



"A society promoting the application of economic principles to public policy for over 25 years"

Bulletin

It's Renewal Time!

It's time to renew your SGE membership! If you have not already done so, please fill out the form on the back page and send it in with your check as soon as possible. You may also renew at our Web site (www.sge-econ.org) and mail the check separately. Make sure you let us know if you want to receive the SGE bulletin in electronic form. Your quick response will help in a number of initiatives intended to make next year's activities as interesting and rewarding as possible.

SGE Labor and Human Resources Brown Bag

John M. Abowd of Cornell University will address the question, "What Happens When Household and Business Data Meet?"

Time: 12 noon to 1:30 PM
Date: Thursday, December 16, 1999
Place: Frances Perkins Building
200 Constitution Avenue, N.W.
Room S-1011
Metro: Judiciary Square

All are welcome. For more information contact Steve Broughman (202) 219-1744; Rick Fry (202) 659-8061; or Ken Swinnerton (202) 219-7611 x 117.

Social and Economic Implications of IT: Bibliographic Pilot

The "Social and Economic Implications of Information Technologies Bibliographic Data Base" is an NSF pilot project now available on the web. Researchers, analysts, and the public are invited to visit the pilot site http://srsweb.nsf.gov/it_site/index.htm and to send comments and additional citations (following the links on the site). Future development of the site will depend on public response and availability of funds. Currently, the pilot site contains over 4,000 citations to data sets, research papers, books, and web

(Continued on page 3)

Monthly Luncheon

Robert Atkinson, Director of Technology, Innovation and the New Economy Project at the Progressive Policy Institute will speak on the transformation of the U.S. economy.

Wednesday December 15

Luncheon begins at noon, followed by speaker at 12:30

Cost: \$10 for SGE and NEC members; \$13 non-members. This luncheon is co-sponsored with NEC.

Location: Educational Testing Service
1800 K St., NW
Ninth Floor (conference room)
Metro: Farragut West (18th St. exit)
Blue and Orange Lines

Reservations by noon Tuesday December 14 to harvey.bronstein@sba.gov or 202-205-6840. Leave name, phone or e-mail and number of attendees.

January's luncheon will be on Thursday January 20 with Governor Laurence Meyer of the Federal Reserve Bank, who will speak on the economic outlook.

October 1999 International Economics Seminar
"The World Distribution of Material Well-being."

Reported by James Tsao

Professor Robert Summers of the University of Pennsylvania, a 1998 American Economic Association Distinguished Fellow, gave a seminar on October 1, 1999. The SGE and the GWU Institute

(Continued on page 4)

Trade Seminar Review!

President's Corner

By Rakesh Kochhar

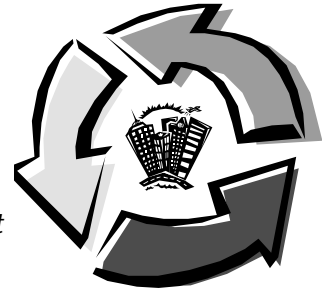
The monthly luncheon on November 17, featuring Harry Holzer, Chief Economist at the Department of Labor, was the first in the series to be jointly sponsored by SGE and the National Economists Club. The luncheon was a huge success in terms of attendance and audience participation. The next three luncheons in the joint series feature Robert Atkinson of the Progressive Policy Institute, Lawrence Meyer of the Board of Governors, and Martin Baily of the Council of Economic Advisors. We hope you will all make plans to join us for lunch and listen to these distinguished speakers.

Speaking of prominent speakers, the next Distinguished Lecture on Economics in Government will be delivered by Rebecca Blank at the ASSA meetings in Boston this coming January. The title of her talk is "What Has Recent U.S. History Taught Us About Fighting Poverty?" Since its inception, the Distinguished Lecture has rapidly turned into a prized opportunity to witness a leading economist present an analysis of major issues of economic policy. If you are going to be in Boston for the ASSA meetings, the Distinguished Lecture should certainly be part of your itinerary. A notice in this bulletin provides additional details on SGE-sponsored programs at the ASSA meetings.

As you are no doubt aware, this is the time to renew your SGE membership for year 2000. If you haven't already done so, please use the form at the back of the bulletin to renew as soon as possible. You may also have received a call from a member of the SGE board. Staying in touch with the membership is important so that we may continue to provide valuable services. Many of you clearly value the option of receiving the monthly bulletin in electronic form. We will continue to distribute a paper and electronic bulletin to all members through December. Starting January 2000, only an electronic bulletin will be sent to those who expressed a preference for that medium. Of course, recipients of the paper bulletin may switch at any time they wish.

