



# American Economic Association

1984 Committee on the Status of Women in the Economics Profession

## NEWSLETTER

ALETA ASLANI STYERS, EDITOR  
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Fall, 1984

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## WOMEN AT HARVARD

For those who were watching Harvard's Department of Economics performance on the hiring of women, there is some good news. This year the Department hired three women at the Assistant Professor level. Two of them--Susan Collins (MIT) and Kala Krishna (Princeton)--concentrate on International Trade, and Juliet Schor (U. Mass.) on Macro and Political Economy. They join Susanne Scotchmer, also an Assistant Professor on her fourth year, as the only women in a department of about 55 members. Harvard has never had a tenured woman in Economics. CSWEP has often expressed concern about it.

Another concern of the Committee about Economics at Harvard has been the small number of women graduate students. Last year (1983-84), the new class had only three women out of a total of 31. This year that number has increased to seven out of a total of 27, a proportion that is closer to that of previous years--representing just over 25% of the total. There is still lots of room for improvement.

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## WOMEN IN THE NEWS

### MARTHA ROMAYNE SEGER

Dr. Martha Romaine Seger was sworn in on July 2, 1984 for a full term as a member of the Board of Governors of the Federal Reserve System. She is thus the second woman to serve on the Federal Board and the first to be appointed to a full term. She was Commissioner of Financial Institutions for the State of Michigan during 1981-82. She started her career at the Fed as a financial economist at the Board during 1964-67. She then entered private banking and was chief economist of the Detroit Bank and Trust Company and subsequently Vice President of the Bank of the Commonwealth in Detroit.

Dr. Seger was educated at the University of Michigan, from which she has received a B.A. and M.B.A. in Finance and a Ph.D. in Finance and Business Economics. She has taught at the Universities of Michigan, Windsor, Oakland, New Mexico and Central Michigan. She served on the boards of New England Life Insurance Co., Pontiac State Bank, Comercia Bank, and Michigan Blue Cross/Blue Shield.

### NANCY TEETERS

Nancy Teeters, the first woman governor of the federal reserve board, has become Chief Economist at IBM. Ms. Teeters is the second woman to head a major corporate economics department. Marina von Neuman Whitman is Vice President and Chief Economist for General Motors. Ms. Teeters IBM is Director of Economics.

### ELEANOR ROOSEVELT

In November 1983 President Reagan signed a joint Congressional resolution to commemorate the centennial of the birth of Eleanor Roosevelt. October 11, 1984 marked that centennial.

The resolution established a Centennial Commission and committed the Secretary of the Interior to complete the improvement and development of the Eleanor Roosevelt National Historic Site at Val-Kill in Hyde Park, New York. This has been accomplished and combined with other sites and libraries in Hyde Park increases scholars' access to memorabilia and historical records.

Mrs. Roosevelt lived near the eye of the storm at a critical time in our nation's economic history. Frequently the generator of strong passions--both positive and negative--her life and the broad swath she cut through our society expanded the academic, economic and social possibilities for American women.

### SHORT NOTES

Susan Vroman was promoted to Associate Professor of Economics, with Tenure at Georgetown University.

Beth Ann Hayes, an assistant professor at Northwestern University was killed this summer in a motor vehicle accident.

AEA DALLAS CONVENTION  
CSWEP EVENTS SCHEDULE  
LOCATIONS

CSWEP HOSPITALITY ROOM: drop by to exchange info, meet CSWEP  
committee members, have coffee, rest.  
December 28th and 29th, 10:00 a.m. to 4:00 p.m.  
HOSPITALITY ROOM - Room S-307, CONVENTION CENTER

Friday, December 28, 1984

2:30 p.m.

CSWEP SESSION I E401-Convention Center

BLACK AND WHITE WOMEN IN POVERTY

5:00 p.m.

CSWEP BUSINESS MEETING Fairmont Hotel - Green Room

6-7:30 p.m.

CSWEP COCKTAIL PARTY Fairmont Hotel - Garden Room

Saturday, December 29, 1984

10:15 a.m.

CSWEP SESSION ON GRANTS E401 - Convention Center

NSF ECONOMICS PROGRAM: Proposal and  
application procedures

Sunday, December 30, 1984

8:00 a.m.

CSWEP SESSION II n-230 - Convention Center

IS GENDER EQUALITY ADVANCING IN THE WORK PLACE?

