



## NEWSLETTER

Issue no. 131

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## Tricky times in US academe

In his April letter from America (*Newsletter* no.129) Angus Deaton reported on the litigation facing US universities whose conduct had in some way offended a benefactor. This month's letter reports on further threats to freedom of speech and action. The case this time concerns Larry Summers, the economist President of Harvard, who dared to venture a debatable hypothesis concerning the shortage of women in science and found his remarks drowned out by the reaction of critics of whom the kindest thing that can be said is that they did not hear his words.

Given the recent, and somewhat rare, successes of England's two cricket teams we are pleased to have an entertaining and topical article by David Paton, University of Nottingham, about the contributions that economists have made to the analysis of cricket and suggests areas for further investigation. We also have our regular reports of the annual meetings of the Money, Macro and Finance Research Group and the British Association's section F.

There is also an interesting article by Romesh Vaitilingam that argues for greater commitment from UK universities to getting their academics to engage with the media. This reminded your editor of a long-held suspicion that the 1980s marked a watershed in the media's use of university-based economists for comment on current events. In a short period of time (a fallible memory recalls), academics ceased to be asked for their comments on the value of sterling, the rate of inflation, monetary expansion and other anxieties of the day and their talking heads were replaced by 'practitioners', most typically city economists, some of whom were rumoured to have 'appearance money' bonuses in their contracts. Is your editor imagining this? And if not, do we know why it happened? Suggestions would be interesting.

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# ROYAL ECONOMIC SOCIETY

# NEWSLETTER

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## Next issue

### Newsletter No. 132 - January 2006

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

**15 December 2005**

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

**16 December 2005**

## 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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# Letter from America —

## A president and a prophet: changing minds, or not

*In this, his latest letter from the USA, Angus Deaton of Princeton University examines the contrasting reactions to recent radical suggestions on two sensitive issues — the underrepresentation of women in science and strategies to combat world poverty.*

**S**INCE THE BEGINNING OF THE YEAR, two continuing debates have generated a great deal of entertainment (or outrage, depending on your position) not only among economists, but among the public at large, in the US and internationally. The economics journals, as is inevitable given their publication delays and esoteric focus, have predictably played no part. (Why can't economics emulate medicine which has journals that debate current issues, as well as being repositories of knowledge?)

### A shortage of women in science

The first debate, which has been widely internationally publicized, began when Larry Summers, President of Harvard University suggested, at a (closed) National Bureau of Economic Research meeting in mid-January, that the relative scarcity of women faculty in science and engineering in top universities reflected, in part, gender differences in the distribution of intrinsic aptitude. Summers listed this possibility as less important than supply factors, that fewer women than men are prepared to make the sacrifice required for the long and intense 'high-powered' jobs. And although he did not deny the effects of socialization and discrimination, he tentatively assigned them less importance than the distribution of intrinsic aptitude. His argument was entirely about variances, not means. If the variance of some relevant aptitude is smaller in women than in men, while the means are the same, as is the case in many other biological and psychological traits, and if top academics are selected from those who are four or five standard deviations above the mean, then the ratio of men to women will be very large. So the argument was not that women are less able than men at science and engineering, but that talented women are less able than talented men, at least in science and engineering. Summers' lunchtime speech reads like the transcript of a typical economics seminar; the argument is speculative, intelligent, and quite likely wrong. While it was certainly unwise for a President of Harvard to say such things, it is hard not to agree with Gary Becker's assessment that 'It is an excellent and balanced statement that should not cause offence to any thinking person, even though some might legitimately disagree.'

### The reluctance to hear

People have been doing exactly that ever since, and usually not 'legitimately', or at least not in a way that addresses the argument. At the meeting itself, Nancy Hopkins, a biologist at MIT, walked out and was quoted by the *Boston Globe* as saying that if she hadn't left 'I would've either blacked out or thrown up'. Almost all of the reporting in the press, including the best newspapers, is either unable or unwilling to distinguish between a variance and a mean, and Summers continues to be reported as having attributed the small number of senior women academics in science and engineering to something between 'innate differences', and 'genetic inferiority', both of which are regularly interpreted as implying that women are, on average, less able than men. An open letter by the Presidents of Princeton, MIT, and Stanford, two of whom are distinguished female scientists, took the almost unprecedented step of criticizing a fellow university president by name, but also criticized any speculation about innate differences on the grounds that it was likely to discourage women from becoming scientists. (The letter also argued for equal opportunities for women, not as a right, but on the mercantilist grounds that the nation needs their skills to compete with other nations that are doing better, an odd argument for universities whose graduate students are increasingly drawn from those other nations.) The National Organization of Women called for Summers' resignation for his 'public demonstration of sexism and ignorance'.

### The resistance of popular prejudice

Summers' great sin, of course, was to challenge the argument that gender discrepancies are entirely due to socialization and discrimination, a fact that is firmly established, socially if not scientifically. Summers underwent what Judge Posner aptly described as a 'humiliating course of communist-style re-education, involving repeated and increasingly abject confessions, self-criticism, and promises to reform', but this did not save him from a vote of no-confidence by the faculty at Harvard, who for good measure, explicitly expressed regret for his speech by a margin of nearly 2 to 1. It is hard not to believe that, by that time, Summers himself would have heartily supported the motion. As I argued in my letter of a year ago (*Unequal treatment, unequal incomes, and race*), there is almost no room in American academic discussion to challenge

the orthodoxy that blacks have worse health than whites because of discrimination by white doctors, though here the argument is about differences in healthcare, not innate differences in a predisposition to health. Similarly, there is no challenging the orthodoxy about women, and certainly not by the president of a major university.

## Relieving world poverty

At the same time, a fine argument has blown up between Jeff Sachs of Columbia and the UN Millennium Project, on the one hand, and Bill Easterly, formerly of the World Bank and now at New York University, on the other. Sachs' book *An End to Poverty*, laying out his vision and plan for implementing his title, was reviewed by Easterly in the *Washington Post* (didn't economics journals used to carry important and timely reviews?). Easterly's review, which was sympathetic to the moral force of Sachs concern and sensitive to his inspiring rhetoric, nevertheless criticized him for unwarranted utopianism, for 1950s and 60s-style development planning, for 'mind-numbing technical jargon', and for believing that large-scale crash programs by outsiders could do much about poverty in other countries. This drew a vituperative, contemptuous, and *ad hominem* counterblast from Sachs, and a wonderfully funny counter-counterblast from Easterly which began 'at least he didn't mention my bald spot'. Easterly has a new book in press, *The White Man's Burden* (carried by the same publishers as *An End to Poverty*) that, as its title suggests, draws parallels between current poverty reduction efforts and nineteenth century colonialism. Sachs' book is an extraordinary document. It is part autobiography, covering Sachs' previous successful and unsuccessful ('if only they had listened') attempts to save the world, and part a plan for elimination of world poverty that is both grandiose and detailed. It takes the reader back to the days of Walt Rostow and Ragnar Nurkse, when we thought that a 'big push' was needed to launch countries into sustained economic growth, and it certainly owes nothing to the development economics of the last twenty or thirty years. Even so, and as is the case when listening to Sachs in person, it is hard not to be carried away by the imperative to do something. In a final inspirational chapter, Sachs notes that while many people doubt that his vision can be implemented, that is also what they told Mahatma Gandhi, Nelson Mandela, and Martin Luther King.

This is all great circus. As Easterly makes fun of Sachs for associating with such distinguished (if recently minted) economists as Bono and Angelina Jolie, Sachs continually rises beyond (if not above) the caricatures. In mid-September MTV showed a video 'The diary of Angelina Jolie and Dr Sachs in Africa', prompting speculation in the blogosphere that Sachs has better watch out, not only for Easterly, but also for Brad Pitt. On September 11<sup>th</sup>, the National Cathedral in Washington held a day of reflection on global poverty, during which, between morning and afternoon worship, there was a free public lecture by 'A prophet for the economic possibilities for the poor', Dr Jeffrey Sachs. More serious is the question of who is winning the debate. The idea that foreign aid is of little use, or even pernicious, was long the preserve of the far right, who clearly cared little about poverty, global or national.

## Signs of serious debate

Easterly has opened up new space for the argument that it is possible to care, but also to believe that aid doesn't work. And while it is hard to judge for sure, my sense is that this idea, unlike the variance of intrinsic aptitudes, or health care and mortality, is making real progress, at least in the US. The Bush administration has long sympathized with Easterly's position on aid, and Sachs appears to have a powerful new enemy in the recently appointed US Ambassador to the United Nations, John Bolton. But there has also been support from much more surprising quarters. In particular, Nancy Birdsall, the President of the staunchly centrist Center for Global Development, a pro-development think-tank in Washington, recently coauthored an article in *Foreign Affairs* (with Dani Rodrik of Harvard and Arvind Subramanian of the IMF) arguing that both aid and trade reform can play, at best, a small role in reducing world poverty. This is an enormous change in position for a group that has long advocated debt forgiveness, and other pro-development policies, and is an important sign of the way that the wind is blowing. Certainly, these ideas about aid, unlike ideas about gender and race, are being widely and intelligently discussed in ways that are likely to change minds.

### Notes:

A transcript of Summers' remarks can be found at <http://www.president.harvard.edu/speeches/2005/nber.html>

The comments by Gary Becker and Judge Posner can be found on their joint blog at <http://www.becker-posner-blog.com/>

Easterly's original review is at <http://www.washingtonpost.com/wp-dyn/articles/A25562-2005Mar10.html>

And the counter and counterblasts are at <http://www.washingtonpost.com/wp-dyn/articles/A64541-2005Mar24.html>

The Oxford Institute for Economic Policy (OXONIA) will host on **Wednesday October 26** the 2005 OXONIA Inaugural Lecture on:

## Deficits, Debt and the Dollar

by  
Mr. Martin Wolf  
(Chief Economics Commentator, *Financial Times*)

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# The parallel worlds of economics and cricket

*Following England's recent successes and the resurgence of popular interest in cricket, David Paton, University of Nottingham, reviews some of the contributions that economists have made to cricket and points to some issues where further contributions would be useful.\**

THIS SUMMER'S HISTORIC ASHES VICTORIES over the Australians have confirmed the place of the England & Wales teams (both men & women) as the gold standard of cricket, at the frontier of the world's sporting production function. Long gone is the time (to appropriate an old tale) in which the England opening bowler sprayed the first ball wide down the leg-side, the second equally wide outside off, only for the eminent econometrician sitting in the Tavern Stand to shout, 'We've got him, We've got him!'

