

# Externalities, Departmental Subsidies, And Convention Attendance

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Most academic departments provide a subsidy to faculty members for at least a portion of the costs incurred to attend conventions, especially for those involved in convention-related activities. This paper examines and tests several possible explanations for this subsidy. We begin with a discussion of the public and private benefits from convention attendance. Three reasons for providing convention subsidies are then considered: (1) to increase the externalities a department receives from having its faculty attend a convention, (2) to provide a non-taxable, non-transferable fringe benefit to department members, (3) to serve as a reward to high productivity faculty.

Using data from a nationwide sample of 158 chairpersons of Departments of Economics, we test the three hypotheses. The evidence suggests that the fringe benefits explanation is not consistent with the behavior reported by department chairpersons. While the evidence with respect to the externalities justification is mixed, our analysis suggests that it provides a better justification for convention subsidies than the rewards hypothesis. Data are then presented on attendance at the American Economic Association, the national meetings of political scientists, sociologists, and a number of other regional economics conventions and several judgments are made as to the effects of

decreases in subsidies on convention attendance in the next few years.

## The Benefits Of Convention Attendance

Academic conventions offer benefits both to the faculty member who attends them and to his or her employing department. Convention attendance can stimulate teaching and research by giving the faculty member a forum to present his research, discuss new ideas, and obtain feedback from others working in his area of interest.<sup>1</sup> It may also make the faculty member aware of new techniques and methodologies if he attends the scheduled sessions and interacts with specialists in his field. This process increases the faculty member's human capital and, hence, provides a strong incentive to attend a meeting. If new knowledge is shared with colleagues and students, it also creates an externality to his department.

Attendance at a convention also provides an efficient way to obtain information about academe and the academic labor market. Some of this information is useful for the

<sup>1</sup>We were unable to locate a national study of the reasons faculty attend a national meeting. However, Loren Guffey of the University of Arkansas administers a survey to participants in the Midsouth Academy of Economists. Based on his tabulations of 160 responses in June of 1979 faculty report the following reasons for attending a meeting: to get class materials 17.9%, for research ideas, 21.4% for professional credit 32.4%, to renew acquaintances 20.7%, for interviews or other reasons 7.6%.

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individual faculty member and not his employing department (e.g., data on alternative job opportunities or on how the faculty member is progressing in his career relative to others). Nonetheless, his department may receive an externality if the faculty member collects information on, and/or interviews, potential faculty members or students.

Participation in a convention provides a means by which a faculty member may establish or maintain a professional reputation on a regional or national scale. The recognition which follows from this can result in private gains in the form of increased mobility, higher earnings, access to officerships or boards, and better funding prospects. Increased visibility for a faculty member may also result in increased visibility for his department. As the name of a department becomes better known through the activities of its members, more faculty may be willing to consider it as a potential employer and to recommend it to their students. The process by which this happens is slow and uncertain. Nonetheless, relatively unknown departments can upgrade their reputations through the convention related activities of their members.

Finally, convention participation provides validation of a faculty member's professional credentials both to his department and to other entities within his employing institution (e.g., his promotion and tenure committee). Presentation of a paper provides tangible evidence of professional productivity and effort. Participation in a session as a discussant or chairperson offers evidence of professional standing and of familiarity with recent developments; officership in an association offers proof of national repute. A faculty member has a strong incentive to involve himself in convention-related activities but his activities can also increase a department's reputation within its college and this can result in tangible benefits to its members. An improved internal reputation can provide access to addi-

tional funding, additional faculty positions, and greater representation on an institution's governing boards.

Some private benefits to the faculty member involve no meaningful externalities to his department. The opportunity to visit new places, to shop, and to eat in good restaurants may be important to some faculty. Likewise, some faculty may find benefits in the chance to vacation, to miss class, and/or to meet friends and relatives. These provide a positive incentive for faculty to attend a meeting but not for departments to subsidize them.<sup>2</sup>

### The Externality Model and Its Implications

In the externality model we begin by assuming a utility function in which the arguments are the consumption of convention travel, of all other goods and services, and of the benefits of convention attendance by other faculty within a faculty member's department.<sup>3</sup> If  $x_{ij}$  represents the convention attendance of the  $j$ th faculty member, his utility function can be represented by:

$$U^j = U^j(x_1, x_2, \dots, x_{nj}; x_{11}, \dots, x_{ij}, \dots, x_{im}) \quad (1)$$

Each faculty member is assumed to derive benefits from another's consumption of convention attendance and for current purposes malevolence is ruled out as unlikely. However, inclusion of malevolence would not affect the optimization condition which requires that the sum of the marginal rates of substitution of the members of a department equal the mar-

<sup>2</sup>A reviewer of this paper pointed out that in the presence of malevolence, a positive reason for subsidy may exist even if the faculty member's reasons for travel are private ones and his attendance at the convention yields no positive benefits of the type discussed above.

