to protect humans in the digital millennium. (2) With freedom of expression pitted against hate speech control in online social media platforms, future applications of human rights to online contexts should imbue the concept of dignity into virtual worlds featuring anonymous actors in order to find a well-balanced virtual space offering rights-to-speak freedom and respectfully-protected human grace. (3) With a heightened degree of anonymity possible in virtual spaces, human rights online should focus on quality assurance when it comes to the credibility and accuracy of online content.

Online bots, fake accounts but also Search Engine De-optimization (SEDO) via click farms are newest developments in the digital millennium infringing on the right to know and access to accurate information that can also cause social upheaval and financial turmoil. With the International Law Commission monitoring the use of social online media for establishing customary law and legal practice guidelines, a new generation of human rights online should address the role of accuracy and democratization of social media platforms. In the future, human rights obligations of governments and monopolistic internet firms but also individual virtual market actors may ennoble online spaces to flourish a new generation of human advancement in the digital age.

Discussant: Steven Payson, University of Maryland

4. Can Rural India be a Backbone of India's Economic Growth?

Sushma Shukla, Piedmont Virginia Community College **JEL Code: R-11**

Rural India is the backbone of India. According to the 2011 Census, 68.84% of the population lives in villages. The Indian economy has been growing at an average annual growth rate of 5.8% over the past two decades, reaching 8.9% in 2021. According to the International Monetary Fund (IMF), the Indian economy in 2021 was nominally worth $3.04 trillion; it is the fifth largest economy by market exchange rates and is around $10.219 trillion, the third-largest by purchasing power parity (PPP). India is one of the world's fastest-growing economies. However, the country ranks 139th in the world in nominal GDP per capita and 118th in GDP per capita at PPP. The backwardness of rural India is a significant impediment to the overall progress of the economy. India is predominately an agricultural country, and farming is their primary occupation. According to the 2011 Agricultural Census of India, an estimated 61.5% depend on agriculture. This paper discusses rural India's challenges and how these challenges can be transformed into new opportunities.

Discussant: Gregory Astill, USDA, Economic Research Service

Session #2. Can Economists Be More Scientific in Their Methods of Analysis?
Organizer: Steven Payson, University of Maryland
Chair: Debra Dwyer, Farmingdale State College

1. Epistemology in Economic Modeling: Falsifiability, Hypothesis Testing, and the Scientific Method

Gregory Astill, USDA, Economic Research Service **JEL Code: B40**

A broad body of literature by economists and non-economists, orthodox and heterodox, argues that the field of economics faces a crisis of credibility, replicability, reproducibility, or some combination thereof. In this paper I discuss how that crisis is connected to fundamental epistemological issues underpinning how economists perform their work. Popper argued the core feature of the scientific method is carefully testing a falsifiable hypothesis. While economists have developed an expansive language and statistical framework under which they test and reject economic hypotheses, I assert this current framework is more problematic than the field generally assumes.

In the words of the well-established econometrician Wooldridge, the foundation of econometrics is hope: "It is not meaningful to talk about the statistical properties of a set of estimates obtained from a single sample… When we say OLS is unbiased… we HOPE that we have obtained a sample that gives us an estimate close to the population value." As the clichéd joke goes, how likely is the drunk to find his keys under the light of the lamppost? Are economists looking for falsification where it could be found? Economists rigorously falsify the hypotheses of their econometric models, conditional on the hope of correct specification. But what are the falsifiable hypotheses on the level of model specification?

McCloskey has argued that the passive voice typical of economic writing contributes to obfuscating the human characteristics of the author. How might it hinder the advance of economic science to forget that that the humans performing 'science' have foibles, conflicts of interest, and inclinations toward self-deception? As Krugman quoting Sinclair reminded, "It's difficult to get a man to understand something when his salary depends on his not understanding it." Under the current research framework, by what results would economists know that their theories, hypotheses, and assumptions were wrong?

