

Nuffield College Annual Report

Academic Report 2006-2007

The Report is compiled and prepared by Justine Crump.

Warden's Letter

Gavin Cameron died on the 9th September 2007, at the age of 38. Starting in 1992, he was, successively, a research officer and research fellow at Nuffield and then, when he took up a University Lectureship and Fellowship at Lady Margaret Hall in 2000, he became an Associate Member of the College, remaining so until his death. He took his DPhil in Economics in 1996 and he continued to work with his supervisor, John Muellbauer, for the rest of his life. Gavin was born with cystic fibrosis. Not one to let this debilitating and lifeshortening condition interfere with his plans, he turned himself into a distinguished academic economist. His research was published in top journals and made an impact in the world of affairs. His recent work with John Muellbauer and Anthony Murphy on housing which, in my view, conclusively demonstrates that we have not had a house price bubble in recent years in the UK, continues to reverberate. On top of his academic talents, he was a great teacher and friend to his students. Best of all, he was a real enthusiast, full of charm and kindness and great fun to be with. A genuinely life-enhancing person, he is remembered with affection by all who knew him.

Christopher Bliss retired from his Professorial Fellowship at the end of the year. He arrived at Nuffield in 1976 and made a huge impact in the economics profession. On top of this, his contribution to both College and University has been immense. Not wishing to fade away quietly, he was chair of the MPhil Economics examiners in his last year as well as being College Investment Bursar. Indeed he is continuing in this position for the coming year. Richard Breen, an Official Fellow in Sociology since 2000, left us for a position at Yale earlier in the year. This is a great loss for Oxford Sociology but Richard will be around the College from time to time in his role as Senior Research Fellow. Finally, Neil Shephard resigned his Official Fellowship in Economics but since he reappeared instantaneously as a Professorial Fellow, this was only a nominal change.

We welcomed five new Professorial Fellows last year, Nancy Bermeo from Princeton, Martin Browning from Copenhagen, Ray Duch from Houston, Gwendolyn Sasse from LSE and Tom Snijders from Groningen. We are very pleased to have such an influx of outstanding talent. Another change in College has been the arrival of our first Pastoral Advisor, Dee Danchev, whose presence in College on Tuesday and Friday afternoons is most welcome. Finally, my predecessor, Tony Atkinson, has taken up a Professorship in the Economics

Department alongside his Senior Research Fellowship at the College.

The achievements of individual members of the College are reported below but some highlights are worth mentioning. David Cox received an Honorary Doctorate in Science at the University of Southampton, Duncan Gallie served as Foreign Secretary and Vice President of the British Academy, and Peter Hedström served as President of the European Academy of Sociology and Secretary General of the International Institute of Sociology as well as being elected to a Fellowship of the US Sociological Research Association. Both Kevin Roberts and Peyton Young were elected to Fellowships of the British Academy. Peyton continues as President of the Game Theory Society. Geoff Evans serves as editor of Electoral Studies, Tom Snijders is editor of Social Networks, and Neil Shephard is associate editor of *Econometrica*. Jochen Prantl was awarded the Zvi Meitar/VC Oxford University Research Prize in the Social Sciences. Florin Bilbiie won the Rotary Prize for the best PhD thesis defended during 2003-06 at the European University Institute. Sarah Percy was awarded the prize for the best dissertation in the area of Strategic Studies at the Annual Meeting of the American Political Science Association. Finally, in August, David Hendry was honoured by a three-day Festschrift Conference here in Oxford with numerous presentations including two by Nobel laureates. The conference was organised by Jennifer Castle and Neil Shephard.

College Fellows continue to play a significant role in Oxford social science. Anthony Heath is Head of the Sociology Department and David Hendry has just finished as Head of the Economics Department and Vice-Chairman of the Social Studies Divisional Board. David has also finished his yeoman service to the University as member of the Finance Committee and one of the designers of the proposed Joint Resource Allocation Mechanism which continues to progress slowly through the various decision-making bodies of the University. This is the year of the Research Assessment Exercise (RAE); Des King is RAE co-ordinator for the Department of Politics and International Relations, as well as serving as a Delegate of the University Press; Colin Mills is RAE co-ordinator for the Department of Sociology; and David Hendry is Chair of the Economics Department RAE Committee which also numbers Tony Atkinson and myself among its members. Geoff Evans, Andrew Hurrell and Iain McLean have continued to direct various Centres in the Department of Politics and International Relations, and David Miller has served as Director of Graduate Studies in Politics, while Yuen Khong holds the equivalent position in International Relations. Laurence Whitehead was elected to the University's Audit and Scrutiny Committee and I am joining the University Finance Committee. Neil Shephard is the first Director of the Oxford Man Institute of Quantitative Finance, having been heavily involved in setting it up. This is a joint endeavour of the University and Man Group Plc, the largest hedge fund in the world, which has contributed £13.75M to help fund this activity over its first five years. Ray Fitzpatrick is Chair of the Research Engagement Group and member of the Steering Committee for the newly established Oxford Biomedical Research Centre. This is a partnership between the University and Oxford Radcliffe NHS Trust based on a £57.5M grant over five years from the National Institute for Health Research.

Many members of the College are significantly involved in the world outside academia as enjoined by the Charter. A few examples are David Cox's membership of the DEFRA advisory group on bovine tuberculosis; the involvement of Iain McLean and David Butler with the 11th Inquiry of the Committee on Standards in Public Life on the boundary-drawing function of the Electoral Commission; Paul Klemperer's work on the Panel of Advisors to the Competition Commission; and my own role as Chair of the National Housing and Planning Advice Unit and of the Ad-Hoc Advisory Committee on Civil Costs on behalf of the Ministry of Justice.

The Visiting Fellows, as well as playing an important role in the governance of the College, serve as a significant conduit to the wider world. Congratulations are in order for Sir Bill Callaghan, recently knighted for services to health and safety. He has just retired as Chair of the Health and Safety Commission. Also congratulations to Sharmi Chakrabarti, Director of Liberty, on her award of a CBE for services to human rights. We say goodbye to David Potter, David Willetts and Martin Wolf who have finished their terms as Visiting Fellows and welcome Richard Lambert, Director General of the CBI and Greg Clark, MP for Tunbridge Wells and Shadow Minister for Charities, Voluntary Bodies and Social Enterprise.

During the summer, Brenda Hale (The Rt. Hon. The Baroness Hale of Richmond), a recent Visiting Fellow, was hosted by the College when she received an honorary degree from the University. Brenda was the first woman ever to be appointed Lord of Appeal in Ordinary.

Malcolm Dean, lead writer on social affairs and assistant editor of the Guardian is our new Guardian Fellow, replacing Glenda Cooper who was Deputy Features Editor of the Evening Standard. Glenda will present the Guardian Lecture in November. Finally, Anthony Lawton, the Chief Executive

of Centrepoint and a Gwilym Gibbon Fellow, is to be congratulated on the receipt of his OBE for services to young people.

On June 6, 2008, it will be 50 years to the day since the College received its Charter. Robert Taylor, an alumnus of the College and one-time Observer journalist, is preparing a volume on the History of the College to mark the occasion.

I have now completed one year as Warden. The high point was undoubtedly my appearance as Dr Evil in the College pantomime, during which I was shot on two separate occasions by a female James Bond. Only new girls and boys get to appear in the pantomime, so such a peak of excitement for me is unlikely to be reached again.

Stephen Nickell October 2007



The College in 2006-2007

Visitor

The Rt Hon The Lord Phillips of Worth Matravers, Master of the Rolls

Warden

Stephen Nickell CBE FBA

The Fellowship

At the start of the academic year, there were in total 101 Fellows of the College (excluding Honorary and Emeritus Fellows), 33 being 'permanent' and 68 on fixed-term appointments.

Fellows

Laurence Whitehead, Official Fellow

Kenneth Macdonald, Faculty Fellow and Fellow Librarian for MT2006 and HT2007

Christopher Bliss FBA, Professorial Fellow and Investment Bursar

David Miller FBA, Official Fellow

John Muellbauer FBA, Official Fellow

David Hendry FBA, Professorial Fellow

John Darwin, Faculty Fellow

Duncan Gallie FBA, Official Fellow and Fellow Librarian for TT2007

Raymond Fitzpatrick, Faculty Fellow and Dean

Anthony Heath FBA, Professorial Fellow

Margaret Meyer, Official Fellow

Andrew Hurrell, Faculty Fellow

Geoffrey Evans, Official Fellow and Senior Tutor

Neil Shephard FBA, Professorial Fellow

Lucy Carpenter, Faculty Fellow and Adviser to Women Students

Iain McLean, Official Fellow

Yuen Khong, Faculty Fellow

Paul Klemperer FBA, Professorial Fellow

Gwilym Hughes, Supernumerary Fellow and Bursar

Bent Nielsen, Faculty Fellow

Kevin Roberts FBA, Professorial Fellow

Richard Breen FBA, Official Fellow/Senior Research Fellow

Ian Jewitt, Official Fellow and Chair of Economics Group

Robert Allen FBA, Professorial Fellow and Investment Bursar

Desmond King FBA, Professorial Fellow

Colin Mills, Faculty Fellow

Diego Gambetta FBA, Official Fellow

Peter Hedström, Official Fellow and Chair of Sociology Group

Peyton Young FBA, Professorial Fellow

Raymond Duch, Professorial Fellow

Martin Browning, Professorial Fellow

Tom Snijders, Professorial Fellow

Nancy Bermeo, Professorial Fellow

Gwendolyn Sasse, Professorial Fellow

Visiting Fellows

David Willetts, MP for Havant, Shadow Education Secretary

Martin Wolf CBE, Associate Editor, Financial Times

Sir Bill Callaghan, Chairman of the Health and Safety Executive

Moira Wallace, Director General of Crime Policing and Community Safety Group

Sir Christopher Bland, Chairman of BT

Vince Cable, MP for Twickenham

Frank Vandenbroucke, Vice-Minister-President of the Flemish Government and Flemish Minister of Employment, Education and Training

Len Cook, Independent Statistician

Sir Gus O'Donnell, Secretary of the Cabinet and Head of the Home Civil Service

Sir Ian Blair QPM, Commissioner, Metropolitan Police

Norman Glass, Director, National Centre for Social Research

Mervyn King, Governor, Bank of England

Sir Howard Newby, Vice Chancellor, University of the West of England

Andrew Nairne, Director, Museum of Modern Art, Oxford

David Prentis, General Secretary of UNISON

Sir Michael Aaronson CBE, Chairman, Centre for Humanitarian Dialogue, Geneva.

David Miliband, Secretary of State for Foreign and Commonwealth Affairs Alan Rusbridger, Editor, The Guardian

Polly Toynbee, Columnist, The Guardian

Sir Nicholas Stern, Head of the Government Economic Service; IG Patel Chair and Director, LSE Asia Research Centre

Ian Diamond, Chief Executive, ESRC

Alan Morgan, President, Olivant Advisers Limited, London

Irwin Stelzer, Director, Center for Economic Policy, Hudson Institute

Mark Thompson, Director-General of the BBC

Shami Chakrabarti CBE, Director of Liberty

Nicholas Macpherson, Permanent Secretary to HM Treasury

Richard Lambert, Director General of the CBI

Gwilym Gibbon Fellows

Anthony Lawton OBE, Chief Executive, Centrepoint
Alexander Evans, Strategic Policy Advisor, Directorate of Strategy and
Information, Foreign and Commonwealth Office.

Guardian Research Fellow

Glenda Cooper, Deputy Features Editor, Evening Standard

Emeritus Fellows

Ian Little FBA
Uwe Kitzinger CBE
Max Hartwell
David Fieldhouse FBA
Freddie Madden
James Sharpe
A. H. Halsey FBA
David Butler CBE FBA
Maurice Scott FBA
Lord McCarthy
Sir James Mirrlees FBA
Noel Gale
Byron Shafer

John Goldthorpe FBA Clive Payne Megan Vaughan FBA Jeremy Richardson Richard Mayou

Honorary Fellows

Iean Floud CBE Michael Brock CBE Manmohan Singh Sir David Cox FRS FBA The Rt Hon Lord Bingham of Cornhill FBA Martin Feldstein FBA Lord Hurd of Westwell Lord Runciman FBA Amartya Sen CH FBA Sir Adrian Swire Sir George Bain Brian Barry FBA Robert Erikson FBA Baroness O'Neill FBA Ariel Rubinstein **Lord Sainsbury**

Research Fellows

Richard Spady, Senior Research Fellow in Economics
Stephen Bond, Research Fellow in Public Economics
Hyun Shin FBA, Senior Research Fellow
Adrian Pagan, Senior Research Fellow in Economics
Sir Tony Atkinson FBA, Senior Research Fellow in Economics
Richard Breen FBA, Senior Research Fellow in Sociology
Jurgen Doornik, Research Fellow
Michelle Jackson, Research Fellow
Sarah Harper, Research Fellow
Clive Bowsher, British Academy Postdoctoral Research Fellow
Yvonne Åberg, Postdoctoral Prize Research Fellow

Clare Leaver, Research Fellow

Roland Meeks, British Academy Postdoctoral Research Fellow

Stefan de Wachter, British Academy Postdoctoral Research Fellow

Colin Provost, Postdoctoral Prize Research Fellow

Florin Bilbije, Postdoctoral Prize Research Fellow

Jordi Blanes i Vidal, Postdoctoral Prize Research Fellow

Margit Tavits, Postdoctoral Price Research Fellow

Jochen Prantl, Research Fellow

Elisabeth Ivarsflaten, Postdoctoral Prize Research Fellow

Meredith Rolfe, Postdoctoral Prize Research Fellow

Adrienne LeBas, Postdoctoral Prize Research Fellow

Bruno Strulovici, Research Fellow

Scott Blinder, Research Fellow

Mark Pickup, Research Fellow

Sharon Belenzon, Research Fellow

Tiziana Nazio, Research Fellow

Rafael Hortala-Vallve, British Academy Postdoctoral Research Fellow

Maria Sobolewska, ESRC Postdoctoral Research Fellow

Sarah Percy, Research Fellow

David Greenstreet, Research Fellow

Quentin Van Doosselaere, Postdoctoral Prize Research Fellow

Jennifer Tobin, Postdoctoral Prize Research Fellow

Jorge Bravo, Postdoctoral Prize Research Fellow

Mikhail Drugov, Research Fellow

Jeremy Tobacman, Research Fellow

Rocco Macchiavello, Research Fellow

Jennifer Castle, British Academy Postdoctoral Research Fellow

David Armstrong, Research Fellow

Alexander Moradi, Research Fellow

Hartmut Lenz, Research Fellow

George Georgiadis, ESRC Postdoctoral Research Fellow

Ryan Bakker, Research Fellow

Antonis Ellinas, Research Fellow

Sandra Gonzalez Bailon, ESRC Postdoctoral Research Fellow

Associate Members

Siem Jan Koopman

Avner Offer FBA

Gavin Cameron

Nanny Wermuth

Nancy Cartwright FBA

Paul David FBA

Sophie Duchesne

David Firth

James Stimson

Crispin Jenkinson

Michael White

Sarah Spencer

Hans Martin Krolzig

David Myatt

David Vines

Domenico Lombardi

Anand Menon

Måns Söderbom

Frances Cairncross

Anthony Murphy

Peter Abell

Michael Biggs

Keith Dowding

Jonathan Gershuny

Claire Lavabre

Andrew Chesher

Jason Long

Audrey Kurth Cronin

Malcolm Dean

Peter Neary

Federico Varese

Dilek Önkal

Bruce Ientleson

Annalisa Cristini

Joel Aberbach
David Rueda
Ian Goldin
Amrita Dhillon
Gábor Tóka
Tak Wing Chan
George C. Edwards III
Kimberley Johnson
Mika Meitz
Sir Roderick Floud
Robert Taylor

New Elections 2007-2008

Official Fellowships

Nan Dirk de Graaf, University of Nijmegen. David Myatt, University of Oxford.

Professional Fellowship

Gwendolyn Sasse, LSE.

Emeritus Fellowship

Christopher Bliss

Visiting Fellowships

Richard Lambert, Director General of the CBI.

Greg Clark, MP for Tunbridge Wells and Shadow Minister for Charities, Voluntary Bodies and Social Enterprise.

Senior Research Fellowships

Richard Breen FBA, Yale University. David Soskice, Duke University. Jim Alt, Harvard University. Mark Franklin, European University Institute. Will Kymlicka, Queen's University, Canada. Kathy Thelen, Northwestern University.

Postdoctoral Prize Research Fellowships

The Postdoctoral Prize Research Fellowships elections attracted a field of 485 candidates. The following were elected to PPRFs:

Maria Sobolewska (Islam as a New Political Cleavage in the Western World), Nuffield College.

Christel Kesler (Immigration and Occupational Change), UC Berkeley.

Gilles Serra (Studies of Elections in Latin America and the US: The Adoption of Primary Elections to Unite a Fractured Party; Endogenous Party Affiliation; A Study of Voting Behaviour in the 2006 Mexican Election), Harvard University.

Scott Moser (The Stability and Evolution of Endogenous Political Institutions), Carnegie Mellon University.

Brendan Beare (Copula based limit theory for time series, and unit root testing with unstable volatility), Yale University.

Non-Stipendiary Research Fellowships

George Georgiadis, University of Cambridge.

Magnus Jedenheim-Edling, University of Stockholm.

Hartmut Lenz, University of Essex.

Vikki Boliver, British Academy Postdoctoral Fellowship, Oxford.

Ryan Bakker, Department of Politics and International Relations, Oxford.

Antonis Ellinas, Princeton University.

Lars Malmberg, Department of Education, Oxford.

Kerry Liam Papps, Cornell University.

Aytek Erdil, Harvard University.

Marzena Rostek, Yale University.

Marek Weretka, Yale University.

Christopher Ksoll, Yale University.

Yvonne Åberg, Nuffield College.

Guardian Research Fellow

Malcolm Dean, Journalist, The Guardian.

Associate Memberships

Dilek Önkal, Professor of Decision Science, Faculty of Business Administration, Bilkent University.

Bruce Jentleson, Director, Terry Sanford Institute of Public Policy and Chair, Department of Public Policy Studies, Duke University.

Annalisa Cristini, Professor of Economics and Business Administration, Università degli Studi di Bergamo.

Joel Aberbach, Distinguished Professor of Political Science and Public Policy, Department of Political Science, UCLA; and John G. Winant Visiting Professor of American Government for 2006/07, Balliol College, Oxford.

David Rueda, Professor of Comparative Politics, Merton College, Oxford.

Ian Goldin, Director, James Martin 21st Century School, Oxford.

Amrita Dhillon, Reader, Department of Economics, University of Warwick.

Gábor Tóka, Associate Professor, Department of Political Science, Central European University; and Marie Curie Intra-European Fellow, Department of Politics and International Relations, Oxford.

Tak Wing Chan, University Lecturer, Department of Sociology; and Fellow of New College, Oxford.

George C. Edwards III, Distinguished Professor of Political Science, Texas A&M University.

Kimberley Johnson, Assistant Professor of Political Science and Urban Studies, Barnard College, Columbia University.

Mika Meitz, Postdoctoral Research Fellow, Department of Economics; and Junior Research Fellow at Corpus Christi College, Oxford.

Sir Roderick Floud, Vice-President of the European Universities Association, and Emeritus Professor of London Metropolitan University.

Robert Taylor, journalist and adviser to the European Trade Union Confederation.

Charles Knickerbocker Harley, Professor of Economic History, Department of Economics; and Fellow of St Antony's College, Oxford.

Jane Humphries, Professor of Economic History, Faculty of Modern History; and Fellow of All Souls College, Oxford.

Guillermo O'Donnell, Helen Kellogg Professor of Government and International Studies, University of Notre Dame; and John G. Winant Visiting Professor of American Government for 2007/08, Balliol College, Oxford.

Christopher Wlezien, Professor of Political Science, Temple University.

Rick van der Ploeg, Professor of Economics, European University Institute; and Deputy-Director Elect of the Oxford Centre for the Analysis of Resource-Rich Economies (OxCarre).

Appointment of Leaving Fellows

- Florin Bilbiie (Postdoctoral Prize Research Fellow) was appointed as a tenuretrack Assistant Professor at HEC Paris Business School, with an affiliation to the Paris School of Economics.
- Sara Binzer Hobolt (Non-stipendiary Research Fellow) was appointed as a University Lecturer in Comparative Politics in the Department of Politics and International Relations, and a Tutorial Fellow in Politics in Lincoln College, Oxford.
- Jordi Blanes i Vidal (Postdoctoral Prize Research Fellow) was appointed to a lectureship in the Managerial Economics and Strategy Group in the Department of Management at the London School of Economics.
- Richard Breen (Official Fellow) was appointed Professor of Sociology and Co-Director of the Center for Research on Inequalities and the Life Course (CIQLE), Yale University, and elected to a Nuffield Senior Research Fellowship in Sociology.
- Elisabeth Ivarsflaten (Postdoctoral Prize Research Fellow) accepted an appointment as Associate Professor of Comparative Politics at the Department of Comparative Politics, University of Bergen, Norway.
- Clare Leaver (Non-stipendiary Research Fellow) was appointed to a University Lectureship in Economics in association with the Queen's College, Oxford.
- Roland Meeks (British Academy Postdoctoral Research Fellow) took up a post as an economist in the research department of the Federal Reserve Bank of Dallas.
- Sarah Percy (Non-stipendiary Research Fellow) was elected to a permanent Fellowship at Merton College, Oxford.
- Colin Provost (Postdoctoral Prize Research Fellow) was appointed to a lectureship in public policy at University College London.
- Margit Tavits (Postdoctoral Prize Research Fellow) accepted an appointment as Assistant Professor in the Department of Political Science, University of Missouri-Columbia.
- Stefan de Wachter (Non-stipendiary Research Fellow) took up a post as portfolio manager and quantitative strategist at Pimco Europe Ltd.

College Officers 2006-2007

Warden S. Nickell Senior Tutor G. Evans

Investment Bursars R. C. Allen / C. Bliss

Bursar G. Hughes Dean R. Fitzpatrick

Fellow Librarian K. Macdonald (MT06, HT07);

D. Gallie (TT07)

Librarian E. Martin
Information Systems Fellow Y. Khong
Keeper of the College Gardens
Junior Dean M. Rolfe
Adviser to Women Students L. Carpenter
Dean of Degrees R. Meeks
Deputy Dean of Degrees F. Bilbiie

Chair, Economics Group
Chair, Politics Group
Chair, Sociology Group

I. Jewitt
A. Hurrell
P. Hedström

Chair, Senior Common Room D. Miller (MT06); R. Duch (HT07, TT07)

College Committees, 2006-2007

Strategy and Resources Committee

Warden Chair
G. Hughes Bursar
G. Evans Senior Tutor

P. Hedström Chair, Sociology Group
I. Jewitt Chair, Economics Group
A. Hurrell Chair, Politics Group

C. Bliss Investment Bursar (Equities)
R. Allen Investment Bursar (Property)
R. Meeks Postdoctoral Research Fellow

C. Fehl Student

In attendance

J. Crump Administrative Officer – Minutes

Personnel and Domestic Committee

Warden Chair G. Hughes Bursar

D. Miller / R. Duch Chair of SCR & Chair of Food Committee

A. Heath Keeper of the College Gardens

R. Mayou Chair of Art Committee (non-attending

member)

L. Stannard Human Resources Manager
C. McNeill Co-Chair of Staff Council

L. Carpenter

G. Evans M. Meyer

R. Meeks Postdoctoral Research Fellow

A. Rozmer Student

In attendance

J. Crump Administrative Officer – Minutes

Staff Council

C. McNeill Joint Chair G. Hughes Joint Chair

Warden
I. Jewitt
M. Baker
G. Gardener
M. Holmes
C. Kavanagh
R. Oakey

M. Sobolewska Postdoctoral Research Fellow

In attendance

L. Stannard Human Resources Manager
A. Colgan HR Assistant – Minutes

Welfare Committee

Warden Chair

D. Danchev Pastoral Adviser

L. Carpenter Adviser to Women Students

G. Evans Senior Tutor
L. Normand Student
M. Rolfe Junior Dean
G. Hughes Bursar

G. Cunningham University Link Counsellor

N. MacLennan College Doctor

S. Wright Academic Administrator – Minutes

Investment Committee

Warden Chair

C. Bliss Investment Bursar (Equities)
R. Allen Investment Bursar (Property)

G. Hughes Bursar

I. Jewitt

I. McLean J. Muellbauer

K. Roberts L. Whitehead

P. Young

J. Hodson Taube Hodson Stonex Partners Limited

N. Record Currency Management

In attendance

J. Dale-Harris Consultant (TT07)

C. Leach Investment Assistant – Minutes

Audit Committee

M. Lamaison Chair

B. NielsenS. BondY. F. KhongIn attendance

G. Hughes Bursar

L. Arch / B. Harrison Finance Officer – Minutes

Library Committee

D. Gallie Fellow Librarian (TT07) Chair

K. Macdonald Fellow Librarian (MT06, HT07 only)

E. Martin Librarian

Warden

R. Gascoigne Information Systems Manager

P. Young D. Miller

K. Macdonald

B. Strulovici Postdoctoral Research Fellow

W. Feldman Student

Information Systems Committee

Y. Khong Information Systems Fellow R. Gascoigne Information Systems Manager

Warden

G. Hughes Bursar E. Martin Librarian

R. Fitzpatrick J. Castle L. Stannard S. Wright

Y. Åberg Postdoctoral Research Fellow

T. Hicks Student

In attendance

J. Crump Administrative Officer – Minutes

Equality Committee

L. Stannard Human Resources Manager Chair

G. Hughes Bursar

Y. Åberg Postdoctoral Research Fellow

L. Carpenter Fellow

Warden

R. Shama Staff Representative
S. Wright Academic Administrator
J. Skorupska Student Representative

In attendance

A. Colgan HR Assistant – Minutes

Students

At the start of the academic year 2006-2007, there were 59 students in College. There were 33 men and 26 women. 14 were from the UK, 22 from other EU countries, and 23 from elsewhere. Their distribution by group and status was as shown below:

Groups						
Status	Economics	Politics	Sociology	Interdisciplinary		
MLitt/Prob Res/DPhil	6	17	14	5		
MPhil	8	5	-	-		
MSc	-	-	4	-		
Total	14	22	18	5		
Visitors	3	3	5	-		

For the academic year 2007-2008, 35 student places were offered. In the event, 25 student places were taken up (including 1 deferred from 2006-2007), 16 by men and 9 by women. 7 of the new students are from the UK, 10 from other EU countries, and 8 from elsewhere. The distribution by Group is Economics 7, Politics 8, Sociology 9 and Interdisciplinary 1. 12 current students completed either an MSc or MPhil and 9 will stay on to pursue a DPhil.

