



Royal Economic Society

NEWSLETTER

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January 2002

ROYAL ECONOMIC SOCIETY

2002: Year of the Euro?

By the time members read their first *Newsletter* of 2002 the material tokens of the Euro will have been in circulation for nearly a month. One extraordinary feature of the build-up has been the attention given to this largely symbolic event by the popular press in a country which is not taking part. Let us hope that the obsession continues for a while after the event, however, since it will be interesting to see what happens to the new currency in the border areas of Northern Ireland, the ferry and airports and major tourists centres. Is it conceivable, as some commentators have suggested, that the tokens could force a bridgehead and make the single currency more attractive in the UK than it currently is? If so, a phrase featuring 'tails', 'dogs' and 'wagging' will be in popular use. For those of us that remember the conversion of sterling to decimal units in 1971, it will be an interesting episode.

In his 'Letter from France', Alan Kirman promises us an *ex post* account next year. The current letter shows just how far the ramifications of September 11th have reached. The adverse affects upon financial markets, a sudden conviction that these were exceptional times, and that somehow the State must help, enabled telecom firms to undertake impromptu renegotiation of contracts with the government that would have seemed outrageous at other times and places .

A regular feature of the January issue is the report from the managing Editors of *The Economic Journal*. The provisional view expressed last year that recent changes in design and structure were correct now appears to be confirmed. A novel item, whose success it is a pleasure to report on, is the new RES Annual Public Lecture, aimed at taking economics to a broad, non-specialist, audience. This has proved so popular that it is to be repeated, giving a new twist to the meaning of 'annual'.

Finally, an editorial apology. On the front page of the last issue (no. 115, October 2001) we commented that there had been a drying up of news sent in from specialist research and study groups and that we would like to see this reversed (a plea which remains). In so doing, we endeavoured to thank the Money, Macro and Finance Research Group for being an honourable exception (rapidly being joined by the CMPO at Bristol - both have reports in this issue). On reflection, the wording was perhaps ambiguous and we apologise to those whom we tried to compliment but managed only to upset.

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Next issue

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Articles, features, news items, letters, reports etc. should be sent to the Editor by:

15 March 2002

Items concerning conferences, visiting scholars and appointments should be sent to the Information Secretary by:

17 March 2002

Contributions from readers

The *Newsletter* is first and foremost a vehicle for the dissemination of news and comment of interest to its readers. Contributions from readers are always warmly welcomed. We are particularly interested to receive **letters** for our correspondence page, **reports of conferences and meetings**, and news of **major research projects** as well as **comment on recent events**.

Readers might also consider the *Newsletter* a timely outlet for comments upon issues raised in the *Features* section of *The Economic Journal*. We can normally get them into print within three months of receipt.

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The Economic Journal - Managing Editors' Report

The Managing Editors' made their Annual Report to the Council of the Royal Economic Society in November 2001. The report was presented by Mike Wickens.

THIS IS THE fifth annual report of the Managing Editors to Council, and the second since the Editors were re-appointed in 2000 for a second term of four years, until June 2004. In the past year we have continued to build on the changes we made previously, and have not made any substantial alterations.

Editorial changes

The main change in the last year was due to the resignation of Costas Meghir as Managing Editor, with effect from 31 January 2001, in order to take up appointment as Co-Editor of *Econometrica*. Until July 2001 he continued to deal with all papers for which he had offered authors a revision. On behalf of the Managing Editors, I should like to express our debt and gratitude to Costas for his important role in helping to establish new standards for *The Economic Journal*, and in its re-organization.

Gerard van den Berg, Free University Amsterdam, was appointed to replace Costas from February 2001. He will edit papers mainly in applied microeconomics, industrial organization and labour economics. We are very pleased to welcome Gerard to the editorial team and look forward to his influence on the future direction of the *Journal*. Gerard's appointment marks a further step in the internationalisation of the *Journal*. He is, I believe, the *Journal's* first non-British, non-resident, Managing Editor.

A number of new Associate Editors were appointed in the last year as a result of the change of Editorial Board following the completion of the terms of office of the original Board in June 1999.

Citations

The Managing Editors commissioned a study of the impact of the current editorial team since taking up office in 1997. A summary of the investigation and findings, by Christopher Bliss, follows this report. Briefly, it was found that over the last five years there had been an increase in the *Journal's* impact factor - a measure based on citations - of about 47 per cent and that the *Journal* is easily in the top 20 economics journals worldwide.

Attempts to improve the public impact of the RES, *The Economic Journal*, and its contributors, led by Romesh Vaitilingam, the RES Media Consultant, have resulted in a considerable increase in the coverage in the national press of forthcoming papers. For each issue he prepares a press release and abstract of selected forthcoming papers.

Electronic developments

It was noted in last year's Annual Report that in the next few years new electronic developments would be likely to have an important influence on *The Economic Journal*. It was envisaged that with the increasing availability of journals on-line and through library subscriptions, the pricing structure of *The Economic Journal* and of membership of The Royal Economic Society would change. The RES commissioned a report on this from Len Waverman. A first draft has been presented to the Royal Economic Society.

One of the main implications is that the cost of the *Journal* will fall increasingly on institutional subscriptions, mainly libraries. Before long, it is envisaged that membership fees will probably just cover the marginal cost of a hard copy and the average cost of the editorial process. This would allow members to submit papers without a submission fee as at present.

As the use of web sites increases they become a more important resource for journals and societies. Our publisher, Blackwell, is therefore up-grading the RES and *Economic Journal* web-sites. The aim is to extend the range of information and features and give more and easier access to articles, future, current and from the past. There will also be improved links to other sites as part of the RES's service to members. The Managing Editors welcome suggestions from members of what they would like added to this.

Blackwell are also developing facilities for on-line submission to, and editing of, *The Economic Journal*. The Editors are conscious that some journals are moving rapidly to the complete electronic handling of papers, including all correspondence with referees. We have no objection to this in principle, and will determine how fast it is sensible to follow suit to avoid degradation of the editorial process. We are also aware that some authors, members and referees are still not using, or are reluctant to use, electronic access.

The Economic Journal Lecture

The *Economic Journal* Lecture at the 2001 annual RES conference at St Andrews was given by James Heckman (University of Chicago), the current Nobel laureate in economics. In 2002 at Warwick the lecture will be given by Maury Obstfeld (Berkeley).

Royal Economic Society Prizes

The prize for the best article in *The Economic Journal* in 1998, which is worth £3000, was awarded to Mark Armstrong for his paper 'Network interconnection in telecommunications' which

appeared in the May 1998 issue. The prize for 1999 was awarded to James Heckman and Jeffrey Smith for their paper 'The pre-programme earnings dip and the determinants of participation in a social programme: implications for simple programme evaluation strategies' which appeared in the July 1999 issue. The prize committee consisted of John Beath, Partha Dasgupta and, on behalf of the editors, Mike Wickens.

Submissions and publications

In 2000, the last complete year for which there are statistics, 461 articles were submitted to *The Economic Journal*. This compares with 443 in 1999, and 436 in 1998, and is an increase of 4 per cent over 1999. The largest number of submissions came from North America. This accounted for 31 per cent of the total number of submissions and was 4.3 per cent higher than 1999. The largest increase, 26 per cent, came from the UK. Submissions from Europe fell after the large increase in 1999. There was little change in the submissions from other countries.

The accompanying table gives a subject breakdown. Microeconomics continues to be the largest subject area, but fell in 2000 after several years of growth. The next largest is labour economics which increased in 2000 by 34 per cent, after a 21 per cent fall in 1999. Macroeconomics and monetary economics continued their growth for a fourth consecutive year.

Of the 461 submissions in 2000, 103 (22 per cent) were rejected without being sent to referees compared with 81 in 1999. The average time for referees to send their first report was 10.5 weeks compared with 10 weeks in 1999 (The figure for 1998 was calculated on a different basis and is not directly comparable.) 86 per cent of referees' reports were received within 4 months. The average time to a first decision (i.e. excluding revisions) was 19 weeks compared with 21.5 weeks in 1999.

The average time to make a decision to reject in 2000 was 18 weeks, compared with 28 weeks for a paper that was offered a revision. Taking a decision to reject is quicker because it can often be made after just one referee's report. An offer to revise is nearly always based on more than one report. It also needs more detailed editorial scrutiny, including a letter of advice to authors.

A table at the end of this report details the fees paid to referees and their choice of charity. A total of £9225 was spent on payments to referees compared with £9525 in 1999. £4866 was taken in fees, £3437 was given to charities and £922 was accepted in RES vouchers.

Circulation

Total circulation continued its downward trend. Both membership and sales fell in every geographical region, but particularly in the UK and US - down 3 per cent and 4 per cent, respectively. The fall in membership was despite the freezing of the membership subscription in the last two years (and reduction the year before). Although the institutional price has been raised considerably over this period, sales have declined less rapidly than membership - 2 per cent compared with 3.4 per cent.

It is not clear exactly how much the recent enormous improvements in electronic access have caused these changes, but it would be most surprising if this were not the dominant factor. Recent pricing decisions have attempted to take account of the current and likely future effects of electronic access - a fall in membership, and increased access via libraries. These circulation figures provide support of the need for the new pricing

structure and they suggest that the changes to this - the need to switch the burden of finance to reflect library use - have been on the right lines.

Features

The features issues are edited by Stephen Machin. The issue for February 2002 will include a symposium on 'funding gaps'. This includes contributions on small business credit availability, capital market imperfections and the design of effective public venture capital. There is also an article on the official crime statistics and the consequences of public sector pay in Britain.

Further down the pipeline are features on the economics of education, social capital, temporary work, ending war and trade liberalization.

There will also be articles focusing on policy relating to the e-commerce revolution, the macroeconomic impact of the New

Subject breakdown of submissions, 1998-2000

(acceptances to date in brackets)

	2000	1999	1998
General economics and teaching	10	(1) 4	8
Methodology/History of thought	4	10	3
Mathematical and quantitative methods	23	(3) 21	(1) 22
Microeconomics	(3) 83	(9) 96	(7) 73
Macro and monetary economics	(2) 73	(4) 68	(2) 51
International economics	(3) 48	(4) 44	(7) 51
Financial economics	22	(3) 23	(4) 24
Public economics	26	(2) 26	(3) 26
Health, education and welfare	17	(1) 9	5
Labour and demographic economics	78	(7) 58	(6) 34
Law and economics	3	3	(1) 3
Industrial organisation	29	25	(2) 25
Business economics	-	-	1
Economic history	-	2	4
Economic development	25	(1) 35	(2) 32
Economic systems	6	4	(1) 6
Agricultural/natural resources	4	10	(1) 11
Urban, rural and regional economics	8	5	5
Other topics	2	-	(1) 2
<i>Total</i>	<i>461</i>	<i>443</i>	<i>436</i>

1. Includes two papers originally submitted under John Hey's editorship and subsequently revised and re-submitted; 2. Includes 12 papers for the symposium - Job Tenure and Labour Reallocation.