<sup>3</sup>A faculty member's utility can also be affected by the attendance of faculty from other departments at a meeting but we do not deal with this issue in our model. Nonetheless, the presence of certain faculty at a convention may yield large positive benefits to a faculty member.

ginal rates of transformation, viz.,

$$\frac{U_{c_j}^j}{U_a^j} = \frac{F_{c_j}}{F_a} \quad (2)$$

In most cases, a faculty member's own marginal rate of substitution between convention attendance and other consumption can be expected to exceed that of other faculty resulting from that faculty member's attending conventions. This provides the conceptual justification for partial departmental funding since in the presence of positive externalities the welfare of department members can be increased through partial subsidies for convention travel.

Potential problems exist in the allocation of departmental subsidies among faculty due to the existence of reciprocal externalities, strategic bargaining, and the presence of differential externalities among faculty.<sup>4</sup> The greatest benefit to a department accrues if it allocates its subsidies so as to induce those who provide positive externalities and who would not otherwise have done so to attend additional conventions. The least benefit accrues if the subsidies accrue to department members whose consumption is sufficiently large so that their attendance at an additional convention would be valued by their colleagues at zero. In this case the benefit is strictly infra-marginal. The individual demand curves and the departmental curve created by the presence of externalities are shown in Diagram 1.

If a department cannot determine the size of the externalities which its faculty produce, it may base its subsidies on the activities which its faculty perform rather than on who engages in the behavior. The above model then gives rise to the following ceteris paribus hypotheses. First, a department will only subsidize externality producing activities. Faculty who attend meetings solely to enjoy the

city in which they are located gain private benefits but produce no positive externalities. Hence, the externalities approach suggests that they should receive no subsidy from their departments. In contrast, faculty who present an outstanding research paper and those who recruit for their departments can potentially provide significant externalities and hence should receive a larger subsidy for convention attendance than those who do not. Evidence that departments utilize these criteria in providing subsidies to their faculty would support the hypothesis that externalities give rise to subsidies. Evidence that departments reward faculty irrespective of whether they produce a positive externality would support the argument that departmental subsidies are based on a different rationale.

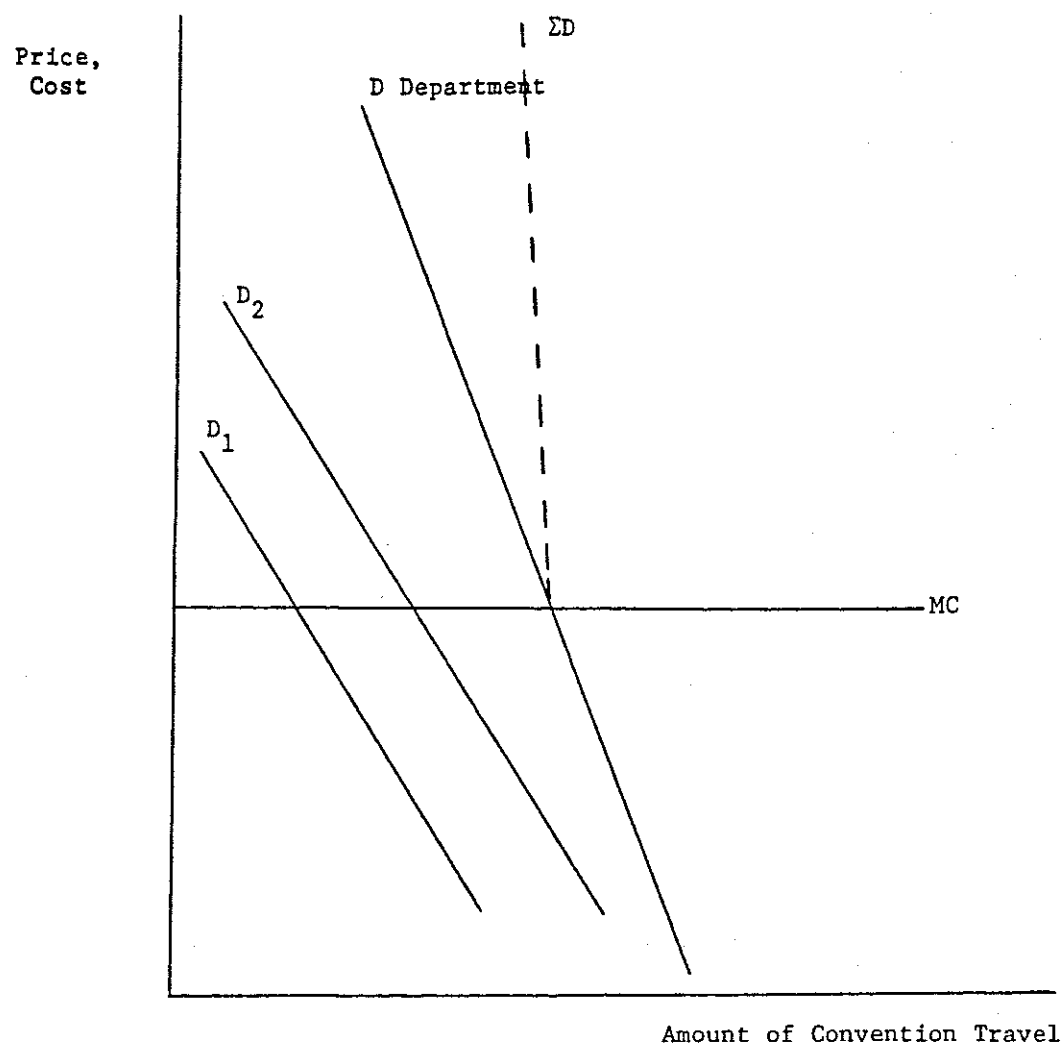
Second, the larger the externalities to a department from having its faculty members attend a convention, the larger the size of its subsidies. This logic suggests that a faculty member who engages in activities at a convention producing large externalities should receive a larger subsidy than one who performs the same activity at a convention producing fewer externalities.<sup>5</sup> Thus, the size of the departmental subsidy should be linked to the department's (and/or chairperson's) perception of the relative importance of a convention. Evidence that a department regards a convention as producing few externalities but that it nonetheless provides a large subsidy to attend it would suggest that the externalities hypothesis is not the governing one.

