

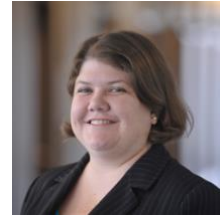
Chair's Message

It has continued to be a controversial and turbulent time for women in economics. High profile newspaper articles, graduate student summits on diversity, climate surveys, and more, have all brought the issues that women face in the economics profession to the forefront of discussions regarding economics.

During this tumultuous time, CWEC/CFÉC has been setting itself up as a standing committee

Page 2: Interview with Isabelle Amano
Page 4: CWEC/CFÉC activities in 2018
Page 7: Publishing while Female
Page 9: Gender bias in student evaluations
Page 10: Research Highlights
Page 12: Upcoming CWEC/CFÉC events in Banff

of the Canadian Economic Association and getting organized while we move from CWEN/RFÉ, a stand-alone organization, to being part of the CEA. We are now up and running and hoping to serve the economics profession of Canada so that we can help make the transition to a profession that is welcoming and supportive of everyone. We welcome any and all



feedback and thoughts on the best way forward.

We are currently working on a number of things that I wanted to bring to your attention. First, our new website is up and running (<https://cwec-cfec.ca/>) and will be updated regularly to provide CEA members with information on our activities.

Second, we are planning several exciting events for the CEA meetings in Banff. Most importantly, we will be having Betsey Stevenson from the University of Michigan give the lecture at our CWEC/CFÉC Lunch on Friday afternoon. We will also be giving out two awards during that lunch. We will be giving out both the [CWEC/CFÉC Young Researcher Award](#) and the newly created [CWEC/CFÉC Service Award](#). Watch your inbox regarding information on how to nominate your colleagues (or yourself!) for these awards. At the CEA meetings we will also be hosting three professional development panels along with a mentoring breakfast. Our panels will be on the following topics: 1. Managing your data: dealing with data archives and complying with data policies 2. The ins and outs of successful grant applications and other ways to fund your research 3. Mid-career mentorship: I've got tenure, now what? Please visit our webpage for up to date information on all our activities.

Finally, we want to hear from you! Please email us CWEC.CFEC@gmail.com! We want to hear about your successes along with what you need help with. We are here to help make our profession a better place so please let us know what you need!

Elizabeth Dhuey



Mentoring Event at the CEA Meetings in Banff

If you're planning on attending the CEA meetings in Banff, we think our mentoring breakfast would provide a great opportunity to junior economists to get advice on their career advancement. We welcome participation of senior PhD students and assistant professors.

The breakfast is modelled as an informal meet and greet event where senior women economists will be on hand to provide mentoring and networking opportunities. Junior economists will be able to speak with the senior economists on a variety of topics, such as publishing, teaching, grant writing, non-academic career choices, networking, job search, career paths, and the tenure process.

We are hoping to recruit assistant professors who may be willing to serve both as mentees – speaking with senior associate or full professors – and as mentors – speaking with PhD students. This will allow us to tier the partners more closely in rank.

Please watch out for a link on the [CEA conference webpage](#) to register for this event at a later date. Moreover, we update information on the event at our [CWEC-CFEC webpage](#).



Interview with Isabelle Amano

by M. Connolly

Over her 25-year career, Isabelle Amano has held a number of positions in the public sector, focused in areas of economic and policy analysis from both domestic and international perspectives. Isabelle is currently the Director General of the Analytical Studies Branch at Statistics Canada, where she leads a program of research across economic, social, and health domains. Previously, she was Director of the Economic Analysis and Forecasting Division at the Department of Finance where she coordinated the economic forecast for the Government of Canada as well as analysis on broad macroeconomic and key policy issues. This built

on over 10 years of previous experience within the Department of Finance in the areas of provincial and international fiscal policy, U.S macroeconomic analysis and forecasting, as well as international co-ordination and policy development. She began her career at the Bank of Canada.

Isabelle holds a Bachelor of Arts Degree (Honours Economics) from the University of Windsor and a Master of Arts Degree (Economics) from Queen's University, specializing in monetary theory and macroeconomics.

Could you tell us a bit about how you found your way into Economics?

I knew in high school that I wanted to be an economist. I remember that my high school did not offer economics so I took an introductory economics course by correspondence (no online courses back then!). Economics blended many disciplines that I enjoyed – business, mathematics, psychology, political science, sociology, and computer science. I was the only woman left by the end of my Honours BA program and one of a small handful of women in my Masters program.

