Tried by One's Peers: How Effective are Open Systems in Academia?

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Abstract: Open systems as an alternative property rights system have been achieving a more notable presence over the last decade. The question arises as to how effective such systems are in encouraging the production and dissemination of information. A long standing forerunner of such systems is the refereed journal where the quality of such information is judged by one's peers. What however insures that a system of referred journals works well? The responsibility seems not to lie in the prevailing governance structure. The largely non-profit form which characterizes these journals insures a lack of accountability. Editors and referees are not provided with simple incentives to perform their intended roles well. Survey material indicates that in fact editors exert little if any control over the referees employed. However, contrary to expectations, referees are generally conceded to perform at a high level. What drives the process is not narrow self-interest but rather professional obligation.

Keywords: Open Systems, Economic Journals, Accountability, Non-profit Organizations, Referees

G**RAHAM GREEN USED** to divide his work between serious novels and light entertainments. Using this criterion, it would be tempting to categorise any examination of the economics profession as more froth than substance. Few outsiders find economists fascinating. The world seems wisely content in its ignorance. But since for whatever reason or misadventure we all belong to this limited and limiting club, we do find such self-examinations interesting.

One of the most overworked of these self-referential veins has been the area of academic publications. Though articles analysing all aspects of the publishing process are numerous, few have pinpointed the key player in this process, the referee. Evaluating the current state of the refereeing process, one is struck not by its faults and problems but by how a system so heavily dependent upon good will and volunteer labour manages to work at all. If individual economists were simple, self-interested agents, this fragile editorial edifice that regulates the future of each and every one of them might easily collapse.

The motivations of referees, as is equally true of any group of agents, may easily conflict with the stated objectives of a journal (dissemination of high quality research). The submission and publication process will be flawed if such potential conflicts pose real problems. What carrots and sticks ensure that the requisite jobs are performed well, or at all? These are the logical questions an economist would ask when initially evaluating the effectiveness of any institutional structure. In the case of academic journals this means that achieving the goals of a publication depend on how well editors and referees do their jobs. Evaluating the appropriateness of any existing set of incentives requires a look at the internal organisation of economic journals. Economic journals have largely retained a governance structure which roughly parallels those that characterise non-profit organisations. The subsequent lack, or at least lower level, of accountability which defines such operations is at the heart of the problem confronting all academics who face the twin demands of publishing as well as refereeing articles. Economics is now at a point where on balance the prevailing non-profit structure tends to inhibit rather than contribute to the progress of the profession. Retaining a non-profit operational structure reflects only historical antecedents which can and should be discarded. If we are to gain some insight into the current limitation of the editorial and refereeing process, then corporate governance is where analysis must begin.

Clubs and Cults - Defining the Academic Journal

> Please accept my resignation. I don't want to belong to a club that will accept me as a member (Groucho Marx quoted in Partington 1992, p.451)

In the last two decades, journals have become the gatekeepers of academic legitimacy. Tenure, promotion and an increasing level of salary depends upon publishing refereed articles. Given the oversupply of academic economists, counting journal publica-

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tions is a convenient and generally acceptable way to screen job applicants and decide which staff members to retain as well as which to promote. This extends not only to the number of refereed publications, but the quality of the journal in which the articles are published and the number of times each article is cited by other authors. No such parallel standard of quality exists for teaching or other professional functions.

Economic journals are today often profit making enterprises owned by commercial publishers. Others remain part of the output of university presses or are still associated with professional associations. The ownership of these journals (whether profit or non-profit) seems not to effect its operational control. Only the commercial elements; subscription, printing, and distribution are of any concern to the for-profit publisher. Editorial integrity and independence is signalled by perpetuating the non-profit governance structure which, as Hansmann (1980) notes, inspires trust even at the cost of greater efficiency. This also attracts the requisite voluntary labour essential for the commercial viability of these journals.