Third, the total externality produced by a faculty member in a large department is greater than that produced by a member in a small department. Hence, the larger department should be willing to pay a larger subsidy. This follows since the externality produced by convention travel is additive across faculty

<sup>4</sup>Mark Pauly, "Mixed Public and Private Financing of Education," *American Economic Review*, March 1967, pp. 120-130.

<sup>5</sup>This assumption is justified only if the department perceives a difference in the externalities resulting from faculty attendance at different meetings.

Diagram 1

DEPARTMENTAL AND PRIVATE DEMAND  
FOR CONVENTION TRAVEL

and its consumption is non-rival. Evidence that the size of the subsidy is unrelated to the size of the department would cast doubt on the externality hypothesis.

Fourth, at least some of the externalities produced by the convention attendance of other faculty are largest if the rest of the department is present at the convention. This

is especially true if the externality producing activities involve the department's prestige (e.g., the granting of an award for scholarly research to a colleague). Thus, the larger the proportion of faculty in attendance at a convention, the larger the size of the subsidy a department should be willing to pay. In contrast, if the subsidy is either a fringe or a

reward for productive behavior as the number of faculty attending a convention increases, the average size of the subsidy they receive should decrease.<sup>6</sup>

### Two Alternatives to the Externalities Hypothesis

Two hypotheses are advanced as alternatives to the externalities justification for convention subsidies. The first assumes that departmental subsidies for convention attendance are a fringe benefit to which all faculty are entitled. The fringe hypothesis finds support in the argument that reimbursement for convention attendance is not taxable and hence yields a larger return to faculty than an equivalent salary increase. Hence, faculty are willing to accept lower salaries with the expectation that their departments will provide a travel subsidy. Such a subsidy may have the added advantage of not being directly transferable. Hence, it need not be shared with one's family, creditors, or insurers and thus may have a higher value than direct cash payments.<sup>7</sup> Such fringes may also be attractive to the faculty member's employer since the amount budgeted for convention subsidies need not rise at the same rate as faculty salaries. Moreover, separation of travel in a separate budget account may give the illusion that faculty salary expenses are less than they actually are.

The fringe benefit hypothesis gives rise to three predictions. First, all faculty should receive a subsidy irrespective of whether they engage in externality producing behavior. Second, the size of a faculty member's subsidy

should bear some relation to the income or rank which he holds in the department. Thus, if the subsidy is strictly a fringe benefit then the amount departments provide should be the same irrespective of whether the conventions their faculty attend yield many externalities or few.

The second alternative is that convention subsidies are rewards to faculty for productive behavior. Evidence of productivity may take a form such as scholarly paper production, participation in departmental or university activities, high teaching evaluations, or outstanding public service. The activities which are rewarded may give rise to externalities or they may not. They may be either current or past. Viewed in this context, convention subsidies are a reward for meritorious behavior.

