

Ethical Economics Support

Occasional **Newsletter** of the
Association for Integrity and Responsible Leadership
in Economics and Associated Professions
(www.AIRLEAP.org)

May 28, 2015

LATEST NEWS / UPCOMING EVENTS

Mark Your Calendars!

AIRLEAP's [next meeting](#) will be held on

Friday, June 12, 2015 (Mai Thai Restaurant, 1200
19th St., NW, Washington, DC)

Conferences where AIRLEAP will be present:

Southern Economic Association Annual Meetings,
November 21-23, 2015
New Orleans

Allied Social Science Associations/
American Economic Association Annual Meetings,
January 3-5, 2016
San Francisco

Eastern Economic Association
February 26-28, 2016
Washington, DC

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AIRLEAP's Volunteer Intern Program

AIRLEAP is offering an ongoing, voluntary internship program for economics students in good standing (which includes summer internships). We would basically expect interns to commit a total of at least 120 hours of voluntary work on their own time and at their own pace. For example, it could involve around 20 hours per week for six weeks, or 15 hours per week for 8 weeks, or 10 hours per week for 12 weeks, at the student's discretion. This would allow students the time to be a paid employee at another organization, or to serve as interns during the school year (there would be no restriction in this regard). Student interns would be welcome to list their experience with AIRLEAP on their resumes, and AIRLEAP would acknowledge your participation.

We require that voluntary interns conduct their own research, and provide a working paper of at least 5 single-spaced pages that we would post on our website with the intern listed as the author. The topic of the paper must be closely related, in some way, to AIRLEAP's mission. A voluntary intern could correspond with us remotely, and would be expected to provide a progress report on his/her working paper at least once every two weeks. We would provide help and guidance on the working paper as the research was being performed. In addition, we would not claim any copyright control over the paper.

There is no competition among voluntary interns – all individuals with good academic records and some knowledge of economics are welcome as long as they are willing to accept the time commitment and the requirement to provide an original research paper of good quality. If you are interested, email us at AIRLEAP_News@airleap.org and please write "Volunteer Intern" in the subject line.

Call for Organizations to Join a New

Coalition for Promoting Professional Ethics in Economics

AIRLEAP is starting to pull together various organizations which share a strong interest in promoting integrity and responsible leadership in economics, in an effort to create a "Coalition for Promoting Professional Ethics in Economics." Such organizations would join forces to support programs that focus on integrity, responsible leadership, and professional ethics in the economics profession (and associated professions such as finance, public policy, and international relations). These programs would be independent of any other policy agendas which these same organizations have, such as supporting entrepreneurship or enhancing job security. For example, members of the coalition might all agree that the profession should be more careful in not glorifying certain forms of esoteric, theoretical modeling that does little more than provide a mathematical rediscovery of questionable assumptions. Member organizations might strongly support the proper application of statistical methods, and proper interpretation of statistical findings. And, members may surely support objective, scientific analysis and the pursuit of a truthful understanding of the economy, and not support studies that are compromised by conflicts of interest, that rely on biased data, that present findings that cannot be reproduced, etc. **The creation of this coalition across a wide range of organizations will serve as a testament to a universal belief in the legitimacy and importance of professional economic practice as an end in itself, serving as the solid base upon which policy debates may then fruitfully ensue.**

ARTICLES



Session at the Annual Conference of the Society of Government Economists, Washington, DC

On May 21, 2015 AIRLEAP ran a session at the annual conference of the Society of Government Economists, held at the George Washington University Marvin Center. The session, entitled “Ethics in the Education of Economists,” had the following presentations by the following authors:

Amitai Etzioni (George Washington University), “On the Moral Ethics of Teaching Economics.”



Steven Payson (AIRLEAP), “On Deaf Ears: The Pretense, Delusion, and Futility of Believing that Motivated Scholarship Will Cure Unscientific Theoretical Economics”

Brian Sloboda, (University of Phoenix), “The Need for Professional Ethics Training in Economics Education”

AIRLEAP was honored to have had Distinguished Professor Amitai Etzioni give his presentation. Professor Etzioni leads the Communitarian Network, which describes itself as: “A coalition of individuals and organizations who have come together to shore up the social, moral, and political environment. It is a nonpartisan, nonsectarian, transnational association.”