Whereas the mainstream response to the triumphant summer of cricket has been to dig out their long-unused tools of leather and willow and to head for the parks and beaches, academic economists around the country have been diverting their own tools of the margin and the optimal towards the analysis of cricket. In doing so they will discover that cricket contains all the elements to make it fertile territory for economic analysis: vast amounts of publicly available data, variable and (partially) substitutable inputs of known quality (batsmen, bowlers, allrounders), clearly defined intermediate (runs, wickets, catches) and final (victories) outputs, key choices over both on-field organisational structure (field settings, batting order) and off-field product design, non-cooperative and interdependent strategic decision making, and, not least, important stochastic elements such as the toss, the weather and the state of the pitch. Given these natural resources, it is somewhat surprising to note that the number of papers on cricket published in refereed economics journals can virtually be counted on the pebbles in an umpire's pocket. In this article, I provide a brief overview of the contribution that economists have made to date to cricket and outline some key issues which would benefit from the application of economic principles.

## Cricket in the academic journals

The parallels between cricket and economics were first noted more than a century ago when Oscar Wilde observed that 'cricket requires one to assume such indecent postures'. Most recently, *Golden Ages at the Fenners' Margin* by Adrian Wyke provides an entertaining (if speculative) account of the central role cricket played in the development of the ideas of one John Maynard Keynes. However, although cricket and economics might seem like natural partners, other disciplines have made

the more striking contribution to the analysis of cricket. For example, C L R James' 1963 analysis of cricket's role in the economic and social development of the West Indies is considered a classic in its field. As far back as 1945, Elderton and Wood published the first two of a long series of cricket-based articles in the statistical journals, whilst the names of two British academic statisticians, Messrs Duckworth and Lewis, have entered into the English vocabulary through the development of their universally-accepted algorithm for recalculating victory targets in weather-affected games.

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In contrast, the first application of the tools of economic analysis to cricket came as late as 1982 with Schofield's analysis of first class English cricket published in the *Journal of Industrial Economics*. Since then, economists have tackled a

variety of issues including the identification of demand determinants at both test (Hynds and Smith, 1994; Bhattacharya and Smyth, 2004) and domestic level (Schofield, 1983; Cooke and Paton, 2005), team production functions (Schofield, 1988; Bairam, Howells and Turner, 1990), the impact of random factors such as winning the toss and home advantage on performance (Bhaskar, 2003; Morley and Thomas, 2005; Dorsey and Forrest, 2005) and optimal batting strategies in one day games (Preston and Thomas, 2000). Lastly, Blackham and Chapman (2004) examine on the huge economic impact of Donald Bradman, estimating that a single appearance by the batsman boosted gate takings alone by an average of \$65,000 AUS per test match in today's values.

## County v. country

Over recent years, the key question posed to cricket analysts in the UK has been the appropriate balance between county and country. Economists have played something of a role in this debate, for example through Preston, Ross and Szymanski's (2000) *Blueprint for Reform of World Cricket*. In essence, the debate centred around a growing awareness that success for the national team was central to the development of cricket in general and that structural weaknesses in the county game were contributing to poor performances by England & Wales. Traditionally, the game's governing body, now known as the England and Wales Cricket Board (ECB), has taken decisions according to a majority vote amongst the 18 first class coun-

ties. Strategies to improve the national team, but which may have disadvantaged individual counties in the short run were unlikely to be approved. One characterisation of this is that counties were maximising their short run individual utility, even in cases where some sort of joint utility maximising process might have led to a *pareto* improvement. In the late 1990s, the counties recognised that their long run interests were being compromised by lack of success of the national team and jointly agreed to relinquish some powers so that decisions could be made with the aim of maximising the national team's chances of success. This shift, to something approaching joint utility maximisation, led in 1999 to a variety of reforms to the structure of county cricket, but most importantly to the establishment of a national squad of 'star' players contracted centrally to the ECB rather than to their counties. For these players, the national coach has full control over coaching, treatment for injuries and, crucially, whether or not they are allowed to play for their counties in between international matches. In practice, centrally contracted players are only rarely released for county matches.

It is worthwhile exploring the incentives provided to counties by this shift from the point of view of the economists. The counties are relieved from the burden of paying the centrally contracted players. On the other hand removing these 'star' players from county matches leads to both direct and indirect costs for the counties. For example, the 2005 analysis in the *Journal of Sports Economics* by Andy Cooke and myself suggests that the loss of just one centrally contracted player significantly reduces attendance at one day games by an average of about 400 (about 10 per cent of the total for a typical match). Further costs which are less easy to measure include reduced publicity, lower membership and, most importantly, lower likelihood of success on the field. Counties invest significantly in the development and training of young cricketers from an early age. The expected benefit of such an investment is that some of those players will make a positive contribution to a county's output, in this case playing performance. If, however, the most successful players are prevented from playing for the county, the economic case for investing in young players is hugely reduced. Rather counties have an increased incentive to invest in cricketers who not quite good enough or who are otherwise unable to play for the national team. Put simply, an economist might predict that the move to centrally contracted players would boost the performance of the national team in the short run, but at the expense of long run investment in players of the future.

Initial evidence on this question is striking. Figure 1 compares the performance of the England and Wales team in the periods before and after central contracts. Between 1993 and 1998, England won just 22 per cent of the test series they played in and lost 61 per cent (the remainder being drawn) and had fallen to the very bottom of the world test rankings. After central contracts were introduced, there has been a clear transformation in performance. Between 1999 and 2005, England have won 57 per cent of series and lost just 26 per cent, culminating in this summer's Ashes victory over Australia, the top-ranked country in the world. At the same time, a closer analysis of county contracts provides at least indicative evidence that the long run incentives are working out much as an economist might predict. In 1998, there were just 21 players contracted

to counties who were not qualified to play for England, 5.1 per cent of the total number of registered players (see Figure 2).

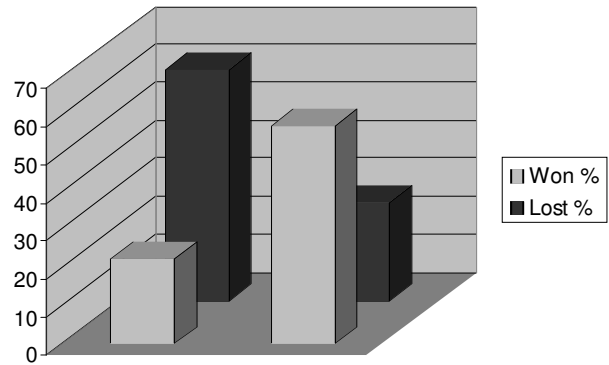


Figure 1: Percentage series won and lost by England & Wales cricket team pre- and post-reforms

By 2004, that figure had risen to 71, over 18 per cent of the total. This trend towards non-qualified players was exacerbated by the 'Kolpak' ruling by the European Union which meant that sports authorities could no longer restrict clubs from employing any number of players from countries with trading agreements with the EU. Rather than invest in young English cricketers who will then be taken up into the national squad, it is proving much more advantageous to employ experienced players of known quality, for example from Zimbabwe or South Africa.

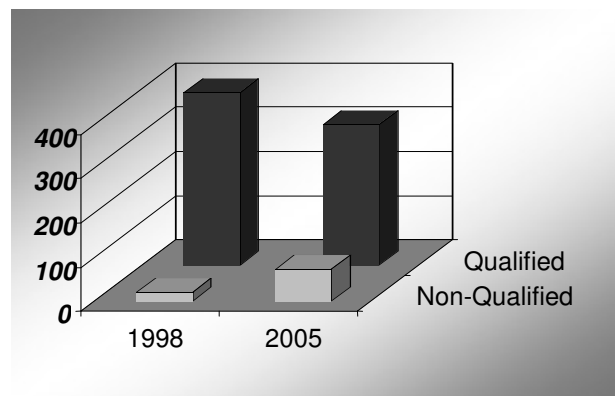


Figure 2: Number of England Qualified and Non-qualified Players Registered with Domestic Counties.

Source: *Playfair Cricket Annual 1998*, and *2004*, ed. Bill Frindall (London: Headline).

Clearly this process has potentially negative implications for the long term success of the England and Wales team. Although EU employment rules prevents the ECB using formal regulation to limit the number of 'Kolpak' players, the use of market incentives, so often proposed by economists, remains a possibility. Recent proposals from the ECB suggest they are well aware of the issue. From 2007, an incentive structure will be in place that rewards counties significantly for every player they provide for the national team and also for every England-qualified player playing county cricket. Although the general principles of the scheme appear to be well-founded, it remains to be seen whether the actual incen-

tive structure is sufficient to counter-balance the negative externalities of central contracts. Hopefully economists will be at the fore of evaluation of this issue.

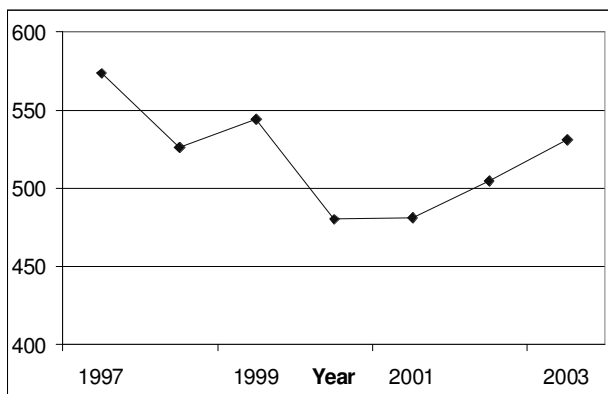


Figure 3: Annual County Championship Attendance (Thousands): 1997-2003

Source: England and Wales Cricket Board

The impact of the reforms to English cricket in 1999 on domestic cricket is also of interest. The success of 20-20 Cricket, the latest attempt at product differentiation, and its role in the revival of interest in county cricket have been well-documented. Less spectacular, but equally noteworthy has been the reversal of the long-running decline of interest in the much-maligned county championship (see Figure 3). By 2000, annual attendance had fallen to a low of 479,946 (in part due to a reduction in the number of matches in that year). By 2003 (the latest year available), the number had increased to 530,938, a trend that may well be further accelerated by spill-over effects arising from the impact of England's Ashes success this summer.