A typical academic journal is hard to characterise. Standard corporate governance, reflecting commercial values, is wrapped around a nugget of non-profit structure. This poses a dilemma. Corporations and non-profit organisations serve different constituencies. Corporations have their prime allegiance to their owners. Non-profit organisations have no owners. It is not surprising that in organisations with poorly specified property rights, the contractual responsibilities of agents, especially those supplying voluntary labour, should also be poorly delineated.

Journals, unlike most non-profit organisations, lack a definitive patron who can check managerial discretion. Readers are a journal's most obvious candidates for this role. Subscription numbers depend upon their direct or indirect decisions. But journals do not exist primarily to meet perceived consumer demand. Journals are more precisely a special type of club. They provide space in which academics can publish and thus gain professional recognition and promotion. Ostensibly, journals do exist to disseminate ideas that extend and advance economic knowledge. This does not rule out other, more implicit, motives: **1.** journals originate and expand to meet the publication demands of the profession; **2.** entrepreneurial editors can use journals to advance their personal interests whether it consists of promoting their own careers, those of friends and allies or, of pushing a particular line of thought.

Clubs (like professional organisations) are often unwilling to discipline members unless they act in a manner clearly detrimental to other members. Accountability tends to be lax with agency relationships not sufficiently defined. This inherent weakness is magnified when applied to academic journals. A journal is more of a virtual than actual club. The application procedure forms the basis for the club's existence. As a result, a successful applicant (published author) does not become a permanent member but begins the application procedure again with each new paper submitted. Since membership lacks permanence, members fail to have any authority over the membership board, compounding this problem. Unlike most clubs, a journal's membership board and management are one and the same, meaning that a lack of accountability is combined with an absence of any clear incentives to perform effectively. The subservience of its applicants to an often self-perpetuating management/membership board ensures this result. In exclusive clubs, members have the ability to vote out management or membership boards when either one diverts benefits to their personal use or fails to perform satisfactorily. An equivalent control mechanism is conspicuous by its absence in academic journals. As a result, editors are granted wide latitude in what they do and how they do it.

Who's in Charge – Editors and Output

> The situation reminds me of a retort Harry Johnson, notorious for his sharp tongue, made to George Borts, back in the 1970s when both were editors, George of the AER, Harry of the Journal of Political Economy. George: "Harry, you must have the same problem at the JPE that we have here at the AER: we get more good articles than we know what to do with!" Harry: "Then why don't you publish a few?" (McCloskey, 1995, p.414).

Neither readers, subscribers, nor contributors select editors nor threaten their continued control. For that reason, editors do not directly answer to any of these outside groups. Yet editors ultimately decide what gets published in any journal. Who or what keeps the editors in check?

Editorial positions and editorial boards are somewhat self-perpetuating. The largely voluntary nature of their work, the need to maintain the appearance of editorial independence, causes commercial publishers to be wary of meddling. Without the owners of the enterprise exerting control, non-profit organisational structures prevail. Unfortunately, the absence of any outside patron leaves editors largely to their own devices.

Editorial Boards do exist and can conceivably overturn an editor's decision or policy. But again, no obvious incentive motivates the academics who hold these somewhat honorary positions to act. Disgruntled authors might conceivably appeal to such boards. An author though would be risking future publication in that journal, as long as the current editor remained, an action more a reflection of a death wish on the part of the author than anything else. Editors can subtly kill an article by sending it to a referee certain to provide a negative report. Even if an article does subsequently get published elsewhere, the potential delay in publication still poses a problem. Unfairness might be suspected, but it would be hard to distinguish such complaints from the usual sour grapes of rejected authors. Appeals of any sort are likely to be rare. If the wise, self-interested, course of action is always exit, rather than voice, it is difficult to see contributors as providing any check on editors. They are more suppliants than censors.

