



Nuffield College Annual Report

*Academic Report
2007-2008*

The Report is compiled
and prepared by
Catherine McNeill.

Warden's Letter

Andrew Glyn, Tutorial Fellow of Corpus Christi and a Nuffield student in 1966-68, died on December 22nd, 2007. Andrew spent almost his entire working life as an economist in Oxford and was much loved. His work was mainly concerned with the big picture and he saw his analyses of the British economy and global capitalism as steps to assist in the advance towards a more just society. He was the most charming and delightful of men.

Andrew Hurrell, a Faculty Fellow since 1990, took up the Montague Burton Chair in International Relations and moved to a Fellowship at Balliol in January. Maureen Baker retired as Chief Secretary after working in College for nineteen years.

We welcomed two new Official Fellows last year, Nan Dirk de Graaf from Nijmegen and David Myatt from the Oxford Economics Department. They arrived just in time to celebrate fifty years since the College Charter was brought to Nuffield by the Duke of Edinburgh on 6th June, 1958. So, on the 6th June last year, a Charter Feast was celebrated in Hall and we published *Nuffield College Memories: A Personal History* by Robert Taylor, a student in 1965-68 and now an eminent journalist and historian. David Butler gave a talk at the Charter Feast and the next day, Chelly Halsey presented a piece on "The Idea of a College" as part of the celebrations. This included a large number of suggestions for the Warden about which he is still pondering. Further events included the Staff Dinner at Waddesdon Manor and the first Nuffield ball for fifty years organised by the JCR.

The achievements of individual members of the College are reported below but here are some highlights. David Cox received an Honorary Doctorate in Science at the University of Gothenberg, Duncan Gallie continued to serve as Foreign Secretary and Vice President of the British Academy, and Peter Hedström as President of the European Academy of Sociology as well as being elected to a Fellowship of the Norwegian Academy of Science and Letters. Both

Martin Browning and Iain McLean were elected to Fellowships of the British Academy and Ray Fitzpatrick was elected to a Fellowship of the Academy of Medical Sciences. Laurence Whitehead was elected the First President of the Conseil Scientifique of the Institut des Amériques in France. Tom Snijders was awarded the Order of Knight of the Netherlands Lion as well as continuing to edit *Social Networks*. Geoff Evans edits *Electoral Studies*, David Myatt is an editor of the *Economic Journal* and Neil Shephard is an associate editor of *Econometrica*. John Darwin's book, *After Tamerlaine: The Global History of the Empire* won the 2007 Wolfson Prize for History and Peyton Young's book (with M.L. Balinski), *Fair Representation: Meeting the Ideal of One Man, One Vote* won the Hallett Award of the American Political Science Association. Tony Atkinson gave the Richard Stone Lectures at the National Institute and the Bank of England.

In February, 2008, the Centre for Experimental Social Science (CESS) was created in College by three Fellows, Ray Duch, Diego Gambetta and Peyton Young. Its principle goal is to promote and facilitate experimental work in the social sciences in Oxford. To that end, an experimental laboratory is being set up and a Research Fellow and a Laboratory Administrator are arriving in October. These are Michèle Belot from the University of Essex and Luis Miller from the Max-Planck Institut, Jena.

College Fellows play a significant part in Oxford Social Science. Anthony Heath is just finishing as Head of the Sociology Department while Ray Fitzpatrick is Deputy Head of the Department of Public Health and chairs the RAE panel for Health Services Research. The RAE submissions were completed early in the academic year and Des King, Colin Mills and David Hendry were in charge for Politics, Sociology and Economics respectively. Nancy Bermeo is the founding head of the Oxford Centre for the Study of Inequality and Democracy and Geoff Evans, Andrew Hurrell and Iain McLean all continued to direct various Centres in the Department of Politics and International Relations. Des King is about to become Chair of the Executive Committee of the

Rothermere American Institute as well as continuing as a Delegate to the University Press. Laurence Whitehead continues on the University Audit and Scrutiny Committee and Councils' Nominating Committee. Paul Klemperer has joined the Management Committee of the Smith School of Enterprise and the Environment. I have recently joined the Visitors of the Ashmolean and am Chair of their Financial Control Committee. Neil Shephard continues as Director of the Oxford Man Institute of Quantitative Finance.

Turning to the wider world, David Hendry is a member of the UK Government's Foresight Panel, Paul Klemperer is on the Panel of Economic Advisors of the Competition Commission and the Environmental Economics Panel of DEFRA. Iain McLean was appointed to the Independent Expert Group advising the Calman Commission on Scottish Devolution and I have joined the Board of the UK Statistics Authority as well as continuing to chair the National Housing and Planning Advice Unit (CLG) and the Advisory Committee on Civil Costs (MOJ).

The Visiting Fellows play an important role in the governance of the College and act as a significant conduit to the wider world. We say goodbye to Bill Callaghan, Moira Wallace and Christopher Bland who have finished their terms and welcome Paul Myners, Chair of the Guardian Media Group; Peter Neyroud, Chief Executive of the National Policing Improvement Agency; Ignacio Ortiz, President of Southern Europe, CEMEX; John Cunliffe, Prime Minister's European Policy Advisor and Karen Dunnell, National Statistician. Finally, Malcolm Dean, lead writer on social affairs and assistant editor of *The Guardian* finishes his year as Guardian Fellow and will present the Guardian Lecture in November.

Stephen Nickell
October 2008

The College in 2007-2008

Visitor

The Rt Hon. Sir Anthony Clarke, Master of the Rolls

Warden

Steve Nickell CBE FBA

The Fellowship

At the start of the academic year, there were in total 122 Fellows of the College (excluding Honorary and Emeritus Fellows), 34 being 'permanent' and 88 on fixed-term appointments.

Fellows

Laurence Whitehead, *Official Fellow*

Kenneth Macdonald, *Faculty Fellow and Information Services Fellow*

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*

Raymond Fitzpatrick, *Faculty Fellow and Dean*

Anthony Heath FBA, *Professorial Fellow*

Margaret Meyer, *Official Fellow*

Andrew Hurrell, *Faculty Fellow* (until January 2008)

Geoffrey Evans, *Official Fellow and Senior Tutor*

Neil Shephard FBA, *Professorial Fellow*

Lucy Carpenter, *Faculty Fellow and Adviser to Women Students*

Iain McLean FBA, *Official Fellow*

Yuen Khong, *Faculty Fellow and Chair of Politics Group*

Paul Klemperer FBA, *Professorial Fellow*

Gwilym Hughes, *Supernumerary Fellow and Bursar*
Bent Nielsen, *Faculty Fellow*
Kevin Roberts FBA, *Professorial 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 and Chair of the Senior Common Room*
Martin Browning FBA, *Professorial Fellow*
Tom Snijders, *Professorial Fellow*
Nancy Bermeo, *Professorial Fellow*
Gwendolyn Sasse, *Professorial Fellow*
Nan Dirk de Graaf, *Official Fellow*
David Myatt, *Official Fellow* (from January 2008)

Visiting Fellows

Sir Bill Callaghan, *Former Chairman of the Health and Safety Executive*
Moira Wallace, *Director General of Crime Reduction and Community Safety Group*
Sir Christopher Bland, *Former Chairman, BT*
Vince Cable, *Liberal Democrat 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 Liverpool*
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*
Lord Stern, *IG Patel Chair and Director, LSE Asia Research Centre*
Ian Diamond, *Chief Executive, ESRC*
Alan Morgan, *President, Olivant Advisers Limited*
Irwin Stelzer, *Director of Economic Policy Studies and Senior Fellow, Hudson Institute, Washington, D.C., Columnist, The Sunday Times*
Mark Thompson, *Director-General of the BBC*
Shami Chakrabarti CBE, *Director of Liberty*
Nicholas Macpherson, *Permanent Secretary to H.M. Treasury*
Richard Lambert, *Director-General of the CBI*
Greg Clark, *Conservative MP for Tunbridge Wells and Shadow Minister for Charities, Voluntary Bodies and Social Enterprise*
Paul Myners, *Chairman of the Guardian Media Group*
Peter Neyroud QPM, *Chief Executive, National Policing Improvement Agency*
Ignacio Ortiz, *President of Southern Europe and Middle East Region, CEMEX Espana, SA*

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

Malcolm Dean, *Lead Writer on Social Affairs and Assistant Editor, The Guardian*

Emeritus Fellows

Ian Little AFC CBE 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
Christopher Bliss FBA *Investment Bursar*
Andrew Hurrell (from January 2008)

Honorary Fellows

Jean 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, *Senior 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*
David Soskice, *Senior Research Fellow in Politics*
Will Kymlicka, *Senior Research Fellow in Politics*
James Alt, *Senior Research Fellow in Politics*
Mark Franklin, *Senior Research Fellow in Politics*
Kathleen Thelen, *Senior Research Fellow in Politics*
Jurgen Doornik, *Research Fellow*
Michelle Jackson, *ESRC Mid-Career Research Fellow*
Sarah Harper, *Research Fellow*
Clive Bowsher, *British Academy Postdoctoral Research Fellow*
Yvonne Åberg, *Research Fellow*
Clare Leaver, *Research Fellow*
Vikki Boliver, *British Academy Postdoctoral Research Fellow*
Margit Tavits, *Postdoctoral Prize Research Fellow*
Jochen Prantl, *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, *Postdoctoral Prize 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*
Magnus Jedenheim-Edling, *Swedish Research Council Postdoctoral Research Fellow*
Sandra Gonzalez Bailon, *ESRC Postdoctoral Research Fellow*
Lars Malmberg, *Research Fellow*
Christel Kesler, *Postdoctoral Prize Research Fellow*
Kerry Papps, *Research Fellow*
Aytak Erdil, *Research Fellow*
Marzena Rostek, *Research Fellow*
Gilles Serra, *Postdoctoral Prize Research Fellow*
Marek Weretka, *Research Fellow*
Christopher Ksoll, *Research Fellow*
Scott Moser, *Postdoctoral Prize Research Fellow*
Brendan Beare, *Postdoctoral Prize Research Fellow*
Matthew Loveless, *Research Fellow*

Associate Members

Siem Jan Koopman
Avner Offer FBA

Nanny Wermuth
Nancy Cartwright FBA
Paul David FBA
Sophie Duchesne
David Myatt
David Vines
Domenico Lombardi
Anand Menon
Anthony Murphy
Måns Söderbom
Frances Cairncross
Peter Abell
Michael Biggs
Keith Dowding
Jonathan Gershuny
Andrew Chesher
Jason Long
Audrey Kurth Cronin
Peter Neary
Federico Varese
Bruce Jentleson
David Rueda
Ian Goldin
Amrita Dhillon
Gábor Tóka
Tak Wing Chan
George C. Edwards III
Kimberley Johnson
Mika Meitz
Sir Roderick Floud
Robert Taylor
Jane Humphries
Guillermo O'Donnell
Rick Van der Ploeg

New Elections 2008-2009

Emeritus Fellowship

Andrew Hurrell, *Balliol College*

Visiting Fellowships

Jon Cunliffe CB, *Prime Minister's European Policy Adviser and Director-General of the Secretariat*

Karen Dunnell, *National Statistician and Registrar General for England and Wales*

Chris Huhne, *Liberal Democrat Shadow Home Secretary and MP for Eastleigh*

Stephanie Flanders, *Economics Editor, Newsnight*

Vicky Pryce, *Chief Economic Adviser and Director General of Economics at the Department for Business, Enterprise and Regulatory Reform, and the joint Head of the UK's Government Economic Service*

Lord Adair Turner, *Chair of the Economic and Social Research Council*

Neil Record, *Chairman and CEO, Record Currency Management Ltd.*

Senior Research Fellowship

Guillermo O'Donnell, *Helen Kellogg Professor of Government and International Studies, University of Notre Dame*

Postdoctoral Prize Research Fellowships

The Postdoctoral Prize Research Fellowships elections attracted a field of 303 candidates. The following were elected to PPRFs:

Roman Studer (The role of geography for economic integration/Are free markets a good thing? Grain markets and famines in India and Europe), *Nuffield College*

Krista Gile (Methodology for testing social theories based on partially-observed network structures), *University of Washington.*

Philipp Rehm (Patterns, causes, and consequences of income volatility and mobility), *Duke University*
Lea Ypi (Exploitation and global justice), *EUI*

Research Fellowship in Experimental Social Science

Michèle Belot, *University of Essex*

Non-Stipendiary Research Fellowships

Adam Humphreys, *British Academy Postdoctoral Fellowship, Oxford*
Gabriella Elgenius, *British Academy Postdoctoral Fellowship, Oxford*
Helder de Schutter, *Academic Visitor, Centre for the Study of Social Justice, Oxford*
Iftikhar Hussain, *University College London*
Michal Horvath, *University of St Andrews*
Shin Kanaya, *University of Wisconsin Madison*
Chiara Binelli, *University College London*
Charles Roddie, *Princeton University*
Djordje (George) Stefanovic, *University of Toronto*
Sandra Gonzalez Bailon, *ESRC Postdoctoral Research Fellow, Oxford*
Meredith Rolfe, *Postdoctoral Prize Research Fellow*
Niki Koepke, *University of Tübingen*

Postdoctoral Researcher in Experimental Social Science

Luis Miller, *Strategic Interaction Group, Max-Planck-Institut für Ökonomik, Jena*

Associate Memberships

Christopher Wlezien, *Professor of Political Science, Temple University*
Philip C. Bobbitt, *A.W. Walker Centennial Chair, School of Law, University of Texas at Austin*
Adam Coutts, *ESRC Postdoctoral Research Fellow, University of Cambridge*

Philip Cowley, *Professor, School of Politics and International Relations, University of Nottingham*

Sir Lawrence Freedman, *Professor of War Studies, King's College London*

Frances Hagopian, *Michael Grace II Associate Professor of Latin American Studies, University of Notre Dame*

Michael Herman, *Senior Associate Member, St Antony's College*

Tarun Ramadorai, *Lecturer in Finance, Saïd Business School*

Patricia Rice, *Research Fellow, Department of Economics, Oxford*

Varun Uberoi, *Senior Research Officer, "Options for Britain II" project, Department of Politics and International Relations, Oxford*

Peter Bearman, *Director of the Institute for Social and Economic Research and Policy and the Lazarsfeld Center for the Social Sciences, the Cole Professor of Social Science, Co-Director of the Health & Society Scholars Program, and Chair of the Statistics Department, Columbia University*

Glenda Cooper, *Deputy Features Editor, Evening Standard*

Les Green, *Professor of the Philosophy of Law and Fellow, Balliol College*

Martin Karlsson, *Research Fellow, Oxford Institute of Ageing*

Godfrey Keller, *Professor of Microeconomic Theory, Department of Economics and Tutorial Fellow, Hertford College*

John Lloyd, *Director, Reuters Institute for the Study of Journalism, Oxford, and journalist for the Financial Times*

Robert Mare, *Professor of Sociology and Statistics, UCLA*

Ariana Need, *Associate Professor in Sociology, Radboud Universiteit Nijmegen*

Duncan Watts, *Professor of Sociology, Columbia University*

Sir David King KB ScD FRS, *Director of the Smith School of Enterprise and the Environment, Oxford*

Ying Zhou, *Associate Project Manager, International Survey Research*

Manuel Arellano, *Professor of Econometrics, CEMFI, Madrid*

Olympia Bover, *Head of the Microeconomic Information and Analysis Unit, Directorate General Economics, Banco de España*

Rui Esteves, *University Lecturer, Department of Economics, Oxford*

Mark Pickup, *Assistant Professor, Department of Political Science, Simon Fraser University*

George Georgiadis, *United Nations Economics Affairs Officer*
Abigail Barr, *Research Officer, Centre for the Study of African Economies,*
Oxford

Pauline Rose, *Reader in International Education, Sussex School of*
Education, University of Sussex

Associate IT Fellow

Steve Coppin, *Head of Technology, Saïd Business School*

Appointment of Leaving Fellows

Andrew Hurrell (Faculty Fellow) was elected to the Montague Burton Professorship of International Relations and a Fellowship at Balliol College, Oxford.