1983 CSWEP (SOUTH) STUDENT  
PAPER AWARD RECIPIENT

Carol C.S. Gilbert  
University of North Carolina  
at Chapel Hill

"An Efficient Systems of Standards  
for Air Quality"--Abstract

The basic objective of this paper is to compare the performance of a single air pollution standard with that of a system of multiple standards each set with respect to a single type of benefits. Expressions for the expected social loss associated with each form of air pollution control are derived and compared for the case in which air pollution control costs are not known with complete certainty.

The paper reviews the work of Martin Weitzman and subsequent extensions of it on the performance of price and quantity regulations (taxes and standards) in the presence of uncertainty about costs and benefits. This paper extends the Weitzman analysis to compare the performance of a single standard with that of a two-tiered standard system like the primary and secondary air quality standards currently in use in the United States.

The analysis assumes that two types of benefits are obtained from air pollution control, health and materials benefits, and that both types of benefits are fully known to regulators. The pollution control cost function is not known to regulators with complete certainty, so that social losses may result if the marginal cost of control is greater or lower than anticipated, implying excessive or insufficient control respectively.

The single standard is established by summing the health and materials benefits from each unit of pollution control. The regulatory agency's objective is to maximize the difference between pollution control benefits and costs. Multiple standards are set in a way which ignores the "jointness" of health and materials benefits. That is, the primary standard is set by comparing the marginal cost of pollution control with marginal health benefits alone. If at this point marginal materials benefits exceed marginal costs, than a secondary standard is set where the two are equal.

Under the assumptions of the model, expected social losses are greater under the system of multiple standards than under the single standard. Social losses associated with the single standard are attributable wholly to imperfect knowledge of marginal costs, whereas under the multiple standards social losses also result from the failure to properly sum the health and materials benefits from an incremental improvement in air quality.

The additional social loss associated with the multiple standards system may be eliminated by changing the way that the secondary standard is set. The primary (health) standard may be retained in its present form so long as the secondary standard is established where marginal costs equals the sum of marginal benefits, rather than become the basic air quality being the regulatory objective. A substantial improvement in regulatory performance could result from this minor modification of the present air quality control system.

Sponsored by Walter S. Misolek,  
Associate Professor, University of  
Alabama

SOUTHERN ECONOMIC ASSOCIATION MEETINGS

ATLANTA, NOVEMBER 14-16, 1984

ATLANTA HILTON, ATLANTA, GA

CSWEP SESSION I

Topic: "Technical Change and the Economic Role of Women"

Chair: Marie Lobue, The University of New Orleans

Papers: "Means of Payment Differences by Women between 1971 and 1983: Implications for Evolution in the Payments Mechanism," J.T. LINDLEY, P. RUDOLPH, The University of Alabama, AND E.B. SELBY, The University of Georgia.

"Women Business Owners and Their Changing Role in Industry," A. CULLEN, U.S. Small Business Administration, Washington, D.C.

"Women in the Small Business Work Force," J.H. LICHTENSTEIN, U.S. Small Business Administration, Washington, D.C.

"Industrial Categories and Female Labor Force Participation in Cuba, Mexico and Chile," A. LOPEZ-LUIS, The University of New Orleans.

Discussants: L.J. CASPERSON, Louisiana State University at Shreveport.

L.A. LAUFER, Yale University.

D.M. GANDIA, Maryland Department of Economic and Community Development.

C.M. SIDDAYAO, The University of Hawaii.

CSWEP SESSION II

Topic: Job Market Preparation for Economists

Chair: Mary Fish, The University of Alabama

Paper: CSWEP(South) 1984 Award Winning Paper on an Economics Topic Written by a Woman Economics Student.

Discussion: "Job Market Techniques for Business," A.A. Styers, A.T. & T. Technologies.

CSWEP Business Session, Thursday, 4-5 P.M.

CSWEP Wine and Cheese Party, Thursday, 6-8 P.M.