Around Town

***A Service Column
Listing Professional
Activities of Interest
to Our Membership***



To include your activity, please e-mail the information to ann.dunbar@bea.doc.gov or send it by regular mail to the address on the back of this bulletin.

NEC Luncheons: SGE members can attend at NEC member rates.

Call NEC's reservation line at 703-739-9404 or e-mail to nec@cbc.org. Reservations are due by 11 a.m. on the Tuesday before the lunch, and your message should include name, phone # and event. Those desiring to hear the talk without lunch may attend at no charge but should also reserve. Reservations after the deadline will be accommodated if space permits. Lunch price is \$15 for SGE and NEC members, including those who join NEC at the door, \$20 for others. For a limited time, if you join at the door, you receive a coupon for a free future NEC lunch of your choice.

Dec. 2 – Montpelier Room, 6th Floor, Madison Building, Library of Congress, 101 Independence Ave.

Robert Z. Lawrence, Member, Council of Economic Advisers

"Seattle and Beyond: America's Interest in the Multilateral Trading System"

Dec. 9 – Hudson Institute, 3rd. Floor, 1015 18th St. Hans Riemer, Director, 2030 Center, and Helene Jorgensen, AFL-CIO

"When Good Jobs Go Bad: Young Adults and Temporary Work in the New Economy"

Jan. 6 - Montpelier Dining Room, Madison Building, Library of Congress, 101 Independence Ave. Gail Wilensky, Chair, Medicare Payment Advisory Commission, "The Future of Medicare."

October Labor and Human Resources Brown Bag Summary



Labor Force Characteristics of People with Disabilities: Data from the SIPP

Reported by Steve Broughman

The October Labor and Human Resources brown bag lunch gathering enjoyed a presentation by Tom Hale of the Bureau of Labor Statistics (BLS) on his, along with Howard Hayghe of BLS and John McNeil of the Bureau of the Census, work to describe the labor market activity of persons with disabilities. He began by noting that the passage of the Americans with Disabilities Act (ADA), which elevated persons with disabilities to the status of a protected class, has created a need for the development of employment statistics – particularly an employment rate – for the disabled. Currently the Current Population Survey cannot be used to compute an employment rate for persons with disabilities. In fact, because of the simplicity of the CPS disability item and because its purpose is to rule people out of the labor force, it is felt that the CPS does not produce reliable estimates of the disabled population.

Dr. Hale observed that there are a lot of estimates for the number of disabled bandied about. This is in a large part due to the difficulty in defining a person with a disability. Definitions are usually arbitrary and can be complicated. The definitions are also changing in the community; moving away from a medical paradigm towards a “new” paradigm of defining disability in terms a limitation in performing a social role or task. The ADA does define disability in terms of “a problem with a major life activity”, but the courts has gone back and forth an it interpretation of a what constitutes a disability under the ADA. The Social Security Administration uses a “work” definition of disability, but a definition based on work is not very useful to generate employment rates.

Dr. Hale and his colleges used the Survey of Income and Program Participation (SIPP) to characterize the labor force characteristics of persons with disabilities. The SIPP has a complicated definition of disability which marries the two paradigms – a functional limitation and an inability or limitation in performing a social role or task. Individuals were placed into one of three groups: those with no disabilities, those with moderate disabilities, and those with severe disabilities. Analysis was restricted to persons aged 20 to 64 years. Two cautions concerning the labor force items in SIPP were given. The first is that the SIPP cannot be used to study unemployment – persons can be simultaneously employed and unemployed. The second is that labor force estimates from the SIPP cannot be compared with those derived from the CPS, because of differences in the eligible populations, labor force questionnaire items, and in the reference periods.

(Continued on page 4)

December Luncheon Speaker

Rob Atkinson is Director of the Technology, Innovation, and New Economy Project at the Progressive Policy Institute and co-author of PPI's, "The New Economy: Understanding America's Economic Transformation." The project is intended to raise the awareness of policymakers about changes in the economy and the need for policies that reflect these changes. PPI is a non-profit, non-partisan research and education think tank whose mission is to define and promote a new governing agenda for the Information Age (<http://www.dlcppi.org>).

