



Newsletter

■ Correspondence

Letter from France p.3

■ Features

Assessing the legacy of the Olympic Games p.6

Our 'American Correspondent' gets Nobel award p.10

The RES Annual Public Lecture p.11

Monetary and Financial Policy Conference p.12

A UK Housing Evidence Centre p.15

Econometrics Journal - Editor's Annual Report p.16

Economic Journal - Editors' Annual Report p.18

■ Obituaries

Suzanne de Brunhoff p.21

Kazimierz Laski p.22

■ RES News p.22

■ Conference diary p.25

Congratulations Angus!

It's now some weeks since it was announced that the Swedish Central Bank's Prize in Memory of Alfred Nobel in 2015 would be awarded to Angus Deaton. Readers will know that Angus has contributed a 'Letter from America' twice a year to this *Newsletter* for many years. The citation does not specifically mention Angus's epistolary efforts on our behalf, but even so they make up part of his considerable contribution to economics over many years. Even belatedly, it's a pleasure to offer our congratulations.

Being the January issue, this Newsletter contains the reports from the editors of the *Economic* and the *Econometrics Journals*. These are slightly truncated owing to a glitch in the editorial office of the *Newsletter* but the full reports either are, or will shortly be available on the Society's website.

Over the last few years, the Society's Annual Public Lecture has proved very popular, increasingly so now that it makes use of the latest technology to allow audiences to watch it live at remote locations and to submit questions at the end. We reported on these innovations last year and this year we have a summary of the lecture given by Rachel Griffith.

There's also an interesting feature on the complex (and controversial) process of assessing the legacy of major public events like the Olympic Games. Apart from the difficulties of data collection and calculation, there lies the problem that bedevils all policy evaluation that tries to establish the *net* effect: the construction of the counterfactual proposition. Ever since David Hume made the unfortunate error of asserting the equivalence of 'if *x*, then *y*' and 'if not-*x*, then not-*y*' as causal propositions, philosophers have wrestled with the problem of distinguishing true from false counterfactuals. It was a debate that seemed to be making some progress in the 1970s and 80s. Perhaps we should go and see how they're getting on.

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The Society's bee logo

The Society's logo, shown below, has been used from its earliest days. The story behind the use of the bee refers to the 'Fable of the Bees' by Bernard Mandeville, an 18th Century essayist which alludes to the benefits of decentralisation by looking at co-operation amongst bees and showing how the pursuit of self-interest can be beneficial to society. The Latin quote comes from Virgil and speaks of the drive of bees.



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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, reports of conferences and meetings, and news of major research projects** as well as **comment on recent events**.

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 Letter from France —

Unintended consequences

In his latest letter, Alan Kirman reflects on a difficult year for France and at the disturbing perception of 'immigrants' that has emerged from it.

The year began badly in France, terrorists assassinated a number of the members, the cartoonists, of the satirical journal *Charlie Hebdo*. Though there were many who thought that the cartoons were too acerbic, there was a huge reaction with an unparalleled display of solidarity with the victims, among whom was Bernard Maris, a widely read, and, for want of a better word 'heterodox' economist. On the same day there was an attack on a Kosher supermarket with many victims. Again there was overwhelming sympathy for the victims. This solidarity frayed a bit at the edges as various figures tried to gain some political capital from the event but, on the whole, solidarity was the order of the day.

A gift to the 'right'

Towards the year's end, on Friday November 13th to be precise, there was a series of attacks on a theatre frequented mainly by young people and various cafes and their terraces in the 10th and 11th arrondissements of Paris. But this time the reaction was different. The battle cry, if I can use that unfortunate term, has been 'La France est en Guerre', and the leaders of the political parties have vied with each other to show their determination to 'crush' Daesh, or Isis, the organisation behind the attacks. The emphasis is no longer on a sober desire to make sure that the fabric of French society is untouched by terrorism, but rather to call hysterically for 'firmer' and firmer action. Whether this is likely to be effective or not is no longer the issue. Declaring a state of emergency, rounding up people suspected of being involved in activities favouring terrorism, banning public demonstrations including the march in favour of stronger measures to limit the effects of climate change, and suspending the freedom to cross borders within Europe without passport controls, have all been measures quickly taken and quickly approved. There is now talk of amending the constitution to allow a state of emergency to be extended to six months. All of this carries sinister echoes from the past when the suspension of various human rights accompanied the rise of fascism. Indeed the regional election results in France show a sharp rise in support for the Front National.

Those not familiar with the French scene should know that the Front National was the party of Jean-Marie Le Pen a denier of the holocaust and an avowed admirer of Hitler. His daughter who took over the party has claimed

that the party is now 'mainstream' but all the evidence from the few towns governed by this party is to the contrary. The sort of measures proposed by them involve limiting immigration in general and preventing as far as possible the immigration of more Muslims into France. These are things that they wanted to do anyway but the attacks provided a wonderful pretext for trying to put them into practice. After the first round of the regional elections the Front National could claim to have the biggest following of any party in France.

As it happens, in the second round of the elections, in two key regions, the socialists desisted leaving a one on one combat between the 'republican right' and the Front National. Although it went against the grain, most of the socialist vote went to the more orthodox right wing party and the Front National did not conquer any region. This suggests that, for the moment at least, the 'Barrage Republicaine' is still effective against the Front National. But there are two negative aspects. In those regions where the socialists withdrew, there are no socialist representatives and secondly there is no sign that the conventional parties are interested in why people vote for the Front National and are now convinced that by 'cracking down' on terrorism and filtering immigrants they will bring the Front National voters back into the fold. Valerie Pécresse the successful candidate in the Ile de France now talks about putting up a 'security shield' around Paris!! When people feel insecure it seems unlikely that such measures will lessen that feeling.

The government came out of the elections better than expected and has also jumped on the terrorism bandwagon and reacts almost hysterically to any threat, real or imagined. Early in December, a schoolteacher, who was preparing his classes at 7 in the morning claimed to have been attacked by an intruder who injured him with a razor and scissors and who claimed that this was revenge for Daesh or Isis. Immediately, the Minister for Education and the Prefet of the Department appeared on the scene to denounce this 'grave' act of terrorism. Unfortunately for them, it turns out that the poor teacher was panicked about an academic inspection and injured himself to avoid facing it! Such unthinking and reactive behaviour by those in authority does little to encourage the average person to believe that he or she is in good hands.

Yet, if the problem was really to combat terrorism, as

Helmut Schmidt (who died just before the attacks) once argued, fighting terrorism is a problem for the Interior Ministry and not one of a war necessitating a change in the constitution. As the Mayor of Madrid, pointed out, after the devastating attacks in 2004, in which nearly 200 people died, the Spanish constitution was not changed nor was a long term state of emergency declared.

One might, however, ask why the reaction to the two attacks has been so different and so much more radical to the second. The answer is not difficult to find. In fact, there are two reasons. Firstly the attack on Charlie Hebdo had an albeit fanatical logic, this was a journal that dared to make fun of religion in general and Mohamed in particular and the simultaneous attack on a Kosher supermarket was clearly a religious target. The attacks could thus be portrayed as part of a religious war which did not directly threaten the man in the street. Secondly national elections were further off, whereas now all the parties except the Front National, of course, were involved in the regional elections and were seeking to recover some of those who were tempted to vote for the extreme right.

One of the unexpected consequences of these tragic events was the decision to employ a large number of extra police and security forces. This, of course, meant in the short run abandoning any quick return to the deficit goals set by the EU in accord with the Maastricht treaty. France had an excuse to undertake a Keynesian stimulus which it did not have the courage to enact before. But, using a clause from the European Union treaty, Francois Hollande was able to declare that the 'security treaty' was more important than the 'stability pact' and thus to get a temporary exemption from the written rules. History repeats itself again, war or quasi-war is offering the way out of an enduring self-inflicted recession.

Ignoring the economic context...

Yet, the government does not seem to see the connection between the evolution of the economy, the rise of the right and the increase in recruitment of French youth to Daesh. They seem to have forgotten that the real minimum wage has stagnated for years now and although it has nominally kept pace with overall inflation, many of the recipients have seen their standard of living falling. Worse, these same people see little hope that their children will do any better. These are the things that drive people into the arms of Marine Le Pen. In my 2006 letter I looked at why Marseille did not erupt with the riots that took place in other French cities, and one of the reasons seemed to be that the city had invested in creating several hundred small sports centres with young local people in charge. The latter hired young 'animateurs' who, at least had something to lose. A small public investment apparently gave a good return. But, this month when the government had the chance to make a small increase in the minimum wage, they refused to do so on the grounds

that this would, according to their forecasts and those of the European Union, aggravate the deficit problem.

For those of us who think of the economy as a complex adaptive system in which actions are likely to have unintended consequences it is hard to believe how much faith both economists and policy makers put in their forecasts carefully generated from various administrations' macro-economic models. These forecasts are inevitably carefully revised and the, often quite different, revisions are treated with the same respect as the original erroneous ones. Yet the fact that the forecasts are so unreliable should not come as a surprise given all the feedbacks, both positive and negative, in the system. The unintended consequences of policies based on existing macroeconomic models and the associated forecasts may be dire.

One is tempted to make the analogy with those who attempt with somewhat primitive policies to modify the situation in the Middle East for example. As Jeff Sachs points out in a recent article, when the CIA carefully selected, trained and armed Wahabi sunnis to fight the Russians in Afghanistan, with the help of Bin Laden's financing, they had not realised that when one Satan had been dispatched another was needed and unfortunately that was us. So the Taliban took over Afghanistan, Al Qaeda formed and attacked the US and, another myopic war led the 'defeated' to morph into Daesh and many people including the French paid the price.

The French have now succumbed to the idea that Daesh can be eliminated by bombing their strongholds in Syria and Iraq and by stepping up the security forces in France. This will certainly improve the unemployment situation in France but will not do much more. One is reminded of an early Peanuts cartoon in which Lucy stamps on a puddle and then looks with satisfaction at all the little puddles she has created and says 'there, I have liberated them!'

All of this is to try to explain the current atmosphere in France, where the elections have been dominated by questions of security and economic problems are being pushed to one side. The closing down of a number of mosques and various restrictions on the members of the Muslim community will shift the distribution of Muslim youths' willingness to take part in some extremist activity towards increasing the tail of the distribution of those that are willing to do so. That shift could translate into many new attacks just as it has translated into increasing recruitment from France by the Jihadists in Syria. The terrorists behind the recent attacks have not been new immigrants but rather French nationals, some with no police record at all. Closing the frontiers will not help with this problem, though the siren calls to restrict movement and dismantle the Schengen area are strong and politically seductive for a government which just escaped suffering a wholesale defeat in the regional elections in the middle of December.

Though the recent attacks were tragic and cast a pall over the city of Paris they were tiny compared to 9/11 and, as Doris Lessing pointed out, compared to the 3700 who died in the 30 year IRA campaign. Perhaps the most important lesson one can draw from this is that, in the end stoicism, and the eventual waning of the ferocity of the IRA led to a settlement whilst neither the war in Iraq nor that in Afghanistan has led to any such happy outcome.

One of the interesting things about writing this letter is that certain themes are recurrent but always in a modified form. As I have said, in the 2006 letter I looked at the riots in France in 2005 and the question of the identity of those responsible. Now the question is what is the identity of those guilty of the recent attacks? Although they were essentially French nationals they are largely perceived as being 'immigrés' even though of second or third generation just as were those responsible for the riots in French cities in 2005.

Hence the calls for restrictions on immigration. One hears the same calls in the US. Yet as Nicholas Kristof pointed out in the *New York Times* on December 7th no refugee in America has killed a single person in the last 12 years. In France the argument has been that terrorists will slip in to the country along with the hordes of refugees now arriving. The fact that a Syrian passport was found in one of the cars used by the terrorists was used to back up this claim. However the passport turned out to have been a forgery. The obsession with the peril from immigrants and their offspring is all the more puzzling when one observes that France has a net immigration figure of 1.09 per 1000 inhabitants (2014 figures from the INSEE) hardly a figure to provoke the alarm that has been displayed particularly when compared with other countries such as the UK which experienced a 28 per cent year on year increase in March 2015 and Germany which also had a large influx. The complete 2015 figures which will include the recent wave of immigration from Syria and Iraq are, of course, not yet available. Nevertheless, immigration has been an increasingly important theme in French elections even though there has been a substantial drop in net migration from 2010 to 2014.

...and blaming refugees

If this focus on immigration continues the European project which has been centred around the free movement of labour may unwind. Germany has understood this and, as a result, will resist as strongly as possible the British demands for a relaxing of the rules on the treatment of immigrants. Yet the real problems faced by Europe lie elsewhere. Without a move to more integration or if one can use that unloved term, federation, it is difficult to see how the tensions inherent in the way in which the union has evolved will be eliminated. What is needed now is surely a move to cooperative solutions rather than the 20th century (to be kind) emphasis on

increased competitiveness. At some point a coalition with France and Italy as key members will form to push the 'surplus' countries into participating in the redistribution and debt restructuring necessary to keep Europe together. But, if the debate continues to be focused on what to do about immigration this will not happen.