Deal for young people and cross-country inequality trends. A comparison of product and labour market regulations across countries is also a possibility.

Reviews

Jayasri Dutta succeeded Roger Backhouse as Reviews Editor in September 2000. There has been no major change to the form of the book review section or of editorial policy.

The policy is to invite four kinds of review: longer review articles; joint reviews of two or more books; single book reviews and short notes for the Society's web page. Within the last year, several review articles have been commissioned: one is with the printers while one is with referees. In some cases authors have been asked to survey recent published work, especially journal articles, along with books because that represents the natural source of mainstream research in the field. A substantial number of reviews are contributed by UK reviewers, though books continue to be sent to European and US contributors.

In 2001, the editor accepted 135 reviews and 146 notes, comparable with the figures for 2000.

Referees' fees

Between September 2000 and August 2001 a total of £9225.50 was paid to referees, in the following manner:

Paid directly to referees	£4866	(52.75%)
As RES membership vouchers	£ 922.50	(10.0%)
Paid to charities	£3437	(37.26%)

Of the payments to charities:

Greenpeace	£ 175	(5.09%)
Save the Children	£ 450	(13.09%)
Amnesty International	£1050	(30.55%)
Cancer Research	£ 450	(13.09%)
OXFAM	£ 625	(18.18%)
Others	£ 587	(17.08%)

Accepted for publication

The following submissions were accepted for publication during 2000:

W H Buiter, 'The Fiscal Theory of the Price Level Critique'

B Caplan, 'Systematically Biased Beliefs about Economics: Robust Evidence of Judgemental Anomalies from the Survey of Americans and Economists on the Economy'

W J Ethier, 'Unilateralism in a Multilateral World'

J F Francois and D Nels, 'A Geometry of Specialization'

B Milanovic, 'True World Income Distribution, 1988 and 1993: First Calculation Based on Household Surveys Alone'

G Rudebusch, 'Assessing Nominal Income Rules for Monetary Policy with a Model and Data Uncertainty'

R Sloof, 'On the Relation Between Asset Ownership and Specific Investments'

C Syropoulos, 'On Tariff Preferences and Delegation Decisions in Customs Unions: A Heckscher-Ohlin Approach'

Evaluating the performance of *The Economic Journal*

a note from Christopher Bliss

At the request of the Managing Editors, and following Council's consent to the funding required, an evaluation of the performance of *The Economic Journal* was undertaken by two Oxford graduate students, Nishan de Mel and Cameron Hepburn. The thorough study generated a data-base in spread sheet form, which is available to answer further questions in future, as required. The total cost of this study was £650, indicating that the work of good graduate students represents excellent value for money.

The main focus of this investigation was to evaluate how the approach of the new editorial team, which took up office in 1997, and its succession, may have affected the impact of *The Economic Journal*. In summary the findings are quite encouraging. However the investigators applied themselves to their task with considerable intelligence and creativity. This led in part to their revealing how complicated and uncertain it is to measure impact and its changes over a short period of time.

The conceptual problem may be understood as follows. A particular paper appears in the *Economic Journal*, say in the January 2001 edition. For papers published in journals in the calendar year 2001 this paper will be lightly cited, if it is cited at all. The following year citations may increase and they will often build up during the following years, either reaching a plateau, or falling away eventually, sometimes to a lower steady level. How is success to be defined in this context?

The most transparent simple test statistic is the 'impact factor'. This is a measure of the frequency with which the 'average article' in a journal has been cited in a particular year. Working from the Social Sciences Citation Index (SSCI) the authors show that:

1. 90 per cent of *EJ* articles published before 1997 have been cited at least once;
2. The average number of citations per published article ranges from four to just over 40 for the same period;
3. The 'impact factor' for the *EJ* shows an improvement over the last five years, by about 47 per cent. We are still far behind the most cited journals, *American Economic Review* and *Econometrica*; yet easily in the top 20 Economics journals worldwide.

Working from the *Web of Science* Database the authors establish two measures:

- (A) Count the number of times that articles in the *EJ* of a particular year are cited, by all journal articles (published that year and after); and do this for every year.
- (B) Count the number of times that all journal articles of a particular year cited *EJ* articles (published that year and before); and do this for every year.

To date only a partial, and approximate, implementation of B has been achieved. This might be taken further, or it might be felt that for the time being, and with improved awareness of the conceptual problems involved, we have the encouraging message that was desired.

The Nobel Prize in Economics

While our October issue was being printed, the Royal Swedish Academy of Sciences¹ announced the award of the 2001 Prize in Economic Sciences to George Akerlof (University of California), Michael Spence (Stanford University) and Joseph Stiglitz (Columbia University) for their analyses of markets with asymmetric information.

A KEY INGREDIENT for the effective functioning of any economy is information. Economic agents, such as firms, households and individuals, need a great deal of information about available goods, services and trading possibilities and this year's award of the Nobel Prize in Economic Sciences has gone to three researchers working on the economics of information and in particular 'for their analyses of markets with asymmetric information', in the words of the citation.

Many markets are characterised by transactions between agents who have very unequal degrees of information about the relevant deal. For example, lenders typically have less information about the creditworthiness of borrowers and their projects than do the borrowers themselves; the buyers of insurance have a better grasp of the risk to which they are exposed than does the insurance company; famously, the seller of a used car is much better informed about its defects than is the potential buyer. Fortunately, in markets which suffer from 'asymmetric information' is commonplace, for agents on both sides of the deal to devise ways of 'signalling' or transmitting the information that they have, where this is to their mutual advantage. Understanding this signalling behaviour not only gives economists deeper insights into the workings of markets but also helps explain behaviour which otherwise looks irrational.

George Akerlof

Akerlof pointed out the importance and implications of the fact that sellers in many markets are better informed about product quality than buyers. At any given price, a seller of high-quality units is less willing to sell than is the seller of low-quality units. Rational buyers anticipate this, suspecting that the item they face is of low quality. This rational suspicion depresses prices, which further discourages sellers of high-quality units, who continue to leave the market until only low-quality items remain for sale. This is the problem of adverse selection and left uncorrected it would hinder mutually beneficial transactions, even possibly leading to the absence of a market.

Akerlof's 1970 essay, 'The Market for Lemons: Quality, Uncertainty and the Market', published in the *Quarterly Journal of Economics* is the single most important study in the literature on economics of information. The lemons in question were used cars and Akerlof showed how the disparity in quality of information held by the two parties was such as to threaten the very existence of the market. In these circumstances it becomes rational for sellers to cede some of their advantage by

such devices as offering guarantees or by seeking accreditation from the manufacturers whose cars they sell.

Akerlof subsequently went on to show that many observed market institutions may have arisen precisely to cope with the problem of adverse selection, an insight that has spawned a rich body of subsequent research.

Born in 1940, in New Haven, Connecticut, George Akerlof studied for his PhD at MIT. Since 1980 he has been Goldman Professor of Economics at the University of California at Berkeley. He has also held professorships at the Indian Statistical Institute and the London School of Economics.

Michael Spence

Like Akerlof, Spence was also interested in how the better informed individuals on a market can credibly transmit their information to less informed individuals, in particular so as to avoid some of the problems associated with adverse selection.

Asymmetric information is a common feature of market interactions. The seller of a good often knows more about its quality than the prospective buyer does... This year's Laureates analyzed problems that may arise in markets where information is asymmetric.'

-Prof. Jörgen W. Weibull

Signaling requires economic agents to take observable and costly measures to convince other agents of their ability or, more generally, of the value or quality of their products. In particular, for such 'signaling' to function, sellers of high quality items must take observable measures that are too costly for low quality sellers to undertake. Spence's contribution was to develop and formalize this idea as well as to demonstrate and analyze its implications.

Spence's pioneering 1973 essay 'Job Market Signalling' published in *Quarterly Journal of Economics* deals with education as a signal of productivity on the labour market. Without such signalling, there is a danger that the labour market might collapse into a market where only those with low productivity are hired at a low wage: the adverse selection problem again. An important insight was that signaling cannot succeed unless the signaling cost differs sufficiently among job applicants. If the less able need to spend more effort and time than the more able to obtain any given level of education, then the latter can signal their ability by undertaking an education which the less able do not find worthwhile, given the prevailing wage difference. Under such circumstances, signaling removes the curse of adverse selection, albeit at a cost - the more able have to educate themselves beyond the less able, even if education has no effect on their productivity.

Another example of signaling behaviour concerns dividends. Firms pay dividends to their shareholders, with shareholders' obvious support, in spite of the fact they are paid out of post-

tax profits and will then be taxed again as part of shareholder income. On the face of it this looks perverse, since retaining the profits within the firm would generate faster capital gains which are taxed at lower if not zero rates when realised. Payouts become rational, however, as soon as we recognise that a firm may have 'insider information' about its favourable prospects. Dividend payments can act as a signal of these prospects. If the market then interprets dividend behaviour as evidence of good news and bids a higher price for the shares, the higher share price compensates shareholders for the extra tax they pay on the dividends. Spence's work later gave rise to much work in the game-theoretic framework.

Michael Spence was born in Montclair, New Jersey, in 1943 and did his PhD at Harvard. He has held professorships at Harvard and at Stanford.

Joseph Stiglitz

Joseph Stiglitz was born in Gary, Indiana in 1943 and studied at Amherst College and then the Massachusetts Institute of Technology. In a classic paper with Michael Rothschild ('Equilibrium in Competitive Insurance Markets', *Quarterly Journal of Economics*, 1976), Joseph Stiglitz showed how insurance companies can give their clients effective incentives to reveal information on their risk situation through so-called screening. They do this by offering them a menu of alternative contracts where lower premiums can be exchanged for higher deductibles or 'excesses'. Clients who know they are low risk will opt for these, leaving those with higher risk to pay higher premiums. Like market signaling, such 'screening by self-selection' promotes mutually beneficial transactions otherwise rendered unfeasible by adverse selection.

Other influential work was done with Andrew Weiss on credit markets with asymmetric information. Together (in *American Economic Review*, 1981) they showed that in order to reduce losses from bad loans, it may be optimal for bankers to ration the volume of loans instead of raising the lending rate. Since credit rationing is so common, these insights were important steps towards a more realistic theory of credit markets.