## Conclusion

The prospects for the economic analysis of cricket have never looked better. International cricket goes from strength to strength, whilst county cricket in England & Wales appears to be undergoing a revival of interest. Within this context, there is no doubt that cricket continues to face many challenging issues on which economists can usefully contribute, for example with regard to performance incentives, optimal managerial structures and tournament design and the recent award of exclusive live broadcasting rights to a non-free-to-air broadcaster. More importantly, perhaps now is the time for economists to investigate how they can use the multi-faceted game of cricket with its extensive statistical and historical databases to improve our understanding of much more general economic questions that are relevant outside the world of sport.

\* Thanks are due to David Forrest, Dennis Thomas and Andy Cooke for comments on earlier drafts of this article.

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# Report of Special CHUDE meeting on RAE

*In the last issue, we reported on the plan for a meeting between the Society's Conference of Heads of University Departments of Economics and members of the research assessment exercise's 'Main Panel I'. We are grateful to John Beath and Tim Worrall for this report on the event.*

A special meeting of CHUDE was held at the LSE on 12th of September, attended by representatives from some 60 departments. It had two purposes. First, to give members the opportunity to question and discuss the draft criteria and working methods with the relevant panel chairs and secondly to inform the CHUDE response to the RAE consultation, the deadline for which was September 19th. Professor David Otley, Chair of Main Panel I, and Professor Mike Pidd, Chair of the Business and Management Studies sub-panel addressed the meeting and took part in a two-hour question and answer session.<sup>1</sup>

David Otley spoke first and emphasised that the panels and sub-panels were very much in response mode and welcomed the feedback of subject associations. He started by highlighting the key differences between the 2008 round and previous RAEs: the introduction of main panels to improve the consistency of evaluation between cognate subject sub-panels, the absence of a requirement to indicate the proportion of staff submitted, the division of the international category of research outputs into the three subdivisions of 2\*, 3\* and 4\*, the return of a quality profile instead of a grade and its outputs, environment and esteem components and the use of a single census date instead of the previous A\* category of staff.

Among the points that David Otley stressed were that joint work should be returned only once per submission so as to maximise the range of outputs the sub-panel would see. Although early career researchers would be allowed to submit fewer than the four outputs he explained that this compensation applied only to the quantity and not the quality of the outputs submitted. RA5 would be important evidence for the sub-panels. In particular a unit's research strategy would be relevant in forming the judgement on research environment and esteem and it should also be used to flag particular circumstances for individual outputs, issues of equal opportunities and early career researchers. He stressed that the main panel and sub-panels had tried hard not to be too prescriptive about the value of any type of research or one form of output vis-à-vis any other and the difficult balance the panel had to strike between explicit criteria for evaluation which would help inform the submission strategy of units and leaving room for the exercise of professional judgement by the panel.

Mike Pidd spoke about the Business and Management Studies sub-Panel. He pointed out that if the same proportions of staff were submitted in 2008 as in 2001 to the various sub-panels of main panel I, 64 per cent would be to Business and Management Studies, 21 per cent to Economics and Econometrics, 8 per cent to Library and Information

Management and 7 per cent to Accounting and Finance. He stressed the wide range of paradigms used within the BMS discipline and the large number of different journals that are likely to be returned. He felt that the appointment of joint panel members, one from each of the other sub-panels, reflected the fuzzy panel boundaries for BMS relative to the other sub-panels. He explained that the reason for BMS placing a lower weight on research outputs reflected the practical constraint that it would not be feasible to examine more than 25 per cent of research outputs given the likely number of researchers submitted. He said that the panel had considered the 10 per cent weighting on esteem as the minimum weight that was likely to make any significant difference to the overall quality profile.

There then followed a lively and extensive discussion on a range of issues. The key points to emerge were the following:

*Co-authorship:* There was a discussion about how the RAE rules discouraged co-authorship between members of the same unit, although this could be viewed as a healthy sign of a good research environment.

*Consistency across panels and the cross referral process:* While the primary method for ensuring consistency is the cross-referral process, another mechanism is the right of the main panel to sample from the sub-panels. Both speakers emphasised their concern to ensure consistency and common standards. If groups or sub-groups were cross-referred to another panel for grading that grade would be fully incorporated.

*Proportion of outputs read:* There was a discussion of the proportion of material read and the panel members assigned to each submission. Again, the constraint of practicality was given as the reason that only around 25 per cent of the research outputs submitted to the BMS panel could be examined in detail.

*Early career researchers:* It was confirmed that the early career researchers could submit working papers which have an ISSN and that their research outputs were likely to be examined in detail.

*Assessment of research outputs:* There was discussion of how various types of output might be treated. It was pointed out that HEFCE have explicitly ruled out the used of journal impact factors in assessing outputs. Panel members are likely to read outputs to move them up the quality rating and no journal would automatically be considered to be 3\* or 4\* quality.

*...continued on p.10*

# British Association - Section F 2005 Festival of Science

*The British Association's annual Festival of Science took place recently in Dublin. In this article, the recorder for Section F, David Dickinson, University of Birmingham, and the President, Peter Neary of University College Dublin, reviews the highlights.*

The British Association for the Advancement of Science held its annual Festival of Science at Trinity College, Dublin, from 3 to 10 September 2005. The President of Section F (Economics), Peter Neary, organised a one-day conference 'Firms and Markets: From Local to Global' that took place on Wednesday 7 September. It was directed at both those with expertise in the field and also those interested in a review of 'state of the art' research in International Trade.

The conference began with Peter Neary's presidential address, a wide-ranging review of many of the issues that would be discussed later during the day. The importance of analysing international trade from a general equilibrium perspective was emphasised. Different assumptions about market structure were reviewed, and recent work on oligopoly in general equilibrium trade models was highlighted. One of Neary's particular points was that the answer to many policy-related questions is dependent on the assumptions made about market structure. For example, appropriate policies to foster entrepreneurship or to respond to foreign direct investment differ greatly depending on whether the issues are addressed from the perspective of oligopolistic or monopolistically competitive market structures.

The next speaker was Carsten Eckel (Göttingen). He introduced a further perspective on the debate by highlighting the importance of culture and lifestyle of consumers, by which he meant the total basket of goods available to the consumer. Typically models of trade assume that the array of goods available is given. He was particularly concerned with the circumstances in which globalisation would reduce the choice available to consumers, as has been suggested by its critics. He emphasised that when the sunk costs facing firms are endogenous (through joint determination of brand/R&D/advertising) consumer choice may be restricted as markets are opened to outside competition. Essentially the argument is that firms will have to spend more on sunk costs and hence the market can only sustain a smaller range of goods. Given this framework Eckel was able to demonstrate that policy-makers can reverse this trend by taxing consumers and subsidising domestic producers.

Dalia Marin (Munich) gave a presentation based upon explaining a data-set of Austrian and German firms which considers the organisational form which firms choose — specifically how centralised is the decision-making process. She related her observations to the increasing competition which globalisation has introduced and how this inter-acts with the advantages of centralisation versus delegation. By using a principal/agent model she was able to develop theoretical propositions that were found consistent with her data set. She highlighted a number of results: that larger firms have more centralisation; that larger countries have longer-lived organisations; that firms have delegated decision-making more in the 1990s; that larger firms have more a decentralised structure.

Stephen Redding (LSE) emphasised the importance of firm heterogeneity and fixed costs as a way of explaining the empirical evidence from firm-level data that has identified large differences between firms operating in the same markets. He identified two types of fixed costs, to set up a business and to export, as crucial to understanding firm-level choices. Particularly these costs could explain why some firms exited a market under liberalisation and why some firms chose not to export. He foresaw much research being undertaken in the future relating to firm heterogeneity and the resulting production, R&D and organisational decisions which firms make.

Ronald Jones (Rochester) argued that traditional International Trade theory could be used to explain some of the recent observations about the impact of globalisation of markets and the reasons for moving (some parts of) production offshore. He saw the ability of firms to fragment production as crucial to explaining why offshoring occurs. By applying standard international trade to these fragments of production standard concepts of comparative advantage could be used. One particular result he noted was that price falls from moving production offshore could improve welfare in the home country.

Pol Antrás (Harvard) examined the issue of offshoring from a team formation perspective. His model consisted of knowledge as a production input (where the possession knowledge meant

that individuals could solve production problems). Given that agents are heterogeneous in skills and that there is complementarity in production between knowledge and production labour inputs it is efficient to form teams consisting of both production and knowledge workers. He highlighted that this would have implications for occupational choice, size and distribution of teams and wages and rents. Specifically workers with lower skills would become production workers while those with skills above a cut-off point would become knowledge workers. The highest skilled knowledge workers (managers) would manage higher-skilled production workers and would manage larger teams. There was welfare improvement from globalisation since it allowed improved team formation. He interpreted the results of the model in the context of North/South trade and emphasised that globalisation will increase wage inequality in the South since more agents will become production workers and hence managers skills are in relatively short supply.

Elhanan Helpman (Harvard) discussed the issue of how firms organise themselves and the implications for international trade. The presence of incomplete contracts is important since intermediate inputs are highly specialised to final users. When a firm is outsourcing (which may imply offshoring) the matching of buyers and sellers is crucial to market equilibrium. With increasing returns to matching then as markets get bigger firms that outsource will benefit. Helpman used a theoretical model to illustrate that firms who are 'close to' intermediate input producers (in terms of a technology) will outsource while for those above a critical 'distance' will integrate. In other words the choice of production method will depend upon the ability of firms to outsource at low cost that depends upon the technology that is used and the completeness of contracts.