The rewards hypothesis gives rise to several predictions which differ from those presented above. First, convention subsidies should be paid to productive faculty, irrespective of whether they are presenting papers at a current convention. Second, the amount paid to a faculty member should be the same irrespective of the meeting which he chooses to attend. Third, the size of the subsidy need not be related to the size of the faculty member's department. Fourth, the size of the subsidy will be inversely related to the number of other faculty attending conventions.

### A Test of the Three Hypotheses

In order to discriminate among the three hypotheses we employ data from a nationwide survey of Department of Economics chairpersons in October 1980. Our analysis is based on the responses of 158 persons who returned our mail questionnaire.<sup>8</sup> Each chairperson was asked to indicate the relative importance of various attributes in determining the propor-

<sup>6</sup>Ideally, we would have liked to test for subsidies allocated according to faculty members' willingness to pay. However, extensive discussions with chairpersons suggest that such allocations are not likely since faculty can engage in strategic behavior to preclude their chairperson from determining who would pay their own way in the absence of a subsidy.

<sup>7</sup>We are indebted to Richard Evans for pointing this out. Note that this interpretation is opposite to the usual argument that "in-kind" transfers are not as valuable as direct cash transfers.

<sup>8</sup>This represented a response of about 40% to the 400 questionnaires sent to department chairpersons nationwide. No doubt our sample is heavily influenced by the smaller departments since it is weighted by institution, not faculty size.

TABLE 1 Chairpersons' Rankings of Factors That Determine the Amount the Department Will Pay Toward Attendance at a Meeting

	Mean	Median
Presenter	2.5	1.3
Recruitment/Placement	2.8	1.4
Distance	3.8	3.0
Association Officer	4.0	3.0
New Faculty Member	4.6	3.3
Discussant	3.9	3.4
Chairperson	4.1	3.5
Senior Faculty	4.9	3.5
Superstar	5.3	4.7
Price Level	5.7	5.1
Time of Year	6.5	6.5

tion of a faculty member's convention travel expenses that his department would cover. Included in the evaluation are activities which produce a department externality and other factors which might bear on whether a subsidy is offered. The responses shown in Table 1 reveal the chairpersons' rankings. A ranking of 1 indicates that the highest importance is given to an attribute while a 10 denotes least importance.

These responses suggest that most departments differentiate among the various activities which faculty perform at a convention.<sup>9</sup> About 73 percent of the departments in our survey provided a clear-cut ranking of faculty activities. Moreover, the responses of the departmental chairpersons to a variety of questions suggested that chairpersons would allocate little, if any, departmental subsidies to faculty who do not engage in productive activities and that their allocation of subsidies would not be salary related. Few departments allocated convention subsidies to all of their faculty. Equally interesting is the low ranking

<sup>9</sup>This differentiation is crucial since if all conventions were ranked the same there would be no difference in the externalities produced by sending a faculty member to any convention and the rewards and externalities hypotheses would not differ in this respect.

given to faculty rank, a variable which would be important if the fringe benefits or rewards motives were dominant. Based on these findings, we eliminated the fringe benefits hypothesis from further consideration.

Our methodology for discriminating among the externalities and rewards hypothesis was somewhat more complex. We began by determining whether chairpersons perceive convention attendance as yielding differential benefits depending on which convention a faculty member attended. Chairpersons were asked to evaluate the various annual conventions and to rank them in terms of the benefits which a convention should yield to a department. As Table 2 suggests, different benefits are perceived from the various conventions. The AEA, for example, is ranked over 2.7 times as high, on average, as the state economic association meetings.

According to the rewards hypothesis, the presence of differential benefits among conventions should have no effect on a department's willingness to subsidize convention travel; according to the externalities hypothesis, the subsidy should increase with the size of the externalities produced by a convention. To

TABLE 2 Chairpersons' Rankings of Various Conventions Based on Their Views of the Purposes a Convention Should Serve

	Mean	Median
American Economic Association	2.2	1.2
Other National or International	3.5	2.6
Regional Economic Associations	3.7	3.2
Other National Allied Associations	4.7	4.7
Sub-Regional Economic Associations	4.9	4.6
State Economic Associations	6.1	6.2
National Meetings of Sister Disciplines	7.3	7.6

test this hypothesis we asked department chairpersons to indicate the proportion of travel expenses they would pay for an assistant professor and for a full professor, each giving a paper at one of the meetings listed in Table 2. The meetings were assumed to be held in Chicago in November to rule out location or time of year as a factor in the decision process. The size of the subsidy was then correlated with the rating of the convention.