New Students 2006/2007

Maria Grasso DPhil Sociology
George Hoare DPhil Sociology

Lee Jones DPhil IR

Pavan Mamidi DPhil Sociology Philip Manners MPhil Economics

Linn Normand MPhil IR
Thomas Ogg MSc Sociology
Lluis Orriols Galve DPhil Politics
Thomas Pegram DPhil Politics
Yael Peled DPhil Politics
Madeline Penny MPhil Economics
Patricia Pesquera DPhil Sociology

Luke Samy DPhil Modern History

Nathan Sperber MSc Sociology Alex Sutherland DPhil Sociology **Daniel Twining** DPhil IR **DPhil Politics** Laurens van Apeldoorn Lisa Vanhala **DPhil Politics** Johannes Wieland MPhil Economics Mark Williams MSc Sociology Guiying Wu **DPhil Economics**

Yu Zhang MSc Sociology

Visiting Students

Jan Phillip Bender **DPhil Economics** Marco Gonzalez DPhil Sociology Carlos Gonzalez Sancho DPhil Sociology Mads Jaeger DPhil Sociology Mogens Justesen **DPhil Politics** Christin Kvrme Tuxen DPhil Economics Blaise Misztal **DPhil Politics Julia** Nafziger **DPhil Economics DPhil Politics** Francesca Pasquali

Paul Sharp DPhil Sociology Marieke Voorpostel DPhil Sociology

Graduating Students

During the course of the year, the following students or former students were given leave to supplicate.

(E = Economics; P = Politics; S = Sociology; ID = Interdisciplinary)

D Phil:	Thesis Title:
Leah Bassel (ID)	From Refugee Woman to Citizen: The Politics of Integration in France and Canada
Alberto Behar (E)	Are Skilled and Unskilled Labour Complements or Substitutes?
Vikki Boliver (S)	Social Inequalities and Participation in UK Higher Education
Nicholas Cheeseman (P)	The Rise and Fall of Civil-Authoritarianism in Africa: Patronage, Participation and Political Parties in Kenya and Zambia
Anna Dimitrijevics (P)	Integrating Patterns of Conflict Resolution: A Group-Oriented Approach to the Study of the Genesis and Dynamics of Ethnic Conflict
Padraig Dixon (E)	Empirical Essays on Inputs, Institutions and Economic Growth
Sharon Gilad (P)	An Intra-Organizational Perspective on the Role of Consumer Complaint Handling in the UK Retail Investment Regulatory Regime (1981-2004)
Jane Green (P)	The Test of Party Competition Theories: The British Conservative Party since 1997

Eric Harrison (S) The Changing Experience of the Self-Employed in

Britain, 1986-2001

Heiko Hesse (E) Essays on Banking and Monetary Policy

Kohei Kawamura (E) Microeconomic Analysis of Industrial Relations

Ruth Keogh (ID) Several Aspects of the Use and Analysis of Case-

Control Studies

Natalia Mora Sitja (ID) Labour Supply in an Industrialising Economy:

Catalonia c. 1780-1913

Paul Segal (E) On the Mechanisms of Inequality in Development

Oisín Tansey (P) Democratic Regime-Building: Democratisation in

the Context of International Administration

Max Tse (E) Essays in Industrial Organisation

Divya Vaid (S) Class Mobility of Women and Men in India

Ying Zhou (S) Trends, Determinants and Implications of British

Employees' Organizational Participation 1980-2001

In the University examinations the following were successful:

M Phil Economics

Rebecca Gough Keeping the Lights On: Liberalised Markets, Security

of Supply and Demand Management

Elizabeth Hunt Political Economy of Local and Participatory

Governance

Margaret Irving A Study of School Choice in South Africa

Filip Lachowski Essays in Industrial Organization

Helen Slater The Impact of Immigration on Labour Markets

M Phil International Relations

Keith Stanski Warlords and the West: A Genealogy of Western

Perceptions of and Relations with 'Warlords', 1884

2006

M Phil Politics

William Feldman Humanitarians and Soldiers: Military Responsibility,

Distributive Justice, and the Internal Legitimacy of

Humanitarian Protection

Armen Hakhverdian Are Some Voters More Equal to Others?

Representational Bias in the UK

M Sc Sociology

Thomas Ogg School Effects, Aptitude Testing, and Undergraduate

Admissions: A Comparison of the Predictive Validity of Aptitude Testing and Secondary School Grades.

Nathan Sperber Three Million Trotskyists? The Rise of the New

Extreme Left in France in the 2002 Presidential

Election

Mark Williams The Workplace Determinants of Job Quality: A

Multilevel Analysis

Yu Zhang Change of Young British Women's Gender-Role

Attitudes, 1991-2003

Appointment of Leaving/Graduating Students

Carlos Caceres began work at the European Central Bank, Frankfurt.

Anna Dimitrijevics was elected to a Research Fellowship at Queen's College, Cambridge.

Rebecca Gough began work as an economist at Cambridge Economic Policy Associates.

Kohei Kawamura was appointed to a lectureship at the University of Edinburgh.

Tommy Murphy was elected to a Postdoctoral Fellowship at the Università Bocconi.

Helen Simpson was appointed Senior Research Fellow at the Centre for Market and Public Organisation, University of Bristol.

Oisín Tansey was appointed Lecturer in International Relations at the University of Reading.

Visitors

Andrew Abbott, University of Chicago. Sponsor: Peter Hedström.

Amitav Acharya, Nanyang Technical University, Singapore. Sponsor: Yuen Foong Khong.

AnaFlavia Barros-Platiau, University of Brazil. Sponsor: Andrew Hurrell.

Michael Bratton, Michigan State University. Sponsor: Geoff Evans.

Sherri-Ann Butterfield, Rutgers University, Newark. Sponsor: Anthony Heath.

Edward G. Carmines, Indiana University. Sponsor: Geoff Evans.

John V. Duca, Federal Reserve Bank of Dallas. Sponsor: John Muellbauer.

Hartmut Esser, University of Mannheim. Sponsor: Peter Hedström.

Roberto Franzosi, Emory University, Atlanta. Sponsor: Peter Hedström.

Graham Hacche, International Monetary Fund. Sponsor: John Muellbauer.

Bert Hoffman, GIGA Institute for Latin American Studies, Hamburg. Sponsor: Laurence Whitehead.

Robert O. Keohane, Princeton University. Sponsor: Andrew Hurrell.

Thomas Kron, University of Hagen, Germany. Sponsor: Peter Hedström.

Michael Lewis-Beck, University of Iowa. Sponsor: Geoff Evans.

Matteo Lodevole, Churchill College, Cambridge. Sponsor: Andrew Hurrell. (Jemolo Fellow)

Manuela Martini, University of Paris 7–Denis Diderot. Sponsor: Bob Allen. (Jemolo Fellow)

Leonardo Morlino, University of Florence. Sponsor: Laurence Whitehead. (Jemolo Fellow)

John M. Owen IV, University of Virginia. Sponsor: Andrew Hurrell.

Mark Podolskij, Ruhr University, Bochum, Germany. Sponsor: Neil Shephard.

Mark Prebble, State Services Commissioner, New Zealand. Sponsor: Iain McLean.

Richard N. Rosecrance, Harvard University. Sponsor: Andrew Hurrell.

Isabel Trujillo, University of Palermo, Italy. Sponsor: David Miller. (Jemolo Fellow)

Darrell Turkington, The University of Western Australia. Sponsor: David Hendry.

Duncan J. Watts, Columbia University. Sponsor: Peter Hedström.

Yoram Weiss, Tel-Aviv University. Sponsor: Martin Browning.

Perry Wilson, University of Edinburgh. Sponsor: John Darwin. (Jemolo Fellow)

Lars Winter, University of Hagen, Germany. Sponsor: Peter Hedström.

Conferences in College

Michaelmas Term

European Academy of Sociology Meeting (Peter Hedström)

International Relations Doctoral Student Workshop on State Building (Andrew Hurrell)

Hilary Term

Forensic Mental Health Workshop (Ray Fitzpatrick)

International Relations Pre-Confirmation Doctoral Workshop (Andrew Hurrell, Kalypso Nicolaidis)

Harvard/Oxford/Stockholm Conference: The Aage Sørensen Memorial Conference for Graduate Students in Sociology (Thees Spreckelsen, Eline de Rooij)

Trinity Term

Workshop on Insurance Mathematics (Bent Nielsen)

Graduate Conference in Economic History (Bob Allen)

Advance Research Workshop (Elisabeth Ivarsflaten)

Theoretical and Empirical Contributions to Modelling Context in the Vote Decision

(Ray Duch)

Analytical Sociology Workshop (Peter Hedström)

Conference in Honour of David Hendry (Neil Shephard)

The Anatomy of Informal Governance: International Institutions, Power, Legitimacy, and Inequality

(Andrew Hurrell/Jochen Prantl)

Access to Education in Africa and Asia (Geoff Evans)

Transport and Society (Kenneth Macdonald)

Seminars in College

Stated Meeting Seminars

November: The Economics of Climate Change

Sir Nicholas Stern, Head of the Government Economic Service and Visiting Fellow

March: Are Europeans Lazy or are Americans Crazy? Patterns of Work Across the OECD

Stephen Nickell, Warden

June: *Inequality*

Polly Toynbee, Columnist, the Guardian and Visiting Fellow

Seminars in College

Economic Theory and Econometrics *Michaelmas*, *Hilary and Trinity Terms* (Neil Shephard, Martin Browning, and Bent Nielsen)

Nuffield Political Science Seminars *Michaelmas*, *Hilary and Trinity Terms* (Geoff Evans, Ray Duch, Steve Fisher, Sara Hobolt, Mark Pickup, David Rueda, and James Tilley)

Sociology Seminar *Michaelmas*, *Hilary and Trinity Terms* (Richard Breen, Diego Gambetta, and Peter Hedström)

Graduate Workshop in Economic and Social History Michaelmas, Hilary and Trinity Terms

(Tommy E. Murphy)

Oxford Intelligence Programme *Michaelmas*, *Hilary and Trinity Terms* (Michael Herman and Gwilym Hughes)

Forecasting and Decision Analysis *Michaelmas and Hilary Terms* (Clive Bowsher and Jennifer Castle)

Media Seminar Series *Michaelmas and Trinity Terms* (David Butler and Paddy Coulter)

Graduate Workshop in Political Science *Hilary and Trinity Terms* (Caroline Fehl and Tim Hicks)

College History Seminars *Hilary and Trinity Terms* (John Darwin and David Butler)

Nuffield Experimental Social Science Seminar *Trinity Term* (Ray Duch, Diego Gambetta, and Peyton Young)

Scholars as Research Practitioners *Trinity Term* (Lee Jones and Tom Ogg)

Bursar's Report

Fund balances increased over the period by 9.4% to £146.2million as at 31 July 2006. More details are provided in the consolidated balance sheet which is included in this report. The accounting income of the College continued its downward trend (previous year minus 1.7%, this year minus 1.7%) whereas expenditure increased by 0.8% to £6.4million.

When measuring the return on the endowment, including capital appreciation, the College has calculated an overall level of endowment expenditure which may safely be spent in perpetuity. For the year ending 31 July 2006 the Endowment Expenditure Rule (EER) produced the following result (£000):

EER Other Operating Income Research Grants	5,577 551 529 6,657
Less Total Expenditure	6,387
Surplus	270

In view of this result Governing Body is satisfied that the present level of expenditure is affordable and that the College is in a position to take advantage of opportunities which contribute to its academic strategy.

NUFFIELD COLLEGE		
CONSOLIDATED BALANCE SHEETS AT 31 JUI	(2005)	
	£000	£000
Fixed assets		
Tangible assets	7,232	7,715
Investments	0	0
	7,232	7,715
Endowment asset investments		
Securities and Cash Deposits	86,475	77,278
Land and property	52,582	48,654
	139,057	125,932
Current assets:		
Stocks	97	117
Debtors	1,107	598
Short term investments	10	9
Cash at bank and in hand	19	182
	1,232	906
Creditors:		
Amounts falling due within one year	-1,315	-871
Net current assets	-83	36
TOTAL ASSETS LESS CURRENT LIABILITIES	146,206	133,684
Creditors:		
Amounts falling due after more than one year	0	-3
TOTAL NET ASSETS	146,206	133,681
Endowments		
Specific	19,947	17,850
General	119,110	108,083

139,057

155

6,994

7,149

146,206

125,933

145

7,603

7,748

133,681

Designated reserves

General reserves

Reserves

TOTAL FUNDS

Staff

The following members of staff retired during the year:

Peter Abraham, Kitchen Assistant Pauline Boggs, Domestic Assistant Russell Dunn, Maintenance Assistant

The following left the College:

Richard Gascoigne, Information Systems Manager Ruth Goodwyn, Buttery Assistant David Hinkin, Domestic Assistant Stephen Kee, Deputy Librarian Heidi Smith, Temporary Senior Library Assistant Gladys Williams, Receptionist/Lodge Porter

The following joined the staff:

Ruth Collings, Graduate Trainee Library Assistant
Dee Danchev, Pastoral Advisor
Gary Hamblin, Deputy Site Manager
Brian Hamilton, Finance Officer
Julie Hayden, Domestic Assistant
David Hinkin, Domestic Assistant
Lauren Hoeblym, Buttery Assistant
Zulfakar Hussain, Evening/Weekend Receptionist/Lodge Porter
Sybil Iley, Deputy Housekeeper
Dale Lloyd, Assistant IT Officer
Bimala Paudel, Domestic Assistant
Julian Reevell, Deputy Front of House Manager

Library

The major event this year has been a review of library services, which took place in Hilary and Trinity terms. The new Warden, in discussion with the Library Committee, suggested that the departure of the Deputy Librarian in January seemed a good opportunity to review Library Services formally. A Working Party was set up, consisting of the Warden, the Fellow and Acting Fellow Librarian, a Fellow representing the Politics Group and an external librarian, two students and a post-doctoral Fellow, plus a secretary. The Working Party's purpose was to look imaginatively at what the library does, and its remit covered funding, services and the future of the library. It also surveyed the library's users and took evidence from Library staff and interested parties, and used comparative data from other libraries in Oxford in reaching its conclusions.

The report, endorsed by Library Committee and Governing Body in May, acknowledged that the evidence indicated that the Library was highly valued by the majority of members of the College. It made various recommendations, the principal of which was to extend borrowing to academic staff and research students from other graduate colleges in Oxford (in addition to St Antony's) with a limit of three items for a loan period of one week. At the same time, full borrowing rights for Nuffield members would be reduced from 200 items to 100 items and the loan period for bound periodicals would be reduced from three months to one month. This would improve the circulation of library material, while causing little inconvenience to Nuffield users, according to current borrowing records. The Approvals system of acquiring new books would be streamlined and fine-tuned. On staffing issues, the library would aim to cut its staff complement by one in the longer term, once further progress had been made with the retro cataloguing project. Both the Working Party's Report and the concurrent student questionnaire showed a high level of satisfaction with the library, and we are pleased that our services continue to meet, and we hope exceed, user expectations.

Clare Kavanagh continued with the project to make all of our archives handlists available online via our website. This makes answering archives enquiries considerably easier, as researchers can see detailed lists of what we have without having to make a special trip to Oxford. The Trainee's project this year was in a similar vein: to re-organise and make more accessible our large and little-known collection of party-political and trade-union material.

We hope to extend this project next year to promote the collections more widely.

The retro cataloguing project also continues to make good progress in the areas of special collections, periodicals and government publications. Tula Miller has added to OLIS all Nuffield thesis records dating back to 1970, and the earlier years will be added shortly. We are, as ever, grateful for the numerous donations received in the Library from College members past and present, and from external sources.

We registered 291 new readers during the year, and an additional 125 visitors were admitted to consult items held only at Nuffield, including 26 Archives readers. At the end of the year, we had 292 active borrowers, who had borrowed a total of 7,272 items during the course of the year. We bought 472 new monographs for the main collections, and a further 26 for maintaining the Taught-Course reading list reference collection. We registered 7,291 separate periodical parts during the year.

The Data Library acquired new and revised datasets from around the world. The Data Services Officer continued to provide support with data acquisition, licensing, management and analysis to Oxford social scientists. She continued as a member of the EQUALSOC network's Data Support Committee, whose role is to assist researchers across the network by establishing processes for sharing datasets, information and expertise that will facilitate effective analysis. She is also a member of DISC-UK (Data Information Specialists Committee); one important development this year was that this group was successful in a bid to the Joint Information Systems Committee (JISC) for funding of *DataShare* – a project that will introduce and test a new model of data sharing and archiving to UK research institutions. By supporting researchers within our institutions who wish to share datasets on which written research outputs are based, this network of institution-based data repositories develops a model for deposit of 'orphaned datasets' currently filled neither by centralised subject-domain data archives nor by e-Print-based Institutional Repositories.

We have had further staffing changes this year. Tessa Richards returned from maternity leave in January, when Heidi Smith (who was providing maternity cover) left. Stephen Kee joined us for a few months as Deputy Librarian, but we have been without a Deputy for well over half the year and all staff made sterling efforts to cover the gap and take on extra duties. I am happy to report that Tessa Richards was appointed Deputy Librarian in August. Duncan Gallie, Fellow Librarian, was on sabbatical leave for Michaelmas and Hilary terms,

and Kenneth Macdonald was Acting Fellow Librarian for that period.

In the summer of 2007, the Librarian was elected Chair of the Committee of College Librarians for an initial term of two years. In March, she also contributed to a workshop at the annual Oxford University Library Staff Conference on Nuffield's Special Collections. All staff continued to further their professional development during the year with a wide variety of external activity, much of it connected with the new library management system. Three members of staff – Gill Skidmore, Tula Miller and Tessa Richards – continued to make notable contributions to the Circulation, Cataloguing and Serials Special Interest Groups for Virtua, the Oxford-wide successor library system to OLIS, and were also involved in continued testing of the functionality of the new system. Unfortunately Virtua was postponed a further twice from its original implementation date of September 2006, both at Christmas 2006 and summer 2007, and we are now looking at an implementation date sometime in 2008. This has proved disappointing for all concerned, as we continue to work within the limitations of a by now elderly system that more than shows its age.

JCR Report

Another year has passed and, as ever, the state of the JCR is strong. Lulled not into complacency by the hum of our prosperity, fearful not of sexual innuendo in the delivery of our pantomime, tempted not into sporting listlessness by the quality of our athlete, deterred neither by Marczalikite photo-documentation nor Rozmerian goulash in the vigourof our merrymaking, the JCR continues to flourish. Remarkably, the success has come despite the leadership of an American President who refuses to wean himself from the sweet milk of power, a group of Social Secretaries who exhibit less financial thrift than Paris Hilton, a Treasurer whose bar bill will likely run longer than his M.Phil. thesis, and a Secretary who does not exist. All things considered, student life this past year in Nuffield will remain a beacon for successive Nuffielders to follow.



Michaelmas term began with the arrival of a young cohort of freshers who dutifully prepared for and executed what some, including themselves, have called the 'best panto ever'. The World is Not Ennuffield sets James Bond (Linn Normand) on a quest to foil an evil ploy to control the minds of Nuffield's students by turning them all into rational actors. Equipped with gadgets by an Iain McLean-esque 'Q' (Nathan Sperber), Bond defeats all of his old enemies – plotting Senior Tutor Geoff Evans (Sperber), buff-goons Carlos Caceres (Julia Nafziger), Alberto Behar (Glenda Cooper) and

Emre 'Oddjob' Ozcan (Marieke Voorpostel) – winning the heart of Pussy Galore (Tom Ogg) and battling his way to the truth. Along the way, Bond discovers Nuffield's tower has been turned into a mind-control device by none other than the Warden (played, in brilliant Dr Evil style, by Steve Nickell himself!), assisted by his Aryan henchwoman Frau Clara (Johannes Wieland). With a little help from the pantomime horse and a Benny Hill chase sequence, the Warden's wicked scheme is foiled – and Bond finally gets his girl at the climax, with no skew, and a higher than normal statistical significance.

Reaffirmed again this year was a proven correlation between panto quality and social life. The panic initiated by the retirement of Social Secretary Armen 'Pass the Courvoisier' Hakhverdian – who revived cognac in the Nuffield bar

like Dick Cheney revived secrecy in the White House – quickly eased when an entity known as the 'Social Secretariat' emerged. Since the fateful cold January morning when Hakhverdian anointed the Secretariat – Tom Ogg, Nathan Sperber and Mark Williams – the Nuffield JCR has joined its graduate brethren in that social staple known as 'Exchange Dinners'. Members have been treated to formal dinners in Corpus Christi, Worcester, Lincoln and St John's Colleges (with grand champagne-fuelled return legs to Nuffield). Wine tastings – popularized by



Daniel 'I can feel your presents' Lawson – were taken to yet new heights of success with a fundraiser for the Angus Lawson Memorial Trust. Over a hundred guests packed into the Nuffield Hall raising £500 for the trust's work with children worldwide. Other events included the Beatles Party, featuring the Nuffield tribute band 'We are the Walrus'; the Purim Party, featuring that delectable nectar known as Purim Punch; and the Cocktail Parties, featuring Tommy 'when I pour, I reign' Murphy.



Wine Tasting

Despite, or perhaps to compensate for, such a packed social calendar, students in Nuffield began to run more voraciously than ever. At the Teddy Hall Relays this year, 31 Nuffielders on eight teams battled lake-like puddles, fierce competition, and the ever-present, though unspoken, fear of finishing dead last – as Nuffielder Will Feldman managed to do the previous year. Alex Sutherland was the fastest Nuffield finisher with a time of 22:21. Nuffield's top female finisher was Clare Leaver with a time of 26:14. Not only did a record-number of Nuffielders run Teddy Hall (including Fellows Ian Jewitt, Jeremy Tobacman, and David Greenstreet), but many Nuffielders have raced throughout the year on their own. Jennie Castle and Lisa Vanhala took up the ultimate challenge and completed the London Marathon in April, while Laurence Lessard-Phillips and Sonia Exley undertook the Reading Half-Marathon.

In other sporting activity, Nuffield's two football teams - the Lions and Batz - enjoyed much improvement from the all-but-forgotten 'dark days' of 2005-2006. The Lions finished second in the MCR second division to receive a coveted promotion, ending the season with a record of six wins, one draw, and one loss. The highlight of the year came when phenon fresher George 'twinkle-toes' Hoare scored two goals against his former side Lincoln and helped Nuffield to a 4-2 victory. In the finale to the football season, the Lions stole the annual contest against St Antony's through a brilliant 30-yard strike by Roman 'downtown' Studer and 80 successive minutes of tight defense. Team awards went to 'Big' Carlos Gonzalez Sancho for 'best player', Hoare for 'best new player', and Emre 'The Bulldog' Ozcan for 'fair play'.



Phil 'Come on Aussie, Come on' Manners will be taking over the captaincy next year.

The Batz team, in which Nuffield women play together with St Catz and Balliol, was boosted not just by the arrival of new team hoodies with big bats wings printed on them, but also by the addition of girls who actually *had* played football before. Thus, skipping the usual introduction to the game ('No, you're technically not allowed to ward off the ball if it's about to hit you in the face'),

Batz started off very well and continued to excel throughout the season, only narrowly missing promotion to the third division. While quite a number of Nuffield's women showed interest in the game and attended practices, the most committed new recruit was Linn 'The Lightning' Normand, who very effectively reinforced the Nuffield 'veterans' on the team: Julia 'the Terrier' Skorupska and the two 'Nuffield Towers' in defence, Caroline Fehl and Eline de Rooij. One of the highlights of the season was the Cuppers quarter final against Keble College. Although a very tight defeat in the end, Batz played sensationally, forcing their opponents into a gruelling period of extra minutes. With overtime, the game ran twice the usual length of a football match, and Batz could neither compensate for their advanced age (of course, relative to Keble), nor their one-player disadvantage, losing 3-2. However, the close margin proved a very positive reflection on the Batz talent, as Keble won cuppers several weeks later.

On the cricket front, the Nuffield Knights began their season with the most controversial strategic decision since Douglas Jardine reached the conclusion that Australians could only be stopped by bowling at their heads. The Nuffield and St. Antony's captains, aware that if they did not hang together they were sure to be thrashed separately by younger, faster and stronger JCR XI's, agreed to set aside generations of rivalry and field a combined side in the league and cupper's competitions. Though the value of the alliance was not immediately obvious, as the combined 'Antfield' (copyright A. Behar) team were dumped out of cupper's in the first round, and heartily vanquished by undergraduate teams with alarming levels of ability, Antfield discovered its pride, its backbone, and its cricketing ability in the second half of the season first by defeating a Somerville side weakened by finals exams, and then picking up three further victories from their last four games. The fact that two of the victories were by default, because the opposition could not field a side, is neither here nor there.

The cricket league season is, of course, only a curtain raiser to the season's real drama: the annual Sir David Cox trophy between the JCR and SCR XIs and the Ashtray match against St Antony's. In the JCR-SCR match, Rob Ford led strongly from the front against an SCR side ably led by Gary Hamblin. Sharp bowling from Alberto Behar and Ford and sacrificial fielding from Lauren Van Appledoorn – whose first career touch of a cricket ball came when star SCR batsman Duncan Watts hit a screamer directly into his midsection – led the JCR to another Sir David Cox trophy. This first success was followed by a second later in the week, when Oxford's premier social science college



Nuffield vs. St Antony's, Trinity Term 2007

played St Antony's. A term's worth of cooperation did little to dull the venom of the Ashtray rivalry. Adept batting from Behar, Ogg, Ford, Feldman, Derrick Bennett and Tom Norman helped lift Nuffield above 150 runs from 25 overs – a formidable target. After St Antony's succumbed to the scoreboard pressure, with wickets falling regularly including that of the St Antony's captain, clean bowled for not many by his opposite number, Nuffield returned the Ashtray to New Road.