Yet, after these somewhat polemical remarks, for which I hope the readers will forgive me, it might just be worth reflecting on the other thing that happened in France in December, the Paris agreement on the climate (COP21). Although not binding, at last all the nations agreed that something had to be done, and somehow the worries about Europe's future pale into insignificance in comparison to the fate of our planet. Paradoxically the fact that we are faced with this situation, is, as with the economy, yet again the result of our failing to understand much earlier that our actions have influenced a complex system and produced unintended but radical consequences. Nevertheless, the common agreement to do something about it means that the year has ended on a somewhat more optimistic note.

The quality of GDP data

Did you know:

- Switzerland and Luxembourg have excellent quality economic data along with the US?
- Haiti has the worst?
- The United Kingdom ranks a lowly 20th in the global league table for economic data?

Gross Domestic Product (GDP) data is flawed to an extent that few realise. It is used in many ways, without thought as to its accuracy. It is used to apportion funds from international organisations, to direct governmental aid flows, to make corporate investment decisions, to influence rating agency decisions and much more. In short, GDP data is massively influential, but totally inadequate for the demands made of it. Very few countries achieve the high standards which such important data should meet. It is therefore not a trivial task to find some way to check which countries data can be trusted, and which are seriously misleading.

World Economics has developed a new way to gauge the quality of individual countries' GDP data: the Data Quality Index (DQI). The DQI currently covers 5 factors of importance in determining data quality: base years used, national accounts standards used, size of the informal economy, resources devoted to measuring economic activity, and the intensity of corruption. Currently 154 countries are covered by the Index.

The full interactive DQI can be found online at:

<http://www.worldeconomics.com/pages/Data-Quality-Index.aspx>

Assessing the legacy of the London 2012 Olympic Games

In August this year the 31st Olympiad will open in Rio de Janeiro. More than usually, these preparations have been accompanied by doubts about the Rio authorities' ability to meet the complex requirements and spiralling costs of the event and whether it's in their interests to do so. In this article Allan Brimicombe¹ describes the difficulties involved in evaluating the benefits of hosting major international events of this kind.

The Olympic Games have been dubbed the 'greatest show on Earth' and whilst the President of the International Olympic Committee (IOC) stopped short of pronouncing London 2012 as 'the greatest Games ever', that they were a successful event is not in doubt. But what of the legacy — has the London 2012 Games been living up to its promises? The IOC's official impact report — the Olympic Games Impact (OGI) studies — published in December 2015² assesses just that. OGI meet the IOC's desire to develop an objective and scientific analysis of the impact of each edition of the Games and are intended to provide a record of both the individual nature of each Olympiad and its host context. London 2012 were the first Summer Games for which this was mandated through the Host City contract. But there have been quite a number of other enquiries³, reviews⁴, 'meta-evaluations'⁵ and 'supra-evaluations'⁶ as well. This article looks at the landscape of assessing the legacy of London 2012.

Defining legacy

So what is Games legacy? It is defined here simply as: *any net impact arising from the Games*. The term 'impact' refers to any change or transformation, for better or for worse, that has taken place and which can be attributed to the Games — in other words the linkage, direct or indirect, to the Games needs to be understood. However, the key term in the definition is 'net', that is, the impact that has occurred over and above what would have happened without the Games. Hosting something like the Olympic Games is rarely context-free or designed on a *tabula rasa*; rather it is superimposed on existing trajectories of historical development. Establishing a plausible counterfactual to measure net impact is therefore critical to knowing what the true legacy of the Games is.

Legacy aspirations are often stated simply for public, non-technical consumption and tend to gloss over their underlying complexity and multi-dimensionality. Thus in the case of London 2012 legacy promises, exactly what is meant by 'to transform the heart of East London'⁷ in measurable legacy terms? For a start 'East London' does not have any standardised (administrative) geographical

definition and so where is its 'heart' and furthermore what is intended to be transformed over what time horizon? For political reasons these are often left vague so it is easier for politicians and administrators to say this or that aspect was a success (cherry-picking legacy), or if things are not going to plan to say that it is too soon to see an effect. But if we are to measure legacy, then these legacy aspirations need to be translated and decomposed into measurable components of outcomes for defined geographical extents and for defined time horizons.

Data issues

A common misconception is that the measurement of legacy only occurs after an event is over and the 'show has left town'. Because the very act of preparing for a bid for the Games may have already set in place changes that anticipate some legacy (such as land agglomeration for an Olympic Park), ideally the baseline needs to pre-date the bid preparation. For the London 2012 OGI study the base year is 2003 and extends twelve years to 2015 and thus includes three years of the legacy period.

Cities rather than countries are contracted to host the Olympic Games and whilst the impact of such an event may be (purposefully) uneven across the city, its impact may extend well beyond the city itself. Location features strongly because legacies happen in specific places — they are geographically rooted — but nevertheless can manifest themselves across a range of scales. The IOC OGI studies stipulate three scales of analysis: city, region, and country; and of course these terms are themselves open to interpretation. Thus in the case of London 2012 the 'city' is deemed to be the London Boroughs hosting the Games venues (the Host Boroughs; initially five boroughs but extended to six in 2011⁸), the 'region' is London as a whole and the country is preferably the United Kingdom but could be Great Britain, England and Wales or England depending on availability of compatible data amongst the devolved administrations that currently constitute the United Kingdom.

Most approaches to assessing legacy rely on quantitative indicators to monitor change in aspects of the environment, economy or socio-cultural landscape. There are a number of issues that arise with this. The first is defining

the indicator(s) that will adequately reflect change in the phenomena to be monitored. This can be quite hard for soft legacy such as 'being inspired' by London 2012. Choice of indicator(s) inevitably needs to be mediated against the availability of open data of appropriate temporal and spatial granularity, or, if resources permit, a program of data collection. Inevitably this leads to a compromise in choice of indicator(s) which may not directly reflect the phenomenon to be monitored but act as good proxy or latent variables, or as a group of variables that triangulate the target phenomenon. Then there is maintaining the integrity of a time series over the period necessary to see a legacy effect. As noted, for the IOC OGI this is deemed to be 12 years. Published data sets can be discontinued, the method of compilation changed, definitions of variables and the questions asked in official surveys can be revised, and sample sizes (more often than not) reduced. Then there is the lag in official and administrative statistics. It takes time to collate returns, quality assure, disclosure control and finally be approved for publication. This generally means an 18-24 month lag and so data released in 2015 might only be reflecting the situation in 2013.

Approaches to the London 2012 games

At the time of writing, the author has on his hard disk nearly 200 reports and papers on all aspects of (mostly) anticipated and (some) measured legacy of the London 2012 Games. This volume of reports is symptomatic of the government's preoccupation with legacy and a deep-felt need to show that the Games were worthwhile and beneficial (profitable) for the whole country, not just London. This is part of a trend where democratically accountable governments increasingly seek to justify their policies, actions and public sector spending by evidencing their merit, quality and efficacy. Thus formal evaluation of policy interventions and their outcomes have been an integral part of achieving transparency in accountability. The UK Government has a number of documents giving guidance for evaluation, impact assessment and cost-benefit analysis. Key amongst these is:

- *The Green Book* :⁹ This book provides a framework for the appraisal and evaluation of government policy and projects. The difference between 'appraisal' and 'evaluation' is in the timing. Appraisal is an assessment as to whether a proposed project or policy intervention is worthwhile and most commonly takes the form of a cost-benefit analysis. Evaluation takes place post-implementation to see to what extent the objectives of the project have been achieved and what lessons might be learnt. A supplement to the *Green Book* has been issued¹⁰ to cover techniques in social cost-benefit analysis. An example of cost-benefit analysis for London 2012 is one carried out at the point of deciding whether or not London should make a bid for the Games¹¹. On an estimated expenditure of £1.9bn the income ranged from £1.65bn to £1.98bn, that is, from an 8 per cent loss to a 4 per cent surplus. Much of this

variation arose from uncertainty in the tourism income which in many Olympic cost-benefit analyses is viewed as the key wider economic benefit of staging the Games. The decision, as we know, was to go ahead with a successful bid. But by 2005 the estimate for public sector funding had risen to £2.4bn and by 2007 to £9.3bn¹² primarily because the anticipated private sector involvement in the construction did not materialise. Studies of the Sydney 2000¹³ Games have shown that many such *ex ante* cost-benefit valuations are over optimistic of the economic stimulus that can be expected from the Olympics.

- *The Orange Book*:¹⁴ This book provides a model of risk management. Any Games event has substantial risks (financial, reputational and otherwise). If these risks are identified and monetised at an early stage, then sufficient mitigation and financial contingency can be put in place to cover the risks. In 2007 the National Audit Office (NAO) carried out a risk assessment of the preparation phase for the London 2012 Games¹⁵ and identified six areas of risk that needed to be managed. Prime amongst these was delivery against an immovable deadline; also included was planning for a lasting legacy. By 2010 a contingency of £2.2bn was in place to cover risks. These were of three types: programme contingency (£0.97bn) for the construction of the Olympic Park on a constricted site to a fixed deadline; funders' contingency (£1bn) for changes in scope and wider economic conditions; and a security contingency (£0.24bn). The post-Games audit¹⁶ showed that not all the risks materialised and that an underspend of £0.38bn on the contingency was achieved. The same audit also looked at the immediate legacy benefits which were viewed principally from the point of view of job creation (177,000 job years employment in the construction 2007-2012; 34,500 people in Games-related employment), progress on planned legacy use of the venues, and problems of governance and coordination of legacy delivery. '... it remains the case that numerous individual organisations are delivering aspects of the legacy and that coordination of this activity remains a challenge'.

- *The Magenta Book*:¹⁷ This book provides further guidance on programme evaluation and complements the *Green Book*. The key focus is to identify 'what works', highlight good practice, identify any unintended consequences or unanticipated results, and value for money that can be used to improve future decision-making. 'Not evaluating, or evaluating poorly, will mean that policy makers will not be able to provide meaningful evidence in support of any claims they might wish to make about a policy's effectiveness. Any such claims will be effectively unfounded.' Meta-evaluation, the synthesis of separate smaller evaluations, is also covered in this volume, and is further discussed below in relation to London 2012.

From the preceding discussion it is clear that measuring legacy can take a number of forms — valuation, evaluation, meta-evaluation, audit — and whilst they tend to be quantitative, can nevertheless be qualitative or a mixture of both. There is also a tendency to include historical analogues, that is, to use previous events as a benchmark or as a comparator to gauge progress or likelihood of legacy emerging. One such study was carried out by researchers at the University of Westminster for the Royal Institution of Chartered Surveyors¹⁸. This study used six case studies of previous events including the Barcelona 1992 and Sydney 2000 Olympic Games, the 1998 FIFA World Cup, and the Manchester 2002 and Melbourne 2006 Commonwealth Games, from which to draw conclusions about the likelihood of a regeneration effect from the London 2012 Games. A scorecard approach was used whereby, having identified from the case studies 15 criteria of good practice, London 2012 was rated and scored 165 out of a possible total of 200, or 82.5 per cent. What becomes clear is that where cities plan for legacy from the moment they start planning for an event, the more likely it is that the legacy will come to fruition. Legacy was embedded in the planning for London 2012.

The IOC naturally has a much broader interest in legacy that just regeneration and has mandated, through its Host City Contracts, for Olympic Games Impact (OGI) studies and, as already discussed above, the baseline is two years prior to being awarded the Games. OGI need to be carried out independently of the local organising committee and so for London 2012, the main phases of the OGI (pre-Games, Games time, post-Games) have been carried out by the University of East London (UEL), funded by the Economic and Social Research Council (ESRC)¹⁹. OGI are based on an IOC Technical Manual which provides the specification for the production of standardised data on up to 120 possible indicators in the environmental, social-cultural and economic spheres. Some of these indicators, such as *So9 Health*, are themselves baskets of indicators capturing many dimensions. Not all 120 indicators are expected to be reported on for all Host Cities, but an appropriate selection is negotiated between the IOC and the local organising committee. Thus for the final post-Games London 2012 report, 67 indicators were deemed necessary (15 environmental, 27 socio-cultural, 25 economic) to adequately assess the legacy.

In relation to OGI, no official counterfactual was established. Instead the trend in the data from 2003 onwards are analysed and interpreted as to whether the changes reflect a net impact that can be attributed to the Games. In some cases, such as the transformation of the Olympic Park site or improvements in the transport infrastructure, this is straightforward. In others it has been difficult to disentangle regional and national trends and government policy changes and interventions from the effect that the Games have had *per se*. A case in point would be crime rates which have fallen in East London but then been

generally falling nationally since 1997 as part of the ‘great crime decline’ affecting many western countries²⁰. Since London 2012 was touted as the ‘sustainable Games’, a method has been devised to calculate a sustainability rating using all the indicators where a minus score reflects outcomes that are unsustainable, zero is where the status quo has been maintained and a score of one achieves full sustainable. London 2012 has achieved an overall score of 0.63 (environmental 0.56, socio-cultural 0.68, economic 0.61) which is up from 0.37 in the 2010 Pre-Games OGI report and is because the nature of the impact of the London 2012 Games have become clearer in the years following the Games.