Note:

1. Further information on the awards can be found at: www.nobelprizes.com and www.nobel.se

and on the laureates at:

emlab.berkeley.edu/users/akerlof/

www.gsb.stanford.edu/history/spence.html

www.columbia.edu/cu/economics/stiglitz.htm

The Nobel Prize - A dissenting note

This year's laureates, Akerlof, Spence and Stiglitz are the latest in a line of 48 eminent economists to receive this award. The first, in 1969, was shared between Ragnar Frisch and Jan Tinbergen.

Just as preparations were being made for the awards, however, it was reported in several quarters that some members of the Nobel family are unhappy with the family's connection with the prize. The argument, led by Peter Nobel, a Swedish human rights lawyer and a great grandson of Alfred's brother, Ludvig, is mainly that the Economics Prize was not mentioned in Alfred Nobel's will, unlike the other prizes (for peace, literature, physics, chemistry and medicine). The 'big five' have been awarded annually since 1901, but the Economics Prize originated much later, in 1968, to commemorate the 300th anniversary of the Swedish Central Bank, the Sveriges Riksbank. Together with other family members, Peter Nobel has been campaigning for the prize to be renamed the Riksbank Prize in Economics.

The Riksbank appears to agree that the criticism is strictly correct - the Economics Prize is not mentioned in Alfred Nobel's will - but argues that the prize is associated with Nobel since the Riksbank decided to award it in his memory. Anyway, it sees no reason to change the current position.

There is some suggestion, however, that the objections are not purely legalistic but may involve some judgement of the winners and their work. Peter Nobel has pointed out that in 1997 the prize was shared between Robert Merton and Myron Scholes for their work on options pricing. A year later, Long Term Capital Management, the US hedge fund where they were partners, crashed. Furthermore, the family critics point out, Alfred Nobel was highly sceptical about business and economics and was quite explicit that the prizes in his name should be awarded each year to those who have conferred the greatest benefit on mankind. In practice, they say, the Economics Prize has almost invariably gone to those who reflect the dominant western, market-oriented, view of economic arrangements.

The suspicion that their disquiet reflects something more personal than just the letter of the will, received some support in a recent report in the *Financial Times*¹, where Peter Nobel was quoted as saying 'This is a long-term battle. If we keep up the criticism, they may be more careful about who they choose for their awards'.

Note:

1. 'Cloud Hovers over Nobel' by Christopher Brown-Humes, *Financial Times*, 24 November 2001.

RES Survey on the Gender and Ethnic Balance of Academic Economists

Jon Burton, Institute of Social and Economic Research Essex University, and Amanda Rowlatt, member of the RES Committee for Women in Economics and Chief Economist at the Office for National Statistics report the results of the recent survey.

IN LATE 2000 and early 2001 the RES Committee for Women in Economics carried out its biennial survey on the gender and ethnic balance of academic economists. The survey was sent to around 150 institutions. 79 returned completed questionnaires (60 per cent), with the institutions with higher RAE gradings tending to have higher response rates. The survey has been analysed by John Burton in consultation with the Committee.

The stock picture

The survey found that the position of women is improving, although men still dominate the profession at the higher levels. Overall, women constituted 21 per cent of academic economists for the sampled institutions, up from 18 per cent in 1998. Women made up 36 per cent of research or PhD students, 20 per cent of full-time permanent lecturers, 12 per cent of readers and senior lecturers, and almost 7 per cent of professors, up from 4 per cent in 1998. The proportion of professors who were female remains lower than the average for all subjects (12 per cent in 1999/2000) or the 12 per cent recorded in 1998/9 for administrative, business and social studies.

New hires

A similar picture was seen in the data on new hires: between 1998 and 2000 26 per cent of new hires were women, up from 23 per cent from 1996 to 1998. 9 per cent of new professors were women, up from 7 per cent, and 16 per cent of readers and senior lecturers were women, up from 12 per cent. However, the proportion of women promoted into a grade is still lower than the share of women in the feeder grade. This could suggest some bias against women, but might just reflect horizontal moves.

Role model effects

The possibility of a female role model effect suggested that departments with more female professors would have a higher proportion of women amongst junior economists. If anything the converse seemed to be true: departments with at least one female professor had a lower proportion of female academic staff below professor level. The results on part time work also differ from the norm, as men hold more than two thirds of the few part time jobs in standard academia.

Ethnicity

The survey also asked about ethnicity. Overall, two thirds of all academic economists at the surveyed institutions were white and from the UK, and three quarters of professors. A further fifth of all economists were white but not from the UK. Non-whites comprised 10 per cent of all economists and 7 per cent of professors. This compares favourably with the 4 per cent non-white reported for professors in all subjects by HESA for 1999/2000. The data on new hires in economics departments suggests that a switch is in train from white UK economists (about 45 per cent of new all hires) to other white economists (40 per cent), but with some decline in the representation of non-whites (13 per cent of new hires). Almost two thirds of the 55 new professors were white and from the UK, and over a third more were white, but just one was non-white.

In comparison with the Government Economic Service (reported by Amanda Rowlatt in July 2001), the gender balance in academe seems to be roughly similar, but the gradient of female ratios falling as grade increases is somewhat more marked among academics than in the GES.

This survey has provided a wealth of interesting information, and the Committee for Women in Economics is most grateful to everyone who responded.

More detailed results will be found on the RES Committee for Women website at www.res.org.uk/women2.htm

Letter from France

L'Etat et son rôle

In his annual Letter from France, Alan Kirman, Université d'Aix Marseille III, takes a wry look at the sudden revival of the state's popularity following the events of 11th September.

THE OBVIOUS TOPIC for this year's letter was the introduction of the euro, but, as I watch my local boulanger bravely struggling with multiplication and division by 6.55957 and see the threat of the banks going on strike on the 2nd of January since the workers will have to 'do a lot more thinking and calculating' I think it would be better to save this for next year for an *ex post* account. So let me instead make a few remarks on the role of the state in France.

As the events of September 11th clearly showed, the state anywhere suddenly becomes popular as soon as disaster strikes. 'The government must take the necessary measures', 'the state must get us out of this mess'. Those who have been pleading for a minimal role for the state are suddenly in favour of an expansionary fiscal package and a radical relaxing of monetary policy. In France people are perhaps less hypocritical but their ambiguous attitude to the state leads to paradoxical results from the economist's point of view. Two examples illustrate this ambiguity.

Les télécoms.

When the UMTS licences for the new technology for portable telephones were put on sale, in January 2001, by the government, the way in which this was done was a little mysterious. There was no auction and a price was announced for the four licences available. The candidates that were eligible were selected on a number of characteristics and not only on their ability to pay. The figure per licence was 4.95 billion euros. The reason for not having an auction was based on the refusal of the telecommunications authority, the ART. Their argument was in part founded on the idea that companies would get into debt to too great an extent and that the cost of servicing this debt would be passed on to consumers. This was a blow for the government who hoped to follow the British example. Nevertheless a reasonable assumption must be that the price was at, or not far below the Minister of Finance's estimate of the reservation price of the fourth highest contender. The estimate was not a good one since after some hesitation only two licences were taken up.

With the collapse of the high technology bubble, the difficulty of activating UMTS and the doubts about the appeal of the new system to the public, there was general agreement that the price that had been paid was too high. The same was the case in other countries and the shares of major telecommunications companies collapsed. However, governments had made a windfall gain which made the outlook for their budget deficit look good.

September 11th shifted attitudes, budget surpluses went out of fashion and rescue operations moved back into favour. In France, the holders of the licences were quick to seize the opportunity. SFR, a subsidiary of Vivendi started to be difficult about making the payments for the license it had won. They froze the account from which payments were to be made and started to negotiate for a reduction in the price in October. Unsurprisingly, the other winner, France Telecom, or more precisely Orange, supported this idea. The Ministry of Finance agreed to negotiate on the price and SFR paid its first instalment. Two weeks later a reduction in the price was announced, it was now 619 million euros, a reduction of 87.5 per cent!! This was also the price proposed to the contenders who had dropped out earlier. Had it been known that the prices could be renegotiated for everyone if new licences were put up for sale later, there was obviously room for strategic behaviour. Yet, curiously at the time of the original attribution there was general agreement that any lowering of prices would be applied to all parties. The only uncertainty was as to whether two licences and a duopoly situation would be acceptable. This complicated little square dance must seem very odd to outside observers. The defence of the government is undoubtedly that circumstances have changed and it is only normal that it should step in to further the interest of *les citoyens*.

Public versus privé

A second and fascinating example of the relationship between the government and the private sector in France is that of the private clinics whose owners and doctors have recently been on strike. The reason for the movement was that nurses' salaries in private clinics were below those in public hospitals. This may seem to an outsider to be a particularly perverse reason for a strike since it was not actually the nurses themselves who initiated the movement. The story is even more complicated than it might seem. The clinics in question provide a substantial proportion of the medical care in France. More than 50 per cent of all surgical operations and more than 40 per cent of maternity care are provided by them. Most of this is under contract with the state. The prices paid by the state for the services provided are determined by bilateral negotiations between the various clinics in a region and the state body responsible for hospitals and clinics in that region. The old principle was that a given operation or treatment should be paid for at the same rate independent of whether it is provided in the public or private sector. This used to be the case for everything reimbursed by the *sécurité sociale*. This amount is now determined in relation to an estimate of the cost of providing the service with an

incentive payment to those who have a higher productivity index. Here is the rub. The clinics claim that the cost is underestimated for them, since a large part of the overheads in public hospitals are written off or not accounted for directly, and furthermore the employers' contributions for state employees are lower than those for their private counterparts. A result of the latter is that the net salaries paid to nurses are lower than in the public sector and there has been a steady drift of nurses to the latter where not only are salaries better but where the risk of unemployment is zero.

The government has, at least in part, accepted these arguments and announced an additional subsidy of nearly half a billion euros for 2002. This was enough to satisfy the owners of the clinics and was based on the fact that nurses' salaries were, according to Mme Guigou, the minister for 'employment and solidarity', some 11 per cent lower than those in the public sector.

It is easy to imagine that the trade unions were far from happy with this outcome. Their primary concern is that there is no guarantee that the additional sum will be paid to the nurses. Furthermore they claim that the salary estimate is based on the minimum provided for in the contracts between the clinics and the state, whereas, in fact, many clinics pay more than this. The most obvious move in response to this would have been for the government to change the employers' contributions for private sector nurses to bring them into line with their public cousins. This would no doubt have been, from the state's point of view, a dangerous precedent. The answer was therefore a subsidy which will be handed out in a way which has yet to be determined. One of the leaders of the strike is the owner of a group of clinics newly quoted on the Paris Bourse and rapidly expanding and the idea of subsidising him has not gone down well with many parts of the current *gouvernement de gauche*. One union had the temerity to suggest that doctors' salaries which are higher in the private sector could be reduced to pay more to the nurses. Many of the doctors are partners in their clinic and one was quoted as saying that to be a partner in such an enterprise was a risky business and one had to be well paid for taking such a risk!