Ryan Bakker (Research Fellow) took up a post as Assistant Professor in Political Science at the University of Georgia.

Brendan Beare (Postdoctoral Prize Research Fellow) was appointed to an Assistant Professorship in the Department of Economics at the University of California San Diego.

Sharon Belenzon (Research Fellow) accepted a post as Assistant Professor of Strategy in the Fuqua School of Business at Duke University.

Clive Bowsher (British Academy Postdoctoral Research Fellow) was elected as a Medical Research Council Fellow in Biomedical Informatics and a Senior Research Associate in the Statistical Laboratory, University of Cambridge.

Antonis Ellinas (Research Fellow) accepted a tenure-track Assistant Professorship at the Department of Political Sciences in the College of the Holy Cross, Worcester, MA.

George Georgiadis (ESRC Postdoctoral Research Fellow) holds a post as United Nations Economics Affairs Officer.

David Greenstreet (Research Fellow) accepted a post in the Department of Social & Decision Sciences at Carnegie Mellon University.

Magnus Jedenheim-Edling (Swedish Research Council Postdoctoral Research Fellow) accepted a post at the Department of Political Science at the University of Stockholm.

Clare Leaver (Research Fellow) was appointed to a University Lectureship in Economics in association with the Queen's College, Oxford.

Alexander Moradi (Research Fellow) accepted a post as Lecturer in the Economics Department at the University of Sussex.

Tiziana Nazio (Research Fellow) was appointed to a Lectureship in the Department of Social Sciences at the University of Turin.

Mark Pickup (Research Fellow) was appointed as Assistant Professor in the Department of Political Science at Simon Fraser University.

Meredith Rolfe (Postdoctoral Prize Research Fellow) was elected to a Research Fellowship in the Centre for Corporate Reputation at the Saïd Business School, Oxford.

Marzena Rostek (Research Fellow) has a post as an Assistant Professor in the Department of Economics at the University of Wisconsin-Madison.

Bruno Strulovici (Research Fellow) was appointed as an Assistant Professor in the Department of Economics at Northwestern University.

Jeremy Tobacman (Research Fellow) accepted a post as Assistant Professor in the Department of Business and Public Policy at the Wharton School of the University of Pennsylvania.

Marek Weretka (Research Fellow) has a post as an Assistant Professor in the Department of Economics at the University of Wisconsin-Madison.

College Officers 2007-2008

Warden	S. Nickell
Senior Tutor	G. Evans
Investment Bursars	R.C. Allen/C. Bliss
Bursar	G. Hughes
Dean	R. Fitzpatrick
Fellow Librarian	D. Gallie
Librarian	E. Martin
Information Systems Fellow	K.I. Macdonald
Keeper of the College Gardens	A.F. Heath
Junior Dean	M. Rolfe
Adviser to Women Students	L. Carpenter
Dean of Degrees	M. Sobolewska
Deputy Dean of Degrees	A. LeBas
Chair, Economics Group	I. Jewitt
Chair, Politics Group	Y.F. Khong
Chair, Sociology Group	P. Hedström
Chair, Senior Common Room	R. Duch

College Committees 2007-2008

Strategy and Resources Committee

G. Hughes	Bursar
G. Evans	Senior Tutor
P. Hedström	Chair, Sociology Group
I. Jewitt	Chair, Economics Group
Y. Khong	Chair, Politics Group
C. Bliss	Investment Bursar (Equities) (non-attending member)
R. Allen	Investment Bursar (Property)
A. LeBas	Postdoctoral Research Fellow
F. Eser	Student
<i>In attendance</i>	
J. Crump	Administrative Officer – Minutes

Personnel and Domestic Committee

Warden	Chair
G. Hughes	Bursar
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	
N. Bermeo (HT and TT only)	
M. Meyer	
G. Serra	Postdoctoral Research Fellow
C. Fehl	Student
C. MacIver	Student environmental representative
<i>In attendance</i>	
J. Crump	Administrative Officer – Minutes

Staff Council

C. McNeill	Joint Chair
G. Hughes	Joint Chair
Warden	
I. Jewitt	
M. Baker	
A. Colgan	
G. Gardener	
C. Kavanagh	
R. Oakey	
<i>In attendance</i>	
L. Stannard	Human Resources Manager
A. Colgan	HR Assistant – Minutes

Welfare Committee

Warden	Chair
L. Carpenter	Adviser to Women Students
G. Evans	Senior Tutor
C. Ward	Student
M. Rolfe	Junior Dean
G. Hughes	Bursar
D. Danchev	Pastoral Advisor
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	Record Currency Management
<i>In attendance</i>	
C. Leach	Investment Assistant – Minutes

Audit Committee

M. Lamaison	Chair
B. Nielsen	
S. Bond	
G. Sasse	

Andrew Davis	External Member (Oxford Instruments)
Anthony Lawton (GGRF) <i>In attendance</i>	External Member
G. Hughes	Bursar
B. Hamilton	Finance Officer – Minutes

Library Committee

D. Gallie	Fellow Librarian, Chair
E. Martin Warden	Librarian
P. Young	
D. King	
K. Macdonald	
S. Woodroff	
S. Moser	Postdoctoral Research Fellow
W. Feldman	Student
<i>In attendance</i>	
T. Richards	Deputy Librarian – Minutes

Information Systems Committee

K.I. Macdonald	Information Systems Fellow
S. Woodroff Warden	ICT Officer
G. Hughes	Bursar
E. Martin	Librarian
R. Allen	
M. Browning	
R. Duch	
S. Wright	
J. Castle	Postdoctoral Research Fellow
S. Schneider	Student
<i>In attendance</i>	
J. Crump	Administrative Officer – Minutes

Equality Committee

L. Stannard	Human Resources Manager, Chair
L. Carpenter	Fellow
D. Danchev	Pastoral Advisor
G. Hughes	Bursar
C. Kesler	Postdoctoral Research Fellow
D. Lawson	Staff Representative
S. Nickell	Warden
S. Wright	Academic Administrator
P. Pesquera-Menendez	Student Representative
<i>In attendance</i>	
A. Colgan	HR Assistant – Minutes

Students

At the start of the academic year 2007-2008, there were 62 students in College. There were 41 men and 21 women. 16 were from the UK, 25 from other EU countries, and 21 from elsewhere. Their distribution by group and status was as shown below:

	Groups			
<i>Status</i>	<i>Economics</i>	<i>Politics</i>	<i>Sociology</i>	<i>Interdisciplinary</i>
M Litt/Prob				
Res/D Phil	6	19	16	3
M Phil	11	3	-	-
M Sc	-	-	4	-
<hr/>				
Total	17	22	20	3
Visitors	2	2	3	-

For the academic year 2008-09, 43 student places were offered. In the event, 30 student places were taken up (including 1 deferred from 2007-08), 18 by men and 12 by women. 5 of the new students are from the UK, 11 from other EU countries, and 14 from elsewhere. The distribution by Group is Economics 9, Politics 9, Sociology 10 and Interdisciplinary 2. 8 current students completed either an MSc or M Phil and 4 will stay on to pursue a D Phil.

New Students 2007/2008

Sundas Ali	DPhil Sociology
Evrin Altintas	DPhil Sociology
Klaus Broesamle	DPhil Politics
Yunsong Chen	DPhil Sociology
Malte Dummel	MPhil Economics
Ippei Fujiwara	DPhil Economics
Edoardo Gallo	DPhil Economics
Thomas Grund	DPhil Sociology
Jin Woo Kim	DPhil Politics
Kiril Kossev	DPhil Modern History
Caroline Kuo	DPhil Social Policy
Corey MacIver	DPhil Politics
Anna Mackin	DPhil Politics
Robin Markwica	DPhil IR
Bejamin Nelson	DPhil Economics
Richard Norrie	MSc Sociology
Olga Onuch	DPhil Politics
Kadambari Prasad	MPhil Economics
Andrew Rhodes	DPhil Economics
Nathan Sperber	MPhil IR
Dennis Tatarkov	MPhil Economics
Mark Taylor	MSc Sociology
Sorana Toma	MSc Sociology
Christina Ward	MPhil IR

Visiting Students

Jon Fahlander	DPhil Sociology
Marco Gonzalez	DPhil Sociology
Ignacio Jurado	DPhil Politics
Mojca Marc	DPhil Economics
Dominic Roser	DPhil Politics
Christoph Stadtfeld	MSc Sociology
Ashot Tsharakyan	DPhil Economics

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)

<i>DPhil:</i>	<i>Thesis Title:</i>
Tessa Bold (E)	Group Formation in Informal Insurance Arrangements
Carlos Caceres (E)	Asymptotic Properties of Tests for Mis-Specifications
Hector Cebolla Boado (S)	A Study on Ethnic Inequalities in Education: The Case of France
Gorana Djoric (S)	The Effect of Social Policy Transformation on Gender Inequality in Economic Wellbeing: The Hungarian Experience 1992-99
Sonia Exley (S)	Specialist Schools and the Post-Comprehensive Era in England and Scotland: Promoting Diversity or Perpetuating Social Division?
Robert Ford (S)	Explorations of White Attitudes Towards Minorities and Migrants in Britain
Sandra Gonzalez-Bailon (S)	Mapping Civil Society on the Web: Networks, Alliances, and Informational Landscapes

Sangna Kotecha (S)	Explaining the Higher Education Choices of Ethnic Minority Students in Britain
Victor Lapuente Gine (P)	A Political Economy Approach to Bureaucracies
Ka-Yuet Liu (S)	Pathways to Suicide: A Mechanism-Based Approach
Avia Pasternak (P)	Democratic Responsibilities in the Face of Injustice
Victoria Prowse (E)	Essays in Applied Microeconometrics
Robert Ritz (E)	Incentives in Distressed Organisations
Jamie Sergeant (ID)	Some Model-Based Approaches to Measurement in Social Science
Marina Shapira (S)	The Determinants of Socio-Economic Differences Among Ethnic Groups in an Immigrant Absorbing Society: Israel 1972-2000
Tehmina Shaukat Khan (E)	Ownership and Firm Behaviour
Helen Simpson (E)	Essays on Firm Location and Firm Performance
Julia Skorupska (P)	Finding Space for Politics: Mill and Hophouse as Political Theorists

Alison Smith (S)	Bounded Rationality, Computational Complexity and the Theory of Games
Nadia Steiber (S)	The Formation and Change of Working Time Preferences in Different Societal Contexts. A Comparative Analysis of Britain, Germany and Sweden. A Longitudinal Analysis
Roman Studer (ID)	Comparing Market Efficiency in Europe and India. Determinants, Levels, and Effects of Grain Market Integration, 1700-1900

In the University examinations the following were successful:

MPhil Economics

Philip Manners	Knowledge Spillovers in Developing Countries
Madeline Penny	The Effects of Risk and Shocks on Investment in Ethiopian Households
Johannes Wieland	Publish or Perish? Essays on Monetary Policy Transparency

MPhil International Relations

Linn Normand	Demonisation in International Politics: The Genealogy of an Idea
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MSc Sociology

Jin Woo Kim	Out of Sight, Out of Mind: Network Isolation and Legitimacy Crisis of Korean Labour Unions
Richard Norrie	The Recreation of Gender Roles with Regard to the Domestic Division of Labour
Mark Taylor	Reading for Pleasure in the United Kingdom
Sorana Toma	Early Labour Market Outcomes for Second Generation Immigrants in France

Appointment of Leaving/Graduating Students

Julia Giese accepted an internship at the *Financial Times*, prior to joining the Bank of England's Monetary Analysis Division.

Jenny Haydock began work as an economic consultant with CRA International, London.

Margaret Irving took a post as an investment banking analyst at UBS, London.

Tom Ogg was employed by CIVITAS, a London-based think tank.

Madeline Penny joined Boston Consulting Group at their Melbourne office.