The OGI, as stated, shows change in relation to a baseline, but does not have a coherent counterfactual. To establish such a counterfactual for each and every indicator would be a daunting task. The counterfactual is more easily achieved where there is a single or small group of indicators such as when valuing the contribution to GDP of the London 2012 Games. The meta-evaluation study²¹ carried out by DCMS²² provides one such example. The direct spending on the preparation for the Games by the public sector — the Public Sector Funding Package (PSFP) — totalled just over £8.9bn. This included the land purchase, infrastructure and venue construction. The economic calculation of the gross GVA²³ impact of this spending for the period 2007-2012 is £11.5bn. Regarding the counterfactual for calculating the *net* impact, the report states ‘The modelling compares the impact of the Olympics with the counterfactual assumption that the Olympics weren’t awarded to London and therefore there was no construction or operational spending. There is no counterfactual assumption related to spending the public money on anything else.’ This, in the author’s view, is a politically convenient assumption to make because it means that the gross benefit is also the net benefit. Some displacement was accounted for (movement of production from other parts of the economy to the Games preparation) giving a net GVA impact of about £10bn and therefore the Games make an economic surplus. However, about £3bn of the PSFP came from sources such as the National Lottery and would have circulated in the economy and contributed to GVA even if London had not won the Games — so the counterfactual cannot be zero. The other £6bn of central government spending, a minuscule amount of total government spending, may well have been spent on other projects in the boom years prior to the recession. A more realistic counterfactual would have been to model the value of PSFP as government consumption (spending on goods and services e.g. more doctors and teachers). The net impact would then more properly reflect the difference between spending on consumption versus spending on infrastructure and thus value the true legacy.

Conclusions

There have been a considerable number of different ways to assess the legacy impact of the London 2012 Games. The IOC post-Games OGI report is the latest and probably not the last. As with any long term project that is intended to be a catalyst for long term change and transformation, the analysis of three years into legacy that the OGI report presents is only the beginning. The urban transformation of the Olympic Park is not expected to be complete before 2030. Cultural changes towards, say, more healthy and active lifestyles can take a long time, may even be generational. That London 2012 has been a catalyst for positive change is not in doubt, but when and where the process ends and what will be the full magnitude of the effect is not yet known. The story of London 2012 will continue to unfold for a long time to come.

Notes:

1. Professor Brimicombe, University of East London, has been the project manager for the IOC's Olympic Games Impact study for the London 2012 Games.
2. Online version available at <http://www.uel.ac.uk/geo-information/>
3. e.g. House of Lords Select Committee on Olympic and Paralympic Legacy (2013) *Keeping the Flame Alive: the Olympic and Paralympic Legacy*.
4. e.g. Cabinet Office (2015) *Inspired by London 2012: the legacy from the Olympic and Paralympic Games*.
5. Department for Communities, Media & Sport (2013) *Meta-Evaluation of the Impacts and Legacy of the London 2012 Olympic Games and Paralympic Games - Report 5: Post-Games Evaluation*.
6. Centre for Sport, Physical Education & Activity Research (2013) *London Legacy Supra-Evaluation*.
7. Department for Communities, Media & Sport (2008) *Before, During and After*.
8. London Boroughs of Newham, Hackney, Tower Hamlets, Waltham Forest and Greenwich, to which was added Barking & Dagenham
9. Her Majesty's Treasury (2003) *The Green Book: Appraisal and Evaluation in Central Government*.
10. Her Majesty's Treasury and Department for Work and Pensions (2011) *Valuation Techniques for Social Cost-Benefit Analysis: Stated Preference, Revealed Preference and Subjective Well-Being Approaches*.
11. ARUP (2002) *London Olympic 2012 Costs and Benefits*.
12. Berman, G. (2010) Financing the London 2012 Olympic Games. House of Commons Library Standard Note SN3790.
13. Giesecke, J.A. and Madden, J.R. (2011) 'Modelling the economic impacts of the Sydney Olympics in retrospect - game over for the bonanza story?' *Economic Papers*, 30: 218-232
14. Her Majesty's Treasury (2004) *The Orange Book: Management of risk - principles and concepts*.
15. National Audit Office (2007) *Preparations for the London 2012 Olympic and Paralympic Games - Risk assessment and management*.
16. National Audit Office (2012) *The London 2012 Olympic Games and Paralympic Games: post-Games review*.
17. Her Majesty's Treasury (2011) *The Magenta Book: guidance notes for policy evaluation and analysis*.
18. Royal Institution of Chartered Surveyors (2011) *The 2012 Games: the regeneration legacy*.
19. The three reports and all underlying data are available from <https://www.uel.ac.uk/geo-information/>.
20. Zimring, F. (2007) *The Great American Crime Decline*. New York: Oxford University Press.
21. A meta-evaluation is an over-arching synthesis of the findings of individual project-level evaluations in order to provide a comprehensive understanding of outputs and impacts associated with a mega-project.
22. Department for Communities, Media & Sport (2013) *Meta-Evaluation of the Impacts and Legacy of the London 2012 Olympic Games and Paralympic Games; Report 5: Post-Games Evaluation, Economic Evidence Base*.
23. Gross Value-Added (GVA) measures the economic contribution of each producer and contributes to the calculation of Gross Domestic Product (GDP); $GVA + \text{taxes} - \text{subsidies} = \text{GDP}$.

The 2016 Annual Conference of the Royal Economic Society

will be held at

The University of Sussex, Brighton, Monday 21st March to Wed 23rd March 2016.

The keynote lectures will be given by:

- Esther Duflo (MIT) — *Economic Journal* Lecture
- Kristin Forbes (MIT and MPC) - Hahn Lecture
- Susanne Schennach (Brown) - Sargan Lecture

Economic Journal — Conference Issue

Authors of papers accepted for presentation at the 2016 RES conference will be entitled to submit their papers for possible publication in the associated conference issue of the *Economic Journal*. The conference volume is edited by the main Editorial Board of the *Economic Journal*.

Exhibitors at Conference 2016

To those interested in promotional opportunities at RES events, please contact the RES Conference & Events Assistant at Conference2016@res.org.uk.

Organisation

The Programme Chair for the 2016 conference is Richard Dickens (University of Sussex); the Deputy Programme Chair is Holger Breinlich (University of Nottingham); the Local Organiser is Dimitra Petropoulou (University of Sussex). The programme and local organising team can be contacted on Conference2016@res.org.uk.

RES's 'American Correspondent' receives Nobel honour.

We were delighted to hear last October, that Angus Deaton, who writes our regular 'Letters from America', had been awarded the Swedish Central Bank Prize in Memory of Alfred Nobel. This article, based on a blog by David Warsh,¹ records our congratulations and our gratitude to Angus for his entertaining efforts over many years.

Angus Deaton, 69, a Princeton University econometrician, has been awarded the 2015 Nobel Prize in economic sciences for forty years of work on consumer behaviour, concentrating in later years on well-being among the poor in the developing world.

His 1980 treatise, *Economics and Consumer Behaviour* (Oxford), with John Muellbauer, of Oxford University, the source of their 'Almost Ideal Demand System' of equations, is occasionally compared in its generality by enthusiasts of consumption theory to Adam Smith's *An Inquiry into the Nature and Causes of the Wealth of Nations*.

The prize to Deaton should have come as no surprise — he was among the featured speakers at a Nobel Foundation symposium on growth and development in 2012 — yet somehow it did. It is another of those awards for the development of conceptual tools useful mainly for building bridges between theorists and empirical economists. Similar awards have gone to Jan Tinbergen and Ragnar Frisch (in 1969); Trygve Haavelmo (1989); Daniel McFadden and James Heckman (2000); Robert Engle and Clive Granger (2003); Christopher Sims (2011); and Lars Hansen (2013). The award bears a resemblance, too, to those given for measurement — to Simon Kuznets, in 1971, and Sir Richard Stone, in 1984. (Deaton was Stone's student at Kings College, Cambridge.)

Deaton's own view of his work was revealed by telephone to the press conference in Sweden shortly after the announcement. He said, 'as someone concerned with the poor of the world, how they behave and what gives them a good life, I am delighted that this kind of research has been recognised'. As one of the great proponents of the importance of measurement in economics, he added, 'the work done by me and my colleagues relies on data collected by statistical offices around the world. The people working in these roles, especially in poor countries, are the great unsung heroes of economic analysis'.

A bear of a man, born in 1945 into a family of coal miners, to a father who had the good fortune to become a civil engineer, educated in Edinburgh, a college rugby player at Cambridge, Deaton is the sort of figure sometimes described as a man in full. He is a former president of the American Economic Association, the authority to whom

the World Bank turned for an evaluation of its research activities, a feisty participant in the controversy over the utility of randomized controlled trials in social science.

An engaging writer, Deaton is author of *The Great Escape: Health Wealth, and the Origins of Inequality* (Princeton, 2013); of a crisp little autobiographical essay ('Puzzles and paradoxes: A life in applied economics,' and a series of pithy semiannual letters from America for this *Newsletter*. Widowed in 1975, he raised two successful children with his second wife, Helga Staby Deaton, a child psychoanalyst; and collaborates frequently with his third, Anne Case, also a Princeton professor of economics. They entertain extensively in the manner he learned from Richard Stone in Cambridge, only, he says, without servants. Janet Currie, chairwoman of the Princeton economics department, described her former teacher to Binyamin Appelbaum, of *The New York Times*, as 'enormously funny and witty and well-read, frighteningly erudite and very good company.'

Like an earlier econometrician-laureate, Heckman, of the University of Chicago, Deaton has turned his attention to concrete problems having finished his tool-making days. Heckman conducts an ambitious program in early childhood development (and still produces an occasional methods paper). Deaton, since *The Great Escape* appeared in 2013, has become a forceful spokesman for the view that better institutions, rather than more foreign aid, are the way to help the billion persons 'left behind' in global poverty. With an office next to fellow Nobel laureate Daniel Kahneman (thinking, fast and slow), Deaton has become interested, too, in the determinants of reported happiness around the world.

With its emphasis on growth and development, as opposed to the inequality that inevitably accompanies it, *The Great Escape* makes an ideal companion to Thomas Piketty's *Capital in the Twenty-First Century* (Harvard, 2014). That, too, may have been part of what the Nobel committee had in mind.

Note:

1. David Warsh's blog, 'Economic Principals' can be accessed at <http://www.economicprincipals.com>

The RES Annual Public Lecture —

Does Starbucks Pay Enough Tax?

Contrary to popular belief, there is relatively little evidence that the UK or US lose substantial amounts of tax revenue due to firms' avoidance activities. This is surprising because it seems that there are ample opportunities for them to do so. Professor Griffith discussed why that might be the case, and some of challenges that governments face in effectively taxing firm profits.

The payment of a 'fair' rate of tax by multinational firms hit the headlines in 2016. Starbucks, Amazon and Facebook (and others) found themselves in the spotlight and the subject of unwelcome criticism from the general public as well as politicians in all major parties. Professor Rachel Griffith of the University of Manchester chose it as the subject for the Royal Economic Society's annual public lecture at the Royal Institution on Tuesday 24 November (and again at the Whitworth in Manchester on Thursday 3 December). As always, this popular event was well-attended and a much-larger audience was able to participate through subscribing to a live feed.¹ For most of the audience, the major revelation of Professor Griffith's presentation will have been just how difficult the question is to answer. Certainly, it is unlikely to be satisfactorily answered by simply quoting a target proportion of profits.

Consider some of the difficulties:

Firstly, there is the question of jurisdiction. Since multinational firms (by definition) operate in many countries which may have different corporate tax rates, there is an incentive for firms to declare most of their profits in a low-tax jurisdiction. One way round this might be to insist that firms pay the rate that applies in the country where their headquarters are located — but a 'headquarters' is as much a legal entity as an economic one. It doesn't cost much to put a brass plate on a door and employ a small 'headquarters' staff on a remote island with a low corporate tax rate. Furthermore, adopting this criterion might easily encourage a 'race to the bottom' as countries competed to attract multinational HQs by offering a low rate.

An alternative may be to charge the rate that applies in the country where the firm holds most of its assets. But here we have a relatively new problem — but one which is likely to become more pronounced with time, namely that assets are increasingly intangible. These are ideas and investments that do not have a physical presence. Intangible assets by their nature are not tied to a physical location — and unlike a piece of machinery, an idea can be used in many locations at the same time. In addition, the most valuable ideas are often those that can be combined with other ideas to create even greater value. Tying the value created in this way to a physical location — and thus to a tax jurisdiction — can be very difficult.

Furthermore, what constitutes a fair share of tax is itself difficult to pin down. For firms, the recent debate tends to

see it as the payment of the headline corporation tax rate on most of a corporation's declared profits. (To put it simply — since the firm writes the cheque, the firm 'pays' the tax). But it is not so simple. When economists talk about who pays a tax, they don't mean who writes the cheque. They mean 'who is made worse off by the imposition of the tax'.

This is called 'tax incidence'. A firm cannot be made worse off (it cannot bear the incidence of a tax); only individuals can. Which individuals bear the burden of corporate income taxes? Estimates suggest that the burden is probably shared between the shareholders, the workers of the firm and the consumers of the products that the firm makes — with the amount that each bears depending on factors such as what options each has in terms of alternative investments, jobs or products to consume. This led Professor Griffith to stress the importance of seeing 'fairness' not as a property of a specific tax but of a tax (and benefit) system — since there are many ways in which firms make contributions to, and draw from the public exchequer.