Readers are also, for the most part, ineffectual since many from this group are exactly those who are most likely to submit articles at some subsequent period. Few would wish to jeopardise their own chance of publication. Response to such individually based complaints is relatively slow and uncertain since the viability of most journals depends more on their institutional subscribers. Response to reader dissatisfaction, though not unknown, is still rare. If we eliminate publishers, subscribers and contributors, who is left to effectively circumscribe an editor's action?

In one sense the editor is highly constrained and can do little to change the journal he or she inherits. Editors can only choose from manuscripts submitted. These are likely to reflect what has been published in the past. The risk averse economist, especially those who have yet to fully establish themselves, writes not for some larger readership, but primarily to be published. The relevant audience is restricted to the editor and referees.

This analysis unfortunately underplays the impact that editors, especially of the more highly regarded journals, have on the careers and even the understanding of the profession. By acting as gatekeepers, they enforce the conventions of the club and shape what is to be published. Form, for instance, is rigorously pursued, sometimes to the point where journal articles become the last refuge of a prevailing minimalism, the remaining shrine where 'more is less' is taken at face value.

There is a practical reason behind such compression. Editors agree that they compete for only a limited number of available good papers (Laband and Piette 1994). By intentionally compressing submitted articles, they create room for additional articles. As a result, an increasing percentage of their journals must be filled by more marginal pieces. These articles are not poorly constructed or erroneous, but little would be lost if they failed to see the light of day. After publication they remain unread and uncited. These more marginal pieces reflect the degree of unchecked editorial power. An unrepresentative percentage of such articles tend to be the work of authors with whom the editor has some personal or professional connection (Laband and Piette 1994). One can argue that patronage is relatively harmless in disseminating economic research. Editors do go after good articles. The remaining slots need to be filled with articles that are unlikely to have much, if any, impact. No harm is done if they are awarded in ways that forward the editor's private interest without injuring the journal's objectives. It is largely a matter of knowing where to draw this line. But such practises obscure a more fundamental question. Why should journals have a number of pre-determined slots that exist to meet an editor's more personal objectives?

The key gate keepers of economic literature then remain largely unchecked in their decisions. However, editors, whether corrupt, diligent, honest, or lazy can't operate their journals as a solo venture. Their limited time, and the specialised knowledge needed to cope with an ever burgeoning set of subfields which continually threaten to swamp the literature, mean that it is necessary to contract out the job of evaluating submissions. Editors choose the contracted agents (referees) and whether or not to abide by their decisions. They almost uniformly fail to influence the referees' actions in any meaningful way. In the same way that the governance link constraining editorial action seems missing, so do the usual constraints on a contracted agent seem absent. Under such circumstances it remains a mystery how either Type I errors (publishing a paper that should not be published) or the more serious Type II errors (not publishing a paper that should be published) are ever avoided.

Mad, Bad and Dangerous to Know - Academic Referees

> ... the whole editorial process works much less well than we pretend, not only the lags, but the objectivity and quality of the refereeing. Almost everyone complains simultaneously about (1) the stupidity of the papers they referee, and (2) the stupidity of the comments made by the referees of their papers. Since everyone is refereeing each other's papers, there is obviously an inconsistency here (an anonymous author quoted in Laband, 1990, p.341).

Like tax collectors or other bearers of bad news, no one is particularly fond of referees. Nor is anyone notably keen to be one. Not because the work itself is particularly disagreeable or, because it is intellectually unrewarding, but because of the relevant opportunity costs involved. An academic's time is better rewarded producing original work than refereeing the work of others. In particular, being a referee means hard work performed for an insufficient reward. Referees are best considered to be a classic case of a necessary, but desperately avoided, evil.

It is then questionable whether the current referee system consistently improves or adds value to the papers submitted, as it should, or simply serves to blackball applicants to a variety of journals/clubs. Laband (1990) has tried to empirically test whether refereeing actually adds value, by surveying authors whose work was published in the profession's leading journals. Laband (1990) unfortunately fails to distinguish between what should be and what is. Contrary to what Laband (1990) assumes, referee reports may lead to the production of a worse paper. Referees can be narrow minded, willing only to accept material that fits preconceived ideas of acceptable discourse. Many act more like Victorian matrons faced with social improprieties than open minded and inquisitive academics. Not only the material, but the style and methodology must fit into rather restricted boundaries of what they deem to be professionally correct.