# CITATIONS: ARE THEY AN OBJECTIVE MEASURE OF MERIT?

Marrienne A. Ferber  
University of Illinois

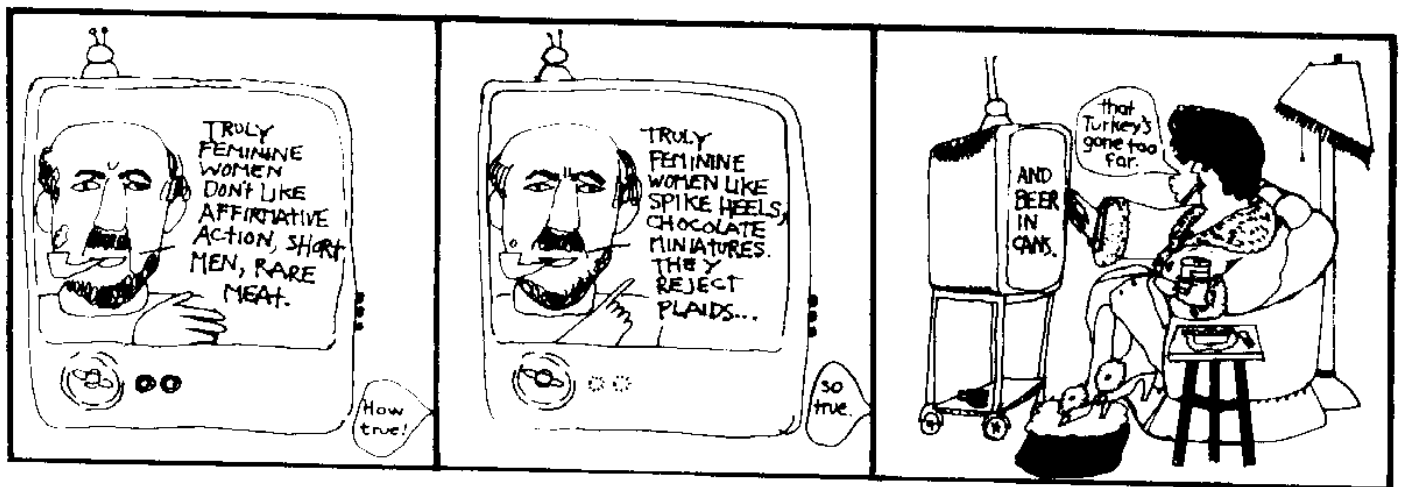
## ABSTRACT

Recent research is quite convincing that the frequency of citations of a faculty member's work significantly affects salary. Far less convincing is the suggestion that the number of citations is an objective measure of quality of research. Studies indicate that quality, like beauty, is at least to some extent in the eye of the beholder. Since scholars have considerable discretion in their selection of citations, question may be raised whether the choice of references may be influenced by personal preferences and prejudices. To the extent that researchers are more inclined to cite authors of their own sex than are researchers of the opposite sex, women would be at a disadvantage in predominantly male fields. This paper proposes to test the hypothesis that women economists may be at a disadvantage in accumulating citations because they are a minority in their profession.

The results of the study are consistent with the hypothesis that researchers tend to cite a larger proportion of authors of their own sex than of the opposite sex. We would, furthermore, contend that the issue of quality does not enter here, unless someone is prepared to argue that one group is a better judge of work that is worthy of citation.

One possible but unlikely explanation for this phenomenon is that some authors go out of their way to cite writers of the same sex because of strongly held prejudices. Another, more plausible explanation is that most researchers belong to networks within which papers are exchanged, so that they will be particularly familiar with works of other members in the same circle. It is very likely that some degree of sex segregation exists among such networks. Another possibility is that men tend to have a lower opinion of women's work and vice versa.

Whatever the reason for the imbalance in citations, there can be no question it has substantial effects in a field where the ratio of men to women is about nine to one. Hence, citations cannot be regarded as an unbiased indicator of merit, or as a useful tool in evaluating discrimination.



## ECONOMISTS AND REFORMERS AT BERKELEY, 1900 TO 1960

Mary Cookingham\*  
Michigan State University

The recent deaths of two Berkeley emeriti professors prompt a re-evaluation of the role of social economics at Berkeley: Emily H. Huntington and Paul S. Taylor were members of an important but frequently overlooked corner of the economics profession which had significant influence on social and economic programs of the federal and state government. This paper reviews the accomplishments of Berkeley social economists and in so doing, sketches the history of the department. This research is then combined with recent work on Harvard and Chicago to highlight the nature of the profession in the first half of the twentieth century. The several transformations of the California department are representative of changes throughout the social sciences generally, but Berkeley's history also has some interesting deviations, including the presence of three tenured women faculty members in the mid-thirties.