There is a fundamental problem here: how to price services provided by a sector which is in fact a subcontractor to the state which is also directly providing similar services? In addition it is the state that determines the number of nurses to be trained. In this highly constrained and, some would argue, distorted situation one might ask naively, why not just let the clinics get on with it. After all they are in it for the profit and they could be allowed to compete to provide services. This apparently simple solution has a number of drawbacks. Services are provided on a geographical basis and many clinics have effective local monopolies. The clinics are now in a relatively strong position, they form local cartels which negotiate effectively since their members are not, in reality, competitors and they have such a large share of health care provision that the state cannot afford to turn its back on them. Yet the state is almost in a monopsony position. In effect this is not really a market situation but a bargaining problem with the threat point of the clinics being

their disappearance. It is not obvious that the threat is credible but it can surely not encourage nurses in search of jobs to favour the private sector, so it has a self-defeating element. Perhaps most interesting is that the subsidy has not taken the form of raising the prices paid to clinics. It may well be paid in this form from next year onwards but there is a certain reluctance since price setting has been openly admitted to be *folklorique*, similar clinics in different regions receiving very different payments for the same service and clinics in the same area with very different levels of care being paid essentially the same.

What is most interesting is to see how the state and the private health sector got into this complicated and incestuous relationship. The fundamental reason is very French. The patient must have the *liberté du choix*. This goes further than having the freedom to choose the doctor or the hospital but means that you must have the choice between privately and publicly provided services. There are echoes of the debate on the public versus Catholic school debate. Although the Catholic schools are essentially funded by the state any control over those schools was regarded as gross interference by the state, particularly when it came to requiring that the Catholic schools justify their expenditure of public money. Mass outcry at the idea of paying teachers the same salaries as their public counterparts or of opening their accounts led the state to back down and to continue to subsidise with no effective control of the way in which the subsidy was spent. All this in the name of freedom of choice. It is ironic that now it should be the inequality of salaries in the two sectors that the private sector wants to eliminate by public subsidy. Of course, the supply of labour is different since there is no formal requirement to become a teacher in a private school, so the flow of entrants is not controlled by the state.

What conclusion could one draw from all of this?. The French health system does quite well in terms of the number of years of good health per unit of expenditure, and this despite the fact that, from a conventional point of view, there does not seem to be much concern with efficiency. In the case of the telecoms it has to be remembered that France Telecom was until recently a success story of popular capitalism and the government was extremely reluctant to destroy that by allowing the company to be too heavily burdened by its debts even if these were unwisely entered into. If a private operator had to be helped in passing, *tant pis*.

The relationship between the state the individual and the private sector is complicated and no doubt highly inefficient but the result is, from the French point of view, certainly no worse than elsewhere and after all the taste for 'cohabitation' that the French have recently developed is probably just a reflection for a desire for comfortable compromise, particularly when the result of such a compromise seems to hold up in comparisons with other countries. Sitting in the TGV that covers the 800 miles from Marseille to Paris in less than three hours and would certainly not have seen the light of day without heavy state subsidy it is somehow difficult to disagree. Perhaps the real difference is that the French government sees no reason

not to announce its interference whereas in those countries devoted, at least publicly, to a more efficient approach such interference should not be admitted.

A recent event illustrates this rather well. The French government has not hidden its support for a scandalously protectionist measure being pushed by the European Commission. The idea is to refuse importers the right to call imported fish sar-

dines if they are not the EUROPEAN species!!! The U.S. government obviously took exception to such a move and agreed to finance litigation by the Peruvian government, a victim of this nasty measure. U.S. support has just been quietly withdrawn when it was discovered that in the latest bill presented by President Bush to Congress was a measure prohibiting the use of the term 'catfish' for imports of anything other than the NORTH AMERICAN species. *Chacun à son tour!*

News from CHUDE

Ethnic and other minorities

In 1998, at the request of the RES Council, a committee was formed by CHUDE to investigate the representation of ethnic and other minorities in the UK economics profession. The members of the working party are: Sajal Lahiri (University of Essex, Chair), Philip Arestis (University of East London; now at University of South Bank), David Blackaby (University of Wales Swansea), Jeff Frank (Royal Holloway College, University of London), and Clive Fraser (University of Leicester). The working party sent out two sets of questionnaires: one to individual academic economists and one to heads of departments. An analysis of the returns from individual questionnaires was carried out by two members of the working party in details and discussed by the working party. This analysis was reported to CHUDE earlier. (It was summarised in the January 2000 issue of the *Newsletter* with a fuller version in the June issue of the *Economic Journal*).

The second questionnaire had two parts. The first part dealt with the main remit of the working party, namely the question of minority participation. A report of the key findings from the first part of this survey was presented to the meeting of CHUDE on 24 November and a summary follows below. The second part was about working conditions, and a separate report will be submitted for it in the near future.

The data collected from the HoD questionnaire was tabulated in ten tables and these were attached with the report to CHUDE (and are available from CHUDE members, or its secretary, Professor Philip Arestis). These tables are self-explanatory and therefore, we shall only highlight some the key features.

- 13% of full-time academic staff are ethnic minorities
- 16% of new full-time academic staff are ethnic minorities
- 17% of full-time lecturers are ethnic minorities
- 21% of new full-time lecturers are ethnic minorities
- 50% of full-time lecturers are white-UK
- 31% of new lecturers are white-UK
- 31% of full-time lecturers are white-European
- 39% of new lecturers are white-European
- 7% of all professors are ethnic minorities
- 14% of new professors are ethnic minorities
- 20% of all fixed-term teaching staff are ethnic minorities
- 18% of new fixed-term teaching staff are ethnic minorities
- 14% of research staff (most of whom have fixed-term

contracts) are ethnic minorities.

- 39% of research students are ethnic minorities
- 37% of taught masters students are ethnic minorities

Many of the above observations are consistent with our findings in the individual level study. In that study we found that 12 per cent of all full-time staff members are ethnic minorities (although almost none of them are UK-born). We find that a disproportionate number of ethnic minorities are junior members (lecturers) of the profession. It should be noted that our individual level study found that 'Controlling for individual and workplace characteristics, there is no significant ethnic minority effect on academic rank. However, there is a significant earnings effect.' (Blackaby and Frank (2000)). It should be pointed out that in the HoD questionnaire no data was collected on earnings.

Reference:

Blackaby, D and Frank, J (2000) 'Ethnic and Other Minority Representation in UK Academic Economics', *The Economic Journal*, 110, F293.

Meetings

The CHUDE Steering Committee met on Saturday, 13 October, 2001.

The main items on its agenda were CHUDE's reaction to (a) the British Academy Review of Graduate Studies in the Humanities and Social Science and (b) the QAA 'Proposals for Consultation' document.

In the case of the former it was agreed that the Chair and Secretary would draft a response which would include the following observations regarding the difficulties faced by would-be graduate students in the social sciences:

- Starting salaries were not the only disincentive. Attention needed to be given to opportunities for career progression, training in teaching, and working conditions;
- The increasing number of casual temporary contracts as the only choice available for newly qualified staff may be seen as a contributing factor to the recruitment problem.

continued on p.13.

Quality assurance in higher education

The CHUDE response

The Conference of Heads of UK Departments of Economics (CHUDE) has been actively involved in the system of reviews that have been carried out in England and Northern Ireland and is also involved in the review process that is currently underway in Scotland. Its role in the former was to prepare the background material for the lead assessors and to act as a major conduit for the recruitment of subject specialists. In the latter it was the major driving force behind the Benchmarking Statement for Economics and also acted as an intermediary in the recruitment of appropriate subject specialists. Moreover as Heads of Departments we have also been subject to review and so we have direct experience of both sides of the process....

We would argue at the outset that the current system of quality assurance in higher education needs radical reform. We emphasize 'quality enhancement' and our view is that academic institutions themselves should take more responsibility for their own teaching quality.

1. The objectives and principles of quality assurance (§7-11)

We agree with the four objectives set out in paragraph 7 but would wish to suggest that (b) sounds unreasonably precise and raises two issues of consistency. First, we know that QAA ratings are about achievement relative to the claims of the institution. Unless consumers know what the claims of the institution are, the information is relatively meaningless. Second, ...[b]ecause the system of quality assurance has been subject to change over time, those in England and Northern Ireland were assessed using one set of criteria while those in Scotland are being assessed using another set. In the absence of a single set of criteria, it is not clear that objective (b) can be met.

We take the view that quality assurance can most usefully do two things: (i) assure external stakeholders that there is no provision that falls below a quality threshold that is readily understood and (ii) ensure that institutions have in place a mechanism(s) to foster quality enhancement. Note that in (ii) we are implying that there may be several valid competing methods of achieving enhancement and so any approach to assessment has to take this into account.

We accept that it is the institution's responsibility to ensure that quality of provision is assured and would emphasise the importance of 'lightness of touch'. We would, though, be concerned about the proposal that some institutions be treated differently from the rest. If this is to happen, we think it would be essential for the criteria to be used to discriminate between institutions to be published. Transparency is an important attribute in this regard. We have had experience of the cost to departments of subject review ... it is crucially important that the 'tax' imposed by the requirement to meet the needs of any QA system be as low as possible.

We recommend that the only review that the QAA needs to conduct is at the institutional level. At the subject level, all that would seem to be necessary is that the subject benchmarks are reviewed periodically. A rigorous institutional review would identify, through internal paperwork, if the level of subject provision was satisfactory. We see no reason for any further layer of subject review along the lines indicated in §10, b and c. If, at the end of the day, reviews are to be undertaken, then clear criteria on how decisions on those departments to be visited are taken are vital.

2. The audit model (§12)

The approach that we have indicated above is in fact far closer to the external financial audit model that you mention. When companies are audited, provided that the devolved parts operate standard systems, there is no need for the latter to be subject to special audit. Thus, if you accept the financial analogy, there should be no need to audit at the subject level. Under exceptional circumstances, when a whole institution failed, then a thorough review would be necessary.

Nevertheless, if there are problems at that level, it is more than likely that they are present because of the failure of systems of control at the centre and it is the latter that need to be put right...

3. The collection and publication of information (§13-16)

We accept that it would make sense for a consistent and comparable set of information to be available. The information mentioned in §15 would routinely be collected and analysed by an HE institution that had in place a robust institutional QA system. However, in deciding on what information should be made available, we hope that the task group will take account of the limited information-processing capability of potential customers and recommend a minimal set.