Response to a referee's report is largely motivated by a desire for publication. Authors acquiesce to a referee's demands due to publication concerns. An author may try to minimise the damage of such acquiescence but few would be willing to risk that additional line on their CVs by objecting too strenuously to what they conceive to be misguided criticism and objections. Laband's (1990) empirical work fails to clarify this issue. Even if we agree that Laband's proxy for reviewer input is useful, his results merely demonstrate that reviewers' inputs correlate with the quality of a subsequently published article. But this relationship is only significant statistically. If we use Laband's values for the quality of the average input (an author's revision time divided by the length of the referee's comments) we discover that these comments increase the quality of a published paper (measured in citations over a five-year period) by an average of 0.25 citations a year. This is hardly anything to get excited about. From these results we might be tempted to say that referees tend to do almost as much harm as good without fear of contradiction. In other words, attempts to comply with the demands of referees may lower the quality of the published paper nearly as often as it raises it. If we were to picture referee reports as normally distributed and ranging between those that greatly improve a paper and those which do significant harm, we could visualise the mean of this distribution as differing very little from zero, i.e. having little or no positive effect on quality. Laband (1990) chooses to put a more optimistic spin on his results even though this interpretation conflicts with some of the responses from his own survey.

Since time is an increasingly scarce resource for the modern ambitious academic, referees should be expected to take whatever shortcuts possible in completing their task. The limited rewards attached to refereeing mean that the rational academic will attempt to satisfice at some minimum required level. To argue to the contrary would be to ask referees to act irrationally, in other words to expect economists to operate contrary to standard economic assumptions. Empirical evidence indicates that where single instead of double blind refereeing exists, referees are more likely to use the name or affiliation of the author as a signal of quality rather than spend time scrutinising the actual manuscript (see Blank 1991 or Laband and Piette 1994). Given the lack of return from refereeing, the procedure is understandable. Unfortunately, it will not consistently yield the best results. Ideally an article should not be judged on the basis of preconceived quality.

For these reasons, we might be strongly inclined to expect the quality of referee reports to have steadily slipped these past two decades. Given the increased demands on academics today to publish (see Stigler and Friedland 1975 to compare past with present academic research output), a rational academic must logically devote less time to refereeing a given paper. Unless we can mysteriously posit a substantial increase in productivity, we can only assume that there is a strong likelihood that the quality of those reports has dropped. In the market for referees, the quality of the refereeing process adjusts according to the relative strengths of the existing forces of demand and supply. As in any standard market, opportunity cost drives the decisions of the relevant participants. (It is true that the market usually does not any involve explicit payments. Even when it does, the price paid is not meant to cover the opportunity cost of performing the task.) Potential referees (supply-side) will be more abundant and willing to take on the chore if the cost of doing so is low. But such relatively painless refereeing must be of dismally low quality.

Editors (demand-side) on the other hand see the opportunity cost of doing their own job lowered by high quality refereeing. Their demand for such refereeing increases, the higher the quality available. Given the explosion of journals and the increased submissions to each journal, it is reasonable to expect that increases in the demand for referees have managed to outstrip supply. While considerably more economists exist today than forty years ago, the pressures to publish have increased exponentially. What is crucial in this case is that the number of submitted articles per academic can be expected quite reasonably to have increased faster than the available number of potential referees. (Journals can not expect the same referee to deal with more than a few articles a year.) The probable result should be a drop in the quality of an average report.