Economics at Berkeley, like elsewhere, began with political economy courses being listed in the Department of History and Political Science. With the appointment of several graduates of German universities and the encouragement of University President Benjamin Wheeler, the staff expanded and in 1904 economics became a separate department on the Cal campus. Wesley C. Mitchell was one of the early members, and Adolph C. Miller, later one of the original members of the Federal Reserve Board, was its first chairman. In

1906, Jessica B. Peixotto, one of the university's first two women Ph.D.'s, was appointed assistant professor. By World War I, the department had grown in size and stature. By the mid-twenties, there were four distinct fields within economics - theory, labor, social economics, and economic history.

Social economics at California dealt with socio-economic problems like unemployment and poverty. Peixotto developed the field based on many of the ideas of Bernard Moses, a student of the German historical school. In the 1920's, she became nationally known for her work on family budget studies and consumption economics, and was consequently elected vice president of the American Economic Association. By 1926, three other economists taught classes labelled social economics - Lucy Stebbins, Emily Huntington, and Paul Taylor. Taylor taught labor courses as well, but was well-known for his work on migrant workers in the twenties and thirties. A fifth economist, Barbara Armstrong, had a joint appointment with the law school and taught classes on the economic implications of state and federal laws. All these economists were concerned with protecting the rights of the least powerful groups in society, and later fought for the adoption of various types of social insurance. Huntington and Armstrong had themselves taken classes from Peixotto as undergraduates at Berkeley.

Armstrong's book Insuring the Essentials: Minimum Wage Plus Social Insurance - A Living Wage Problem (1932) caught the attention of the Roosevelt administration which consequently appointed her to work with Edwin Witte on the

Committee on Economic Security that ultimately formulated the Social Security Act of 1935. Huntington served on the commission that wrote California's unemployment insurance laws. She succeeded Peixotto as head of the Heller Committee for Research in Social Economics that constructed and published a monthly cost of living index for workers in San Francisco. This "Heller Budget" became a standard reference in labor negotiations in the 1930's and 1940's. In 1945, Huntington was asked to serve on the committee that created the U.S. Bureau of Labor Statistics' City Workers' budget. Taylor served as field director of the Rural Rehabilitation Division of the Emergency relief Administration that investigated economic conditions of California farm workers. His essays, along with Dorothea Lange's photographs in An American Exodus dramatically captured the effect of the Depression on agricultural laborers.

Social economics as taught by these economists no longer exists in the economics department at Berkeley although its influence can still be felt in applied fields such as labor and industrial organization and in the law and social welfare schools. Many of the forces that encouraged the field's development had weakened by 1950, thanks in part to the accomplishments of these scholars and their colleagues: State and federal governments now collect and disseminate socioeconomic statistics and define the "minimum" standard of living; old age, health, and unemployment insurance now exists.

These social economists were part of a larger heterodox department that included other economists concerned with reforming economic institutions. Charles

Gulic (author with Henry Seager of Trusts and Corporation Problems), Robert Brady (Business as a System of Power), and Ira Cross also called for social and economic changes during the third and fourth decades of this century. Along with the social economists, these economists can be called institutionalists if one uses that vexed term to refer to those who did inductive, rather than deductive analysis, and were concerned with the collection of socio-economic data. This institutionalist tradition is not usually connected with Berkeley, given the department's transformation in the 1960's, but is consistent with its early roots in the German historical school. Indeed, Gulick and Brady were students of Mitchell's, and Taylor and Cross took classes from Commons at Wisconsin. Peixotto and Mitchell shared research ideas when he was a faculty member at Cal, and Cross taught for Veblen at Stanford. During the 1930's, these Berkeley faculty members, the social economists, plus Clark Kerr, Leo Rogin and Sanford Mosk were deeply involved in the writing and implementation of New Deal programs.

The Berkeley economics department, then, was similar in its commitment to socio-economic reform and collegial interchange to Wisconsin and Columbia, but quite dissimilar from Harvard. Cambridge economists collaborated very little, and were skeptical of the New Deal policies until the late thirties. Harvard had few ties with the German historical school, remaining firmly wedded to the classical tradition in its early years, whereas the Wisconsin department, like Berkeley, was founded by an economist trained at Heidelberg (Richard Ely) and trained many of the economists who



participated in the reforms of 1930's and '40's. None of these departments, however, had as many women tenure-stream members as California in the thirties; indeed, its record then would be admirable today.