Visitors

- Andrew Abbott, University of Chicago. Sponsor: Peter Hedström.
- Hildegart Ahumada, Torcuato Di Tella University, Argentina.
Sponsor: David Hendry.
- Romain Bertrand, CERI-FNSP, Paris. Sponsor: John Darwin.
(Nuffield/Sciences-Po Fellow).
- Hans-Peter Blossfeld, Bamberg University, Germany. Sponsor: Peter Hedström.
- Gillian Brock, University of Auckland. Sponsor: David Miller.
- Thomas Carothers, Carnegie Endowment for International Peace,
Washington DC. Sponsor: Laurence Whitehead.
- John Duca, Federal Reserve Bank of Dallas, Texas. Sponsor: John Muellbauer.
- Bianca De Stavola, London School of Hygiene & Tropical Medicine.
Sponsor: Lucy Carpenter.
- Andreas Diekmann, Swiss Federal Institute of Technology. Sponsor:
Peter Hedström.
- Tim Dunne, University of Exeter. Sponsor: Andrew Hurrell.
- Germana Giombini, University of Urbino, Italy. Sponsor: Stephen Nickell.
- Bernard Grofman, University of California, Irvine. Sponsor: Iain McLean.
- Bernt Hagtvet, University of Oslo. Sponsor: Laurence Whitehead.
- Joseph Halevi, The University of Sydney. Sponsor: Peter Hedström.
- Riaz Hassan, Flinders University, Adelaide. Sponsor: Diego Gambetta.
- Piero Ignazi, University of Bologna. Sponsor: Nancy Bermeo.
(Jemolo Fellow)
- Justin P. Johnson, Cornell University. Sponsor: David Myatt.
- Brian Kahn, South African Reserve Bank. Sponsor: John Muellbauer.
- Paul M. Kellstedt, Texas A & M University. Sponsor: Ray Duch.
- Jürgen Lerner, University of Konstanz, Germany. Sponsor: Tom Snijders.

Alessandro Lomi, University of Bologna. Sponsor: Tom Snijders. (Jemolo Fellow).

Guillaume Malloch, Conservatoire National des Arts et Métier (CNAM), Paris. Sponsor: Duncan Gallie.

Andrea Maurer, University of the Federal Armed Forces, Munich. Sponsor: Peter Hedström.

Roland Meeks, Federal Reserve Bank of Dallas, Texas. Sponsor: John Muellbauer.

Zorica Mladenovic, University of Belgrade. Sponsor: Bent Nielson.

Keiko Murata, Cabinet Office, Government of Japan, Tokyo. Sponsor: John Muellbauer.

Makiko Nishikawa, Hosei Business School, Hosei University, Tokyo. Sponsor: Duncan Gallie.

Ivan Png, National University of Singapore. Sponsor: Paul Klemperer.

Alberto Petrucci, LUISS Guido Carli, University of Rome. Sponsor: John Muellbauer.

Emilio Rabasa, Tecnológico de Monterrey, Mexico. Sponsor: Laurence Whitehead.

Eric Rasmusen, Kelly School of Business, Indiana. Sponsor: Paul Klemperer.

Benjamin Reilly, Australian National University. Sponsor: Laurence Whitehead.

Alessandro Roselli, Consultant to the Bank of Italy. Sponsor: Stephen Nickell. (Jemolo Fellow).

Guillaume Roux, FNSP, Institute of Political Studies, Grenoble. Sponsor: Geoff Evans. (Nuffield/Sciences-Po Fellow).

Olivier Rozenberg, Political Research Centre, Sciences-Po, Paris. Sponsor: Andrew Hurrell. (Nuffield/Sciences Po-Fellow).

Roberta Sala, University Vita-Salute San Raffaele, Milan. Sponsor: David Miller. (Jemolo Fellow).

Thomas C. Schelling, School of Public Policy, University of Maryland. Sponsor: Paul Klemperer.

Aris Spanos, Virginia Polytechnic Institute and State University.
Sponsor: David Hendry.

David L. Weakliem, University of Connecticut. Sponsor: Anthony
Heath.

Brent M. Will, Temple University, Philadelphia. Sponsor: Geoff
Evans.

Conferences in College

Michaelmas Term

Nuffield Policy Advice Workshop
(Alexander Evans, Iain McLean)

Producing Better Measures by Combining Data Cross Temporally
(Mark Pickup, Geoffrey Evans)

Oxford Workshop on History, Society Politics in Portugal and East Timor
(Laurence Whitehead, Nancy Bermeo)

Oxford Symposium on Criminal Justice: MAPPa and Youth Justice
(Alex Sutherland)

Hilary Term

Seminar on Turkish Politics Since 2002
(Emre Ozcan, Laurence Whitehead)

Mexico's National Security: Domestic and International Dimensions
(Laurence Whitehead, Monica Serrano)

Options for Britain Conference
(Iain McLean)

The Changing Nature of Democratization in Latin America: Rights, Politics and Development (European Network on Latin American Politics Workshop)
(Thomas Pogram)

Oxford History of the British Empire
(John Darwin)

Royal Economic Society Easter School in Econometrics
(David Hendry, Bent Nielsen, Neil Shephard)

Provincializing Westphalia: The Emergence of Global International Society
(Andrew Hurrell)

Nuffield Workshop on Analytical Sociology
(Peter Hedström)

Trinity Term

Presentation of the “Estado e la Region” Report: Dr Jorge Vargas Cullel, Director, “Estado de la Nacion” project, Costa Rica
(Laurence Whitehead)

The Growth of the American State: Political Power and Inequality
(Desmond King)

Economic History Workshop
(Bob Allen)

Trade Growth and Development: Conference to Mark the Retirement of Christopher Bliss
(A. B. Atkinson)

Social Networks: Theory and Measurement
(Meredith Rolfe)

The 2008 U.S. Presidential Election: Preliminary Findings from the 2008 Cooperative Campaign Analysis Project
(Raymond Duch)

Workshop on Social Divisions, Party Strategy and Political Choice
(Geoffrey Evans and Nan Dirk de Graaf)

Workshop on Insurance Mathematics
(Bent Nielsen)

Seminars in College

Stated Meeting Seminars

November: *Have Our Attitudes Changed? A Quarter of a Century of the British Social Attitudes Survey*

Norman Glass, Director, National Centre for Social Research and Visiting Fellow

March: *Maintaining Plurality in Public Service Broadcasting*

Mark Thompson, Director-General of the BBC and Visiting Fellow
Sir Gus O'Donnell, Cabinet Secretary and Head of the Home Civil Service and Visiting Fellow (Discussant)

June: *The Idea of a College*

A. H. Halsey, Emeritus Fellow

Seminars in College

Economic Theory and Econometrics *Michaelmas, Hilary and Trinity Terms*

(Ian Jewitt, David Myatt and Martin Browning)

Nuffield Political Science Seminars *Michaelmas, Hilary and Trinity Terms*

(Geoffrey Evans, Raymond Duch, Steve Fisher, Sara Hobolt, Mark Pickup, David Rueda and James Tilley)

Sociology Seminar *Michaelmas, Hilary and Trinity Terms*

(Duncan Gallie, Nan Dirk de Graaf, Peter Hedström, Tom Snijders and Tamar Yogev)

Nuffield Seminars in Social Networks *Michaelmas, Hilary and Trinity Terms*

(Peter Hedström, Tom Snijders and Nicholas Harrigan)

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

Graduate Workshop in Economic and Social History *Michaelmas, Hilary and Trinity Terms*
(Kiril Kossev, Sarah Cochrane, Leigh Gardner, and William Hynes)

Graduate Workshop in Political Science *Michaelmas, Hilary and Trinity Terms*
(Armen Hakhverdian, Keith Stanski, and Lluís Orriols)

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

Media Seminar Series *Michaelmas and Hilary Terms*
(David Butler, John Lloyd and Malcolm Dean)

Experimental Social Science *Hilary and Trinity Terms*
(Raymond Duch, Diego Gambetta and Peyton Young)

Bursar's Report

The summary balance sheet as at 31 July 2007 shows that the endowment increased from £138.3 million to £151.3 million.

The total return on the endowment was 13.9% (2006: 14.6%). The non-property portfolio comprises equities 89%, bonds 6%, cash 3% and alternative investments 2%. The property portfolio is directly invested in England and Scotland and includes a mix of retail, offices and industrial premises. The property portfolio accounts for 35% of the total endowment (2006: 38%).

Income was drawn down from the endowment of £5.5 million in accordance with the total return policy of the Endowment Expenditure Rule (EER). Total income increased to £6.5 million but total expenditure remained constant at £6.4 million, resulting in a small surplus for the year.

Nine days after the date of the 2007 financial reports the market turmoil known as the credit crunch began. There had already been signs that commercial property values were due for re-rating after a long cycle of growth and this was to coincide with falls in equities due to the financial crisis. The EER is intended to smooth the consequences of such adverse shocks by giving the market component of total return a weighting of 20% alongside the 80% weighting of the previous year's allowable expenditure.

Consequently, College activities were not immediately constrained and a great deal of work was undertaken, together with the elected representatives of the College Staff Council, on a project to harmonise the terms and conditions of staff to an improved standard applied equally to all.

In addition to increased expenditure on staff and student grants, several projects to improve the premises were undertaken. These included bringing all internal doors to full fire safety standards, improvements to student accommodation and a splendid set of automatic gates to the Fellows' car park.

In the summer of 2008 an ambitious project commenced to overhaul as many meeting and teaching rooms as possible in the same period of time. The Senior Common Room was completely refurbished so that it may function effectively both as a comfortable room for social events and (with minimal furniture removals) a conference room with full audio visual facilities (with surround sound!) and a hearing loop. The Clay room has been rebuilt from floor to ceiling and now also offers full audio visual and more versatile seating for 35 persons in a deliberately ‘up market’ style. The bespoke furniture comes from the same designers appointed to furnish the new Supreme Court in London. A new seminar room has been created above the Clay room for teaching on a less grand scale. Just across the Mews from the main site a new facility for experimental social science is being developed with a 24-station laboratory.

NUFFIELD COLLEGE
CONSOLIDATED BALANCE SHEETS AT 31 JULY 2007 **(2006)**

	£000	£000
Fixed assets		
Tangible assets	8,004	7,232
Investments	0	0
	8,004	7,232
Endowment asset investments		
Securities and Cash Deposits	99,171	86,475
Land and property	52,667	52,582
Financed by loans	(500,000)	0
	151,338	139,057
Current assets:		
Stocks	85	97
Debtors	856	1,107
Short term investments	12	10
Cash at bank and in hand	619	19
	1,572	1,232
Creditors:		
Amounts falling due within one year	-1,246	-1,315
Net current assets	326	-83
TOTAL ASSETS LESS CURRENT LIABILITIES	159,668	146,206
Creditors:		
Amounts falling due after more than one year	0	0
TOTAL NET ASSETS	159,668	146,206
Endowments		
Specific	22,118	19,947
General	129,221	118,391
	151,339	138,338
Reserves		
Designated reserves	208	155
General reserves	8,122	6,994
	8,330	7,149
TOTAL FUNDS	159,668	146,206

Staff

The following members of staff retired during the year:

Maureen Baker, Chief Secretary
Marjorie Brown, Domestic Assistant
John Grundy, Receptionist/Lodge Porter
Robert Nex, Receptionist/Lodge Porter

The following left the College:

Daniel Begley, Kitchen Assistant
Zulfakar Hussain, Receptionist/Lodge Porter
Dale Lloyd, Assistant IT Support Analyst
Saboor Shinwari, Domestic Assistant
Slawomir Sowinski, Receptionist/Lodge Porter
Leon West, Kitchen Assistant

The following joined the staff:

Stuart Bone, Evening and Weekend Receptionist/Lodge Porter
Colin Burden, Maintenance Assistant
Clive Gable, Evening and Weekend Receptionist/Lodge Porter
George Hughes, Apprentice Chef
Michelle Mumford, Assistant Librarian
Brad Peaston, IT Support Analyst
Paul Taylor, Assistant Site Manager (Lodge)
Tredon Thomas, Domestic Assistant

Library

The Library this year has been experimenting with new methods of communicating with our readers. We set up a Nuffield College Library site on Facebook (very widely used by students as a social networking tool) in order to raise our profile and disseminate library news, and we soon acquired a host of ‘friends,’ many of them Nuffield students past and present, plus some ex-members of staff with whom we had lost touch. Please feel free to join us! We have also experimented with a site called LibraryThing, which allows members to catalogue books and make details of them available to anyone interested via an RSS feed; this, we hope, will be a more popular alternative to the weekly accessions lists that we already publish on our web pages, but which few people find to be essential reading.

As recommended in last year’s Library Review Report, we extended borrowing facilities to academic staff and research students from the other graduate colleges of the University, and we acquired 34 new borrowers by this method. For the forthcoming academic year, borrowing privileges will be extended further to research students and academics from all Oxford Colleges.

It was decided during the course of the year not, after all, to implement Virtua, the Library Management System that we had been preparing for and expecting. Pending further progress on a new library management system, Oxford University Library Services have purchased a product called PRIMO, which will provide a new front-end cross-searching tool to Oxford’s library resources. It will be known as SOLO (Search Oxford Libraries Online) and will be implemented for the beginning of the 2008-09 academic year, along with a substantial upgrade to OxLIP, the University-wide database searching platform.

We also implemented a series of incremental improvements to services and stock. The Library Extension, which houses government publications and older periodicals, underwent an

overhaul to make its stock easier to find and use, and behind the scenes a collection of ‘brittle books’ – too fragile to keep on the open shelves, but too valuable to discard (most of them come from GDH Cole’s collection) were re-organised and better protected against the elements. The Tower is not climatically an ideal environment for archives or fragile material and we may have to address this problem more comprehensively in the future. We also moved the daily newspapers to a more accessible spot, which has seen a considerable increase in their use, and re-organised the 3rd and 5th floors, where space was getting tight. We have also reclassified our extensive collection of biographical material (mostly of political figures) to make it easier to use. We offered training to students in reference management software, RefWorks and Endnote, which make light work of bibliography compilation.

In the Spring we loaned two items from our archives to the Bodleian’s summer exhibition, ‘Beyond the work of one’: Oxford College Libraries and their Benefactors. This exhibition, which runs until November 2008, celebrates the successive generations of benefactors who by their generosity have enriched the Oxford College libraries’ holdings for a period of over 700 years. Nuffield’s contributions are Lord Nuffield’s handwritten donations book, open at the page showing his £1 million donation to found Nuffield College, and Lord Cherwell’s 1941 wartime memo to Prime Minister Winston Churchill, recommending civilian bombing of German cities, known infamously as the ‘house and home’ memo. Cherwell was actually a Fellow of Christ Church and had no connection with Nuffield, but his archives came to us via former Nuffield Fellow Sir Donald MacDougall, who had been his assistant, and they are one of our most popular archive collections. During the course of the year, we also provided from our archives much of the source material for Robert Taylor’s publication *Nuffield College Memories: A Personal History*.