The referee as agent would seem to have little need to consult the wishes of his or her principle (the editor). To test whether editors did apply effective sanctions against referees, I surveyed some thirty-one editors in September 2005. The list of journals, while not comprehensive, was a fair representation. It ranged from the most prestigious to those which had a narrower focus or whose articles were less likely to be cited. The most prestigious journals coincided with those cited by Stigler, Stigler and Friedland (1995). As noted, the profession generally uses citations as a proxy for the quality or at least the importance of an article and the journal that published them.

Twenty-four of the thirty-one surveys were returned. The percentage of surveys returned did not vary with the type or quality of economic journal. Editors seem a prompt or at least a more punctual bunch than referees. All but three of the returned surveys were received within a month of their initial mailing. The majority arrived within the first two weeks. The survey was designed to promote such a response. It involved only a few minutes of time, perhaps more if one took question number six seriously. Nineteen out of the twenty-four surveys received did take time to write an answer, legible or otherwise, to the last question. These replies, as we will see, were generally compatible with one another, indicating that there is general agreement among editors of what does and does not make for a good referee.

All were promised anonymity. There was no discernable advantage to be other than forthcoming. However, we all are capable of deceiving ourselves. It is impossible to distinguish between the way an editor thinks he or she should act, and the way he or she actually does. But in the case of self-deception, the survey still would convey a consistent picture of desired practise, even if it deviates from actual practise.

Table 1

EDITORS= RESPONSES TO POOR QUALITY REPORTS				
	FREQUENTLY (91%$^+$)	USUALLY (50%-90%)	OCCASIONALLY (10%-49%)	INFREQUENTLY (0%-9%)
Do you inform a referee when his/her report is of poor quality?	8.7%	4.3%	0%	87.0%
Do you cease to use a referee after one or two poor quality reports?	69.6%	26.1%	4.3%	0%
Do you inform a referee that you no longer plan to use him/her?	0%	4.3%	0%	95.7%
If an author of an article convincingly points out the ways in which the referee has failed to do an adequate job does that influence your decision to use the referee again?	22.7%	27.3%	45.5%	4.5%
Do you pass on to the referee critical and/or positive comments by the author of an article concerning the quality of is/her report?	26.1%	21.7%	39.1%	13.1%

The first three questions indicate that referees seldom are given an indication if they are doing a poor job. Without such information, even those with the best of intentions won't improve. Those who are trying to minimise their efforts also won't be shamed into raising their game. The only excuse editors can legitimately plead is the difficultly in obtaining referees who will perform the required task adequately.

Though most editors will drop a non-performing referee, that referee is left to guess the reason why no more requests are forthcoming. More likely the deposed referee is thankful for such a blessing. It is still strange that information doesn't flow more readily. For the last few decades economists have increasingly seen information as one of the key determinatives of any economic system. Yet their own organisations seem excessively sparing with this vital commodity. Editors turn the implicit contractual relations with their chosen referees into something resembling an on-going dating arrangement. When editors tire of a referee, the calls simply stop with no further explanation.

As might be expected, the same lone editor in the survey that had the courtesy or the courage to inform referees when they were to be discontinued also informed referees when an inadequate report was submitted. If one editor can operate by assisting the flow of information to referees, it is a wonder why others can't operate the same way as well. This may depend upon the number of submissions made to the journal and its subsequent demand for referees, but the one maverick editor in the survey could claim no special advantage or circumstances.

One editor surveyed commented that, "Referees are volunteers who are underpaid. Editors have very little leverage over them. If a ref is really slow or if he fails to respond at all we "black ball" him. We do not respond to referee failings however". This is a very honest admission but one that does not inspire faith in the refereeing process. Editors, with rare exceptions, see little use in attempting to discipline referees or even in reacting to information throwing doubt on their performance. The response to question four of the survey may indicate that editors to a large degree think it is not in their power to improve the standard of refereeing, though it is in their interest.