Economic theorists, econometricians and mathematical economists were hired in large numbers at Berkeley in the late 1950's and early 1960's. Alienated by the new methodology of these young scholars, many of the institutionalists retired and the composition of the department changed very rapidly. This pattern was repeated in social science departments across the country: the reform impulse, so evident in Berkeley's economics department in the first third of this century, was replaced by emphasis on theory, deductive analysis and hypothesis testing. The contributions of social economists and their heterodox colleagues, however, should not be forgotten by the economics profession of the 1980's; we owe a great deal to these reformers and their deaths are sad but appropriate occasions on which to acknowledge that debt.

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 \* The author would be happy to send the full version of this paper to interested readers and would like to correspond with other economists researching on the history of the profession and the place of women in that history.

## REMINDER

You should have received your dues notice from CSWEP recently. Send your check for \$15.00 as soon as possible to:

CSWEP Box W  
 Department of Economics  
 University of Maryland  
 College Park, MD 20742

## ECONOMISTS AT WORK

The National Association of Business Economists (NABE) has just published the 1984 salary survey. Median base salary was \$47,000 with the median for female respondents \$40,000.

Significantly the female median was 82% that of males, up from 74% in 1980. Highest earnings in the 13 categories were in the area of general administration - economist. The second highest earnings were in general administration followed by international economist, corporate planning with financial economics and macro forecaster tied for fifth place.

## GENDER IN INTRODUCTORY ECONOMICS

Susan F. Feiner and Barbara A. Morgan, assistant professors of Economics at Virginia Commonwealth University, have conducted preliminary research on the treatment of gender issues in economic textbooks. Research results to date suggest that introductory economic texts are seriously deficient in achieving or even moving towards gender balance. CSWEP is sponsoring, but not supporting, their continuing research. The basic goal is to promote gender balance in curriculum materials.

CSWEP thus follows the leadership of other major associations that have sponsored projects to promote such curriculum improvements. A representative listing of other associations supporting similar projects includes the American Political Science Association, the American Sociological Association, the Organization of American Historians, the American Psychological Association and the Speech Communication Association.

## WORK CHARACTERISTICS AND THE MALE-FEMALE EARNINGS GAP

Marrienne A. Ferber and  
Joe L. Spaeth

### ABSTRACT

This paper focuses on the appropriate variables to be used to explain the continued disparity in men's and women's earnings.

Single-minded proponents of one particular explanation of earnings differentials will find little joy in our results. They do not support the importance of one factor to the exclusion of all others, but rather add evidence that many play a significant part.

Our study confirms that human capital is rewarded for both men and women. The fact that the rewards relative to some variables are unequal may be caused, to some extent, by differences in the quality of the capital accumulated, as for instance in years of schooling and experience. We also find, however, that rewards are influenced by the setting in which the human capital is employed, pointing to the conclusion that dual labor market as well as human capital theory makes a contribution to our understanding of how earnings are determined. In addition, we uncovered evidence that two job characteristics not generally considered in previous research have considerable independent influence, not readily explained by either of the established theories.

NSF PROGRAM FINANCES  
VISITING PROFESSORSHIPS  
FOR WOMEN IN SCIENCE (INCLUDING  
ECONOMICS)

If you want information on the program write to:

Margrete S. Klein, Program Director  
NSF Visiting Professorships for Women  
National Science Foundation  
1800 G. St. NW  
Washington, DC 20550

The findings with respect to sex of supervisor and monetary authority have interesting implications, all the more so because workers tend to be assigned to supervisors, and control over financial resources similarly tend to be assigned to them. The fact that a worker earns more when the immediate supervisor is male is consistent with the hypothesis that his sex confers higher status on an otherwise comparable job. To the extent that there is discrimination in this respect, the general presumption that workers tend to be rewarded according to their productivity alone is undetermined.

The discovery that control over money, a highly rewarded and quite specific characteristic is associated with higher dollar rewards for men than women also points toward the existence of discrimination. If additional research discovers more such work characteristics that can be precisely measured, it will help us to move toward an operational definition of what is "work of comparable worth." This is a necessary first step if the present rule of equal pay for equal work, which has done so little to close the earnings gap between men and women, is to be broadened to the potentially far more effective equal pay for comparable work.

