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A joint publication of the  
**University of the Philippines**  
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and the **Philippine Economic Society**





# The Philippine Review of Economics

A joint publication of the UP School of Economics (UPSE)  
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The PRE is published jointly by the UP School of Economics and the Philippine Economic Society. Its contents are indexed in Scopus, the *Journal of Economic Literature*, EconLit, and RePec. PRE's readership includes economists and other social scientists in academe, business, government, and development research institutions.

**Publication Information:** The PRE (p-ISSN 1655-1516; e-ISSN 2984-8156) is a peer-reviewed journal published every June and December of each year. A searchable database of published articles and their abstracts is available at the PRE website (<http://pre.econ.upd.edu.ph>).

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**Acknowledgments:** The PRE gratefully acknowledges the financial support towards its publication provided by the Philippine Center for Economic Development (PCED). The *Review* nonetheless follows an independent editorial policy. The articles published reflect solely the editorial judgement of the editors and the views of their respective authors.

# The Philippine Review of Economics

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Vol. LXII No. 2  
December 2025

p-ISSN 1655-1516  
e-ISSN 2984-8156  
DOI: 10.37907/ERP5202D

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## Remembering Roberto S. Mariano

Celia M. Reyes\*

Philippine Institute for Development Studies

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### 1. Introduction

Dr. Roberto S. Mariano passed away on April 17, 2025, leaving behind a legacy of excellence in academic publications, teaching, mentorship, and institution building.

Dr. Mariano obtained his Bachelor of Arts degree in Mathematics from the Ateneo de Manila University in 1962 and a Master of Science in Statistics from the University of the Philippines in 1963. He pursued his Master of Science in Mathematics at the University of Illinois in 1965. In 1970, he received his PhD in Statistics from Stanford University at the young age of 26.

Dr. Mariano was a distinguished professor at the Department of Economics at the University of Pennsylvania, joining Penn in 1980. In 2002, he moved to Singapore as the Founding Dean of the School of Economics at the Singapore Management University (SMU).

At the time of his passing, he was Professor Emeritus of Economics at both the University of Pennsylvania and the SMU School of Economics. He was also a member of the Board of Directors of the Vatican Financial Supervision and Information Authority, having been appointed by Pope Francis in 2022.

Professor Mariano served on the editorial boards of various academic journals, notably the *Journal of the American Statistical Association*, *International Economic Review*, and *Econometric Theory*. He was also on the editorial advisory boards of the *Philippine Journal of Development* and the *Philippine Review of Economics*.

### 2. Academic and scholarly contributions

Among his many contributions, Dr. Mariano is best known for having co-developed the eponymous Diebold-Mariano test, a statistical tool designed to compare the predictive accuracy of two different forecasting models. This test has become a standard in the field and remains a valuable tool for researchers.

Beyond his scholarly work, he was deeply committed to nurturing future generations. He mentored many students and researchers in the fields of economics

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and statistics, who have since carved their own niches. They were inspired by his brilliance, humility, integrity, and generosity with his expertise and time.

### **3. Institution building and policy impact**

Dr. Mariano played a pivotal role in advancing the modeling capacity of the institutions he worked with. His work spanned several forecasting and policy simulation models, which enhanced the institutions' ability to provide evidence-based analysis to support policymaking.

Beyond his contributions to academic research, Dr. Mariano consistently applied his expertise to policy-relevant research. He shared his knowledge with many central banks around the world, including the Philippines, to support evidence-based decision-making. He always focused on the broader impact of his work, helping institutions build the necessary capacity to fulfill their mandates. At the Philippine Institute for Development Studies (PIDS), his greatest legacy has been establishing the the groundwork for macroeconometric modelling work, specifically initiating the work on forecasting models, and the training and development of a strong modeling team, which significantly strengthened the institution's policy analysis capabilities.

Dr. Mariano's work was especially crucial during the 1983 Balance of Payments (BOP) crisis in the Philippines, which was triggered by a combination of financial instability, political unrest, and external shocks. The country faced a severe depreciation of the peso, a moratorium on foreign debt repayment, and a deep economic recession. During this period, inflation rates soared, reaching a staggering 46.7 percent in 1984. The highest recorded month-on-month inflation rate was 68 percent in September 1984.

Dr. Mariano spearheaded the establishment of a modelling unit within PIDS. His initial assignment in 1983 was to develop an inflation model capable of forecasting monthly inflation, thereby enabling policymakers to make timely and effective adjustments to mitigate adverse public effects. The model relied on a statistically estimated price equation, which explained the dynamic behavior of monthly Consumer Price Index (CPI) levels based on historical data and factors such as cost-push and demand-pull influences. Despite the challenges posed by rising crude oil prices, currency depreciation, and agricultural shocks, the model's forecasts closely matched actual inflation data, prompting calls from various government agencies and numerous private groups asking for forecasts for the next several months.

Building on the success of the inflation model, PIDS expanded its modeling initiatives to encompass broader macroeconomic issues. Dr. Mariano was instrumental in this effort, having previously collaborated on the development of a macro model with colleagues from the University of the Philippines School of Economics in the 1970s.

The macro model developed under Dr. Mariano's guidance enabled PIDS to generate forecasts and simulate the outcomes of various policy scenarios. This capability proved invaluable to other government agencies, particularly the economic planning agency, NEDA (now DEPDev),<sup>1</sup> regarding the implications of conditionalities attached to International Monetary Fund loans.

Dr. Mariano's expertise and unwavering commitment have greatly enhanced the capacity of PIDS and other institutions, equipping them with the skills needed to fulfill their mandates more effectively and to promote evidence-based policymaking through advanced modeling and analysis. His contributions have laid a strong foundation for future institutional development, fostering innovation in policy-making processes that will continue to influence the field for years to come.

Dr. Mariano will also be remembered as a loving husband to Julie and devoted father to Michael. He was proud of his Filipino heritage and promoted Philippine arts and culture by supporting Filipino artists. He also opened his home to Filipino students studying at Penn.

He, with his wife Julie and son Michael, established a tradition of hosting a dinner at the start of the school year to welcome new Filipino students and provided them with a sense of community.

Dr. Mariano's legacy will continue to inspire all who knew him, shaping the fields of econometric modelling and policymaking for years to come.

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<sup>1</sup> NEDA stands for National Economic and Development Authority which was recently renamed Department of Economy, Planning, and Development (DEPDev).



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The Philippine Economic Society (PES) was established in August 1962 as a nonstock, nonprofit professional organization of economists.

Over the years, the PES has served as one of the strongest networks of economists in the academe, government, and business sector.

Recognized in the international community of professional economic associations and a founding member of the Federation of ASEAN Economic Associations (FAEA), the PES continuously provides a venue for open and free discussions of a wide range of policy issues through its conference and symposia.

Through its journal, the *Philippine Review of Economics* (PRE), which is jointly published with the UP School of Economics, the Society performs a major role in improving the standard of economic research in the country and in disseminating new research findings.

At present, the Society enjoys the membership of some 500 economists and professionals from the academe, government, and private sector.

- Lifetime Membership – Any regular member who pays the lifetime membership dues shall be granted lifetime membership and shall have the rights, privileges, and responsibilities of a regular member, except for the payment of the annual dues.
- Regular Membership – Limited to individuals 21 years of age or older who have obtained at least a bachelor's degree in economics, or who, in the opinion of the Board of Directors, have shown sufficient familiarity and understanding of the science of economics to warrant admission to the Society. Candidates who have been accepted shall become members of the Society only upon payment of the annual dues for the current year.
- Student Membership – This is reserved for graduate students majoring in economics.

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