The conference provided an excellent perspective for both specialists and non-specialists on the way in which international trade theory is currently developing. The importance of explaining firm behaviour and the need to take into consideration, for example, market structure, heterogeneity, multiple inputs, sunk costs, contract completeness were discussed. Those attending the conference were left with the impression that international trade theory is a very fertile and dynamic research area and that there is much work to come which will aid in our understanding of the effects of the phenomenon of globalisation, that is influencing our economic lives so fundamentally at this time.

The 2006 Festival of Science will be held in Norwich, 2-9 September.

## Houblon-Norman/George Fellowships

Applications are invited for Houblon-Norman/George Research Fellowships tenable at the Bank of England during the academic year 2006/2007. Appointments will be for full-time research on an economic or financial topic of the candidate's choice, preferably one that could be studied with particular advantage at the Bank of England. The length of any appointment will be by agreement with successful applicants, but will not normally be less than one month, nor longer than one year.

Senior Fellowships will be awarded to distinguished research workers who have established a reputation in their field.

Fellowships will also be available for younger post-doctoral or equivalent applicants, and for these, preference will be shown to British and other EU Nationals. The award will normally be related to academic salary scales.

Application forms (to be returned no later than **25 November 2005**) and details are available from

[www.bankofengland.co.uk/education/fellowships/index.htm](http://www.bankofengland.co.uk/education/fellowships/index.htm)

or by emailing the Houblon-Norman/George Fund account [MA-HNGFund@bankofengland.co.uk](mailto:MA-HNGFund@bankofengland.co.uk)

Postal applications should be addressed to the Secretary to the Houblon-Norman/George Fund, Bank of England, Threadneedle Street, London EC2R 8AH.

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## CHUDE...

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*Submission strategy and maximising income:* Panels would like to see all research active staff submitted, but it was recognised that the 'league table' effect might lead to a more selective submission.

*User and International members:* It was confirmed that unlike at RAE2001 user members would be full members and would play a full part in the work of the panel. However, the exact role of the user and international members on the main panel was still unresolved.

### Note:

1. It had been hoped that Professor David Greenaway, Chair of the Economics and Econometrics sub-panel, would also be present but, in the end, he was unable to make a meeting in London on that day.

# Escape from the ivory tower

*Romesh Vaitilingam is a writer and media consultant who advises several research institutions on their public profile. These include the Royal Economic Society, the ESRC, the Institute for Social and Economic Research and the Centre for Economic Performance.*

Is it really true that academic economists in the UK remain hidden in their ‘ivory towers’? Admittedly, many of them can be reluctant to appear in the media, particularly compared with their American counterparts. But they are certainly not absent from public life. Indeed, economists are increasingly powerful in policy circles — and maybe even more than in the US.

The occupants of the top jobs at the Bank of England, the Competition Commission, the Office of Fair Trading and Ofcom (the communications industries regulator) are all highly regarded scholars. Bank governor and former London School of Economics professor Mervyn King may not yet be a ‘personality’ like US Fed Chairman Alan Greenspan. But then we are not a nation obsessed with the stock market. And more time at the helm — and King’s enthusiastic use of sporting metaphors for monetary policy — may well make him a household name.

Meanwhile, behind the scenes, academically trained economists are all over Whitehall. The Government Economic Service employs over 900 of them across 30 government departments and agencies. Several chief economists — including at the Department of Health, the Department for International Development and the Inland Revenue — are academics. And the new cabinet secretary and head of the civil service, Sir Gus O’Donnell, was once an economics lecturer at Glasgow, the university of Adam Smith.

Economists’ impact on our lives can be felt not simply in their growing presence in key policy roles. Recent furores over the UK’s declining social mobility and low productivity and poor management have all been set off by academic research. Leading research institutions like the Centre for Economic Performance (CEP) and the Institute for Fiscal Studies (IFS) are bringing the practical tools of economics to bear on the design and evaluation of a wide range of government policies.

Independent management of interest rates by the Monetary Policy Committee. The New Deal to get unemployed people into jobs. The reform of higher education funding. R&D tax credits to encourage business innovation. Greater powers for the competition authorities. All are policies deeply rooted in UK economic research.

So too was the auction of UK mobile phone licences in 2000, designed by game theorists Ken Binmore and Paul Klemperer. This market test of the value of scholarship raised over £22 billion for the public purse, a sum that makes the money spent on public funding of economic research look like small change.

A number of UK academic economists are also seeking to have a wider impact on public debate through newspapers and popular books. Former Oxford professor John Kay, for example, has a weekly column in the *Financial Times*. It’s not a platform to attack the government in the style of *New York Times* columnist and Princeton professor Paul Krugman. But Kay still provokes controversy, notably when pointing out the typically sloppy economic thinking of many in business and consultancy.

Other researchers too — including Andrew Oswald, Richard Portes, Martin Weale and Linda Yueh — are often found on press comment pages or providing expert insight in broadcast news stories. And CEP founder and Labour peer Richard Layard recently published a widely reviewed book on the economics of happiness.

Nevertheless, academic economists are still less evident in the UK media than in the US media. Why? One reason is the sometimes rather narrow focus of UK economic news on house prices and interest rates. While some academics do have views on the outlook for the property market or the wider economy, there are dozens of City economists with similar interests and far stronger incentives — and the institutional resources — to talk to journalists.

And in the end, as with much in economics, it does all come down to incentives and resources. Getting involved with the media requires organisational commitment and support. This is where a lot of UK universities let their staff down, partly because of a culture of disapproval of ‘media dons’ — though this hasn’t stopped academic popularisers of history and science — but also because they are so much poorer than many of their US cousins, especially in the big private universities.

At the same time, despite the efforts of research funding agencies to encourage scholars to communicate their findings to wide audiences, the incentives in higher education are all on communicating with one’s peers. In economics, that means publishing technical articles in the discipline’s top journals.

Of course, these publications are equally important for career development in the US, particularly for getting tenure. But in the UK, they are also central to the ‘research assessment exercise’, the periodic performance measurement system that determines a large proportion of future funding.

Places like CEP and IFS show that it is possible to combine rigorous economic scholarship with both significant policy influence and being ‘in the news’. But the way we manage our higher education system doesn’t make it easy.

# Money, Macro and Finance Research Group

*The Money, Macro and Finance Research Group held its 37th Annual Conference at the University of Crete, Rethymno campus, from the 1st to 3rd September. Peter Smith, University of York, reports below.*

Yet again the MMFRG Annual Conference was a popular event. Not only did participants come from the UK reflecting MMF membership, but from other parts of Europe including France, Belgium, Poland and Sweden, as well as a far a field as the US. With two plenary sessions and the presentation of over eighty papers in five parallel sessions, the conference served to exhibit the width and depth of the research group's interests.

In his plenary session Hashem Pesaran (University of Cambridge) discussed the importance of macroeconomic modelling from a global perspective, the aim being to develop a framework that not only allows for the analysis of long run relations within an economy, but one which accommodates the interdependence that exists between economies.

George Constantinides (University of Chicago) delivered the second of the two plenary sessions, in which he examined, within two differing market settings, several empirical regularities in the prices of financial assets that are contrary to economic theory, to find that through the relaxing of some of its assumptions the rational economic model can be greatly improved.

## Financial Economics

Given the predicted 'savings gap' facing many European countries in the foreseeable future, the role of voluntary savings in mutual and pension funds has become even more so important in providing a sufficient standard of living in retirement. Keith Cuthbertson, Dirk Nitzsche (Cass Business School) and Niall O'Sullivan (University College Cork) explore using a bootstrap methodology to establish whether the performance of an individual mutual fund is due to 'skill' or 'luck'. This methodology allows for non-normality in the idiosyncratic risks of the funds, which is crucial since investors are interested in identifying very good or very bad performing funds. Their findings suggest that the success of a fraction of the top performing UK equity mutual funds can be attributed to skill i.e. stock picking ability. More specifically the 'skill' factor is more prevalent among top ranked equity income and growth funds and significantly less so among stock funds and general equity funds. Equally success amongst onshore funds can be accredited to skill, whereas offshore funds' success was largely due to luck. Poor performance was found to be the result of poor skill and not due to the absence of lady luck. The authors highlight the difficulty for the average investor to identify the active funds whose success is due to skill and not luck alone.

From a more macroeconomic stance, Peter Smith, Steffen Sorensen and Michael Wickens (University of York) examine the relationship between US stock market returns and the US business cycle. The position on the business cycle impacting stock returns through two channels, first through the equity risk premium and secondly through the volatility of returns. They find this relation to be asymmetric in form, with a greater negative impact on stock returns during slowdowns in the economy, than the positive impact from an upturn.

## Macroeconometrics

The application of Bayesian econometric techniques to macroeconomics demands attention in its own right, this came in the form of a special session organised by Gary Koop (University of Leicester).

The first paper in this session by Rodney Strachan (University of Leicester) and Herman Van Dijk (Erasmus University Rotterdam) emphasized that accurate inference on structural features of a model serve to improve not only estimation, inference and forecast efficiency but also policy analysis. They present a Bayesian inferential procedure that allows for inference of a VAR process's structural features including cointegration, exogeneity, deterministic processes and overidentification. The advantage of this methodology is the resulting forecasts and policy recommendations are not conditional upon a particular model.

Structural breaks are considered the main source of forecast failure. While it is impossible to account for the many factors affecting the evolutionary process of key economic and financial variables, ignoring such structural changes completely makes attempting to generate accurate forecasts a futile exercise. The last paper of this session by Hashem Pesaran (University of Cambridge), Davide Pettenuzzo (Bocconi University) and Allan Timmermann (University of California) proposed a Bayesian estimation and prediction procedure for time series that are subject to discrete structural breaks, allowing for new breaks to occur over the forecast horizon. They suggest that it is insufficient to simply identify past breaks, attention must be paid to modelling the stochastic processes that underlies such breaks as well as acknowledging that breaks are also likely to occur over the forecast horizon. Their approach was found to produce superior forecasts to those generated by models that ignored the possibility of future breaks,

assumed a break every period or those that allowed for shifts in the mean or variance during the in-sample period.