As each year begins with a pantomime aimed at embarrassing members of the Nuffield JCR and continues with social and sporting events where members of the Nuffield JCR aim to avoid being embarrassed, so too does each year end with a Leaving Students Dinner, where those who have escaped embarrassment during their Nuffield tenure ultimately have no refuge. This year, keynote speaker Rob Ford delivered a power-point presentation that wowed the audience for its hilarity and comprehensiveness. Sad to see several stalwarts of the Nuffield JCR leave, attendants at the dinner ended the evening by proceeding to their newly refurbished bar where most enjoyed wine, though some partook in cognac.



Nuffield Place Party, Trinity Term 2007

Nuffield Women's Group

Lucy Carpenter, the Adviser to Women Students, introduced the academic year for female students in Nuffield with a lovely welcome reception for the freshers. The female students and Lucy Carpenter used this tea and chocolates reception to discuss their impression of female academics in Oxford, their situation in the different subject areas and their experiences of women's issues in former academic institutions.

The main event of Hilary term was the successful Women's Dinner to celebrate International Women's Day. This year we were fortunately able to hold the Women's Dinner on the actual International Women's Day, 8th March. The Women's Dinner was entertained with a speech by Heidi Stöckl, the JCR Women's Representative, about the history and aims of the International Women's Day. To show how the struggles and achievements of women in the past encourage women to meet the challenges of the future, a parallel was drawn with the history of women in Oxford and their current situation. The

section on the history started with the opening of the first female college and ended in 1985, with Oriel College as the last Oxford college to admit women. An overview of our current standing with regard to the proportion of female to male faculty members in the social sciences was followed by an outlook for the future, highlighting the individual potential of women in Nuffield College. We had the honour this year of being joined at the women's dinner by Sue Nickell, the Warden's wife, and one of Nuffield's two new female Fellows, Nancy Bermeo. Lucy Carpenter must be thanked in particular for this wonderful event.

A special thanks also goes to Anna Dimitríjevics, who still administers the Nuffield Women's website.

Individual Reports

The Warden

Stephen Nickell Over the last year, I have completed research in two main areas; first, an attempt to understand the wide cross-country variations in the amount of market work per capita and second, an investigation of the rate at which the marginal utility of income diminishes.

The key facts about market work are that individuals in Anglo-Saxon countries supply around 40% more market work per capita than the major countries of continental Europe, with most Scandinavian economies being much closer to the former than the latter. Furthermore, the majority of this cross-country variation is accounted for by the variation in average annual hours worked by employees and not by the dispersion of employment rates.

The following are the broad brush conclusions of this research, undertaken with Giulia Faggio. First, countries, mainly Anglo-Saxon, with relatively unregulated labour markets, low taxes, comparatively weak unions and benefit systems which are work friendly tend to sustain high levels of labour input. Second, France and Germany have the opposite characteristics and labour input has declined dramatically in the last 40 years. Third, most of the Scandinavian countries, while having many of the same characteristics as France and Germany, have nevertheless sustained comparatively high levels of labour input. The key factor here is that in the small, open Scandinavian countries, trade unions and the state recognised that the way to maintain high levels of labour input was to focus on international competitiveness. This led to their rejecting work sharing as a response to adverse shocks rather than wage restraint. By contrast, Germany and particularly France, embraced work sharing and labour supply reduction as a policy response. While this did not work as a method of reducing unemployment, it was very successful in lowering overall levels of labour input. Finally, further countries, such as Italy and the Netherlands, do not fit into any of these three groups, and different explanations of their labour input patterns are required.

Perhaps the most important lesson we can draw from all this is that unregulated labour markets, low taxes and weak unions are not necessary for sustaining high levels of labour input. Many of the Scandinavian economies, which have none of these, illustrate that having generous but work-friendly benefit systems and eschewing the use of policies to reduce labour supply in response to adverse shocks will work just as well.

In work with Richard Layard and Guy Mayraz, we have been attempting to measure directly the elasticity of marginal utility of income with respect to the level of income. This is, of course, a key parameter in public economics, being required to undertake cost benefit analysis and optimal income tax analysis. Our strategy is to suppose there is a smooth, monotonic and possibly linear relationship between true utility and reported happiness or life satisfaction in surveys of individuals. We then looked at six different surveys, including country studies of the USA, Britain and Germany, and multi-country studies. In these surveys, we find that the elasticity of marginal reported happiness with respect to income levels is around 1.24, with a very close agreement in this measure across surveys.

We also investigated whether or not individuals use a scale where their reported happiness is linear, concave or convex in true utility. Under certain assumptions, using three different methods, we find evidence to suggest that true utility is mildly convex in reported happiness, so that the best estimate of the elasticity of the true marginal utility of income with respect to income levels is around 1.15. This implies slightly more concavity than logarithmic utility.

Looking forward, I have started some research with Jumana Saleheen (Bank of England) on the economic impact of immigration, focusing on the wage effects of migrants at the occupational level. Current research in the UK suggests that immigration has had only a minimal overall impact on wages but some preliminary results indicate that this is not the case if one looks in detail at the occupational wage structure.

Turning to other activities, I have given talks at the Work Foundation Conference on 'Labour Market Regulation in Europe'; the Barclays Capital Inflation Conference in Florida; the Cabinet Office Better Regulation Executive Seminar on 'The Impact of Regulation Growth and Productivity'; the National Housing Federation Conference on 'Development and Regeneration'; the Cambridge Conference on 'Inflation Targeting, Central Bank Independence and Transparency'; the Kiel Institute for the World Economy Conference on 'The Phillips Curve'; and the Lombard Street Research Seminar on 'UK Monetary Policy Prospects'. I have also discussed papers at the Swiss National Bank/JME Conference on 'Microeconomic Adjustment and Macroeconomic Dynamics'; the ECB Conference on 'Dynamic Adjustment within EMU'; and the Bank of England Conference on 'The Sources of Macroeconomic Stability'.

I gave evidence to the House of Lords Economic Affairs Select Committee on Employment and Training Opportunities for Low-Skilled Young People (see House of Lords Select Committee on Economic Affairs, *Apprenticeship: A Key Route to Skill*, Vol. II: Evidence, pp. 1-7).

I currently chair the Advisory Board of the Centre for Microdata Methods and Practice at UCL, and the Council of Management of the National Institute of Economic and Social Research, and this year, I took up the Chairmanship of the Board of the National Housing and Planning Advice Unit. This is a Non-Departmental Public Body whose job is to provide advice to the Government and the Regional Assemblies on the consequences of national and regional house-building plans for the affordability of market housing.

I am a member of the Leverhulme Trust Advisory Panel, the Economic Research Advisory Panel to the Welsh Assembly Government, and the Scientific Advisory Council of the Kiel Institute for the World Economy.

I have recently been elected to be a Foreign Honorary Member of the American Academy of Arts and Sciences, and to a Fellowship of the Society of Labor Economists. I was appointed C.B.E. in the New Year Honours List.

Publications

'The Budget of 1981 was Over the Top', in P. Booth (ed.), Were 364 Economists All Wrong? London: IEA, 2006, pp. 54-61.

'After the 1981 Budget: A Reply to Tim Congdon', *Economic Affairs*, 26:4, 39-42, 2006.

'A Picture of European Unemployment: Success and Failure', in M. Werding (ed.), *Structural Unemployment in Western Europe*. Cambridge, MA: MIT Press, 2006, pp. 9-51.

'Practical Issues in UK Monetary Policy, 2000-2005', in P. J. Marshall (ed.), *Proceedings of the British Academy. Vol. 139: 2005 Lectures.* Oxford: Oxford University Press, 2006, pp. 1-33.

'Work and Taxes', in J. Agell and P. B. Sorensen (eds.), *Tax Policy and Labor Market Performance*. Cambridge, MA: MIT Press, 2006, pp. 75-96.

(with G. Faggio) 'Patterns of Work Across the OECD', *Economic Journal*, 117 (Issue 521), F416-F440, June 2007.

Yvonne Åberg (Prize Postdoctoral Research Fellow) has continued her research on the impact of social interactions on demographic and labour market processes.

During the past year she has mainly been working on constructing and analysing the gigantic social network describing links between all 67,000 persons who ever lived on the Swedish island of Gotland during the years 1990-2003. The links consist mainly of family relationships, for example, parent – child, cousins, grand grandparent – grand grandchild, aunts – nephews, and so on, making up a family relationship network. There are also links made up by other types of relationships, for example co-workers, school peers and neighbours. As the data is longitudinal, it is possible to analyse how the network and the different sub networks evolve over time, and what kind of links in the network increase the probability of a new link being formed.

One special focus of this research has been on a type of relationship which is made up of links between men and women who both are parents to the same child. With new family formation patterns, many persons nowadays have a child/children with more that one partner. If this is the same for their current partner or ex-partners, these types of chains of ex-partners can become rather extensive. These sub networks have been analysed for the whole of Gotland's and Stockholm's population during the years 1990-2003.

A major project with Peter Hedström will be the main focus for Åberg's work as a Research Fellow in the coming years. The project will describe and analyse the network that existed between all workplaces in Stockholm County during 1990-2003. The links in this network are made up by the mobility of employees between workplaces, and of family and other relationships between employees in different workplaces. Åberg and Hedström will study what consequences these links have for future movements of employees between workplaces as well as the development of their wages. They will also compare how the networks differ between men and women, between the highly educated and low educated, and between native Swedes and different immigrant groups. One purpose of the project is to study the role of social networks in the development of gender and ethnic segregation in the labour market.

Robert Allen (Professorial Fellow) Two long standing projects relating to agricultural history were completed last year. The first relates to the agricultural revolution in England. The movement of labour from agriculture to manufacturing and the great increase in population that accompanied the Industrial Revolution required an increase in agricultural productivity, and one aspect of that was an increase in crop yields. They approximately doubled between the middle ages and the nineteenth century. What farming techniques

were responsible for the increase in yields is a mystery. I explored the question with biological models of soil nitrogen and its relationship to plant growth. These models were applied to the specific rotations and farming practices of late medieval England to develop a procedure to simulate the effects of new crops and rotations on productivity. Over half of the growth in yields could be imputed to specific changes in method that raised soil nitrogen. The simulations also showed that these processes were very slow in raising yields, and that helps explain why the agricultural revolution lasted hundreds of years. A paper about this research will appear in the *Journal of Economic History* in 2008.

The second agricultural project compares land and labour productivity in England and the Yangzi Delta in China in the eighteenth century. The question is important in pinning down when the economic fortunes of Europe and China diverged. England and the Yangzi Delta were the leading regions in both continents, so a comparison is pertinent. Farmers in the two regions grew different crops, which makes output comparison challenging. Land use descriptions, herd sizes, and information relating to crop and animal yields, and the feeding of crops to livestock were collected for the regions. Models of farming that identified all of the tasks and the days required for each were used to measure labour requirements. A common expectation is that output per acre was higher in China in view of its high population density, and that expectation is confirmed. Another common expectation, namely that labour productivity in China would be lower for the same reason, is not verified. Labour productivity in Yangzi agriculture was on a par with that in the English midlands and the Netherlands. This finding supports revisionist historians who argue that it was not until the nineteenth century that Europe pulled ahead of Asia. This paper will appear in the *Economic History Review* in 2008.

Much time in the last year was devoted to three projects. One is the comparison of real wages around the world. As with the Yangzi project, the question is when and why did Europe pull ahead of Asia in economic performance. The paper citied below on India is part of the project, and it shows that living standards in 1800 in India were much lower than in the leading parts of Europe. The data are thin but suggest little difference in living standards in the seventeenth century. I am engaged on a project with many people to include China in these comparisons. Assembling the data and extracting reliable conclusions from it are proving to be time consuming. We have accumulated enough information to make some comparisons between Canton, Beijing, and cities in the lower Yangzi Delta with European cities for

the eighteenth century. The data show a fall in real wages in China across the century and living standards similar to those in the poorer parts of Europe and below the richer. Again, there is some suggestion that Chinese living standards in the seventeenth century were considerably better.

Two other projects relate to wages and inequality during the British industrial revolution. The course of real wages remains a contentious topic, and I have put together a data base to see why 'optimists' and 'pessimists' reach different conclusions. Much of the debate relates to the measurement of the price level. By comparing alternative price series commodity by commodity and assessing their reliability in terms of other evidence, I can discriminate between the contenders and create the best possible index with the information available at present. The result is close to Feinstein's pessimist view of the industrial revolution.

A related project is explaining why most of the gains in income before 1860 accrued to capitalists rather than workers. A macro economic model of technical change, savings, investment, and income distribution was calibrated for British conditions and used to simulate the industrial revolution. It works well over a time frame of 150 years. The model shows that growing productivity after 1800 increased the demand for capital, the price of capital, and capital's share of the national income. Labour's share fell and wage growth lagged behind output per worker. However, the savings of capitalists rose with their income, and, eventually, capital accumulation caught up with the demands implied by productivity growth. Once that happened in the middle of the nineteenth century, wage growth accelerated and the real wage grew apace with output per worker. The modern pattern was established.

I have also been engaged in writing a book on the origins of the industrial revolution. This book develops the theme that Britain's success in the early modern economy created a unique structure of wages and prices: eighteenth-century Britain had unusually high wages and cheap energy. The result was an unprecedented demand for technology to substitute capital and energy for labour. High wages also underpinned widespread literacy, numeracy, and trade skills in general. This human capital facilitated the successful response to the demands generated by the economy. Seventeenth-century scientific discoveries relating to atmospheric pressure and pendulum clocks were also essential for the important technological breakthroughs.

Publication

'India in the Great Divergence', in Timothy J. Hatton, Kevin H. O'Rourke, and Alan M. Taylor (eds.), *The New Comparative Economic History: Essays in Honor of Jeffery G. Williamson*. Cambridge, MA: MIT Press, 2007, pp. 9-32.

Sir Tony Atkinson (Senior Research Fellow) For twelve months from 1 April 2006, I held a Chaire Blaise Pascal at the Ecole Normale Supérieure in Paris. This was an interesting period to be there, since December 2006 saw the launching of the new Paris School of Economics as an endowed institution. I gave a course of lectures on 'Global Public Economics', attended by more than 40 graduate students, and which I have begun writing up as a book.

The first major concern of my research during the year has been with the completion of a study of the distribution of individual earnings. The manuscript was delivered to Oxford University Press at the end of June 2007. Why add to the literature on the distribution of earnings? On my count, there have been some 200 articles on this topic in leading economics journals since 1990; the Bibliography on earnings at the end of the book has around 700 items. The first aim of the book has been to assemble in one place empirical data on the distribution of earnings and how it has changed over the course of the twentieth century. The book contains twenty 'country chapters' describing the evolution of earnings dispersion in OECD countries. A particular feature is the long time perspective: for more than half the countries, the data begin before 1960. The second aim of the book is to cause people to think again about what has been happening to the distribution of earnings. For example, it is widely believed that:

- 'If technology wins the race with education, then the wages of the educated will continue to grow faster than those of the uneducated'.
- 'Since all countries are affected by the same forces of globalisation and technological change, their earnings distributions will, sooner or later, all be affected in the same way'.
- 'It is the low paid who are most affected by globalisation and technical change'.
- 'The 1950s were a Golden Age of growth and equity'.
- 'The recent rise in earnings dispersion is a shock because the wage distribution has been remarkably stable for decades'.

- 'Germany, unlike the US, has a labour market with rigid unchanging wage differentials'.

The book casts doubt on each of these statements.

My second main field of research during the year has been individual giving for development. This forms part of a project funded by the ESRC under its Non-Governmental Public Action programme. The research is being carried out in conjunction with John Micklewright, Cathy Pharoah and Sylke Schnepf. Giving for development is becoming increasingly important. The gifts by Ted Turner, Bill Gates, and Warren Buffett have made available for global development sums that are truly remarkable. Equally remarkable in scale is the number of people who responded in 2004/05 to the Tsunami Appeal. But individual giving has not been much studied. We know little about who gives, why they give, and how they are influenced by government policy. I have been working to provide a theoretical framework to complement the empirical work on giving for development undertaken in the ESRC Project. The standard treatment by economists treats individual giving as either stemming from a concern for the 'public good' or from the personal benefit that people derive from the act of giving ('warm-glow'). I have, however, concluded that neither of these models can satisfactorily explain individual giving for development. We need to combine the scale of the warm-glow approach with the results focus of the public goods formulation to yield an explanation of giving in the case of large populations. Moreover, the analysis needs to take account of the perceived effectiveness of charitable giving for development, an element missing from many of the theoretical models; this affects the total level of giving, the allocation between development and other causes, and the allocation between disaster relief and development aid. The motives for giving for development in turn have implications for welfare economics. Where individuals themselves express concerns about the distribution of resources, where they are willing to make transfers, how should this be taken into account in the social welfare function? If individuals are non-welfarist in their concerns, should the state continue to adopt a welfarist social welfare function?

From 1 September 2007, I have been Professor of Economics in the Department of Economics, and I am beginning several new research projects.

Publications

(with E. Marlier, B. Cantillon and B. Nolan) *The EU and Social Inclusion*. Bristol: Policy Press, 2006.

'Global Public Finance and Funding the Millennium Development Goals', *De Economist*, 154, 325-39, 2006.

'La politica sociale europea nel contesto della globalizzazione', *Studi Economici*, 40, 14-33, 2005.

'Measuring the Output of Government: A Statistical Review in the United Kingdom', Zeitschrift für Staats- und Europawissenschaften, 4, 214-22, 2006.

'Measurement of UK Government Output and Productivity for the National Accounts', *Journal of the Statistical and Social Inquiry Society of Ireland*, 34, 152-60, 2005.

'Funding the Millennium Development Goals: A Challenge for Global Public Finance', *European Review*, 14, 555-64, 2006.

'Editorial: Measurement of Government Output and Productivity', *Journal of the Royal Statistical Society*, series A, 169, 659-62, 2006.

(edited with T. Piketty) *Top Incomes over the Twentieth Century*. Volume 1. Oxford: Oxford University Press, 2007.

'Global Public Finance', Oxonomics, 1, 2-4, 2007.

'The Long Run Earnings Distribution in Five Countries: Remarkable Stability, U, V or W?' Review of Income and Wealth, 53, 1-24, 2007.

'Repenser la solidarité au niveau Européen', in S. Paugam (ed.), *Repenser la solidarité*. Paris: Presses Universitaires de France, 2007, pp. 935-47.

'The Distribution of Earnings in OECD Countries', *International Labour Review*, 146, 41-60, 2007.

(with A. Leigh) 'The Distribution of Top Incomes in Australia', *Economic Record*, 83, 247-61, 2007.

Florin Bilbiie (Postdoctoral Prize Research Fellow) The past year was a very busy one. From September to April, I visited the National Bureau of Economic Research in Cambridge, Massachusetts, where I continued my research, and worked with my co-authors who are based in the area. The main paper of my PhD thesis, 'Limited Asset Markets Participation, Monetary Policy and Inverted Aggregate Demand Logic', has been accepted for publication in the *Journal of Economic Theory*. Another paper which I have written while at the NBER

together with Fabio Ghironi and Marc Melitz, 'Monetary Policy and Business Cycles with Endogenous Entry and Product Variety', is forthcoming in the *NBER Macroeconomics Annual 2007*. I have presented this paper at the NBER Macro Annual meeting in Cambridge and have also given talks at Harvard University and at the Economic Fluctuations and Growth meeting of the NBER in New York. Upon returning to Europe, I visited the Bank of Spain where I also gave a seminar. I have received an invitation to revise and resubmit two other papers for the *Journal of Money, Credit and Banking*.

Simultaneously, I have attended the 'job market' within the AEA Meeting in Chicago. I had job talks at all (but one) places with which I interviewed, including Oxford, London Business School, HEC Business School Paris, Paris School of Economics, Maryland, Boston College, McGill, Bocconi, and University of Montreal; among the invitations I have accepted, I have received job offers from all but one of the schools. I have accepted the offer from HEC Paris, where I will be moving this September, and will also be involved with the new Paris School of Economics.

More recently, I have been awarded the Rotary Club Prize, a prize that is given every four years to the best PhD thesis in Economics defended at the European University Institute within that time span.

I taught for the second time a compulsory course module on the MPhil program in Dynamic Stochastic General Equilibrium Macroeconomics at the Department of Economics and helped organize the Macroeconomics Seminar.

I have refereed papers for the *Journal of the European Economic Association*, the *Journal of Economic Dynamics and Control* and *Macroeconomic Dynamics*.

Jordi Blanes i Vidal (Postdoctoral Prize Research Fellow) continued working on the study of the English Senior Judiciary, a joint project with Clare Leaver (Nuffield College and Department of Economics, University of Oxford). The purpose of their current work is to understand whether personal connections among judges influence the way that they cite each others' cases. Especially important is to distinguish among two economic mechanisms: knowledge diffusion whereby connected judges are more likely to be aware of each others' cases than unconnected judges, and socialisation whereby judges are more likely to be positively disposed to judges to whom they are more connected. The authors' empirical strategy exploits three important institutional features: (a) the random allocation of judges to case committees in the English Court of

Appeal, (b) the existence of both positive and neutral citations and (c) the fact that connections occur over time. They are able to reject the knowledge diffusion hypothesis in its simplest form. They are unable to reject the socialisation hypothesis, and find strong evidence to support it. This paper has been presented at Essex, LSE, MIT, Oxford, PEUK, QMUL, Southampton, Stanford, UA Barcelona and Warwick.

Publications

'Delegation of Decision Rights and the Winner's Curse', *Economics Letters*, 94:2, 163-69, 1 February 2007.

(with Marc Möller) 'When Should Leaders Share Information with their Subordinates?' *Journal of Economics and Management Strategy*, 16:2, 251-83, 2007.

Scott Blinder (Non-stipendiary Research Fellow) This year saw the completion of two projects, and the beginning of a new one. The first to be completed was a research article in *American Politics Research* in May 2007, entitled 'Dissonance Persists: Reproduction of Racial Attitudes Among Post–Civil Rights Cohorts of White Americans'. This paper shows that, while norms regarding the expression of racism have changed dramatically in the US, certain old negative stereotypes persist. Further, these stereotypes continue to shape political views among many white Americans, particularly opposition to expanding the weak American welfare state.

A second publication, begun last year as a paper for a Nuffield seminar on the Bush Presidency, has now become a chapter in the edited volume *The Polarized Presidency of George W. Bush* (George Edwards and Desmond King eds.; Oxford University Press). This paper shows that, surprisingly, President Bush's extensive public relations campaign in the run-up to war in late 2002 and early 2003 did not actually increase support for war in Iraq, but did illustrate the use of Presidential power of agenda-setting. Public appeals did vault Iraq to the top of the public's list of most important issues facing the nation; this increased importance in turn placed pressure on Congress to act, quickly and in accordance with the President's wishes.

I also began a project examining the 'gender gap' in American political attitudes and partisanship, which led to a co-authored paper (with Meredith Rolfe, also of Nuffield) presented at the 2007 APSA Annual Meeting in Chicago. We show that traditional explanations of the gender gap cannot

explain the socially and economically liberal attitudes of African American men, and work toward a new account centred on men's and women's political identities and orientations toward hierarchy rather than on differences in 'compassion' or other stereotypically female characteristics.

Publications

'Dissonance Persists: Reproduction of Racial Attitudes Among Post-Civil Rights Cohorts of White Americans', *American Politics Research*, 35:3, 299-335, 2007.

'Going Public, Going to Baghdad: Presidential Agenda-Setting and the Electoral Connection in Congress', in George C. Edwards III and Desmond King (eds.), *The Polarized Presidency of George W. Bush.* Oxford: Oxford University Press, 2007, pp. 325-50.

Christopher Bliss (Professorial Fellow) My retirement in September coincides almost exactly with the date of publication of my book *Trade, Growth, and Inequality*. As the book is the product of many years' work, these two events leave the feeling that a curtain is coming down. However, looking forward, there is research to be done at the agreeable leisurely pace that retirement allows. My argument that the elasticity of inter-temporal substitution must be considered as a variable is at last convincing editors, and a paper in *Economic Letters*, and an entry in the 2nd Edition of the *New Palgrave Dictionary* will place my case in the literature. A paper on the economics of corruption that extends an argument of the book is currently under revision. I expect to do more work on corruption. Although the literature on that topic is now substantial, I am sure that new ideas and insights remain to be exposed.

Publication

Trade, Growth, and Inequality. Oxford: Oxford University Press, 2007.

Clive Bowsher (Non-stipendiary Postdoctoral Research Fellow) works on the development of econometric models and methods for use in economic and financial decision making. Joint research with Roland Meeks concerning the econometrics of the term structure of interest rates continued on two fronts. First, a forecast evaluation criterion derived from a bond trading problem was used both to demonstrate the profitability of excess return forecasts made using

our FSN-ECM functional time series models and to show in a realistic, applied context the severe unreliability of Mean Square Forecast Error-based criteria for forecast evaluation when making economic decisions. A paper on forecasting zero-coupon yield curves was presented at the EC-squared (2006) conference in Rotterdam. Second, rigorous asymptotic theory was developed in connection with our critique of the expectations theory (ET) of the term structure. This showed that, under mild regularity conditions on the continuous time yield curve process, the ET usually results in an I(2) yield curve with I(1) yield spreads. The special conditions under which the I(2) component vanishes were also elucidated and related, for example, to the well-known Vasicek term structure model. This theoretical research has been completed and will shortly be documented in the Nuffield Economics Group working paper by Bowsher and Meeks (2007), 'The Dynamics of Yield Curves Under the Expectations Theory of the Term Structure'.

Research also continued on econometric decision theory and its connection with the literatures on treatment choice, causal inference and social choice under uncertainty. Applications of this work will be in the areas of health econometrics and health economic evaluation of the sort undertaken by NICE. Together with Jennifer Castle, I convened and organised the year's seminar series by the Oxford Forecasting and Decision Analysis Group; was a member of the ESEM programme committee for econometrics; and refereed papers for the Oxford Bulletin of Economics and Statistics and Journal of Econometrics. I also delivered a second year MPhil lecture course on conditional inference, prediction and statistical decision theory.

Publication

'Modelling Security Market Events in Continuous Time: Intensity Based, Multivariate Point Process Models', *Journal of Econometrics* (advance electronic access, 16.01.2007).