Dr. Atkinson was previously executive director of the Rhode Island Economic Policy Council, an organization made up of 20 representatives from the private sector, labor, education, and government. He was also a project director at the former Congressional Office of Technology Assessment. While at OTA, he directed the "Technological Reshaping of Metropolitan America," examining the impact of the information revolution on America's cities. In addition, Dr. Atkinson co-authored studies on the effect of the information technology revolution on productivity in the service sector; the economic impacts of defense downsizing; and the relationship of environmental regulation to industrial competitiveness. He has a Ph.D. in City and Regional Planning from the University of North Carolina (Chapel Hill), has testified numerous times before Congress, spoken at conferences abroad, and published extensively on economic development and technology policy.

Bibliographic Pilot

(Continued from page 1)

sites about the social and economic implications of information, communications, and computational technologies (IT). The citations have been sorted into a series of searchable listings called Road Maps and include the implications of IT for the home, education, community, government, science, employment and work, commerce (including electronic commerce), productivity, institutional structure, globalization, and selected policy issues. About one third of the citations in the entire database have abstracts and a subset of the citations about IT in the home have been specially annotated.

Note that the pilot site consists of citations, including URLs and hot links for Web items. It does not contain the data or research works themselves.

Contact Eileen Collins (ecollins@nsf.gov) for more information.

Summers Speaks At Seminar

of Global Management and Research cosponsored this seminar entitled "The World Distribution of Material Well-being."

As a well-known expert in international income comparisons and world welfare analyses, Professor Summers concentrated his lecture on those elements that affect Gross Domestic Product (GDP) and world material well-being. Using plain English understandable to economists and other professionals, he gave clear explanations of the problems in measuring GDP and income distributions.

He started with a fundamental question: How should material well-being be defined? He spoke of the need for both a numerator, say GDP or consumption, and a denominator, say population size or number of equivalent adults. Comparing countries' GDP or consumption alone is not enough. India's GDP or consumption is clearly much greater than Belgium's but its need--as measured by the number of mouths to be fed--is so much, much greater that, all in all, Belgium is way ahead of India. Professor Summers suggested that consumption is the better numerator if one is interested in current material well-being, but raised the question of just how one would allocate a country's public consumption across people in the country at different income levels. Of course, he said, consumption numbers in the national accounts are not perfect for this purpose because they do not allow for things outside the national accounts that require expenditure--for example, a cold climate or a mountainous terrain--just to stay even in well-being with other countries not similarly disadvantaged.

Professor Summers then discussed the use of the purchasing power parity (PPP) for comparing the real GDPs of different countries, and commended on systematic divergences between a country's foreign exchange rate and its PPP. He spoke of a recent textbook on Japan that on its very first page asserted that Japan's per capita GDP was 20 percent greater than the United

States'--this figure having been arrived at using the Japanese-US exchange rate--when the generally accepted estimate of the Japanese--US PPP put Japan's GDP at about 80 percent of the United States'.

He proposed a number of interesting questions about the distribution of income around the world (1) Do the rich get richer and the poor get poorer? [No]; (2) Do the rich get richer faster than the poor get richer? [No, at about the same rate]; (3) Do the rich get richer and the poor get children? [Yes, it's why the poor do not keep up with the rich]; (4) A more complicated question: Which is greater, the inequality in well-being across nations--the differences between average incomes in rich nations and poor ones--or the differences between the incomes of the rich and the poor within individual nations? By comparing the Gini coefficient of the World distribution, derived on the basis that in each country all citizens received the same incomes, with the Gini coefficients of all of the individual countries, one can get some insight into which kind of inequality is greater. Professor Summers said that when he carried out this empirical exercise, he found that intercountry income inequality is greater than the intracountry inequality in almost all of the countries of the world.

At the end Professor Summers spoke about how the Penn World Table has been very widely used in many, many different kinds of empirical investigations. (It was recently reported that in the last year there were 250,000 hits at one of the major web sites where the Table is available.) As stated in the citation that accompanied the AEA Distinguished Fellow Award for Professor Summers, "The Penn World Tables have been a major resource, used by many, to analyze various aggregate empirical dimensions of new economic growth models and shape much of what we think we currently know about international aggregate economic comparisons (American Economic Review, Sept. 1999)."

Brown Bag Summary

(Continued from page 3)

For both men and women, labor market activity rates were shown to be about the same for persons with no disabilities as for those with moderate disabilities. For persons with severe disabilities, however, the overall rates were far lower, and the differences between men's and women's rates narrowed. When the labor market activity rate is compared, age for age, across the three groups, the group with severe disabilities has lower rates than those of the no disability or moderate disability groups. As with age, when comparing across educational levels for the three groups, those with severe disabilities consistently have significantly lower rates than the other two groups. The lower levels of education of the disabled may be affecting occupation choice as these individuals were more likely than those with no disabilities to be employed in service occupations and as operators, fabricators, and laborers. The educational and occupational differences across groups affect earnings. When compared to those with no disabilities, the mean monthly earnings are lower for persons with moderate disabilities, and lower still for those with severe disabilities. Persons with disabilities were more likely than those

with no disabilities to report that they were looking for work or laid off.

