reassuring, than the similarities.

To start with, valuations in China are far more reasonable today than they were three years ago. ChiNext, a tech board billed as China's answer to NASDAQ, trades at 42 times the value of company earnings, a touch higher than NASDAQ but well down from its eye-watering 150-times multiple before the 2015 crash. The CSI 300, an index of China's biggest firms, has a 14-times price-earnings ratio, comparing favourably with the 25-times ratio of the S&P 500, America's most-watched share index.

The Chinese stockmarket has started to mature. Since its launch in the early 1990s it has often been likened to a casino populated by mom-and-pop investors. But over the past couple of years, institutions have played a bigger role, partly thanks to rapid growth of the asset-management industry. China still has a large army of day traders, as the American embassy can attest, but institutions have led a shift in money from small-cap firms to blue-chip stocks.

A programme that allows investors in China and Hong Kong to trade stocks on each other's exchanges, subject to strict quotas, has brought the Chinese market closer to global pricing. Later this year China-listed shares will be added to the MSCI emerging-markets index for the first time, another step in opening China to international investors. Regulators in China still meddle more than do their counterparts in advanced economies. But the "national team" that helped rescue equities in 2015 has been whittling down its holdings (see chart), and it appeared to stay on the sidelines during the recent sell-off.

One effect of the changes is that China's stockmarket, which used to march to its own drum, now moves more in step with global markets. For two years the CSI 300's fluctuations have almost exactly mirrored those of the S&P 500. The American embassy might be hearing from Chinese investors more often. ■

Dulce et decorum

Chinese stockmarkets, "National team" holdings

Sources: Wind Info; *The Economist*

Women and economics

Battle of the X's

Men and women do not think alike within economics

MEN may hail from Mars and women from Venus. But economists, surely, inhabit planet Earth, surveying it dispassionately. Alas, a new paper suggests that even dismal scientists divide on gender lines. Ann Mari May and Mary McGarvey of the University of Nebraska-Lincoln and David Kucera of the International Labour Organisation surveyed economists from 18 European countries, and found that differences in the wider population can survive even an economics education. Male economists are more likely than female ones to prefer market solutions to government intervention, are more sceptical of environmental protection, and are (slightly) less keen on redistribution (see chart).

A similar study of American economists by Ms May and others also found men more sceptical of government regulation, more comfortable with drilling in the Arctic National Wildlife Refuge, and more likely to believe that a higher minimum wage would cause unemployment. Women were 14 percentage points less likely to agree that Walmart generates net benefits, and 30 points more likely to agree that American openness to trade should be tied to higher labour standards abroad.

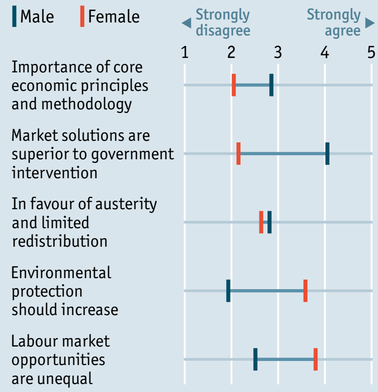
Perhaps the divergence does not matter. Good economics should, after all, involve using theory and data to quell prejudices. But some evidence suggests that ideology seeps into economists' work. Zubin Jelveh of the University of Chicago, Suresh Naidu of Columbia University and Bruce Kogut of Columbia Business School parse the language used in economics papers to identify the authors' predilections, and confirm that they match their participation in political petitions. They find that right-wing economists tend to produce estimates that fit their anti-interventionist views. Other data crunched by Mr Naidu confirm that women use more left-leaning language than men.

The differences in opinion are cause for concern when the overwhelming preponderance of men in the economics profession is taken into account. Ms May and her co-authors found that men in their sample were twice as likely to be full professors as women. If economists' senior ranks are skewed in favour of men, then the profession's output might also be biased towards results they find appealing.

A final difference that Ms May and her co-authors uncover suggests one reason why economists might dismiss gender differences as a problem. Male economists are relatively likely to think that men and women face equal job opportunities generally, and that pay gaps are largely explained by differences in skills and choice. By contrast, women are more likely to perceive unequal opportunities, both in general and specifically within academia.

Different agendas

Economists' opinions, by sex



Source: "Gender and European Economic Policy", by A. May, M. McGarvey, D. Kucera, February 2018

If women hold different views to men, then that could put them at odds with the profession's more senior gatekeepers. And if men are more likely to have faith in markets to nudge women to the best jobs, then they could be more resistant to the idea that the gender imbalance is a problem that needs solving. Men were also more sceptical than women that greater gender balance in research teams would improve economic knowledge.

Of course, some differences of opinion need not necessarily reflect well on women. It might be that they suffer from "motivated reasoning", believing that their lack of promotion is because of the system rather than their own shortcomings, or that economics would benefit from more people like them.

Alternatively, their personal experiences could give them information that men do not have. It seems plausible that men are susceptible to motivated reasoning too. It is easier to attribute one's success to hard work than to unfair privilege.

Even the most brilliant of economists can be blind to their own biases. In 1960 George Stigler, a late Nobel laureate and dogged empiricist, bemoaned the "deleterious" effects of economists' policy desires on their theory, but maintained that overall, as a positive science, economics was ethically and politically neutral. Yet some of his own views fell short of this ideal. Susan Brandwayn, one of his former graduate students and now an independent economist, remembers Mr Stigler telling her that the day the University of Chicago's economics faculty hired a woman was the day that he would leave. ■