We registered 391 new readers during the year, and an additional 160 visitors were admitted to consult items held only at Nuffield,

including 26 archives readers. Apart from the number of archives readers, which stays pretty constant, both of these figures show a considerable increase on last year. At the end of the year, we had 338 active borrowers, who had borrowed or renewed a total of 7,541 items during the course of the year. We bought 414 new monographs for the main collections, and a further 52 for maintaining the Taught-Course reading list reference collection. Many of the new purchases are a result of direct requests by students and Fellows, and by judicious selection of supplier we can often have the book in the reader's hand within two or three days of the initial request (even sooner if we can get it from Blackwell's bookshop.) We made 58 inter-library loan applications and loaned 20 items from our stock to other libraries; the lending helps to subsidise the borrowing. We have also recently started monitoring usage of our website, and hope that that will provide useful information.

We are, as ever, grateful for the numerous donations received in the Library from College members past and present, and from external sources. This year we received books from the estate of Andrew Glyn, former Nuffield student and Fellow of Corpus Christi College, and also from Jeremy Richardson, Christopher Bliss and Andrew Hurrell.

The Data Library continued to expand with new and revised datasets from around the world, and the Data Services Officer provided support with data acquisition, licensing, management and analysis to social scientists Oxford-wide. She also maintained close links with researchers, data libraries and archives outside Oxford and was a member of the IASSIST Programme Committee for this year's conference at Stanford University. She continued as a member of the EQUALSOC network's Data Support Committee, and of DISC-UK (Data Information Specialists Committee); this group's JISC-funded *DataShare* project is developing a new model of data sharing and archiving at four UK universities. This network of institution-based data repositories develops a facility for deposit of 'orphaned

datasets', currently provided neither by centralised subject-domain data archives nor by e-Print-based Institutional Repositories, and will support researchers within our institutions who wish to (or are required to) share datasets on which written research outputs are based.

We have had further staffing changes this year. Tessa Richards took up post as Deputy Librarian in September, thereby creating the vacancy of Periodicals Librarian. This was filled by Ed Smithson on internal transfer, and in his place we welcomed Michelle Mumford, from the Geography Library, as Government Publications Librarian. Ruth Collings was the trainee for the year, succeeding Louise Green, whom we inadvertently omitted from last year's report. In June, Jane Roberts marked 25 years' service with a celebratory lunch for colleagues, friends and relatives.

The Librarian continued with her work as Chair of the Committee of College Librarians, which included being a member of the Curators of the University Libraries at a particularly challenging time for OULS. Library staff members continued to further their professional development during the year with a wide variety of external activity.

JCR Report

Sunny warm weather and a delegation of College officials and JCR members greeted the wave of new students upon their arrival in Nuffield. After the new students had settled in and overcome the first major crisis awaiting every Nuffield student in their first night – “sleeping without a duvet”, they entered the bubbling social life. This year’s pub crawl brought old and new students and post-docs closer together and led to the formation of the first new Nuffield couple of the academic year. Nuffield bar parties boomed with the introduction of Turkish music, only to be constantly interrupted by the bursting of the speakers. During the first term, the bar was a hub of social life and the true living room of the JCR.

Inspired by the story of the Indian paintings, the JCR annual art auction experienced a rocketing in prices. The College sold two Indian pieces for 180,000 pounds after their accidental discovery. Before that, they languished for almost half a century in College cupboards since no students were willing to pay the annual fee (sometimes as little as 20 pence) to hang them in their offices or rooms. Our JCR art representative and leader of the auction, Armen Hackverdian, successfully used this story to encourage the hesitant bidders to get hold of what could be another unknown treasure – not a single piece of JCR art was left behind this year.

Various official events, such as exchange dinners with Trinity and Pembroke Colleges and the unforgettable cocktail night with Lluís Orriols and Pavan Mamidi as the cocktail bartenders were supplemented by a lot of ad hoc small social events. Students organized a pot luck dinner to overcome the Sunday starvation of Nuffield students. This celebration of culinary pleasures from all over the world sparked off a series of delicious national cooking evenings such as Korean and Ukrainian evenings.

Over the term, the expectations build up. Screams from the seminar room during practice and several fake scripts found on printer trays encouraged rumours to surround the Christmas pantomime. New post-docs and students delivered an unforgettable pantomime based on the Indiana Jones story. Anna Mackin, Klaus Broesamle and Richard Norrie starred in this search for the holy dataset, the answer to all statistical questions. The holy dataset turned out to be the Nuffield bar book, fiercely defended by bar manager Brendan Beare, who played the now retired bar manager Thees Spreckelsen. The JCR enthusiastically celebrated the importance of the Nuffield bar book for solving statistical queries in the bar afterwards.



JCR politics underwent a huge change over the Christmas break. The Germans started to dominate major positions in the JCR, with the new president Heidi Stöckl, the Governing Body representative

Thees Spreckelsen, the Personnel and Domestic representative Robin Markwica, the Strategy and Resources representative Fabian Eser and the IT representative Silke Schneider. The treasurer Sundas Ali, secretary Elizabeth Hunt and bar manager Laurens Van Apeldoorn balanced the situation slightly. The JCR considered several controversial issues this year, which included long discussions over the questions of whether students should eat their dinners in the Buttery or the Hall and should the JCR buy a Wii. In view of the heated discussions that emerged, the idea of acquiring a College post-dog hasn't been pursued yet.

As in previous years, the members of the JCR excelled in sports. In the annual Teddy Hall relay 'Europe's largest midweek relay event', following what has become a tradition in recent years, the 20 best runners among Nuffield fellows and students outnumbered every



Nuffield's Teddy Hall relay team

other college in the number of registered runners. All those representing the College completed their lap of the 3.6 mile course, starting and finishing at the Iffley Road athletics track, where Roger Bannister famously ran the first sub-four minute mile fifty years ago. Alex Sutherland proved to be the fittest runner in college by running his leg in 21:34. Despite having twisted her ankle in the middle of her leg, Julia Skorupska still completed her leg in an excellent time of 34:30. The Nuffield Lions also remained successful this year. They came mid-table in the MCR division 2 after winning six and losing six games and a couple of draws. The main victory of the cricket

team this year was the win over St Antony's in the "Ashtray" match. The JCR has won this match two years in a row now. This is the "grudge match" which the JCR cricket team plays every year. The art representative Ola Onuch and the welfare representative Christina Ward made an important contribution to the Nuffield sport and welfare scene this year by introducing a weekly, and highly popular, yoga class in Hilary and Trinity term.

The most notable event the members of the JCR enjoyed this year was the first Nuffield ball held since the ball on the occasion of the foundation of the college. Our social secretaries Kiril Kossev, Richard Norrie, Dennis Tatarkov and Sorana Toma organized this splendid event in honour of the 50th anniversary of Nuffield College. On the night of the ball, a brass band welcomed fellows, students and guests in the Fellows' Garden, where the champagne



reception was held. This was followed by a buffet dinner and chocolate fountains. Fellows, students and guests started dancing early till late to the lively music of the jazz band. The JCR is convinced that Lord Nuffield could not have wished for a more memorable student celebration of Nuffield College's 50th year of existence. The JCR is looking forward to start the new academic year and to celebrate the 51st year of Nuffield College.

Nuffield Women's Group

Encouraged by Tamar Yogev, the current women's officer, and the Equality Committee, this year the College introduced a formal maternity policy for students. Essentially, the policy provides a framework to allow students to take up to 12 months maternity leave from their studies.

The regular welcome reception for freshers was held again at the start of the academic year. Lucy Carpenter kindly hosted this event featuring the ever-popular tea and chocolates. The event is an occasion at which female students (new and old) and established academics have the opportunity to discuss their impression of the situation for women in Oxford, and compare it to other academic institutions. It is also interesting to hear differing opinions from various subject areas.

The main event of Hilary term was the successful Women's Dinner to celebrate International Women's Day. The Women's Dinner was followed by a fascinating speech by Meg Meyer, Official Fellow in Economics at Nuffield, about the balance of family and scholarly worlds.

The College's Equality Action Plan resulted in women students having useful discussions with both the Pastoral Adviser and the Adviser to Women Students identifying ways of improving communications with their College supervisors.

Individual Reports

The Warden

Stephen Nickell During the last year, I have been working in two main areas – the economic impact of immigration and the barriers to new house building in the UK.

In nearly all of the developed OECD countries, net immigration flows are positive and increasing. In a small number, notably Austria, Spain and Switzerland, annual net inflows are currently more than ½% of the population. In Spain, the proportion of foreign-born individuals in the labour force has risen by over 8 percentage points in a decade. While the weight of the evidence suggests that the impact of unskilled immigration on the relative wages of the native unskilled is minimal, research undertaken with Jumana Saleheen (Bank of England) suggests that recent immigration in the UK has had a significant impact on the pay of unskilled service sector workers.

Looking from the macroeconomic point of view, there is some evidence to suggest that immigration makes the labour market more flexible, effectively reducing the equilibrium unemployment rate in the long run. In particular, high rates of immigration into Spain have helped the Spanish economy to reduce overall unemployment substantially without inflationary consequences.

Turning to housing research, one of the key factors underlying the dramatic rise in house prices relative to incomes in the last decade has been the fact that rates of house building have been far below the rate of increase in the number of households; the average gap in recent years having been of the order of 50,000 each year. In the long run, the only solution to this problem is a higher rate of house building. The recent turn around in the housing market is not going to help make housing more affordable in the long term since it has been generated not by any fundamental oversupply of housing but by severe rationing of mortgages to first-time-buyers arising from

the credit crunch. Any resolution of this problem will simply see house prices climbing again.

The fundamental constraint on house building arises from planning restrictions on the supply of building land. Basically, Local Authorities, particularly in the South, where housing is most needed, have no incentive to encourage housing development. Indeed since their constituents are mostly opposed to new development and new homes tend to worsen Local Authority finances in the short-run, that is until the Central Government grant catches up with the increasing population, Local Authorities have every reason to discourage new development. To offset this, Central Government has introduced command and control mechanisms of ever increasing complexity. However, these are unlikely to generate enough new development even to house the increasing number of households let alone to satisfy the increasing demand for housing services as real incomes rise. The only solution is to provide a simple mechanism whereby Local Authorities have strong financial incentives to encourage development funded from the “planning gain” generated by the granting of planning permission. A flexible version of the recently proposed Community Infrastructure Levy is the only practical proposal on the agenda. The reluctance of Central Government to allow Local Authorities access to large sums of money which they can decide how to spend, means that long-term housing prospects look very bleak at present.

Turning to other activities, I have given talks at the European Policy Forum Roundtable on Housing; the Housing Corporation Conference on “Extending Low Cost Home Ownership”; the Bank of International Settlements’ Conference on “Globalisation and Population Trends” in Basel; the Global Markets Media Conference on “Monetary Policy and the Markets”; the British Property Federation Annual Conference; the IEA Roundtable on “Urban Planning, Government Regulation and the Market”, the “Options for Britain II” Conference; the Cabinet Office on “Housing in Britain”; the National Housing Federation Conference on

“Affordable Home Ownership”; the Credit Suisse Roundtable on “Monetary Policy, Current Issues”; the Annual Work, Pensions and Labour Economics Conference, 2008. I have discussed papers at the OXREP Conference on “Migration” and the Centre for the Economics of Education Conference on “Intergenerational Mobility”.

I gave evidence to the House of Lords Economic Affairs Committee on the Economic Impact of Immigration (see House of Lords Select Committee on Economic Affairs, *The Economic Impact of Immigration*, Vol. II: Evidence).

I currently Chair the Council of Management of the National Institute of Economic and Social Research, and the Board of the National Housing and Planning Advice Unit. This year, I took up the Chairmanship of the Advisory Committee on Civil Costs whose job is to advise the Master of the Rolls on a variety of issues connected with the costs of civil litigation.

I am a member of the Board of the UK Statistics Authority, 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 recently became an Honorary Doctor of Science at the University of Warwick.

Publications

‘Patterns of Market Work: Some Facts’, in T. Boeri, M.C. Burda and F. Kramarz (eds.), *Working Hours and Job Sharing in the EU and USA*. Oxford: Oxford University Press, 2008.

‘Is the U.S. Labor Market Really that Exceptional’, *Journal of Economic Literature*, 46, 384-95, 2008.

(with R. Layard and G. Mayraz) ‘The Marginal Utility of Income’, *Journal of Public Economics*, 92, 1846-57, 2008.

Robert Allen (Professorial Fellow) The main achievement of the year was completing a book entitled *The British Industrial Revolution in Global Perspective*. It will be published next year by Cambridge University Press and be the first in a new series sponsored by the Economic History Society.

The book is the culmination of a research program that began in the 1980s. The purpose of the research program was to computerize price histories. Since the mid nineteenth century, historians of Europe have been writing price histories of cities, and they follow a standard format. Typically, the historian finds an institution like a college, hospital, or monastery that has existed for centuries. The historian then searches its financial records abstracting the price of everything it purchased. The result are time series of the prices of foodstuffs, textiles, and building materials, as well as the wages of people like masons, carpenters, and labourers who worked for the institution. These data usually run from the late middle ages to the nineteenth century at which point they can be continued with modern sources. Comparable work for Asia has barely begun, and the available data only run back to the seventeenth century. For comparability, weights and measures must be converted to metric units, and exchange values between currencies must be also established. This material has been put in spread sheets that are now available on the internet to anyone, and the range of material is being extended over time and space by researchers in many countries.

The British Industrial Revolution in Global Perspective is about the historical problem: why did the Industrial Revolution happen in Britain, in the eighteenth century? Theories of economic development emphasize technological change as the immediate cause of growth, and that was surely the case for industrializing Britain. The steam engine, the cotton spinning machinery, the manufacture of iron with coal and coke deserve their renown, for invention on this scale was unprecedented, and it inaugurated an era of industrial expansion and further technological innovation that

changed the world. Other features of the Industrial Revolution (rapid urbanization, capital accumulation, increases in agricultural productivity, the growth of income) were consequences of the improvements in technology. Explaining the technological breakthroughs of the eighteenth century is, therefore, the key to explaining the Industrial Revolution, and it is the first objective of the book.