Dr Hale concluded by noting that BLS was under an executive order to develop a methodology to determine the employment rate for persons with disabilities and, along with a work group of seventeen agencies, were undertaking activities to comply with this order. He observed that a problem is that there was virtually no testing of disability items and, when done, items have usually failed. One example he gave is that CPS test questions were given to SIPP respondents concurrent with the regular SIPP disability items -- the CPS items failed to identify many of those with moderate disabilities. A second example cast doubt on the reliability of the SIPP estimates. A study of two SIPP panels revealed that less than twenty-five percent of the blind and deaf in the prior panel were that a year later, even though the questions were identical. A member of the audience mentioned that the SSA was using the SIPP linked to the SSA disability determination records to model the allow/denial decision to what SIPP respondents self report about their disabilities.

SGE-ASSA Program: January 7-9, 2000; Boston, MA

The complete program is posted on our Web site: <http://www.sge-econ.org>.

Friday, January 7, 2000

- 8:00 a.m. Empirical Analysis of Policy and Regulatory Questions
Sheraton Hotel – Gardner B
- 10:15 a.m. No Matter How You Slice It: Changes in Economic Classification
Sheraton Hotel – Fairfax A
- 2:30 p.m. Recent Advances in Empirical Analysis of Establishment Behavior
Sheraton Hotel – Beacon E
- Higher Education, Income Inequality, and Intergenerational Mobility
Sheraton Hotel – Gardner B

Saturday, January 8, 2000

- 8:00 a.m. Explaining Trade Liberalization
Sheraton Hotel – Gardner A
- Experience Rating in Unemployment Insurance
Sheraton Hotel – Hampton B
- 10:15 a.m. Subsidies and Outcomes in Higher Education
Sheraton Hotel – Hampton B
- 2:30 p.m. The Distinguished Lecture on Economics in Government
Professor Rebecca Blank, The University of Michigan
“What Has Recent U.S. History Taught Us About Fighting Poverty?”
Sheraton Hotel – Constitution B

Sunday, January 9, 2000

- 8:00 a.m. Projecting Labor Market Activity and Earnings
Sheraton Hotel – Hampton B
- 10:15 a.m. The Effects of Income Tax Incentives
Sheraton Hotel – Hampton B
- 1:00 p.m. Social discounting and valuation over the long term
Sheraton Hotel – Hampton B

Conference of the Western Economic Association

SGE will again sponsor several panels at the 75th Annual Conference of the Western Economic Association International. The conference will be held at the Hyatt Regency in Vancouver from June 29 (Thursday) through July 2 (Sunday), 2000. If you would like to organize a session, please contact Gene Devine of OMB at (202) 395-3666 or E-MAIL DEVINE@OMB.EOP.GOV. All panels must be complete for submission to the WEA by January 1, 2000.

Postdoctoral Research Program

The Bureau of Labor Statistics and the U.S. Census Bureau Announce a Program of Postdoctoral Research in Statistics, Computer Science, Economics, Mathematics, Statistical Computing, Sociology, Information Science, Social & Behavioral Science, Demography

The Bureau of Labor Statistics and the Census Bureau offer extraordinary opportunities for postdoctoral research in mathematical statistics, information science, computer science and the social and behavior sciences applicable to large scale sample surveys.

Eligibility: Submit a detailed research proposal for competitive review to the agency where you wish to be considered

Applicants must have held a Ph.D. (or equivalent) in a relevant field for less than three years or completed the Ph.D. before the commencement of work as a postdoctoral researcher. United States citizenship is required

Location: Washington, D.C. area

Duration: Two years, but can be extended with special considerations

Salary: Starting at \$50,000 annually, depending on qualifications and experience

Benefits: Federal health and life insurance, sick and annual leave available, 401(k) equivalent tuition reimbursement plan, and relocation expenses paid in some cases

Application Materials: A curriculum vitae. Official transcripts of all graduate and undergraduate credits. Three reference letters. Three copies of a detailed research proposal, prepared in accordance with the guidelines given on the websites below

Application Deadline: Received by agency by February

29, 2000 Final decisions will be made by mid-April, 2000 Successful candidates will begin their work at a mutually agreeable date between June 1, 2000 and December 31, 2000

For more information and for discussion on research proposal prior to submission, please contact agency representative listed below.