In 2001 Professor Etzioni was named among the top 100 American intellectuals. He is the author of 24 books, including, for example, the *Moral Dimension* in 1988 and *From Empire to Community: A New Approach to International Relations* in 2004. In his presentation he discussed his experiences in teaching economics students and how the education of economists today is too limited with regard to an absence of training on ethics and social values, which play a major role in economic policy determination.

Steven Payson defined “unscientific economic literature” and described how there has been a long history of scholarly literature that has criticized it, but without any effect. He explained why he felt that such scholarly literature, while often correct, has “fallen on deaf ears,” and that an alternative approach is need to cure the profession of unscientific theoretical economics. The solution, he argued, requires a less scholarly approach, and more economic approach, which is to address directly the incentive system and resources that perpetually support unscientific theoretical economics.

In his presentation on ethics in economic education, Brian Sloboda discussed economic training for economists and for non-economist who might take required principles classes. With regard to the education of non-economists, he argued the following based on George DeMartino’s book in 2010, *The Economist’s Oath*: Students perception of the economics discipline will be affected by the presentation of the concepts by the instructor. These instructors face a set of fascinating and difficult ethical questions, such as:

- “What kind of economic awareness will they try to cultivate in these students?”
- “What will be the chief take-away for students who will hardly remember the definition of income elasticity or the significance of an indifference curve?”
- “What will the professors try to impart to this constituency about their profession?”



AIRLEAP in New Orleans at the Southern Economic Association Meetings

On November 21-23, 2015, AIRLEAP will be organizing four sessions on integrity, responsible leadership, and professional ethics in economics. These sessions are summarized below:

1. Integrity and Responsible Leadership in Economics: Ethical Practice in Academic Economics

Chair: Amelie Constant (IZA)

“Considerations on Conflicts of Interest in Academic Economics”

Jessica Carrick-Hagenbarth and Gerald Epstein
(both at University of Massachusetts - Amherst)

"The Demand Side of the Economics Job Market."
William Charles Sawyer (Texas Christian University)

“The Need for Professional Ethics Training in Economics Education”

Brian Sloboda (University of Phoenix)

Discussants (respectively): Steven Payson, Animesh Giri, Clint McCully

2. Integrity and Responsible Leadership in Economics: Doing No Harm

Chair: Charlie Sawyer (Texas Christian University)

“First Tell No Untruth”

Alan Freeman (London Metropolitan University Business School, retired)

“The Unprincipled Randomization Principle”

Stephen Ziliak and Edward R. Teather-Posadas
(both at Roosevelt University)

“About Doing the Right Thing as an Academic Economist”

Erwin Dekker and Arjo Klamer (both at Erasmus University in Rotterdam),

Discussants (respectively): Steven Payson, Charlie Sawyer, Deirdre McCloskey

3. Integrity and Responsible Leadership in Economics: Ethics in the History of Economic Thought

Chair: Robert Lerman (Urban Institute, retired)

“Codes of Ethics for Economists, Pluralism, and the Nature of Economic Knowledge”

David M. Levy (George Mason University) and Sandra J. Peart (University of Richmond)

“A Discussion of Professional Ethics in Economics”
Deirdre McCloskey (University of Illinois-Chicago)

“Good, Evil and Economic Practice”

Tomas Sedláček (Charles University in Prague, Czechoslovakia)

Discussants (respectively): Alan Freeman, Steven Payson, Deirdre McCloskey

4. Integrity and Responsible Leadership in Economics: What Changes Need to Happen?

Chair: Deirdre McCloskey (University of Illinois – Chicago)

“What Should an Introductory Course on Professional Ethics in Economics Cover?”

Clinton McCully (U.S. Bureau of Economic Analysis, retired)

“On Deaf Ears: The Pretense, Delusion, and Futility of Believing that Motivated Scholarship Will Cure Unscientific Theoretical Economics”

Steven Payson (AIRLEAP)

“Lady Justice Versus Cult of Statistical Significance”
Stephen Ziliak (Roosevelt University) and Deirdre McCloskey (University of Illinois at Chicago)

Discussants (respectively): Alan Freeman, Johnson Kakeu, Brian Sloboda

Plans for a Booth at the ASSA/AEA Meetings in San Francisco, January 3-5, 2016

On January 3-5, 2016, AIRLEAP will be hosting an exhibitor's booth where it will be distributing information and talking to people about its mission and programs. Please contact us if you would like to volunteer at the booth, and be sure to visit the booth while you are at the conference. Of course, we will also be selling our mugs and t-shirts there.



