

Third, while the computer technology has been successfully applied to the collection of data, it has been much less used for its rapid analysis, particularly in a policy context within the countries themselves. The data are now widely analyzed in academia and in international organizations, but neither analytical capacity nor software exists to make survey data rapidly available to support domestic policy making. As a result, there is less local interest in continuing surveys than is warranted by their potential utility. There have also been difficulties over setting up proper mechanisms to allow access to scholars and to the policy community. The World Bank is an operational entity, not a research foundation, and there are also legitimate interests of countries that have to be protected. Nevertheless, there would have been great benefits to constructing adequate access agreements before any data were collected, agreements that provided for public-use versions of the data at marginal cost.

Fourth and finally, I suspect that if there is a real payoff to panel data, it is over relatively long time periods, five or ten years, or even longer. Perhaps the most interesting and important work using the PSID has come from looking at income changes over long periods of time, or of comparing incomes and consumption patterns of parents and their children [Behrman and Taubman (1990), Solon (1992), Zimmerman (1992), Altonji, Hayashi and Kotlikoff (1989) and Hayashi, Altonji, and Kotlikoff (1991)]. Even here, some of the results are identical to those obtained earlier using recall data, see Sewell and Hauser (1975), and this much cheaper alternative may not be inferior for many applications. Even at best, economic development is far from instantaneous, so that changes from one year to the next are probably too noisy and too short-term to be really useful. It is hard to imagine nationally representative panels being maintained for ten or twenty years, and international organizations and foundations do not have the attention span nor the ability to commit resources over such periods. Perhaps the most promising line of research is one in which one time surveys are designed with at least the possibility of a revisit at some unspecified future date, so that ad hoc panel data can be collected on an opportunistic basis. We also need more evidence on the reliability of recall data for different kinds of information; 'again see Smith. Thomas and Karoly (1992) who compare reports of the same migration events obtained in two surveys twelve years apart]. Alternatively, national survey programs might usefully incorporate some panel element, either by deciding in advance to revisit some subsample of households quinquennially or decennially, or by adding a small component of shorter period rotating panel households to their pre-existing surveys.

While there is likely to be some payoff to further experiments with panel data, it is important not to overstate the potential benefits. The PSID in the United States has generated a great deal of important *methodological* work in econometrics, but it is hard to point to any *substantive* conclusion that depends on the existence of these data. Attrition problems, especially in the early years,