My explanation proceeds in two stages. Part I of this book analyses the expansion of the early modern (i.e., 1500-1750) economy and shows that it generated a unique structure of wages and prices in eighteenth-century Britain: Wages were remarkably high, and energy was remarkably cheap. This claim is based on the data base of wages and prices just discussed. In Part II, I show that the steam engine, the water frame, the spinning jenny, and the coke blast furnace increased the use of coal and capital relative to labour. They were adopted in Britain because labour was expensive and coal was cheap, and they were not used elsewhere because wages were low and energy dear. Invention was governed by the same considerations, for why go to the expense of developing a new machine if it was not going to be used? The Industrial Revolution, in short, was invented in Britain in the eighteenth century because it paid to invent it there, while it would not have been profitable in other times and places. The prices that governed these profitability considerations were the result of Britain's success in the global economy after 1500, so the Industrial Revolution can be seen as the sequel to that first phase of globalization.

This book is also about the end of the Industrial Revolution. That is usually dated to 1830 or 1850 when new industries – first the railroad and the steam ship and then novel manufactures like Bessemer steel – appeared on the scene. I also date the end of the Industrial Revolution to the second third of the nineteenth century, but for a different reason that is the culmination of its origins. The cotton mill and the coke blast furnace were invented in Britain because they saved inputs that were scarce in Britain and increased

the use of inputs that were abundant and cheap. For that reason, these techniques were not immediately adopted on the continent or anywhere else in the world. The period up to 1850 has been characterised as one of ‘continental emulation’ because the French, Germans, and Belgians were only beginning to use British techniques and pre-industrial practices remained dominant. The ‘closing of the gap’ only occurred between 1850 and 1873, when modern technology displaced traditional methods, and European industry could compete on an equal footing with British. The slow adoption of British technology on the continent had less to do with war, institutions, and culture than with the economics of the new technology, which was not profitable to adopt outside of Britain.

This situation did not persist, however – thanks to British efforts. British engineers studied the steam engine and the blast furnace and improved them to lower costs. Inputs were saved indiscriminately including those that were cheap in Britain and expensive elsewhere. The coal consumed per horse power-hour by a steam engine, for instance, dropped from 45 pounds to 2 pounds. This made it profitable to use steam engines anywhere – even where coal was dear. Britain’s success in the early industrial revolution was based on inventing technology that was tailored to its circumstances and useless elsewhere. By the middle of the nineteenth century, the genius of British engineering had improved the technologies, thereby eliminating the competitive advantage they had given Britain. The cotton mill, the steam engine, and the coke blast furnace were now globally appropriate technologies, and their use quickly spread outside of Britain. Global diffusion marked the end of the Industrial Revolution, and it was determined by the life story of technology. This theme is developed in the second part of the book.

Publication

‘The Nitrogen Hypothesis and the English Agriculture Revolution: A Biological Analysis’, *Journal of Economic History*, 68, 182-210, 2008.

James Alt (Senior Research Fellow) used the time of his greatly-enjoyed visit to the College to work on three related papers applying principal-agent models of incumbent performance to politics in US states. One of these takes advantage of variation in gubernatorial term limit laws across states and over time. The presence of one-term and two-term limits (as well as states with no limits) is used to estimate accountability and selection effects: term limits not only cause incumbents to “shirk” but also interfere with voters’ ability to re-elect high-quality candidates, even allowing for the important possibility that incumbent quality increases with experience in office. Estimates of the accountability effect and the combined experience and selection effects are of approximately the same magnitude, resolving an existing empirical puzzle about the disappearance of the effect of term limits over time.

The second paper reviews recent formal models of transparency and accountability that make different conditional predictions about voters’ willingness to re-elect incumbents, and acceptance of higher taxes, as well as partisan differences in policy when government institutions are more transparent. Panel data for US state budget process transparency, gubernatorial elections, and fiscal scale from 1972-2000 shows that increased transparency dampens the negative effect of tax increases on retention of incumbent governors, and also leads to greater fiscal scale under Republicans, but not Democrats.

Finally, the paper I presented in the College’s Political Economy Seminar explains corruption with a model of efficiency wages. For a given institutional environment, the corruptible employee’s or official’s decision to engage in corruption is affected by relative wages and expected tenure in the public sector, the probability of detection, the cost of fines and jail terms, and the degree of inequality, indicating lower future wages in the private sector conditional on having been caught for corruption. A unique panel of corruption convictions in US states over 25 years with high quality data on relative wages and inequality shows that inequality is significantly and robustly negatively associated with corruption,

while also confirming that higher government relative wages lowers corruption. The results also contain a hint of politicization of corruption convictions, with the partisan consequences of Presidential appointment of US Attorneys playing a key role.

Sir Tony Atkinson (Senior Research Fellow) Over the course of a university career that started in 1967, I have taught a wide variety of subjects. It was therefore perhaps not surprising that, on my taking up a professorial post in the Department of Economics, I was asked to take responsibility for the economics component of the MSc in Financial Economics, a subject far removed from my research interests and which involved a steep learning curve. There was no scope for the course of lectures on “Global Public Economics” that I gave the previous year in Paris, but I have been actively involved in the establishment of OxIGED (Oxford Institute of Global Economic Development), which I hope will help bring together different branches of economics that have a global dimension.

Global public finance has been one of my main fields of research during the year in the form of a project on the economics of individual giving for development. This is part of the ESRC Non-Governmental Public Action programme and is being carried out in conjunction with Peter Backus, John Micklewright, Cathy Pharoah and Sylke Schnepf. We are currently working on micro-data on charitable bequests for development, using information available from wills.

A second part of my research during the year has been concerned with writing the Richard Stone Lectures, which I gave in April 2008 at the National Institute of Economics and Social Research and the Bank of England. The theme was “economic data”, a subject which has largely disappeared from today’s economics curriculum. Economic data are more plentiful than ever, and students are encouraged to learn a range of quantitative methods, but they are not typically taught about the sources of data nor about their strengths and weaknesses. How is inflation measured? And how *well*

is it measured? In the Lectures, I argued for a constructive approach to the very real problems of data deficiencies. We should not ignore them nor should we paint a picture of total disaster. Issues of data quality should be higher in the priorities of the economics profession. Above all, people need to “look at the data”.

Publications

The Changing Distribution of Earnings in OECD Countries. Oxford: Oxford University Press, 2008.

‘The Economics of the Welfare State in Today’s World’, *International Tax and Public Finance*, 15, 5-17, 2008.

(with A. Leigh) ‘Top Incomes in New Zealand 1921-2005: Understanding the Effects of Marginal Tax Rates, Migration Threat, and the Macroeconomy’, *Review of Income and Wealth*, 54, 149-65, 2008.

‘La Politica Sociale dell’Unione Europea, l’Agenda di Lisbona e il Monitoraggio delle Dinamiche Nazionale’, in A. Brandolini and C. Saraceno (eds.), *Povert  e benessere*. Bologna: Il Mulino, 2007, pp. 541-60.

‘European Union Social Policy in a Globalising Context’, in L. Costabile (ed.), *Institutions for Social Well-Being*. Basingstoke: Palgrave Macmillan, 2008, pp. 15-32.

Brendan Beare (Postdoctoral Prize Research Fellow) continued to research the two subjects that were the focus of his doctoral research: unit root testing under heteroskedasticity, and mixing conditions for stationary Markov chains driven by copula functions. Brendan’s earlier contribution to the former area involved the construction of a class of unit root tests that are robust to the presence of heteroskedasticity of unknown form. This work has now been extended to allow for processes that combine autoregressive stochastic behaviour with deterministic trends. Interestingly, the proposed testing procedure does not achieve standard null

asymptotics in the presence of deterministic terms beyond a constant, but suitable critical values may be obtained by simulation. New Monte Carlo studies undertaken by Brendan show that his testing procedure performs comparably to or better than tests proposed contemporaneously by other authors. This work is currently under revision for a leading econometrics field journal.

With respect to the latter area of research – copula-based mixing conditions for stationary Markov chains – Brendan has shifted his focus from the identification of conditions sufficient for exponentially fast beta-mixing, to those sufficient for exponentially fast alpha-mixing. Exponential alpha-mixing is established under a very weak and natural condition on the copula function which, in contrast to the condition identified earlier for beta-mixing, allows for tail dependence or asymmetry. This research is ongoing.

In addition to the above research, Brendan published a brief note in *Econ Journal Watch* identifying a serious error in a well-known empirical paper on Soviet economic history. He also taught a second-year graduate level course on unit root econometrics, and undertook referee work for the *Journal of Econometrics*, *Statistics*, and *Econ Journal Watch*.

Publication

‘The Soviet Economic Decline Revisited’, *Econ Journal Watch*, 5, 135-144, 2008.

Nancy Bermeo (Professorial Fellow) spent her first full year at Oxford engaged in a broad range of activities. At the request of her Head of Department, and in collaboration with several Nuffield colleagues, she founded the Oxford Centre for the Study of Inequality and Democracy (OCSID). The centre is dedicated to analyzing the multifaceted relationships between democratization and inequalities of income, gender and ethnicity. In addition to promoting both independent and collaborative research within the comparative politics community at Oxford, OCSID will foster

problem-driven research that engages theorists, area specialists, historians and other social scientists in the United Kingdom and abroad. The center was launched in May 2008. In addition to her work with OCSID, Bermeo headed the Comparative Politics program for the March 2008 Council of European Studies meetings in Chicago and served as the elected head of the Comparative Democratization Section of the American Political Science Association.

Bermeo's scholarly activities are focused on two related research questions. The first involves how the legacies of war affect new democracies. She is examining this question in a book-length manuscript covering international and internal wars in the five decades following WWII. Recognizing that her book may take five decades to complete, she is writing shorter essays on its general themes and completed two in the past year. One (co-authored with Raymond Hicks of Princeton) is a statistical piece showing that democracies emerging during or after war are more likely to endure than democracies formed in peacetime. The other is a single authored essay explaining this "durability advantage" and linking it to the legacies of particular sorts of war and particular forms of war termination. Bermeo's second research question concerns whether democracy can be promoted by foreign powers. In January, she completed an essay distinguishing between democracy promotion, democracy assistance and the export of democracy for a book titled, *Is Democracy Exportable?* by Zoltan Barany and Robert Moser (Cambridge University Press, forthcoming). In July, she completed an essay for a book by Peter Burnell and Richard Youngs titled *New Challenges to Democratization?* (Routledge Press, forthcoming) in which she shows how democracy assistance is often undercut by military assistance. Bermeo delivered presentations on these and related projects at the University of Texas, the University of Washington, Columbia University, the Centre for European Policy Studies in Brussels and the American Political Science Association in Boston.

Publication

'War and Democratization: Lessons from the Portuguese Experience', *Democratization*, 14, 388-406, 2007.

Scott Blinder (Non-stipendiary Research Fellow) and two collaborators launched a new research project on the politics of immigration in Western Europe. Along with Elisabeth Ivarsflaten (Bergen, Norway) and Robert Ford (Manchester), Blinder is investigating the ways in which attitudes toward racial and ethnic groups shape political attitudes on immigration, and how immigration attitudes further shape partisan politics. The research project is based on psychological models of prejudice in which the same individual often holds both negative biases toward other groups and sincere beliefs that racism and prejudice are wrong. Thus, political parties might be able to mobilize some voters' prejudice, but they must at the same time take care to avoid running foul of widespread social norms against racism. The model may have significant power to explain why some voters are attracted to right-wing parties while others are not, and also to explain why many right-wing parties have failed while others, with similar policy platforms, have succeeded.

This year, the first stage of the research began with a study of individuals' adherence to anti-racism norms, or "motivation to avoid prejudice". Blinder and co-authors developed a questionnaire to assess this motivation for use in the Western European context, and demonstrated its validity and its correlation with partisan preferences in Norway. This yielded a conference paper entitled "The anti-racism norm in Western European immigration politics: Why we need to consider it and how to measure it", which Blinder will present at the American Political Science Association annual meeting this August. Future work will expand the study to other nations and populations, and add tools to assess subtle forms of prejudice to gain a complete picture of the political psychology of immigration and the political right in Western Europe.

Vikki Boliver (Non-stipendiary Research) I have been working on a project funded by the British Academy examining trends since 1960 in access to higher education on the part of those from historically under-represented groups. I have also given invited papers on the results of two previous research projects: on the educational trajectories of second-generation immigrants in London and New York (at the Mayor of London's *Social Selection, Social Sorting and Education* conference in October 2007) and on inequities of access to prestigious universities (at the *Degrees of Success* conference in Oxford in March 2008).

Jorge Bravo (Postdoctoral Prize Research Fellow) works on both Political Economy and Political Behaviour in Latin America, with a special emphasis on Mexico. During this academic year he has been working on a book manuscript (*Mexican Politics Without (Some) Mexicans: Out-migration and Democratic Politics*) which builds on his dissertation research. He has also worked on two stand-alone papers, one which is currently under review, and the other one which is about to be submitted to a peer-reviewed journal. He is also on the data-analysis stage of a project revolving around an original survey that he (with the support of the National Science Foundation) fielded last year in Mexico. Bravo presented his research at several venues in both Europe and North America. His paper 'Emigration, Remittances and Political Engagement in Mexico' is forthcoming in an edited volume on the Mexican 2006 election coordinated by Ulises Beltran with funding from the Konrad Adenauer Foundation.

Richard Breen (Senior Research Fellow) In 2007-8 I continued my collaborative work with Ruud Luijkx (Tilburg University), Walter Müller (University of Mannheim) and Reinhard Pollak (WZB, Berlin) on the analysis of trends in educational inequality and in social mobility in European countries during the twentieth century. I published one methodological paper in the past year and a paper with Luijkx on the

use of mixture models for ordinal dependent variables was submitted to a journal. I also worked with Marie Evertsson (Swedish Institute for Social Research, Stockholm University) on a paper looking at the impact of childbirth on women's work commitment. My joint work on earnings inequality with Leire Salazar (UNED, Madrid) continues: we are currently looking at the impact of changes in educational assortative marriage on earnings inequality in the US.