Organizations that share our goals are welcome to partner with us by providing us with materials that can be distributed at our booth, where these materials might help us promote integrity and responsible leadership in economics.

So What Happened to Us Between 2009 and Now?

Some readers may have noticed that our previous newsletter came out in April 2009 – what a long gap in the issuance of even an “occasional newsletter!” Well, actually AIRLEAP has indeed been active since then, but just not in producing newsletters. We have been focusing on our presentations and training programs, instead. These programs have included, for example, well attended sessions at the annual meetings of the American Economic Association in Chicago in 2012, and in Boston in 2015. We have offered training seminars at the World Bank in 2009 and at the annual meetings of the Society of Government Economists in Washington in 2012, and we have done much more. These programs are described in detail in our page on [“Presentations and Training Program,”](#) but we do plan to issue the newsletter much more often now – certainly more frequently than once every six years!

ESSAYS

Essays on Ethical Economics

AIRLEAP invites essays (and book reviews) from its members for possible publication in *Ethical Economics Support*, subject to review and approval by AIRLEAP's Newsletter Committee. Such essays may include editorial comments or rebuttals to previously submitted essays. Authors may choose to remain anonymous in the publication, but they are asked to let the Newsletter Committee know who they are to verify their membership. The Committee will honor the anonymity of authors who choose this option. Authors are offered considerable latitude in expressing critical or provocative ideas; however, essays must not critically accuse any particular individuals or organizations of wrong doing. The motivation of the essays is to exchange ideas and learn from each other — not to point fingers. For additional information about submitting essays see the instructions at the end of this section.

The essays presented here reflect only the opinions of the authors, not the opinions of AIRLEAP.

File Flippers

An Anonymous Recruiter

For most job market candidates, their interviews were their first contact with the “demand side”.



Going into the meetings, candidates may be wondering how they did not get an interview with Department X or how they managed to get one with Department Y. During the interview, candidates may well have the feeling that the recruiting committee really didn't know much about you when you walked in the door. Coming back from the meetings, there is probably some degree of “what the hell happened?” What follows are some thoughts on how the process of coming up with an interview schedule frequently occurs for the majority of candidates in the Economics job market.

At the start, this comes from 15 different searches over 25 years in a decent department. Very few candidates in the market will be fortunate, or unfortunate, enough



Courtesy of author “bpsusf” and Wikimedia Commons, at http://commons.wikimedia.org/wiki/File:Job_interview_0001.jpg

to find a job at a Ph.D. granting institution. The real heart of the market is the 2nd tier public schools and reasonably good privates. The smaller schools aren't really at the meetings and the process of getting a job there is best left to another time. As a result, much of what occurs in the job market is decent schools trying to match up with similar candidates. Overall, the market works. A correlation between the ranking of candidates and the rank of department matches up pretty well. Often flyouts hinge on that one or more “good” interview. Interviews matter a lot. Perhaps they matter too much. The start of the process is the evaluation of applications. How this frequently occurs might help candidates better understand how they ended up in a hotel room in Philadelphia talking to people that do not seem to know much about them..

First, there is a bad combination occurring. The departments got inundated with 150 to 250 applicants. In any sense, that's a lot for anyone to deal with. The other problem is that doing a credible job on the *first* pass through the applications can take several days of steady work. For most departments, no one is doing that. It's just too much work. Aside from personal laziness, the cost/benefit is unfortunate. In an average department of 10, at the end of the process everyone has 1 vote. The result is that usually no one has enough skin in the game to justify working hard at this. If a serious evaluation of applications is not in the cards, then what happens?

The usual game is file flipping. Normally, there is a two or three person committee charged with sifting through the applications and coming up with a list of candidates to interview. A usual amount of time allotted for this activity is maybe part-time for a couple of days. The committee members then spend a few

minutes per file looking for something that catches their eye. What follows is a list of suspects.