4. The approach to institution-level audit (§17-28)

We would agree with the proposal that there should be a regular audit cycle and especially with the sentiments of §21. We are concerned, however, by the proposal in §25 about 'drilling down'. If there is a perceived need to 'drill down', it is because the institutional system is at fault. Drilling down is simply subject review by the back door. The problems that the new approach is being designed to tackle would thus re-emerge.

We are concerned about the 10 per cent figure in the proposal. This to us still seems to impose an unnecessary burden on the sector.

Under this heading, we think that some attention should be paid to the difficulties involved in comparing institutions, given the differences that exist in their objectives. Furthermore, there is the danger that an institution may focus on the indicators set for the audit to the detriment of its performance on other indicators that may be equally important given its overall mission....

5. The objectives of, and approach to, selective reviews of subjects or themes (§29-34)

If an institution has a robust set of quality assurance procedures, one of which is periodic programme review (and this may be coordinated with accreditation), we cannot see any need for there to be further subject/theme review.

6. Quality enhancement (§35-38)

We believe that the Learning and Teaching Support Networks, supported additionally by the developmental activities of the relevant subject associations/learned societies, provide adequate mechanisms for quality enhancement ... any institution with an effective QA system in place would also have in place a Teaching and Learning Strategy with appropriate staff development.

7. Length of review cycle (§35-38)

Care should be taken to avoid crowding institutions with quality exercises ... (it has actually been estimated that all these cost to the English higher education sector £250 million a year in staff time and administration). They impose unnecessary burdens on institutions and their staff, thereby threatening quality, the very attribute QAA attempts to enhance. A strict calendar is necessary, so that the review is spread out, thus avoiding the crowding to which we have just referred.

8. The approach to reporting and follow-up (§41-45)

We would have thought that all that would be required would be for each institution to publish an annual audit report in a standardized format with an indication of the date of the latest QAA institutional audit, and its outcome.

9. Implementation and planning assumptions about the volume of activity (§46-54)

We appreciate the need to phase in any new scheme in a gradual way and have no specific comments to make on what would be an appropriate timetable. We would reiterate, though, our concern of over-crowding institutions with quality assessment exercises, as noted above under item (7).

It was also agreed that the response should express disappointment at the lack of consultation in the course of the Review between the British Academy and the RES/CHUDE.

The Chair and the Secretary would draft a response to the Review, taking into consideration to the points raised in the discussion. The response would be circulated by e-mail and tabled at the next full meeting.

(Details of the British Academy's Review, to which the Committee was responding can be read on the BA website: www.britac.ac.uk/news/reports/gsr/summary.html).

As regards its response to the QAA consultation, the steering committee received a draft response and agreed to a number of amendments. Since the deadline for its submission predated the next full meeting of CHUDE, it was agreed that a copy should be tabled for the information of the full meeting. (A slightly shortened version of the response appears opposite).

The steering committee also agreed to invite representatives of the British Academy, the Bank of England and the Government Economic Service to address the next full meeting of CHUDE.

It also noted that the RES was disappointed by the lack of colleagues applying for the RES Visiting Scholar Scheme. (Details of this scheme appear on p.19 below).

The full CHUDE Committee met on 24th November, 2001

Jonathan Breckon addressed the meeting for the British Academy and explained the various ways in which the BA supports research in the Social Sciences. These include:

- the Small Grant scheme which gives awards up to £5000;
- the Larger Grant scheme where awards range from £5000-£20000;
- the one-year Postdoctoral Fellowship which awards £20000;
- the two-year Research Readership, Senior Research Fellowship (for scholars in mid-career) and Research Professorship;
- a conference grant scheme to which subject associations can apply and which provides support for travel costs.

Members were encouraged to provide advice on how the funding schemes might be improved in ways that might assist research in Economics.

Jonathan de Berker addressed the meeting for the Government Economic Service and reported on the success of a recent Open Day during which the GES had demonstrated to students the benefits of an economics career. He asked members to support further Open Days by advertising them to students and also to allow representatives of GES to visit universities. The GES is a major recruiter of economists, requiring approximately 150 a year.

The Committee also heard of members' concerns about the new QAA arrangements for Scotland and a report from Sajal Lahiri on the recent survey of Heads of Department.

Dates of next meetings: 25th March, 2002 (Steering Committee); 2nd March, 2002 (Full Committee)

MMF 2001

The Money, Macro and Finance Research Group's 33rd Annual Conference was held at Queen's University, Belfast, 5-7 September 2001. This maintained the tradition of alternating meetings between London and other venues

The conference continues to be the largest macroeconomic and finance conference, and possibly the largest specialist economics conference of any kind in Europe. Papers were given by presenters from countries including Belgium, the Czech Republic, Finland, France, Germany, Ireland, Italy, New Zealand, Norway, Spain, and the US, as well as the UK, on topics ranging from stock market prices, bank behaviour and financial constraints for firms through exchange rates to monetary policy.

The conference included three special sessions: one on EMU, organised by Philip Lane, discussed the effects of EMU membership on peripheral countries for the cases of Finland, Ireland and Spain; one on Irish economic growth, organised by Frank Barry, discussed alternative interpretations of the Irish 'growth miracle' of the 1990s; and one on the New Economy, organised by Peter Spencer, analysed the effects of ICT and productivity growth in the US and the UK. There was also a session contributed by the Groupe de Recherche en Economie Monétaire et Financière, with papers by economists from Nanterre and CEPIL.

The first keynote lecture was by Martin Hellwig (University of Mannheim) who discussed banking regulation and risk with particular attention to macroeconomic rather than microeconomic risk. The second was by Charles Engel (University of Wisconsin) on 'The Responsiveness of Consumer Prices to Exchange Rates And the Implications for Exchange-Rate Policy: A Survey of a Few Recent New Open-Economy Macro Models'.

As usual, the keynote lectures and a selection of other papers will be published in the MMF conference supplement of *The Manchester School* in the summer of 2002. The MMF's 2002 annual conference will be in Warwick.

cpb Report

The (winter 2001) Quarterly Review of the Netherlands' Bureau for Economic Policy Analysis, whose work we have frequently reported in these pages, has just been published. It contains reports on Polish-Dutch economic relations, social housing initiatives, tax policy in the European Union and more on retirement and pensions.

The Report is available on the cpb's website: www.cpb.nl

Obituaries

Ivor Pearce

Ivor Pearce, Emeritus Professor of Economic Theory at the University of Southampton, died peacefully on 26th October 2001, aged 85. This obituary was contributed by his friends and colleagues at the Department of Economics, University of Southampton.

Ivor started his career as an accountant and only began his studies in economics at the age of 30 when he used the opportunity afforded to those who served in the armed forces in World War II to study for a degree in economics at Bristol University. After posts at Nottingham, the Australian National University and Oxford, Ivor took up the chair in Economic Theory at Southampton in 1962, holding the chair till his retirement in 1982.

As an economic theorist, Ivor made important contributions to trade theory (e.g. *Review of Economic Studies*, 1952, with S F James; *International Economic Review* 1961, and the 1970 book *International Trade*), demand theory (e.g. *Econometrica* 1961, the 1964 book *A Contribution to Demand Analysis*), welfare economics (e.g. *Review of Economic Studies*, 1976; *American Economic Review*, 1982; both with George McKenzie) and general equilibrium theory (e.g. *Review of Economic Studies*, 1953; *Econometrica*, 1973, 1974, with John Wise), among other topics. He published widely in the leading international journals and established a very considerable international reputation, as evidenced by his election as a Fellow of the Econometric Society in 1975. However, Ivor was not just a theorist, he was also very concerned to test economic theory against data, and was instrumental in securing Leverhulme funding for one of the first chairs in Econometrics in the UK, thereby establishing the (then separate) Department of Econometrics at Southampton in 1965, and founding Southampton's continuing reputation in this field. He also secured research council funding from 1966 to 1976 to construct the Southampton Econometric Model, an early example of research council funding for large-scale economic models. In these and many other ways, Ivor played a pivotal role in the development of the Economics Department - perhaps most significantly by attracting and nurturing bright young staff. Indeed it is fair to say that Ivor, along with his long-time friend and colleague David Rowan, were the co-founders of the modern Economics Department at Southampton, providing it with a shape and an ethos that are easily recognisable today.

In the festschrift published to mark Ivor's retirement, David Rowan, summed up Ivor's qualities: 'His mind was not only powerful. It was persistent. And to these two qualities he added a third: a willingness to dispute the assertions of the authorities and to treat all opinions, his own included, with a proper measure of scientific disrespect'. The ideal academic. It is a mark

of the breadth, depth and persistence of Ivor's mind that at the time of his death he was working on what he believed was a more intuitive proof of Fermat's Last Theorem. Ivor leaves behind his wife Muriel, and children Jane, Stephen and Richard.

George Peters

George Henry Peters died in Oxford on 4 November 2001 aged 67. Born in September, 1934, in Buckley, Flintshire, George Peters will be remembered largely for his work in agricultural economics and rural affairs.

His study of economics began at the University of Wales, Aberystwyth, whence he graduated with a first class degree in 1955. This was followed by postgraduate work at King's College, Cambridge, where he worked on national income accounting. His academic career was briefly interrupted by National Service (in the RAF) but resumed in 1959 when he went to the Agricultural Economics Research Institute at Oxford. Its head at the time was Colin Clark and George Peters helped with revisions to *Conditions of Economic Progress*, published in 1957.

The first of his own important publications appeared in 1963. This was a pamphlet for the Institute of Economic Affairs called *Cost Benefit Analysis and Public Expenditure*. Other major publications were a textbook, *Public and Private Finance* (1973). and the monograph, *Review of United Kingdom Statistical Sources - Agriculture*, for the RSS and ESRC in 1988.

He moved to Liverpool in 1967 where he became Brunner Professor of Economic Science in 1970 but returned to Oxford in 1980 to succeed Colin Clark as Director of the IAE. He was made a Fellow of Wolfson College in the same year. After a period of upheaval the Institute became part of the International Development Centre with Peters as its Deputy Director. In 1986 he was appointed to a research chair in agricultural economics.

To many of his peers he was best known, and fondly remembered, for his work as an editor. In this role he served the International Association of Agricultural Economists and the journal *Oxford Development Studies*. These activities drew heavily upon his remarkable ability to organise fellow academics to meet deadlines and to work together and he was often able to impose a coherence on disparate contributions where others failed.

He married Judith Griffiths in 1959 and is survived by his wife and two daughters.

Theo Barker

Theo Barker died on 22 November 2001 aged 78. He was born in St Helens, Lancashire in July 1923 and his first book, *A Merseyside Town in the Industrial Revolution*, published in 1954, was based on his own home. It was a joint work based on his PhD thesis from Manchester where he had gone after taking a first in history at Jesus College, Oxford. His co-author was his friend John Harris (subsequently professor of economic history at Birmingham) who had written on eighteenth century St Helens for his MA. The approach set a new style of urban history based on analysis of the local economy rather than a study of parochial institutions. Theo Barker took his enthusiasm and meticulous attention to detail into the fields of business and transport history, producing authoritative volumes on Pilkington Brothers and London Transport (with Michael Robbins), amongst many others.