I gave talks at Columbia University (October 2007), Tilburg University (March 2008) and the University of Mannheim (May 2008), to the annual meeting of the Population Association of America in New Orleans in April 2008, to the European Science Foundation conference on 'The Transfer of Resources across Generations' at Vadstena, Sweden (June 2008), and to a conference organized by AKF, the Danish Institute of Governmental Research, in June 2008. In February 2008 I attended the annual meeting of the editorial board of *Annual Review of Sociology* in Costa Rica.

Publication

'Statistical Models of Association for Comparing Cross-Classifications', *Sociological Methods and Research*, 36, 442-61, 2008.

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' (what the money is spent on) 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. My most recent work has been based on two new nationally representative surveys in Denmark that I (and collaborators in Denmark) have specifically designed to answer some of the most pressing research questions. I am currently finishing up a book on the wider area of the economics of the family with Pierre-André Chiappori (Columbia) and Yoram Weiss (Tel Aviv).

Another area of research I have contributed to over the past 20 years has been the analysis of household spending using surveys of consumer expenditures ('empirical demand analysis'). The most recent strand of this employs revealed preference techniques; such techniques allow to analyse the data without making any parametric assumptions about the household's preferences. This is joint work with Richard Blundell (UCL) and Ian Crawford (Oxford). Our first research paper in this area was published in *Econometrica* in 2003. The two papers below that have 'revealed preference' in the title are further contributions to this literature. We three are currently writing a book about the general area of empirical demand analysis with a special emphasis on the revealed preference approach.

Publications

(with E. Heinesen) 'Class Size, Teacher Hours and Educational Attainment', *Scandinavian Journal of Economics*, 109, 415-38, 2007.

(with R. Blundell and I. Crawford) 'Improving Revealed Preference Bounds on Demand Responses', *International Economic Review*, 48, 1227-44, 2007.

(with L. Blow and I. Crawford) 'Revealed Preference Analysis of Characteristics Models', *Review of Economic Studies*, 75, 371-89, 2008.

Lucy Carpenter (Faculty Fellow) continued epidemiological 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. This year saw completion of analyses comparing their rates of death, and of

cancer diagnoses, with those of 20,000 similar members of the armed forces who did not take part in these trials. This work has now been written up and submitted for publication. Alongside this, she also continued her research in infectious diseases and cancer in sub-Saharan Africa where recent attention focused on a cancer common among children in sub-Saharan Africa – Burkitt lymphoma – and its relation to malaria and Epstein Barr virus.

Publications

(with R. Newton, D. Casabonne, J. Ziegler, S. Mbulaiteye, E. Mbidde, H. Wabinga, H. Jaffe and V. Beral) ‘Antibodies against Malaria and Epstein-Barr Virus in Childhood Burkitt Lymphoma: A Case-control Study in Uganda’, *International Journal of Cancer*, 122, 1319-23, 2008.

(with R. Newton, J. Ziegler, D. Casabonne, V. Beral, E. Mbidde, D.M. Parkin, H. Wabinga, S. Mbulaiteye, H. Jaffe and the Uganda Kaposi’s Sarcoma Study Group) ‘A Case-control Study of Cancer of the Uterine Cervix in Uganda’, *European Journal of Cancer Prevention*, 16, 555-58, 2007.

(with N. Mutalima, E. Molyneux, H. Jaffe, N. Liomba, E. Borgstein, N. Mkandawire, H. Nkume, S Kamiza, R. Newton) ‘Evidence of Associations between Burkitt Lymphoma among Children in Malawi and Infection with HIV, EBV and Malaria: Results from a Case-control Study’, *PLoS ONE*, 3, e2505, 2008.

(with H. Firth, A. Gray and B. Cox) ‘Cancer Mortality by Occupation among New Zealand Women: 1988-1997’, *New Zealand Medical Journal*, 120 (No. 1266), 2007.

Jennifer L. Castle (British Academy Postdoctoral Research Fellow) has been continuing her research on model selection and forecasting. Further progress has been made in developing an operational algorithm to select non-linear models, in which a range of basis

functions are used to approximate the unknown non-linear functional form. Polynomials and exponentials perform well when embedded in an algorithm that reduces collinearity between non-linear transformations, uses indicator saturation to detect interactions between non-linearity and non-normality, and avoids excess retention of irrelevant variables. Applications to smooth transmission models have been tested and the next stage is to develop a selection algorithm for forecasting models.

Further progress has been made in using non-linear models to forecast during a structural break. In a paper titled “Forecasting with Equilibrium-correction Models during Structural Breaks” (with N. P. Fawcett and D. F. Hendry) submitted to *Journal of Econometrics*, we consider the impact of internal and external breaks that manifest themselves through a change in collinearity. Modelling the break as it proceeds yields some benefit to forecast performance.

A further aspect of the research has focussed on the incorporation of expectations into models of wage and price inflation, building on a paper accepted in *Journal of Macroeconomics* titled “The Long-Run Determinants of UK Wages, 1860-2004” (with D. F. Hendry) to be published in 2009. In this model, we develop a congruent model of real wages over a 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. As a further extension we assess the reliability of the wage inflation model in a simulation exercise and build expectations into the wage inflation model using a model of price inflation over the same time period.

The research has been presented at a range of conferences over the past year including the International Symposium of Forecasting, Royal Economic Society Annual Conference, OxMetrics Users Conference, ESRC Research Methods Festival, Econometric Society European Meeting and European Economic Association Meeting. Invited seminars include Norges Bank, CORE at Université

Catholique de Louvain, University of Warwick and Singapore Management University, and the keynote address was given at the Polish Econometric Society Annual Conference. Jennifer taught an invited PhD course on Model Selection at Namur University, Belgium, and has been selected to attend the Nobel Laureates Meeting in Economic Sciences in Lindau, Germany.

Publications

Econometric Model Selection: Nonlinear Techniques and Forecasting. Saarbrücken: VDM Verlag, 2008.

(with D. F. Hendry) 'Forecasting UK Inflation: The Roles of Structural Breaks and Time Disaggregation', in D. Rapach and M. Wohar (eds.), *Forecasting in the Presence of Structural Breaks and Model Uncertainty* Frontiers of Economics and Globalization Series. Amsterdam: Elsevier, 2008, pp. 41–92.

Sir David Cox (Honorary Fellow) His theoretical research, in particular that with Nanny Wermuth (Gothenburg), an Associate Member of the College, on graphical Markov models, continued.

A number of years of work with clinicians at University of Utah led to a paper in the *New England Journal of Medicine* showing that observational data connected with lung transplantation of paediatric patients in the US with cystic fibrosis pointed to an adverse effect on survival in many cases; broadly comparable UK data analysed by the group at Great Ormond Street Hospital suggest a generally beneficial effect on survival. In June he went to an international meeting in Washington DC of surgeons and clinicians called to consider the design of future studies to clarify when transplantation is appropriate and to incorporate effects on quality of life, adequate data on which had previously not been available.

He collaborated with Dr Michelle Jackson on some statistical issues arising in the analysis of social and economic mobility tables.

With Dr Bianca de Stavola (London School of Hygiene and Tropical Medicine), a visitor to the College, he studied some issues posed by Dr Lucy Carpenter connected with the depth of stratification appropriate when analysing, in particular, cohort studies of mortality. A paper has been accepted for publication.

He lectured jointly with David Firth, an ex-member of the College, in a new country-wide programme of advanced courses for doctoral students in statistics. Seminar and conference talks were given at various places, including the Isaac Newton Research Centre in Cambridge, where he spoke on the theory of randomization in the design of experiments, the Irish Statistical Association (Dublin) and at a Workshop in Gothenburg.

In November 2007 he received the Degree of Doctor of Science *honoris causa* from University of Gothenburg.

Publications

(with M.Y. Wong) ‘On the Screening of Large Numbers of Significance Tests’, *Journal of Applied Statistics*, 34, 779-83, 2007.

(with R. Woodroffe and 11 others) ‘Effects of Culling on Spatial Associations of *Mycobacterium bovis* Infections in Badgers and Cattle’, *Journal of Applied Ecology*, 44, 897-906, 2007.

(with A. Berrington de González) ‘Interpretation of Interaction: A Review’, *Annals of Applied Statistics*, 1, 371-85, 2007.

(with T. Liou, F. Adler and B. Cahill) ‘Lung Transplantation and Survival in Children with Cystic Fibrosis’, *New England Journal of Medicine*, 357, 2143-52, 2007.

(with N. Wermuth) ‘Distortion of Effects Caused by Indirect Confounding’, *Biometrika*, 95, 17-33, 2008.

‘The Last Fifty Years of Statistical Research and their Implication for Particle Physics’, in L. Lyons, H. Prosper and A. De Roeck (eds.), *Statistical Issues for LHC Physics*. Geneva: CERN, 2008, pp. 3-7.

(with N. Reid) 'The Wish-lists: Some Comments', in L. Lyons, H. Prosper and A. De Roeck (eds.), *Statistical Issues for LHC Physics*. Geneva: CERN, 2008, pp. 119-24.

John Darwin (Faculty Fellow) has been mainly concerned with completing a large-scale study of the British Empire as an international system c.1840-1970, to be published by Cambridge University Press, before beginning a new project on imperial port cities. In October 2007, he presented a paper on the experience of decolonisation as a member of the Research Group on Exit Strategies and Peace Consolidation at a conference held in Florence. In November he visited the University of Copenhagen to give an invited lecture on the theme of empires in world history. In March 2008, he gave four lectures at Leiden University discussing aspects of his book *After Tamerlane: The Global History of Empire* (2007). In May, he presented the opening lecture at a two-day conference in Oxford, jointly organised between the History Faculty and the PIRD on the theme 'Echoes of Imperialism'. In June he visited Vancouver to attend the Canadian Historical Association conference there, and also lectured at the Royal College of Defence Studies in London. In July, he presented a paper at the European Congress of Global and World History at Dresden.

His book, *After Tamerlane: The Global History of Empire* won the Wolfson Prize for History for 2007.

Publications

'John Andrew Gallagher 1919-1980', in *Proceedings of the British Academy*, Vol. 150. Oxford: Oxford University Press, 2008, pp. 57-75.

'Britain's Empires', in S. Stockwell (ed.), *The British Empire: Themes and Perspectives*. Oxford: Blackwell Publishing, 2008, pp. 1-20.

Nan Dirk De Graaf (Official Fellow) started working at Nuffield College in October 2007 and he enjoys the excellent scientific climate. He continues to supervise 7 PhD Students at the ICS

research school (Nijmegen University) of which two finished their dissertation (Stijn Ruiter in 2007 and Eva Jaspers in 2008). He started supervising dissertations in Oxford as well.

Sociology of Religion: He began to work on a chapter 'Secularization: Theoretical Controversies Generating Empirical Research' for the *Handbook of Rational Choice Social Research* (eds. Wittek, Snijders and Nee). For this purpose he attended a Russell Sage Workshop, November 8, in New York. He worked on two resubmissions to journals testing secularization and supply side theories of religious participation. One paper has just been published in the *Review of Religious Research* and another one is forthcoming in the *Journal for the Scientific Study of Religion*. The latter paper, joint with Manfred Te Grotenhuis, contains a counterfactual simulation technique that shows that both traditional Christian belief and belief in the supernatural (i.e., a non-institutionalized more vague belief) are strongly driven by cohort-effects implying fewer people with either belief. During Ariana Need's stay at Nuffield, they started an EUREQUAL-project on religious change in 13 East-European societies.

Social Structure and Party Strategy: The EQUALSOC-based project on social and political change headed together with Geoffrey Evans continues and they organized a workshop at Nuffield in September 2008. In this workshop participants from various countries presented the empirical results for their chapters. Together with Ariana Need, Nan Dirk presented a paper on the structural and political changes in the Netherlands.

Social Inequality: Nan Dirk and Stijn Ruiter presented a paper on the developments in the impact of education on status attainment at labour market entry at the RC28 Spring Meeting in Florence, May 2008. They also presented a paper for the Michaelmas Sociology Seminar in Nuffield on 'socio-economic payoffs of voluntary association involvement'. A dynamic analysis employing life-course data showed that voluntary association involvement definitely pays

off. They worked on a re-submit of this paper when Stijn Ruiter stayed at Nuffield.

Inequality and Changing Attitudes: Together with Eva Jaspers and Marcel Lubbers he investigates the impact of important life events on attitude change and a related project is the investigation of the quality of retrospective attitudinal data. A paper on the latter issue, using panel data, is forthcoming in the *European Sociological Review* and a paper on general changes in attitudes has been published in the *International Journal for Public Opinion Research*. Related papers, one on changes in Dutch attitudes towards the European Union, together with Tim Huijts, and another with Giedo Jansen and Jochem Tolsma answering the question ‘Who Supports the Restriction of Personal Freedom by Governmental Means in Order to Increase Collective Security’ have been published in the Dutch Journal *Mens en Maatschappij*. Nan Dirk has been working with Lincoln Quillian and Jochem Tolsma on the impact of intergenerational mobility on antagonistic attitudes towards ethnic minorities and this paper has been submitted.

Criminal Reproduction: Together with Marieke van de Rakt and Paul Nieuwebeerta he examines the influence of criminal careers of parents and siblings on the development of individual criminal careers. They use a multiple data-source strategy in order to test their hypotheses. The data are quantitative and qualitative, consist of 5,000 families, cover a period of 60 years and are obtained from legal, municipal and military files. Results show that children of highly persistent fathers tend to commit more delinquent acts in every phase of their lives than children of law-abiding fathers and four distinct trajectory groups can be distinguished (see publication in the *British Journal of Criminology*). Currently they are working on explanations for changes in criminal behaviour over the life-cycle, which will be tested as well.

Publications

(with M. van der Rakt and P. Nieuwbeerta) 'Like Father, Like Son: The Relationship between Conviction Trajectories of Fathers and their Sons and Daughters', *British Journal of Criminology*, 48, 538-56, 2008.

(with O. Aarts, A. Need, and M. te Grotenhuis) 'Does Belonging Accompany Believing? Correlations and Trends in Western Europe and North America between 1981 and 2000', *Review of Religious Research*, 50, 16-34, 2008.