Race or Gender – The Dean is on our back about this.

Country of Origin – Yes, there is still bias out there. The issue is usually cultural familiarity.

Institution – Do not want anyone too high or too low. Too high may be a waste of time. Too low might draw some flak from others in the department, the Dean, or the Provost. Second, institutions have reputations other than rank. That may work for, or against, you in the screening process.

Area – This is complicated. The department may be looking for a specific area. If not, then committee members have likes and dislikes just like anyone else.

Dissertation Advisor – So and so is famous so Candidate X may be alright.

Dissertation Title – Oh, that looks interesting.

Research Help – This candidate is in my area or has some skills that might be useful in my research.

Personal Connections – There are a fair number of “courtesy” interviews. Candidates got interviewed because someone on the committee has a connection with your department or advisor. The candidate is not really in the running, it was just a favor.

If this sounds kind of random, you are right. However, it just got the folders down to about 30. If there is no objection from the Department, the committee now has an “interview schedule” of 30 minute interviews over 2 days with some breaks.built in.

Going into the meetings, the interviewers really do not know much about the candidates as they haven't looked at the folders since November. All of the candidates look more or less alright. Thus the interviews become crucial. Since the committee hasn't done much work on the front end the interview has an oversized weight in selecting candidates for flyouts. There is matching going on here, but it's haphazard.

Now match this with your interview experience. Your interview schedule has some weirdness built in. You missed some interviews you should have gotten and got put into interviews where you were a goner from the start. In a bad interview, you get the uncomfortable feeling that this just isn't working. Do not beat yourself up. The committee made a mistake because they didn't look hard enough at your folder. Other interviews went

alright but you're not sure if you made a good impression. Take heart, you may still be in the running. The committee perhaps didn't find good candidates because they didn't look hard enough before. They will have to bring in somebody. If the interview went really well, the committee may have gotten lucky with very little effort.

In the end, most departments and a lot of candidates lost. Most of the time, the departments hired less than they could have. The flip side of that is that many candidates end up with a lesser job than they could have obtained. The matching worked on average. It just could have worked a lot better. Of course, this presumes that the committee, or the department, does not consider too heavily the welfare of the students or the institution. If not, then someone needs to come up with a more incentive compatible system.

Best of luck to all.

Double Blindness about Double Blindness

Anonymous

In July 2011 the Executive Committee of the American Economic Association changed its policy for selecting papers for publication in the AEA's journals, from a "double blind" review process to a "single blind" process. That is, before this change, paper authors would not know who their reviewers are, and the reviewers would not know who the paper authors were (hence a "double-blind" process). After the change, paper authors would continue to be unaware of who the reviewers are, but the reviewers would be *explicitly told* who the paper authors were. The Executive Committee's expressed (and published) rationale for this change is "The Executive Committee maintained that easy access to search engines increasingly limited the effectiveness of



the double-blind process in maintaining anonymity.”¹ Now what does this mean? It can only mean one thing, which is incredibly obvious, even though it is stated in vaguer terms in the above quotation: The Executive Committee has reasoned that, even though it might be against their policy for reviewers to know who the paper authors are, those reviewers are still physically capable of defying and undermining that policy by spending their own extra time to utilize search engines in order to find out who the authors are. Therefore, according to the Executive Committee's reasoning, since there is no physical barrier to prevent reviewers from undermining the double-blind policy if they chose to do so, the only recourse is for the Executive Committee to remove that policy of author anonymity, regardless of the originally intended benefits that such anonymity would have had if such a barrier to acquiring this information were in place.

I find there to be a most astounding logical flaw in this policy change that has been making my head explode. Since the Executive Committee appears to be entirely oblivious to this logical flaw, and so, apparently are all groups of paper authors, in the sense that no concerns have been raised about it from their perspective, I have titled this essay "Double Blindness about Double Blindness."