An editor cannot always be aware if a referee has failed to do an adequate job of evaluating a paper unless the editor does a careful reading of each and every paper submitted. Time constraints will simply not allow this. However, the author does know the paper intimately. He or she is more likely to detect a biased, shallow or otherwise badly done refereeing job. If the editor is convinced by the author's argument, this should put a referee's future (and past) work in doubt. It may not dissuade against use of the referee immediately, but should make an editor more cautious. Of course, as one editor remarked, it does depend on the referee's past performance. But suspicions should be aroused that perhaps this was not a once off failure. Some of the previous reports might have been similarly tainted, but could have gone unnoticed.

The refusal of many editors to pass on information to reviewers from those reviewed is especially unhelpful. One would expect editors not to pass along gratuitous insults. Although passing on a remark in no way endorses it, there is still a reluctance to transmit out and out rudeness. Passing on positive comments is also a matter of courtesy, whatever one's time constraints. Not doing so would indicate a touch of laziness. However, it is reasonable to assume that the majority of comments by authors would be negative. People are more easily roused to complain than to praise. In which case, the infrequency with which such remarks are passed on indicates the unwillingness of the editor to risk offending a referee, even if the editor doesn't endorse the criticism. This unwillingness would seem to explain the spread of survey responses to question five. Half are inclined to pass on bad news, the other half are not. Ideally such remarks should be passed on (other than insults) since this can only improve a referee's future performance. Similar censorship of referee reports would be considered unprofessional. These are passed on verbatim, including any and all insults.

Editors are generally clear as to what a bad report is. The consensus here is once again strongly held. Many of the remarks concerning the characteristics of a bad referee seem to reduce to descriptions of people refusing to take on their full responsibilities and cutting corners instead. These referees fail to assist either the editor or the author. Unsatisfactory reports tend to be characterised by: narrowness, bias, gratuitously offensive remarks, nit-picking, and suggestions for additional work yielding more costs than benefits.

The failing then of academic referees reflect those self-same shortcomings characterising the typical governance structure of academic publications. Economic journals are run more like non-profit organisations which have no owners to please. Their members are closer to suppliants, authors desiring more to publish their output than to control the editorial process. Such non-profit clubs seem to be run for the benefit of insiders who see no reason to discipline the agents they employ. Yet for the most part, the editors surveyed intimated that bad referees were more the exception than the rule. If the standard devices common to corporate governance and principle/agent contracts are not in force, we need to ask ourselves why journals run as well as they do, given all these inherent handicaps.

Professional Codes

> A woman's preaching is like a dog's walking on his hinder legs. It is not done well; but you are surprised to find it done at all (Samuel Johnson quoted in Partington 1992, p.372).

Many economists may want to do a good job as a referee in the hopes that it will improve the chances of future submissions being published. This is typically risk averse behaviour. While not believing that editors publish bad papers in return for services rendered, there are still many small decisions that an editor can make which may tip a marginal paper into the acceptance bin. Still, something stronger must be at work because an economist when approached as a potential referee faces a classic free rider dilemma. Refereeing must be done but it would best be done by someone else.

It is more than simple conventional behaviour. There are strong group pressures, norms of the profession that work to relieve many of these free riding tendencies. Part of becoming an economist is a socialisation process. Graduate students are indoctrinated step by step, weeding out the potential doubters and trouble makers in much the same way as cults define their membership (see Akerlof 1991 for an analysis). Indoctrination depends on the perceived rationality of each step, even though the end result may seem undesirable if viewed from an initial, pre-indoctrination standpoint.

We feel guilty if we fail to do our duty. "We resolve never to be guilty of the like, nor ever, upon any account, to render ourselves in this manner the objects of universal disapprobation" (Smith, 1966, p.224). Perhaps among economists there are those who can entirely disregard the opinions of others, caring only for their work and their own self regard. But even economists are social creatures.

Solutions

> Difficult do you call it sir? I wish it were impossible (Samuel Johnson quoted in Partington 1992, p.374).