Discussant: Steven Payson, University of Maryland

2. How Scholarship in Economics Can Sometimes be More of an Intellectual Game of Amusement than an Objective Science

Steven Payson, University of Maryland **JEL Code: B40**

Economics as an objective science is what makes economics most useful for society, and economics very often is, fact, an objective science, from which society has greatly benefited. That being said, the incentive system within the economics profession, along with the varied interests that economists have had to study the field, has sometimes created a rather different situation. Contributions to scholarly, economic literature, in particular, could be more reflective of an intellectual game of amusement than a genuine pursuit of useful, scientific knowledge. This is especially the case when the game being played is to score the most publications in high-ranking journals or to accumulate the most citations to one's work, to enable an economist (especially an academic economist) to advance in their career, to receive recognition and praise from their colleagues, to acquire research funding, and to improve the reputation of their institutions. This problem has become so pervasive within the profession that some economists, and many students of economics, have difficulty in understanding that there could be an important distinction between recognized contributions to literature and genuine advancements of useful knowledge. This paper will explain how that distinction can be made, in reference to studies that have been done on this topic. The more economists can understand this distinction, the more they will be devoted to advancing useful knowledge as opposed to competing in an intellectual game of amusement scored by publication and citation counts.

Discussant: Brian W. Sloboda, University of Maryland

3. Quantifying Science Diplomacy: An Index of Science Diplomacy Leadership and Application on the Responsibility to Act on Climate Change

Julia Puaschunder, Columbia University **JEL Code: Q56**

In the age of global warming, pandemics and East-West tensions, the time for science diplomacy has come. Science can learn from diplomacy tactful communication in a culture of acceptance and embracement of different viewpoints; while soft diplomacy can benefit from the precision of scientific facts and rational argumentation. To this day, the concept of science diplomacy has never been quantified to highlight the importance and potential of specific countries around the globe to engage in science diplomacy. The paper is based on the hypothesis that scientifically skilled and academically-equipped nations with rising economic prospects due to changing temperatures under global warming have favorable conditions and a heightened responsibility to act on climate change with science diplomacy.

In the first macroeconomic model of science diplomacy, an index was created including 51 countries around the world ranked on their potential to be spearheading science diplomacy. The presented Science Diplomacy Index integrates (1) the academia quota per country as an indication of scientific excellence based on World Bank Educational Attainment data of at least Bachelor's or equivalent education in the population of a country from 25 years of age as cumulative percent in the population; (2) a modified World Ranking of academic institutions based on the Web of Universities data weighted by the relevance of its academic institutions; and (3) the Lowy Global Diplomacy Index measuring diplomatic relations in embassies, consulates, or other diplomatic representations. The index is then applied to a macroeconomic model on disparate economic impacts of climate change around the world and country-specific CO_2 emission levels, in order to determine what countries have excellent starting grounds but also a heightened responsibility to engage in science diplomacy to reverse the negative impacts of global warming. The results offer invaluable yet quantified information on the importance of science diplomacy in the 21st century.

Discussant: Debra Dwyer, Farmingdale State College

4. Resource Allocation in Economics Using Cost Benefit Analysis and Cost Effectiveness Analysis: Utilitarianism and the Ethical Foundations

Brian W. Sloboda, University of Maryland **JEL Code: D61**

Cost-benefit and cost-effectiveness are methods that measure the efficiency of interventions and achieve desired outcomes. These types of analyses can help policymakers analyze the value of a program relative to its costs. Very often in this type of analysis, there is mention of "cost savings," which can be a misnomer since true cost savings are often difficult to estimate. These methods demonstrate whether the impact achieved is worth the costs/investment, build awareness of the value of a program, and inform decision-making about continued funding and sustainability. The ethical foundation of cost-benefit analysis and cost-effectiveness, utilitarianism, was conceived by the nineteenth-century British philosophers Jeremy Bentham and John Stuart Mills. Their framework has provided a framework to allocate scarce resources to enhance social welfare. In this paper, we describe the ethical framework implied by cost benefit analysis, cost-effectiveness analysis, and utilitarianism, as applied to economic analysis. After delving into utilitarianism, we then present the frameworks of cost-benefit analysis and cost-effectiveness and how should the analyst proceed to use these methods to examine real world problems. In addition, we argue that while no there is no feasible ethical resource allocation in economics; consequently, the utilitarian framework underlying cost-benefit and cost-effectiveness generally provides strong guidance that is better than the alternatives and should be used as the method to assess resource allocation in economics.

Discussant: Julia Puaschunder, Columbia University