As an aside, though it will hopefully contribute to the context of this discussion, we might simply note what is very commonly known in the economics profession, and what is especially the case for those in the academic sector of the profession: Having one's paper selected in one of the "top journals" of the AEA, like *American Economic Review*, can be an extremely important contribution to the advancement of an economist's career. Indeed, in many cases, depending on the circumstances, it might generally "make or break" someone's career, such as at critical times when assistant professors are "up for tenure." It is also commonly known, and actually measured quite extensively and published by the Executive Committee itself, that the selection of papers to these journals is extremely competitive. In 2011-2013, for example, 1,645; 1,648; and 1,714; papers were submitted (respectively by year), and 122, 130, and 121, papers were accepted,² amounting to acceptance rates of 7.4, 7.9, and 7.1 percent, respectively. In other words, if you

¹ "Report of the Editor December 1, 2013 (to be finalized in May 2014)," *American Economic Review*. Distributed at the American Economic Association meetings in Philadelphia by the AEA Executive Committee in the "Agenda for the Annual Business Meeting," January 4, 2014.

² *Ibid.*

submit a paper, your chance of the paper being *rejected* is about 92-93 percent. This, of course, makes the publication a highly valued “prize” in support of many economists’ careers, analogous to winning the lottery.

It follows from this, though it appears to be less obvious within the profession, that reviewers who determine “which papers shall live, and which papers shall die,” have enormous power and control over people’s careers. More generally, they wield great power over research directions in the field of economics itself. If, for example, a paper on a relatively unique topic, or on a unique approach to a topic, is published, it might effect change in the way economics is studied in that particular subject area. Moreover, one might make the assumption (however heroic it might be) that published economic research has a beneficial influence over the economy and over people’s well-being. I realize this may seem farfetched to many veteran economics professors, though I believe it to be the supposed rationale for why such research exists in economics in the first place, and, it is certainly the official rationale for why research grants are issued to promote that research out of federal funds, contributors to university endowments, etc. It then follows that reviewers have the ultimate power to eventually improve economic well-being through their work in selecting those papers for publication that best meet the highest standards of scientific merit.

What also might seem less obvious to many economists is the level of pride and pomp that ensues among the Executive Committee members (including the journal editors) when the topic of publications in their journals is raised. I noticed this while attending the Annual Business Meeting of the AEA’s Executive Committee, which took place in the early evening on January 4, 2014 at the AEA meetings. The meeting convened after a short break following the Presidential Address at the conference, in the same room—a room with the capacity to seat thousands, and it indeed seated thousands during the Presidential Address. However, at the business meeting the enormous room was almost completely empty, with only about 20 people in attendance; I was surely one of the only individuals in attendance who was not affiliated with the Executive Committee as a member, former member, or volunteer. Given the number of receptions at the conference, taking place at the same time, many of which were open and free to all conference attendees, it was understandable that the opportunity costs were too high for nearly all of the conference attendees to observe the AEA’s business meeting, even though it was explicitly billed as being open to everyone in the conference. (The doors being locked to the room from the main hallway,

and being open only in a more remote side hallway, might have also contributed to the low attendance.)

During the meeting, AEA President Goldin asked the audience to give a round of applause, and a “standing ovation” (in her precise words) for the editors of the AEA journals. Actually, she asked this twice—once for each of two editors—and so it was done twice. With much laughter and cheer, and the loudest clapping that one could imagine from an audience of only 20 people, the two standing ovations resounded in the huge room. Not a single observation was offered at the meeting about anything the editors had done in particular to warrant the request by the President for these standing ovations—all that was said to explain them was the simple assertion by the President that the editors had done an “excellent job.”

The laughter and cheer in the room during these standing ovations conveyed a milieu that was rather different from the one that had existed in room only moments before, when it was filled with thousands of economists, the vast majority of whom were, of course, much less prominent than the existing members and former members of the Executive Committee. Needless to say, this difference in milieus is quite understandable given the dramatic difference in the audiences. Nevertheless, as a simple thought experiment, one might consider what would have happened if the same scene, with the loud and cheerful standing ovations by this very small group of insiders, were orchestrated in front of the same audience of thousands of economists who came to hear the President’s address. Given the well-known 92-93 percent rejection rate which the journals have, and which surely applied to the larger audience of conference attendees, I doubt that the larger audience would be as quick to jump cheerfully into a standing ovation for the journal editors, after the same simple request to do so by the President. Realistically, we would know that such a tribute might be perceived as being somewhat insensitive to vast majority of individuals who know that their work would never be accepted by those journals, even if all those individuals believe that their own work was simply not good enough to be published by these journals. Thus, we might envision a similar scene if the President wanted to praise the editors in front of the larger audience, but a scene in which she would probably add a respectful and appreciative comment, of the nature: “We are very grateful for the editors who I feel did excellent work in their selection of papers for publication. I know that it is very difficult work, because so many of the papers are of very high quality, but we can only select a small fraction of them for the journals.”