Interestingly, over 63% of the departments indicated that they would pay the same percentage of travel expenses irrespective of which convention the faculty member attended: most made no distinction between the assistant and the full professor, the Tullock hypothesis notwithstanding.<sup>10</sup> For those departments which reported a difference in the size of the subsidy, the average correlation between the ranking of the convention and the proportion of convention expenses covered by the department was only  $-0.11$ .<sup>11</sup> A similar conclusion was reached when the correlation was with the total amount of the subsidy.

These findings fail to provide strong support for either hypothesis. The size of the subsidy paid to faculty does not vary with rank. This implies a flat payment to faculty, irrespective of their income level and it is consistent with the rewards hypothesis only if rewards are unrelated to faculty rank or income. Alternatively, the size of the subsidy paid to faculty does not depend on the ranking of the convention they choose to attend, violat-

ing a prediction of the externalities hypothesis.

Apparently, presentation of a paper is alone sufficient to justify a travel subsidy, irrespective of where the presentation occurs or by whom it is made. Yet, chairpersons believe that the conventions differ in the benefits they yield to departments. This apparent contradiction can be reconciled with the externalities hypothesis if the benefits to a department from having a faculty member present a paper are unrelated to where the paper is presented. This might be the case if paper presentation serves only as a precursor to subsequent publication in a journal and yields no other externalities. But even here, the quality of criticism and hence, the quality of the paper, might be influenced by the choice of the convention.

The finding that the presentation of a paper is sufficient to insure a subsidy in many departments is also surprising since in 63% of the departments covered by our survey the travel budget remained the same between 1979 and 1980 and in an additional 15% it decreased. This implies a decrease in the real travel funds available for subsidy and one might have expected departments to concentrate their funds on faculty presenting papers at meetings where the externalities were the largest. Presumably these would be the largest and/or most prestigious meetings.

#### A Further Test of the Externalities and Reward Hypotheses

In light of the ambiguous findings presented above, a further test of the two hypotheses is necessary to discriminate among explanations. In a world where externalities provide the dominant rationale for convention subsidies, the larger the number of faculty who benefit the larger the optimal subsidy to convention travel. Thus, subsidies should rise with department size. In contrast, there is no inherent reason for larger departments to reward faculty by providing a larger subsidy for con-

<sup>10</sup>Gordon Tullock, "Universities Should Discriminate Against Assistant Professors," *Journal of Political Economy*, September/October 1978, pp 1256-57. Note, however, that our formulation does not rule out the possibility that the probability of receiving a subsidy varies by rank.

<sup>11</sup>This coefficient is not statistically significant. We have also computed the correlation between the ranking for each meeting (viz., AEA) and the proportion of travel paid across departments. In six of the seven correlations the relationship is negative as predicted by our hypothesis. Only in the case of the state economic association is it significant at the 5% level.

vention travel than small departments. A finding that the proportion of travel reimbursed rises with department size provides evidence in favor of the externalities hypothesis.

Moreover, the externalities provided to a department depend on the extent to which that department is represented at conventions. For reasons discussed above, as the proportion of a department's faculty attending conventions increases, the externality it receives from having faculty engaged in desired activities at those convention increases. Unfortunately, we do not have a variable to measure the participation of faculty at each convention. Instead, we use the total proportion of faculty who attend a convention as a proxy. The hypothesis is that the optimal travel subsidy should rise, *ceteris paribus*, as the proportion of faculty attending conventions increases.

In contrast, if convention attendance is a reward for current productivity then the relevant variable is the proportion of faculty giving papers since when budgets are tight, the larger the number of faculty attending a convention the smaller the subsidy that each faculty member can receive. This is a variant of the familiar wages fund theory of faculty rewards. Alternatively, if it is a reward for past productivity then the sign on this variable should be negative since the size of the reward falls as the proportion of faculty being rewarded rises. Thus, the two hypotheses give rise to different predictions as to which variable will be significant in determining the size of the departmental subsidy.