Over the past twenty-five years in government, I have seen the important role that economics plays in public policy. It's that multi-disciplinary perspective that I was first drawn to that makes economics such a powerful and unparalleled way of understanding how governments, businesses, and people interact and respond to policy in today's complex world.

How did your career lead you to your current position as Director General of the Analytical Studies Branch at Statistics Canada?

Over the past twenty-five years of my career, I have been so fortunate to have held a number of interesting positions in the public sector focused in areas of economic and fiscal policy analysis from both domestic and international perspectives.

I am currently the Director General of the Analytical Studies Branch at Statistics Canada, where I work with a fantastic team of researchers who undertake policy-relevant research, data development and modelling across economic, social, and health domains. The branch has strong connections with universities through our Canadian Centre for Data Development and Economic Research, and through the many collaborations and partnerships we have with academic researchers across the country.

Previously, I was the Director of the Economic Analysis and Forecasting Division in the Economic and Fiscal Policy Branch of the Department of Finance where I was responsible for coordinating the economic forecast for the Government of Canada as well as analysis on broad macroeconomic and key policy issues. This built on over 10 years of previous experience within the Department of Finance in the areas of provincial and international fiscal policy, U.S macroeconomic analysis and forecasting, as well as international co-ordination and policy development for the G-7, G-20 and APEC Finance Ministers' processes.

I began my career at the Bank of Canada in 1992, working in the Monetary and Financial Analysis Department before moving to the Bank's International Department.

What is some of the most exciting research you see now in the field?

Eric Schmidt, former CEO of Google said back in 2010, there were “five exabytes of information created between the dawn of civilization through 2003, but that much information is now created every two days, and the pace is increasing”. Without question, with the advent of “Big Data,” as well as new technologies a lot of exciting things are happening in economics.

We have seen in a relatively short period of time the development of new tools and methods for large scale data extraction and manipulation as well as the explosion of new ways to analyze data: Cloud computing, parallel computing, text mining, machine learning tools, etc. Many believe that “Big Data” will transform business, government, and other aspects of the economy. Indeed, large-scale administrative data sets and proprietary private sector data can greatly improve the way we measure, track, and describe economic activity. Big Data can also enable novel research designs that allow researchers to trace the consequences of different events or policies. Big Data predictive modeling tools that have emerged in statistics and computer science may also prove useful in forecasting economic phenomena.

I would also add that the focus on gender-based research across many disciplines is also placing a whole new perspective on economics, influencing how we think about future research but also encouraging us to rethink previous problems and conclusions.

What are some of the biggest challenges you face in doing your work?

One of the biggest challenges I have faced in my work has been to find work-life balance. Given these exciting opportunities in economics, it is easy to see how there could be little time left for anything else. It’s really important to carve out time to think strategically, build your human capital and strengthen professional networks. And of course, it’s important to make time for family, friends and yourself.

Have you faced situations as an economist in general and working in your field that seemed to be specific to your gender?

Early in my career, I benefited greatly from several thoughtful and generous mentors – both men and women – who took a specific interest in my professional and personal development. We talk a lot today about the importance of having good mentors throughout one’s career and there are fantastic programs now – both formal and informal - to forge these important relationships. I can say without a doubt that my mentors helped me build my confidence and self-awareness, and guide my career choices. While good mentors can be helpful to everyone, I think it’s important for young career women, especially in fields where they are underrepresented, to seek women who have come before them to share their perspectives and lessons learned.

Would you mind sharing any advice you have for women economists in Canada?

Given the importance of economics today, there are so many opportunities for women economists in businesses, governments, NGOs, and academia in Canada and around the globe. Find a niche that excites and motivates you. Be confident and share what you know and what you think. Remember...economics is such an important foundation of policy and this means there is tremendous opportunity for women economists to influence the future.

Thank you for the interview!



Chinese Women Economists Network (CHWEN) Workshop:

May 20, 2018

by J. Compton

In the spring of 2018, I was honoured to attend the Chinese Women Economists' Network (CHWEN) workshop at Fudan University in Shanghai as the representative from CWEN/RFÉ and CWEC/CFÉC. It was a wonderful opportunity to meet women economists working in China and other areas of Asia.