Let us now get back to the main topic of this essay—the logical flaw that is exploding in my head—and allow me to propose another simple thought experiment. Suppose we were to go back to an earlier time, back before the days of search engines that could easily identify anonymous authors; and back when AEA-journal referees were adhering to the rules of a double-blind review process, rooted in a supposed commitment to the objective measurement of scientific merit and to a system of review that was designed to be as fair as possible. Suppose further that, in these hypothetical days of yore, a referee were given a paper to review and were personally curious about who the author is, but had no way of finding out. Suppose that another individual, who was not the author or the referee, happened to know who the author of the paper was and who that referee was. This might be possible through any number of scenarios one could imagine, such as that individual simply being a friend of both the referee and the author, and simply knowing this through personal conversations with each. Finally, for this thought experiment, suppose the individual who had this inside information—let us call her the “informant”—approached the referee and told her, “I know for certain who the author is of the paper you are reviewing. Would you like me to tell you who it is?”

By all widely recognized and all widely accepted standards of professional ethics, any reasonable person would expect the referee under these circumstances to reject the informant’s offer. We would expect her to say, “I do want to be given this information—please keep it to yourself—because I have agreed to referee the paper on the basis of a double-blind process. Moreover, even if I received the information, simply because I am curious about the author, and I truly believe I could still objectively referee the paper, I would still have to decline your offer of information. This is because, if anyone learned that I did receive such information, it would be perceived as irresponsible on my part, and the journal might be vulnerable to the accusation that we did not abide by our stated principles of a double-blind review process.”

In short, it would be “unethical”—plain and simple—for the referee to receive that information from the informant, if she had the ability to avoid receiving it (such as simply telling the informant “no thank you”).

There are, of course, many principles that referees are required to follow, even if they can easily “get away with it” if they do not. They are required, of course, to recuse themselves if there is a significant conflict of interest in their review of a paper. Likewise, they are not supposed to exercise any personal or political

prejudice toward specific topic areas of a paper, which would be peripheral to their assessment of the paper’s scientific merit, etc. In short, they are already asked, and are already ethically bound, to adhere to a wide range of principles in their peer review of a paper, *regardless of the fact that they can get away with violating those principles* if they chose to do so. It is assumed that they will not violate those principles, because it is assumed that they already possess professional integrity—end of story.

Of course, if the Executive Committee or any other individuals or groups wanted to dispute this argument by claiming that this assumption about other principles is false—that in fact, referees are free to discriminate or to play favorites, etc.—then that might indeed counter this entire essay, and have the great benefit of allowing us all to know more valuable information than this essay could possibly provide. Nevertheless, for the sake of argument at least, let us make the assumption (however heroic some might think it to be) that referees do indeed recognize an obligation to exercise sound, objective judgment in their selection decisions. That is, let us assume that they do not make selections on the basis of cronyism or other unethical factors, regardless of the fact that they may be “able to get away with it.”

Now let us revisit the “logic” of the Executive Committee’s decision to eliminate the double-blind review, and even announce to referees who the authors of papers are. The expressed rationale was, essentially: *Gee-whiz, why keep the author’s name a secret when referees can just go into a search engine and find out anyway?* By this same logic, according to the Executive Committee, there would be nothing wrong with the referee in the thought experiment that I just proposed to say to the informant “Sure, I’m curious about who the author is – please tell me.” In this case the information was even easier for the referee to acquire, without needing to spend any time messing around with a search engine.