## Monetary policy

Day two of the conference saw the delivery of the European Economic and Monetary Integration session organised by David Cobham (Heriot-Watt). This included 'Non-discretionary and automatic fiscal policy in the EU and the OECD' by Jacques Melitz (University of Strathclyde) and 'Sovereign Risk Premia in the EU Bond Market' by Jurgen Von Hagen (University of Bonn). In addition, presentations were made on 'Tax Evasion, Investors Protection and Corporate Governance' by Jean-Bernard Chatelain (University of Orleans) and Kirsten Ralf (The American University of Paris) and 'How Preussag became TUI — Kissing too many toads can make you a toad' by Christoph Schneider, Ingolf Dittman and Ernst Maug (Humboldt University Berlin), organised in collaboration with the Gdr French Money Finance Research Group and the DGF German Finance Association respectively.

## Macroeconomics

Key macroeconomic issues were addressed by a selection of papers including 'Macroeconomic Shocks and Central Bank Disclosure Policy: Is increased Transparency Necessarily Beneficial?' by Phillip Lawler and Jonathan James (University of Wales Swansea); 'Monetary Policy Rules and Inflation Targets in Emerging Economies: Evidence for Mexico and Israel' by Rebeca Munoz Torres (University of Leicester); by Ana Paula Ribeiro and Alvaro Aguiar (Universidade do Porto) 'Effects of a Labour Market Reform on the Effectiveness of the Monetary Policy'; 'Real time Representations of the Output Gap' by Tony Garratt (Birkbeck College), Kalvinder Shields (Melbourne University), Kevin Lee and Emi Mise (University of Leicester); 'The Feasibility of a Fixed Exchange Rate Regime for New EU-members: Evidence from Real Exchange Rates' by Clemens Kool (University of Utrecht), Tom Van Veen, Bertrand Chandelon and Katharina Raabe (University of Maastricht) and 'The Political Economy of Financial Liberalisation' by Anja Shortland (University of Leicester) and Sourafel Girma (University of Nottingham).

It is impossible to mention all from diverse selection of thought provoking papers presented at the conference. However the conference papers and programme are available for download at:

[www.le.ac.uk/economics/mmf-2005/index.html](http://www.le.ac.uk/economics/mmf-2005/index.html)

# Research highlights

## CMPO findings spark segregation debate

On 22 September Trevor Phillips, chair of the UK Commission on Racial Equality, gave a speech to the Manchester Council for Community Relations entitled 'Sleepwalking to Segregation' which attracted much media attention for the picture that it drew of the UK becoming more divided by race and religion. In the course of the speech, Phillips drew repeatedly on evidence from a recent study by the Centre for Market and Public Opinion at the University of Bristol.

The speech can be read at: [www.cre.gov.uk](http://www.cre.gov.uk)

The CMPO working paper and Bulletin article can be read at: [www.bris.ac.uk/depts/CMPO](http://www.bris.ac.uk/depts/CMPO)

## CEPR to examine bond markets

The Association of British Insurers (ABI), the Corporation of London, the International Capital Market Association (ICMA), the Investment Management Association (IMA), and the London Investment Banking Association (LIBA), announced today that they have jointly commissioned independent research into the efficiency and transparency European corporate and sovereign bond markets.

The research is to be undertaken by the Centre for Economic Performance (CEPR). Richard Portes (London Business School) is to lead the study on European sovereign debt markets and Bruno Biais of Toulouse University will lead the study on European corporate debt markets. The results should be published early in 2006.

## The Centre for Economic Performance

Why belong to a trade union these days? Membership is falling and the traditional pay gap between unionised and non-unionised workers has largely disappeared.

Research carried out by CEP members has just been published in a book edited by David Metcalf and Sue Fernie entitled *Trade Unions: Resurgence or Demise?*

Questions addressed by the research include:

- the reasons for the loss of 5 million members in the 1980s and 1990s
- the way in which unions' own structures inhibit their revitalization
- the apparent failure of unions to thrive in the benign times since 1997
- the extent to which use of the internet will permit unions to break with their tradition of organizing by occupation or industry
- the prospects for real social partnership at national level the way in which high performance workplaces in the US give voice to workers without unions.

More details can be found at [www.cep.lse.ac.uk/about/news](http://www.cep.lse.ac.uk/about/news)

# ESRC news

## New grant schemes

The ESRC has just launched two new funding schemes. The 'First Grants' scheme is intended to help new researchers and academics at an early stage of their careers to get experience of managing research projects. Such projects may be up to 3 years in length and up to £400,000 to cover 100 per cent of full economic costs.

Applicants must normally be within six years of completing their PhD or four years of their first appointment and (normally) must not previously have received an ESRC research grant. There is no fixed budget for the scheme but the ESRC expects to make about twenty such awards each year. Applications will be processed once a year and the deadline for the first round of applications is **4 January 2006**.

The 'Large Grants' scheme will provide funding for experienced researchers requiring longer-term support for research groups, inter-institutional research networks, linked-project programmes and medium to large surveys. It is intended to fund projects which require more than the standard research grant of £1.5m up to a maximum of £5m of full economic costs. As with the First Grants scheme, there is no fixed budget but the ESRC expects to fund three applications per year under the scheme. Applications will be processed once a year and the deadline for the first round of applications is **31 January 2006**.

Further details are available from: [www.esrcsocietytoday.ac.uk](http://www.esrcsocietytoday.ac.uk)

## Evidence inspired policy making

The September issue of the ESRC's *Social Sciences* is available on the ESRC website at [www.esrcsocietytoday.ac.uk](http://www.esrcsocietytoday.ac.uk) and contains, *inter alia*, an article by Sue Duncan, the Chief Government Social Researcher. In it she argues that, contrary to the perception that evidence-based policymaking is going out of fashion — displaced by a focus on targets and performance measurement — the use of research evidence as a basis for policymaking is alive and well, and set to play a more fundamental role than ever before.

There is no denying that Government is increasingly focussing attention on performance measurement and delivery. It is this development that has led some to ask whether evidence still has a significant role in policymaking. In truth, the system of targets and performance measurement draws heavily on evidence. And it is also true that Government has increasingly recognised the importance of public attitudes and understanding in shaping workable policy. We are currently seeing a refinement of the difficult process of using evidence in policy and delivery. It is coming of age, rather than going out of fashion. ...

I believe the use of research evidence in policy formulation raises new questions about the functions and responsibilities of research practitioners. We are not simply purveyors of facts; we need to go further and have a strong role in using our knowledge to play an active role in policy development and review. I want to see more social researchers use their knowledge in this way to offer interpretations of what data actually means for policy.

The full article can be read on the ESRC website and in the hardcopy version of *Social Sciences*, available free from the ESRC's Communications Team.

## Forty years of social science research

The same issue also contains the last in a series of four articles looking at the history of the ESRC (and its predecessor, the SSRC). The final instalment covers the period from 1988 to 2005, a period which began with the appointment of Sir Howard Newby as Chairman and the move from London to Swindon.

In the opening years, the article highlights the role of the ESRC in instigating formal training procedures for research students and in raising the profile of environmental issues through the research that it supported. Post-Newby, it explains the Council's difficulties in responding to the government's demands for 'relevance' in the research that it supported. This was the period, under the Chairmanship of Bruce Smith, that saw the emergence of 'thematic priorities'. More recently, under Frances Cairncross, the emphasis has been upon making the fruits of the Council's work more accessible to non-specialist audiences and strengthening ties between the Council and its stakeholders.

The series makes a fascinating read, especially for those who lived and worked through these forty years. The earlier articles in the series are available on ESRC's website.

## The impact of HEIs

This was the theme of a workshop, held in Edinburgh in July and organised by the ESRC together with the four UK funding councils. Many of the issues discussed by researchers drawn from a wide range of social sciences revealed that in fact we know very little about the impact, notwithstanding the fact that in some localities HEIs are large employers and centres of a wide range of social and cultural activities. While we might expect the impact, in some cases at least, to be 'large' we have very little evidence on which to base this judgement. An overview of current research was presented and areas for further investigation identified.

# Obituaries

## Paul Geroski

Paul Geroski's untimely death from cancer on 28 August 2005, at the age of just 52, has shocked and saddened many people. It has also deprived us of one of our best applied industrial economists. Everywhere he worked, Paul had made an enormous impact and contribution. I first came across him just four years ago at the Competition Commission, where he was Deputy Chairman (from 2001) and then from 2004 the Chairman leading the Commission as it got to grips with its new powers under the Enterprise Act. In the worthy and serious training sessions set up for rookie members of the Commission, Paul was the speaker who had us captivated and roaring with laughter, reflecting his evidently extraordinary gift for teaching.

No single individual defines a whole institution, but Paul's contribution to the Competition Commission in the course of implementing the new legislation has been profound. The Enterprise Act gave the ultimate responsibility for merger and monopoly decisions to the Commission, rather than government ministers. The test for these decisions is whether or not there would be a 'substantial lessening of competition'. In shaping the Commission's formal guidance on its decision making, and in chairing inquiries including high-profile cases such as the Carlton-Granada merger and earlier this year (until he became too ill) the bid for the London Stock Exchange, Paul ensured the process is both analytically rigorous and eminently pragmatic.

It was a masterclass in applied economics to see him exercise this analytical rigour in the context of a specific inquiry: how to gather and assess the relevant empirical evidence; how to quiz business executives appearing at formal hearings in order to figure out what makes a business tick and how the market works; and how to weigh up the analysis and arguments put forward by other members of the inquiry team. I think perhaps some people found him too argumentative, but he could always be persuaded to change his mind by good analysis and evidence. And it was also always fun, which is really saying something in such a painstaking and legally exacting procedure.

Paul's egalitarianism and deep respect for others also made him an ideal leader in such a team-based and inter-disciplinary process. His informality is legendary. At the Competition Commission, and in contrast to his teaching days, he mostly conformed to the suit and tie dress code, but would usually shed his shoes and jacket. One of the benefits of informality is, of course, approachability. Paul was also very much the New Yorker, unmistakably so despite his many years living in the UK. His personal style helped shape an institution which is

probably more open and less tied to tradition than it might otherwise have been. An indicator of this which I particularly notice, working in such a very male-dominated profession, is the high proportion of senior women in the Commission team.