To test the alternative hypotheses we formulate an ordinary least squares regression of the proportion of travel expenses paid to a full

TABLE 3 Regressions of Proportion of Travel Expenses Paid for Meeting Attendance on Size of Faculty, Proportion of Faculty Attending and Proportion of Faculty Giving Papers

Proportion of Travel Paid $P_i(1)$	$\bar{R}^2$	F	Size of Faculty $A_i$	Proportion of Faculty Attending $B_i$	Proportion of Faculty Giving Papers $C_i$
Own State	0.04	2.1	0.45 (3.1)	19.2 (2.3)	
Econ. Assoc.	0.009	1.2	0.28 (1.2)		11.8 (0.6)
American	0.06	2.5	0.48 (4.1)	17.7 (2.2)	
Econ. Assoc.	0.03	1.6	0.33 (1.8)		11.2 (0.6)
Other National	0.08	3.0	0.55 (4.8)	20.9 (2.9)	
Econ. Assoc. (2)	0.03	1.9	0.37 (2.1)		12.1 (0.6)
Sub-Regional	0.15	5.1	0.60 (6.5)	30.1 (6.6)	
Econ. Assoc. (3)	0.09	3.4	0.31 (1.6)		26.2 (3.3)
Other National	0.07	2.8	0.53 (4.4)	19.8 (2.6)	
Allied Assoc. (4)	0.02	1.6	0.37 (2.1)		9.0 (0.4)
Regional	0.10	3.7	0.55 (5.3)	24.5 (4.3)	
Econ. Assoc. (5)	0.05	2.1	0.33 (1.8)		16.4 (1.3)
Sister Disciplines	0.13	4.5	0.57 (5.0)	32.4 (6.5)	
National or Regional (6)	0.06	2.4	0.26 (1.0)		25.4 (2.5)

(1) Proportion of travel expenses paid to tenured full professor to attend the meetings listed in Chicago in November. (2) Other national or international economic associations include the Econometric Society, American Agricultural Economic Association, International Economic Association, etc. (3) Sub-regional economic associations include the Mid-South, Midwest, Missouri Valley, etc. (4) Other national allied associations include the IRRA, History of Economics, Society for Grant Economics, Management Science, Public Choice, National Tax Association, URPE, etc. (5) Regional economic associations include the Southern, Eastern, Western, Atlantic, etc. (6) National or regional meetings of sister disciplines include Sociology, Political Science, History, etc.

professor for attendance at a meeting ( $P_i$ ) on size of faculty ( $A_i$ ) and proportion of the department faculty attending a convention in this academic year ( $B_i$ ). The equation is run for each of the seven meeting groups using both  $B_i$  and the proportion of department faculty giving a paper at a convention in this academic year ( $C_i$ ). The results of the regression are shown in Table 3.

While the coefficients vary from one convention group to another the overall pattern in the tables is one consistent with the externalities hypothesis.<sup>12</sup> Note that the faculty size variable is statistically significant at the .05 level in 7 equations. The proportion variables differ in their impact. The  $B_i$  variable is statistically significant in 4 equations while the  $C_i$  variable is significant in 1 equation. Moreover, in virtually all cases, the  $B_i$  variable explains more of the variance in the dependent variable than the  $C_i$  variable and the sign on the latter variable suggests that the reward is for current, not past performance.<sup>13</sup>

On balance our analysis suggests that externalities rather than rewards provide the more likely basis for the subsidies departments provide to faculty for convention attendance. This seems reasonable since highly productive activities which produce no externalities can be provided through the normal merit system. Thus, for example, a faculty member engaged in a local public service may receive released time or a salary increment. There is little to justify sending him to a convention as a reward.

Nonetheless, there are several reasons for believing that the separation between the two

hypotheses is not always clear. First, there are several activities in which externality producing behavior is highly related to current productivity so that assigning a unique role to externality producing behavior is difficult. This is particularly the case with publication. Departments may differentiate between papers presented at conventions and those published in journals. The former may yield externalities recognized through subsidies; the latter may yield rewards recognized in the salary determination process. But attendance at some conventions leads to automatic publication. Second, when one budget is tight, the departments may use the other to compensate faculty for their performance. Thus, in a year of low merit funds, additional travel may serve as a reward to a high current producer. Third, in those cases where the externalities to a department are not obvious (e.g., chairing a session or serving as a discussant), the chairperson may allow the faculty member to receive a subsidy for attendance in lieu of a salary increase. Hence, while we believe that externalities provide the basis for departmental subsidies, this conclusion is subject to several caveats.

#### Implications of the Decline in Departmental Travel Subsidies

Recent changes in academe have altered the climate in which allocation decisions are made. Tight budgets have reduced the real subsidy that departments can provide. These downward shifts in the budget constraint may also alter departmental tradeoffs between travel subsidies and other uses of scarce funds. If convention travel were viewed as a fringe benefit then shifting funds from this category to secretarial or graduate students could be viewed as removing a fringe from the faculty. A similar argument can be made for the rewards explanation. However, if the travel subsidy is based on the externalities that a department expects to receive then travel sub-

<sup>12</sup>The possibility exists that this finding is a result of the specification error. Since the dependent variable is binomial, a generalized least squares model may be more appropriate. Repeated tests of the model with several different weights suggest that the findings presented here are robust.