If there were an ethical, fairness principle associated with the double-blind review, and surely there was since otherwise it would have never existed to begin with, then there is no reason that referees cannot be asked, and required, to abide by it, *regardless of the fact that they can get away with not abiding by it*. As mentioned, there are already other principles that they must still abide by, even though they can get away with violating them, so why should this one be different? Why not simply maintain the double-blind process, since there is an ethical reason to maintain it, and simply tell reviewers, “No, you *cannot* use search engines or make any effort whatsoever (using any other

resources) to learn who the anonymous authors are.” How is this any different from “No, you cannot approve papers for publications on the basis of the authors being your friends, while rejecting papers by people who you personally do not like or who are not your friends.”? How simple is it to understand that the guidelines for the ethical behavior on the part of referees are not based on *what people can get away with and what they cannot*, but simply on *doing the right thing*?

The members of AEA’s Executive Committee are quite proud of their own individual achievements in areas of economic theory, and I am not saying that they should not be. But, while they are in the business of establishing rules that essentially make or break the careers of thousands of economists (or tens of thousands or more depending on how they are counted), and which steer economic discourse itself into various directions, perhaps their pride has distracted them from doing their absolutely-essential, basic *homework*. That homework, though arguably outside their areas of expertise in mathematical discourse, is in the areas of simple logic applied to the promotion of the most standard principles of ethics and professional integrity.

Let us step back for a minute, pause, and realize how incredibly simple, if not ridiculously simple, all of this discussion is. Why does it even have to take place as a result of an absence of clear thinking about ethical principles in the minds of leaders who the public regards, in general, as brilliant, logical analysts? Is it because there is really an absence of cognitive capabilities on this topic among the leaders of the academic, economics profession? I doubt that, and I am sure you doubt it as well—it’s not at all about mental capabilities, but about basic *responsibility*.



Why is it not possible for journal editors, or paper proposers, to see any of this (or see it at least enough to openly discuss it)? Perhaps there is simply an exception to the politically-incorrect adage, “In the land of the blind, the man with one eye is king.” That exception being: “... but if the land of the blind, in this case, is the

academic, economics profession, then the man with one eye gets his eye plucked out.” In that way, we have achieved fairness by making sure that everyone is blind.

Instructions for Submitting Essays and Book Reviews

Instructions for submitting essays are subject to revision, so please make sure that this is the latest issue of the newsletter before executing these instructions. Proposed essays may range from 200 to 4,000 words, and must relate in some significant way to an AIRLEAP-related topic. These essays should be sent as attached Microsoft Word files to AIRLEAP_News@airleap.org, and write in the subject line, “Essay for EES.” Authors must state explicitly in the email message whether they wish to be anonymous in the essay’s publication. AIRLEAP will only publish essays where membership is verified, regardless of anonymity. As mentioned above, essays will not be accepted if they critically accuse, either directly or indirectly, any particular individuals or organizations of wrong doing.

Of course, all essays submitted must be the original work of the author, and any ideas or text that is not original must be properly cited. In addition, essays that present statistics must provide the full references to these statistics in the essay, and provide the Newsletter Committee with an easy means for verifying the statistics presented (such as providing links or attachments to those sources in the email message that provided the essay). AIRLEAP claims no property right to essays in *Ethical Economics Support* — authors are free to recycle their essays to other publications.

A Listing of Ethical Codes and Conflict of Interest Policies

George DeMartino³

Professor George DeMartino has compiled partial lists of ethical codes and conflict of interest policies which were adopted by economic organizations throughout the world. These lists are provided below, as well on Professor DeMartino's website. AIRLEAP believes that we can learn a great deal from these references. We ask our readers to tell us about any other ethics codes in economics that they know of, but which we have not listed, so that we may add them to the list.

Ethical Codes

○ [Bruegel-- Brussels, Belgium](#)

- A Brussels-based think tank, Bruegel's "[Statement on Research Integrity](#)" includes policies which address partisanship, capture by special interests and governments, and conflicts of interest. In December 2012, Bruegel [announced](#) that researchers must make all secondary incomes, secondary affiliations or memberships publicly available on Bruegel's website.

○ [French Association of Economics \(AFSE\)](#)

AFSE adopted recommendations for good practice and scientific ethics for economics teachers and researchers who receive public funding. The recommendations, which include rules for field experiments, publications, and teaching, can be found [here](#).