### WOULD YOU LIKE TO CHANGE JOBS?

CSWEP receives many notices of job openings for economists. Some of them are from employers who have a genuine interest in attracting women candidates. If you would like xerox copies of notices we have recently received, send a large (9 by 12) self-addressed envelope with 60 cents postage on it to:

Job Notices List  
Committee on the Status of Women  
in the Economics Profession  
c/o Economics Department  
University of Maryland  
College Park, MD 20742

NORTHEAST BUSINESS AND ECONOMIC ASSOCIATION  
FIRST ANNUAL CONFERENCE  
NOVEMBER 8-9, 1984

The Northeast Business and Economic Association will hold its first annual Conference November 8 & 9, 1984 at the Boston Sheraton Hotel. The Association was founded in October, 1983 to continue the work and expand the scope of the New England Business and Economic Association.

The change was made to recognize formally the participation of members outside of the immediate New England area, but the commitment to New England will not diminish. It is hoped that the expansion will enrich the quality of the research generated and offer more diversity in the issues discussed. In a parallel move, the New England Journal of Business and Economics will be replaced by the Northeast Journal of Business and Economics.

The Conference will deal with a wide range of issues facing the economy of the Northeast. Of particular interest to CSWEP members is the following panel:

Title: The Workplace in 1984 - Is It Gender Neutral?  
Date: November 9, 1984  
Time: 10:00 a.m. to 11:30 a.m.  
Place: Boston Sheraton  
Participants: Bill Carney, New England Telephone  
Lucy Clifford, IBM, New York  
Chase Heues, People's Savings Bank, Bridgeport  
Susan Gerstenfeld, Boston College  
Aleta Styers, AT&T Technologies

SOUTHWESTERN INSTITUTE  
FOR RESEARCH

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SIROW's new faculty development program continues regional work on integrating scholarship on women into traditional undergraduate curriculum. The project will extend for three years with support from the Undergraduate International Studies and Foreign Languages program within the U.S. Department of Education. Participants will be recruited from the humanities and social sciences, and selected professional programs.

The program will be carried out under the central leadership of Joyce Nielsen (Univ. of Colorado, Boulder), Janice Monk and Helen Henderson (Univ. of Arizona). During the first two years efforts will be underway at the University of Colorado, Boulder, Colorado

Springs, and Denver, at the Colorado State University, the University of Northern Colorado, the University of Arizona and Arizona State University. The central staff will work with a project coordinator on each campus who will identify faculty to participate in seminars, individual reading and research, and state conferences. A mini-grant competition will enable selected faculty to pursue special projects in course or materials development. The central staff will also assist by providing bibliographic and media resources and disseminating revised syllabi, and the grant will support consultant visits to participating campuses.

TECHNOLOGY'S DEAN:  
ELIZABETH E. BAILEY --  
A COMPUTER WHIZ AT THE HELM  
OF CARNEGIE-MELLON\*1

Kirk Johnson

Elizabeth E. Bailey is a woman who gets things done.

She couldn't find a special school for a physically handicapped son -- so she founded one herself.

She hates cigarette smoke -- so, during a term on the Civil Aeronautics Board, she pushed through rules guaranteeing non-smokers a smoke-free seat on airplanes.

She has little patience with academics or businessmen who do not integrate computers into their daily routines. And now, 15 months after becoming dean of Carnegie-Mellon University's Graduate School of Industrial Management, Mrs. Bailey, a short, stocky, 45-year-old woman with a firm chin and a determined expression, is pushing the Pittsburgh-based school into the middle of the computer age. "My thrust is on integrating computers into the curriculum a lot better than has been done in the past," she said.

The National Academy of Sciences says that Carnegie-Mellon's computer science department is one of the nation's leaders, but Mrs. Bailey says she is not satisfied with the graduate school's degree of computerization. Since replacing

Robert Kaplan as dean in May 1983, she has insisted that each student use a personal computer, and has set up a computer "network" that enables students and faculty members to communicate electronically. She has hired 10 new faculty members, 4 of them specialists in information systems. And she has revised the school's research agenda to emphasize studies of how businesses deal with information.

That seems a lot to accomplish in one year, even for an energetic woman who schedules her first appointments before 8:30 A.M. and goes to lunch-hour exercise classes three days a week. And indeed, many of the activities traditionally handled by deans have taken a back seat. For example, Mrs. Bailey has limited fund raising to just four or five days a month. "Next year she plans to go out more," said an associate. "She wanted her first year to be her 'inside year,' to concentrate on the school."