Jorge Bravo (Postdoctoral Prize Research Fellow) works on both Political Economy and Political Behaviour in Latin America, with a special emphasis on Mexico. A good deal of his year at Nuffield was devoted to revising his doctoral dissertation into a book manuscript (Mexican Politics Without (Some) Mexicans: Out-migration and Democratic Politics), as well as revising two individual chapters that will be submitted for publication as stand-alone articles in peer-reviewed journals. With the support of a National Science Foundation

grant, he also designed and coordinated a national survey (fielded by IPSOS/BIMSA Mexico) on 'Migration, Remittances, and the Political Behavior of those Left Behind'. Bravo presented his research at several venues, such as UCLA, UCSD, Essex, and CIDE (Mexico City), as well as at the Midwest Political Science Association's Annual Meeting in Chicago. His paper 'Emigration, Remittances, Social Connectedness and Political Engagement in Mexico' is forthcoming in an edited volume on the Mexican 2006 election coordinated by Ulises Beltran, and sponsored by the Konrad Adenauer Foundation. Bravo also began new projects this past year. He finished a grant proposal on 'Mexico-U.S. Migration, the Reshaping of Social Life in Mexican Communities, and Crime Rates in Mexico', and he also started to work with Ray Duch on a cross-national project that studies how remittances condition economic voting in the developing world.

Richard Breen (Official Fellow / Senior Research Fellow) In January 2007 I took up my new post at Yale University as Professor of Sociology and Co-Director of the Center for Research on Inequalities and the Life Course (CIQLE). Despite the change of setting my work has continued in much the same vein, focusing mainly on the study of long term trends in inequality using data on birth cohorts. This has included collaborative work with Ruud Luijkx (Tilburg University), Walter Müller (University of Mannheim) and Reinhard Pollak (WZB) on the analysis of trends in educational inequality and in social mobility in European countries during the twentieth century. I have also worked on a number of methodological papers, dealing with, among other things, models for the analysis of educational careers, models for comparing cross classifications, and (with Luijkx) the use of mixture models for ordinal dependent variables. I have begun to work on income and earnings inequality; a joint paper with my student Leire Salazar (Nuffield and UNED, Madrid) develops a new multivariate decomposition method for explaining changes in inequality. I continued to work on my book on rational choice sociology and started work on a book on social status.

I gave talks at Stockholm (October 2006) and Mannheim (January 2007) Universities, to the annual meeting of the American Sociological Association's Methodology Section held at Yale in March 2007, to the inaugural CIQLE conference in May 2007, and at conferences in Brno (Czech Republic) in May and Monte Verita, near Ascona, Switzerland in July. In February 2007 I attended the annual meeting of the editorial board of *Annual Review of*

Sociology in Miami Beach, and I was a member of thesis juries at the EUI in Florence in June and Copenhagen University in July.

Publications

(with Jan O. Jonsson) 'Explaining Change in Social Fluidity: Educational Equalization and Educational Expansion in Twentieth-Century Sweden', *American Journal of Sociology*, 112, 1775-1810, May 2007.

'Statistical Models of Social Fluidity', Sociological Theory and Methods, 21, 215-35, 2006.

(with Ruud Luijkx) 'Social Mobility and Education: A Comparative Analysis of Period and Cohort Trends in Britain and Germany', in Stefani Scherer, Reinhard Pollak, Gunnar Otte, Markus Gangl (eds.), From Origin to Destination: Trends and Mechanisms in Social Stratification Research. Frankfurt/Main: Campus, 2007, pp. 102-24.

Michael Brock (Honorary Fellow) and his wife have completed a draft of Margot Asquith's Diaries, with a Commentary, for the period of her husband's war premiership, August 1914 to December 1916, and have now to revise the pre-war chapters.

In December 2006, the *History of the University of Oxford*, vol. 7 (1800-1914, Part 2) was the subject of an agreement between Oxford University Press and the editors, whereby this volume will become available in electronic format to any of OUP's Licensing Partners such as electronic book retailers and librarians.

Martin Browning (Professorial Fellow) Most of my research concerns decision making within many person households in which the members may not agree on everything. The narrow focus is on 'who does what' (housework and market work) and 'who gets what' within the household. The most widely used framework in economics for thinking about these issues is the so-called collective model. Within this framework we as researchers are agnostic about how members of a household decide on what to do and how to spend their money and simply posit that whatever the outcome, it is efficient. The great virtues of this approach are it is plausible, it provides an operational definition of 'power' within the household and it gives a good deal of structure for empirical analysis. Over the years I have contributed to this literature with both

theory and empirical papers. The paper with Chiappori and Lechene listed below is largely a review paper that clears up some confusions that have arisen in the literature. This is currently my most active research area, mostly using two nationally representative surveys that I ran in Denmark in the early 2000s.

A closely related research area is that of allowing for heterogeneity when modelling individual behaviour. I presented an Invited Address to the 2005 Econometric Society World Congress on 'Heterogeneity and Microeconometric Modelling'. This has just been published (co-authored with Jesus Carro of Carlos III, Madrid) in the conference volume detailed below. The main point of this review is that economists have relied too much on schemes for dealing with heterogeneity that are convenient statistically but restrictive for the economics. We suggest that 'heterogeneity is too important to be left to the statisticians'. In line with this contention, Carro and I have developed estimators for dynamic discrete choice models that allow for maximal heterogeneity and consequently do not restrict in any way the economic structures that are consistent with the estimators. In connection with this interest, the paper with Collado listed below uses Spanish data to consider how much of the persistence of demand behaviour from year to year is due to habits and how much to persistent heterogeneity. We find that both contribute, but habits are relatively unimportant since they are largely restricted to a small set of goods that do not constitute a large part of the household budget. The short paper with Chiappori and Ekeland is a contribution to the GE theory on disaggregation of aggregate demands when we do not impose any restrictions on individual heterogeneity.

Publications

(with Anne Møller Danø and Eskil Heinesen) 'Job Displacement and Stress-Related Health Outcomes', *Health Economics*, 15:10, 1061-1075, 2006.

(with Pierre-André Chiappori and Valérie Lechene) 'Collective and Unitary Models: A Clarification', *Review of Economics of the Household*, 4:1, 5-14, 2006.

(with Jesus Carro) 'Heterogeneity and Microeconometric Modelling', in Richard Blundell, Whitney Newey and Torsten Persson (eds.), *Advances in Economics and Econometrics*. Cambridge: Cambridge University Press, vol. 3, 2007, pp. 47-74.

(with Lola Collado) 'Habits and Heterogeneity in Demands: A Panel Data Analysis', *Journal of Applied Econometrics*, 22, 625-40, 2007.

(with Pierre-Andre Chiappori and Ivar Ekeland) 'Local Disaggregation of Negative Demand and Excess Demand Functions', *Journal of Mathematical Economics*, 43, 764-70, 2007.

David Butler (Emeritus Fellow) continued to work with the new Reuter Institute, running seminars on Media and Politics. He also worked with John Darwin on the history of Nuffield, organizing internal seminars on aspects of the College history and collecting reminiscences from former members.

Lucy Carpenter (Faculty Fellow) continues her research studying the long-term health of nearly 20,000 members of the armed forces who took part in chemical warfare agent trials in the UK at Porton Down between the 1940s and the 1980s. Analyses comparing their rates of death, and cancer diagnoses, with those of 20,000 similar members of the armed forces who did not take part in these trials are now nearing completion. She also continues to maintain involvement in epidemiological research in the areas of infectious diseases and cancer in sub-Saharan Africa.

Publications

(with R. Newton, J. L. Ziegler, D. Casabonne, B. D. Gold, M. Owens, V. Beral, E. Mbidde, D. M. Parkin, H. Wabinga, S. Mbulaiteye, H. Jaffe and the Uganda Kaposi's Sarcoma Study Group) 'Helicobacter pylori and cancer among adults in Uganda', *Infectious Agents and Cancer*, 1:5, 7 November 2006.

(with T. J. Keegan, M. J. Nieuwenhuijsen, T. Fletcher, C. Brooks, P. Doyle, N. E. S. Maconochie and K. M. Venables) 'Reconstructing Exposures from the UK Chemical Warfare Agent Human Research Programme', *Annals of Occupational Hygiene*, 51, 441-50, 2007.

(with H. Nuwagaba-Biribonwoha, P. Okong, and R. T. Mayon-White) 'Challenges Faced by Health-workers in Implementing the Prevention of Mother-to-Child HIV Transmission Programme in Uganda', *Journal of Public Health*, 29, 269-74, 2007.

Jennifer L. Castle (Non-stipendiary Postdoctoral Research Fellow) has been continuing her research on model selection and forecasting, with a particular focus on non-linear model selection. The research project (with David F. Hendry) aims to develop an automatic model selection algorithm for selecting

non-linear models. Many problems needed to be addressed before an operational algorithm could be developed, including high collinearity between polynomial functions, extreme observations leading to non-normality and an excess retention of irrelevant variables. Furthermore, a test of functional form was required that could handle the high dimensionality of the system (in some cases more variables than observations) and still exhibit good power properties when testing for congruency of the general unrestricted model. The research has culminated in a number of papers, including 'A Low-Dimension Collinearity-Robust Test for Non-linearity' (with D. F. Hendry) submitted to the *Econometrics Journal*; 'Extending the Boundaries of PcGets: Non-linear Models' (with D. F. Hendry); and 'Forecasting, Structural Breaks and Non-linearities' (with N. Fawcett, D. F. Hendry, and J. J. Reade).

A further aspect of the research has been to apply the non-linear selection algorithm to empirical applications. In a paper submitted to the *Journal of Macroeconomics* titled 'The Long-Run Determinants of UK Wages, 1880-2000' (with D. F. Hendry), we develop a congruent model of real wages over more than a century using new approaches for investigating breaks in means and variances, and non-linearities respectively. A non-linear term captures the changing impact of price inflation on nominal wages whereby workers react more to price inflation when it rises.

In a chapter titled 'Forecasting UK Inflation: The Roles of Structural Breaks and Time Disaggregation' (with D. F. Hendry), forthcoming in Rapach and Wohar (eds.), Forecasting in the Presence of Structural Breaks and Model Uncertainty (Elsevier), the forecast performance of various econometric models and robust forecasting devices are assessed for UK annual and quarterly inflation. Increasing the information set does lead to improvements in forecasting performance, suggesting that disaggregation can yield benefits, although the taxonomy developed shows that higher frequency data does not mitigate the impact of structural breaks. Deterministic terms are identified as the major source of forecast failure.

The research has been presented at a range of conferences over the past year including the International Symposium on Forecasting, OxMetrics Users Conference, Oxford Forecasting Workshop, SITE Conference on Forecasting in Stanford, Econometric Society European Meeting, European Economic Association Meeting, Forecasting in the Presence of Structural Breaks Conference in St Louis, and the Econometric Society Australasian Meeting. Seminars given include University of Kent, Monash University and Melbourne

University. She has also co-organized various conferences and seminars in Oxford including the Conference in Honour of David F. Hendry in August 2007 with Neil Shephard (and is also co-editing the resulting Festschrift volume); the Oxford Forecasting Workshop titled 'Making Economic Forecasts Work'; the model selection workshop; and the Oxford Forecasting and Decision Analysis seminar group. She is also teaching a short course for Central Banks and Ministries of Finance (with D. F. Hendry) organised by Timberlake Consultants.

Glenda Cooper (Guardian Research Fellow, 2006/2007). My research this year has looked at how coverage of disasters has changed since the 2004 tsunami and how the media and aid agencies work together - or don't - when emergencies like this occur. In particular, I've focused on the rise of usergenerated content and the effect of the 24-hour news cycle. In pursuit of this I have interviewed the country's leading aid agencies and journalists about what they know (and think they know) about each other. During the year, I spent time in Batticaloa, Sri Lanka and Banda Aceh, Indonesia. From this flowed a series of articles for the Reuters Foundation, including 'The Truth about Sri 81', that were published on the AlertNet (www.alertnet.org/db/bloggers/30708). In February I gave a seminar at the Reuters Institute entitled 'Can You (Tube) Save the World? How User-generated Content is Altering the Way Disasters are Reported'. I also spent four weeks in the Oxfam press office and three weeks with the Disasters Emergency Committee as they launched media appeals for Darfur and Chad. I now plan to develop my research into a book and have been invited to become a Visiting Fellow at the Reuters Institute for the Study of Journalism here in Oxford. I greatly enjoyed the seminars both at the RISI and here at Nuffield – and hope the lecture I will give on 5 November 2007 - "Anyone Here Survived a Wave, Speak English and Got a Mobile?" The Media, Aid Agencies and Reporting Disasters Since the Tsunami' – will reflect the fruitful time I had here at College, the good friends I made and the freedom to think and write that the Fellowship gave me.

Sir David Cox (Honorary Fellow) His research on a wide range of issues in theoretical and applied statistics continued along three broad strands. The first is primarily theoretical. He continued to work with N. Wermuth (Chalmers/Gothenberg University), an Associate Member of the College, and

G. Marchetti (Florence) on Markov Graphs, techniques for handling relatively complex dependencies such as arise in social science and other applications. The research includes the implications for statistical causality.

The second strand saw the completion of nine years of work by the Independent Scientific Group advising DEFRA on bovine tuberculosis. The group submitted its final report in mid-June. It remains to be seen what the impact on government policy will be. One part of the report, based on very extensive statistical analyses, finds strong evidence that whereas one cause of bovine tuberculosis is infection from wild-life (badgers), culling badgers other than on a very extensive scale is likely to raise rather lower bovine tuberculosis rates. The explanation of this in terms of badger ecology is another part of the work.

The final strand concerns more short-term applied statistical work usually in response to specific questions. These can be quite wide-ranging. Discussion, entirely by e-mail, with a surgeon in Utah on the interpretation of data about the consequences of transplantation for sufferers from cystic fibrosis has come to a controversial conclusion but the paper is still in the refereeing stage.

Invited papers have been given at various conferences including specialized meetings on statistics in particle physics (at CERN), in ageing research (at NIH), and in business and industrial statistics.

In July he was awarded the Degree of Doctor of Science, honoris causa, by the University of Southampton.

Publications

'Applied Statistics: A Review', Annals of Applied Statistics, 1, 1-18, 2007.

'On a Formula of W. G. Cochran', Biometrika, 94, 400-410, 2007.

(with N. Wermuth and M. Wiedenbeck) 'Partial Inversion for Linear Systems and Partial Closure of Independence Graphs', *BIT Numerical Mathematics*, 46:4, 883–901, 2006.

(with N. Wermuth and G. M. Marchetti) 'Covariance Chains', *Bernoulli*, 12, 841-62, 2006.

(with K. Byth and P. Forder) 'Assessing the Relationship Between Symptoms of Allergic Rhinoconjunctivitis and Pollen Counts', *Australian and New Zealand Journal of Statistics*, 48, 1-12, 2006.

(with D. G. Mayo) 'Frequentist Statistics as a Theory of Inductive Inference',

in Javier Rojo (ed.), *Optimality: The Second Erich L. Lehmann Symposium*. IMS Lecture Notes Monograph Series, vol. 49. Bethesda, MD: Institute of Mathematical Statistics, 2006, pp. 77-97.

(with L. Bernardinelli and 11 others) 'Association Between the ACCN1 Gene and Multiple Sclerosis in Central East Sardinia', PLoS ONE, Issue 5, 1-10, May 2007.

(with C. A. Donnelly and 12 others) 'Impacts of Widespread Badger Culling on Cattle Tuberculosis: Concluding Analyses from a Large-scale Field Trial', *International Journal of Infectious Diseases*, 11, 300-308, 2007.

(with R. Woodroffe and 12 others) 'Culling and Cattle Controls Influence Tuberculosis Risk for Badgers', *Proceedings of the National Academy of Sciences USA*, 103, 14713-17, 2006.

John Darwin (Faculty Fellow) was on academic leave 2006-2007. In the course of the year he gave a keynote lecture at a conference on 'The Frontiers of the British World' at University of Texas at Austin in October 2006; visited New Zealand archives at New Plymouth and Wellington in March and April 2007 and gave a lecture at the Stout Research Centre at the Victoria University of Wellington; and gave a keynote lecture at the 'British World' Conference held at the University of Bristol in July. His main activity was to complete the draft of a study of British imperial power c.1840 to c.1970.

Publication

After Tamerlane: The Global History of Empire since 1405. London: Allen Lane, 2007.

Stefan De Wachter (Non-stipendiary Research Fellow) During his third and final year at Nuffield, Stefan continued his main line of research on the econometrics of option pricing. He developed a specification test for option pricing models, which has the special feature of containing infinitely many nuisance parameters under the alternative, as well as an algorithm to estimate latent variable option models and nonlinear panel models with fixed effects in very large datasets. Additionally, new joint work with Tom Norman (Oxford) and Eirik Christensen (Bergen, Norway) empirically examines the predictive power of mixed strategy Nash equilibrium in difficult games.

Stefan presented his work at University College London; the University of

Bergen, Norway; and at the 2007 Meeting of the Econometric Society in Budapest.

Mikhail Drugov (Non-stipendiary Research Fellow) has been rewriting the three chapters of his PhD thesis to prepare them for publication. Two of them analyse a dynamic contracting problem when one of the parties has some private information. The two parties know that in the future there will be a signal that will reveal partly this private information. The main focus of the papers is on the delay in the agreement: is it reached before the signal or after? The uninformed party would like to wait for the signal to decrease the informational asymmetry while the informed party would like to make the deal before.

We show that in general the quality of the signal affects the delay in a non-monotonic way. The first paper considers the case of an exogenous signal. The second paper studies the case of an endogenous signal that comes from another contracting pair in a similar situation. The two contracting pairs are thus engaging in a 'waiting game' for who contracts and generates the signal first.

Mikhail also wrote a new, more applied paper on corruption and competitive bureaucracy. There are bureaucrats and applicants for some licence. Some of bureaucrats are corrupt and applicants have to invest some money to be qualified for the licence. A good example would be people applying to the police for the driving licence. The paper compares two cases: in the first one, the driving licence can be only given by the policemen in the home district of the applicant; the bureaucrats are monopolists. In the second case any policeman can give the driving licence to anybody; the bureaucrats compete. The main finding of the paper is that the monopoly system is better for ex-post allocation; that is, given the qualification of applicants it distributes licences better. However, the competitive system is better for the ex-ante incentives; that is, it provides more incentives for investment into becoming qualified. Therefore, the provision of driving licences where the investment into learning is crucial should be organized via competition while for the provision of passports to citizens where this investment is hardly existent the monopoly seems better. This paper has been presented in the American Economic Association annual meeting in Chicago and European Economic Association annual meeting in Budapest.

Raymond Duch (Professorial Fellow) has primarily focused on two research activities. One major research activity is a book manuscript for Cambridge University Press which is the culmination of a six-year National Science Foundation funded project. To the astonishment of most of his colleagues he actually delivered the completed manuscript to Cambridge in May 2007. The book will be included in Cambridge's highly regarded Political Economy of Institutions and Decisions series edited by Stephen Ansolabhere. The project has also generated a number of conference papers, published articles, and manuscripts currently under review. One of these manuscripts was published in Electoral Studies in September 2006. Three manuscripts from the project are currently under review at leading political science journals. One of these papers was presented at last year's American Political Science Association (APSA) meetings and was awarded the Best Paper Award from the Political Economy Section. The project proposes a theory for explaining why the economy should be accorded more or less importance in the vote choice of voters in different political and economic context. Empirical evidence testing the different hypotheses is based on the analysis of 163 public opinion surveys from 20 developed democracies.

Having completed this project he has begun developing a new research agenda. To some extent this new research agenda is an extension of his current interest in modelling variations in vote choice models across different institutional contexts. He is completing a methodological paper with postdoctoral Research Fellows David Armstrong and Ryan Bakker on estimating the error associated with including estimated quantities as both dependent and independent variables in regression equations. This paper will be presented at the annual meeting of the American Political Science Association in September 2007. Another extension of the original research project is a paper estimating the importance of ideology in the vote decision, except this is now based on a much expanded sample of about 300 public opinion surveys from over 60 countries – hence, a much more diverse sample of institutional contexts. This paper is being written with David Armstrong and a former graduate student from the University of Houston, Jeff May. The original book project proposed a set of formal models for understanding how voters use information about institutions, political competition and recent coalition formation patterns in order to condition the importance of the economic in their vote decision. He is currently developing a new project that will expand these efforts at formally modelling effects but also administer a large number of experiments in very diverse institutional and political contexts in order to validate many of the underlying assumptions in these formal arguments. He is currently preparing funding requests for a large scale cross-national study with Shanto Iyengar at Stanford.

Professional service activities: He is associate editor of the American Journal of Political Science which is one of the leading journals in the political science discipline. He advised in the development of the recent 2007 Irish Election Study which was directed by Michael Marsh at Trinity College. As a member of the ReMiSS (the Centre for Research Methods in the Social Sciences) he organized an afternoon Workshop on Experiments which included participants from Oxford and other universities. In June 2007, he organized a two-day workshop at Nuffield entitled 'Theoretical and Empirical Contributions to Modelling Context in the Vote Decision' that was attended by over 20 prominent scholars from many of the leading U.S. and European universities. The conference was funded by Nuffield College and the British Academy, With Peyton Young and Diego Gambetta, he initiated a new Nuffield seminar series: Experimental Social Science. In addition, he has presented papers at five conferences during the 2006-2007 period including the 2007 American Political Science Association meetings; the 2007 Midwest Political Science Association meetings; and EPOP 2006. He gave invited presentations in February 2007 at UCLA; in August 2007 at the National Science Foundation conference at the University of Pittsburgh, speaking on 'New Computer Science Applications in Automated Text Identification'; in February 2007 at the Political Science Department at UCLA; in November 2006 at the Conference on Contextual Effects in Electoral Research at the European University Institute; and in November 2006 at Trinity College, Dublin.

Publication

(with Randy Stevenson) 'Assessing the Magnitude of the Economic Vote over Time and Across Nations', *Electoral Studies*, 25:3, 528-47, September 2006.

Alexander Evans (Gwilym Gibbon Fellow) I continue to work for the Foreign Office alongside the Gwilym Gibbon Fellowship, and my spells at the College this year have been stimulating and useful.

One strand of work this year has been on 'Informal Networks and the

Changing Patterns of Policy Advice'. The core argument here is that informal networks are critical to policymakers as more ecumenical sources of policy advice, and as a means to understanding how particular societies tick overseas. I gave a lecture on informal networks and policymaking at a NATO research conference at Wilton Park, Sussex (February 2007), and at a retreat of European think-tanks in Bellagio, Italy (April 2007). A planned workshop at Nuffield on the changing nature of policy advice is now set to take place in October 2007.

Another strand continues to be 'South Asian Politics and Security Issues'. One part of this is research on Kashmiri exceptionalism – how and why Kashmiris think themselves uniquely different to others. Another part is work on the changing nature of political Islam in South Asia, in particular how it links to and interacts with established kinship and tribal networks. I gave papers on South Asian politics at the Centre for International Studies, LSE (February 2007), at a conference on 'Beyond Independence: South Asia 1947-1997' at Royal Holloway, University of London (April 2007), and participated in the 7th IISS South Asia Security Conference on 'Islam, Politics and Security in South Asia' in Muscat, Oman (April 2007). I spoke at a US Institute of Peace conference on Islamist militancy at Wilton Park, Sussex (June 2007).

During the year I continued to sit on the editorial boards of *Asian Affairs* and *The Round Table*, as an elected Council member for the Royal Society for Asian Affairs, and reviewed manuscripts for *Contemporary South Asia* and The Brookings Institute Press. I also served on the steering committee for the Asia Programme at Chatham House, and as a member of the steering group of the DEMOS Public Value of Security project.

Publications

'The Man and the Message: The World According to Bin Laden (Review Article)', Asian Affairs, 38:2, 225-29, July 2007.

Review of T. V. Paul, 'The India-Pakistan Conflict – An Enduring Rivalry', *Royal United Services Journal*, 152:1, 75-76, February 2007.

Geoffrey Evans (Official Fellow) continued work on the relations between electorates and democratic government.

Education and its Impact on Democratic Development. He continued his work with Pauline Rose on the role of schooling in promoting democratic orientations in Africa. In May an eighteen-nation comparative study examining

the mechanisms through which education influences democratic attitudes and the substantial magnitude of this influence was presented at a specialist Afrobarometer meeting at Michigan State University and at invited seminars at Cornell and Toronto Universities.

Political Preference Formation. He and Mark Pickup presented a paper demonstrating the political conditioning of economic perceptions in the 2000-2004 US Presidential elections cycle at the ReMiSS workshop on Context and Voting in May, and at the annual UK Political Studies Association and Mid-West Political Science Association meetings, in April. They shortly hope to generalize the models developed in this work to analyses of the political nature of EU and other issues preferences. Further studies (with Bob Andersen) on the endogeneity of survey responses using the British Election Panel Study to examine the nature of leadership effects on voting over the period 1992-2001 are also in play.

Consociationalism and Party Strategy. He continued his collaborative work on the development of the party system in Northern Ireland and the impact of the implementation of the Northern Ireland Assembly on the structure of political divisions. As well as work with Paul Mitchell and Brendan O'Leary examining the sources of increased support for Sinn Fein and the DUP in recent elections, he and James Tilley have recently completed a study of the long-term cohort changes in such support. This has been presented at the ECPR meeting in Pisa in September and demonstrates the role of political socialization rather polarization in conditioning such changes. A paper demonstrating the evolution of the Northern Ireland cleavage structure in response to institutional changes has recently been accepted for publication in the British Journal of Political Science.

Social Structure and Party Strategy. Following a group meeting in Barcelona last year, the EQUALSOC-based multinational project on social and political change headed with Nan Dirk de Graaf has progressed with a systematic validation and re-calibration of the Comparative Manifesto Project data (by Sara Hobolt and Ryan Bakker of ReMiSS) which provided country chapter authors with the final evidence required for their dynamic analyses of the relations between social structure, voting and party programme polarization. Provisional results will be presented at a project meeting to be held shortly in the College.

Democracy and Inequality in Post-Communist Societies. During this year all of the thirteen-nation survey data (and focus group studies) for the EU-funded

project on economic inequality and democracy in post-Communist societies has been collected. Detailed analysis has now commenced.