The Competition Commission was a natural extension of Paul's previous work and interests. He was a graduate student in Keith Cowling's group at Warwick University in the late 1970s, applying new econometric techniques to industrial economics. He then taught at Southampton University, in another strong applied department. In 1987 he moved to the London Business School, where both his academic reputation and his pedagogical reputation continued to grow, at the same time as his interest in the detail of business and policy.

He wrote a vast number of papers and also loved to write books. The latest of these, with Costas Markides of the LBS, was *Fast Second*, published earlier this year, arguing that conquering and profiting from a new market requires different skills from those needed to make the break-through innovation in the first place. Paul grumbled, a bit, that it was harder to find time to write given the burden of his duties as Chairman of the CC. He was rightly proud of his writing skills, which demonstrated the same clarity of thought and explanation as his lectures. He was one of the rare economists who place as much importance on communication with people outside the profession as on academic output. He also loved to read, and had a breadth of interest reflecting his liberal arts education at Bard College in New York. Until a few days before his death he was exchanging emails with friends and colleagues discussing books and ideas and the state of the world.

It was not until May this year that Paul had to stop work, and early August before he started to tell more people about his illness, so his death so soon afterwards has been a shock. He was one of the best economists I've had the privilege to work with. There are many of us who found him a joy as a colleague or teacher, and we will miss him.

Paul leaves a wife, Alice, whom he met during a year spent in Manchester in 1975, and a son and daughter.

*Diane Coyle*

# Sanjaya Lall

*A version of this obituary appears in Development and Change, Vol. 36, No.6. We are grateful to the editors for permission to reprint it here.*

Sanjaya Lall, Professor of Development Economics at the University of Oxford, was in the front echelon of contemporary development economists, and arguably without peer in his own fields of specialisation: technological capability, skill acquisition and industrial competitiveness; foreign direct investment, multinationals and technology transfer; foreign trade regimes, industrialisation and state policy in developing economies in the era of neo-liberal globalisation.

Sanjaya Lall was born on 13 December 1940 in Patna in India. His father was a senior civil servant and his mother a pioneering barrister who had returned from Gray's Inn, London, to become one of the earliest female practicing lawyers in Bihar. After a brief unhappy entry into schooling in England, Sanjaya returned to St. Xavier's High School, Patna. He went on to a BA with Honours in Economics, ranked first, from Patna University in 1960, before retracing his grandfather's footsteps to Oxford where he joined St. John's College and took a first-class PPE degree in 1963, and an M.Phil. in 1965. He was a stalwart of that passing generation that could afford not to be bothered by a D.Phil and choose instead to get on straightaway with research, starting with an initial stint of three years at the World Bank. Apart from a two-year return in the mid-1980s, Oxford remained forever his home, where he served first as Junior, and then as Senior Research Officer at the Institute of Economics and Statistics for over 30 years; as a University Lecturer in Development Economics at Queen Elizabeth House; as a Fellow of Green College since 1982; and as Professor of Development Economics since 1999. It remained a puzzle why the formal recognition of his high professional reputation and achievements took so much longer to register in his academic home than in the rest of the world, where it was taken as just another one of those curious examples of the arcane ways of ancient universities.

The sheer volume of work accomplished by Sanjaya Lall testifies to his prodigious productivity. A recent curriculum vitae of his lists 33 book titles between 1975 and 2003, of these over a dozen being single, or co-authored volumes with mainstream academic publishers; there are 75 listed articles in reputable refereed professional journals; another 72 chapters in books; a further 67 reports for international agencies or governments; and yet 27 more articles in non-refereed journals and periodicals. Apart from this, he served on the advisory boards of several journals, and notably was the Managing Editor of the new and rising home-grown journal, Oxford Development Studies. He was also the Course Director for the M.Sc. in Economics for Development at Oxford University. His policy-related engagements were equally copious: he acted as advisor or consultant to a wide spectrum of governments and international development organisations, including the World Bank, IFC, UNCTAD, ILO, UNIDO, FAO, UNICEF, Asian Development Bank, Inter-American Development Bank, African Development Bank, the UN Centre on Transnational Corporations, ESCAP, OECD, ECLAC, the European

Commission, UNU- INTECH, WIDER, and the Commonwealth Secretariat; he served as the Principal Consultant to UNCTAD on its World Investment Report, and to UNIDO on its Industrial Development Report.

It is a remarkable feature that this veritable mountain of output of dedicated research over four decades has focussed and built cumulatively on the intersection of a small number of large themes, viz., industrialisation, technological change, competitiveness, external economic linkages, and state policy. The work has also been painstakingly and methodically incremental in its construction of a virtual paradigm for the understanding of the dynamics and interaction of these aspects of technology and development, especially when viewed from a policy point of view. Inevitably, as the approach has evolved and demonstrated its relevance, so has its impact widened.

Impossible as it is to reduce such a large body of work to its essentials, if pressed, there would be three major areas of contributions that certainly need to be highlighted — and others could legitimately identify several additional equally worthy legacies. The first of these came early in the form of the pioneering work on transfer pricing by multinational enterprises, based especially on an empirical investigation of corporations operating in the pharmaceutical industry. It showed basically how multinationals could use intra-firm pricing and accounting mechanisms to siphon out, or invisibly repatriate, profits from their overseas enterprises. This was accompanied by extensive work on the role of foreign investment and multinationals in developing economies, done in part in collaboration with one of his early mentors, the learned Paul Streeten. Sanjaya's fascination with India and the Indian economy led to his opening up a related, highly significant field of work in this area, viz., the phenomenon of third world multinationals, and developing countries as the exporters of technology.

A second interwoven, but distinctly colour-coded strand of work was on the development of technological capability in developing countries. Technology has generally mystified economists, and in turn, and true to their profession, economic theorists have tended to mystify technology. Technology is. Technological change happens. But what is 'it', precisely? How does change 'happen' — mysteriously by itself? Of course, there are several exceptions, from H J Habbakuk to Raymond Vernon to Zvi Griliches. Sanjaya Lall stands in a fine line of thinkers who have challenged the black-box, reductionist view of technology in economic theorising. In its place, he attempted to develop over time the notion of the construction of technological capability, whether in an enterprise, in a firm, in an industry, or in an economy. He argued that far from just 'picking' industrial winners, the East Asian tiger economies had carefully and proactively 'created' winners through the generation of technological capability and the acquisition of industrial competitiveness. The detailed empirical diagnostic analysis of this notion of technological capacity was one of his significant contributions.

This feeds directly into the third group of ideas that emerge from his work. How then should the industrialist, or the policy maker, in a developing country set about generating technological capability and industrial competitiveness? His empirical work carefully scrutinised the validity of the ubiquitous assertions that unrestricted flows of foreign direct investment

through multinationals would lead to effective technology transfer into the manufacturing sectors of developing economies. Lall's work tended to seriously question the automaticity of any such benefit transfer; it showed, however, the relevance of a proactive state policy vis-à-vis the domestic manufacturing and technology sectors. The importance of the role of the state in generating a successful path of competitive industrialisation has been one of the continuous threads running through his work both at the level of research and policy advice. In this context, he did not balk at taking on positions that were unpopular amongst the neo-liberal unfettered-globalisation school. For instance he argued consistently that the experience and the outcomes of import substitution-led industrialisation in the larger third world economies, e.g., India, Brazil, Mexico, China, had laid an indispensable platform for the construction of effective technological capabilities within these economies which could be exploited in the contemporary context through focussed proactive industrial, technology and external sector policies. Very early in his career, he wrote a paper which toyed critically with the notion of dependency. Ever since then, the issue of the viability of autonomous, not autarkic, industrialisation in third world economies has remained a latent leitmotif of much of his work. From start to end, Sanjaya remained a passionate, but scientifically rigorous, protagonist of third world industrial development.

One of the hallmarks of Sanjaya Lall's work was that it bridged gaps that often make an island of the pure academician, including and perhaps especially the theoretical economist. He was consistently an applied development economist, who was out to test, validate or reject, reconstruct or redefine the assumed pathologies of cause and effect in his area of development. However, his interest was not simply in the empirical verification or rejection of abstract notions, but in the construction of a robust applied economics analytical framework which could provide policy-relevant answers to specific strategic questions about achieving technological capabilities and industrial competitiveness, especially in the context of developing economies. He also overcame those other clashes of cultures, between social scientists and scientists, between economists and engineers, economists and business managers, academics and practitioners. He made it his unremitting business to know how things actually ticked in the field of technological change, not how from the sofa-chair it might in greater comfort be assumed they ticked. He was equally at ease, intellectually and personally, in management boardrooms, as on the shop floor, as in lecture halls and seminar rooms. No less, in the matter of bridging gaps, he systematically attempted to carry across the transferable lessons from the experiences of successful learners to the late-comer or laggard nations. That this was not done mechanically is confirmed by the distinct strategic or policy analysis that he sketched out for African economies. It was definitely not a case of one-size-fits-all. Few others have quite managed this with the skill and effectiveness as he did, and this also explains, in part, why he was so sought after for researching and advising in this complex, turbulent and difficult field.

Sanjaya grew up an only child with his mother, his parents having separated soon after he was born. Having negotiated a lonesome passage through early life, and then a short failed marriage, Sanjaya found joy, stability and fulfilment through his enduring relationship with his vivacious and accomplished

wife, Rani. They met at a university seminar in Oxford in 1976, married in 1977, and life smiled at them with a kindness and generosity that was matched by the affectionate, gracious hospitality and friendship always to be had at their elegant home in north Oxford.

A remarkable trait of Sanjaya was his self-deprecating modesty, laughing away lightly his substantial status and contributions, his consistent almost existential aversion to pushing himself into the limelight that he so well deserved — a quality as endearing as rare in the competitive cut-and-thrust of professional academic life. But despite his best efforts, the spotlight did find and fix firmly on him.

A kind and deeply civilised person, his instinctive reaction when exposed to any wrongdoing was usually one of reflection and puzzlement. He, like a significant tranche of the British and Indian nations, was an intellectual, emotional and cultural hybrid, often similarly at home or equally at sea, in either world. Though he embraced British nationality years ago, he would surely have failed, to his chuckling delight I imagine, any application of the Tebbit test of national loyalty during cricket games. Keen on opera and classical music, he had also been an accomplished photographer. In the late 1970s he showed me his earlier portfolio of photographs, shot in the previous decade, of one of his recurring subjects — trees, usually in singles, usually bleak, though beautiful in a melancholic sort of way. He lived, I feel, in his work, in his family, in their home, and was happiest pruning in Ran's prize garden at the end of a long day of interrogating the data from his last survey. He travelled incessantly to everyone's dismay; but he was at home when the end came.