Dana and I at the Great Wall of China.

Prior to the workshop, I travelled to Beijing, meeting up with my co-author (Dana Bazarkulova) who joined me from Kazakhstan. We spent a few days as tourists, spending hours walking through the Forbidden City, the Summer Palace, and Tiananmen Square. We walked along the Great Wall of China, and traversed the back alleys of an old market place on bike carriages. We were indebted to Prof. Xiaoyun Liu (China Agricultural University) and her students, who organized our accommodations and transportation in the city. They treated us to a wonderful dinner where we learned a great deal about Prof. Liu's research and survey development in rural China. I am so grateful to have been able to add on the days in Beijing.

On the first evening in Shanghai, we were again treated to a delicious dinner with all the conference speakers. Hosted by Jin Feng and Shiyi Chen of Fudan University, we enjoyed the culinary specialties of southern China and a lively conversation with speakers from China, Japan and the U.S. A boat tour of Shanghai followed, and even in the rain it was a perfect way to end the evening. The next day – down to business! I learned a great deal at the workshop, both from listening to the other presenters and their research about women in China, and from the very insightful comments I received on my own work. Another conference dinner followed (so much food in five days!)

On our last day in Shanghai, we were very lucky to have Xiaoyuan Dong of the University of Winnipeg (also a founding member of CHWEN) join us for a subway trip (quite an experience) to a downtown market, where we haggled for souvenirs and visited a temple.



At the conference dinner. Dana Bazarkulova (Nazarbayev University, Kazakhstan), Xiao-yuan Dong (University of Winnipeg), Nagase Nobuko (Ochanomizu University, Tokyo).

Many thanks to CHWEN for organizing the workshop!

CWEC/CFÉC's Activities at the 2018 CEA Meeting



CWEC/CFÉC held our third annual Mentoring Breakfast in Montreal. This is a wonderful opportunity for senior PhD students and Assistant Professors to discuss the profession with senior women economists. Following a delicious buffet breakfast and introductions, Frances Woolley provided opening remarks. Frances highlighted the benefits of having colleagues - whether in your department or not - who you can trust to provide honest feedback and encouragement - especially when reading referee reports! Our 12 mentors then paired off with mentees for individual discussions. Feedback from the mentees has been positive - they are very grateful for the opportunity to discuss

issues with women who have lived through the job search, the tenure process, administrative and student demands vying for time, and research pressures. We would like to encourage more junior women to take advantage of this opportunity [in Banff!](#)

CWEC/CFÉC Luncheon

Our Luncheon was well attended with Annamaria Lusardi as our speaker. She gave a talk titled "Gender Differences in Financial Literacy: Evidence and Implications."



[Annamaria Lusardi](#)'s research focuses on financial literacy and financial education, a field where she has done pioneering work. She designed measurement of financial literacy which has been used in national surveys around the world and both her theoretical and empirical work has demonstrated the cost and consequences of financial illiteracy.



Good Bye, CWEN/RFÉ!

The Canadian Women Economists Committee/Comité des Femmes Économistes Canadiennes was created in 2017 as a standing committee of the Canadian Economic Association charged with supporting and promoting the advancement of women in the Canadian economics profession.

It follows directly from the Canadian Women Economist Network (CWEN/RFÉ) which was founded in 1990 as an independent association of persons interested in promoting women economists and their ideas. The change from CWEN/RFÉ to CWEC/CFÉC recognizes that this responsibility of supporting and promoting women does not just fall on the female membership, but on the profession as a whole. Over the past three decades, CWEC/CFÉC and CWEN/RFÉ has been instrumental in promoting women's involvement with and within the wider Canadian economics community. We celebrated the completion of the transition to CWEC/CFÉC from CWEN/RFÉ with a get together in Montreal.





2018 CWEC/CFÉC Panel on Gender in the Economics Profession

Chair: Elizabeth Dhuey, University of Toronto

Panelists: Shulamit Kahn (Department of Markets, Public Policy, and Law, Questrom School of Business, Boston University), Christine Neill (Wilfrid Laurier University), Heather Sarsons (Department of Economics, Harvard University), Anja Prummer (Queen Mary University of London)



Shulamit Kahn (Boston University) noted, that after some improvement in the 1970s and 80s, the status of

women among academic tenure-stream economists has stagnated. In contrast to most other scientific fields (excluding computers), there continue to be large gender gaps in receiving tenure and in salaries and women are decreasing as a percent of new economics PhDs. Not surprisingly, women are less satisfied with their academic jobs than men. There is much more gender equality in job satisfaction among those PhD economists who work outside academia. Academic women economists do have fewer publications than men, but publications cannot explain most of the gender gap.

