

Mass Media Coverage Professor J. Scott Armstrong

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Economic Forecasters Convene at the Wharton School by Craig Stock

The largest gathering ever of professional and academic economic taking place today through Wednesday at the University of Pennsylvania's Wharton School. Several of the world's more noted practitioners of economic forecasting will attend the symposium, jointly sponsored by Wharton and the international Institute of Forecasters.

"We're forecasting an attendance of 1,200 people," punned J. Scott Armstrong, a Wharton professor who brought the gathering to Penn. "That's by far the biggest conference we've had."

The symposium this week is the third such gathering but the first in the United States, Armstrong said. Previous meetings of the forecasters institute were in Quebec and Istanbul.

"This conference is part of the creation of a new field, one that didn't exist two or three years ago," Armstrong said. "It's the start of a movement away from forecasting as an art toward forecasting as a science."

"In the past, they were talking about forecasting approaches, mostly in a theoretical sense. Now people are saying, let's look at the value of this method as opposed to another. Their reputations are pretty much involved in what they're doing and there will be other people challenging their methods. That's what science is supposed to be all about."

Although most of the participants in the symposium are economic forecasters, Armstrong said that the gathering was important as a way for people in many

disciplines to exchange information and ideas about forecasting methods. Forecasters at the meeting are involved in such diverse areas as political science, sports, health care, urban development and marketing, Armstrong said.

As many as 500 presentations will be made by those at the three-day meeting, Armstrong said. Many presentations will run concurrently. Some of them will consist merely of disseminating scholarly papers, while others will be formal addresses.

A keynote address will be delivered by Lawrence R. Klein, a Penn professor who won the 1980 Nobel prize in economics for his pioneering work in econometric forecasting, by which thousands of mathematical equations are used to simulate the workings of the real economy. Klein and other econometricians use their mathematical models of the economy to forecast the effects of governmental policies and other events.

However, not all forecasting techniques are as intricate and complex as econometrics. For example, Armstrong said that one research project was as simple as having groups of 10 people estimate someone's height. The research showed that the average of the 10 estimates was almost as accurate in determining the person's height as actually using a ruler.

The conclusion of the researcher, Armstrong said, was that when making predictions "five heads are better than one."