At the Census Bureau:

contact: Dr. Tommy Wright
Chief, Statistical Research Division
Phone: (301)457-1030
E-mail: Tommy.Wright@ccmail.census.gov
FAX: (301)457-2299

At the Bureau of Labor Statistics

contact: Dr. John Eltinge
Senior Mathematical Statistician
Office of Survey Methods Research
Phone: (202)691-7404
E-mail: Eltinge_J@bls.gov
FAX: (202)691-7426

For more information and application materials see agency websites. Census Bureau :<http://www.census.gov/hrd/www/vacancy/postdoc.htm> Bureau of Labor Statistics: <http://stats.bls.gov/postdoc.htm>

The Bureau of Labor Statistics and the Census Bureau are Equal Opportunity Employers

SGE Bulletin

SGE OFFICERS (1999-2000)

President
Rakesh Kochhar
Joel Popkin & Co.
(202) 872 0990
rkochhar@jpcecon.com
Vice President
Harvey Bronstein
Small Business Administration
(202) 205-6840
harvey.bronstein@sba.gov
Executive Secretary
Nancy Ody
U.S. Postal Service
(202) 314-7243
nody@email.usps.gov
Treasurer
David Kass
Bureau of Economic Analysis
(202) 606-9631
david.kass@bea.doc.gov

DIRECTORS (1999-2000)

Nabeel Alsalam
Congressional Budget Office
(202) 225-2639
nabeel@cbo.gov
Richard Fry
Educational Testing Service
(202) 659-8061
rfry@ets.org
Karl Polzer
National Health Policy Forum
(202) 202-872-0238
karlp@gwu.edu
Amanda Roberts
BEA
(202) 606-9466
amanda.roberts@bea.doc.gov
James Tsao
(301) 983-0615
tsao@erols.com

ExOfficio

Christopher Williams
Congressional Budget Office
(301) 565-3116
Chris@cbo.gov

Job Announcements

Ann Dunbar
BEA
(202) 606-9215
ann.dunbar@bea.doc.gov

Bulletin Editor

Jason Tripp
10371 Painted Cup
Columbia, MD 21044
SGE Phone Line (877) 743-3266
sge@sge-econ.org

Please submit all materials you would like to appear in the bulletin by the 12th of the month to Jason Tripp at sge@sge-econ.org or SGE 10371 Painted Cup Columbia, MD 21044 or call toll free: 877 SGE-ECON (877-743-3266.)



Membership Form 2000

Join now for membership through 2000 or choose the two-year option for membership through 2001. Copy this form as needed.

10371 Painted Cup, Columbia, MD 21044 • 877-SGE-ECON • sge@sge-econ.org • www.sge-econ.org

*Please complete the form and send it with a check made payable to SGE to the following address:
SGE, 10371 Painted Cup, Columbia, MD 21044.*

Check membership status and dues:

- Student member One-year, \$10
Supporting member One -year, \$40 Two -year, \$75
Regular member One -year, \$30 Two -year, \$55
Household membership One -year, \$50 Two -year, \$90

(You may designate one additional person in your household as a member. The household will receive one copy of the monthly bulletin.)

- Institutional member One -year, \$150

(An institution may designate up to 3 persons as members. Use 3 copies of this form. Each person will receive a copy of the monthly bulletin.)

Send me the monthly bulletin: **Online** (list e-mail address on back of the form) **By mail.**
(select one option)

Please check the SGE activities you would like to participate in:

- Organizing seminars Rapporteur for seminars SGE board activities
 SGE conference SGE sessions at ASSA and regional meetings
 Monthly newsletter Writing book reviews Other

Areas of interest (select two):

- General economics and teaching Mathematical and quantitative methods Microeconomics
 Macroeconomics and monetary economics International economics
 Financial economics Public economics Health, education & welfare
 Labor & demographic economics Law and economics Industrial organization
 Urban & regional economics Agriculture & natural resources Economic systems
 Economic history Methodology and history of economic thought
 Economic development, technical change and growth Marketing; accounting
 Business administration and business economics Other

Important: Please fill out the information on the reverse of this form.

Address Label

Review the label above and note any additions or corrections to that information below:



Name: _____
Title: _____
Agency/Company: _____
Mailing Address: _____

Phone: _____
E-mail: _____

If you chose a household membership, provide the following information about your partner:

Name of partner: _____
Title: _____
Agency/Company: _____
Phone: _____
E-mail: _____