His first academic appointment was to Aberdeen, followed by a period at LSE. From there, in 1964, he went to the newly-founded University of Kent as its first Professor of Economic and Social History. It was there that he was able to campaign for his belief in an 'analytical' economic history. Although rather sceptical about the merits of the econometric history which was becoming fashionable at the time (his detailed knowledge of historical data and their shortcomings was largely responsible for this) he was determined that history should seek explanations rather than description and insisted on the role of economic theory in helping find those explanations. The innovative four-term part-one at Kent helped him in this by forcing students to study economic history with economics, politics and sociology on an equal footing. It says much for Theo's personality and for the quality of the part-one teaching, much of which he did himself, that the economic history part-two was never short of students, many of whom had switched their initial preference.

His enthusiasm for continental travel and food and wine also helped and in this he was ably supported by his wife, Joy, the singer Judith Pierce, whom he married in 1955. They were generous and knowledgeable hosts, at home and at the University and got great pleasure from sharing this knowledge with guests and with students who were sometimes only too keen to learn. Invitations to dinners of the University's Transport Society (of which Theo was President) were much sought after as occasions of oenological revelation.

Returning to the London School of Economics in 1976 (where he remained until 1983), Theo continued to develop his special combination of careful investigation of evidence and clear exposition of the resulting analysis, in person, on paper and on radio. A strong believer in the use of a wide range of sources, he was chairman of the Oral History Society. He also became president of the Economic History Society, chairman of the British National Committee of Historians, and president of the International Historical Congress.

He is survived by his wife.

Centre for Market and Public Organisation

The Centre for Market and Public Organisation at the University of Bristol was founded in September 1998 and is funded by the Leverhulme Trust.

The CMPO's objective is to further discussion of and to offer advice on the reform of a wide range of activities currently at the boundary between the state and the private sector.

Current research projects include the design and use of private finance initiatives, the design of incentives in the NHS, European competition law and bias in personal financial forecasting. An update on these projects has just been published in the CMPO's Newsletter.

In his paper on private finance initiatives, Paul Groot explains that full cost-benefit analyses of alternative (public/private) provision is now rarely undertaken because of the complexity. They have been largely replaced by a 'value for money' test in which the question is 'does the Treasury pay less for private provision than public provision?' This involves a comparison of cashflows in which public provision usually involves buying an asset while the alternative involves buying services (from the private sector which owns the asset). Since the public sector comparator (buying the asset) involves cashflows which are paid at, or close to, the outset while paying for services occurs over a long period of time, a fair comparison requires that the latter should be discounted. The problem according to Paul Groot is that the discount rate applied to the cashflows involved in buying services from the private sector are often far too low, making the present value of the cashflows appear too large. This creates a systematic bias in favour of public provision. This reality runs counter to the often expressed suspicion that somehow the Treasury is 'fiddling' the figures in these comparisons in favour of the private sector outcome.

The NHS is currently experimenting with team-based rewards as a means of improving the quality of service. However, as Marisa Ratto explains, the experiment is rather vague on what constitutes a team (there is an apparent desire to define a team around a patient) and on the nature and levels of the additional payments which are to act as incentives. This is unfortunate, since the economics literature shows (a) that the issue of how to define a team and how to structure the incentives are inter-related and (b) that the nature of the team needs to be established first. Inappropriate design need not improve services at all but may result in free-riding, professional jealousy and other negative consequences. In the researchers' view, the benefits (of mutual monitoring and co-operation) could be obtained if teams are small, hierarchical, and/or cross disciplinary and structures exist in the NHS which would allow this.

The CMPO Newsletter also contains a report by David de Meza and John Maloney on bias in personal financial forecasting and a paper by Thibaud Vergé which suggests that the current debate over reform of EU competition law is giving insufficient attention to the role of national competition authorities.

Further details: www.bris.ac.uk/cmppo/

Correspondence

Tord Palander

Sir,

The comment by Professor Eagly in the October issue of the *Newsletter* concerning my April article on the National-ekonomiska Föreningen (NF - in English the Swedish Economic Association), invites an extension of my reply to Professor Peacock in the July issue. Professor Eagly wonders whether the notable absence of Palander as a participant in the discussions in the NF in the 40s and 50s was due to some kind of obstructive stance on the part of the NF leaders on account of the maverick position Palander held on economic policy issues as well as on issues in economic theory. Although the question merits further research, I know of no evidence at the moment to support Professor Eagly's speculation.

It is at least as likely that the subjects on which Palander was a key authority were never considered sufficiently 'topical' subjects for the NF. The NF in those days was dominated by its lay faction - leading business executives, higher level government bureaucrats, key representatives of the banking community, etc. They had little interest in listening to expositions of issues that they considered to be of merely academic interest. Palander was a witty and entertaining speaker, but his sharp intellect could produce harsh analyses of other people's policy proposals and his incisiveness on theoretical topics would have been lost on an NF audience.

However, Professor Eagly, quite legitimately, wonders why such an audience would not have been pleased to hear Palander talk on Keynes. As the supervisor and editor of the translation of Keynes's *General Theory* into Swedish, Palander was the top Swedish authority on Keynes's thinking. Although the economic policy influence of the domestic Swedish school of macroeconomics had to a large degree 'substituted for' the impact of Keynes in Sweden, Keynes was still widely acclaimed especially among the social democrats, the ruling party for many years. In substance the so called Keynesian revolution actually occurred earlier in Sweden than in most other countries. Given that the Keynesian policy message was not an exclusively academic mission in the 40s, I agree that a lecture by Palander on Keynes would have pulled a considerable crowd. But there might have been a purely trivial obstacle in that the turbulence on the domestic economic policy scene would have made it hard to find room for Keynes and Keynesian theory. It is not necessary that the officers of the NF considered Palander *persona non grata*. Indeed, the NF chairman at that time, Erik Lundberg, had the highest opinion of Palander not only as a scientist but also as a teacher, and recommended Palander for one of the chairs in economics which had become vacant at Stockholm School of Economics in 1946. However, while Lundberg was a sympathetic and knowledgeable authority on Palander's work, he also noted that Palander had an inclination to offer 'destructive' criticism while providing little constructive advice towards a synthesis.

Professor Eagly also observes, as I did in my previous note, that Palander's work in the 1950s on index bonds would have been worthy of discussion at a meeting in NF, being a proposal of quite practical interest. Again, the explanation for why such a presentation never occurred may be relatively trivial, but Palander does seem by that time to have got himself into difficulties with a number of other leading Swedish economists as well as with his university administration. Lindahl had had a not so pleasant experience of Palander as his closest colleague in the Economics Department at Uppsala University in the 1950s. Yet, though Lindahl was the chairman of NF for two years in the late 50s, there is no evidence that he used his position to keep Palander off the lecturing list of the society.

Professor Eagly's observations prompt me to add an additional note. While Palander's ability to dissect a problem enabled him to score brilliantly in his reviews of others, it was sometimes turned with destructive effects towards his own work. For example, in his 1935 dissertation on location theory the reader finds that a chapter that might have been the mathematical crowning part of the dissertation, is omitted. It seems to have been excised from the final proofs just before printing. Perhaps Palander had found a grave error in the exposition that would have made this a rational emergency step, but it cannot be ruled out that he might simply, have thought of an even better way of solving the problem at hand and for that reason opted to suppress the publication of what he considered to be an inferior version. Alas the excised text seems not to have survived. The credibility of this rash guess is partly supported by the fact that a similar thing seems to have happened on the occasion of the Swedish translation of Keynes's *General Theory*. The text was to be extended by 88 pages of notes worked out by Palander. The process of setting these notes had got as far as the final page proofs before the entire set was withdrawn from the volume that was printed. Fortunately the typed version of these notes has been preserved. The fact that Palander submitted these notes as part of his application for a chair in 1946 suggests that he did not revoke them because he thought them analytically deficient in any way but rather that he thought he could and should work them out further. However, such an improved version never appeared.

Towards the end of his period as a professor at Uppsala University he published very little. According to Professor Puu's biographical article in NF's monthly journal, *Ekonomisk Debatt*, in 1992, Palander kept reworking his manuscripts until exhaustion set in, by which time he had forgotten what the original problem was. Probably Palander's extreme self-criticism was a key factor behind his earlier difficulties in bringing to a conclusion the problems he dealt with. It appears that this counterproductive personality feature might to some extent also explain why he was not as prolific and sought after as many other Swedish economists in policy debates.

Rolf G H Henriksson
Department of Economics, Stockholm University

New RES Annual Public Lecture

In December 2001, the Royal Economic Society launched a new series of annual public lectures aimed at a broad non-specialist audience. This report, of the first in the series, was written by Romesh Vaitilingam

THE INAUGURAL LECTURE in this new series of annual public lectures was given by Professor John Sutton of the LSE on 'A World Divided: Globalisation Games'. The lecture was delivered twice, first in Edinburgh on 5 December at the George Square Lecture Theatre, and then in London on 7 December at the Royal Institution. Both events were hugely popular, with over 400 tickets distributed to school students, policy-makers and the general public for each city. Indeed, the demand for London tickets was so high, particularly from schools, that the lecture may well be re-run in the spring.

In Edinburgh, the occasion was hosted by Professor John Hardman-Moore. In London, the proceedings were opened by Baroness Greenfield, Director of the Royal Institution, followed by brief presentations by Professor Partha Dasgupta, former RES President, on the history of the discipline, and by Joe Grice of the Treasury on the influence of economic research on policy-making.

As part of the publicity literature distributed in advance of the lectures, Professor Sutton described his overall argument thus:

Over the past twenty years, the theory of games has been used by economists to develop new and powerful insights into a wide range of important issues. We have become aware of some fascinating similarities between economic developments and biological processes in nature, as well as some significant differences. In the first part of this talk, I shall look at the use of Game Theory in economics. I want to show that we can think clearly, using logic and evidence, about how complex human societies evolve.

In the second part, I will apply the theory to the analysis of globalisation. One view is that the normal workings of the market mechanism drive us towards a 'divided world' in which the rich get richer while the poor get poorer. An alternative view is more optimistic, suggesting that the market makes countries converge to a common condition of prosperity. If poverty persists, it results from our failure to give free rein to the workings of the market.

The truth, I shall argue, lies in between these two views: the policies of governments will profoundly influence the degree to which lower income countries succeed in joining the high-income club. The future is for us to determine.