(with E. Jaspers and M. Lubbers) "'Horrors of Holland": Explaining Attitude Change towards Euthanasia and Homosexuals in the Netherlands, 1970-1998', *International Journal for Public Opinion Research*, 19, 451-73, 2007.

(with A. Güveli and A. Need) 'Socio-Political, Cultural and Economic Preferences and Behaviour of the Social and Cultural Specialists and the Technocrats. Social Class or Education?', *Social Indicators Research*, 81, 597-631, 2007.

(with T. Huijts) 'Veranderingen in houdingen van Nederlanders ten opzichte van de Europese Unie' (Changes in Dutch Attitudes Towards the European Union), *Mens en Maatschappij*, 82, 205-25, 2007.

(with G. Jansen and J. Tolsma) 'Vrijheid versus veiligheid: Wie steunt vrijheidsbeperking omwille van veiligheid in Nederland?' (Liberty versus Security: Who Supports the Restriction of Personal Freedom by Governmental Means in order to Increase Collective Security?), *Mens en Maatschappij*, 83, 47-69, 2008.

Malcolm Dean (Guardian Research Fellow) After 44 years facing 24-hour deadlines, the award of a 24-month fellowship felt like manna from heaven. My first year was based in London conducting 160 interviews with ministers, special advisers, civil servants, pressure groups and fellow journalists in a bid to measure the

media's influence on social policy. There was also the enticing offer of 120 free lunches and 26 free dinners at Nuffield, which true to the traditions of my trade, I enthusiastically accepted but shamefully could not totally complete. But it did allow me to make many trips to attend David Butler's media and politics seminars and enjoy the open access to Oxford's magnificent libraries.

My residential year has been even more fulfilling. Even before this second year began, the ground on which my project rested had shifted dramatically. When it was first planned there was a widespread belief, which I shared, that the media had got too big for its boots. The many pointers included Onora O'Neill's complaint in her 2002 Reith lectures that "the press had acquired unaccountable power that others can't match". Anthony Sampson's fourth anatomy of Britain, *Who Runs This Place?*, documented it in detail in 2004. So did John Lloyd in his *What the Media Are Doing to Our Politics* in the same year. But what was still a big beast at the beginning of my fellowship was clearly a wounded stag at the end: leaching large numbers of readers, viewers and advertisers to the internet or free sheets. Only 16% of young people aged 18 to 34 now buy a newspaper. Most papers face huge losses. ITV has lost half its audience. News departments and serious documentary programmes have been badly hit.

In the last two years there has been an avalanche of lectures and programmes on the end of journalism, the denouement of the investigative reporter, and the rise of the blogger and citizen journalists. Even so Bill Keller, the *New York Times's* editor, was right to remind my trade in this year's Hugo Young memorial lecture, that despite being "beleaguered", newspapers still had a long-term future if owners could hold their nerve and invest in serious journalism.

My project remains on course. I am scrutinizing nine different government decisions across the social policy front to tease out the media's influence. They stretch across a spectrum at one end of which ministers, special advisers and civil servants are agreed that the media did play a crucial role. This was Tony Blair's

announcement in 2003 that asylum numbers would be cut in half. At the other end there is Blair's declaration in 1999 to end child poverty, where there was no media pressure. But even there, the media still influenced what followed. Instead of capitalizing on opinion polls showing significant support for anti-poverty programmes by building a powerful coalition of groups in support – such as happened later with the international Make Poverty History campaign – the government failed to publicly promote its child poverty programme for fear of ruffling right wing tabloid feathers. It received only one mention in the 2001 election. In between these extremes come chapters on education, housing, crime, drugs, health spending and social service decisions.

My residential year has enabled me to fill out and refine the results of last year's interviews as well as collate my files and memories of 38 years at *The Guardian* covering Whitehall briefings on social policy reform. I have made presentations at eight seminars: two in Oxford (the MSc course on crime and the media and the department of social policy), one down the road at Blenheim Palace (a two-day symposium on health care), and five in London (the social policy forum, King's Fund leadership course, Harkness Fellows Association, the Health Foundation, and Forum for the Future graduate programme). I particularly enjoyed attending all eight crime and the media seminars in Oxford, which provided me with important new insights into the incestuous way in which politicians have used the media to promote penal populism.

I spent a morning with the Commission on English Prisons speaking about the media's influence on the criminal justice system and accepted an invitation from the Council of Europe to speak about the media and democracy at its third summer university for leading East European politicians and journalists in Strasbourg in July, 2008. I also reluctantly agreed to defend the media from a charge of "being out of touch with reality" at the King's Fund in London, but was pleased to see John Lloyd's side win.

Oxford has provided a cornucopia of seminars and workshops to supplement my research: David Butler's Friday seminars; the Reuter's Institute's Wednesday media seminars; social policy department seminars; Oliver Smithies lectures on corporate and state corruption; separate Saïd Business School symposiums on media regulation and the future of public service broadcasting; and a joint meeting of the Centre for Criminology and the Police Foundation at All Souls covering the growth of police powers. I enjoyed being involved with the Nuffield-based team drawing up an agenda for the next government: the Options for Britain II project.

I continued to be invited to a wide range of social policy seminars in London including the ESRC's "measuring poverty" during Science Week; the Fabian inquiry into housing; the Smith Institute on creating a fairer tax system; a Policy Network series on inequality; and the King's Fund on improving the wellbeing of children. I remained a member of the Fawcett Commission on Criminal Justice examining discrimination that all three categories of women in the system suffer: officers; offenders; victims. As a trustee of the Young Foundation and Counsel and Care I took part in various workshops and conferences the two charities organized.

I continued to write the occasional piece for *The Guardian* including a feature on the future of the welfare state in November 2007, which coincided with the publication of *Making Social Policy Work*, a collection of essays marking the 70th birthday of Howard Glennerster. I chaired the Festschrift at the London School of Economics that launched the exercise. Last, but by no means least, I wrote a special feature for *Guardian Education* on Nuffield's 50th anniversary of receiving its royal charter in June, 2008. It certainly helped boost our readership in the College that week. There were even complimentary remarks made to the author. May they be repeated when my book is finally published. Thanks to Nuffield it is going to be much better than it would have been.

Jurgen A. Doornik (Research Fellow) He continued his half-time research on a ESRC award with David Hendry, Jennifer Castle and James Reade, entitled ‘Automatic Tests of Model Specification’. Following completion of a new algorithm for automatic econometric modelling (‘Autometrics’) within the spirit of general-to-specific modelling, he started documenting it and considering applications for further research. In particular, the algorithm was extended to the case where there are (many) more variables than observations. Different approaches have been compared, and a new expanding/contracting version was found to perform best.

He gave talks at the NTNU in Trondheim, the conference in honour of David Hendry and the 5th OxMetrics User Conference in London. He gave a two-day course at the NTNU in Trondheim and a four-day course hosted at the Cass Business School in London.

Publications

‘Conversion of High-Period Random Numbers to Floating Point’, *ACM Transactions on Modeling and Computer Simulation*, 17, Article 3, 2007.

Ox: An Object-Oriented Matrix Language – Ox 5. London: Timberlake Consultants Press, 2007.

(with D.F. Hendry) *Empirical Econometric Modelling Using PcGive 12: Volume I*. London: Timberlake Consultants Press, 2007.

(with D.F. Hendry) *Modelling Dynamic Systems Using PcGive 12: Volume II*. London: Timberlake Consultants Press, 2007.

(with D.F. Hendry) *Econometric Modelling Using PcGive 12: Volume III*. London: Timberlake Consultants Press, 2007.

(with D.F. Hendry) *PcGive 12, Volume IV: Interactive Monte Carlo Experimentation in Econometrics Using PcNaive*. London: Timberlake Consultants Press, 2007.

(with S.J. Koopman, A.C. Harvey, and N. Shephard) *STAMP 8: Structural Time Series Analyser, Modeller and Predictor*. London: Timberlake Consultants Press, 2007.

Mikhail Drugov (Non-stipendiary Research Fellow) has continued the work on polishing the chapters of his PhD thesis to prepare them for publication and also on the paper on corruption and competitive bureaucracy (described in last year's report). Two chapters and the paper on corruption have been submitted for publication. The paper on corruption has been presented in EXLEGI (Oxford), Royal Economic Society Conference (Warwick) and Institutions and Institutional Change CEPR Conference (Bristol).

Mikhail started a further development of his PhD thesis as next year's job market paper. There are distributors who are bargaining with their exclusive suppliers about the price and the cost is the private information of suppliers. The costs of different suppliers are correlated; thus, there are benefits of delaying production and learning from the other market participants. At the same time distributors are competing with each other in the market characterized by the first-mover advantage; thus, there are benefits of moving first. Equilibria of this game under different assumption about available contracts (full commitment and no commitment) are studied and various results are obtained. For example, a stronger competition may lower production; it may be possible to extract all the surplus from the suppliers; equilibrium under no commitment may be more efficient than under full commitment.

Mikhail also started a completely new project on learning and microlending (with Rocco Macchiavello, Nuffield). For many self-employed poor in the developing world, entrepreneurship involves experimenting with new technologies and learning about oneself. This project explores the (positive and normative) implications of learning about oneself for the practice of lending to the poor. The optimal lending contract rationalizes several common aspects of

microlending schemes, such as “mandatory saving requirements”, “progressive lending” and “group funds”. Joint liability contracts are, however, not necessarily optimal. A tension between achieving low default rates and retention of the best borrowers is highlighted. Excessively high retention rates may occur under increased competition and/or among the poorest. The model also predicts the contemporaneous holding of borrowing and savings at unfavourable interest rates as well as the failure to undertake profitable and easily available investment opportunities, such as accepting larger loans to scale-up business. The model delivers several further testable predictions and can be used to interpret and guide the design of controlled field experiments to evaluate microlending schemes. This paper has been presented in Oxford (by Mikhail) and in Oxford, Stockholm and Oslo (by Rocco).

The highlight of this year for **Raymond Duch** (Professorial Fellow) was the publication by Cambridge University Press of *The Economic Vote: How Political and Economic Institutions Condition Election Results*. This was the culmination of a six-year National Science Foundation funded project. The book will be included in Cambridge’s highly regarded Political Economy of Institutions and Decisions series. The book 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.

This recently published book proposes 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 economic evaluations in their vote decision. Over the past year he has worked on extending the initial theoretical insights and on broadening the empirical tests of the arguments.

The theoretical extension of the original argument is a model of vote choice that incorporates both moral hazard and adverse selection motivations. The paper is currently under review at the *Journal of Theoretical Politics*. One of the empirical extensions of the original book is a new project that will expand these modeling efforts formally, 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. This year he prepared a major funding request to European Union Framework Seven Programme to fund a large scale cross-national study to implement these experiments, although the grant application was ultimately unsuccessful.

A second empirical extension of the original project is expanding the sample of public opinion surveys to approximately 450 including surveys from over 60 countries and adding to the macro-economic and institutional contextual variables in the data set. This greatly expanded data has provided the necessary leverage to tease out the role of objective versus subjective economic evaluations on vote choice – a paper summarizing these results will be presented at the American Political Science Association (APSA) conference in late August 2008.

Another extension of the original research project that builds on both the theoretical arguments in the book and the expanded data base is a paper estimating the importance of ideology in the vote decision. A paper summarizing the results was completed with co-authors David Armstrong, a post-doc at Oxford, and a former graduate student from the University of Houston, Jeff May. This paper is currently under review at the *American Political Science Review*.

He obtained funding from the Rose Fund at the University of Houston to participate in the Comparative Campaign Analysis Project (CCAP) which is a six-wave panel survey of the U.S. Presidential Campaign that is being conducted over the period November 2007 to November 2008. The project consists of a consortium of U.S. academic institutions in addition to Nuffield

College. He will be directing a similar British CCAP that will analyze voter attitudes over a one year period leading up to the next British elections. His particular interest in both these projects is in understanding the impact of election campaigns on the formation of economic evaluations and how these contribute, exogeneously, to vote choice. As part of this initiative, in August 2008, he organized a two day workshop at Nuffield entitled “Cooperative Campaign Analysis Project Workshop” that was attended by 20 prominent scholars from many of the leading U.S. and European universities. The conference was funded by Nuffield College and The Andrew Mellon Foundation.

This year he, along with Peyton Young and Diego Gambetta, successfully inaugurated the Nuffield Centre for Experimental Social Science (CESS). The CESS received five years of funding from Governing Body. Duch is the director of the CESS which this year appointed a Research Fellow, Michèle Belot; and also appointed a post-doc and assistant to the director, Luis Miller. In addition, he has finalized the plans for the CESS experimental lab that will be in operation in October, 2008.

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 is a member of the ReMiSS (the Center for Research Methods in the Social Sciences). In addition, he has presented papers at a number of conferences during the 2007-2008 period including the 2008 American Political Science Association meetings; and the 2008 Midwest Political Science Association meetings.

Recent invited presentations

LSE Political Science and Political Economy Conference on “Designing Democratic Institutions”, London School of Economics (March, 2008).

University of Mannheim Conference on “Voters and Coalition Governments” (November, 2007)

European University Institute, Conference on “Electoral Forecasting Models: Experimentations, Results and Recent Advances” (September, 2007)

Publications

(with R. Stevenson) *The Economic Vote: How Political and Economic Institutions Condition Election Results*. Cambridge: Cambridge University Press, 2008.

‘Comparative Studies of the Economy and the Vote’, in C. Boix and S. Stokes (eds.), *The Oxford Handbook of Comparative Politics*. Oxford: Oxford University Press, 2007, pp. 805-44.

Antonis A. Ellinas (Non-stipendiary Research Fellow) has completed his manuscript *Playing the Nationalist Card*, which examines how party competition over national identity and how media exposure have affected the fortunes of far right parties in Western Europe since the early 1980s. He has also been working on a collaborative project on the organizational culture of the European Commission, which is based on 200 interviews with top Commission managers. Ellinas has accepted a tenure-track position at the College of the Holy Cross, Massachusetts and will be vacating his Nuffield post in August 2008.

Publications

(with E. Suleiman) ‘Reforming the Commission: Between Modernization and Bureaucratization’, *Journal of European Public Policy*, 15, 708-25, 2008.