Professional Activities. He has continued as director of ReMiSS which has this year held several successful methods workshops, and as editor of *Electoral Studies*, which at the start of the year implemented a new and pleasingly efficient web-based submission procedure. As external assessor he was also involved in a (very positive) evaluation of the LSE Methodology Institute.

Publications

'Is Multiculturalism Eroding Support for Welfare Provision? A Case Study of British Social Attitudes', in K. Banting and W. Kymlicka (eds.), *Do Multiculturalism Policies Erode the Welfare State?* Oxford: Oxford University Press, 2006, pp. 152-76.

'Class and Voting', in George Ritzer (ed.), *Blackwell Encyclopedia of Sociology*. Oxford: Blackwell Publishing, 2007, pp. 551-54.

(with Sarah Butt) 'Explaining Change in British Public Opinion on the European Union: Top Down or Bottom Up?' Acta Politica, 42, 173-90, 2007.

(with Pauline Rose) 'Support for Democracy in Malawi: Does Schooling Matter?' World Development, 35, 904-19, 2007.

Ray Fitzpatrick (Faculty Fellow) continued with a range of research projects focused on the evaluation of interventions in a range of chronic diseases and also his work to develop appropriate patient-reported outcome measures for use in health and medical research. As an example of this research, he began a major new national study (UKUFF) with colleagues at Nuffield Orthopaedic Centre and Aberdeen University to evaluate current surgical strategies in relation to shoulder problems.

He became chair of the Research Engagement Group and a member of the Steering Committee for the newly established Oxford Biomedical Research Centre. The Oxford BRC was founded on 1 April 2007 as a partnership between Oxford Radcliffe Hospitals NHS Trust and the University of Oxford, through a competitively awarded grant of £57.5M over five years from the National Institute for Health Research (NIHR).

He continued in his role as chair of the scientific committee for National Prevention Research Initiative (NPRI). He was also appointed deputy chair of the UKCRC Public Health Centres of Excellence Panel. He joined the UKCRC

Patient and Public Involvement Strategy Development Group and also became a member of a working group on Evidence, Knowledge and Learning for Involve. Involve is the advisory group to Department of Health and NHS on public and patient involvement in research.

Publications

- (with S. Newton, T. Chantler, L. Diggle, Y. Ly-Mee, Y. N. McCarthy, R. Moxon, and A. Pollard) 'Parental Acceptability of a Pneumococcal Conjugate Vaccine in the UK Childhood Immunisation Schedule', *Primary Health Care* 8, 34-40, 2006.
- (with S. Marshall and K. Haywood) 'Impact of Patient-reported Outcome Measures on Routine Practice: A Structured Review', *Journal of Evaluation and Clinical Practice*, 12, 559-68, 2006.
- (with C. Morris, J. Kurinczuk, and P. Rosenbaum) 'Do the Abilities of Children with Cerebral Palsy Explain their Activities and Participation?' *Development Medicine and Child Neurology*, 48, 954-61, 2006.
- (with S. Cano, J. Hobart, M. Edwards, K. Bhatia, A. Thompson, and T. Warner) 'The CDIP-58 Can Measure the Impact of Botulinum Toxin Treatment in Cervical Dystonia', *Neurology*, 67, 2230-32, 2006.
- (with C. Morris, J. Korinczuk, and P. Rosenbaum) 'Reliability of the Manual Ability Classification System for Children with Cerebral Palsy', *Development Medicine and Child Neurology*, 48, 950-53, 2006.
- (with J. Tan, A. Stewart, and T. Hope) 'Competence to Make Decisions in Anorexia Nervosa: Thinking Processes and Values', *Philosophy, Psychiatry, and Psychology*, 13, 267-82, 2006.
- (with J. Tan, A. Stewart, and T. Hope) 'Studying Penguins to Understand Birds', *Philosophy, Psychiatry, and Psychology*, 13, 299-301, 2006.
- (with S. Cano, A. Thompson, K. Bhatia, T. Warner, and J. Hobart) 'Evidence-based Guidelines for Using the SF-36 in Cervical Dystonia', *Movement Disorders*, 22, 122-26, 2007.
- (with C. Jenkinson, M. Swash, and G. Jones) 'Comparison of the 40-item Amyotrophic Lateral Sclerosis Assessment Questionnaire (ALSAQ-40) with a Short-form Five-item Version (ALSAQ-5) in a Longitudinal Survey', *Clinical Rehabilitation*, 21, 266-72, 2007.

(with C. Jenkinson) 'Cross-cultural Evaluation of the Short-form 8-item Parkinson's Disease Questionnaire (PDQ-8): Results from America, Canada, Japan, Italy and Spain', *Parkinsonism and Related Disorders*, 13, 22-28, 2007.

(with C. Jenkinson and R. Harris) 'Amyotrophic Lateral Sclerosis Assessment Questionnaire (ALSAQ-40): Evidence for a Method of Inputing Missing Data', *Amyotrophic Lateral Sclerosis*, 8, 90-95, 2007.

'Disability Assessment', in S. Ayers, C. McManus, S. Newman, K. Wallston, J. Weinman, and R. West (eds.), *Cambridge Handbook of Psychology, Health and Medicine*. Cambridge: Cambridge University Press, 2007, pp. 256-60.

'Patient Satisfaction', in S. Ayers, C. McManus, S. Newman, K. Wallston, J. Weinman, and R. West (eds.), *Cambridge Handbook of Psychology, Health and Medicine*. Cambridge: Cambridge University Press, 2007, pp. 370-74.

Duncan Gallie (Official Fellow) has worked principally this year on the first analyses of the 2006 British Skills Survey. This is part of a unique data series tracking changes in job skills and work quality in Britain that started with surveys he coordinated in 1986 (the Social Change and Economic Life Initiative) and 1992 (the Employment in Britain Survey, with Michael White), followed by subsequent skills surveys in 1997 and 2001. A first report on the 2006 survey, written with his co-investigators Alan Felstead, Francis Green and Ying Zhou, was published in spring 2007 and a conference was held in London to present the results to policy makers. He has been working subsequently with Ying Zhou on an analysis of the changing position of female part-time workers in Britain.

He completed work on a book that he has edited on the quality of work in a number of European societies (due to be published in the autumn). This is the product of an international research team brought together under the Economic Change, Quality of Life and Social Cohesion (EQUALSOC) network of excellence funded by the EU's 6th Framework Programme. The book examines a number of contrasting theories of work quality and shows major differences between countries resulting from their broader employment regimes. The volume includes contributions (together with colleagues from other countries) by three former Nuffield doctoral students.

He has also been working with Martina Dieckhoff on a paper that seeks to assess the implications of the revision of the EU's Lisbon Strategy in 2005 for its policies to combat social exclusion, focusing on both employment and social policies.

He was on the organizing committee of the 11th biennial Journées Internationales de Sociologie du Travail, the major conference of French sociologists of work, which was held exceptionally in London this year. It was interesting to note that the meeting attracted a considerably larger number of French sociologists than the normal meetings held in France.

He has served as Foreign Secretary and Vice President, as well as member of Council, of the British Academy. Inter alia, this has involved him in an EU programme (CO-REACH) designed to improve the infrastructure for comparative research between China and Europe. He is also a Member of the Strategic Advisory Board of the Danish National Institute of Social Research. At Nuffield, he is Fellow Librarian. He is also local coordinator for the EQUALSOC Network of Excellence that involves a range of Fellows, post-doctoral Fellows and research students in the College (see: www.equalsoc.org).

Publications

'Production Regimes and the Quality of Employment in Europe', *Annual Review of Sociology*, 33, 85-104, 2007.

'L'intensification du travail en Europe 1996-2001?' in P. Askenazy, D. Cartron, F. de Coninck and M. Gollac (eds.), *Organisation et intensité du travail*. Toulouse: Editions Octares, 2006.

'Welfare Regimes, Employment Systems and Job Preference Orientations', European Sociological Review, 23, 279-93, 2007.

(with Alan Felstead, Francis Green and Ying Zhou) *Skills at Work 1986-2006*. Oxford: ESRC Centre on Skills, Knowledge and Organizational Performance, 2007.

Diego Gambetta (Official Fellow) An intellectually exciting but rather frustrating year – for none of the three research projects I have in play has reached completion.

First, I made some progress in revising *Crimes and Signs: Cracking the Code of the Underworld*. I finished seven chapters out of ten. This book, which Princeton University Press has been patiently waiting for, should be out late next year.

Next, in December 2006 I completed (with Steffen Hertog) 'Engineers of Jihad' and submitted it to the *American Journal of Sociology*. Following a

Revise & Resubmit we received 5 months later, we have worked a lot more on it, among other things acquiring more data on Western and South East Asian Islamic radicals. The pattern we find is intriguing: while the share of graduates of all types among violent Islamic extremists varies – over 50% in the Middle East and North African groups but far fewer among Western groups and South East Asian ones – the proportion of engineers remains high, and vastly overrepresented, in all the areas. We have now re-submitted. If you missed my presentation of the paper at the Sociology Seminar in Trinity 2007 you will have to read it to find out 'what's wrong with engineers'!

Third, the survey-based 'trust game' experiment with a sample of the British population (with John Ermisch, Heather Laurie and others at ISER), was completed successfully in June 2007. Finalising the precise features of the experiment, the follow-up questionnaire, and organising the practicalities took up quite some time, but has been interesting because of the novelty of the method we used. Instead of the lab, we employed professional interviewers who had to be trained before they could visit the 259 subjects at their homes. We have now started to analyse the data: we are able to investigate trusting and trustworthiness as behaviours in the game and correlate them with individual traits derived from the BHPS panel survey questionnaire administered to these subjects in 2003 and 2006. How trusting and trustworthy do you think the British are? Are women more trusting/trustworthy than men, richer people more than poorer ones, the elderly more than the young, the religious more than the atheists? All will be revealed...

With regard to other activities I have

- organised a workshop on *Mimicry in Civil Wars* to be held at the Collége de France, Paris, on 7-8 December 2007. The workshop is part of the series on *Micro Foundations of Civil Wars*, run by a group of scholars led by Jon Elster, under the aegis of the Centre for the Study of Civil Wars, PRIO, Oslo;
- restructured my webpage (with the valiant assistance from Marina Tzvetkova and Anton Verstraete);
- re-organised and made available through my webpage for free public use two archives, one contains about a 1000 'cards' of text I extracted from various judicial sources and Mafioso 'confessions', which I arranged according to a conceptual grid; this archive was the core evidence for writing *The Sicilian Mafia* (John Carlarne provided the technical support). The other is the database on suicide missions

worldwide 1981-2005, which I constructed with Marina Tzvetkova for writing the lengthy postscript to the paperback edition of *Making Sense of Suicide Missions*.

Publications

'Trust's Odd Ways', in J. Elster, O. Gjelsvik, A. Hylland and K. Moene (eds.), *Understanding Choice, Explaining Behaviour: Essays in Honour of Ole-Jørgen Skog.* Oslo: Unipub Forlag/Oslo Academic Press, 2006, pp. 81-100.

'Two Types of Corruption and the Self-fulfilling Nature of the Beliefs about Corruption', in M. Kreutner (ed.), *The Corruption Monster: Ethik, Politik und Korruption.* Wien: Czermin Verlag, 2006, pp. 137-44.

La Mafia siciliana. El negocio de la la protección privada. (Spanish translation, with a new Introduction). Fondo de Cultura Económica, 2007.

'Mimicry, fiducia, società: incontro con Diego Gambetta', *Quaderni pluridisciplinari*, a new Journal edited by Salvatore Costantino e Cirus Rinaldi, N.0, 184-92, April 2007.

John Goldthorpe (Emeritus Fellow) continued to work with Tak Wing Chan, (Department of Sociology) on the social stratification of cultural consumption and, more generally, on the relative importance of class and status as determinants of life-chances and life-choices in different areas of social life. A seminar on the policy implications of their research on cultural consumption was held at City University London, and they acted as consultants to the Department of Culture, Media and Sport and Arts Council England.

He also continued to work with Michelle Jackson, Robert Erikson and Colin Mills on a range of issues concerning class differentials in educational attainment and social mobility, and gave a presentation of findings from this research at the annual research conference of the Department of Education and Skills.

In January the second enlarged (two-volume) edition of his book *On Sociology* was published and he gave seminars on the book at Bamberg, Bologna and the EUI in Florence.

Publications

On Sociology. Second revised and enlarged edition; 2 vols. Stanford: Stanford University Press, 2007.

(with Tak Wing Chan) 'Social Stratification and Cultural Consumption: Music in England', European Sociological Review, 23, 1-19, 2006.

(with Tak Wing Chan), 'Social Status and Newspaper Readership', *American Journal of Sociology*, 112, 1095-1134, 2007.

(with Tak Wing Chan) 'Class and Status: The Conceptual Distinction and its Empirical Relevance', *American Sociological Review*, 72, 512-32, 2007.

(with Tak Wing Chan) 'Social Stratification and Cultural Consumption: The Visual Arts in England', *Poetics: Journal of Empirical Research on Culture, the Media and the Arts*, 35, 168-90, 2007.

'Cultural Capital: Some Critical Observations', in Stefani Scherer, Reinhard Pollak, Gunnar Otte and Markus Gangl (eds.), From Origin to Destination: Trends and Mechanisms in Social Stratification Research. Frankfurt: Campus, 2007, pp. 78-101.

(with Michelle Jackson, Robert Erikson and Meir Yaish) 'Primary and Secondary Effects in Class Differentials in Educational Attainment: The Transition to A-Level Courses in England and Wales', *Acta Sociologica*, 50, 211-30, 2007.

David Greenstreet (Non-stipendiary Research Fellow) I have continued to refine the primary paper from my PhD thesis concerning the productivity of firms in panel data. The estimation strategy accounts for what firms know about their own productivity by reconstructing what they can learn about themselves from previous production experience. By applying this method in selected Chilean manufacturing industries, I find substantial between-establishment heterogeneity in productivity, characterize the dynamics of productivity within establishments, and relate the idiosyncratic component of a firm's productivity to behaviours such as exit, investment, and employment. During the past year I have presented material from this work in seminars at Northwestern University, the Centre for Economic Performance (LSE), Carnegie Mellon University, the Royal Economic Society Annual Conference, and the University of Warwick. My paper is also cited in the forthcoming volume of the *Handbook of Econometrics*.

During the past year I have begun two new research projects. The first is joint with Bruno Cassiman (IESE Business School and University of Leuven) and

Elena Golovko (IESE Business School). We are examining how exporting, productivity, and measures of innovation affect each other in a panel of Spanish firms. The literature has found a very robust positive relation between productivity and exporting. Two competing explanations are that more productive firms are more likely to become exporters (selection), or that by exporting firms learn things that improve their productivity. In addition to these, we are studying to what extent innovation is an underlying cause of both productivity growth and exporting propensity. The initial paper from this project has been accepted for the annual 2008 American Economic Association – Applied Social Sciences Association Conference in New Orleans.

My second new project, joint with Marcel Fafchamps (Department of Economics and Mansfield College), will study the effects of business climate on firm productivity in Morocco. We treat business climate as a multidimensional concept and use indicators from two World Bank-sponsored surveys (FACS and ICA) as well as an inventory of physical infrastructure by commune. We match this data to a panel of manufacturing firms constructed from census surveys and will analyze relationships at the level of firms nested in local markets (communes). We hypothesize three channels by which different aspects of business climate will affect production and productivity: 1) by increasing the effective shadow price of employing factors of production; 2) by directly shifting the technological efficiency of any representative firm; and 3) raising the cost of entry, thus increasing the expected profitability threshold of those potential firms that choose to enter a market.

Additional activities have included refereeing for the *International Journal of Industrial Organization*, organizing sessions for the annual 2008 American Economic Association – Applied Social Sciences Association Conference, and participating in an Office of Fair Trading seminar on productivity and competition.

Emeritus Professor A. H. Halsey (Chelly) is now 84 and slowing in activity. He takes an interest in the history of the College and has attended the 'Witness seminars' run by John Darwin, one of which, on the history of sociology, he gave himself. He is also working on 'the idea of a college' with a view to presenting a paper at the College Charter celebrations in the summer of 2008.

He finished a new book on ethical socialism (see below). It recounts the continuation of that tradition since R. H. Tawney died in 1962 and assesses the prospects for global ethical socialism in the face of climate warming and the threats of population growth and nuclear destruction.

Publication

A. H. Halsey (with contributions by Frank Field, Roy Hattersley, Ben Jackson and Paul Segal, Stuart White, and Alan Deacon) *Democracy in Crisis? Ethical Socialism for a Prosperous Country*. London: Politico's Publishing; Methuen, 2007.

Sarah Harper (Non-stipendiary Research Fellow) is Professor of Gerontology and Director of the Oxford Institute of Ageing, a multi-disciplinary research unit concerned with the implications of population ageing. The Institute is also part of the James Martin School of the 21st Century. Her research concerns the impact of population change, in particular the implications at the global, societal and individual level of the shift in population ages from predominantly young to predominantly older societies. Her own research focuses on globalization and global ageing, and the impact of this demographic shift on family relationships and work. In the area of family research, she continues her work with La Fontaine on young children living with grandparents with Alzheimer's Disease; with Aboderin on an EU study of the impact of the female migration from Africa, and from Eastern Europe on families left behind in the source countries; and with Ross on capacity change in later life. In the area of global ageing, she is PI with Leeson on the Global Ageing Study, a survey of 21,000 men and women aged over 40 in 21 countries.

She continues her professional commitments as a Member, Help the Aged's Research Strategy Committee and Help the Aged's Social Policy Committee; Governor, Pensions Policy Institute; member of the English Longitudinal Study of Ageing (ELSA) Advisory Board; Global Advisor on Ageing to HSBC; and Chair of the Global Commission on Ageing. Sarah is a founding joint editor (with George Leeson) of the new *Journal of Population Ageing*, published by Springer. This year she took up positions as the UK International Collaborator on the Australian Research Council/NHMRC Research Network in Ageing Well; and as a member of the Scientific Programme Committee of 2008 IFA Conference (Montreal).

Publications

Mature Societies: Planning for our Future Selves', *Daedalus*, 135:1, 20-31, 2006.

(with G. W. Leeson) The Status Quo of Foreign Workers in the Health and Social Care Sector in the UK. Tokyo, Japan: National Council of Social Welfare, 2006.

(with R. Goodman) 'Introduction: Asia's Position in the New Global Demography', Oxford Development Studies, 34:4, 373-85, 2006.

'Addressing the Implications of Global Ageing', *Journal of Population Research*, 23:2, 205-23, 2006.

'Ageing Repositioned: Singapore in the New Global Demography', *ETHOS*, Centre for Governance and Leadership, Civil Service College, Issue 1, 24-27, 2006.

'Youth - A Scarce Commodity Within an Ageing World', *Notre Dame Journal of Law, Ethics and Public Policy*, 21:2, 479-91, 2007.

(with S. Marcus) 'Age-Related Capacity Decline: A Review of Some Workplace Implications', *Ageing Horizons*, Oxford Institute of Ageing, Issue 5, 20-30, 2006.

(with G. W. Leeson, A. Saxena, and H. T. A. Khan) 'Attitudes and Practices of Employers Towards Ageing Workers: Evidence from a Global Survey on the Future of Retirement', *Ageing Horizons*, Oxford Institute of Ageing, Issue 5, 31-41, 2006.

Anthony Heath (Professorial Fellow) This year has largely been devoted to doctoral students – both supervision and examination. Five of my doctoral students have successfully passed their vivas this year (and three more have submitted and are awaiting their vivas). I have also been the internal examiner for six doctorates (with three more in the pipeline). While very rewarding and educational, this has not left a great deal of time for other academic work.

The main area of academic work continues to be ethnicity. As part of the Equalsoc network, I have edited a special issue of the journal *Ethnicities* on the education of the 'second generation' (the children of immigrants) in Western Europe and the USA, have participated in a cross-national project (funded by the NSF and the Nuffield Foundation) on the children of immigrants in schools, and am working on a review article for the *Annual Review of Sociology* on the second generation in Europe. With Christopher McCrudden (Law), Heather Hamill (Sociology) and Peter Clifford (Statistics) a new project (funded by the Nuffield Foundation) 'Assessing the Affirmative Action Programme in

Northern Ireland' has been started. With other colleagues smaller pieces of work have been undertaken for the National Employment Panel (on ethnic penalties) and for the Department for Communities and Local Government (on social cohesion).

Publications

(edited with Sin Yi Cheung) *Unequal Chances: Ethnic Minorities in Western Labour Markets.* Proceedings of the British Academy 137. Oxford: Oxford University Press, 2007.

(with Jean Martin and Gabriella Elgenius) 'Who Do We Think We Are? The Decline of Traditional Social Identities', in A. Park, J. Curtice, K. Thomson, M. Phillips, and M. Johnson (eds.) *British Social Attitudes: The 23rd Report – Perspectives on a Changing Society*. London: Sage, 2007, pp. 1-34.

(with S. Fisher) 'Decreasing Desires for Income Inequality?' in P. Ester, M. Braun and P. Mohler (eds.), *Globalization, Value Change, and Generations: A Cross-national and Intergenerational Perspective*. Leiden: Brill, 2006, pp. 207-27.

'Perspectives on Electoral Behaviour', in Russell J. Dalton and Hans-Dieter Klingemann (eds.), *The Oxford Handbook of Political Behaviour*. Oxford: Oxford University Press, 2007, pp. 610-18.

Peter Hedström (Official Fellow). My research during the year has to a large extent focused on social networks, their causes and consequences. One study focused on the role of social networks in explaining suicides, another on the dynamic of a large inter-organizational network. Labour-market networks will be a major focus of my research in the years to come. During this year Yvonne Åberg and I received a grant to study networks on the labour market, their structural properties and the mechanisms involved in their dynamics.

I have also been active in various research networks. I am President of the European Academy of Sociology, and Secretary General of the International Institute of Sociology. During the year I was elected as a Fellow of the Sociological Research Association in the United States, and in April I was invited to be a Fellow at the Rockefeller Foundation's Bellagio Center to work on my forthcoming book.

Publications

Anatomia del Sociale: Sui principi della sociologia analitica. Milano: Bruno Mondadori, 2006.

'Actions and Networks: Sociology that Really Matters (to Me)', Sociologica: Italian Journal of Sociology Online, 1:1, 1-18, 2007.

'Explaining Social Change: An Analytical Approach', *Papers: Revista de Sociologia*, 80, 73-95, 2006.

'Sociala påverkansprocesser', in C. Edling and J. Rydgren (eds.), *Social Handling och Sociala Relationer*. Stockholm: Natur & Kultur, 2007, pp. 125-46.

David F. Hendry (Professorial Fellow) completed the research under his ESRC-financed award *Extending the Boundaries of Econometric Modelling* with Dr. Jurgen Doornik, and commenced analyses under the auspices of a new ESRC-financed research project to develop *Automatic Tests for Super Exogeneity and Invariance*.

Under the completed grant, his research focused on 'impulse saturation' with Søren Johansen and Carlos Santos. The basic idea is to add impulse (zero-one) dummies for every observation: at first sight, that seems implausible, but by entering the impulses in large blocks, novel ways of tackling old problems are suggested, including handling more variables than observations (of which impulse saturation is an important special case), and testing for multiple breaks. Advances were also made in resolving those two problems: handling more variables than observations has already been implemented in the Autometrics option of PcGive by Jurgen Doornik, together with impulse saturation, providing a powerful new computational tool.

Impulse saturation also plays a key role in the second grant. The significant impulses found in the marginal models of the putative exogenous variables can be tested in the conditional model, and if also significant in the latter, would reject super exogeneity or invariance. Automatically testing super exogeneity and invariance thus becomes feasible, and remains important as it is a key requirement for robust empirical models in economic policy analyses (jointly with Carlos Santos and Jurgen Doornik).

Next, our general approach to forecast potentially-predictable, but presently unanticipated, structural breaks has advanced considerably. The key elements draw on much of Hendry's research over the past decade concerning detecting

and modelling location shifts, conducted with a number of co-authors. First, research into the sources of forecast failure has clarified the theory and empirics of so-called 'naive' forecasting devices, as well as the role of information in predictability (with Mike Clements). Secondly, breaks are intrinsically nonlinear, which first necessitates testing for non-linearity, but also requires resolving modelling issues of collinearity and non-normality, as well as selecting models when there were more candidate variables than observations. This research draws on all of the above findings on automatic procedures for selecting econometric models, now applied in a non-linear setting (with Jennifer Castle and Jurgen Doornik, also drawing on work with Hans-Martin Krolzig). Thirdly, improved approaches to model averaging and intercept correction in forecasting are also based on our findings about model selection, and help to provide an insurance policy when breaks are incorrectly forecast (with James Reade). Fourthly, when location shifts are incorrectly forecast, it may still be possible to estimate their final impacts during the process (with Nicholas Fawcett).

Finally, empirical research into forecasting Eurozone and US inflation sought to evaluate the practical value of disaggregate information in models of aggregates, by applying a new approach to utilizing disaggregate information, which combined information, rather than forecasts as in earlier research (with Kirstin Hubrich of the European Central Bank). Robust models to forecast UK inflation were also explored with Mike Clements and Jennifer Castle, as was the role of higher-frequency information in forecasting.

Professor Hendry gave invited lecture series on 'Econometric Modelling and Forecasting' to the IMF, at Statistics Norway, and to a group of Central Bank Economists. He delivered invited papers at the International Forecasting Symposium, New York; Festschrift Conference for Phoebus J. Dhrymes, Cyprus; Oxford Forecasting Workshop; Breaks and Persistence in Econometrics Conference, London; and 20 years of Cointegration Conference, Rotterdam; as well as Plenary talks at the 20th Anniversary of the Tinbergen Institute, Amsterdam; MMF Conference; and the Developments in Economics Education Conference, Cambridge. He presented papers at the Government Economic Service and OxMetrics Conferences, and delivered seminars at the Society of Business Economists, European Bank for Reconstruction and Development, and Nottingham, Oxford, and George Washington Universities. A Chinese translation by Lu Maozu of Forecasting Economic Time Series (with M. P. Clements) was published.

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He was Chairman of the Economics Department, Vice-Chairman of the Social Sciences Divisional Board, and served on the University's Finance Committee and Joint Resource Allocation Working Group, as well as chairing OXONIA. He also chaired the ESRC Professorial Fellowship Committee, and was a Member of the Royal Society of Edinburgh Economics Fellowship Nominating Committee, and the International Advisory Boards of the National Centre for Econometric Research, Australia; Reserve Bank of New Zealand Committee for 'The Phillips Curve 50 Year On'; and the School of Economics and Management, University of Lund.