Anja Prummer (Queen Mary University of London) and her co-authors documented gender disparities in participation, research output and collaboration patterns in economics, over the period of 1970-2011. There was a significant increase in the share of women in economics, from 8% to 29%. Despite the higher number of female economists, the gender output gap is large and persistent: men produced over 50% more research than women throughout this period. Similar to the output gap, collaboration differences of men and women have also remained large and stable:

Women have fewer collaborators and a higher fraction of their co-authors are co-authors of each other. Moreover, women write fewer single-authored papers and collaborate with more senior co-authors.

While both men and women have a bias in favour of collaborating with their own gender, this cannot explain the observed collaboration patterns.

Christine Neill (Wilfrid Laurier University) presented highlights from the CWEC/CFÉC report of the Status of Women in Canada. See for the report [here](#). We can no longer say that if we just wait for women to work their way through the pipeline, that the underrepresentation of women will go away. Things look like they're close to a steady state with roughly 25-30% of faculty in economics being women; if anything it would appear we will see a decline in women's representation over the next few decades.

Heather Sarsons (Harvard University) presented her paper on female co-authorship. Sarsons documents correlations between co-authored papers and the probability of a person receiving tenure. Looking at tenure decisions and the share of co-authored papers women and men had when they went up for tenure, she finds that the rewards to coauthoring with an opposite-gender colleague are lower for women than for men.

A big thank you to the presenters!

Watch the [panel on gender](#) from the most recent ASSA meetings.

Publishing While Female

*K. Kartashova and G. K. Pasricha
Bank of Canada*

The gender gap in the economics profession has come [into the spotlight](#) in the past couple of years. Hengel (2018) is an important addition to this discussion, focusing on the investigation of gender gap in peer review and its potential implications for women's careers.

Using five readability measures traditionally applied by linguists and educators, the paper finds that female-authored articles published in top economics journals (QJE, Econometrica, AER, JPE) are better written in comparison to those of male authors. The readability gap between the genders cannot be explained by proxies for article quality and author productivity. Following similar choices in draft readability of inexperienced economists of both genders, the gap grows during the peer review process – expanding by about 40% over the pre-review stage – and over the careers of male and female economists.

Assuming preferences do not change over time, the growing readability gap in women's writing would be expected to be associated with higher acceptance rates. However, since acceptance rates do not appear to differ between genders, the author tests whether it could instead be caused by higher standards.

Estimates obtained from matched pairs of senior male and female researchers support this explanation and suggest that it could cause the latter group to write at least 9% more “clearly” than they would otherwise. Higher standards also affect productivity and behaviour. Female authors take six months longer to finish peer review process, which reduces their output. Women also try to adapt by writing better drafts in pre-review.

The paper tackles an interesting question and does it comprehensively. The results would not appear surprising to many female economists, both in policy and academic institutions, with experience in publishing. While suggesting the need for further research on the reasons for the gender differences in readability standards, these results also raise questions about how they can be incorporated in pay, promotion and tenure decisions to ensure a level playing field for women in economics.

On the reasons for the different standards, we note that there may be feedback loops through which longer publication times for women exacerbate higher readability standards for them. An author who is able to submit several papers at the same journal during the tenure of one editor would more likely face the same standards for their work in comparison to someone who submits infrequently and deals with a new editor each time.¹

On the implications of the author's findings, we think that the gender differences in readability and publication lags may be suggestive of a need for further adjustments in the performance evaluation and tenure criteria, to ensure a level playing field for all. Compared to the current balance in the profession's evaluation of one's research between quantity, quality and relevance/contribution measures, such as citations, do the latter matter enough?² If differences in readability both at the pre-review and the review stages³ translate into citation counts,⁴ then a higher weight on citations would likely improve women's outcomes in pay, promotion, tenure and/or appointment decisions.⁵ This

¹ We have raised this issue with the author. While it is not directly addressed in the following, there does appear to be a longer time interval between publications for women that reverses once seniority is controlled for (although standard errors are relatively large), but adding time-control interval to the main specification does not alter the results. One interesting fact shared by the author that could explain this seniority result is that a large number of women in her sample do become editors at highly ranked journals around the same time they published their third top publication.

