Michael Elliott

The Fab One

One of Liverpool's finest exports to America died on July 14th, aged 65

AROUND the time that Michael Elliott, then a Britain correspondent at this newspaper, was steeped in an analysis of London's revival—published in January 1986—Prince Charles came for lunch at *The Economist*. Where, the prince asked the journalists, were Britain's entrepreneurial industries of the kind America nurtured at MIT? "There," said Mike, with a sweep of his arm towards the panorama of London behind him. "In Covent Garden, Sir, in music, in arts, in advertising. That's our MIT."

The sweeping view was something Mike produced with gusto, not just at *The Economist*, but at *Newsweek* and *Time* too, for he had senior roles at all three. Here he was the founding author of both the Bagehot column on British politics and the Lexington one on America (named after the first skirmish in America's war of independence, where the British drew first blood before being harried back to Boston).

In America Mike found his spiritual home. No one cared about a Scouse accent and, in contrast to Britain, blatant ambition was admired. The big ideas poured forth.

"No offence intended, but what is the point of the Senate?" began a typical Lexington column. A special report in 1991 probed why, despite the collapse of communism, "America now is not self-confident, not sure of its greatness. It feels the pressure of the outside world on its violate shores, and it fears a debilitating fragmentation within them." The words still ring true 25 years on.

Presciently, too, Mike grasped in 1992 the political gifts of a young governor from Arkansas. And he had an eye for the sort of detail that could elude others. Setting off to take the pulse of the heartland after the Republican convention that year, he wrote: "Between Tulsa, Oklahoma and Rapid City, South Dakota, *The Economist*'s correspondent was unable to find a copy of *Playboy* openly displayed for sale."

Having explained America to the world, he went on to explain the world to America. As editor of *Newsweek* and *Time*'s international editions, he splendidly interpreted everything from the geopolitics of football to the consequences of Asia's rise. In all this, three things helped him. First, his family, who kept his feet on the ground. Second, a quick mind: he wrote with speed and panache, after strolling round leisurely with a big cigar beforehand. And, third, a winning personality: gregarious, fun, big-hearted. That made him a natural networker, as well as a generous mentor to young journalists.

For the past five years he was president and CEO of ONE, an anti-poverty advocacy organisation co-founded by the rock star Bono. It was a perfect place for his hobnobbing and high ideas. And it gave him a new mission: after explaining the world, it was time to change it.

Time, sadly, was not on Mike's side. Two days before his death from cancer, ONE held a dinner in his honour. In homage to his Liverpudlian roots, Beatles references abounded. Bono adapted "When I'm 64" to "Now I'm 65". But never mind the Fab Four: here was a Fab One, who with an expansive gesture and a few phrases could sum up not just London, but the world. ■

Big Idea brewing

Immigration economics

Wages of Mariel

The effect of the boatlift is re-evaluated

IT CAN be hard to work out the net impact of immigration on wages, especially in cities with bustling economies. The only way to try to tease out causality from coincidence is by hunting for a "natural experiment": a historical event that is something like the randomised controlled tests scientists would conduct in a lab. For immigration, one such useful event is the Mariel boatlift of 1980.

For all its woes now, Cuba was an even tougher place 36 years ago for dissidents and economic strivers. Fidel Castro's government persecuted citizens for their political beliefs, and barred most Cubans from emigrating. But in April 1980 Mr Castro decided that tensions in his country had grown too severe, and opened an escape valve. He declared that any Cubans who wanted to leave were free to go, provided that they left by the port of Mariel. Some 125,000 Cubans took up his offer that year, most of them heading for Miami.

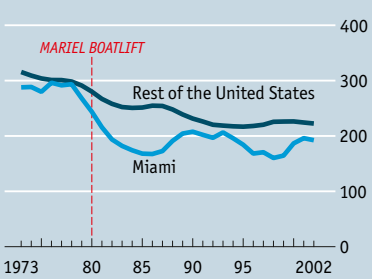
As the newcomers arrived, Miami's workforce grew by 55,000, or 8%, almost at once. The *marielitos* were mostly low-skilled: around 60% lacked high-school degrees, and just 10% were college graduates. In theory, a supply shock of this magnitude might have been expected to depress the wages of workers already in Miami, particularly the poorly-educated, at least in the short run. But the empirical evidence has been mixed. In 1990 David Card, an economist now at the University of California, Berkeley, looked at the bottom quartile of workers in Miami and concluded that the Mariel boatlift had had "virtually no effect" on the wages of low-skilled non-Cubans. He also found no evidence of increased unemployment. His paper was highly influential.

Twenty-six years later, Mariel is in the policy spotlight once again. A forthcoming paper by George Borjas, an economist at Harvard, revisits the boatlift and contradicts Mr Card's conclusion. By using a slightly different definition of low-skilled worker—high-school dropouts—he found that their wages fell precipitously after the influx of labour in 1980, both in absolute terms (see chart) and relative to other workers in Miami. A similar decline could be observed after 1995, after a second wave of immigration from Cuba.

It remains hard to generalise from either set of results. Mr Card's study suggested that reality may not agree with researchers' intuitions; Mr Borjas's paper shows that empirical results may depend on exactly where researchers look.

Sinking

Weekly earnings* of high-school dropouts
United States, men aged 25-59, 2014 $



Source: George Borjas *Three-year moving average