More details of the argument can be found in Professor Sutton's Keynes Lecture to the British Academy, 'Rich Trades, Scarce Capabilities: Industrial Development Revisited', which is available on the RES website (www.res.org.uk). Among the themes he developed in the less technical version presented as the first RES Annual Public Lecture:

- The founding fathers of game theory include two of the most fascinating figures in twentieth century mathematics and economics: John von Neumann, a leading figure in the development of the atom bomb and in the early history of computers; and John Nash, one of the most brilliant mathematicians of his generation whose life was clouded by years of mental illness, but who gradually recovered - he was awarded the Nobel Prize in economics in 1996 and is the subject of 'A Beautiful Mind', a forthcoming feature film starring Russell Crowe.

- Game theory has made waves in the press over the past few years as it provided the basis for sophisticated designs of auction processes in the renowned 'spectrum auctions', which netted hundreds of millions of pounds in revenues to governments round the world. It is less well known that it has also provided fascinating insights into the workings of auctions for oil exploration, an area that provides us with some of the most striking evidence in favour of game-theory based models.

- One of the most striking phenomena documented by biologists who have used game theoretic methods is the 'Red Queen Effect', whereby an escalation process occurs as competing species vie with each other for some relative advantage. As the Red Queen remarked to Alice: in this country you have to run that fast just to stay in the same place.

- A close analogy exists between this process, and the competitive escalation that occurs as firms competing in the same global market vie with each other in enhancing their technological capabilities.

- In the early nineteenth century, income disparities between richer and poorer countries were much less than they are today. Why? At one level, the answer is obvious: the Industrial Revolution saw a leaping ahead of the industrialised world, while the rest of the world lagged behind. But why did industrialisation not spread more widely? And why, if we look at world income distribution over the past 50 years - a period of increasing globalisation and integration of the world economy - do we see no narrowing of income disparities, but an increasing divergence? The shape of the distribution of per capita GDP now (for the first time ever) shows a 'twin peaks' profile, with a set of 'rich countries' becoming sharply separated from a group of 'poor countries': does the working of free markets drive this process?

The lecture series is one of the outputs of the RES sub-committee on the public profile of the economics profession chaired by Barry McCormick. The inaugural lecture was managed by Paul Seabright, with local organisation in Edinburgh by Stuart Sayer and in London by Eleanor Burke.

RES News Items

Annual General Meeting

The Annual General Meeting of the Royal Economic Society will be held on Tuesday 26 March 2002 at the University of Warwick. Papers for the meeting will be circulated with the February issue of the Economic Journal.

One-year junior fellowship scheme

Academic year 2002/2003

The Society is proposing to award a small number of one-year junior fellowships, tenable in UK universities, to postgraduate students who have completed at least two years of their doctoral studies. Those awarded fellowships will be expected to undertake 60-80 hours teaching in their Universities during the academic year while continuing with their doctoral research. Those who have already completed their doctorate may also be considered.

Heads of University Departments of Economics in the UK are being invited to put forward candidates for these fellowships. The closing date for applications is **8 April 2002**.

Students interested in the fellowships should contact their Head of Department, from whom further information can be obtained.

Postgraduate students should not make direct application to the Society.

Support for small academic expenses

The Society is able to offer financial support to members who require small sums for unexpected expenditures - including travel expenses in connection with independent research work, the purchase of a piece of software, expenses for a speaker at a conference being organised by the applicant's University or Institute, etc.

Applications, in the form of a letter and stating the purpose for which a small grant (maximum £600) is required, should be sent to Dr M A Meyer, Nuffield College, Oxford OX1 1NF.

NOTE: This scheme does NOT cover assistance to members to go to a conference at which they will be presenting papers or acting as discussants. A separate fund - the Conference Grant Fund - has been set up for this purpose. Details are given below.

2002 Annual Conference

The 2002 Annual Conference will be held at the **University of Warwick** from **Monday 25 to Wednesday 27 March**. Invited speakers will include:

- Professor John Campbell (Harvard)
- Professor Maurice Obstfeld (Berkeley)
- Professor Peter Phillips (Yale).

There will be special sessions on:

- New technologies and productivity
- Monetary policy and asset prices
 - Insurance against poverty
- Private provision of public services
 - Foreign direct investment
- Current policy issues in education
 - Globalisation and inequality

Plus over 140 papers in parallel sessions in a broad range of areas including macroeconomics, econometrics, computing applications, labour economics, industrial economics, microeconomic theory and policy, financial economics, and international economics.

Further information about the conference arrangements may be obtained from Dr Wiji Arulampalam, Local Organiser, RES Conference 2002, Department of Economics, University of Warwick, Coventry CV4 7AL. Tel: 024 7652 3471 Fax: 024 7652 3032 E-mail: res2002@warwick.ac.uk Internet: www.res.org.uk/conf.html

Conference grant fund

The Society's Conference Grant Fund is available to members who are presenting a paper, or acting as a principal discussant at a conference; support of up to £500 is available. Awards are made three times a year. The closing dates for applications are **31 January, 31 May, and 30 September** each year in respect of conferences which take place in the ensuing four months. Application forms and further particulars may be obtained from: Professor C Milner, Department of Economics, University of Nottingham, Nottingham NG7 2RD. Fax: 0115 951 4159.

Publications

The Society offers to its members a number of scholarly publications at special prices. These include: *The Collected Writings of John Maynard Keynes*; *Keynes Lectures, 1932-35*; *Malthus' Principles of Political Economy* and *An Essay on the Principles of Population*; *Official Papers of Alfred Marshall* and *The Correspondence of Alfred Marshall, Economist*.

A full list with the special prices may be obtained from Ms Eleanor Burke, Department of Economics, London Business School, Sussex Place, Regent's Park, London NW1 4SA. Fax: 44 (0) 171 724 1598. E-mail: eburke@london.edu or via the Society's home page on the internet (www.res.org.uk).

Enquiries about rights, permissions and initiatives relating to editions and other scholarly works should be addressed to The Publications Secretary, Professor Donald Winch, Arts E, University of Sussex, Falmer, Brighton, BN1 9QN.

Bursaries

for 2002 Summer Research Workshop

The Society is offering in 2002 a number of bursaries of £700 each to enable younger members of the Society to attend the 2002 Warwick Summer Research Workshop. The fees for attendance at the workshop, as well as the university accommodation costs and travel expenses (within the UK) of those awarded bursaries, will also be met by the Society.

The workshop will be held from **8-19 July 2002** in the Department of Economics at the University of Warwick. The theme of this year's workshop will be

Governments and Institutions in Twentieth Century European Economic History

The number attending the 2002 workshop is expected to be in the region of 40, approximately half of whom will be from overseas. Distinguished economists from both the UK and overseas are expected to take part.

Economists from the staff of Universities, from the Government Economic Service and from the private sector who are members of the Society are invited to apply for one of these bursaries. Preference will be given to recently qualified economists with at least two years post-doctoral, or equivalent, experience.

Applications, which should include a short c.v. and a brief description of the applicant's current research interests, should reach the Secretary-General of the Society, Professor Richard Portes, Department of Economics, London Business School, Sussex Place, Regent's Park, London NW1 4SA by **19 April 2002**.

Visiting lectureships

The Society funds annually up to five short visiting lectureships which allow a distinguished academic to visit a university in the UK for a period of one week, meet with staff and students, and give a short series of lectures.

Departments wishing to nominate academics for such a visit should write to the Secretary-General, Professor Richard Portes, Department of Economics, London Business School, Sussex Place, Regent's Park, London NW1 4SA. The dates of the proposed visit should be specified together with details of the arrangements for the programme of lectures and seminars. Applications are considered in **February, June and October** each year.

2002 Easter School in Econometrics

The second Easter School in Econometrics organised by the Royal Economic Society will be held at Nuffield College, University of Oxford from 7 to 10 April 2002. The School is intended primarily for advanced post-graduate students, but is also open to recently appointed members of the teaching and research staff. The purpose is to enable participants to become acquainted with the latest developments in the selected field of econometrics, to have the opportunity for study and discussion with two leading authorities in this field, and to meet other graduate students.

In 2002, the subject of the school will be:

Micro Econometrics

and in particular

- simulation-based estimation methods
- nonparametric and semiparametric methods

It will be presented by:

Prof. Martin Browning (University of Copenhagen)
Prof. Hidehiko Ichimura (University College, London)
Prof. Neil Shephard (Nuffield College, London)

Funded places are available for 20 participants coming from the UK and the EU. The funding covers meals and accommodation. There is a limited number of non-funded places. In addition there is a fee of £1000 for non-academic participants and £150 for participants who are not members of the Royal Economic Society.

If you wish to apply for a funded place your application should be supported by a letter of reference from your supervisor if you are a student and otherwise from the Head of Department. The letter of recommendation should be sent directly to Maxine Collett at the address below.

All applications should be submitted not later than

1 February 2002 to:

Royal Economic Society Easter School,
c/o Maxine Collett,
Nuffield College,
Oxford OX1 1NF

or maxine.collett@nuf.ox.ac.uk.

Further information from:

www.nuff.ox.ac.uk/Users/Nielsen/RES/EasterSchool2002.html

Conference Diary

2002

january

31 January - 2 February

Georgia, USA

Annual conference of the **Georgia Political Science Association** to be held in Savannah. The theme of the conference will be Centralisation versus Decentralisation in Government Systems.

Further information from: Professor Harold Cline (hcline@warrior.mgc.peachnet.edu).

march

14-17 March

Crete, Greece

Sixth annual conference of the **European Society for the History of Economic Thought (ESHET)**. The keynote topic will be: social changes and economic development in the history of economic thought.

Further information from: Professor George Stathakis, Department of Economics, University of Crete, Rethymno, Greece 74100. Fax: 30 83 177406. E-mail: eshet2002@econ.soc.uoc.gr
Internet: www.soc.uoc.gr/eshet2002/tinfo.htm

21-23 March

Brighton

Conference on **Rethinking Science Policy: Analytical Based Frameworks for Evidence-based Policy** organised by SPRU to be held at the the University of Sussex. The conference will focus on new models for science policy and new papers will be presented.

Further information from: Alison Bambridge, SPRU, Mantell Building, University of Sussex, Brighton, East Sussex BN1 9RF.
Email: a.bambridge@sussex.ac.uk
Internet: www.researchineurope.org

25-27 March

Warwick

Annual conference of the **Royal Economic Society** to be held at the University of Warwick. See page 19 for further details.

Further information from: Internet: www.res.org.uk/conf.html

27-28 March

Erfurt, Germany

Fifteenth consecutive workshop in **Law and Economics** to be held at the University of Erfurt. Papers in any field of law and economics are welcome.