Then there is the question of 'fair relative to what'. Is it:

- relative to how much of publicly provided goods the firm uses?
- relative to what competitor firms pay in tax?

or are corporate income taxes a tax on the owners of the firm, i.e. (rich) shareholders? in which case do we want the tax to be fair relative to the income of the shareholders?

Professor Griffith concluded:

'We currently try to tax corporate profits at the location where value is created, under international agreements formed in the 1980s. Implementation of this system is increasingly difficult in the presence of intangible and internationally mobile assets.

An alternative, and preferable, way to tax corporate income would be to tax profits (value added) at the destination of sales (similar to VAT). Such a measure has been suggested by many prominent economists. But this is politically unpopular, and current policy reforms seek to reinforce the current system. They do nothing to address the fundamental issues of what is a fair and efficient way to tax corporate income.'

Note:

1. A live wavecast of the lecture is available at <http://live.wavecast.co/does-starbucks-pay-enough-tax/>.

The Monetary and Financial Policy Conference 2015

The Money, Macro, Finance Research Group have established a new annual conference to engage constructively with policy developments at the Bank of England. Chair Jagjit Chadha (Kent) and Secretary Richard Barwell (BNP Paribas Investment Partners) report on the conference attended by macroeconomists from academe, the City, policy-making institutes and the main consultancies and hosted by Bloomberg.

The first Monetary and Financial Policy Conference (MFPC) organised by the Money, Macro Finance research group, on behalf of the UK macroeconomics community, was held at Bloomberg's HQ in the City of London on 25th September with some 120 economists present. The agenda illustrates,¹ that this new annual conference intends to engage constructively in all areas of Bank of England policy and initiates an inclusive forum for the debate of monetary and financial policy in the UK. A broad church of central bank watchers from academics to market economists to policy wonks and even, may the spirit of Keynes forgive us, journalists were welcome.

It was just a fraction over 23 years since the UK fell out of the ERM and began a long walk (occasional march) to price stability with an Inflation Target. The establishment of operational independence of the BoE and the MPC was a crucial addition less than five years later. The Long Expansion continued — seemingly without limit — until the financial buffers were hit in 07/08. Since then we have had near continuous policy evolution — with an historic low in Bank Rate, record levels of peacetime borrowing, QE and the inception of radical reform of the banking and financial sectors. And although we are not yet back to normal times, we seem to be approaching the end of the crisis (a rather dangerous statement) and so even if not, the time seemed right to start a collective process of understanding better our current position and the cases for further reform of the monetary and financial constitution. The FPC arrived on the scene more recently but is potentially no less important and should soon be joined by a Prudential Regulation Committee: a veritable triumvirate forming the core of our new monetary and financial constitution.

The conference would also like to encourage market economists working on the UK to come out from behind the purdah of compliance and share their results with the wider community of economists: 'Follow Willem's lead.' Ultimately we also want to encourage more academic research on the questions specific to UK policy. The papers and presentations will be stored on the MMF Group pages and will be accessible to all — from school

kids to MPC members. The advisory group set up this conference to foster more and better — if that is not a contradiction in terms — UK-oriented macro research.

Dealing with a low natural rate

Sir Charles Bean (LSE) asked 'Are Low Rates Natural?' and wondered what might be done to increase the effectiveness of monetary policy. Charlie did offer some grounds for hope that natural rates might rise a little in the future as the headwinds of demography and balance sheet repair in the aftermath of the crisis started to abate. However, if low rates were here to stay it may not make much sense to raise inflation targets as we would lose the benefit of 'stable prices'. The correct response seemed two-fold first to assign monetary policy to inflation control and (macro)prudential policy to maintaining financial stability, with the latter trying to ensure that the financial system was robust. And, secondly if possible, it was better to raise the natural rate through structural and fiscal policies.

Huw Pill (Goldman Sachs) presented a paper on the UK Monetary Regime after the Crisis that was co-authored by Alain Durré, Cristina Manea and Adrian Paul. The pre-crisis consensus was that the central bank should use its balance sheet to accommodate liquidity shocks but not credit shocks (threats to the solvency of the banks), nor should the balance sheet be used to finance governments, interfere in money markets or engage in industrial policy by subsidising certain sectors/companies. However, in a crisis the theoretical distinction between liquidity and credit shocks is blurred and central bankers are aware that unconventional monetary interventions are potentially welfare enhancing. Unconventional monetary policy may be superior to simply cutting the policy rate in response to this hybrid liquidity/credit shock but these interventions have a clear fiscal dimension (for example, credit easing involves a transfer from the public to the private sector) and they argue that the 'fiscalisation' of central bank balance sheets potentially threatens the long-run pursuit of price stability.

Charles Goodhart (LSE) argued that the financial crisis exposed the Achilles Heel of the workhorse model

of modern money-macro: that the framework cannot easily accommodate defaults, and in particular the defaults of financial intermediaries. Goodhart challenged their claim that money (financial quantities) is (are) irrelevant outside of crisis conditions and was open to reforms which could ease (without eliminating) the lower bound constraint and was not instinctively opposed to the principle of helicopter drops.

Sushil Wadhvani (Wadhvani Asset Management) made a number of comments in his remarks. First, he noted that the QE had delivered mixed results, in terms of the impact of asset purchases on both equity markets and the real economy. Second, he raised the concern that markets might therefore reach the conclusion that the policymaker's conventional cupboard is almost bare if the economy is hit by another shock, and that realisation might lead to a tightening of financial conditions which could exacerbate the downturn if that shock arrived. Third, he challenged the resistance to helicopter money as a policy instrument, arguing that it was likely to be more effective than other means of stimulus at the lower bound and easier to implement than deeply negative policy rates and argued that it would therefore be wise for central bankers to establish a framework now for implementing helicopter drops for monetary policy purposes before a politician set the ground rules in their favour in some future downturn.

Macroprudential policy

Charles Nolan (Glasgow) and Alfred Duncan (Cambridge) saw the establishment of the UK Financial Policy Committee as a landmark development in macroprudential oversight. But they argued that its purview may be overly narrow because macroprudential policy ought to be concerned with the overall efficiency of the financial system rather than new instruments *per se*. There was no clear agreement how that efficiency ought to be measured. Macroprudential policymakers should have a role as much concerned with providing authoritative, public advice on areas of policy relevant to aggregate financial efficiency as with imposing additional restrictions on bank lending. The issues that have dominated the monetary practice debate of involving independence and transparency loom large under the macroprudential regimes as well.

Sir Paul Tucker (Harvard Kennedy School) suggested that the question of monetary and macroprudential mix has echoes of the debate on monetary-fiscal policy but was in many respects quite different. The MPI question required a reverse of the brain drain to monetary policy and primacy of the questions of resilience and allocative efficiency, as well as policies on resolution. Douglas Gale (New York University and Imperial College) wondered if there should be fewer ad hoc policy recommendations as there were both co-ordination issues in general equilibrium and MPIs might be better concentrated on design and regulation rather than 'lever-pulling'.

Uncertainty matters

Nick Bloom (Stanford) presented research on the macroeconomic importance of uncertainty about the conduct of economic policy. Although there is a well-established theoretical literature that explains how uncertainty can drive macroeconomic outcomes, the next step is whether we can accurately measure how uncertain households and companies are about the future direction of policy and whether the measures we can produce help explain macroeconomic dynamics. Bloom's measure of policy uncertainty — the EPU index — is based on the relative frequency with which newspaper articles discuss issues that encompass the economy, policy and uncertainty each month.

When Bloom applied his methodology to the United Kingdom (in this case using only 2 newspapers) he found that international events account for the majority of the spikes in uncertainty with the post-crisis peak coinciding with the acute phase of the Eurozone debt crisis. Bloom also presented evidence of the macroeconomic significance of uncertainty: at the micro level, when policy uncertainty rises those companies that are more exposed to government spending suffer more volatility in the stock market's valuation of their business and tend to cut back investment in physical capital and jobs; and at the macro level, the rise in policy uncertainty during the crisis is found to explain a 2 per cent fall in output. However, perhaps the point in the presentation that attracted the most attention in the discussion was Bloom's mention of the result in the theoretical literature that an increase in uncertainty can blunt the impact of policy stimulus.

Shamik Dhar (FCO) noted that if the problem was uncertainty about the conduct of economic policy then Bloom's research invited us to conclude that the solution was surely rules-based policy, which most macroeconomists believe would be a mistake. Dhar also observed some curious features of Bloom's estimates of policy uncertainty: the trend increase in uncertainty in the United States since 1960 (which Paul Tucker attributed to the increasingly polarised nature of the US political system) and the fact that uncertainty does not appear to fall back during the supposedly tranquil Great Moderation. He then raised the chief concern with the overall strategy of identifying changes in uncertainty — that it likely conflated shifts in first and second moments.

Gareth Ramsay (BoE) began his comments with an observation that for much of the Great Moderation the Monetary Policy Committee had been criticised for exaggerating the extent of macroeconomic uncertainty via excessively wide fan charts around the Committee's central projection, and yet with the benefit of hindsight those fan charts did not appear wide enough. Ramsay then discussed some of the ways in which the MPC had

attempted to reduce the uncertainty around the conduct of monetary policy — through the communication around the Bank's QE programme and latterly via the calibration of the Committee's forward guidance on the future path of Bank Rate. Finally, he turned to the same theme as Dhar: the difficult of distinguishing between changes in confidence and changes in uncertainty and the unstable correlation between these measures of sentiment and activity.

Prior to the Housing Panel, the room was polled as to whether there was a housing crisis in the UK and 74 per cent of the attendees thought that there was. The panel chaired by Angus Armstrong (NIESR) outlined many of the key issues. Stephen Aldridge (Department for Communities and Local Government) outlined the impact of Help to Buy but also the extent to which the constructions sector had been so heavily hit by the financial crisis. Kate Barker (author of the Housing Supply Review and formerly of the Monetary Policy Committee) repeated her call for joined up policy-making across the FPC, PRA, FPC and HMT. George Buckley (Deutsche Bank) worried about the impact on housing of policy hikes, which would affect affordability and the budgets of exiting owner/occupiers. David Miles (Imperial College, Monetary Policy Committee member 2009-2015) was clearly concerned about the sensitivity of the overall mortgage book to changes in policy rates and this underpinned a need for gradualism. John Muellbauer (Nuffield College, Oxford) outlined issues of affordability, as well as the need for to change fiscal policy analysis so that it focussed to NET Debt/GDP, where (at least) saleable assets, including land, in public ownership are netted off gross debt.

Introduced by Diane Coyle (Manchester), Willem Buiter (Citibank) was given the final word and summed up the day's proceedings and called for more consideration of the consolidated monetary-fiscal balance sheet, the development of more instruments and more MFPC meetings! In conclusion, we could not know how our idea to organise this conference would be received. But the response from all has been remarkable. All speakers and discussants gave their time freely and most generously. We are grateful to the Royal Economic Society and the Economic and Social Research Council for co-funding, and to the Bank of England for co-funding the MMF and to our gracious and generous hosts Bloomberg.

Note:

1. <http://www.mmf.ac.uk/index.php>

Warwick Economics Summer School

The Department of Economics at the University of Warwick is launching its next Warwick Economics Summer School, a three week programme which will run from July 17th - August 5th 2016. The Summer School will be taught by world leading economists including Professors Ken Binmore, Andrew Oswald and Marcus Miller.

Inspirational Evening Programme

It also offers an inspirational programme of evening talks. Last year, renowned economic historian, Professor Nicholas Crafts, CBE and Julie Meyer, Award winning American entrepreneur, Chief Executive and business commentator shared their insights and experiences with our students. 2016 evening guest speakers will be announced over the coming months.

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A UK Housing Evidence Centre

Understanding the UK housing market, and all the problems associated with it, is important for a wide variety of reasons. This is why the Economic and Social Research Council has made housing one of its priorities and, in particular, has decided to help set up a UK Housing Evidence Centre to act as a knowledge hub for housing research. The purpose of this article, by Stephen Millard, is to promote this Evidence Centre to members of the Royal Economic Society. Further information can be found on the ESRC's housing landing page.¹

Why is the UK housing market interesting?

The UK housing market is always generating interest in the media and among policy makers. By way of illustrating this somewhat obvious point, the Bank of England's blog — *Bank Underground* — has featured a number of blogs on this topic. For example, May Rostom's blog (*A lifecycle story of housing debt in Blighty*²) talked about the effect that problems in the housing market were having on the young, Arzu Uluc described *Local Housing Boom and Bust*³ (and boom again) and Philippe Bracke improved our knowledge of the buy-to-let market with his *Five facts about buy-to-let*.⁴

It is fairly clear why a central bank economist like me should worry about the housing market. I need to understand the effect of movements in house prices on consumption and how these effects might depend on what caused house prices to move. And that's if I can figure out what caused the movements in house prices and where they might be going in the first place! The housing market may affect labour mobility and, hence, productivity growth. A build-up of debt based on mortgage lending may pose risks to financial stability and so understanding trends in the housing market is clearly important for those of us working to maintain financial stability.

But the housing market is, of course, of interest for reasons well beyond the narrow central banking focus that I and my colleagues may have.