Mrs. Bailey even delegates some internal duties. She appointed a deputy dean to serve as liaison with the faculty on routine matters. But, associates say, she does plumb faculty members' views on technology and business. "Dean Kaplan wanted to deal with everything himself," recalled Eleanor Riess, an administrative assistant in the Dean's office. "Dean Bailey tends to bring in more opinion. She has more of a committee arrangement.

Mrs. Bailey, meanwhile, describes her main priority in one sentence. "I want our students to feel as though they are on the threshold of a revolution," she said, her eyes, although masked by large glasses, lighting up at the thought.

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1. Dr. Bailey was CSWEP Chair 1980-82

Mrs. Bailey herself has been a trail-blazer in a revolution of sorts -- the push of women into management positions. She was the first woman to receive a doctorate in economics from Princeton University. She was the first woman to head a department at Bell Laboratories (in her case, the economic research section). In 1977 President Jimmy Carter, at the recommendation of his domestic policy staff, made her the first woman C.A.B. commissioner, and in 1981, President Reagan named her the agency's first woman vice chairman.

Although there are seven women deans among the country's 617 accredited business schools, Mrs. Bailey is the first to head a Top 10 graduate business school. Of her first 10 faculty appointments, only one was a woman, giving the school a total of five women teachers in a faculty of 70 -- a still small 7 percent. But her associates say that more women teachers are likely to be appointed soon.

The hurtful comments, intentional or unintentional, that Mrs. Bailey says she has run into during her career -- she still feels anger when she recalls a male colleague asking if she was at Bell Lab management meetings to take notes -- have given her such a strong antipathy to sexism that, by her own admission, she will sometimes spot sexist slights when none exist. When Carnegie-Mellon officials first tried to interest her in the deanship, she refused to return their calls for three months. "I thought they wanted to interview some woman to show they had done their affirmative action process," she said.

It was not until Allan H. Meltzer, head of the university's selection committee, flew to

Washington to personally reassure her that the school meant business that she started taking her candidacy seriously. "We were looking for someone who valued research and would direct the effort toward forthcoming problems," said Professor Meltzer, who insists that the fact that Mrs. Bailey was a woman was a monumental non-issue. "We realize we have to keep moving to stay relevant to problems as they emerge."

Mrs. Baily has built her career around "relevant" research. While compiling her doctoral dissertation, entitled "Economic Theory of Regulatory Constraint," she became a staunch supporter of government deregulation of the airline industry, a theme that pervaded her five years on the C.A.B. "Betsy was the most ardent deregulator on the board," said Alfred E. Kahn, who was C.A.B. chairman when Mrs. Bailey joined the agency and is now an economics professor at Cornell.

Mrs. Bailey's career at first centered on immediate applications of technology, rather than policy issues. From 1960 through 1972, she worked in the technical programming department at Bell Labs. She developed a hands-on knowledge of computers, but had little chance to work through her ideas about their relationship to management.

But then, armed with a newly earned Ph.D., Mrs. Bailey transferred in 1972 to the economics department, and spent the next five years focusing on the changes that technology and impending deregulation might bring to the economy in general and to her company specifically. Her economic analysis group at Bell Laboratories is credited with making one of the first hard examinations of where technology was taking the Bell System. The

report concluded -- somewhat controversially, although prophetically for the mid-1970's -- that A.T.&T.'s insistence that it was a "natural monopoly" would not be an economically convincing defense against a breakup.

"We said, °look, if the government is going to bust you up, there are someways that are going to be a lot less costly and a lot more efficient than others,°" Mrs. Bailey said. Many of her team's conclusions -- for example, that local telephone company operations would not be opened to competition -- were realized in the A.T. & T. breakup.

Now Mrs. Bailey says she is trying to infuse Carnegie-Mellon's graduate business school, which produces about 125 M.B.A.'s a year, with the same sort of spirit that she brought to the Bell Labs economic research team. While the university has long been considered a major center for industrial technology studies, Mrs. Bailey says that her graduate school still lags in integrating those subjects into the curriculum. Last year, at Mrs. Bailey's urging, Carnegie-Mellon began offering a combined engineering/M.B.A. degree. And it is giving several new courses on the impact of technology. One of them, called Robotics and Social Change, drew 90 students for 45 openings.

For Mrs. Bailey, that sort of course is a necessary part of a business school student's education if that student is to prosper later as a corporate executive. "We're going to see shrinking of huge layers of management because the information is flowing in a different way," she said.