○ [German Association for Social Policy \(Verein Für Socialpolitik\)-- Frankfurt, Germany](#)

VfS, a German economic association, adopted an [ethics code](#) in September 2012. The rules in the code aim to provide guidance to economists on the ethical trappings of conflict of interest, policy advising, and providing expert economic opinions.

○ [National Association of Forensic Economics \(NAFE\)-- Mount Union, Pennsylvania, USA](#)

Since 2004, NAFE has had an eight-point "[Statement of Ethical Principles and Principals of Professional Practice.](#)"

○ [The Swedish Association of Graduates in Business Administration and Economics \(Civilekonomerna\)-- Stockholm, Sweden](#)

This Swedish economic association has a list of "[Professional Ethics Guidelines](#)" on its website which outline ethical behavior in professional roles, the workplace, and in relations with the "outside world."

○ [Toulouse School of Economics-- Toulouse, France](#)

The Toulouse School implemented a "[Statement on Scientific Integrity](#)" on January 1, 2012. This statement includes rules and principles relating to non-partisanship, research integrity, relationships with the media, and outside consulting work. Additionally, the Toulouse School of Economics requires itself to [publish a list](#) of donors who give more than 5,000 and 100,000 euros to TSE each year.

³ Source: <http://portfolio.du.edu/gdemarti/page/44757>, accessed May 28, 2015.

Conflict of Interest Policies

- **American Economics Association (AEA)-- Nashville, Tennessee, USA**

The AEA, one of the most influential economic associations in the United States, adopted a disclosure policy in January 2012. Although it deals exclusively with conflicts of interest and not broader ethical challenges faced by economists, this seven-point policy, which went into effect in July 2012, is one of the first such policies implemented by a major economic association in the United States.

- **Agricultural and Applied Economics Association (AAEA)**

The AAEA has a conflict of interest policy in place for officers and board members in the organization which includes disclosure, recusal, and resignation rules, depending on the severity of the conflict. Additionally, the AAEA has adopted the AEA's seven-point disclosure policy for its two publications, *The American Journal of Agricultural Economics* and *Applied Economic Perspectives and Policy*.

- **Canadian Journal of Economics**

The Canadian Economics Association has a conflict of interest policy for its journal. The policy offers guidelines for editors, authors, and referees on how to handle potential conflicts of interest in journal submissions.

- **The French Economic Observatory (Observatoire français des conjonctures économiques)-- Paris, France**

The OFCE, a French thinktank, adopted a charter in 2012 requiring employees to disclose their connections to private sector entities.

- **Paris School of Economics-- Paris, France**

Citing a loss of credibility in the economics profession after the 2008 crisis, PSE has adopted a set of "Transparency Principles" aimed at preventing a loss of scientific integrity in economics. These principles require members' disclosure of positions of responsibility, associations, and income sources over 5000 euros which may pose a conflict of interest in their research. PSE reserves the right to remind members of their obligations and take "appropriate measures" in cases of noncompliance.

- **Forum for Social Economics**

The *Forum For Social Economics*, a journal published by the Association for Social Economics, follows the AEA policy for transparency of funding and data transparency, and has its own policy on conflict of interest. This policy, however, pertains more to conflicts of co-editors than authors. The policy can be found here.

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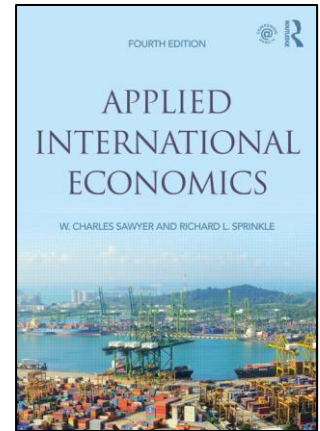
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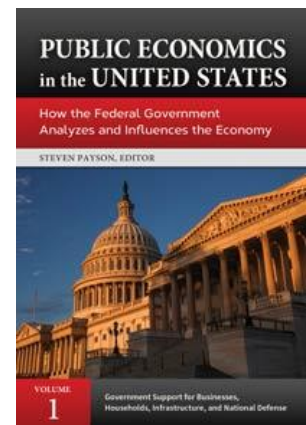
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