UK Housing investment has been low by international standards for several decades and there is widespread agreement that we are still not building enough houses, and perhaps not in the right places. This lack of supply is likely to be an important explanation of why affordable housing seems to be out of the reach of young people. Housing and housing choices are interconnected with a range of other outcomes including education, health, and inequality and therefore have implications across many aspects of government policy. Housing policy is intimately connected to attempts to reduce poverty and to strengthen communities of all ages. And the design and construction of housing, at individual, street and community levels, will also have effects on the environment and people's wellbeing, as well as the longevity and prosperity of neighbourhoods and local economies.

Given this, the lack of a single, UK-wide, housing policy could be considered to be a big issue. Indeed, some have argued that there should be a long-term strategy for housing and that housing should have the same level of government focus as other areas of infrastructure in the UK.

A UK Housing Evidence Centre

Given the myriad of issues, and the need for research in them, the Economic and Social Research Council (ESRC) has made housing one of its priorities. In particular, as discussed in Julie McLaren's blog,⁵ the ESRC has decided to help set up a UK Housing Evidence Centre to act as a knowledge hub for housing research.

The idea of a Housing 'Observatory' (or 'Evidence Centre') has been in existence for some time. The 2014 Royal Institute of Chartered Surveyors Housing Commission Report, chaired by former RICS President Michael Newey, advocated an Observatory to 'bring together relevant private sector and university research on housing, planning and infrastructure provision'. The proposal was also referenced in the 2014 Lyons Review of Housing which saw the potential for an Observatory to produce 'stronger objective information on trends in housing supply'. In parallel, the ESRC, working with the British Academy, used its convening power in 2014 to draw together a range of research providers and users of housing research and evidence to discuss some of the challenges associated with UK housing and to explore potential solutions to those challenges. The outcome of these meetings can be found here. This was followed with a roundtable meeting amongst stakeholders in spring 2015 which advocated the development of an independent evidence centre on housing.

The proposed Evidence Centre on UK Housing aims to fill a gap in providing robust evidence to inform housing policies and practices across the UK, while remaining independent from central government and other sector interests. The development of this proposal has involved the ESRC working in partnership with a coalition of other funders and research users, including other funders of social science research, policy makers in government — including Whitehall departments and the Bank of England, as represented by me — as well as practitioners. In order to help inform the development of the proposal for the UK Housing Evidence Centre, the ESRC

Features

held a consultation workshop on January 14th. This event brought together key stakeholders: policymakers, researchers and practitioners from government, commercial organisations, professional bodies and public interest associations, voluntary and community organisations, and others.

Over the next few months, ESRC will, in coordination with other partners, lead on the Centre's commissioning. Once the call has opened, academics and their partner applicants will be able to make proposals showing how they would run such a Centre in order to meet the needs of policy-makers and practitioners, as outlined in the call specification document. The ESRC also anticipates holding a 'town hall' meeting for prospective applicants in Spring 2016.

Notes:

1. <http://www.esrc.ac.uk/research/our-research/urban-transformations/housing/>
2. <http://bankunderground.co.uk/2015/09/18/a-lifecycle-story-of-housing-debt-in-blighty/>
3. <http://bankunderground.co.uk/2015/09/03/local-housing-booms-and-busts-in-england/>
4. <http://bankunderground.co.uk/2015/07/21/five-facts-about-buy-to-let/>
5. <http://blog.esrc.ac.uk/2015/11/30/supporting-robust-evidence-for-uk-housing-policy-and-practice/>

Econometrics Journal — Editor's annual report

*The managing editor, Richard J Smith, made the annual report covering the period July 1 2014 to June 30 2015, to the Council of the Royal Economic Society in November. This is an edited version of that report.*¹

The Editorial Office of *The Econometrics Journal* is based in Faculty of Economics at the University of Cambridge with Richard J Smith as Managing Editor of the journal. Recent editorial changes include the appointment of Dennis Kristensen (UCL, IFS and Cemmap) as Co-Editor to replace Andrew Patton (Duke University) on his taking up the position of Managing Editor of *Journal of Financial Econometrics*. Dennis has been an Associate Editor of *The Econometrics Journal* since 2008 whereas Andrew was a Co-Editor between 2013 and 2015. The journal is grateful to Joris Pinkse (Pennsylvania State University) who resigned as an Associate Editor due to pressure of other commitments for the help and advice he provided and is pleased to welcome as new Associate Editors Marc Henry (Pennsylvania State University), Keisuke Hirano (University of Arizona), Yingyao Hu (Johns Hopkins University), Andriy Norets (Brown University) and Adam Rosen (UCL).

Impact factors

The sixth set of data from the ISI Citation Index are now available for 2014. (2007-13 data are given in parentheses). The journal impact factor is 0.818 (1.128, 1.000, 0.870, 0.691, 0.733, 0.750, 0.479) with the immediacy index at 0.095 (0.364, 0.227, 0.240, 0.176, 0.125, 0.065, 0.034). The eigen-factor score and five year impact factor are 0.00415 (0.00377, 0.00417, 0.00280, 0.00352, 0.00367, 0.00324, 0.00379) and 1.488 (1.235, 1.252, 0.964, 1.166) respectively. (2008-13 and 2010-13 figures in parentheses). The journal impact factor ranks *The*

Econometrics Journal at 175 (112) out of 333 (333) economics journals.

Both journal impact factor and immediacy index have disappointingly dropped substantially as compared with the gentle increases in recent years, the former primarily due to the excellent 2011 being omitted. More encouraging are the eigen-factor score and five year impact factor with the latter the highest ever recorded and placing the journal at 117 (149) out of 333 (333). The impact factor and rank for the competitor journals are rather similar to 2013: *Econometric Theory* 1.262 (103), *Journal of Econometrics* 1.600 (64), *Review of Economics and Statistics* 2.749 (22), *Journal of Applied Econometrics* 1.673 (60) and *Journal of Business and Economic Statistics* 2.241 (37). The short-term figures give cause for concern although it is likely the 2015 impact factor should improve in 2015 as the rather poor 2012 figure drops out.

Promotion

Wiley-Blackwell prepared marketing information for the RES 2015 Conference (leaflets, posters, highlighted key papers) and photographed the Wiley-Blackwell stand and the Denis Sargan Prize award. An email blast was sent to the Wiley-Blackwell opt-in lists to join *The Econometrics Journal* stand at the RES 2015 conference granting immediate access to the journal and included an invitation to *The Econometrics Journal* Special Session on 'Econometrics of Matching'. The journal was also promoted by Wiley-Blackwell with free sample issues, trial cards and leaflets at a number of events worldwide. Wiley-Blackwell has yet to report on how they intend to

promote *The Econometrics Journal* at Econometric Society meetings and other meetings of econometricians. The Editorial Board has requested Wiley-Blackwell to provide an annual list of such promotional activities in advance for each year. The journal prefers an active rather than reactive rôle in contributing to the preparation of resources for conferences and marketing campaigns.

The journal now prepares and publishes Winter and Summer Newsletters. Issues Nos. 3 and 4 have been distributed to RES members, to *The Econometrics Journal* email database and to various Wiley-Blackwell e-mail databases. Newsletters are posted on the journal's website and can be accessed from the journal's home page with twelve news items also posted announcing special events.

The Denis Sargan Econometrics Prize

The Econometrics Journal Denis Sargan Econometrics Prize is awarded for the best (unsolicited) article published in the journal in a given year by anyone who is within five years of being awarded their doctorate. An honorarium of £1000 is awarded to the winning author.

The Econometrics Journal Editorial Board (Managing Editor and Co-Editors) evaluated those qualifying articles published in 2013 and the prize was awarded to Professor Koen Jochmans (Sciences Po) in respect of his paper 'Pairwise-comparison estimation with non-parametric controls' published in *The Econometrics Journal*, Vol. 16, Issue No. 3, pp. 340-372. <http://onlinelibrary.wiley.com/doi/10.1111/ectj.12008/abstract>

A video of the presentation (by Professor Sir Richard Blundell) at the RES 2015 Conference held at the University of Manchester is now available on *The Econometrics Journal* website at <http://www.res.org.uk/view/SarganPrize2013.html>

Submissions

The proportion of submissions attracted from North America in 2014-15 dropped relative to 2013-14 being rather similar to the historical level of earlier years. Consequently, the journal is still failing to attract the numbers and quality of submission from North America required in order to achieve its aim of becoming a top international general journal for econometrics research. The proportion of submissions from Europe is similar to that of previous years whereas that from the UK rose substantially. Together, submissions from North America, UK and Europe continue to dominate although there is evidence of an increase from the rest of the world.

157 new submissions were received under Editorial Express®. This total represents an decrease of 48 (23.41 per cent) over that reported for 2014. Additionally there were 40 resubmissions received during this period. These figures exclude papers associated with the various Special Issues of the journal.

Decisions

A total of 199 decisions were made by the Editorial Board. Of these 157 concerned new submissions. Of the new submissions 127 (80.89 per cent) were screen-rejections which represents a fall from the figure of 82.41 per cent for 2014. Of the 30 papers not screen rejected, 13 (43.33 per cent) were either returned for resubmission or acceptance decisions (2014: 50.00 per cent), with 17 papers (56.67 per cent) being rejections. Overall, 144 papers or 91.72 per cent (2014: 91.20 per cent) of decisions were either screen-rejections or rejections. A total of 16 papers (2014: 14) papers were accepted by the Editorial Board representing an acceptance rate of 8.04 per cent (2013: 5.47 per cent).

The continued high number of screen-rejections reflects the determination of the Editorial Board to drive up the standard of submissions and accepted papers in order to establish *The Econometrics Journal* as top international general field journal for econometric research.

The mean estimate for time to decision in days was 42 (21, 10, 50) [2014: 43 (21, 11, 46)] for decisions on all submissions and resubmissions. The figures in parentheses are the median, first quartile and third quartile estimates. Kaplan-Meier estimates of the stratified survivor functions for time to decision are also presented. Excluding screen-rejections the respective figures are 104 (105, 64, 143).

The mean estimate for time to decision in days for new submissions was 38 (19, 9, 28). The corresponding figures for non-screen rejections and for a resubmission decision were 135 (132, 110, 158) [2014: 135 (129, 101, 169)] and 138 (140, 98, 175) [2014: 150 (120, 99, 210)]. For resubmissions the mean estimate for time to decision was 67 (65, 33, 98) as compared to 61 (53, 24, 96) for 2014.

These data indicate a satisfactory overall decision performance which may be primarily attributed to the policy of an intensive screening of submissions. As in previous years a concern remains for non screen-rejected papers although decision times mainly are not too out of line with the four month desired maximum turn-around period for decisions; The previous difficulty of long decision times for a few papers has diminished as compared to 2014 reflected in the slight decrease in third quartile estimates in most cases.

Acknowledgements

The Editorial Office of *The Econometrics Journal* is very grateful for the support of the Royal Economic Society and its officers. Particular recognition should be given to the editorial team and anonymous referees whose efforts ensure that the quality of the journal is maintained and improved. We are also grateful for the assistance offered by the publishers Wiley-Blackwell.

Note:

1. A fuller version, and detailed statistics, are available at: <http://www.res.org.uk/view/annualReportEconometrics.html>

Economic Journal — Editors' Annual Report

The editors of the Economic Journal made their annual report covering the period July 1 2014 to June 30 2015, to the Council of the Royal Economic Society in November. This is an edited version of that report.¹

1. Overview

- Regular submissions to the journal increased by 7 per cent to 1121.
- We received a total of 1236 submissions, including conference papers and submissions to Features.
- There was a decline in the number of submissions from the UK (post REF?), an increase from the US and some European countries.
- 714 (64 per cent) of regular submissions were dealt with by editors alone (desk rejected); of these 81 per cent were returned to authors within 14 days, slower than last year but still within acceptable range. A small number of desk rejected papers took a very long time (this is unacceptable and we are working to ensure that this does not occur again).
- Around three-quarters of regular submissions that were sent to referees were returned to authors within 4 months of submission, only 4 per cent took longer than 6 months. Table shows further turnaround statistics.
- The vast majority of referees responded within 3 months, with over 50 per cent responding within 2 months. The editors are very grateful to the referees for their excellent performance
- The impact factor of the *Economic Journal* has fallen from 2.587 to 2.336; we are investigating why and seeking to reverse this decline.
- All accepted papers are now passed through anti-plagiarism software before publication.
- The *EJ* continues to use its twitter account to promote *EJ* content.
- The office has moved to University College London.

2 Journal and editorial performance

2.1 Editorial Team

The current editorial team consists of:

Joint Managing Editors

Martin Cripps, University College London
 Andrea Galeotti, University of Essex
 Rachel Griffith, University of Manchester and IFS
 Morten Ravn, University College London
 Kjell Salvanes, NHH
 Frederic Vermeulen, University of Leuven
 Joachim Voth, University of Zurich

Production Editor

David Mayes

Publishing Editor

Catherine Waite, UCL

	Period	Total	Features	Conference volume	Regular	Submissions of regular submissions				
						Accepted	R&R	Rejected	Screen rejected	Pending
2014/15		1236	53	62	1121	6	86	291	714	24
		5%	8%	-18%	7%					
2013/14		1175	49	76	1050	30				
		9%	29%	1%	8%					
2012/13		1082	38	75	969	20				
		7%	23%	19%	6%					
2011/12		1010	31	63	916	69				

2.2 Submissions

Submissions have continued to increase. Regular submissions rose by 7 per cent, Features submissions by 8 per cent and Conference Volume submissions declined substantially by -18 per cent

The geographic distribution of submissions has remained reasonably steady, with the largest share coming from Europe (39 per cent), a slight decrease from last year, followed by North America (26 per cent), with a strong increase in submissions from the US. UK submissions fell slightly to 18 per cent.

