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Some Writing Style Suggestions
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The **JFQA**'s mission is to attract, help develop, and publish scholarly research articles that extend our knowledge of financial economics. To fulfill this mission we seek articles that not only contain important new ideas, but also communicate them effectively. These notes are designed to help you think about how to package and express your contributions to science. Like with any style guide, the first rule is to not accept any subsequent rule uncritically. Use these suggestions as options, not obligations, and be willing to ignore them if the result is more pleasing to the ear and more practical to the reader.

Two big-think suggestions about writing

Read about writing. Face it: you are a writer. You might also be an economist, a researcher, an aspiring gardener, or a decent bridge player. When you do research you are a statistician, a creative genius, a data jockey, a collaborator, and a puzzle-solver. But when you sit down to draft a paper you are a *writer*. You are trying to get your work published to disseminate your discoveries and ideas. So tend to your craft. Just as it is important to specify correctly your conditioning variables in a test for stock market volatility changes, so is it important to express with skill why you include interest rate changes as a control.

You will develop the skills to write better if you think and read about how to write better. Fortunately, there are many good sources. The standard for financial economists is McCloskey's The Rhetoric of Economics (University of Wisconsin Press, 1985). For those wishing a primer,

many of the book's ideas are in McCloskey's 1985 Economic Inquiry article, "Economical Writing." McCloskey's main point, that *Writing is Thinking*, bears repeating here.

Beyond McCloskey is a whole world of inspiration for good writing. Mark Twain On the Art of Writing (edited by M.B. Fried, Buffalo, NY: The Salisbury Club, 1961) is both delightful and admonishing to those of us who aspire to better writing. William Safire's and James Kilpatrick's excellent weekly syndicated columns on writing are found in many newspapers. Surround yourself with good writing and good writing habits. I keep books on hand that have nothing to do with financial economics, but remind me that writing perfection, or at least improvement, is possible. My favorites are Anne Lamott's Bird by Bird and Norman Maclean's immortal A River Runs Through It.

Rewrite it 100 times. Some people naturally are better writers than others. Big deal. It does not matter whether you think of yourself as a natural Shakespeare or as born with permanent writers' block. Either way, you will write well only if you work hard at it. If you never spent a half-hour struggling over a single sentence, or an hour over a paragraph, you probably did not work on your paper hard enough. As you rework your paper, you will find your ideas coming into clearer focus and your expression of them becoming more succinct.

Things to remember

Assume responsibility. *You* are the one trying to sell your ideas. Your (potential) readers are busy and have little incentive or time to decipher your ambiguous or tortured chain of logic. It is reasonable to expect your reader to pay attention, but your responsibility to minimize the possibility of misunderstanding. If your reader does not understand your argument or your method, presume that you have not written it well.

Get to the point. Rambling introductions make the reader's eyes glaze over.

Be active. "Use an active voice," your high-school English teacher admonished, and this time he or she was correct. Many finance writers seem to have taken this idea to heart, but most of us can do better. I have in front of me an otherwise good paper that illustrates a common problem. Seven of the paper's first 10 sentence verbs are past tense or conditional versions of "to be." Such tedium wore me out before I reached the end of the introduction.

Write in the present. Your ideas, you hope, are current. So should your expression of them be. The mean abnormal return *is* -1.07%, not was. Stulz *shows* how firm value is non-monotonic in managerial ownership. Ferson *derives* factors that explain returns.

Strict adherence to any rule can cause trouble. So please take this one with a dose of common sense. For example, is it better to say that Fama *argues*, or *argued*, that financial markets are semistrong-form efficient? The answer might depend on whether you mean Fama's 1965 article or 1991 article.

We be royal. If you are writing alone, avoid the temptation to create a fictitious coauthor. Avoid the Royal We.

DUA. Don't use acrynomns. (In practice, some acronyms are ok, but use them sparingly and only for well known terms).

Footnote sparingly. Writing is hard work, but that is no excuse to use footnotes as a refuge for important material that seems too difficult to work into your narrative. In general, footnotes should be used to list strings of references that are too long to include in the text. Important material should be woven seamlessly into the text. Inessential stuff should be deleted.

Who are you quoting? Authors frequently use "quotation marks" when not actually quoting someone. Don't. Quotation marks should be used to quote people, not to "emphasize," "sneer at," or "distance oneself from" a term or phrase.

Use the words we have. It is tempting, and sometimes appropriate, to coin new terms to describe your work. But usually the proliferation of new words reflects lazy authorship. Verbalizing nouns is a particularly bad problem. Do hypotheses really need to be operationalized, or merely tested? Should EBITDA be standardized, or divided, by assets?

Which hunt. Know the difference between *that* and *which* and use the right one. *That* is used at the start of defining clauses, *which* at the start of non-defining clauses.

Use colloquial or imprecise language carefully. Friendly, breezy writing is good, but should not sacrifice scholarly care. Writers in Business Week blithely can refer to a "directors liability crisis" or a "market volatility scare," but financial researchers must define what they mean.

Make tables self-explanatory. It is confusing to try to decipher numbers in a table by finding the nearby text that explains the table. A table should include explanations of the tests, variables, and numbers it contains.

First of all: Do good research. If you made it this far you must be interested in communicating your research effectively. Good! If this whets your appetite you can move on to a main course on writing, such as that offered by McCloskey. No matter how much effort or skill you apply to writing, however, good writing cannot substitute for good financial research. Good writing will not cover up a poor empirical design or faulty logic. On the contrary, it will bring your errors into sharper relief. So, while good writing is a necessary condition for an excellent research paper, it is not a sufficient one.