Publications

'Robustifying Forecasts from Equilibrium-Correction Models', *Journal of Econometrics*, 135, 399-426, 2006.

(with J.A. Doornik and N. Shephard) 'Parallel Computation in Econometrics: A Simplified Approach', in E. J. Kontoghiorghes (ed.), *Handbook on Parallel Computing and Statistics*. London: Chapman & Hall/CRC, 2006, pp. 449–76.

(with B. Nielsen) *Econometric Modelling: A Likelihood Approach*. Princeton, NJ: Princeton University Press, 2007.

(with M. Massmann) 'Co-breaking: Recent Advances and a Synopsis of the Literature', *Journal of Business and Economic Statistics*, 25, 33–51, 2007.

Rafael Hortala-Vallve (Non-stipendiary Postdoctoral Research Fellow) has followed on his research on the possibilities of providing mechanisms that allow voters to express the intensity of their preferences when monetary transfers are forbidden or are not possible. He has showed the limitations of such mechanisms by proving that there are no mechanisms that are robust to any specification of the voters' prior distribution of preferences that satisfy the unanimity property (an issue is implemented if all agents wish so) and are sensitive to the agents' intensity of preferences. This result shows the limitations of such mechanisms and may explain their absence in the real world. However, Rafael also points out in his research that this result does not undermine the recent developments in the literature and equally defends the need to characterise alternative voting rules that Pareto improve the voters' welfare in particular situations.

Rafael has also shed some light on the recent debates about the organisation

of the British passenger rail sector. He argues that the Office of Rail Regulation, rather than centrally contracting with a maintenance company (Network Rail) and various train operating companies, should establish a hierarchical structure so that the positive externalities that arise from both activities are partly internalised.

Finally Rafael has been working on various experiments in order to understand how people negotiate and how the outcome of such negotiations compare to the ones achieved by the voting mechanism he earlier proposed, Qualitative Voting. Similarly, Rafael has contrasted his theoretical predictions on Logrolling (or vote trading) with experimental evidence. He has found overwhelming support for his hypothesis that the voter most affected by a logrolling agreement will offer to implement one of these voters' preferred wills to break their logrolling agreement.

In addition to his academic activities, Rafael has taken part in various art projects this year. He performed at 'The Place' within the festival resolution in a contemporary dance piece called 'If'; he also performed at the *BTS cabaret* and the burlesque *Popcorn cabaret* in a puppet piece created by Alex Frith. He has also been working on the video piece 'The Two of Us' where he *plays* with the idea of loneliness and its unavoidable presence in any creative process.

Andrew Hurrell (Faculty Fellow) works on international relations. His research interests cover theories of international relations, with particular reference to international law and institutions; theories of global governance; the history of thought on international relations and the history of international law; comparative regionalism; and the international relations of the Americas, with particular reference to Brazil. His book On Global Order. Power, Values and the Constitution of International Society will be published by Oxford University Press in October 2007. Connecting classical arguments with contemporary theories, it analyses how patterns of governance and institutionalization in world politics have already changed; what the most important challenges are; and what the way forward might look like. Most of his research this year was devoted to his project on Emerging Powers and Global Governance. This project focuses on two countries, Brazil and India, and four regimes (WTO, nuclear non-proliferation, climate change and UNSC reform). Undertaken with Amrita Narlikar, the research addresses three central questions. First, to what extent have these countries looked to international institutions as potential 'pathways to power'? Second, what have been the strategies that they have employed within institutions to achieve their preferred outcomes? And third, what explains the choice of strategies?

In November he gave the keynote address at a conference on Global Governance and the Contours of Domestic Politics in the Americas organized by the Centre for International Governance Innovation (CIGI) in Waterloo, Canada. Also in November he gave the Annual Martin Wight Lecture at Chatham House on 'One World? Many Worlds? The Place of Regions in the Study of International Society'. In December he gave a paper in Hamburg on 'The Influence of Regional Powers on Regional and Global Governance Structures' at a conference on Regional Powers in Asia, Africa, Latin America, the Near and Middle East organized by the German Institute of Global and Area Studies. This formed the first stage of on-going collaboration between Oxford and GIGA examining the changing roles of regional powers in world politics. In Hilary Term he organized a seminar series on non-western perspectives on global order and justice. In March he was the co-organizer of an Oxford/Princeton workshop on global political theory which took place in Princeton and which formed part of an expanding range of collaborative work between Oxford and Princeton in the areas of global governance and global justice. In April he gave lectures in Brazil at the Catholic University in Rio de Janeiro and at the universities of Belo Horizonte, Brasília and São Paulo. He gave papers on 'Emerging Powers and Global Governance' in May at a conference in Berlin on Re-ordering the World? Emerging Powers and Global Governance organized by the Stiftung Wissenschaft und Politik; and in Paris in June at a further conference on the same subject. In July he spoke on 'Brazil and International Order' at the inaugural meeting of the Brazilian International Relations Association in Brasilia.

He continued to serve as the chair of the Politics Group; as the director of the Centre for International Studies which is based in the Department of Politics and International Relations; and as a PPE examiner. In January 2008 he will be moving to Balliol College as the Montague Burton Professor of International Relations.

Publication

'One World? Many Worlds? The Place of Regions in the Study of International Society', *International Affairs*, 83:1, 151-66, January 2007.

Elisabeth Ivarsflaten (Postdoctoral Prize Research Fellow) was offered a position as associate professor of comparative politics at the Department of Comparative Politics, University of Bergen, Norway. She started this position on August 1, 2007 and resigned from her Postdoctoral Prize Research Fellowship with effect from that date. During the academic year 2006/07, Ivarsflaten prepared her book manuscript, Immigration Politics in Western Europe. She contacted and presented parts of the manuscript to some wellregarded university presses. The initial reviews of these presses were favourable across the board. In March 2007, Ivarsflaten was awarded a start-up grant of £10,000 by the Norwegian Research Council to start a project aiming to study the political determinants of public attitudes towards immigration and multiculturalism in Norway. Some fruits of previous work were harvested in 2007 as an article and a book review by Ivarsflaten are forthcoming in Comparative Political Studies and the Canadian Journal of Political Research respectively. Ivarsflaten also contributed book chapters on immigration politics to two edited volumes that will appear in 2007: New Parties in Government edited by Kris Deschouwer and Paul Lucardie (London: Routledge); and Political Parties at the Crossroads edited by Lise Rakner and Siri Gloppen (Bergen: Fagbokforlaget). In September 2007, Ivarsflaten will be presenting two papers based on her book manuscript at the bi-annual ECPR conference in Pisa. The 2006/07 highlights of Ivarsflaten's contributions to the scholarly community in Oxford include running the Advanced Research Workshop which was well attended by post-doctoral fellows in politics; editing the online Nuffield Politics Working Papers series (until January 2007); being post-doc representative on Nuffield's Governing Body; and giving a presentation at the Nuffield Political Science Seminar.

Michelle Jackson (Non-Stipendiary Research Fellow) started work on her ESRC-funded research project, 'Investigating Inequalities in Educational Attainment' (funded under the 'Understanding Population Trends and Processes' scheme). The project examines whether class, ethnic and sex inequalities in educational attainment have changed over time in Britain. Previous research has indicated that even if previous educational performance is held constant, children of more advantaged background will more often choose to stay on in full-time education, or to take more ambitious courses than will children of less advantaged background. The project takes this empirical finding as a starting point, and considers the relative importance of

previous educational performance and choice in the creation of inequalities in educational attainment.

In other work, Michelle has further analysed data from her previous research project which investigated whether employers discriminate against candidates from working class backgrounds when recruiting for professional and managerial occupations. One notable finding is that employers are more likely to use formal language when writing to middle class candidates than they are when writing to working class candidates. She has also finished a chapter on content analysis for a research methods textbook, and with John Goldthorpe, she finished work on a paper titled, 'Intergenerational Class Mobility in Contemporary Britain: Political Concerns and Empirical Findings'.

Michelle has presented papers at conferences held in the Centre for Longitudinal Studies (Institute of Education, University of London), and Leeds University. She also attended the Brno meeting of Research Committee 28 (Social Stratification and Mobility) in May 2007.

Publications

'How Far Merit Selection? Social Stratification and the Labour Market', *British Journal of Sociology*, 58:3, 367-89, 2007.

(with R. Erikson, J.H. Goldthorpe and M. Yaish) 'Primary and Secondary Effects in Class Differentials in Educational Attainment', *Acta Sociologica*, 50:3, 211-30, 2007.

Ian Jewitt (Official Fellow) has continued to work in the broad field of 'Information'. A new project in collaboration with Ohad Kadan and Jeroen Swinkels (both of the Olin Business School) is on the comparative statics of incentives under moral hazard. The research adopts the framework of the classic Mirrlees principal agent model which has to date been rather reluctant to yield meaningful comparative statics results. By carefully identifying and separating out information costs from effort costs natural conditions do, however, emerge. Some initially counterintuitive results make a lot of sense after a little reflection. For instance, under certain conditions, it is shown that imposing minimum wage legislation *increases* equilibrium effort. The reason is simply that the cost of implementing high effort is increased less than the cost of implementing low effort, so the principal responds to the legislation by substituting to higher effort levels. Perhaps even more strikingly this endogenous response by the principal can result in all workers being paid

strictly more than the minimum wage. Under this scenario minimum wage legislation thereby leads to a high productivity high wage economy (but with people working too hard).

Publication

(with Paul Grout and Silvia Sonderegger) 'Governance Reform in Legal Service Markets', *Economic Journal*, vol. 117, issue 519, C93-C113, 2007.

Yuen Foong Khong (Faculty Fellow) becomes Chair of the Politics Group in October 2007. In addition to continuing his research on identity and American foreign policy during the 2006-07 academic year, Professor Khong also worked on a paper about the role of neoconservatism in the formulation of American foreign policy. The paper assesses the relative importance of neoconservatism compared to other variables in bringing about the war against Iraq; one finding of the paper is about the importance of the one percent doctrine, in which the United States was averse to tolerating any major threat with a one percent chance of occurring, in goading the U.S. to launch a preventive war against Iraq. Conferences attended include: The Sentosa Roundable on Asian Security (December 2006); Regional Security in East Asia, organized by the Ditchley Foundation-Asia Society (New York) in May 2007; and the Asia Pacific Programme for Senior Military Officials, organized by the S. Rajaratnam School of International Studies in Singapore (August 2007).

Publication

(with H. Nesadurai) 'Hanging Together, Institutional Design, and Cooperation in Southeast Asia: AFTA and the ARF', in Amitav Acharya and Alistair Iain Johnston (eds.), Crafting Cooperation: Regional International Institutions in Comparative Perspective. Cambridge: Cambridge University Press, 2007.

Desmond King (Professorial Fellow) has continued work on his book about the American State, funded by a Leverhulme Trust Major Research Fellowship. He presented papers related to the project at workshops in Toronto and Tokyo as well as at the 2007 meeting of the APSA. An international conference on this topic will be held in Oxford in 2008. King continued collaborative work with Rogers M. Smith, building on their past publication on racial orders. The new work examines how the racial coalitions for a number of hard cases in US race equity – school vouchers, minority-majority districting, affirmative action

in employment and census categories – have shifted but remain consistent with the logic of the racial orders framework. Other work on American politics included completion of a co-edited volume on the Bush presidency (with George C. Edwards, the Olin Professor of American Government at Nuffield in 2005-06), and a paper with the historian Stephen Tuck which was published in *Past and Present*. A conference (co-organized with Colin Provost) on 'Politics & Policy Making in the Bush Administration Federal Bureaucracy' was held in June, attended by leading US scholars; an edited volume is to follow.

In addition to the work in American politics, King presented a paper written with David Rueda on cheap labour and comparative political economy at conferences in Chicago and Oxford. A revised version is presently being drafted. This paper will form the basis for a continuing research project. An additional paper on illiberalism and New Labour's welfare policy was presented to a workshop in Paris and is under revision.

For the University he served as a member of the Executive Committee of the Rothermere American Institute and as RAE Co-ordinator for the DPIR's submission in 2007. The latter position absorbed immense time during this year but comes to a conclusion in November 2007 when Oxford makes its submission. He is a Delegate of Oxford University Press, where he is a member of the Finance Committee, a Fellow the British Academy and a member of several editorial boards including the *British Journal of Political Science*.

Publications

(with Stephen Tuck) 'De-Centering the South: America's Nationwide White Supremacist Order after Reconstruction', *Past and Present*, No. 194, 219-57, February 2007.

'The American State and Social Engineering: Policy Instruments in Affirmative Action,' *Governance*, 20, 109-26, 2007.

Uwe Kitzinger (Emeritus Fellow) remains an Affiliate of the Centre for European Studies and of Lowell House, Harvard, and has continued his work on the ongoing problems of South-East Europe, the European Union and the transatlantic relationships.

Paul Klemperer (Professorial Fellow)'s main research was on industrial economics and auctions – see the forthcoming publications at www.paulklemperer.org. He also worked on the economics of climate change.

Government service included advising the Stern Review on the Economics of Climate Change, the Gowers Review of Intellectual Property, and serving on the Panel of Economic Advisers of the Competition Commission.

His most recent project analyses the most common methods of selling a company or other asset when participation is costly to buyers. A sequential bidding process (in which early entrants can make bids before others choose whether to compete) is most efficient because later entrants base their entry decisions on the information that is revealed earlier. But pre-emptive bids transfer profits from the seller to buyers. Because an auction in which all entry decisions are made prior to any bidding is more conducive to entry, it is usually more profitable.

He is a Fellow of the British Academy, a Fellow of the Econometric Society, and a Foreign Honorary Member of the American Academy of Arts and Sciences, and other similar societies.

He serves on the Council of the European Economic Association and on three editorial boards, he directs the University's MPhil in Economics (and the taught parts of the DPhil in Economics), and teaches on these programmes as well as on several programmes run by the Business School.

Publications

'Bidding Markets', Journal of Competition Law and Economics, 3:1, 1-47, 2007.

'Competition Policy in Auctions and "Bidding Markets", in Paolo Buccirossi (ed.), *Handbook of Antitrust Economics*. Cambridge, MA: The MIT Press, 2007.

(with Joseph Farrell), 'Co-ordination and Lock-in: Competition with Switching Costs and Network Effects', in Mark Armstrong and Robert Porter (eds.), *Handbook of Industrial Organization*. Vol. 3. Amsterdam: North Holland, 2007, Chapter 5.

Clare Leaver (Non-stipendiary Research Fellow) Clare has continued her work on the judiciary with Jordi Blanes i Vidal (LSE, previously Nuffield College), completing a second paper on citations. This paper exploits the random allocation of judges to case committees – i.e. the random formation of links in a social network – to test whether network distance affects citation behaviour. The results cast doubts on proposals to use citations as metrics of judicial

performance. Directly connected cases (sharing at least one judge) are more likely to be linked by a citation than unconnected cases, although these citations are not disproportionately likely to be positive. Indirectly connected cases (sharing judges who have worked in committees together), are more likely to be linked by positive citations, and less likely to be linked by neutral or negative citations, than unconnected cases. This paper has been presented at a number of conferences and seminars including MIT, Stanford SITE Summer Workshop, and a government-sponsored workshop on the Economics of Legal Services and Justice in Bristol. Clare has also continued her work on information disclosure in labour markets with Heski Bar Isaac (Stern, NYU) and Ian Jewitt (Nuffield College). This paper was recently presented at a conference on human capital formation in Norway and at the European Summer Symposium in Economic Theory in Switzerland. In October 2007 Clare will take up a University Lectureship in Economics, in association with the Queen's College, Oxford.

Rocco Macchiavello (Non-stipendiary Research Fellow) During this first year at Nuffield, I completed the revision of chapters of my PhD dissertation, as well as started new projects.

I completed a substantial revision of my paper on 'Contractual Institutions, Financial Development and Vertical Integration'. In this paper I develop an industry equilibrium model of vertical integration under contractual imperfections with specific input suppliers and external investors. I show that the two forms of contractual imperfections have different effects on the degree of vertical integration, and that contractual frictions with external investors affect vertical integration through two opposing channels: a direct negative, investment, effect and an indirect positive, entry, effect. Using cross-country-industry data, I present novel evidence on the institutional determinants of international differences in vertical integration which is consistent with the predictions of the theoretical model. This work, besides challenging certain aspects of conventional theories of the firm, contributes to a rapidly expanding literature on the effects of institutions on industrial structure and firm organization.

In a complementary, but purely theoretical, project on 'Financial Constraints and the Costs and Benefits of Vertical Integration in Developing Countries' I ask if there is a purely financial motive for vertical integration. I study an incomplete contract model in which the integration decision is chosen to

maximize the returns of two vertically related projects to an investor. Vertical integration trades off the benefits of joint liability against the costs of suppressing market monitoring. Higher asset specificity, higher returns, longer production cycles are determinants of vertical integration. In countries with low investor protection, vertical integration is lower in industries based on community ties, fewer and smaller firms are created, and firm size distributions are more likely to display a missing middle in industries which favor vertical integration. The overall impact of low investor protection on vertical integration is ambiguous. These predictions shed light on industrial structure patterns in developing countries and show that the incentives for vertical integration are not necessarily higher in developing countries.

I have started two main research projects. The first, 'Missing Firms', is about the implication of the theory of the firm for the design of microfinance schemes and poverty alleviation schemes. A trip to India in January and December enabled me to establish contacts with microfinance institutions. I am now in the process of writing grant proposals to fund this research.

A second project takes a case-study approach to the analysis of the links between industrial upgrading, export success and organizational forms. The analysis is based on an in-depth examination of the Chilean wine industry. A first paper asks 'how does a country break in an established market where quality is important?' It answers this question by focusing on the entry point in foreign markets: long-term collaborative relationships with developed country buyers. It first documents how characteristics of these relationships correlate with export performance. It then exploits exchange rate variations to explore the formation and maintenance of long-term relationships. The data reveal that the likelihood of relationship breakdown depends on the level, changes and distribution of surplus between the contracting parties. Relationships started at more favorable conditions are more fragile and agent's specific shocks caused by exchange rate variation in competing countries also predict relationship breakdown. The evidence suggests that contracts are highly incomplete and reputation plays a crucial role in this market. Policy implications are discussed. I have now created a new original dataset and strong links with industry that should allow me to pursue other aspects of this research.

During the year, I attended and (sometime) presented my work at various conferences and seminars including the CEPR conferences on Development in Amsterdam, Paris and Stockholm; the World Bank conference on Industrial

Development in Delhi (India); the MacArthur network for economic inequality in Namur; and ESSET meeting in Gerzensee.

Publications

'Public Service Motivation and Development Failures', *Journal of Development Economics*, (advance electronic access, 23.06.2007).

'Financial Constraints and the Costs and Benefits of Vertical Integration', Centre for Economic Policy Research Discussion Paper no. 6104, 2007 http://www.cepr.org/pubs/dps/DP6104.asp

'Contractual Institutions, Financial Development and Vertical Integration: Theory and Evidence' Centre for Economic Policy Research Discussion Paper no. 5903, 2006. http://www.cepr.org/pubs/dps/DP5903.asp.

Richard Mayou (Emeritus Professor) I have found emeritus life to have many benefits. It allows academic interests to continue without RAE concerns, deadlines or any expectations of continuing to seek funding. It has meant a change of pace and a greater focus of my academic interests on old-fashioned scholarship and involvement in activities to promote the application of past research to clinical practice, official psychiatric classifications and to medicolegal procedures.

I have continued to be Chairman of the Art Committee, re-hanging much of the collection and buying several new works. I look forward to a project to use a substantial allocation from the proceeds of the recent sale of two pictures bought in the 1960s. We intend to buy several works to hang in the Senior Common Room in place of the pictures presently loaned to us by the Arts Council. They will hang alongside the large Ivor Hitchens commissioned for the room, an early Patrick Heron and more recent purchases of paintings by Ian Davenport and Victoria Morton. The pictures that we have sold were by Indian artists whose work has recently appreciated very considerably in value. It was felt that this was an opportunity to enable us to develop further and bring up to date a coherent College collection of oil paintings, prints, sculpture and other works by contemporary British-based artists.

Publications

(with J. Price, C. Farmer, J. Harris, T. Hope, and S. Kennedy) 'Attitudes of Women with Chronic Pelvic Pain to the Gynaecological Consultation: A

Qualitative Study', British Journal of Obstetrics and Gynaecology, 113, 446-52, 2006.

(with M. Sharpe and J. Walker) 'Bodily Symptoms: New Approaches to Classification', *Journal of Psychosomatic Research*, 60, 353-56, 2006.

(with R. Meiser-Stedman, T. Dalgleish, P. S.Yule, B. Bryant, A. Ehlers, and N. K. Winston) 'Dissociative Symptoms and the Acute Stress Disorder Diagnosis in Children and Adolescents: A Replication of the Harvey and Bryant (1999) Study', *Journal of Traumatic Stress*, 20, 359-64, 2007.

'Development of General Hospital Psychiatry', in G. Lloyd and E. Guthrie (eds.), *Textbook of Liaison Psychiatry*. Cambridge: Cambridge University Press, 2007, pp. 1-23.

Iain McLean (Official Fellow) continued to work in UK public policy research but tried to keep some sidelines going as well. He served, for a final year, as Director of the Public Policy Unit in the University's Department of Politics and International Relations.

In public policy, work from his now-concluded ESRC Public Services Programme project 'Correlates of Success in Performance Assessment' continued to appear. Our finding that the performance regime for English local authorities was subject to gaming and perverse incentives was widely noted and mostly welcomed, but not by the Audit Commission.

Iain's report, with David Butler, for the 11th Inquiry of the Committee on Standards in Public Life, on the boundary-drawing function of the Electoral Commission, seems to have been influential. The Committee referenced it extensively in its report. Our suggested changes to the statutory, but mutually-contradictory, Rules for the Redistribution of Seats are perhaps being taken seriously in government for the first time in the fifteen or so years that Iain has been campaigning on the issue. Furthermore, the Electoral Commission announced that it would again use the Ste-Laguë method to apportion the UK's reduced number of seats in the European Parliament to its 12 regional constituencies in time for the next EP election in 2009. In 2003, Iain led the campaign to persuade the Commission to drop all four of the methods it had proposed and substitute Ste-Laguë, which had not been one of its methods put up for consultation. Our consortium proved to the Commission that Ste-Laguë (alias Webster) uniquely satisfied the fairness criterion that, as close as possible, each voter should have an equal share of an MEP.

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Work on church and state did not lead to any publications this year, but may have had a background role in Prime Minister Gordon Brown's announcement in July 2007 that he was withdrawing from the appointment of Church of England bishops. This more than compensated for the failure of any of Iain's applications to the AHRC/ESRC Programme 'Religion and Society' to be funded.

UK devolution led to only one publication but lots of activity during the year. Two trips to Scotland with collaborators at ippr failed to persuade the Scots that the parties (especially the Nationalists) were campaigning on incoherent fiscal manifestoes. Iain declined to let his name go forward for the post of Budget Adviser to the Finance Committee of the Scottish Parliament, as (logistics apart) he felt his advice would be roughly equally unwelcome to all parties in the Parliament.

Iain prepared a book proposal on the UK constitution in the light of the collapse of Diceyanism. One chapter from the proposed book was published in *Public Law* and another (on the Larne gunrunning of 1914) appeared as a Nuffield Working Paper in Politics. At the time of preparing this report, the constitutional changes proposed by the Brown administration seemed to be pointing in the same direction (which may be bad news for the book proposal).



lain on the Welshpool & Llanfair Railway (Picture reproduced by kind permission of Dave Priestley).

Beyond public policy, Iain's work with Arthur Spirling (Rochester) continued to challenge the validity of the 'NOMINATE' family of programs for analysing roll-call votes in the House of Commons. We were particularly pleased to have a methodology paper on this published in *Political Analysis*. Two historical social choice papers were published, one on medieval voting and the other on an overlooked eighteenth-century figure, Nicholas Collin.

Papers were given at the ICER Conference on Constitutional Political Economy, Turin; the First World Congress of Public Choice, Amsterdam; the PSA Conference, Bath; Charles University, Prague; and several ESRC Public Services Programme events (one of them in Rotterdam). Government and think tank meetings addressed included ippr (two Edinburgh meetings on fiscal policy and public expenditure in Scotland) and the *Guardian* Public seminar.

Iain's grade card at the Welshpool & Llanfair Railway currently qualifies him to act as steam locomotive fireman; diesel driver; guard; blockman, and controller (higher grade). He started taking singing lessons for the first time in his life.

Publications

(with A. McMillan) 'Professor Dicey's Contradictions', *Public Law*, 435-43, Autumn 2007.

(with A. B. Urken) 'Nicholas Collin and the Dissemination of Condorcet in the United States', *Science in Context*, 20:1, 125-33, 2007.

(with D. Haubrich and R. Gutiérrez-Romero) 'The Perils and Pitfalls of Performance Measurement: The CPA Regime for Local Authorities in England', *Public Money and Management*, 27:2, 111-18, 2007.

(with A. Spirling) 'UK OC OK? Interpreting Optimal Classification scores for the UK House of Commons', *Political Analysis*, 15, 85-96, 2007.

(with D. Butler) 'The Electoral Commission and the Redistribution of Seats', Report to the Committee on Standards in Public Life, Eleventh Inquiry, *The Electoral Commission*, iii + 33 pp., 2006, at http://www.public-standards.gov.uk/11thinquiry/research.aspx

'The National Question' in A. Seldon (ed.), *Blair's Britain*, 1997-2007. Cambridge: Cambridge University Press, 2007, pp. 487-508.

(with H. Lorrey and J. Colomer), 'Voting in the Medieval Papacy and Religious Orders', in V. Torra, Y. Narukawa and Y. Yoshida (eds.), *Lecture Notes in*

Artificial Intelligence 4617. Berlin: Springer-Verlag, 2007, pp. 30-44.

(with D. Haubrich) 'When the Grass is Greener on the Other Side', in C. Grace (ed.), *Comparing for Improvement*. London: The Guardian for SOLACE Foundation, 2007, pp. 37-39.