<sup>13</sup>Addition to  $R^2$  is used to test for a significant difference between the two proportions variables. The  $B_i$  variable differs statistically from the  $C_i$  variable.

sidies should be judged against other externalities producing investments.

As budgets tighten further it is not clear that travel subsidies will continue to grow as they have in the past. There are several reasons for this. First, as the real budgets of academic institutions continue to decrease, departments will look for uses of their funds which have the highest utility. Many of the externalities produced by convention travel can be achieved through other vehicles. Second, it is likely that the number of faculty attending conventions will decline, due to lower real incomes and reduced private benefits from convention attendance. As fewer faculty attend a given convention, the externalities derived from attending that convention will diminish. This trend will be further hastened if the profession becomes subject to retrenchment. But as attendance shrinks, so will the externalities that a department derives. Third, technology is changing and as less costly means of information transfer become popular, the relative advantages of convention travel will decrease.

Some of these changes have not yet affected convention travel, while others have already begun to be felt. Data from our survey show that the subsidy per meeting averages \$85.50, an amount substantially below the \$400 in expenditures made by an average convention attendee.<sup>14</sup> It seems likely that further reductions in departmental subsidies will have a significant impact on convention travel. At the same time, during the last decade the real cost of attending a convention has increased for the average faculty member. The airline fare price index in 1970 was 119.4; in 1980 it had risen to 280.1, an increase of 134.6%. Like-

<sup>14</sup>The importance of the subsidy varies depending on where the meeting is held. For example, data obtained from the Midsouth Academy of Economists show that only 13.7% of the 160 attendees at their 1979 annual meeting fully paid their own travel expenses and 52.5% received full reimbursement for their trip. These percentages are likely to be lower for the national meetings. See footnote 1 for the reference.

wise, the price index for out-of-town lodgings increased by 124.6%.<sup>15</sup> At the same time, academic salaries have failed to keep pace. In the decade from 1970 to 1980, nominal academic salaries rose by 67.7% while real academic salaries fell by 18.4%.<sup>16</sup> This has reduced the ability of faculty members to finance convention travel out of their own pockets.

How has this affected convention attendance and what implications does this have for academe? To answer this question we have compiled data from a number of academic associations. Included in our tabulation are membership and attendance figures from three national associations; the American Economic Association (AEA), the American Political Science Association (APSA), and the American Sociological Association (ASA) and seven regional economic associations. These are obtained from correspondence with the individual associations and from printed documents where they are available.<sup>17</sup> The relevant figures are shown in Table 4.<sup>18</sup>

<sup>15</sup>Department of Labor, Bureau of Labor Statistics, Consumer Price Index Detailed Report, Washington, D.C.: U.S. Government Printing Office, 1971 and 1981, and U.S. Department of Commerce, Bureau of the Census, *Statistical Abstract of the U.S. 1980*, Washington, D.C.: U.S. Government Printing Office, 1980.

<sup>16</sup>American Association of University Professors, "Retraining into the Eighties: Annual Report on the Economic Status of the Teaching Profession," *Academe*, September 1980, p. 267.

<sup>17</sup>Data for the Western Economic Association, Southern Economic Association, Atlantic Economic Association, IRRA, Econometric Society, Association for Evolutionary Economics, American Sociological Association and Midsouth Academy of Economists come from written responses from association officers to requests for such information. Data for the American Economic Association come from the 1978 Survey of Members, December, 1978, and the 1981 Survey of Members, December, 1981. Data for the American Political Science Association come from PS, Summer, 1980.

<sup>18</sup>For the AEA, some figures are estimates of attendance which include students and those not registering, while other figures are paid registrations. The membership figures exclude institutional subscriptions. The membership figures for the Western Economic Association exclude libraries, institutions, firms, government agencies, and research organizations. The 1970 through 1972