Very many friends will grieve the loss of Sanjaya Lall, and these will include virtually all that came into contact with him and his infectious and pervasive quiet affection and charm. And many development economists, regardless of the idiosyncrasies of their individual persuasion, will mourn the passing of one of their stalwarts of the first rank. He is survived by Rani, his wife, their two daughters Maya and Priya, and one son, young Ranjit, about all of whom he fussed, worried and rejoiced far more than over his professional work. I do not think he photographed another tree after 1977.

*Ashwani Saith  
Institute of Social Studies  
The Hague*

## David Pearce

David Pearce, who died suddenly in September at the age of 63, was born in Harrow in 1941. He attended the local grammar school before going on to Lincoln College, Oxford and getting a first class degree in politics, philosophy and economics.

He began his academic career as lecturer in economics, Lancaster University 1964-67, before moving to Southampton where he stayed for seven years. From 1974 to 1977 he was at the Public Sector Economics Research Centre in Leicester and

at Aberdeen University. In 1983 he was appointed to a Chair at University College London, an institution with which he remained associated until his untimely death. In 1983, the fortunes of UCL's economics department were at a low ebb and he did much to lay the foundations for the centre of excellence that it later became.

As regards his professional interests, he is best-known for raising the environment from a position of almost total obscurity in the landscape of economics to a position from which it could attract some of the brightest young graduates and play a major part in policymaking and in public debate. If any one area of economics has helped to raise the *general* profile of economics in the public mind in recent years it is probably the study of environmental issues and for this, in the UK at least, David Pearce deserves much of the credit.

It must have been hard work. In the early part of his career, certainly, economists with an interest in the environment were scarce indeed. Things were little better in the economic climate of the 1970s and early-80s when the focus of public policy lay elsewhere. Nonetheless, and perhaps surprisingly, the turning point came under a Thatcher government in the late-1980s when Pearce was appointed an adviser to the Secretary of State for the Environment, Chris Patten. Environmental issues had at last attracted enough popular attention to force themselves onto the political agenda and the question (for the government) as how to reconcile the market principles of Thatcherism with the newly expressed concern for the environment? Pearce had an answer that appealed to Conservative ideology: 'use the market'. By then he had spent more than two decades on research into and using cost-benefit analysis and into the economics of pollution and environmental pollution. Just before taking up the appointment he had, in effect, recommended the market solution in the form of a book (co-authored with Ed Barbier and Anil Markandya). *Blueprint for a Green Economy* (1989). This became something of a sensation and remains one of the best selling books on environmental economics. The fact that it was widely referred to as 'The Pearce Report', tells us everything about the origin of its central ideas.

Patten failed to implement the book's recommendations but Pearce's ideas were now in the public domain. For policymakers, there were three. Firstly, policy should be based on what we now call 'sustainability'; secondly that it should place a value on environmental effects and thirdly that it should make use of market incentives.

In explaining his conception of sustainability, Pearce drew on ideas, familiar to economists, in the work of Sir John Hicks on income and capital. Income was what one could consume over a period of time while leaving the *amount* of capital with which one began the period unchanged at the end. In other words, economic activity could use environmental resources (even 'damage' the environment in the eyes of some of the more idealistic lobby groups) but had to do so in such a way that environmental resources for future generations were not depleted. The composition of the resources might change as a result of the economic activity; what mattered was that the *amount* being passed on was not reduced.

Placing a value on environmental effects was important as part of the calculations involved in ensuring the maintenance of environmental capital. But it had a more immediate political importance. This arose from the fact that in debates about environmental effects — which were acceptable and which were not — tended to be one-sided because the arguments for environmental protection had repeatedly to confront hard numbers about jobs, income, production etc.. It was always easier to show the losses from environmental protection because they could be quantified and, moreover, quantified in monetary terms. Pearce made major contributions on the valuation of noise, waste, risks to health, biodiversity and other activities both in academic research but also for UK and other governments and in work for the OECD.

The third theme of the 'Report', that market incentives should be used to achieve desired environmental outcomes, stemmed from a recognition that the same market forces that led to environmental degradation could be turned around to work in the opposite direction. If firms found it profitable to pollute, that was because the relative cost of non-polluting behaviour was too high; if urban car use was excessive, this was because the cost of private transport was too low compared with the alternatives. All that was required was the right set of prices (and for policymakers a great deal of political courage). Slowly but steadily, thinking about environmental policy changed. The London congestion charge, the climate change levy, the European emissions trading scheme — all of these tools being used today are realisations of Pearce's big idea.

Many of Pearce's insights were communicated to a wider professional community through his work as a teacher. In 1990 he established an MSc in environmental and resource economics at UCL. The following year, he collaborated with colleagues at the University of East Anglia to set up the Centre for Social and Economic Research on the Global Environment which he directed until 1996.

Pearce's achievements rightly earned him wide recognition. He was awarded the OBE in 2000 and last year he was awarded the (first) Lifetime Achievement Award by the European Association of Environmental and Resource Economists.

In 1966 he married Susan Reynolds, by whom he had two sons Corin and Daniel. Family life was important to him, but his career and interests inevitably took much of his time, much of it spent in international travel. It is a tragedy that only a year after retirement, when it looked as though he would have more time to spend at home — on his farm near Saffron Walden — he was diagnosed with leukaemia and died within hours of the diagnosis.

# RES news items

## Titles for degrees in the United Kingdom

A list of thesis titles of higher degrees in economics, taken entirely by thesis or dissertation and awarded in the United Kingdom during the academic year 2004-2005 will be published in the June 2006 issue of the *Economic Journal*. Degrees already awarded in 2003-2004 may also be included. The subject classification is that used by the *Economic Journal* for Book Notes; this classification is derived from the one devised by the American Economic Association and used in the *Journal of Economic Literature* since March 1991.

Details required for publication are:

Name of author

Title of thesis

Type of degree (MA, MSc., DPhil., PhD.)

Date of award

Where thesis can be consulted

Classification (using *Journal of Economic Literature* classification)

Information should be sent by **20 December 2005** to Eleanor Burke, Royal Economic Society, London Business School, Regent's Park, London NW1 4SA  
(E-mail: eburke@london.edu).

## Changing your address

*Newsletters* and the *Economic Journal* continue to be returned by the postal authorities marked 'Gone away, Not known at this address' etc. If you are going to change your address shortly, please remember to advise the Society. The information should be sent to the Membership Secretary, Katherine Crocker, Department of Economics and Related Studies, University of York, Heslington, York YO1 5DD.  
E-mail: kc6@york.ac.uk

## Charter and bye laws of the Society

The Charter and Bye-Laws of the Royal Economic Society are available to members of the Society who would like a copy. Please contact Eleanor Burke, Royal Economic Society, London Business School, Regent's Park, London NW1 4SA.

## Support for small academic expenses

The Society is able to offer financial support to members who require small sums for unexpected expenditures. The type of expenditures which could qualify for support under this scheme include 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: Professor Anton Muscatelli, Vice-Principal (Strategy and Budgeting), Daniel Jack Professor of Economics, Adam Smith Building, University of Glasgow, Glasgow G12 8RT.

Please note that the closing dates for applications are **31 January, 31 May, and 30 September** each year and applications will **only** be considered at these times.

NOTE: This scheme does NOT cover assistance to members who wish 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. See details below.

## 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 Anton Muscatelli, Vice-Principal (Strategy and Budgeting), Daniel Jack Professor of Economics, Adam Smith Building, University of Glasgow, Glasgow G12 8RT.  
Fax: +44 (0)141 330 3547

## 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.  
E-mail: eburke@london.edu or via the Society's home page on the internet ([www.res.org.uk](http://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.

## RES Annual Public Lecture 2005

Professor Paul Seabright will deliver the Society's 2005 Annual Public Lecture in Edinburgh on 8th December and London on 9th December (15.30-17.00).

### The Biology and Economics of the Sex War

“ Throughout the animal kingdom relations between the sexes involve a fascinating mix of conflict and cooperation, and human beings are no exception. In nature, the females of each species control scarce biological resources for access to which males have to compete. Why then have men controlled more economic resources than women, in almost all societies and at almost all periods of history? ”

In this lecture Paul Seabright takes his audience through a tour of the many ingenious strategies that males and females have used to manipulate their partners and rivals, from primates to prehistoric humans to modern men and women. We can improve our understanding of our pre-history, he suggests, using some simple ideas about the economics of scarce resources. Doing so is indispensable if we are to improve relations between men and women in the present.

Admission is free but by ticket only. The lecture (including questions) will last approximately 1½ hours. Tickets may be obtained by emailing:  
res@london.edu

## RES 2006 Easter School

The fifteenth Easter School organised by the Society, with financial support from the ESRC, will be held at the **University of Birmingham** from \_\_\_\_\_ **April 2006**. The School is intended primarily for **advanced post-graduate students** but is also open to 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 economics, to have the opportunity for study and discussion with two leading authorities in this field, and to meet other graduate students.

In 2006, the subject of the school will be XXXXXX;  
the lecturers will be  
Professor xxx (University of xxx)  
and Professor xxx (University of xxx).

Further information on topics can be obtained from the Easter School web site at:  
[www.bham.ac.uk/economics/reses.htm](http://www.bham.ac.uk/economics/reses.htm)

Places are available for 25 resident students. Accommodation and meals will be provided for the duration of the course. Nominations must be made through the applicant's Head of Department and should be supported by a short CV, a reference, and a note on the applicant's research interests.

Applications should be submitted no later than **XX December 2005** to The Secretary, Royal Economic Society Easter School, Department of Economics, University of Birmingham, Edgbaston, Birmingham B15 2TT. Successful applicants will be informed in early February 2006.

