From the Editor

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This issue emphasizes papers presented at the NABE Annual Meeting in October 2012. The first paper is Gene Huang's Presidential Address, in which he observes that economic modeling and data have not kept pace with the complexities of technology and globalization. In addressing this problem, he calls for a much more comprehensive view of economics and the factors that mitigate the value of classical economic analysis.

The second paper is the winner of the competition for the Edmund A. Mennis Contributed Paper Award. It was won by Jackson and John Kitchen—perhaps the first father and son team to publish in *Business Economics*. The paper addresses the issue of how to estimate current-quarter GDP before the BEA releases the official estimates. The method they present is more flexible and more accurate than previous approaches.

The runner-up in the Mennis competition receives the NABE Contributed Paper Award. This year, two papers tied. One of them, by Ani Turner and Paul Hughes-Cromwick, describes the construction of a data set that links categories of health care spending to specific occupations, thus providing insight to public policymakers and others on where and how health care expenditures are made. The second, by Mark Vitner and Azhar Iqbal, examines the history of productivity change since 1948 and demonstrates that since 1996—unlike previous periods—the standard of living by various measures has declined, even though productivity has increased. Several hypotheses for this counterintuitive finding are advanced.

The fifth paper, by James V. Koch and Robert N. Fenili, describes the method and application of “event studies” to make quantitative assessments of the economic impact of unexpected events. Specific examples are presented to illustrate how event studies are being used by business.

The sixth paper, by John E. Silvia, Tim Quinlan, and Joseph Seydl, uses panel data over the period

1968–2009 to investigate intragenerational economic mobility. Their main finding is that it has declined in recent years, posing problems for public policymakers and businesses.

In the Forum on Emerging Issues, Robert J. Shiller discusses the ways finance is being used in innovative ways to meet a diverse set of social goals that are not amenable to “the measuring rod of money.” He provides actual and potential applications of principles of finance and behavioral economics to reach the goals of a “good society.”

The first of two book reviews in this issue is by Linda Gorman, who reviews John C. Goodman's *Priceless: Curing the Healthcare Crisis*. She finds that the book is essential reading for people interested in health policy, making the case for more reliance on free market principles and incentives than is currently the case in health care policy.

The second review is by Ken Simonson, who reviews *The Signal and the Noise: Why So Many Predictions Fail—but Some Don't* by Nate Silver. Readers may recall that Silver gained a great deal of attention by accurately calling the Presidential election. Silver's book is about prediction in general but pays particular attention to the problems of economic prediction. Simonson finds Silver's criticisms of economic forecasting to be thought-provoking, well-documented, entertaining, and useful for producers and consumers of economic forecasts.

Editorial Board

I would like to welcome Rajeev Dhawan to the Editorial Board. Rajeev is the director of the Economic Forecasting Center at Georgia State University's Robinson College of Business. In addition to being an experienced and accomplished forecaster, Rajeev has been a leader in NABE and is interested in a number of areas pertinent to business economics.

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