Because executives now have easy access to computer terminals,

Mrs. Bailey explained, they can call up wide-ranging international information and plant-specific operating information at a moment's notice. She expects that top executives will use most of the information to devise corporate strategies. But, since computer terminals will be available to lower-level supervisors, too, Mrs. Bailey predicts that much of the day-to-day decision-making will shift to the shop floor. That, she adds, means that M.B.A.'s must also have shop floor experience and computer expertise.

Mrs. Bailey has directed her school's research toward finding out how the new information technology is being used. One faculty member, for example, is spending the summer on the shop floor of the Burroughs Corporation and the General Motors Corporation to study how the two companies manage information.

So far, Mrs. Bailey has had fairly smooth sailing in getting her ideas listened to and acted on at Carnegie-Mellon. People who have known her in former jobs predict that, should she run into obstacles in the future, her academic colleagues will see a side of her they may not have seen as yet: that of a scrapper who will not budge an inch when she believes she is right.

"I would describe her as ebullient, both personally and professionally," said Professor Kahn at Cornell. According to Webster's New World Dictionary, the first definition for "ebullient" is "bubbling, boiling." The second is "exuberant." Mrs. Baily has displayed all of these qualities, her friends say.

Once, while she was a member of the C.A.B., a flight attendant

for Eastern Airlines told Mrs. Bailey that she had shown up too late to reserve a seat in the non-smoking section of her flight. Mrs. Bailey, who knew full well that the rules at that time guaranteed a smoke-free seat to anyone who desired one, held her ground. In the loud argument that followed she was called, among other things, a "witch."

Mrs. Bailey got her seat, but she also filed a C.A.B. complaint against Eastern the next day. Frank Borman, Eastern's chairman, showed up at Mrs. Bailey's Washington office a few weeks later to offer her personal apology, and to assure the commissioner that the offending flight attendant would be reprimanded.

According to Professor Kahn, Mrs. Bailey is quite open when it comes to her views about business issues, she is far more reticent about her personal life. Born in New York City, the daughter of a professor of medieval history, she has four sisters, most of them still living in the New York area.

Today, Mrs. Bailey, who has been divorced for seven years, lives in what she described as a "Washington D.C.-style townhouse" in the Squirrel Hill section of Pittsburgh with her two sons, James Jr., 20, and William, 18. She divides her time between the university and her hobby of wood-carving.

She resists being characterized by any of her activities. When asked how she would describe herself -- an economist? a feminist? a mother? a dean? -- she shrugged her shoulders, drew an imaginary line along the edge of her desk with her finger, and thought long and hard before answering. The final response? "All those things, I guess."

PARTICIPANTS  
CSWEP SESSIONS DALLAS  
AEA CONVENTION

CSWEP SESSION I

BLACK & WHITE WOMEN IN POVERTY  
Presiding: LAURIE BASSI,  
Georgetown University

EMILY P. HOFFMAN, Western  
Michigan University  
The Feminization of Poverty:  
Economic & Demographic  
Determinants

JULIANNE MALVEAUX, San  
Francisco State University &  
BERNADETTE CHACHERE, Hampton  
Institute

Economic Concerns of Black &  
White Women: Do They Differ?  
JANIS BARRY, Fordham University  
Women Production Workers:  
Hazardous Work & Low Pay

Discussants:

ELIZABETH SAVOCA, Smith College  
MARILYN K. SPENCER, Butler  
University

CSWEP SESSION II

IS GENDER EQUALITY ADVANCING  
IN THE WORK PLACE?  
Presiding: ELYCE J. ROTELLA,  
Indiana University

HELEN YOUNGELSON, Portland  
State University  
Gender Differences in Salary  
and Career Advancement: The  
Experience of Officers in a  
Single Bank

ROBIN L. BARTLETT & TIMOTHY I.  
MILLER, Denison University  
Executive Compensation: The  
Female Executive, Risk-Taking  
and Clubs.

SHARON BERNSTEIN MEGDAL &  
MICHAEL R. RANSOM, University  
of Arizona  
Longitudinal Changes in Salary  
at a University: The response  
to Equal Pay Legislation

MARY E. CORCORAN & PAUL N.  
COURANT, The University of  
Michigan  
A Model of the Labor Market  
Consequences of Sex-Role  
Socialization

Discussants:

SHULAMIT KAHN, University of  
California, Irvine  
LUVONIA J. CASPERSON, Louisiana  
State University in Shreveport