## Annual Conference 2006

The 2006 Annual Conference will be held at the University of Nottingham from  
**Tuesday 18th to Thursday 20 April 2006**

### Keynote speakers include:

Colin Camerer, California Institute of Technology

David Card, University of California, Berkeley

John Sutton, London School of Economics (Presidential Address)

### Financial Assistance

Postgraduate students who present papers at the Conference will be eligible for financial support.

### Conference Volume

Papers which are accepted for the Conference will be eligible for consideration for publication in the Conference Volume of *The Economic Journal*.

Further information from: [www.res.org.uk](http://www.res.org.uk)

# Conference Diary

2005

16-18 November

Innsbruck, Austria

CALL FOR PAPERS

*Fifth annual conference on International institutions: new agenda of the WTO: challenge and contribution of the European Union.*

Further information from: [www.uibk.ac.at/csi/](http://www.uibk.ac.at/csi/)

October

14 October

Erfurt, Germany

CALL FOR PAPERS

*Fifth conference on Fiscal Sociology* organised by the University of Erfurt.

Further information from: [juergen.backhaus@uni-erfurt.de](mailto:juergen.backhaus@uni-erfurt.de)  
or [www.uni-erfurt.de/finanzwissenschaft](http://www.uni-erfurt.de/finanzwissenschaft)

19-20 October

Karvina, Czech Republic

*Tenth international conference on Finance and Banking.*

Further information from:  
[www.opf.slu.cz/pb2000/2005/invitation\\_2005.pdf](http://www.opf.slu.cz/pb2000/2005/invitation_2005.pdf)

20-21 October

Clermont-Ferrand, France

*Fifth international conference on the Chinese economy: China in the world economy* to be held at the Université d'Auvergne.

Further information from:  
[www.cerdi.org/colloque/chine2005/](http://www.cerdi.org/colloque/chine2005/)

november

10-11 November

Genova, Italy

*Tenth annual conference* of the Italian Health Economics Association on the subject **Individual and collective choices in health protection** to be held at the University of Genova.

Further information from:  
[www.aiesweb.it/convegno/co0006/convegno.htm](http://www.aiesweb.it/convegno/co0006/convegno.htm)

december

12-13 December

London

CALL FOR PAPERS

*Conference on Capital markets, corporate finance and money and banking* to be held at Cass Business School. The conference aims to provide a forum for the presentation and exchange of research results and practical experiences across a wide range of research topics in capital markets, corporate finance, corporate governance, banking, international finance and empirical analysis of financial markets including the econometric analysis of high-frequency data, derivative trading strategies and design, risk management and European monetary policy. Papers should be submitted by **31 October 2005** to Giovanni Urga ([g.urga@city.ac.uk](mailto:g.urga@city.ac.uk)).

Further information from: Giovanni Urga at above e-mail or [www.cass.city.ac.uk/faculty/g.urga/info1.html](http://www.cass.city.ac.uk/faculty/g.urga/info1.html) or [www.cass.city.ac.uk/conferences/mariecurie/index.html](http://www.cass.city.ac.uk/conferences/mariecurie/index.html)

15-16 December

Hamburg, Germany

*Conference on East Asian monetary and financial integration* organized by the Hamburg Institute of International Economics. The conference aims to bring together experts in the field of monetary and financial integration in order to discuss current developments in East Asian financial markets and the prospects of regional financial and exchange rate cooperation.

Further information from: Ulrich Volz, Hamburg Institute of International Economics, World Economy Department, Neuer Jungfernstieg 21, 20347 Hamburg, Germany.  
E-mail: [Ulrich.volz@hwwa.de](mailto:Ulrich.volz@hwwa.de) or [www.hwwa.de/Forschung/Handel\\_&\\_Entwicklung/Veranstaltungen/Asia\\_Conference\\_2005.htm](http://www.hwwa.de/Forschung/Handel_&_Entwicklung/Veranstaltungen/Asia_Conference_2005.htm)

2006

20-24 March

Oxford

## january

15-16 January

Berlin

*First annual workshop* of the **Households in Conflict Network**. Speakers include: Robert Bates (Harvard), Klaus Deininger (World Bank), Macartan Humphreys (Columbia University) and Mansoob Murshed (Institute of Social Studies, The Hague).

*Further information from:* [www.hicn.org/papers/callforpaper-sjan06.pdf](http://www.hicn.org/papers/callforpaper-sjan06.pdf)

## february

24-26 February

Philadelphia, USA

### CALL FOR PAPERS

Annual Conference of the Eastern Economics Association to be held in Philadelphia, USA. Papers should reach the organisers by **January 14 2006**.

*Further information from:* [www.iona.edu/eea/conf2006/pahome.htm](http://www.iona.edu/eea/conf2006/pahome.htm)

## march

16 - 19 March

Berlin, Germany

*Sixty-first Conference of the International Atlantic Economic Society* to be held in Berlin.

*Further information from:* [iaes.org/conferences/future/berlin\\_61/index.htm](http://iaes.org/conferences/future/berlin_61/index.htm)

*Annual Royal Economic Society Easter School in Econometrics* to be held at Nuffield College, Oxford. The topic will be Dynamic Panel Data presented by Manuel Arellano (CEMFI) and Steve Bond (Nuffield College and IFS). Open to advanced post-graduate students and recently appointed members of teaching and research staff.

*Further information from:*

[www.nuff.ox.ac.uk/Users/Nielsen/RES/EasterSchool2006.html](http://www.nuff.ox.ac.uk/Users/Nielsen/RES/EasterSchool2006.html)

## april

18-20 April

Nottingham

*Annual conference of the Royal Economic Society* to be held at the University of Nottingham.

*Further information from:* See page 18 and [www.res.org.uk](http://www.res.org.uk)

## may

17-19 May

Wageningen, Netherlands

### CALL FOR PAPERS

*Conference on Economics of Poverty, Environment and Natural Resource Use* organized by the Environmental Economics and Natural Resources Group, Wageningen University. Papers should be submitted by **31 January 2006**.

*Further information from:* [conference.enr@wur.nl](mailto:conference.enr@wur.nl) or [www.socialsciences.wur.nl/enr/](http://www.socialsciences.wur.nl/enr/)

26-28 May

Montreal, Quebec

### CALL FOR PAPERS

*Fortieth annual conference of the Canadian Economics Association* jointly with Canadian Agricultural Economics Society to be held at Concordia University.

*Further information from:* <http://economics.ca/2006/en/>

## june

29 June-3 July

San Diego, USA

21-24 June

Nice, France

### CALL FOR PAPERS

*Eleventh annual international **Joseph A. Schumpeter** conference.* Papers should be submitted by **4 January 2006**.

*Further information from:* [www.schumpeter2006.org/](http://www.schumpeter2006.org/)

### CALL FOR PAPERS

*Eighty-first Annual Conference of the Western Economics Association..* Proposed papers should be submitted by **21 December 2005**.

*Further information from:*  
[weainternational.org/conferences.htm](http://weainternational.org/conferences.htm)

23-26 June

Iowa, USA

### CALL FOR PAPERS

*Thirty-third annual conference of the **History of Economics Society** to be held at Grinnell College, Iowa.* Those wishing to present a paper or organise a complete session should submit an abstract by **15 February 2006** to Bradley W. Bateman, President-Elect, History of Economics Society, Department of Economics, Grinnell College, Grinnell, Iowa 50112 USA.

*Further information from:* Bradley W Bateman at the above address. E-mail: [hes2006@grinnell.edu](mailto:hes2006@grinnell.edu) Tel: 641 269 3145 Fax: 641 269 4284

## october

5-8 October

Philadelphia, USA

### CALL FOR PAPERS

*Sixty-first Conference of the International Atlantic Economic Society* to be held in Philadelphia, USA.

*Further information from:*  
[iaes.org/conferences/future/berlin\\_61/index.htm](http://iaes.org/conferences/future/berlin_61/index.htm)

# Membership of the Royal Economic Society

*Membership is open to anyone with an active interest in economic matters.*

*The benefits of membership include:*

- Copies of the *Economic Journal*, the journal of the society, eight times a year.

The *Economic Journal* is one of the oldest and most distinguished of the economic journals and a key source for professional economists in higher education, business, government service and the financial sector. It represents unbeatable value for those who want to keep abreast of current thinking in economics. Issues are divided into those containing 'Articles' — the best new refereed work in the discipline — and 'Features' including symposia and regular features on data, policy and technology.

- On-line access to *The Econometrics Journal*, a new electronic journal published by the Royal Economic Society and Blackwell Publishers. The journal seeks particularly to encourage reporting of new developments in the context of important applied problems and to promote a focus for debate about alternative approaches.

- Copies of the Society's *Newsletter*. This is published four times a year and offers an invaluable information service on conferences, visiting scholars, and other professional news as well as feature articles, letters and reports.

- The right to submit articles to the *Economic Journal* without payment of a submission fee.

- Discounts on registration fees for the Society's annual conference.

- Discounted prices for copies (for personal use only) of scholarly publications.

- The opportunity to take advantage of the grants, bursaries and scholarships offered to members of the Society.

Details and application form are available from:

**The Membership Secretary, Royal Economic Society,  
University of York, Heslington, York, YO10 5DD.**

## Membership rates for 2005 are £45 (\$65)\*

There is a reduced rate of £22.50 (\$36) for members who reside in developing countries (with per capita incomes below US\$500) and for retired members. A special offer of three years membership for the price of one at this reduced rate is available to full-time students who join the Society for the first time in 2005.

\* All customers in the EU should add 5 per cent VAT to these prices or provide a VAT registration number or evidence of entitlement to exemption. Canadian customers please add 7 per cent GST or provide evidence of exemption.

Ordinary UK member: £45 + £2.25VAT = £47.25

Ordinary EU member: 68 + 3.40 = 71.40

Ordinary Canadian member \$65 + \$4.55 = \$69.55

Reduced rate members: \$36/ 34/£22.50 + GST/VAT as appropriate.

If you would like to join the Society, complete the adjacent application form and return it to the Membership Secretary at the address above.

Please enter my name as an applicant for membership of the Royal Economic Society. I enclose a cheque for

..... in payment of my subscription for 2005.

Name:

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Address:

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Occupation..... Date.....