² Hamermesh (2018) also poses this question in his review of “Citations in Economics”.

³ Which measures of citations are used is also important. The WoS measures, for example, only count citations of published articles, while GS citations extend to all stages of life of a paper.

⁴ While there is no direct evidence of the effect of readability on citations, Hamermesh (2018) points out that how papers are written does affect their citation counts. He points to the results in Olney (2017), who shows that after controlling for many individual differences, papers written by native English speakers are ranked in their citation counts higher, which indirectly may be associated with readability.

⁵ Of course, giving greater weight to citations will have an effect only if there are no implicit biases in citations, which have been found in several social science fields. If authors cite other authors of the same gender more frequently, then with lower

re-weighting could be especially important for female economists early on in their careers, as they appear to have to make the greatest adjustments in their expectations of editor requirements and would thus be rewarded for their efforts in the status quo scenario.

Depending on how feasible or welcome the adoption of higher citation weights may be, one way of directly addressing the burden of higher standards could be a movement towards an open review process, a point made by both Hengel (2018) and other proponents of [updating the current system of peer-review](#). As another approach, also suggested by John Cochrane in his [blog](#), the profession could encourage authors' submissions to go through a competitive process between journals to speed up the review and lessen its burden. This would likely provide the greatest benefit to female authors and improve their article counts.

On a broader note, a more equal playing field in peer review would benefit not only female economists, but also the entire profession by promoting more diverse and timely contributions to many important economic debates. Currently, the longer time women spend revising old research may be costing them these opportunities to contribute and diminishing the relevance of their research.

Hengel's findings raise a fundamental question: What is the true value of higher readability of economic research? Should we have economists with good writing skills mentor their junior male colleagues regarding the benefits of higher readability of their work, even if it is at the expense of the quantity of their work? Or should we encourage the women economists to spend less time on honing their writing skills?

Outside of comprehensive studies over the long horizon like Hengel (2018), what can be done to inform the profession about ongoing progress on the issue of equality in peer review standards? Shall there be greater access to statistics like time to publication for finished papers by gender and seniority level and findings of a gender gap in citations to encourage change? Efforts in this direction are already under way; Pells (2018) reports that the International Studies Review has started analyzing statistics on the percentage of women cited in its published articles, and asking authors for whom these statistics are too low to provide an explanation.

While women's work might not get due credit even when it's in plain view, we'd like to emphasize the importance of registering a Google Scholar and RePec profile to make sure that citations at every stage of their work do not go uncounted.

References:

- Cochrane, John. The Grumpy Economist. A Paper, and publishing.
<https://johnhcochrane.blogspot.com/2017/09/a-paper-and-publishing.html>
- Dion, M., Sumner, J., & Mitchell, S. (2018). Gendered Citation Patterns across Political Science and Social Science Methodology Fields. *Political Analysis*, 26(3), 312-327. doi:10.1017/pan.2018.12
- Fleisher, Chris and Diana Schoder. The gender gap in economics. September 2018.
<https://www.aeaweb.org/research/gender-gap-economics-profession-interview-with-amanda-bayer>
- Hamermesh, Daniel S. 2018. Citations In Economics: Measurement, Uses, and Impacts. *Journal of Economic Literature* 2018, 56(1), 115–156. <https://doi.org/10.1257/jel.20161326>
- Hengel, Erin. 2018. Publishing while female: Are women held to higher standards? Evidence from peer review.
- Olney, William W. 2017. English Proficiency and Labor Market Performance: Evidence from the Economics Profession. *Economic Inquiry*, 55 (1): 202–22.
- The peer-review system for academic papers is badly in need of repair. Editorial. *The Conversation*.
<https://theconversation.com/the-peer-review-system-for-academic-papers-is-badly-in-need-of-repair-72669>
- Pells, Rachael. 2018. Understanding the Extent of Gender Gap in Citations. *Times Higher Education*.
<https://www.insidehighered.com/news/2018/08/16/new-research-shows-extent-gender-gap-citations>

representation of women in economics higher weights would not offer a longer-term solution, without conscious efforts to reduce the gender gap in citations (Dion et al (2018)).