TABLE 4 Association Memberships and Convention Attendance

	1970	1971	1972	1973	1974	1975	1976	1977	1978	1979	1980
<i>American Econ Assoc</i>											
Membership	N/A	N/A	N/A	N/A	18,766	19,564	19,072	17,386	18,901	19,459	19,401
Attendance	3,905	3,903	3,474	3,916	3,339	2,942	2,726	3,808	1,529	2,671	1,313
A/M	—	—	—	—	.18	.15	.14	.22	.08	.14	.07
<i>Western Econ Assoc</i>											
Membership	N/A	981	1,346	1,666	1,992	2,331	2,743	2,789	2,809	2,865	N/A
Attendance	N/A	N/A	N/A	430	1,142	1,240	1,682	1,433	1,229	1,274	N/A
A/M	—	—	—	.26	.57	.53	.61	.51	.44	.44	—
<i>Southern Econ Assoc</i>											
Membership (as of 10/31)	1,830	1,844	N/A	1,562	1,658	1,757	1,819	1,997	2,138	1,995	2,059
Attendance	1,570	1,271	1,610	874	1,250	.943	1,004	1,279	1,416	1,617	1,134
A/M	.86	.69	—	.56	.75	.54	.55	.64	.66	.81	.55
<i>Atlantic Econ Assoc</i>											
Membership	N/A	N/A	N/A	200	200	300	400	650	775	1,000	1,100
Attendance	N/A	N/A	N/A	100	150	350	600	500	450	350	350
A/M	—	—	—	.50	.75	1.17	1.50	.77	.58	.35	.32
<i>IRRA</i>											
Membership	2,928	3,017	2,365	3,137	3,238	1,236	2,877	3,261	3,801	4,556	4,627
Attendance	393	384	N/A	534	312	244	288	406	N/A	275	250
A/M	.13	.13	—	.17	.10	.20	.10	.12	—	.06	.05
<i>Econometric Society</i>											
Membership	N/A	N/A	N/A	N/A	2,585	2,627	2,375	2,327	2,518	2,722	2,551
Attendance	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
<i>Assoc for Evol Economics</i>											
Membership <sup>11</sup>	505	525	586	580	600	603	645	692	730	754	805
Attendance <sup>12</sup>	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
<i>American Political Science Assoc</i>											
Membership <sup>13</sup>	13,663	13,842	12,402	12,481	12,081	11,719	11,230	10,343	10,107	9,569	9,074
Attendance <sup>14</sup>	2,319	2,545	3,241	2,259	2,576	2,394	2,212	2,521	2,276	2,578	N/A
A/M	.17	.18	.26	.18	.21	.20	.20	.24	.23	.27	—
<i>American Sociological Assoc</i>											
Membership	14,156	14,827	14,934	14,398	14,654	14,387	13,958	13,755	13,561	13,208	12,868
Attendance	3,515	3,060	2,470	3,808	3,615	3,263	3,768	3,320	2,922	3,535	3,331
A/M	.25	.21	.17	.26	.25	.23	.27	.24	.22	.27	.26
<i>Mid-South Academy of Economists</i>											
Membership	N/A	N/A	N/A	N/A	N/A	N/A	106	106	154	157	170
Attendance	N/A	N/A	N/A	N/A	N/A	N/A	N/A	100	181	157	156
A/M	—	—	—	—	—	—	—	.94	1.18	1.00	.92

Source: See text footnote<sup>17</sup>

Considerable difference exists both in the size of membership in the various organizations and in the percentage of members who attend annual conventions each year. The trend has been toward fewer members attend-

attendance figures for the Southern Economic Association include members of the Southern Management and Southern Marketing Associations. The 1974 through 1980 figures include members of the Southern Finance Association. Membership figures for the IRRA exclude subscriptions, except for 1979 and 1980. The 1975 figure represents the period from December 1, 1974 to June 30, 1975. The fiscal year was changed to July 1 to June 30 in May, 1975. The IRRA attendance figures are for the Annual Meeting. The IRRA also holds a Spring Meeting. Econometric Society Meetings are held in conjunction with the American Economic Association and no records

ing the annual conventions of the major national associations. For example, the percentage of members attending the annual meeting of the AEA has declined, despite relatively stable membership figures. The

of attendance are kept. The membership figures exclude institutional subscriptions. No records of attendance are kept for the Association for Evolutionary Economics Annual Conventions. The membership figures exclude library subscribers. The 1972 to 1979 attendance figures for the American Political Science Association include exhibitors registered at the meeting since their fee for booth rental includes the cost of their registration. The membership figures exclude institutional membership. The Atlantic Economic Association and the Midsouth Academy of Economists were started in the 1970's so that data are not available for all years.

ASA pattern is one of declining membership and a stable percentage of members attending the annual meeting. APSA membership has been declining but the percentage of members attending meetings has been increasing. Most of the regional associations have experienced a modest growth in membership with stable or declining percentages of members attending conventions. And while relatively stable percentages of members attended the Southern and Midsouth meetings through time, attendance at both meetings has been down in the last two years. Overall, the pattern has been one of declining convention attendance.

The near-term outlook does not bode well for the annual conventions of economists. This is unfortunate because many of these meetings provide an efficient way of dispensing state-of-the-art ideas and technologies in a timely manner. Until the new technologies make their influence felt in academe, it seems likely that the exchange of information will be slowed as more economists await the delayed

publication of papers to learn the latest developments in their fields.

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