2.3 Editorial Processing Time

Editorial turn-around times remain quick. Only 3 per cent of papers took longer than 5 months and only 1 per cent took longer than 6 months.

714 (64 per cent) of regular submissions were dealt with by Editors alone (screen rejected). The editors do this for papers that in their view have a low probability of getting published in order to help keep turn around times down.

The ability of Editors to keep turnaround times down is in no small part due to the quick response we get from referees. Over 51 per cent of referees responded within 2 months, a drop from last year, but still very good. Of authors invited for revision, 62 per cent received a decision within 4 months.

2.4 Rankings and Impact Factors

The 2-year impact factor for the *Economic Journal* has fallen to 2.336.

Journal impact factors

Year	<i>Economic Journal</i>	<i>Review of Economic Statistics</i>	<i>Journal of the European Econ. Assoc.</i>	<i>Review of Economic Studies</i>
2014	2.336	2.749	3.333	4.038
2013	2.587	2.718	3.360	3.235
2012	2.118	2.346	2.049	2.860
2011	1.945	2.664	1.375	2.810
2010	2.271	2.883	1.703	3.113
2009	1.902	2.555	1.425	2.904
2008	1.798	2.233	1.358	2.633

2.5 Plagiarism Checking

Two years ago we introduced a new system under which we scan all accepted papers through anti-plagiarism software before publication.

We use Ithenticate software, recommended by Wiley. The software has mainly flagged up issues related to authors omitting to reference their own prior work. These omissions have been rectified before publication. We will continue to operate this policy.

2.6 Social Media

The *EJ* launched its twitter feed in April 2013. The feed provides access to articles, media briefings and news. It was displayed at the RES Conference to encourage debate and interest in the journal and the society.

2.7 Circulation statistics and membership

The circulation and membership statistics are shown in the accompanying tables.

3 Prizes and EJ Lecture

3.1 RES Prize

The Royal Economic Society Prize of £3,000 is given to the best non-solicited paper published in the *Economic Journal*. The prize is chosen by the editors and the President of the RES. In 2014 the prize was awarded to

Giacomo De Giorgi and Michele Pellizzari (2014) 'Understanding Social Interactions: Evidence from the Classroom', vol.124, issue 579, pages 917-953, September

Membership by type

Membership category	2011	2012	2013	2014	Sept. 2015
Ordinary Members Print & Online	1,771	1,051	866	752	585
Ordinary Members (1-yr) Online		814	1140	1128	988
Ordinary Members (3-yr) Online				227	434
Retired Members	181	139	124	124	97
Retired Members Online					21
Student members (3-yr) Print & Online	491	471	281	159	
Student members (3-yr) Online	215	432	680	705	761
Student members (1-yr) Online			176	318	373
Total paid membership	2,658	2,907	3267	3413	3259
Editorial or Life members (gratis)*	281	272	259	334	309*
Total membership	2,939	3,179	3526	3747	3568

*75 *Economic Journal* and the *Econometrics Journal* Editorial Board members

3.2 Austin Robinson Prize

The Austin Robinson Memorial Prize was introduced in 2007 for the best paper published in The *Economic Journal* by an author who is within five years of completing their PhD. The prize, chosen by the *Economic Journal* editors, is given annually and

Features

includes an award of £2,000. The 2014 Austin Robinson Memorial prize was awarded to

Fabian Herweg and Daniel Müller (2014) 'Price Discrimination in Input Markets: Quantity Discounts and Private Information', vol.124, issue 577, pages 776-804, June

3.3 EJ Referee Prizes

The *Economic Journal* depends on the service of its referees for the functioning of the peer review process. The EJ Referee Prizes are presented to those referees that have contributed beyond the call of duty through their thoroughness and constructive feedback to the authors, and sometimes through the number of reports that they write. The Editors chose 12 winners for the referee prize for 2014. We thank all of these individuals for their out-

standing support of the Journal, and the service they have provided to the authors. The 2014 winners are:

David Atkin, Yale University
Holger Breinlich, University of Essex
Jens Christensen, Federal Bank of San Francisco
Andrew Clark, Paris School of Economics
Daniele Condorelli, University of Essex
Francesco Devicienti, University of Torino
Gilles Duranton, University of Pennsylvania
Marcel Jansen, Universidad Carlos III de Madrid
Igor Livshits, University of Western Ontario
Debrah Meloso, ESC Rennes School of Business
David de Meza, London School of Economics
Chris Wallace, University of Leicester

Note: The full version of this report, including additional statistics, will be available shortly at: <http://www.res.org.uk>

The Economics of Floods

As we went to press, northern parts of the UK were the subject of eighteen severe weather warnings, following a December of record rainfall. At the same time, the LSE's Centre for Economic Performance released the results of research into the possibilities of relocation as a strategy of mitigation.

The misery that floods are inflicting on residents of northern England and Scotland is part of a major global problem. In the past 30 years, floods worldwide killed more than 500,000 people and displaced over 650 million people.

In a new study published by the Centre for Economic Performance (CEP),¹ Dr Guy Michaels and colleagues² examine why so many people are hit by floods year after year. In particular, the research examines whether urban populations respond to floods by moving to safer areas.

The researchers study the effects of more than 50 large floods, which displaced at least 100,000 people each, in over 1,800 cities in 40 countries from 2003 to 2008. They find that low-lying urban areas are hit much more often by large floods, and yet have a higher density of economic activity. When cities are hit by large floods, the low-lying areas also sustain more damage — but like the rest of the flooded cities, they recover rapidly and economic activity does not move to safer locations.

So why do urban populations not respond to floods by moving to safer areas? Part of the problem is that many historical cities were built in flood-prone locations, the risks of which were once offset by access to rivers or oceans. These cities persisted in their flood-prone locations even when modern land transport reduced the importance of access to waterways. This problem may be particularly severe in Britain, with its long maritime history.

But this is not the only reason why flood-prone locations are overpopulated. Because governments bear much of the costs of building and maintaining flood defences and compensating flood victims, private developers have an incentive to build in cheap flood-prone areas. As a result,

too many people end up living in these risky areas.

Co-author Dr Guy Michaels comments:

'With sea levels rising and a changing climate, the problem of large-scale flooding will sadly be with us for many years to come. To begin containing this problem, we should at the very least tighten the restrictions on new construction in flood-prone areas.'

Note:

1. Adriana Kocornik-Mina, Thomas K J McDermott, Guy Michaels, and Ferdinand Rauch (2015) 'Flooded Cities', CEP Discussion Paper No 1398, December.
http://cep.lse.ac.uk/_new/publications/abstract.asp?index=4873

Rybczynski Prize for Business Economics

The Rybczynski Prize is awarded in memory of Tad Rybczynski, an eminent economist and long-serving former Chairman of the Society.

The Prize this year will be £3000.

Essays can be written especially for the competition, or may be work published in the twelve months to March 2016. The judges will be looking for around 3000 - but not more than 4000 - well-written and thought-provoking words. Previous winners include Roger Bootle, Simon Briscoe, Thomas Mayer, Kevin Daly, Ian Bright, George Buckley and Tim Harford at *The Financial Times*. To have the chance of adding your own name to this list, please contact the SBE secretariat at admin@sbe.co.uk, or visit the SBE website, for an entry form. The closing date for entries is **31 March 2016**.

Obituaries

Suzanne de Brunhoff

Suzanne de Brunhoff was that rare Marxian economist: never dogmatic, always innovative. What Rosa Luxemburg wrote in the *Anticritique* well captures her attitude: 'Marxism is a revolutionary world outlook which must always strive for new discoveries, which more than anything else dislikes formulations valid once and forever, and whose living force is best preserved in the clash of self-criticism and in the lights and thunders of history.' Like Luxemburg, de Brunhoff was both a theoretician and a fighter against exploitation and oppression. She maintained the key pillars of the critique of political economy: the labour theory of value; the centrality of class struggle; the unrelenting criticism of capitalism. At the same time she challenged the limits of the Marxist legacy, and maintained a fruitful dialogue with the Keynesian and Sraffian traditions. Her main contributions have been on money, the State, international monetary relations, Europe's 'single currency', and financial liberalisation.

Her first book, *Capitalisme Financier Public* (1965), is dedicated to the economic role of the State in France from 1948 to 1958. Her international standing came with *La Monnaie chez Marx* (1967), translated into English as *Marx on Money*. The monetary aspects of *Capital* were neglected, with few exceptions, before her work. For de Brunhoff, adopting Schumpeter's categories, Marx's was a 'monetary analysis' embedded into a 'monetary theory of credit': money, non-neutral and endogenous, has not to be identified either with credit or capital. The 'universal equivalent' marks a market-based monetary constraint because of the uncertain eventual social validation: though money does not suffice to explain capitalist exploitation, it is crucial to understand the objectivity of capitalist crisis. Published after *L'Offre de Monnaie* (1971) and *La Politique Monétaire* with Paul Bruini (1973), her second masterpiece is *État et Capital* (1976), translated into English as *The State, Capital and Economic Policy*. Taking stock of the 1971 collapse of the Bretton Woods system and of the great structural crisis of 1974, she integrates historical and logical arguments, with a decisive advance of the analysis. The State is a non-capitalist (external and immanent) institution necessary to manage the reproduction of the two 'special' commodities, labour-power and money as universal equivalent. 'Economic policy' emerges after the 1930s, when currencies became irredeemable at the national level. Fiscal, monetary, and social policies must assure the 'connection' between money and labour power; the Central Bank transforms the banking ante-validation of realisation into a pseudo-social validation, possibly opening an 'inflationary gap'. The 1971 dis-

connection of dollar from gold and floating exchange rates opened the way to a fragmented international monetary system, and made accelerated inflation the new form of the crisis of overproduction. In that book she carried on a dialogue with the most interesting expression of Italian *operaismo*, the journal *Primo Maggio*, which interpreted economic and monetary policy after 1971 as a direct class confrontation opposing the State as 'collective capitalist' to 'socialised labour'.

In the 1970s she fostered connections among a younger generation of French Marxists. In 1973 she promoted the founding of ACSES (*Association pour la Critique des Sciences Economiques et Sociales*), and with Michel Beaud et Claude Servolin published an article in *Le Monde* dedicated to la 'crise de la science économique', interpreted as a political crisis of the economists. In *Les rapports d'argent* (1979) she criticised some of the most brilliant economists of the younger generation (Aglietta, Benetti and Cartelier) because they dismissed Marx's theory of money and value and substituted 'power as domination' for class exploitation and surplus value. She was critical of the re-emerging 'equilibrium' approach (Neoclassicism and Monetarism: see her book *L'heure du marché, critique of liberalism*, 1986): likewise she was unconvinced by a 'political economy of the commodity without money' (Neoricardianism) or a 'political economy of money without value' (most monetary heterodoxies). After the 1980s she showed how the international economic arena was made unstable by the clash between great currencies. In the 1990s she attacked the Euro 'single currency' project: de Brunhoff favoured instead a 'common currency' (a reference to Keynes's *bancor*, adapted to Europe). She advocated the Tobin tax as a step towards capital controls: these are the years of her participation in ATTAC (*Association pour la taxation des transactions financières et pour l'aide aux citoyens*).

Suzanne de Brunhoff was born Simone Blum on the 16th of June, 1929, in Strasbourg, the daughter of Léon Blum, an Alsatian Jew, and Thérèse Lion, from Caen, whose mother had created in Normandy the *comité de soutien* for Alfred Dreyfus. Her father died in 1930: he was a famous physician, who introduced insulin therapy in France; her mother, progressive and feminist, was among the first female lawyers. The family lived in Neuilly-sur-Seine: in 1940 they crossed the 'demarcation line' just before the German invasion, moving to the free zone (Grenoble), and then hiding in Annecy when Nazis occupied all of France. To avoid deportation the family surname had to be changed to Baulieu, and she adopted the name Suzanne. After the war she moved to Paris, where in 1950 she married Mathieu de Brunhoff (the pediatrician, son of Jean de Brunhoff, creator of the children's character *Babar*).

The early experience of Nazism and of racism, as well as French colonialism in Indochina and Algeria, made her a tenacious defendant of equality in political and social

rights. She studied philosophy at the Sorbonne. She was unfairly excluded from the winners of the *agrégation* — a competitive examination for public education preliminary to an academic career — despite the support of Georges Canguilhem, the famous philosopher of science, who defended her, appreciating what he called her ‘masculine intelligence’. She then obtained a *doctorat de 3^e cycle* in Sociology and a *doctorat d’Etat* in Economics. Her early forays in political economy were influenced by the historians Marc Bloch and Fernand Braudel, as well as by the philosophers Louis Althusser and Michel Foucault. In 1960 she became researcher in economic theory at CNRS (*Centre National de la Recherche Scientifique*), and later Director (thanks to the letters of Maurice Allais and Piero Sraffa). She taught at the University of Paris VII, was supervisor of 3^e cycle dissertations at Paris X, and lectured at Columbia, the New School and UAM Mexico. A member of the French Communist Party, she began to distance herself because of its ambiguous position on the Algerian War, and was part of the *Réseau Curiel* actively helping the Algerian National Liberation Front.