Roland Meeks (Non-stipendiary Postdoctoral Research Fellow) spent a busy and enjoyable final year at Nuffield. Inevitably, he spent the bulk of Michaelmas and part of Hilary term searching for a new position to start in Autumn 2007. He was interviewed at the Allied Social Science Association meetings in Chicago, USA, and at the Royal Economic Society job market at the London School of Economics. He eventually took a position as an economist in the research department of the Federal Reserve Bank of Dallas.

The bulk of Roland's research time has been spent on completing revisions to existing papers in light of journal responses. He was invited to resubmit his paper on the empirical content of macroeconomic models with agency problems between lenders and borrowers to the *Journal of Economic Dynamics and Control*. His paper on forecasting yield curves (with C. G. Bowsher) has been prepared for resubmission. Finally, he has continued to work with C. G. Bowsher on the econometric implications of the Expectations Theory of the term structure.

During 2006-2007, Roland gave invited presentations at the EC2 conference in Rotterdam, the Bank of England, Barclays Global Investors in London, the Federal Reserve Bank of Dallas, the University of Southampton, and the British Academy Postdoc Symposium in London. He also taught two graduate courses, on economic growth and computational methods, acted as supervisor for a doctoral student, and examined a thesis.

Margaret Meyer (Official Fellow) continued research on a range of topics in the economics of information and incentives, focusing on two main projects:

1) 'Strategic Ambiguity and Balanced Effort in Incentive Provision' is joint work with Richard Holden and Florian Ederer, both at MIT. The project was motivated by concerns about the potentially adverse consequences of performance measurement systems, when such systems induce significant gaming responses by those they are designed to motivate. One form that such gaming can take is the diversion of effort from the tasks that are truly important towards those tasks that, because they are easily measured, will be rewarded. We build a model in which a principal seeks to design a performance

measurement system to motivate an agent to exert efforts on a range of tasks. Importantly, the principal wants the agent to exert some effort on all of the tasks ('balanced efforts'), rather than to focus only on one task. The key question we address is: Can there be circumstances in which it is socially valuable for the principal to be deliberately ambiguous about which tasks the agent's reward will be based on? An incentive system that is ambiguous in this sense imposes risk on the agent. A potential benefit of such ambiguity is that, if the agent is risk-averse, the ambiguity induces him to self-insure by exerting balanced efforts, rather than taking the gamble of focusing all his efforts on his preferred task. Nevertheless, one might conjecture that because ambiguity imposes extra risk on a risk-averse agent, an efficient incentive system will never involve ambiguity - why not design a transparent, unambiguous scheme that induces balanced efforts without imposing extra risk? We show that if, as is plausible in many settings, the principal doesn't know exactly how the agent will choose efforts in response to specific incentive systems, then the principal can more efficiently achieve his goal of inducing balanced efforts with a deliberately ambiguous system than with a transparent one. Our analysis has implications for the ongoing debates about the pros and cons of transparency in public sector performance measurement systems.

2) 'The Stochastic Supermodular Ordering: Theory and Applications' is joint work with Bruno Strulovici (Nuffield). In many settings in economics, finance, and statistics, we want to determine whether the variables in one set are more highly 'correlated' with one another (more positively interdependent) than are the variables in another set. The starting point for our interest in this issue was the observation that in many group settings where individual outcomes (e.g. rewards) are ex ante uncertain, members of the group may be concerned, ex ante, about how unequal their ex post rewards will be. This concern is, moreover, distinct from concerns about the mean level of rewards and about their riskiness. An aversion to expost inequality can be formalized by adopting an ex post welfare function that is 'supermodular' (or more loosely, complementary) in the realized utilities of the different individuals. We then want to know: When can we rank mechanisms (formally, joint distributions of random utilities) according to the level of expected welfare they generate, imposing on the ex post welfare function only the assumption of supermodularity? The answers we provide to this question take the form of stochastic dominance theorems characterizing partial orderings representing a notion of greater interdependence in multivariate distributions.

Such stochastic dominance theorems have applications in many other settings as well. In economics, they can be applied to the comparison of the efficiency of (many-sided) matching mechanisms and to the comparison of multidimensional distributions of economic status. In finance, they can be applied to the comparison of the dependence among assets in a portfolio, and in insurance, to the comparison of the dependence among claim streams.

Meg continued as an organizer of the European Summer Symposium in Economic Theory and as a member of the editorial board of the *Journal of the European Economic Association*. She presented her work on 'Learning and Self-Reinforcing Behavior' (joint with Jeffrey Zwiebel, Stanford) at a seminar in Cambridge in March.

David Miller (Official Fellow) worked on the final version of his book manuscript, *National Responsibility and Global Justice*, which is due to be published by Oxford University Press in November 2007. The later stages of this project involved developing a theory of human rights, and in particular trying to determine where the corresponding obligations fall, especially where these are onerous, as in cases of humanitarian intervention. He wrote a separate paper on this issue for a conference on *Justice*, *Legitimacy and Public International Law* at the University of Bern in December.

A second book project that came to completion during the year was an edited collection of papers by Michael Walzer, a leading American political theorist, to be published by Yale University Press with the title *Thinking Politically*. He finalized the selection of papers and wrote a long introduction giving an overview of Walzer's thought.

In Hilary Term he worked mainly on issues of democratic theory, in particular on the question of what kind of political constituency is needed to make democracy function most successfully. This has an obvious bearing on the much debated question of whether Europe-wide democracy is feasible, and he wrote a paper critical of recent proposals for 'Euro-republicanism'. He also prepared and gave the *Wesson Lectures* at Stanford University in April on 'Democracy's Scope' which included a more general critique of transnational democracy.

In June he co-directed a Summer Institute on *Citizenship and Migration* for SIAS, a consortium of Institutes for Advanced Study. This brought together twenty young scholars from Europe and North America, drawn from a variety of fields – philosophy, history, political science, sociology, anthropology – to debate the challenges that international migration poses for existing ideas of

national identity and citizenship. The meeting was held over two weeks in Berlin, and the group will reconvene at Stanford for a similar event in 2008.

He lectured at the universities of Cambridge, Utah, York, and Zurich, and continued to act as Director of Graduate Studies in Politics, and to serve on the Standing Committee for Politics for the British Academy.

Publications

'Multiculturalism and the Welfare State: Theoretical Reflections', in K. Banting and W. Kymlicka (eds.), *Multiculturalism and the Welfare State*: *Recognition and Redistribution in Contemporary Democracies*. Oxford: Oxford University Press, 2006, pp. 323-38.

'Who is Responsible?' The Philosophers' Magazine, 36, 58-63, 2006.

Alexander Moradi (Non-stipendiary Research Fellow) continued his work on nutrition, health and living standards in Africa prior to 1950. Using human height as an indicator of nutrition and health status, the colonial armies were identified as the most promising source of historical height records. A British Academy Small Research Grant provided helpful funds. Fieldwork was done in Ghana. After difficult negotiations with the Ghana Armed Forces, collecting data of the Gold Coast Regiment went ahead successfully. The projected sample size of 25,000 recruits enlisted 1901-1955 and the information on the recruits' social background makes the data set exceptional in the field of African economic history. Half way through, data collection is still ongoing. A smaller data set of 1,500 Kenyan enlistees could also be procured from the Defence Headquarters in Nairobi. Preliminary results suggest that, despite of exploitative policies and short-term crises, the colonial era was one of significant improvements in nutritional status. Mean height increased at a fast pace. This stands in striking contrast to the experience in the 1970s and later, when mean heights decreased and stagnated. It is hoped that the long-term perspective allows new insights into the institutional argument for growth.

John Muellbauer (Official Fellow) devoted much of the year's research to further work on the interactions between housing, credit and consumption, a subject made particularly topical by the sub-prime lending crisis in the US and its global ramifications. He was invited to address the annual symposium sponsored by the Federal Reserve Bank of Kansas City, this year on 'Housing, Housing Finance, and Monetary Policy' in Jackson Hole, Wyoming, August 31

and September 1. There he reported on US evidence suggesting that, as in the UK, there was no housing wealth or collateral effect on consumption before credit markets liberalised. However, the data suggests the housing collateral effect is about twice as large in the US as in the UK, and these differences appear to be linked to institutional differences between the two countries, e.g. in interest rate risk faced by borrowers. In both countries, credit market liberalisation lowered the rate of saving of households, though liberalisation was a more gradual process in the US.

The Jackson Hole paper draws on multi-country research carried out this year on consumption and wealth under credit liberalisation: in the UK (a CEPR paper with Janine Aron and Anthony Murphy), in South Africa (a CEPR paper Janine Aron), and in Japan (ongoing work with Keiko Murata). John Duca, Senior Economist and Vice President at the Dallas Federal Reserve visited Nuffield in June and the work was extended to the US. The project with Anthony Murphy and John Duca is also examining the impact of credit and other factors on regional house prices in the US. Preliminary findings suggest that the UK may be relatively protected from house price falls by many years of low levels of house building, though UK house prices are also more sensitive to the stock market than is the US.

With Janine Aron, he completed a final stage of work on monetary policy in South Africa to be published in the *Journal of African Economies*, a CEPR paper on trade openness and inflation in South Africa, and another on the predictability of monetary policy in South Africa, presented at the Bank of England.

New research with Teng Teng Xu on forecasting US GDP, suggests that careful selection of a parsimonious forecasting model on a data set, e.g. from 1960 to 1984, is no guarantee of good subsequent out of sample forecasting performance. Models that throw away long run information tend to lose relative to naïve benchmarks. However, specifications close to those he introduced in a 1996 paper, retaining such information, tend to do better than naïve benchmarks. Nevertheless, practical forecasters have to be on constant guard against structural breaks, which, as David Hendry has long emphasised, are the bugbear of forecasting.

The ESRC project with Adrian Pagan, to which the above research contributed, ended in 2006, and a final report was produced. With Janine Aron, he was successful in obtaining an ESRC project: 'New Methods for Forecasting Inflation and its Sub-components: Applications to the UK, USA and South Africa'.

Apart from Jackson Hole, seminar and conference presentations included HM Treasury; Oxford; LSE; the European Real Estate Society Conference in London; the Bank of Spain Conference on Housing and Finance, Madrid; and the Centre for the Study of African Economies conference in Oxford; while John's co-authors also presented parts of the research at various other conferences, including at the Bank of England, and at the Royal Economic Society.

Publication

(with Janine Aron and Anthony Murphy) 'Housing, Wealth and UK Consumption', *Economic Outlook*, 30:4, 11-20, October 2006.

Tiziana Nazio (Non-stipendiary Research Fellow). I have undertaken some teaching including lecturing and supervision of MSc and MPhil students. My research work has concentrated on three projects. In October 2006 I started a comparative project on the interrelationship between labour market careers and childbirth decisions in Italy, Germany and the UK (principal investigator, funded by ESRC). I have also been contributing to the module 7 of the comparative WORKCARE project (European 6th Framework Programme) on changing relationships between work, care and welfare in Europe, together with J. O'Reilly (Sussex University) and J. MacInnes (Edinburgh University). In this project my work concentrates on the study of the transitions between different households' breadwinning arrangements. Finally, I began a collaboration with C. Saraceno (WZB, Berlin) on a comparative research project within the Equalsoc network of excellence on the transformation of intergenerational relationships. Here, we explore the differences between married and cohabiting couples in the frequency of contacts and visits to their parents, comparing Italy and the UK.

I have completed a book based on my PhD thesis (Routledge, in press), where I study the diffusion process of cohabitation in six European national contexts and explore how such an alternative living arrangement has impacted on family formation since the late 1960s. During the year I have presented my work on work-life balance and time stress at the Sociology Seminar series at Oxford University. I have refereed papers for the European Sociological Review, the British Journal of Sociology, and Gender, Work and Organization.

Publication

(with J. MacInnes) 'Time Stress, Well-being and the Double Burden', in G. Esping-Andersen (ed.), Family Formation and Family Dilemmas in Contemporary Europe. Bilbao: Fundación BBVA, 2007, pp. 155-84.

Bent Nielsen (Reader in Econometrics and Faculty Fellow) has received an ESRC research fellowship award to support his research. The aim of the fellowship is to work on developing statistical models for the analysis of monetary data from hyperinflations. In the initial phase this project involves investigating the properties of mis-specification tests for autoregressive models. He has worked on the theory of tests for heteroscedasticity with C. Caceres, on the distribution of autoregressive residuals with E. Engler, and on the properties of dummy saturation models with S. Johansen.

He also studied the chain ladder methods used for reserving in non-life insurance in joint research with D. Kuang and J. P. Nielsen. Some of the results will also have bearing on the age-period-cohort model used in demography.

He served on the editorial board of the Review of Economic Studies.

He has presented papers at the 'Cointegration Conference' in Rotterdam, the 'Econometric Study Group Conference' in Bristol, the conference in honour of David Hendry, and at the conference on 'Contemporary Challenges of Theory and Practice in Economics' in Belgrade.

Publications

'Order Determination in General Vector Autoregressions', in H.-C. Ho, C.-K. Ing, and T. L. Lai (eds.), *Time Series and Related Topics: In Memory of Ching-Zong Wei*. IMS Lecture Notes and Monograph Series, 52, 93-112, 2006.

(with D. F. Hendry) *Econometric Modelling: A Likelihood Approach*. Princeton, NJ: Princeton University Press, 2007.

Sarah Percy (Non-stipendiary Research Fellow) I have spent the past year finishing a variety of projects concerning mercenaries and private security companies. I wrote an Adelphi Paper, *Regulating the Private Security Industry*, which was published in December 2006. I also finalized an article exploring the relationship between social and legal norms, using anti-mercenary law as a case study, which was published in *International Organization* in April 2007. I have spent considerable time preparing the manuscript of my book,

Mercenaries: The History of a Norm in International Relations for publication, and it should be published by Oxford University Press in September 2007.

I have had a busy year presenting papers at APSA and ISA, at a workshop on private security at Princeton, as a keynote speaker for the University of Alberta's International Week, at Reading University, and to several groups at Oxford. I have presented my research to the Chancellor's Court of Benefactors, the Social Sciences Advisory Board, and the Vice Chancellor's Research Forum. I have been coordinating an ESRC seminar series on the changing provision of security with Professor Ian Loader (Criminology) and we have held our first two seminars, in Oxford and at King's College, London respectively. In August 2006, I was awarded a dissertation prize by the Committee for the Analysis of Military and Strategy at the American Political Science Association Annual Meeting, for the best dissertation in the area of strategic studies.

I am beginning to pursue a variety of new projects relating to unconventional actors in war, and hope to examine the role played by international volunteers (like *mujahideen* fighters and Spanish Civil War volunteers) in conflict. In addition I am beginning a project analysing the role of norms in explaining changes in war.

Publications

Regulating the Private Security Industry. Adelphi Paper #384: IISS and Routledge, 2006.

'Mercenaries: Strong Norm, Weak Law', International Organization, 61:2, 367-97, 2007.

'The Moral Case for Regulation' in Chia Lehnardt and Simon Chesterman (eds.), From Mercenaries to Market: The Rise and Regulation of Private Military Companies. Oxford: Oxford University Press, 2007, pp. 11-28.

Mercenaries: The History of a Norm in International Relations. Oxford: Oxford University Press, 2007.

Mark Pickup (Non-stipendiary Research Fellow) This year, I focused primarily on two areas of research. My work in the first of these areas – election campaign polls – centres around three rather broad and related questions: i) Can a polling industry, as a whole, exhibit a systematic bias against/for a particular party and if so, why? ii) If the polling industry has a systematic bias in a given election, would the treatment of polls in the media likely mitigate or

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exacerbate this bias? iii) If biased polling information is being communicated to the voting public, does it ultimately affect public opinion and the election outcome? If so, what is the individual level mechanism that produces this effect?

Richard Johnston and I completed two papers that examine the first question, in the context of the 2004 US presidential election and the 2004 and 2006 Canadian federal elections. One of these papers was published this year in *Electoral Studies*. The other paper was presented at the Annual International Symposium on Forecasting. It is now under review for inclusion in a special issue of the *International Journal of Forecasting*.

I am also preparing a web site – *The Polling Observatory* – that will be hosted by the Canadian Opinion Research Archive, and which will report on and provide an analysis of the election polls published leading into the next Canadian federal election.

To address the second question, I have begun the collection of media stories related to polls and the horserace in a range of different elections. I am working with Stuart Soroka to code these stories on a number of different dimensions – tone, interpretation of changes in the polls, discussion of momentum, etc. Each story in the resulting database will be linked with the polls they report on in a separate database of poll characteristics. This will allow us to test theories regarding the properties of published polls and the resulting treatment of the polls in the media.

With a focus on the third question, Fred Cutler, Scott Matthews, Paul Gustafson and I have received Social Sciences and Humanities Research Council funding for a three-year project to examine: 'How Published Campaign Polls Affect Elections'. First: how do voters use the information contained in polls as they make their voting decisions? And second: given the way citizens use poll information, does the departure of the polling information from actual collective intentions create bias in electoral outcomes? We will use existing survey data, collect new data on the methodological characteristics of polls and polling firms, and develop a powerful, flexible theoretical model of the effect of voters on polls and of polls on voters. The data will come from, and the model will be applied to, multiple elections in multiple countries to produce far more general conclusions than exist in the literature. Together, this will hopefully greatly improve our understanding of the way polls affect electoral democracy.

Fred, Scott and I have also received separate funding to conduct an election survey during the next Ontario election (October 2007) with a focus on the

use of information from polls published during the campaign.

My second area of research addresses issues of measurement and modelling in the area of economic popularity and voting. I completed a study that compares vote intention and approval measures of popularity, the different dynamics in each, and the resulting consequences of using one measure in an economic popularity function compared to another. It is a comparative piece (UK, US, Germany) and asks the questions: what is the difference between government approval and vote intention, why is there a difference, and when will it matter? The manuscript has been sent for review.

Also along the lines of measurement issues but in the domain of economic voting rather than economic popularity, I have been working with Geoff Evans. I have utilised the NES 2000-2002-2004 panel data to extend the work of Geoff and Bob Andersen on the political conditioning of economic perceptions to the 2004 US presidential election. This work was presented at Nuffield College at the Context in the Vote Decision conference. The manuscript has been sent for review.

Relevant to both areas of my research, I am convening a workshop in November 2007 on 'Producing Better Measures by Combining Data Sources Cross Temporally'. The focus of the workshop is the exploration and comparison of the increasing number of methods of combining data sources to produce better measures. Different methods have been suggested for different substantive applications. These applications include presidential popularity, roll call voting, trial heat polls, left-right party placement, state policy preferences and measures of democracy. Different methods may be more appropriate given the types and sources of data being combined. Therefore, the workshop will not only compare the different methods directly on statistical grounds but also in the context of their application. This workshop is being funded by Nuffield College, the Department of Politics and International Relations at the University of Oxford and the Andrew W. Mellon fund. The aim of the workshop is to produce papers for an *Electoral Studies* Special Symposium.

Publications

(with Richard Johnston) 'Campaign Trial Heats as Election Forecasts: Evidence from the 2004 and 2006 Canadian Elections', *Electoral Studies*, 26, 460-76, 2007.

'Globalisation, Politics, and Provincial Government Spending in Canada', Canadian Journal of Political Science, 39, 883-917, 2006.

Jochen Prantl (Non-stipendiary Research Fellow) works in the field of International Relations, with a focus on international security (institutions), theories of global governance, risk and conflict management, as well as conflict transformation.

In October 2006, Jochen assumed the position of International Fellow at Waseda University's 21st Century Centre of Excellence programme on global governance (COE-GLOPE) in Tokyo. The three-month fellowship provided an excellent opportunity to get a better understanding of the nature of regional cooperation in Northeast Asia. At the same time, Jochen was able to discuss his work with a primarily non-Western audience. His paper on 'The Anatomy of Informal Governance: International Security Institutions and the Resolution of Conflict' was translated into Japanese and published by a major Japanese press.

In January 2007, Jochen commenced his three-year ESRC project, 'Whither Multilateralism? International Security Institutions and Informal Groups of States'. The primary aim of the project is to open up and develop a new research agenda that undertakes a cross-institutional and cross-regional comparison of the dynamic relationship between informal groups of states and international security institutions in the management of risk and conflict. He is currently organizing the first workshop entitled 'The Anatomy of Informal Governance: International Institutions, Power, Legitimacy, and Inequality', to be held at Nuffield College on 14-15 September, which will examine conceptual issues.

In cooperation with Dr Amrita Narlikar at Cambridge University, Jochen launched a new Oxbridge book series with Martinus Nijhoff Publishers on *Studies in International Institutional Dynamics*, which aims to provide a forum for the publication and dissemination of cutting-edge research that focuses on the dynamics between the formal and informal processes in and around international institutions in explaining the outcomes of collective action. By concentrating on the formal-informal interplay, the series seeks to contribute to a better understanding of how international institutions actually work.

In Spring 2007, he was awarded the Zvi Meitar/Vice-Chancellor Oxford University Research Prize in the Social Sciences. The Prize will facilitate the establishment of an international research team that examines the broader problems related to effective multilateralism and the design of international institutions, particularly focusing on East Asia. With the problem-solving capacities of East Asian regional *fora* still underdeveloped, the need to engage in a major discourse on how to enhance collective action is particularly strong in this part of the world. China and Japan require special scholarly attention

because both countries have key roles to play in providing regional stability. In this context, the impact of U.S. hegemony on East Asian regional dynamics must come under scrutiny.

Jochen presented his work at conferences, seminars, and workshops in Beijing, Brussels, Cambridge, Chicago, Nagoya, Oxford, and Tokyo.

Publications

'Hikoushiki Gavannans no Kaibo: Kokka Anzen Hoshoseido to Funso Kaiketsu' ('The Anatomy of Informal Governance: International Security Institutions and the Resolution of Conflict'), in Shiro Yabushita and Koichi Suga (eds.), Chiiki Togo no Seiji Keizai Gaku (The Political Economy of Regional Integration). Tokyo: Toyo Keizai, 2007, pp. 127-48.

'Entscheidungsfindung in den Vereinten Nationen,' in Helmut Volger (ed.), Grundlagen und Strukturen der Vereinten Nationen. München: Oldenbourg Wissenschaftsverlag, 2007, pp. 265-92.

Jeremy Richardson (Emeritus Fellow) continues to edit *The Journal of European Public Policy*, which is now entering its fifteenth year. He has more or less learned how to run JEPP using the web-based management system, Manuscript Central (no mean achievement for a techno-peasant!) Work on editing (with David Coen) a second edition of *Lobbying in the European Union* (to be published by Oxford University Press) was delayed during the year but should be completed this autumn. Several of the JEPP special issues now also appear as books in the JEPP Routledge series.

He has taken a temporary break from his more childish pursuits, such as managing bouncy castles, though remains active in school fund-raising. Thus, he is now helping to raise funds for the new Sixth Form Centre at Tessa's secondary school in Oxford, although Tess has insisted that he does not actually *appear* at school during the school day! Alas, Molly, sharing Tessa's view that Jeremy is an increasingly embarrassing parent, refused to travel to school on a tandem when her (left) leg was in plaster, even though Jeremy had gone to the trouble of removing the left-hand pedal and fitting a bracket on which the said plastered leg could rest. As neither Tess nor Sonia (who opined that Jeremy would be shouting instructions to her on what to do), would go on the tandem either, Jeremy has been riding the wretched machine around Oxford on his own. Fortunately, the dog (Harvey) adores Jeremy though he too seems 'tandem averse' and just will not trot alongside.

As one does as a retired academic, a few (mostly minor) publications manage to emerge despite fun and games.

Publications

(with Sonia Mazey), 'The Commission and the Lobby', in David Spence (ed.), *The European Commission*. Third Edition. London: John Harper, 2006, Chapter 10, pp. 279-92.

'A Comment on Kohler-Koch', in Beate Kohler-Koch and Berthold Rittberger (eds.), *Debating the Democratic Legitimacy of the European Union*. New York: Rowman and Littlefield, 2007, pp. 272-77.

'Organized Interests in the European Union', in Knud Jorgensen, Mark Pollack, and Ben J. Rosamond (eds.), *The Sage Handbook of European Politics*. London: Sage, 2007, pp. 231-46.

'Editing The Journal of European Public Policy', European Political Science, 6:1, 15-19, 2007.

Jane Roberts (Data Services Officer) managed the Data Library, which continued to expand with new and revised datasets from around the world, and provided support with data acquisition, licensing, management and analysis to Oxford social scientists.

She maintained close links with researchers, data libraries and archives outside Oxford. She remained an active member of the International Association for Social Science Information Service and Technology, which encourages communication between data producers and managers worldwide, and was a member of the Programme Committee for this year's conference at McGill University. She is a member of the EQUALSOC network's Data Support Committee, whose role is to assist researchers across the network by establishing processes for sharing datasets, information and expertise that will facilitate effective analysis. She is also a member of DISC-UK (Data Information Specialists Committee); this group was successful in a bid to the Joint Information Systems Committee for funding of *DataShare* – a project that will introduce and test a new model of data sharing and archiving to UK research institutions. By supporting researchers within our institutions who wish to share datasets on which written research outputs are based, this network of institution-based data repositories develops a model for deposit of 'orphaned

datasets' currently filled neither by centralised subject-domain data archives nor by e-Print-based Institutional Repositories.

Kevin Roberts (Professorial Fellow) continued his joint research with Godfrey Keller and Margaret Stevens on markets with matching frictions, completing one piece of work and starting another. The completed piece looks at the implications for labour markets of relaxing the often-made assumption that matching functions possess constant returns to scale – that the rate of job creation in a labour market is proportional to the number of workers and employers searching in the market. It is shown that a richness of possibilities is excluded by the assumption and that this is particularly true of the dynamic behaviour of markets and of workers and employers in those markets. One implication of non-constant returns to scale is that markets have an efficient level of activity. Another ongoing project looks at the idea that economies face a trade-off between the scale of activity in markets and the range and variety of markets and looks at how this trade-off is resolved in market economies. This is compared with an optimal trade-off.

Work was completed on an investigation of, what may be termed, the participant's curse. When markets are less than fully competitive, the act of participation in a market as a potential buyer or seller usually lowers the expected surplus of being a buyer or a seller. The act of participation, necessary to obtain surplus, would seem to produce lower expected surplus than that obtained by others in markets where one has chosen not to participate. If this is true of everybody then a paradox is suggested and, among other things, the work seeks to resolve this paradox. The analysis has implications for such things as the construction of real price indices. Work also started on a project looking at the role of irrelevant alternatives in social choice theory.