Further information from: Professor Dr Jurgen G Backhaus, University of Erfurt, Nordhauser Strasse 63, 99089 Erfurt, Germany. E-mail: jurgen.backhaus@uni-erfurt.de

28-30 March

Florida, USA

Ninth annual conference of the **International J A Schumpeter Society**. The theme of the conference is Entrepreneurship, the New Economy and Public Policy: Schumpeterian Perspectives.

Further information from: Professor Horst Hanusch, University of Augsburg, Department of Economics, Universitaetsstr. 16, D-86135 Augsburg, Germany.
E-mail: horst.hanusch@wiso.uni-augsburg.de
Internet: www.uni-augsburg.de/vwl/hanusch/iss/index.html

april

5-7 April

Birmingham

Annual conference of the **Economic Histroy Society** to be held at the University of Birmingham.

Further information from: Maureen Galbraith, Department of Economic and Social History, University of Glasgow, 4 University Gardens, Glasgow G12 8QQ.
E-mail: ehsec@arts.gla.ac.uk
Internet: www.ehs.org.uk

8-11 April

Aberystwyth, Wales

Annual conference of the **Agricultural Economics Society** to be held at the University of Wales, Aberystwyth.

Further information from: Dr Mike Christie (Local Organiser). Tel: 01970 622217
E-mail: mec@aber.ac.uk

10-12 April

Manchester

CALL FOR PAPERS

Third annual conference of the **Finance and Development Research Programme** to be held at the University of Manchester. The theme of the conference will be 'Finance for Growth and Poverty Reduction: Experience and Policies'. Papers should be submitted by **15 March 2002** to Deborah Whitehead, IDPM, University of Manchester, Crawford House, Precinct Centre, Oxford Road, Manchester M13 9GH (E-mail: deborah.whitehead@man.ac.uk).

Further information from: Deborah Whitehead at the address above, or the convenors:

Colin Kirkpatrick (E-mail: colin.kirkpatrick@man.ac.uk) and Victor Murinde (E-mail: victor.murinde@man.ac.uk).

Internet: www.man.ac.uk/idpm also www.devinit.org/findev

10-13 April

New Mexico, USA

Twenty-fourth annual international conference of the **Association for Arid Lands Studies (AALS)** to be held in New Mexico. The main focus of the meeting are on issues of energy, environmental, resource, and land use that are not unique to an economic perspective.

Further information from:

Internet: www.iaff.ttu.edu/aals/default.htm

11-12 April

Dundee

CALL FOR PAPERS

Annual conference of the **Scottish Economics Society** to be held at the University of Abertay Dundee. Papers should be sent by **15 February 2002** to Dr Gianluigi Giorgioni, University of Abertay Dundee, School of Social and Health Science, 158 Marketgait, Dundee DD1 1HG.

Further information from:

Internet: www.scoteconsoc.org/default.html

june

5-7 June

Wageningen, The Netherlands

CALL FOR PAPERS

International conference on **Risk and Uncertainty in Environmental Economics**. Extended abstracts or full papers should be sent by **31 January 2002** to: risk.conference@alg.shhk.wag-ur.nl

Further information from: Dr H.-P. Weikard.

E-mail: hans.peter.weikard@alg.shhk.wag-ur.nl

Internet: www.sls.wau.nl/enr/conference/index.htm

13-15 June

Bilbao, Spain

CALL FOR PAPERS

Sixteenth annual conference of the **European Society for Population Economics**. Keynote lectures will be given by: David Laibson (Harvard University) and Charles Manski (Northwestern University). Submissions (abstract and if possible full paper as PDF or MSWord) should be sent by **1 February 2002** to Professor Peter Kooreman at: espe2002@eco.rug.nl

Further information from: Internet: www.espe.org

17 June - 3 July

Kansas, USA

Seventh annual Post Keynesian Workshop. The workshop consists of a Post Keynesian Summer School (17-29 June), open to graduate students and junior professors, and a Post Keynesian Conference (29 June - 3 July). The program, organised by Paul Davidson and Jan A Kregel will provide a rigorous discussion in both theoretical and applied aspects of Post Keynesian economic theory and meaningful prescriptive policies relevant to real world phenomena.

Further information from: Pavlina R Tcherneva, Centre for Full Employment and Price Stability, UMKC-Economics, 5100 Rockhill Road, Kansas City, MO 64110, USA. Tel: 818 235 5835. E-mail: tchernevap@umkc.edu

20-21 June

Manchester

CALL FOR PAPERS

Second conference of the **Centre for Growth and Business Cycle Research** to be held at the University of Manchester. The theme will be 'Growth and Business Cycles in Theory and Practice'. Papers should be sent by 1 March 2002 to Dr Marianne Sensier, School of Economic Studies, University of Manchester, Oxford Road, Manchester M13 9PL.

Further information from:

Internet: www.ses.man.ac.uk/cgbcr/latest.htm77

20-23 June

Heilbronn, Germany

Fifteenth symposium in Economics and the Social Sciences will be devoted to literature on 'The Social Question'.

Further information from: Professor Dr Jurgen G Backhaus, University of Erfurt, Nordhauser Strasse 63, 99089 Erfurt, Germany. E-mail: juergen.backhaus@uni-erfurt.de

23-26 June

Dublin, Ireland

International symposium on Forecasting organised by the International Institute of Forecasters to be held at Trinity College Dublin. Keynote speakers to include: Professor David Hendry (Oxford University) and Dr Bill Swan (Boeing Commercial Airplane Group).

Further information from: Professor John Haslett, Department of Statistics, Trinity College, Dublin 2, Ireland. Tel: 353 1 6081114 Fax: 353 1 6615046 E-mail: john.haslett@tcd.ie Internet: www.isf2001.org/

27-29 June

Nottingham

Conference on **Adjusting to Globalisation** hosted by the Leverhulme Centre for Research on Globalisation and Economic Policy. Speakers include Carl Davidson (Michigan State), Steve Matusz (Michigan State), Matt Slaughter (Dartmouth), Wilhelm Kohler (Linz), Jonathan Haskel (QMW), and Amy Glass (Texas).

Further information from: Sue Berry, Leverhulme Research Centre, University of Nottingham, Nottingham NG7 2RD. E-mail: sub.berry@nottingham.ac.uk

27-29 June

Erfurt, Germany

Annual meeting of the **German Association for Political Economy** to be held at Erfurt University. The theme of the meeting will be 'Rediscovering the Historical Schools'.

Further information from: Professor Dr Jurgen G Backhaus, University of Erfurt, Nordhauser Strasse 63, 99089 Erfurt, Germany. E-mail: jurgen.backhaus@uni-erfurt.de

july

5-6 July

Berlin, Germany

CALL FOR PAPERS

Tenth international conference on Panel Data to be held at the Academy of Science, Berlin. The aim of the conference is to bring together economists, econometricians, statisticians and social scientists who are interested in or are working on panel data issues. Those wishing to present a paper should send by e-mail complete papers (as pdf-file) by **1 February 2002** to Panel2002@unisg.ch

Further information from:
Internet: www.diw.de/soep/panel2002

5-6 July

California, USA

CALL FOR PAPERS

Annual conference of the **History of Economics Society** to be held at the University of California, Davis. Proposals for papers or sessions on all aspects of the history of economic thought are welcome. Abstracts or session proposals should be sent by **15 February 2002** to Professor Kevin D Hoover, Department of Economics, 1 Shields Avenue, University of

California, Davis, CA 95616-8578. Fax: 530 752 9382
E-mail: kdhoover@ucdavis.edu

Further information from: Professor Hoover at the address above. Internet: www.eh.net/he/hisecsoc

8-10 July

Paris, France

Fourth conference on **Health Economics** organised by the French Health Economists Association (Collège des Economistes de la Santé) to be held at University of Paris 5.

Further information from: Secrétariat du Collège des Economistes de la Santé, 7 rue de Citeaux, 75012 Paris, France. E-mail: ces2@wanadoo.fr

september

1-2 September

Stirling, Scotland

CALL FOR PAPERS

Biennial conference of the **International Network on Economic Method** to be held at the University of Stirling. Offers of papers (300 word abstract) should be sent by **28 February 2002** to Sheila Dow (s.c.dow@stir.ac.uk).

Further information from: Sheila Dow at the e-mail address above. Internet: www.econmethodology.org

1-5 September

Karrebaksminde, Denmark

Conference on **Vertical Markets and Cooperative Hierarchies: The Role of Cooperatives in the International Agri-Food Industry**, run by the European Science Foundation.

Further information from: the EURESCO website at: www.esf.org/euresco

2-4 September

Stirling, Scotland

CALL FOR PAPERS

Annual conference on the **History of Economic Thought** to be held at the University of Stirling. Offers of papers (300 word abstract) should be sent by **28 February 2002** to Sheila Dow (s.c.dow@stir.ac.uk).

Further information from: Sheila Dow at the e-mail address above. Internet: www.ecn.bris.ac.uk/2002/call.htm

9-13 September

Lisbon, Portugal

CALL FOR PAPERS

13th World Congress of the **International Economic Association**. Congress days will be devoted to invited lectures on the main themes and to parallel sessions of contributed papers. Submissions of papers are welcome in all areas of economics, including areas of particular interest to the European Union. Three copies of the paper should be sent to Prof. Robert Solow, MIT, Department of Economics, E52-383C, 50 Memorial Drive, Cambridge MA 02142 - USA by **15 March 2002**.

Further information from:

E-mail: ordemeconomistas@mail.telepac.pt

Internet: www.iea-world.org

19-21 September

Ljubljana, Slovenia

CALL FOR PAPERS

Tenth annual conference of the **European Association of Development Research and Training Institutes (EADI)**. The theme will be 'EU Enlargement in a Changing World'.

Further information from: EADI Secretariat, Kaiser-Friedrich-Strasse 11, D-53113 Bonn, Germany.

E-mail: postmaster@eadi.org Internet: www.eadi.org

19-22 September

Paris, France

Annual conference of **EALE** to be held at the University of Paris 1. Those wishing to present a paper should send full (draft) papers by **1 March 2002** to the EALE Secretariat, ROA, Maastricht University, PO Box 616, NL-6200 MD Maastricht, The Netherlands.

Further information from: E-mail: eale@roa.unimaas.nl

Internet: www.eale.nl/pages2/call2002.htm

21-25 September

Seefeld in Tirol, Austria

Conference on **European Societies or European Society?** run by the European Science Foundation.

Further information from: the EURESCO website at: www.esf.org/euresco

21-26 September Acquafredda di Maratea, Italy

Conference on **European Integration** run by the European Science Foundation.

Further information from: the EURESCO website at: www.esf.org/euresco

october

10-15 October

Montreal, Canada

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