Mention solutions to most economists and they will outline the need to strengthen market incentives. This will at least be where they start. What should be clear by now is that the current system of refereed journals depends on implicit and poorly articulated rewards. The glue in the system is a sense of professional responsibility which may be less developed among economists than among similar occupations. Surely it would be better not to depend only on such ineffective constraints. Economists, more than most, require clearly defined objectives where their self interest is undeniably at stake, they crave the blessings of market incentives.

The right incentives could improve the quality of the refereeing process while bolstering a reputation for fairness. The solution is a rather simple one. I will only develop a mere sketch of what could be an effective and workable structure. As a natural pessimist, I will take my hint from Stigler (1971). Based on the current vested interests within the profession, I see it as unlikely that change will come from insiders. As noted previously, the bulk of economists tend to be content with the status quo. As in the past, any successful movement to reform the fundamental institutions of the profession will be more likely to be the result of some outside shock. The solution itself is suggested by Aoki's (1990) description of the separate job ladders found in Japanese firms. In such firms, engineers, for example, do not have to become managers in order to gain promotions and salary increases. A separate job ladder allows those whose comparative advantage lies in engineering to remain and contribute as top notch engineers instead of as second rate managers.

The economics profession needs separate job ladders where one can make one's mark not only as a researcher but as a teacher, a referee, an editor or even an administrator. There is no reason to assume that the best researchers make the best referees or even the best editors. Nor are these activities necessarily the best use of their time. The supply of referees would increase if rewards were clearly in keeping with the importance of the task. Few would argue that high quality; prompt reports would not improve the papers published. With the requisite recognition rewarded for such service, economists would compete to referee for the best journals. Editors could then readily discard those referees who failed to perform. They would also be less reluctant to tell referees what was expected of them and to let them know in what ways they had failed. Referees would demand such information if only to gain future contracts.

A large pool of responsive referees would eliminate any sound reason for prohibiting multiple submissions. Authors would no longer need to calculate the probability of acceptance in order to construct a hierarchy of submission. As it stands now, with a rejection taking some five months or more, years may pass before a paper is actually published. Such long turnarounds can serve no one's purpose.

Editors, if recognised for their service, might also be persuaded to be more conscientious in the performance of their duties without the need for a journal to turn a blind eye to self-dealing. The strictly limited number of editorships would necessarily be hotly contested thereby gaining in prestige. Editors could be tied to explicit contracts with regular performance evaluations including the downside risk of termination. In a similar manner, editorial boards would see it in their own interest to monitor the progress of a journal more carefully. An editor would be more willing to devote the time necessary to improve the quality of a journal if his or her own self interest was tied intrinsically to achieving some specific set of objectives. Creating increased accountability therefore, poses no insurmountable difficulties.

Solutions are simple to devise, so simple that a further elaboration is basically unnecessary. (For example, papers could be auctioned off simultaneously to multiple journals. Authors would then accept an offer from the most suitable publication.) The problem lies in implementing any one of them. There is no compelling reason to offer viable alternatives when the profession itself seems largely self-satisfied. The impetus for change is more likely to originate outside the profession. Such pressures are becoming evident. University libraries, faced with limited budgets, are trimming back their serial collections. Journals are opting to go electronic. The uncertainty caused by a changing environment places traditional methods in doubt. Commercial publishing houses, finding it no longer profitable to keep large stables of journals, may exert pressure on the management of each journal to respond more to its readership. But barring such exogenous shocks, only the most unredeemable optimist would anticipate any noticeable improvement in referee reports.

It is ironic that economists have constructed a governance system which critically depends on moral duty. That the profession has unconsciously emphasised the values analysed in *The Moral Sentiments* rather than *The Wealth of Nations* makes for a rather good joke. From an economic point of view, such a solution is less than ideal. Change is almost certain, though not as a result of this article or others like it. Then again such anticipations may prove to be “the triumph of hope over experience” (Samuel Johnson quoted in Partington 1992, p.373).

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