Meredith Rolfe (Postdoctoral Prize Research Fellow) embarked in several new empirical projects which combine her interests in formal models of social life with empirical research in political behaviour, and also put the final touches on a number of previous projects. She completed a book on voting turnout based on her dissertation. The dissertation, 'A Social Theory of Voter Turnout', was the recipient of the 2007 Mancur Olsen Award, given by the American Political Science Association Political Economy section each year for the best dissertation completed and accepted in the previous two years. Currently under review is a paper on political discussion networks (with co-authors Scott

McClurg and Casey Klofstad), which reports that people discussed politics with the same people with whom they discuss other important matters. Work continued on the mathematical dynamics of social influence, with several paper presentations and a handbook article.

Both of her new projects use non-traditional data sources and measurement theory to examine the gender gap in political behaviour. The first of these draws on the Afrobarometer survey (with co-author Adrienne LeBas), and reports large variations in the size, direction and existence of the gender gap both over time and between countries. The second research project on the gender gap (co-author Scott Blinder) draws attention to the lack of a systematic gender gap in American surveys between black men and women, and between white men and women at particular times and on particular issues. Both research projects provide evidence against the conventional wisdom that issue attitudes lead to party identification, and point instead to the importance of social context and political discourse. Her final major research on the survey measurement of social capital and social networks has been conducted under the auspices of the EU-funded Equalsoc project, and preliminary results from this work will be presented in November.

She has presented her work at the Manchester Sociology seminar series, the Nuffield Sociology seminar series, the Nuffield-based conference for the Handbook of Analytical Sociology, and the annual meetings of the Midwest Political Science Association and American Political Science Association. She also participated in the Nuffield-based workshop on Context in Economic Voting. Other professional activities include participation in the APSA small group on Interpretive Methods, several guest lectures in the IR methods sequence for Oxford Masters students, and attendance at the ECSR-funded Survey Link training.

Neil Shephard (Professorial Fellow) spent most of his year setting up a new University research centre called the Oxford-Man Institute of Quantitative Finance. This came about due to discussions with Man Group Plc, which is a FTSE100 company and the largest hedge fund in the world, who have contributed £13.75 Million to the University in order to help the Institute over its first five years and to endow a new chair in quantitative finance. The informal support he received from Nuffield College during this year helped a great deal.

His research continued to focus on the use of high frequency data to estimate

volatility and jumps, particularly in the presence of noise. He also thought quite a bit about simulation methods to carry out on-line learning for some problems in macroeconomics and financial econometrics.

He was the econometrics chair of the European Meeting of the Econometric Society (Budapest) and also, with Jennifer Castle, organised a meeting in honour of David Hendry. He is a fellow of the British Academy and the Econometric Society and an Associate Editor of *Econometrica*.

Publication

(with Ole E. Barndorff-Nielsen) 'Variation, Jumps, Market Frictions and High Frequency Data in Financial Econometrics', in Richard Blundell, Torsten Persson and Whitney K. Newey (eds.), *Advances in Economics and Econometrics. Theory and Applications, Ninth World Congress.* 3 vols. Econometric Society Monographs. Cambridge: Cambridge University Press, 2007, 3:328-72.

Hyun Song Shin (Senior Research Fellow) continued his work on liquidity and financial cycles. In collaboration with Tobias Adrian of the Federal Reserve Bank of New York, he has attempted to shed light on the nature of financial market liquidity – as when financial commentators say that the markets are 'awash with liquidity' or that liquidity is 'sloshing around'. The balance sheets of financial intermediaries (and in particular the major Wall Street banks) reveal that banks' leverage is strongly procyclical in the sense that leverage is high when balance sheets are large. The associated demand curves for assets are upward-sloping and supply curves are downward-sloping, with the potential for the amplification of financial cycles.

With Stephen Morris, he continued his work on global games, in particular on the common belief foundations of the beliefs and higher-order beliefs that underpin the actions in global games.

Publications

(with Stephen Morris) 'Catalytic Finance: When Does It Work?', *Journal of International Economics*, 70, 161-77, 2006.

(with Franklin Allen and Stephen Morris) 'Beauty Contests and Iterated Expectations in Asset Markets', *Review of Financial Studies*, 19, 719-52, 2006.

'Disclosure Risk and Price Drift', Journal of Accounting Research, 44, 351-79, 2006.

(with Stephen Morris) 'Inertia of Forward-Looking Expectations', American Economic Review Papers and Proceedings, 96:2, 152-57, 2006.

(with Stephen Morris and Hui Tong) 'Social Value of Public Information: Morris and Shin (2002) is Actually Pro Transparency, Not Con: Reply', *American Economic Review*, 96:1, 453-55, 2006.

(with Jeffery Amato) 'Imperfect Common Knowledge and the Information Value of Prices', *Economic Theory*, 27, 213-41, 2006.

Tom A. B. Snijders (Professorial Fellow) started working in Oxford and at Nuffield College in this year. His research has continued to be focused on statistical methods for social network analysis. The satisfactory representation of the strong dependence between network ties is the main issue in this type of statistical modelling. Computer simulation methods and Markov chain Monte Carlo procedures are used for this purpose. This work has three main strands. One is the development of statistical procedures. A chapter was published (with Christian Steglich and Michael Schweinberger) on the estimation of models for the co-evolution of networks and behaviour, and an article was published (with Pip Pattison, Garry Robins, and Mark Handcock) on exponential random graph models. The latter article opens up many new possibilities for the practical application of statistical modelling to non-longitudinal network data, and has already led to a special issue of Social Networks (vol. 29:2). A paper was also finished on maximum likelihood procedures for models of network dynamics. The second strand is the implementation of the statistical methods in the computer programme SIENA and the support of its use by documentation and workshops. Version 3.1 was released in April 2007. The third strand is the collaboration with researchers applying these methods. Part of this takes place in the international research project 'Dynamics of Actors and Networks across Levels: Individuals, Groups, Organizations, and Social Settings', which is a cooperation between researchers of the universities of Oxford and Groningen, Konstanz, Paris-Dauphine, Barcelona (Autonomous University) and Sevilla, Orebro, Lugano (University of Italian Switzerland), and Cardiff. This project is a European Collaborative Research Project in the EUROCORES scheme of the European Science Foundation.

In this year, Tom was elected correspondent of the Royal Dutch Academy of

Arts and Sciences and member of the European Academy of Sociology. Together with Pat Doreian he is editor of *Social Networks*. He presented an invited lecture at the National Workshop and International Conference on Social Networks which took place in Kolkata as part of the platinum jubilee of the Indian Statistical Institute in February 2007. He was the main lecturer in the Oxford Spring School with lectures on multilevel analysis. Within the context of ReMiss, the Centre for Research Methods in the Social Sciences, he organized on May 31 a workshop 'Designs for Networks', about different data collection designs for networks and how these may influence the insights that can be gained from them about network structure.

Publications

(with Christian E. G. Steglich and Michael Schweinberger) 'Modelling the Coevolution of Networks and Behavior', in Kees van Montfort, Han Oud and Albert Satorra (eds.), *Longitudinal Models in the Behavioral and Related Sciences*. Mahwah, NJ: Lawrence Erlbaum, 2007, pp. 41-71.

(with Garry L. Robins, Peng Wang, Mark S. Handcock, and Philippa E. Pattison) 'Recent Developments in Exponential Random Graph (p*) Models for Social Networks', *Social Networks*, 29, 192-215, 2007.

(with Michael Schweinberger) 'Markov Models for Digraph Panel Data: Monte Carlo-based Derivative Estimation', Computational Statistics and Data Analysis, 51, 4465-83, 2007.

(with William J. Burk and Christian E. G. Steglich) 'Beyond Dyadic Interdependence: Actor-oriented Models for Co-evolving Social Networks and Individual Behaviors', *International Journal of Behavioral Development*, 31, 397–404, 2007.

(Discussion of M. S. Handcock, A. E. Raftery, and J. M. Tantrum) 'Model-based Clustering for Social Networks', *Journal of Royal Statistical Society*, A170, 322-24, 2007.

(with Philippa E. Pattison, Garry L. Robins, and Mark S. Handcock), 'New Specifications for Exponential Random Graph Models', *Sociological Methodology*, 36, 99-153, 2006.

(with M. J. Lubbers, M. P. C. Van Der Werf, B. P. M. Creemers, and H. Kuyper), 'The Impact of Peer Relations on Academic Progress in Junior High', *Journal of School Psychology*, 44, 491-512, 2006.

Maria Sobolewska (Non-stipendiary Research Fellow) During my one-year ESRC Early Career Postdoctoral Fellowship at Nuffield I have been working on three projects.

The first of these is a collaborative application for a new large-scale survey of ethnic minorities' political behaviour to accompany the next British Election Study. The last, and the only existing, study of minorities political behaviour was conducted in 1997. This dataset, the 1997 BES Ethnic Booster, contained only 705 ethnic minority respondents. The new questionnaire will be informed to a large extent by the conclusions of my doctoral thesis, which is to the date a single comprehensive analysis of the 1997 dataset. I am currently working on a draft application with Professor Anthony Heath and Dr Steve Fisher from Oxford University and Professor David Sanders from Essex University. Professor Heath and I secured a small grant from the British Academy to finance a pilot study of ethnic minorities' political attitudes to inform the design of the questionnaire of the survey. This will involve conducting exploratory interviews with ethnic minorities on issues often present in the literature on minorities' attitudes and identities, but never before included in a British survey. As such, it will also be an original piece of research on an understudied topic. Therefore there will be two main outputs from this project: a small scale qualitative investigation (which will be published in its own right) and a grant proposal (to be submitted to ESRC and other potential funding bodies) for the main large scale survey.

In addition to this I have started a new research project on Muslim minorities in the Western World before and after September 11th 2001. It concentrates on the largely overlooked consequences of the negative politicisation of Islam that followed September 11th, the 'War on Terror' and the terrorist attacks in Spain and Britain on the Muslim minorities' attitudes towards their citizenship and their place in their Western home-countries. Most of the existing literature concentrates on participation and not on other aspects of citizenship such as shared values, perceptions of social inclusion or alienation, and political orientations. It will also focus on Muslims' response to prejudice and to the scrutiny they found themselves under in their Western home countries and how this affected their perceptions of their perceived citizens' rights and obligations. I have presented the first working paper on the issue of British Muslims' attitudes towards citizenship at the EPOP Annual Conference 2007 and the Political Science Association Annual Conference 2007. It was met with some interest from publishers and I am currently developing this research project into a book proposal.

I have also been converting three of the chapters from my doctoral thesis into journal articles on electoral participation of ethnic minorities in Britain, on partisan identity and partisan bias among minorities, and the third about the role of racial prejudice on political attitudes and party choice.

Next year I will continue my work in Nuffield as a three-year Prize Postdoctoral Research Fellow.

Bruno Strulovici (Postdoctoral Prize Research Fellow) started work on collective decisions with uncertain preferences. The social choice literature either assumes that individuals perfectly know their preferences or, at the extreme opposite, that they are placed behind a veil of ignorance. In reality, preferences are to some degree uncertain and may be learned through experimentation. The project considers how uncertain preferences may affect collective decisions. The question is analyzed in the context of a multi-armed bandit model, in which at least one arm has a contrasted effect across society members. At each instant, society chooses a single action according to some fixed voting rule. In addition to a 'safe' status quo action, society can experiment with riskier actions, which allows a better assessment of individual valuations for such actions, hence a better knowledge of one's preferences. The analysis shows that preference uncertainty results in lower experimentation than what would be socially optimal, due to the risk incurred by each individual of losing control over the decision process as information gets revealed. When the number of society members gets large and preferences are independently distributed, the control-loss effect becomes so important that the value of experimentation vanishes, and society chooses the risky action only if its expected payoff is higher than that of the status quo. At the limit, hence, society members behave myopically, because control of the future decisions gets too diluted, with any single individual's power vanishing to zero. Even when preferences are independently distributed, so that no learning can occur from the observation of others' payoffs, good news for some individuals about the risky action is good news for all, and prompts society to experiment more, even if a decisive majority has not received any news about their own payoffs. Intuitively, good news for some individuals makes remaining society members more likely to be able to enforce the risky action if ever it turns that they prefer it to the status quo, in effect shifting more power into their hands, and reducing the aforementioned control-loss effect. Other results concern preference correlation across individuals and multi-stage reforms. This work was presented at the Economics Department's Post-doc seminar and at Gerzensee's European Summer Symposium in Economic Theory.

In parallel, Bruno pursued his project on endogenous capital mobility and price dynamics, joint with Darrell Duffie (Stanford University), which models resilience effects and premium decays that are empirically documented in markets in which capital is scarce and subject to limited mobility, such as markets for catastrophe insurance. Capital movements across markets are modeled by a commissioned intermediary incurring switching costs. The analysis shows how capital mobility is affected by the nature of risk and other parameters of the model. This work was presented at the Economics Department's Post-doc seminar and at Gerzensee's European Summer Symposium for Financial Markets.

Bruno also completed a paper, joint with John Quah (Oxford University), on monotone comparative statics with the interval dominance order. The project introduces and studies a new criterion, weaker than the single-crossing property, to derive monotonicity results. The criterion relies on interval-wise, rather than point-wise, comparisons and has applications to optimal stopping problems (deterministic and stochastic), investment decisions, and the comparison of information structures. The paper was presented at the meeting of the Royal Economic Society and several other conferences and seminars.

In a related field, Bruno worked with Margaret Meyer (Nuffield College) on the supermodular ordering of random vectors, which may be seen as a multidimensional version of the Rothschild-Stiglitz analysis of risk, when the objective function is supermodular (and obeys, possibly, some convexity property). For example, the analysis provides a way to rank random wealth distributions across a population under the weak assumption that more ex-post income equality is better.

Last, Bruno worked on improving two papers of his doctoral dissertation. First, the paper 'Performance-Sensitive Debt', joint with Gustavo Manso (MIT Sloan) and Alexei Tchistyi (NYU Stern), which analyses debt contracts whose interest payments depend on some performance measure of the debtor. The paper is now 'Revise and Resubmit' in the *Review of Financial Studies*. Second, the method developed with Thomas Weber (Stanford University) on monotone comparative statics, which transforms variables and parameters of optimization problems and equilibrium conditions in order to obtain monotonicity results. The project resulted in a paper, 'Monotone Comparative Statics: Geometric Approach', which is forthcoming in the *Journal of Optimization Theory and*

Applications. More recent and general results and several economic applications of the method, including non-supermodular games, comparative dynamics, and comparative statics of aggregate variables, have been submitted to *Economic Theory* under the title 'Generalized Monotonicity Analysis'.

Jeremy Tobacman (Non-Stipendiary Research Fellow) In this first year of my Fellowship, I devoted my attention primarily to work on four consumption-related projects. First, I revised and resubmitted a paper (with David Laibson and Andrea Repetto) that uses field data on wealth accumulation and credit card borrowing to identify the parameters of the quasi-hyperbolic discount function. The most important new finding reflected in the revisions is that the coefficient of relative risk aversion could be identified simultaneously with the discounting parameters.

Second, I continued work (with Paige Skiba) on three papers about payday loans. First among these, exploiting a regression discontinuity in the payday loan application evaluation process, and using additional data, we obtained stronger evidence that payday loan approval causes at least a doubling of the probability of filing for Chapter 13 bankruptcy. Detailed analysis of individuals close to the discontinuity indicates that payday loan interest payments amounted to roughly 10% of their total liquid debt service burden. Evidently this sufficed to push these financially-stressed individuals into bankruptcy. Second, Paige and I continued investigating the profitability of payday lending, using both individual- and firm-level data. Our main finding is that firms' costs could plausibly swallow most of the seemingly enormous interest payments they receive, resulting in moderate firm-level returns. Third, we continued to obtain additional estimates of a structural model of payday borrowing, repayment, and default. These estimates indicate that payday borrowers' delays in defaulting on loans, despite eventual default rates of more than 50%, are most consistent with models incorporating overoptimism.

My third project (with Shawn Cole and Petia Topalova) is a randomized evaluation of a new, rainfall-indexed insurance product for farmers in Gujarat, India. This year, the second of the project, in addition to village-level randomization of access to the product, we experimentally varied new marketing technologies. We seek to understand how complicated new products should be introduced to rural households with low financial literacy.

Fourth, I have begun theoretical work (with Martin Browning) about identification of discounting and beliefs in consumption models. Preliminary

results on equivalences between classes of discount functions and classes of (possibly overoptimistic) beliefs suggest that simultaneously pinning down the discount function and beliefs about future income may be impossible, even with strong structural assumptions.

This year I also taught MPhil Macro classes during Hilary Term; refereed for the *Quarterly Journal of Economics*, *Oxford Economic Papers*, and the *Journal of Economic Behavior and Organizations*; and gave outside presentations at the OFT, IFS, the Banking Structure and Competition Conference of the Chicago Fed, and the Centre for Applied Microeconometrics at the University of Copenhagen.

Jennifer Tobin (Postdoctoral Prize Research Fellow) spent the academic year continuing her research on property rights and international investment in developing countries. She has written a series of quantitative papers using several datasets that show that investor's perceptions of the property rights environment in a given country differs depending on the type of investor and further that international investment agreements have a strong and significant impact on the property right's environment of developing countries. She coauthored a paper with Susan Rose-Ackerman of Yale University that analyses the conflicting findings of current research on Bilateral Investment Treaties (BITs) and foreign direct investment (FDI) and shows that the impact of BITs on FDI must be studied within the context of the political, economic and institutional features of the host country that is signing the BIT and in the light of the worldwide BITs regime. Specifically, they find that the positive impact of BITs on FDI is highly dependent on the political and economic environment surrounding both FDI and BITs. Additionally, Jennifer is in the process of coauthoring a paper with Marc Busch of Georgetown University that analyses the inclusion of investment chapters in preferential trade agreements (PTAs). The paper conjectures that high-income countries with a stake in establishing customary international law on investment are able to require investment chapters in PTAs with weaker partner countries. However, lower-income countries with bargaining power over wealthier economies retain greater influence over the inclusion or content of investment chapters. We empirically test this hypothesis using data on PTAs from 1958-2005. Jennifer is also working with Ngaire Woods at the Global Economic Governance Programme, Oxford, on a conference looking at the future of aid to developing countries. Finally, Jennifer continued to serve as a reviewer for the American Journal of Political Science, Economics and Politics, and International Organization.

Quentin Van Doosselaere (Postdoctoral Prize Research Fellow) The year began with the successful defence of my dissertation that explores the interplay between economic institutions and social interactions in medieval Genoa. I then took on the challenge of turning this body of research into a publishable manuscript.

My research, which is based on primary data, includes formal network modelling methods that are coupled with a detailed historical reading to demonstrate that social dynamics and institutional 'life cycles' were closely associated. This approach poses a challenge to the neo-economic theories that assume history is driven by transaction-cost optimization and, therefore, take social changes for granted. As such, my research crosses several academic disciplines, which led to speaking invitations from an eclectic list of venues: our own Nuffield Sociology Seminar; the Quantitative Economic Research Centre in Marseille (GRECAM); the Saïd Business School; and the History Department at La Sorbonne in Paris.

The need to satisfy multiple academic audiences has complicated the editing of my book as my publisher endeavours to take into consideration the different agendas and cultural repertoires. For example, while on the one hand historians would like an expanded description of the considerable primary sources on which my research is based, sociologists and economists tend to prefer an emphasis on portable theory and the formal network modelling underpinning my account of the passage from a feudal to a capitalist mode of social and economic relationship. Meeting these, at times, opposite perspectives has proven a balancing act, but I believe the process of doing so has strengthened the text overall.

I do plan to further exploit my Genoese data set. For example, I recently submitted an article on medieval merchant career sequences showing that, contrary to classic historiography, merchants did not start their careers on the road before settling into a role of passive investors. Rather, until the fourteenth century (that is, following the period of trade growth called the commercial revolution), no statistically significant pattern emerges. This provides one more piece of evidence that the trade network was built more on ad hoc decisions than on clear and regular strategic decisions.

However my long term objective is to free myself from medieval Genoa with the publication of my manuscript in order to focus on my next project: the formal study of the historical relationships between inflation and social network dynamics. Laurence Whitehead (Official Fellow in Politics) resumed his normal activities at the beginning of the year, following his interlude as Acting Warden. In the area of Latin American politics, he hosted Bert Hoffmann's visitorship and together they launched an edited volume on Cuban Exceptionalism. The launch included two panels at the Society for Latin American Studies Conference in Newcastle, a presentation at the Free University of Berlin, and joint participation in a one-day seminar on Cuba at the Foreign Office. He also undertook a research visit to Bolivia – under the auspices of the Carter Center and completed a collective manuscript on the Evo Morales experiment which will be published in La Paz (in Spanish) in October 2007, with a subsequent edition in English in the pipeline. He also made presentations in Ecuador on area studies in the Americas; in both the US and Canada, on the state of international relations in the western hemisphere; and in Argentina, on trends in democratization in South America. In August 2007 he will be speaking at a conference organised by the Federal Electoral Institute in Mexico City on strengthening electoral institutions.

Together with Ana Dimitrijevics he organised and hosted the Fourth Annual Conference of the Red Eurolatinoamericano de Gobernabilidad para el Desarrollo, in St Anne's College in December 2006. He also went to Salamanca to help prepare the Fifth Conference (to be held at Sciences Po in Paris in December 2007). Finally, he presented the paper on British relations with Latin America at a conference in Berlin on EU-Latin American relations.

Another thread in his research concerns the comparative analysis of 'the state' in various Asian settings. As a continuation of that line of work he presented a keynote address to a conference at the City University of Hong Kong, on China's State. In August 2007 he presented another paper on international dimensions of democratization focusing on the case of Taiwan at an international conference in Taipei.

As concerns his broader and more comparative/theoretical work on democratization, one highlight was his presentation (rather alarmingly in French, and publicly broadcast) to a College de France symposium on democratic universalism. He will be undertaking further work in this broad area in the coming year (notably in collaboration with Guillermo O'Donnell, the forthcoming Winant Visiting Professor). His collaboration with Desmond King and others on the democratization of the USA is now in its final stages.

Apart from these research activities, the year also involved a resumption of his normal teaching, supervising and examination activities (including examining a doctorate at Leiden University, a very different experience from the British norm). There was less College or University administration than for some time past. But he was elected to the Audit and Scrutiny Committee of the Council, and he also took part in the University's deliberations over its governance system.

Publications

'The Challenge of Closely Fought Elections', *Journal of Democracy*, 18:2, 14-28, April 2007.

(edited with Bert Hoffmann) *Debating Cuban Exceptionalism*. New York: Palgrave Macmillan, 2007. He wrote Chapter One 'On Cuban Political Exceptionalism', (pp. 1-26), and co-authored the conclusions (pp. 187-206).

'Conclusion: When Was Latin America Modern?', in Nicola Miller and Stephen Hart (eds.), When Was Latin America Modern? New York: Palgrave Macmillan, 2007, pp. 191-206.

'Gobernabilidad y Reforma Politica en Europa y America Latina: Algunas Lecciones', in Klaus Bodemer and Fernando Carrillo (eds.), *Gobernabilidad y Reforma Politica en America Latina y Europa*. GIGA Institute of Latin American Studies; Banco Interamericano de Desarrollo (BID); La Red Eurolatinoamericana de Gobernabilidad para el Desarrollo (RedGOb). La Paz, Bolivia: Plural Editores, 2007, pp. 347-51.

'Variabilidad en la Aplicación de Derechos: una perspectiva comparada' in Myrza (ed.), Contribuciones al Debate II: Estado, Democracia y Ciudadanía en América Latina. Programa de las Naciones Unidas para el Desarrollo (PNUD). Lima, Perú: 2007.

'Twenty-first Century Democratizations: Experience vs Scholarship', in Dirk Berg-Schlosser (ed.), *Democratization: The State of the Art*. Second revised and updated edition. Opladen & Farmington Hills: Barbara Budrich Publishers, 2007, pp. 111-32.

Peyton Young (Professorial Fellow) My current research is concerned with the diffusion of innovations. Why do some people adopt new products and practices early on while others lag behind? Why do the choices of early adopters induce others to adopt? These questions have been extensively studied in both sociology and economics, but the explanations offered by the two disciplines

differ substantially. Sociologists view the diffusion of innovations as a contagion process: people adopt when they come in contact with others who have already adopted. Economists prefer to think that people make rational use of information: they adopt only when they see evidence from prior adopters that the innovation is worth adopting. (These are known as social learning models.)

In several recent working papers I show that these alternative explanations have quite different implications for the dynamics of the process and the shape of the adoption curve ('The Spread of Innovations Through Social Learning' and 'Innovation Diffusion in Heterogeneous Populations'). In learning models the process usually starts off slowly and then picks up speed, often at superexponential growth rates, whereas contagion models typically lead to more traditional S-shaped curves that start off quickly and then slow down. I am currently investigating the application of these ideas to data, including the spread of agricultural innovations and the growth in popularity of certain internet sites.

I was elected to the James Meade Professorship of Economics as of September 2007, and will continue to be based at Nuffield College. I was also elected a Fellow of the British Academy, and serve as the President of the Game Theory Society.

Publications

'The Possible and the Impossible in Multi-Agent Learning', *Artificial Intelligence*, 171, 429-33, 2007.

'Game Theory,' in V. F. Hendricks and P. G. Hansen (eds.), *Game Theory: 5 Questions*. New York and London: Automatic Press/VIP, 2007.

Student Publications

Sonia Exley

(with George Smith) 'The Influence of Overseas Examples on DES Policymaking for the School System in England, 1985-1995', Oxford Review of Education, 32:5, 575-97, 2006.

Keith Stanski

'Review of "Gambling on Humanitarian Intervention: Moral Hazard, Rebellion and Civil War", *International Affairs*, 82:5, 990-91, 2006.

'Review of "Terror on the Internet: The New Arena, the New Challenges", *International Affairs*, 83:2, 386-87, 2007.

'Review of "War in Human Civilization", *International Affairs*, 83:3, 585-86, 2007.

Oisín Tansey

'Democratization Without a State: Democratic Regime-Building in Kosovo', *Democratization*, 14:1, 129-50, February 2007.