Her last years were plagued by Alzheimer’s disease. Suzanne de Brunhoff died peacefully on the 12th of March 2015. She leaves two daughters, Marianne and Agnès, as well as four grandchildren: Elsa, Adélaïde, Ulysse (of Marianne) and Nathanael (of Agnès).

Riccardo Bellofiore
Università Degli Studi di Bergamo

Kazimierz Łaski

Kazimierz Łaski, one of the most distinguished members of Michał Kalecki’s circle in the 1950s and 1960s, died in Vienna on the 20 October 2015. A man of rare modesty in a profession given to rare conceits, he divided his career into three periods, before Kalecki, his collaboration with Kalecki, and his work after Kalecki. However, his scholarly and personal achievements indicate a personality that may have been influenced by Kalecki, but was by no means in his shadow. His early doctoral studies, at the Communist Party’s School of the Social Sciences, and post-doctoral work, at the Main School of Planning and Statistics (*Szkola Główna Planowania i Statystyki*) was on the relationship of investment to consumption in a socialist economy. This used a two sector model that pointed to the stresses in the consumption goods markets that may be caused by excessive investment, a common problem in Poland at the height of Stalinist industrial hubris. The research gave rise to his first book *Zarys Teorii Reprodukcyjnej Socjalistycznej* (*An outline of the theory of socialist reproduction*), published in 1965. By then the analysis was already formalised in Kalecki’s theory of growth in a socialist economy. The relationship between current investment and consump-

tion formed the basis of Kalecki’s and Łaski’s criticism of imbalanced production in Poland in the 1960s that led to shortages of consumer goods and the eventual downfall of the Communist leadership of Władysław Gomułka.

After Gomułka, Communist Poland succumbed to investment boom and debt crisis, Kazimierz Łaski, by then in exile in Austria, continued his work, arguing for an alternative policy framework in the socialist economies. The result of this stage of his work was his book written with Włodzimierz Brus *From Marx to the Market* (Oxford University Press 1989) that put forward a model of decentralised market socialism. Its publication coincided with the fall of communism in Poland and a transition to free market capitalism. Łaski was bitterly critical of the liberalisation shock delivered to Poland by its Finance Minister Leższek Balcerowicz, on the advice of Jeffrey Sachs, that plunged the country into mass unemployment and hyperinflation. An alternative strategy of liberalisation submitted by Łaski to the then Minister of Planning, Jerzy Osiatynski, was circulated but was officially ignored. As Director of the Vienna Institute for International Economic Studies from 1991 to 1996, Łaski was condemned to observe the decline in his home country and its neighbours. Recovery only came in the new century with entry into the European Union and fiscal support from Brussels.

In his final years Łaski continued to write and discuss virtually up to the summer of 2015 when he went into hospital with lung cancer. His central preoccupation in those most recent years was the waste of unemployment and the need for aggregate demand management using more active fiscal policies. He was naturally very taken with recent developments in Post-Keynesian economics, and had just completed revising a set of lectures in macroeconomics that provide an unusually systematic approach to a subject whose textbooks tend to provide theories for topics, rather than incorporating topics into any consistent approach to macroeconomics. His last professional appearance was in June 2015, at the age of 93 in Buenos Aires, at the ‘Money and Banking Conference’ commemorating the 80th Anniversary of the Central Bank of Argentina, where he argued the case for returning fiscal policy to the role of regulating the business cycle.

Kazimierz Łaski’s scholarship gives little hint of the dramatic crises that he survived and that gave him an unusual humanity and compassion. He came into the world as Hendel Cygler, to Szmul Cygler and Sura Rywa Cygler in the southern Polish city of Czestochowa. Szmul was a shopkeeper and prosperous enough to have a Catholic maid, and to send his sons to the local lyceum school where, as he later recalled, he acquired the literary Polish, without trace of a Jewish accent. That fluency, together with his blue eyes, was to save his life. When

the Germany army arrived in 1939, he fled to Zelechów in what is now Eastern Poland to be with his girlfriend Irena Wolfowicz. Along with her parents he was incarcerated in the Zelechów ghetto, until it was liquidated in September 1942. He managed to escape from the slave labour camp to which he was sent, in Wilga, and returned to Czestochowa to try to find his parents in the small ghetto that had been established there. He was too late. They had already been deported and gassed in Treblinka. Kazimierz Łaski's older brother, Majer Godel Cygler, who had fled East to the Soviet zone of occupied Poland, was killed in Krzemieniec by the Germans when they invaded the Soviet Union. Irena, who had found refuge in Warsaw, found him in Czestochowa and got false papers for him. Hendel Cygler became Kazimierz Łaski. They moved together to Warsaw, where he joined the underground Armia Ludowa (People's Army). Łaski took part in the Warsaw Uprising and was wounded in the final days of the fighting at the start of October 1944.

At the end of the War Kazimierz Łaski married Irena Wolfowicz and started studying economics. He joined the ruling Communist party, the Polish United Workers' Party. By the 1950s he was teaching at the Main School of Planning and Statistics, by then the elite economics university in Poland. At one point he was even responsible for allocating teaching to Michał Kalecki, a task that was not made easy by Kalecki's notoriously diffident lecturing. With Kalecki he presided over lively research and policy seminars. But their criticism of economic policy brought retribution in 1968 when a politically weakened Gomułka unleashed an anti-semitic purge. Łaski was expelled from the Party and forced to leave the country. He stopped in Vienna on his way to Canada, only to find that the Canadian government deemed him to be a danger to Canadian security. With assistance from Kalecki he obtained a position at the University of Linz and was soon working with the Vienna Institute for Comparative Economic Studies.

Exile in Austria was made more congenial after Kalecki's death in 1970 by the friendship of Kurt Rothschild and Josef Steindl, both of whom had worked with Kalecki in Oxford during the Second World War. The death of Irena in 2005 and a stroke that deprived his son of consciousness but not life, were the final losses that lay behind Łaski's serene composure and witty charm.

On his last visit to London in 2013, he asked me to accompany him to Oxford to place a stone on the grave of his friend Włodzimierz Brus. The grave commemorates not only Brus and his wife, but also their family that perished in Treblinka. But tragedy is not necessary in the making of humane economists, and Łaski certainly preferred his economics with a rich vein of humour.

Janek Toporowski
School of Oriental and African Studies
London

RES initiatives for PhD students at the annual conference and subsequent symposium

The Royal Economic Society is keen to support PhD students in Economics, and to offer them the opportunity to engage with the economics academic community. Following the success of two ventures piloted at Manchester 2015, we are offering two separate opportunities for PhD students, over and above the support offered to PhD students presenting at the Annual Conference.

A. RES Annual Conference 2016: PhD £10 scheme

The 2016 Annual Conference of the Royal Economic Society is taking place from Monday 21 March to Wednesday 23 March 2016 at the University of Sussex, Brighton. The Royal Economic Society is keen to offer eligible PhD students the opportunity to attend the 2016 Annual Conference for a nominal price of £10, plus RES membership.

The RES will cover the cost of full registration (minus £10), which includes all sessions, the Monday evening reception at the Brighton Museum & Art Gallery, and the Tuesday Gala Dinner at the Grand Hotel. The RES will not, however, cover travel or accommodation expenses - the expectation is that eligible PhD students will be funded by their department or bear these costs themselves. The Conference website has directions to a dedicated Visit Brighton website, where students will be able to find a number of accommodation suggestions.

B. RES Symposium of Junior Researchers 2016

Following the success of the pilot last year, the second RES Symposium of Junior Researchers will be held at the University of Sussex on **Thursday 24 March, 2016** - the day after the RES conference.

This event is organised by research students for research students and junior researchers, with the support of the Royal Economic Society. Its objectives are to bring together students at all stages of their theses and to foster discussion and dissemination of research in all areas of economics. The Symposium takes place following the Annual Conference of the RES so as to maximise networking opportunities.

We are pleased to announce the keynote speaker at the Symposium will be Stefan Dercon, from the University of Oxford.

Limited funds may be available for the financial support of PhD students based in the UK or EU, who are presenting a paper at the Symposium.

Further information:

<https://sites.google.com/site/resjunsym/home>

RES news

From the RES Office at royaleconsoc@st-andrews.ac.uk

Membership of the RES Council

The Council of the Society consists of the President, the President-Elect or Immediate Past President (in accordance with the bye-laws available on the website), the Vice Presidents, the Treasurer, the Secretary or Secretaries, and thirty Councillors. Council members now assist the Society through working groups and meet annually in the Autumn.

Members of the Society are reminded of their right as members to propose names of suitable candidates to be considered for election to the RES Council.

The formal procedure is that the Nominating Committee, which meets early in February, considers all such names and puts forward to Council a list for approval. The agreed list is then the subject of a ballot of all members of the Society in the autumn. The successful candidates join Council after formal adoption at the following AGM. If nominating for a future President, Council will agree the candidate(s) shortlisted by the Nominating Committee and the decision will be ratified at the following AGM.

Members of the Society who would like to make a nomination are asked to contact the Secretary General at the office address above and to note that in addition to the name(s), there should be either a brief CV or a link to one. As the process needs to get underway in early February, we would be grateful to receive any nominations by **31st January 2016** at the latest.

Annual General Meeting (AGM)

Notice is hereby given that the Annual General Meeting of the Society will be held during the RES Conference at the University of Sussex (Brighton) on **Tuesday 22nd March at 12.30**. All members of the RES are cordially invited to attend. Registration for the Conference is not required. Notice of the exact location and business will be published on the website nearer the time and sent to all members by 10 days prior to the meeting. If there are any matters of business that a member wishes to raise, please write to the Secretary General by email to royaleconsoc@st-andrews. Or write to Office of the Secretary General, Royal Economic Society, RM E35, Bute Building, Westburn Lane, St Andrews, KY16 9TS.

Matters of business must be raised by **1st March 2016**.

Grants and Fellowships

Members are reminded that the Society provides financial and other resources to support the education, training and career development of economists. Full details

can be found on the website www.res.org.uk or from the office address above.

• Visiting Lecturer Scheme

The Society would particularly like to encourage University departments to consider the reinstated RES Visiting Lecturer scheme when they are planning lectures. The conditions of the scheme are that Economics departments in any UK university may suggest the name of a distinguished economist from the UK or overseas for a visit to their department. The visiting lecturer is expected to give a series of lectures, seminars or workshops and to be available for consultation by staff and students. At least one of the lectures etc. should be open to those outside the host University and should be publicised, for example in the *RES Newsletter*. It will be the responsibility of the host department to cover the costs of travel and hospitality. The Society will pay a fee of £2000 to the lecturer. At the conclusion of the visit both the visiting lecturer and host department should submit a report to the Secretary-General. Full details are available on the website or please contact the RES office at the address provided above.

Events

Some members may not be aware that the Society has a library of webcasts freely available to view from most of our events, including keynote lectures, short films on aspects of economic research and our public and policy lecture series. They can be viewed through the website on the RES YouTube channel.

The 2016 RES Annual Public lecture 'Does Starbucks pay enough tax. How and why we tax large multinational firms' was presented by Professor Rachel Griffith, CBE at the Royal Institution, London on 24 November and the The Whitworth, University of Manchester on 3 December. The lecture was filmed and can be freely viewed via the RES website.

RES Easter Schools

The twenty-sixth RES Easter Training School in conjunction with the ESRC will be held on 10-13 April, 2016 in Wivenhoe House, University of Essex, under the directorship of Professor Eric Smith.

Perspectives on Microeconomic Analysis of Public Policy

will be presented by Professor Charles F Manski (Northwestern University) and Professor Kenneth I Wolpin (Rice University and Penn University).

UK universities are now invited to nominate suitable candidates for consideration by **11th January 2016** by email to Professor Eric Smith, Director of the Easter Training School at res.easter.school@essex.ac.uk.

Conference diary

2016

january

29 January

Oxford

The Third Annual Conference of Agricultural Economics and Agribusiness will be held in Lady Margaret Hall, Oxford University.

Further information: <http://www.eco-ena.ca/oxford-agri-conference.html>

february

9-12 February

Miami, USA

IISES 5th Economics and Finance Conference. The conference is focused on: micro-, macro- labour economics, international economics and finance and banking. The deadline for paper submissions **12 January 2016**.

Further information: <http://www.iises.net/upcoming-conferences>

march

16-19 March

Lisbon, Portugal

81st International Atlantic Economic Conference

Further information: www.iaes.org/lisbon

18-19 March

Mannheim, Germany

International Conference on Occupations, Skills, and the Labor Market. The conference focuses on occupations and skills in industrialized countries and on the ways these interact with employment, wages, participation in the labor market, and social inequality.

Keynote Speakers:

- David Autor (Massachusetts Institute of Technology)
- Iouri Manovskii (University of Pennsylvania)
- Kim Weeden (Cornell University)

Contact Arne Jonas Warnke, Department of Labour Markets, Human Resources and Social Policy
Mannheim Centre for European Economic Research (ZEW) P.O. Box 10 34 43 · 68034 Mannheim · Germany

Further information: warnke@zew.de and <http://www.zew.de/dfg1764>

21-23 March

Brighton

The Royal Economic Society Annual Conference will be held at the University of Sussex. Keynote speakers include Esther Duflo (MIT), Kristin Forbes (MIT and MPC) and Susanne Schennach (Brown).