Economists find gender bias in teaching evaluations

E. Gugl

The Journal of Public Economics and the Journal of the European Economic Association recently published studies on gender bias in teaching evaluations. Both articles make use of quasi-experimental settings, one with a French data set and the other with a Dutch data set. Many empirical studies that are trying to answer the question whether there is gender bias in student ratings of teacher effectiveness do not use data sets that can actually answer this question, because in most data sets we cannot observe the quality of a teacher independently of students' evaluations. Moreover, students often choose their own courses (sometimes based on their preference for an instructor) in any given term and so students may sort themselves into courses with instructors who they believe are effective teachers. In the papers below this choice is eliminated. Students are randomly assigned to instructors and they take courses for which multiple sections are taught in the same term. Moreover, these studies have a measure of student achievement that is independent of the instructor as all students no matter who their instructor write the same final exam designed by a third party and graded in a double-blind process (Boring 2017) or graded by a third party (Mengel et. al 2018). Both studies conclude that there is gender bias.

Boring, Anne (2017). "Gender Biases in Student Evaluations of Teachers." *Journal of Public Economics*, 145, 27–41.

Mengel et al. (2018). "Gender Bias in Teaching Evaluations" *Journal of the European Economic Association*, jvx057, <https://doi-org.ezproxy.library.uvic.ca/10.1093/jeea/jvx057>

CONGRATULATIONS!

We would like to celebrate Women Economists' achievements. Please let us know if you received an award or if you know of somebody who did. Submissions should be sent to egugl@uvic.ca



Congratulations to Jing Yang, Deputy Managing Director at the Bank of Canada, who is named one of [2018's Women Worth Watching](#) by *Profiles in Diversity Journal*. Winners are nominated by colleagues, mentors and peers for their initiative, achievements and representation of diversity within their areas of expertise.

See Jing's profile at the Bank of Canada (<https://www.bankofcanada.ca/profile/jing-yang/>). Jing spoke with XYR Media about her experience pursuing a career in central banking and initiatives she's worked on to promote women's participation in the field. Watch the [interview](#).

Research Highlights

To highlight new research by women economists working in Canada or research by other scholars at Canadian institutions on gender-related topics, CWEC/CFÉC put out a call for submissions to Canadian Economics departments. Below are the submissions we received. CWEC/CFÉC is happy to give these researchers the opportunity to feature their current work.



Simona E. Cociuba and James C. MacGee

Department of Economics, University of Western Ontario

Demographics and Sectoral Reallocations: A Search Theory with Immobile Workers

We show that a decline in the young share of the population exacerbates sectoral reallocation costs. We develop a three sector, perpetual youth search model with sector-specific human capital and two interconnected frictions: *sectoral preferences*, which imply that only some workers are mobile across sectors, and a *wage bargaining distortion*, whereby mobile workers' outside option of searching in the growing sector dampens the fall in shrinking sector wages, leading to rest unemployment. In our parameterized model, output losses after a sectoral reallocation are significant. As population growth declines from 3 to -1 percent, output losses increase seven-fold, and there are extended periods of high unemployment and low vacancies.

Click here for the [paper](#).

Zeynep Ozkok

Department of Economics, St. Francis Xavier University

Girls' Education in Turkey: A Provincial Analysis of Private Funding Campaigns

With large disparities in enrollment and completion rates, girls' education is a topic of concern in Turkey. In combating gender inequality in education, private funding campaigns have played an immense role. This paper examines the impact of two major private funding campaigns on girls' enrollment rates using Turkish provincial level data for 2013 and 2014. Controlling for regional and socio-demographic characteristics our findings show that "Dad, Send Me to School" and "Snowdrops" campaigns have positively influenced girls' enrollment rates in primary and lower secondary education across Turkish provinces. The effect is less conclusive for upper secondary education.

Click here for the [paper](#).