Further information: Conference2016@res.org.uk

30 March – 1 April

Barbados, West Indies

The Sir Arthur Lewis Institute of Social and Economic Studies will host the 17th Annual SALISES Conference on the theme of 'Revolution, Socio-economic Change and Freedoms' to commemorate 50 Years of Independence in Barbados and Guyana; and the Bicentennial of the 1816 Rebellion (Bussa Revolt, Barbados).

Further information:

<http://www.cavehill.uwi.edu/salises/home.aspx>

30 March - 2 April

Freiburg, Germany

The Annual Meeting of the European Public Choice Society will be held from March 30th to April 2nd, 2016 at the University of Freiburg in Germany. The European Public Choice Society promotes scientific research on the economics and politics of public and non-market decision-making, political economy and economics of institutions.

Keynote speakers:

- Eliana La Ferrara (Università Bocconi)
- Sascha O Becker (University of Warwick)

Deadlines:

- Early registration at a reduced rate is possible until **February 3rd, 2016**.
- Late registration at a higher rate is possible until **March 3rd, 2016**.

Researchers below the age of 30 are invited to also enter the competition to win the Wicksell Prize.

Further information:

www.eucken.de/veranstaltungen/epcs-2016.html

31 March - 1 April

Bristol

The Fifth International COSINUS Conference will be held at the Marriott Hotel, Bristol. The theme will be 'Innovation Systems and the New role of Universities'. This conference will cover a wide range of topics around the issue of university-industry interaction with a greater focus placed on the new role of universities and its impact on the social and economic development both at the national and regional levels. Deadlines:

Early Bird Registration: **28 February 2016**

Conference fees (including refreshments and dinner):
Students and early birds £120; Others £170

Further information: Moammed.Saad@uwe.ac.uk or cosinus@uwe.ac.uk

april

4-5 April

London

The 34th International Business Research Conference, will be held at ImperialCollege, London. The aim is to bring together both academic and professional researchers, scholars and students to exchange and share their research results about all aspects of Accounting, Banking, Economics, Finance, Management and Marketing. Please send either abstract or full papers by **29 February 2016** via our dedicated email address: educonpap@gmail.com. Outstanding papers will be considered for publication (without any submission fee) in the *Journal of Business and Policy Research*, *International Review of Business Papers*, *Global Economy and Finance Journal* and *World Journal of Management*. Registration deadline for the conference is 21 March 2016.

Further information: www.loncon.org

7-8 April

Paris, France

Annual Paris Economics, Finance and Business Conference at the Espace Vocation Haussmann, Paris, France. Send your abstract or full paper by the deadline: **29 February, 2016**. Registration Deadline: **22 March, 2016**

Further information: papsconfo@gmail.com and www.parisconfo.com

14-15 April

Bristol

Economics Network's Early Careers Workshop. This two day event is an economics based teaching workshop for new lecturers focused on effective and innovative economics teaching. The second day of the workshop is also open to graduate teaching assistants and will include interactive sessions such as 'voice and presence in the classroom' with a professional actor and 'engaging students with games and experiments'.

Further information: Ashley.Lait@bris.ac.uk

18-19 April

Birmingham

PhD Workshop. Together with colleagues at the University of Birmingham and the Bank of England, the Money Macro and Finance Research Group are organising the third annual workshop for UK-based PhD students in the broad fields of money, macro and finance. The main objective of the workshop is to provide advanced PhD economists with an opportunity to present their research to their peers and leading researchers in the field in order to obtain feedback. An added bonus is that it allows for some early dissemination of these ideas across the research and policy-making community. The conference will be attended by economists from the Bank of England and H M Treasury as well as by senior academics. The costs of attendance at the conference and reasonable travel costs will be met by the sponsors.

Please submit your paper along with a covering letter confirming your PhD status in an email with '2016 PhD Conference Submission' in the Subject Heading, to L.McFarlane.1@bham.ac.uk by **5th February 2016**.

Further information: L.McFarlane.1@bham.ac.uk

18-20 April

Perth, Scotland

Scottish Economic Society Annual Conference 2016. The Society invites submissions of papers and proposals for organised sessions at its Annual Conference from all areas of Economics, Economic Policy, and Econometrics from academics, postgraduate students, and practitioners in government, local authorities, non-departmental public bodies, private sector and charitable organisations. The Society places particular emphasis on the application of economics to policy. There will be invited sessions in separate policy and pedagogy streams and sessions specifically designed to support PhD students and young lecturers.

The key note President's Lecture will be given by Professor Sir Christopher Pissarides from LSE.

Sir Alec Cairncross Prize: The Society awards a prize of £1000 for the best paper presented at its Annual Conference by an economist currently registered for a PhD or who has successfully completed within the last five years.

Further information: www.scotecon.org/conference.html

28-29 April

Reykjavic, Iceland

Capital Flows, Systemic Risk, and Policy Responses, organised by the Central Bank of Iceland, the Systemic Risk Centre at The London School of Economics and the International Monetary Fund. The purpose of the two-day event is to promote the exchange of ideas and knowledge between academics and policy makers on systemic risk and macroprudential regulation in economies that are not among the core global rate setters.

Confirmed speakers (as of December 1, 2015) include:

- Charles Goodhart (Systemic Risk Centre, The London School of Economics)
- Stijn Claessens (Board of Governors of the Federal Reserve System)
- Jon Danielsson (Systemic Risk Centre, The London School of Economics).

may

3-5 May

Alicante, Spain

International Conference on Big Data organised by Wessex Insitute UK. This conference brings together scientific experts on Computer Science, Statistics and Economics as well as other professionals offering solutions to secure current data management from the perspective of Big Data, Data Mining and predictive classical Statistics.

Further information: imoreno@wessex.ac.uk

25-27 May

Crete

10th International Conference on Risk Analysis

organised by Wessex Institute, UK.

Further information: imoreno@wessex.ac.uk

june

2-3 June

London

Monetary Theory and Policy: Bicentenary Conference of David Ricardo's Proposals for a Sound Currency, sponsored by the Royal Economic Society, the Ricardo Society of Japan and the Money and Development Seminar, to be held at SOAS, University of London, UK. Keynote speaker: David Laidler. Participants are invited to send abstracts to Andrew Trigg, A.B.Trigg@open.ac.uk

29 June - 3 July

Portland, Oregon, USA

WEAI's 91st Annual Conference. Keynote Addresses include:

- David Card, University of California, Berkeley, 1995 John Bates <http://www.weai.org/AC2016bClark> Medal, on 'What Gets In? Editorial Decisions at Top Economics Journals', and
- Emmanuel Saez, University of California, Berkeley, 2009 John Bates Clark Medal and 2010 MacArthur Fellow, on 'Income and Wealth Inequality: Evidence and Policy Implications'.

Abstract submission deadline is extended as long as space and time permit. All topics in economics are welcome.

Further information: info@weai.org

july

7-8 July

Clermont-Ferrand, France

The 33rd International Symposium on Money, Banking and Finance and annual meeting of the European Research Group (GdRE) on Money Banking and Finance will be held at the Université d'Auvergne, on 7-8th July 2016. It is locally organized by the research department CERDI (Centre d'Etudes et de Recherche sur le Développement international).

Completed papers may be electronically submitted on: <http://gdrecedi2016.sciencesconf.org/?lang=en>

The deadline for submissions is **February 29th 2016**. Authors of accepted papers are expected to serve as session chairs or discussants.

september

1-3 September

Duisburg, Germany

Chinese Economic Association (Europe/UK) Annual Conference, **China's News Way of Integration with the World: The New Silk Road and the Opportunities for the World Economy**, Co-organized by the Institute of East Asian Studies (IN-EAST) and Confucius Institute

Metropolis Ruhr, University of Duisburg-Essen. All papers accepted for the conference are eligible for inclusion in a special issue of the *Journal of Chinese Economic and Business Studies* (JCEBS). For individual submissions, abstracts should be submitted through the conference website or to conference@cea2016.org by **January 31st, 2016**. The abstract should include (1) the name of the author(s), (2) paper titles and abstract, and (3) Email contacts for each paper.

Further information: <http://cea2016.org/>

2-4 September

Shanghai, China

The **48th annual UK History of Economic Thought Conference** will be hosted in China by Shanghai University of Finance and Economics (SUFU). SUFU has provided a generous subsidy to cover the cost of speakers' conference fees, meals and accommodation from the evening of 1st September to the morning of 5th September.

Further information: (about SUFU) www.shufe.edu.cn. (About the UK History of Economic Thought Society) www.thets.org.uk.

7-9 September

Bath

The 48th MMF Annual Conference. The program committee invites submissions from academic, government and business economists in any area of monetary, macro and financial economics. The Committee also encourages and welcomes PhD students to contribute to our PhD student sessions. Selected papers will appear in the conference supplement of the *Manchester School*.

Authors are advised to submit their unpublished manuscripts via the Conference Maker system by **13 May 2016**.

Invited speakers

Albert Marcet (Intitute d'Anàlisi Econòmica, CSIC), Enrique Mendoza (University of Pennsylvania), Frank Smets (European Central Bank)

MMF Special Lecture

Charles Goodhart (London School of Economics)

Special Policy Sessions

Economic Growth and Policy (Maik Schneider, Bath), Fiscal Policy Sustainability (Vito Polito, Bath), Unconventional Monetary Policy (Chris Martin, Bath), New Approaches to Term Structure Estimation (Peter Spencer, York).

Further information: <http://mmf2016.org/>

15-17 September

Ghent, Belgium

The 28th Annual Conference of the European Association of Labour Economists will be held in Ghent, Belgium.

Keynote speakers: Armin Falk (Bonn), Roland Fryer (Harvard) and Philip Oreopoulos (Toronto). Deadlines for paper submissions: **February 1, 2016**; deadline for participant registration: **May 1 2016**.

Further information: www.eale.nl

Membership of the Royal Economic Society

Membership is open to anyone with an interest in economic matters. The benefits of membership include:

- A print subscription to *The Economic Journal*, published eight times a year, depending on the membership package selected.
- Online access to *The Economic Journal* back to 1997 including access to forthcoming papers before publication of the print version.
- Online access to *The Econometrics Journal* including accepted papers as soon as they are typeset.
- Free submission of articles to *The Economic Journal* and the chance to win the RES prize of £3000 awarded every year to the author(s) of the best published paper.
- Quarterly copies of the RES *Newsletter* including topical articles, comment and letters.
- Reduced registration fees for both the RES Annual Conference and PhD Meetings and JobMarket.
- The opportunity to benefit from JSTOR's 'Register & Read' initiative for individual scholars.
- Discounts on RES scholarly publications and 20 per cent discount on all Wiley books and journals through the RES Office.
- Access to apply for awards and grants offered by the RES as well as the opportunity to elect the RES Council and President of the Society.

Membership Subscription	<i>The Americas</i>	<i>UK</i>	<i>Europe (non-euro zone)</i>	<i>Europe (euro zone)</i>	<i>RoW</i>
Three-year Ordinary Member (2015-2017 incl): Online Only	\$170	£100	£100	€120	£100
Ordinary Member: Online Only	\$65	£38	£38	€45	£38
Ordinary Member: Print + Online	\$82	£48	£48	€57	£48
Ordinary Member Developing countries: Print + Online	\$42	£23	£23	€28	£23
Ordinary Member Developing countries: Online Only	\$37	£22	£22	€24	£22
Retired Member: Online Only	\$37	£22	£22	€24	£22
Retired Member: Print + Online	\$42	£23	£23	€28	£23
Three-year Student Member (2015-2017 incl): Online Only	\$29	£17	£17	€20	£17
Student Member: Online Only	\$14	£10	£10	€12	£10

You can join the Society and pay for your membership online by credit card at www.res.org.uk. UK members can now also request to pay by direct debit. If you prefer not to make payment online, please contact Membership Services by email to cs-membership@wiley.com in order to arrange payment by cheque or bank transfer direct to Wiley.

If you prefer to telephone the following numbers are available 24/7:

Americas Tel: +1 781 388 8599 Tel (toll free): +1 800 835 6770

Europe (inc UK), Middle East and Africa Tel: +44 (0)1865 778171

Asia Pacific Tel: +65 6511 8100

Non membership queries should be addressed to the RES Office on royaleconsoc@st-andrews.ac.uk or (0)1334 462479.

The Royal Economic Society is one of the oldest and most prestigious economic associations in the world. It is a learned society, founded in 1890 to promote the study of economic science. The Society publishes *The Economic Journal* and *The Econometrics Journal*; holds its Annual Conference, a major international gathering of academic economists; engages with the media and with the policy communities; and supports education, training and career development of economists. Journals. Journals in JSTOR from Royal Economic Society. 2 Journals in JSTOR. Date Range. *The Econometrics Journal*. 1998 - 2013 The Royal Economic Society has supported the study of economics through engagement in a variety of activities. Palgrave had been keen to establish the publication of economic works from the society's very inception. The society also published *The Economic Advisory Council: A Study of Economic Advice During Depression and Recovery* by Susan Howson and Donald Winch. [6]. The preservation of the history of economics was also at the forefront of the Royal Economic Society's activities from its early years. The council funded the repair of Adam Smith's grave in 1942 and organized the cleaning o