Mahdiyeh Entezarkheir

Department of Economics, Huron at University of Western Ontario

Saeed Moshiri

Department of Economics, STM College, University of Saskatchewan

Innovation Spillover and Merger Decisions

Merger activities in innovative industries point to a relation between mergers and innovation. Firms' innovative ideas may spillover to other firms dis-incentivizing innovation activities, and merger may be a way to capture innovation spillover. The merger-innovation nexus has been well studied in the theoretical literature and recently in empirical papers, but empirical evidence on merger and innovation spillover is limited. In this paper, we investigate the impact of innovation spillovers on the likelihood of firms to merge, using a panel data set of mergers among publicly traded U.S. manufacturing firms from 1980 to 2003. In our empirical model, we also control for business cycles and proxies of neoclassical, behavioural and Q theories of mergers. Innovation is measured using R&D investments and citation-weighted patents, and innovation spillover is proxied using the technological proximity of firms. As a source of R&D spillover (outward spillover), a firm can internalize its spillover effects by acquiring targets that benefit from the spillover. As a receiver of an R&D spillover (inward spillover), a firm may want to merge to control the negative impact of others' innovation on its competitive edge. We find that innovative firms are on average more likely to merge. These findings are robust to using a measure of patent ownership fragmentation as our instrumental variable. Our results also show that within-industry inward R&D spillovers increase mergers, but between-industry inward R&D spillovers do not influence merger decisions significantly. Our main results are robust to alternative measures of spillovers and different estimation methods.

Click here for the [paper](#).

Diana Alessandrini

Department of Economics, St. Francis Xavier University

Progressive taxation and economic stability

Recent empirical evidence finds that progressive taxation is an effective economic stabilizer but theoretical results disagree. This paper shows that a lifecycle model with TFP shocks can match the empirical evidence. If the US economy switched from progressive to proportional taxation, output volatility would increase by 5-7%. This estimate is significantly larger than previous theoretical findings but is in line with empirical evidence. I show that progressive taxes act as stabilizer by reducing income volatility among the young and soon-to-be retirees. Thus, incorporating a rich lifecycle structure in the model is important to match the data. I then investigate which factors affect the stabilizing power of progressive taxation.

Click here for the [paper](#).

Gaëlle Simard-Duplain

Vancouver School of Economics, UBC

The effect of divorce on women's labour supply: A life-cycle perspective

In this paper, I develop and estimate a model of life-cycle labour supply that incorporates the role of divorce. To do so, I set a collective model of household decision-making in an intertemporal context. The reduced-form literature has produced contradictory results on the effect of divorce and divorce risk on women's labour decisions. My model provides a unifying framework within which to view these findings. It also contributes to the structural literature, which has mostly studied how divorce alters bargaining power in marriage, and ignored women's insurance response to the risk of dissolution. I find that divorce risk shifts the lifetime expected income of married women, thus changing their labour in all periods. However, this effect is mitigated over time, as women stay in and learn about their marriage. Among women who do experience divorce, the event exacerbates pre-existing differences across marriages.

Click here for the [paper](#).

CWEC/CFÉC Activities at 53rd Annual Conference of the CEA

Thursday May 30 — Sunday June 2, 2019, University of Calgary, Banff, Alberta

CWEC/CFÉC Luncheon



We are thrilled to announce that Betsey Stevenson is our [CWEC/CFÉC lunch speaker](#) at the CEA conference in Banff.

[Betsey Stevenson](#) is an associate professor of Public Policy at the Ford School, with a courtesy appointment in the Department of Economics. She is also a research associate with the National Bureau of Economic Research, a fellow of the Ifo Institute for Economic Research in Munich, and serves on the board of directors of the American Law and Economics Association. Stevenson is a labor economist whose research focuses on the impact of public policies on the labor market. Her research explores women's labor market experiences, the economic forces shaping the modern family, and the potential value of subjective well-being data for public policy.

CWEC/CFÉC Professional Development Sessions

CWEC/CFÉC is organizing three professional development sessions:

- (1) Managing your data: dealing with data archives and complying with data policies,
- (2) The ins and outs of successful grant applications and other ways to fund your research,
- (3) Mid-career mentorship: I've got tenure, now what?

CWEC/CFÉC Mentoring Breakfast 2019

For details go to our [CWEC-CFEC webpage](#)

Child Care during the CEA Conference

Childcare Connection will be providing childcare services, on-site at the Banff Centre.

Prices and booking information: TBA

The pricing and booking information has not been determined yet, however if you would like to be informed, as soon as the information is available, please send a note to Paula Emery cea.conference@gmail.com.

Check out information about the company at: <http://childcarebanff.com>

See <https://economics.ca/2019/en/children.php>