‘Phased Out: The Far Right in Western Europe’, *Comparative Politics*, 39, 353-72, 2007.

Aytek Erdil (Non-stipendiary Research Fellow) I have finished a paper titled “Efficiency in Assignment Based on Coarse Preferences” based on a section in my doctoral thesis. In this paper I study the assignment of heterogeneous indivisible objects on the basis of recipients’ preferences and a fixed set of priorities which constrain the feasible allocations. The motivating example is the assignment of school seats, where students express their preference rankings and they are ordered by each school based on a priority structure taking into account whether the student has a sibling attending that particular school, or if he or she lives in the walk-zone of the school. It is well-known that priority-based allocation rules may lead to ex-post inefficiency due to imposing of the priorities. I fully characterise the priority structures for which the priority constrained efficient solutions are also unconstrained efficient, i.e., the aforementioned efficiency loss is avoided.

Despite the documented welfare loss in priority-based mechanisms, a satisfactory justification in favour of their use in one-sided assignment problems has been missing. Motivated by this concern, I started a project aiming to rationalise the use of priorities. I study conditions on the ex-ante distribution of the cardinal utilities of agents, under which a stable rule may be ex-ante Pareto superior to an ex-post Pareto efficient rule such as Random Serial Dictatorship. Understanding these conditions is not only critical in explaining the widespread use of priority-based mechanisms, but is also expected to shed light on the design of the priorities and help determine whether a given priority rule is sensible. I will also argue that, under the conditions when priority based rules are ex-ante superior to random serial dictatorship, a mechanism even better than the priority rule may exist.

In addition to the above, I refereed papers for the *American Economic Review* and the *Journal of Economic Theory*.

Publication

(with H. Ergin) ‘What’s the Matter with Tie-Breaking? Improving Efficiency in School Choice’, *American Economic Review*, 98, 669-89, 2008.

Alexander Evans (Gwilym Gibbon Fellow) I managed to spend more time at Nuffield this year, despite spending much of the year in Pakistan with the Foreign Office.

I attended the Second Berlin Conference on Asian Security and the Ditchley Conference on “The Prospects for Pakistan and Its Neighbourhood” (both in October 2007), and participated in a range of seminars and workshops at Oxford during periods at Nuffield in October, December, February/March and June. I organised the Nuffield Policy Advice workshop on 9 October 2007, in which a group of politicians, civil servants, special advisers, consultants and academics came together to discuss how politicians can get the best policy advice – and how this is changing over time. I participated in Options for Britain II on 27-28 February 2008. And I helped design a simulated India/Pakistan/Afghanistan crisis run by SOAS on 8 March 2008, in which (worryingly proficient) postgraduate students showed that they could be as inventive and obstructive as their real-life counterparts.

A book chapter on “Kashmiri Exceptionalism” was published in August 2008 in *The Valley of Kashmir* (New Delhi: Manohar), and a book chapter on “The Value of Informal Networks to Policymakers” was the product of a spell at Nuffield in June 2008 (it is due out this coming November). During 2008 I stepped down from the editorial boards of *Asian Affairs* and *The Round Table* because of the pressures of work in Pakistan.

My time at Nuffield is tremendously valuable: a place to think, and a forum for a range of serendipitous, thoughtful conversations that enrich both my academic and policy work.

Publication

'Kashmiri Exceptionalism', in T.N. Madan (eds.), *The Valley of Kashmir*, New Delhi: Manohar, 2008, pp. 715-43.

Geoffrey Evans (Official Fellow) continued his work on a variety of topics on the relations between electorates and democratic government.

He continued his study of the evolution of class voting in British politics (with James Tilley), presenting papers at the APSA and EPOP annual conferences. This research demonstrates how the apparent convergence of voting behaviour between social classes has not been produced by the blurring of class divisions – whether economic, social or attitudinal – but is a consequence of strategic positioning by parties that has deprived voters of ideological choices. These issues were also raised in his cross-national EQUALSOC project with Nan Dirk De Graaf for a workshop held at the college in September 2008, at which participants presented their contributions to a book-length manuscript examining the temporal dynamics of the relations between social structure, political preferences and party manifesto positions across a wide range of advanced industrial societies.

James Tilley and he have also developed on their previous analyses of Northern Irish politics by demonstrating the important role of timing of political socialization for conditioning electoral support for Sinn Fein and the DUP that is not linked to 'hard line' attitudes on constitutional issues, thus potentially facilitating the relatively moderate strategies that have characterized politics in Northern Ireland in recent years (related work with Paul Mitchell and Brendan O'Leary was completed following acceptance for publication in *Political Studies*).

Progress on his EU-funded project on 'Inequality and Democracy' in post-communist societies with Stephen Whitefield was slow this year as there was a great deal of activity (primarily by Matt Loveless) coding, cleaning and combining of dozens of national surveys

conducted over a 15 year period culminating in the 13-country wave in 2007. Towards the end of the year he and Matt produced a paper examining the evolution of class-based political divisions in the region for presentation at the APSA annual meeting. Much more research output is expected in 2008-09 when he will also be joined in his work in this area by Djordje Stefanovic who has come to Nuffield, courtesy of an SSHRCC grant.

His work with Pauline Rose on the social bases of support for democracy in Africa continued through an examination of the ways in which gender and religion condition the impact of education on democratic attitudes. Other work examining the mechanisms that account for education's effects is under review at journals. Similarly, his work using panel data to estimate the direction of causality between responses to questions about political perceptions and preferences in electoral behaviour research is also currently under review at journals. Future work in this respect is likely to be facilitated by a proposed Cooperative Campaign Analysis Project (CCAP) panel study in Britain initiated by Ray Duch.

Professional Activities. ReMiSS (The centre for Research Methods in the Social Sciences) has continued to develop with the creation of two new permanent methods-related posts, one of which is linked with the Statistics Department. Recruitment for these will take place in 2008-09. Pleasingly also, *Electoral Studies* has jumped smartly up the citation indices recently.

Publication

(with J. Tilley and C. Mitchell) 'Consociationalism and the Evolution of Political Cleavages in Northern Ireland, 1989-2004', *British Journal of Political Science*, 38, 699-717, 2008.

Ray Fitzpatrick (Faculty Fellow) became Deputy Head for the Department of Public Health in 2007. He chairs the RAE panel for Health Services Research which completes its work at the end of 2008. He continues to be chair of the Scientific Committee, National

Prevention Research Initiative (NPRI), a role he has fulfilled since its inception in 2004. The NPRI is a unique initiative by 16 funding partners, including Cancer Research UK, Department of Health, Food Standards Agency, Medical Research Council, to carry out research to change health behaviours in order to prevent health problems such as heart disease, cancer, diabetes and stroke. A further funding round of £12 million is announced for 2008. In 2008, he was elected to be a Fellow of the Academy of Medical Sciences.

A new research project commenced in 2008: an evaluation of the role of telehealth and telecare to improve services across health and social care for long term conditions such as diabetes and heart failure. With over £2 million funding from the Department of Health, this collaboration between the Universities of London, Manchester and Oxford will conduct a randomised controlled trial involving services in Cornwall, Kent and Newham.

He has also undertaken a programme of work for the Department of Health to identify patient reported outcome measures (PROMs) that can be reliably used to assess quality and performance of NHS services. In 2008, Lord Darzi produced his review of how the NHS should develop – *High Quality Care for All*. PROMs are an important feature of the review, giving patients’ reports of outcomes of their treatments a prominent role in assessing the quality of care.

Publications

(with C. Morris, K. Liabo and P. Wright) ‘Development of the Oxford Ankle Foot Questionnaire: Finding Out How Children are Affected by Foot and Ankle Problems’, *Child: Care, Health and Development*, 33, 559-68, 2007.

(with D. Murray, K. Rogers, H. Pandit, D. Beard, A. Carr and J. Dawson) ‘The Use of the Oxford Hip and Knee Scores’, *British Journal of Bone and Joint Surgery*, 89, 1010-14, 2007.

(with C. Morgan, T. Burns, V. Pinfold and S. Priebe) 'Social Exclusion and Mental Health: Conceptual and Methodological Review', *British Journal of Psychiatry*, 191, 477-83, 2007.

(with J. Dawson, H. Doll, I. Boller, C. Little, J. Rees, C. Jenkinson and A. Carr) 'The Development and Validation of a Patient-Reported Questionnaire to Assess Outcomes of Elbow Surgery', *Journal of Bone and Joint Surgery*, 90, 466-73, 2008.

'Society and Changing Patterns of Disease', in G. Scambler (ed.), *Sociology as Applied to Medicine*. London: Saunders Elsevier, pp. 3-17, 2008.

'Measuring Health Outcomes', in G. Scambler (ed.), *Sociology as Applied to Medicine*. London: Saunders Elsevier, pp 297-312, 2008.

'Organizing and Funding Health Care', in G. Scambler (ed.), *Sociology as Applied to Medicine*. London: Saunders Elsevier, pp. 313-28, 2008.

Noel H. Gale (Emeritus Fellow), emeritus University Professor of Archaeological Science, has continued his work in applying scientific methods to the study of Bronze Age trade and cultural interactions in the Mediterranean region. He was an organiser of and gave papers at the conference *Archaeometallurgy in Europe* held by the Associazione Italiana di Metallurgia in Aquileia, Italy. He remains Overseas Editor of the *Geochemical Journal* and Assistant Editor of the *Revue d'Archéometrie*, and is a member of the scientific committee of the Institute of Archaeometallurgical Studies, Institute of Archaeology, University College, London.

Publications

(with Z.A. Stos-Gale) 'Cross-cultural Minoan Networks and the Development of Metallurgy in Bronze Age Crete', in S. La Niece, D. Hook and P. Craddock (eds.), *Metals and Mines*. London: Archetype Books, 2007, pp. 103-11.

(with Z.A. Stos-Gale) 'Changing Patterns in Prehistoric Cycladic Metallurgy', in N. Brodie, J. Doole, G. Gavalas and C. Renfrew (eds.) *Horizon: A Colloquium on the Prehistory of the Cyclades*, Cambridge: McDonald Institute for Archaeological Research, 2008, pp. 387-408.

(with M. Kayafa and Z.A. Stos-Gale) 'Early Helladic Metallurgy at Raphina, Attica, and the Role of Lavrion', in I. Tzachili (ed.) *Aegean Metallurgy in the Bronze Age*, Rethymnon: University of Crete, 2008, pp. 87-104.

Review of Peter M. Day & Roger C.P. Doonan (eds.) *Metallurgy in the Early Bronze Age Aegean.*, Oxford: Oxbow Books, 2007: in *Antiquity* 82, 510-12, 2008.

Duncan Gallie (Official Fellow) has been carrying out further analyses of the 2006 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 in 1992 (the Employment in Britain Survey, with Michael White), followed by subsequent skills surveys in 1997 and 2001 (coordinated by Francis Green and Alan Felstead). In particular, he has been examining the development of teamwork in Britain since the early 1990s and changes in the work values of British employees. He also has been working with Ying Zhou on an analysis of the changing position of female part-time workers in Britain and with Ying Zhou and Karin Halldén on a comparison of part-time work in Britain and Sweden.

The year has seen the publication of a book that he edited on the quality of work in a number of European societies. 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 assesses 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 completed with Martina Dieckhoff a paper that assesses 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 continued to serve as Foreign Secretary, Vice President and member of Council of the British Academy. He is a Member of the Strategic Advisory Board of the Danish National Institute of Social Research. He chaired the ESRC Professorial Fellowship Commissioning Panel. At Nuffield, he is Fellow Librarian. He has been coordinator of the 'Employment and Labour Market' Research Group and local Nuffield 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). He was co-organizer of the mid-term conference of the Network in Berlin, in April 2008, which brought together the diverse activities of the Network. He has been a member of the Board of the CO-REACH (Coordination of Research between Europe and China) FP6 ERA-NET, designed to improve the infrastructure for comparative research between China and Europe. He was responsible for a CO-REACH workshop in Beijing in May 2008, bringing together European and Chinese social scientists, to discuss common research priorities.

Publications

Employment Regimes and the Quality of Work. Oxford: Oxford University Press, 2007.

'Task Discretion and Job Quality', in D. Gallie (ed.), *Employment Regimes and the Quality of Work*. Oxford: Oxford University Press, pp. 105-36, 2007.

(with M. Dieckhoff) 'The Renewed Lisbon Strategy and Social Exclusion Policy', *Industrial Relations Journal*, 38, 480-502, 2007.

(with F. Green, A. Felstead and Y. Zhou) ‘Computers and Pay’, *National Institute Economic Review*, 201, 63-75, 2007.

Diego Gambetta (Official Fellow) A busy year, verging on the hectic, which is best described as one of completion and of sowing a few new seeds. I completed:

- the long overdue manuscript of *Crimes and Signs: Cracking the Code of the Underworld*, which will be published sometime next year by Princeton University Press;
- a chapter on ‘Signalling theory’ for the *Handbook of Analytical Sociology*, edited by Peter Bearman and Peter Hedström, which will be published next year by OUP;
- two papers, derived from the ESRC funded survey-based ‘trust game’ experiment with a sample of the British population: ‘Measuring People’s Trust’ (with John Ermisch and others, which has now been accepted for publication by the *Journal of the Royal Statistical Society*) and ‘Do Strong Family Ties Inhibit Trust?’ (with John Ermisch);
- new preface for the Polish translation of *The Sicilian Mafia*.

I also rewrote and expanded “Engineers of Jihad” (with Steffen Hertog). The paper has now become so long that is no longer viable as a journal article, so we submitted it to Princeton University Press with a plan for extensions and they have now offered us a contract for a book. (Although it has appeared only as a working paper so far, on the Department of Sociology website, it was picked up first by several blogs and has triggered a stormy debate in cyberspace, and then became an item of news in several newspapers and magazines around the globe, including some from the engineering profession.)

With regard to work in progress, I co-authored a paper with Andrea Pataconi, “A theory of ideological zeal and discrimination”, in connection with the workshop on mimicry in civil wars (see below); I co-authored a paper with Gloria Origgi, “Kakonomia: The Dominance of Low Quality and Its Norms”, in connection with a workshop in Bogotá (see below).

I submitted a series of applications for a research grant with Katya Korobtseva to analyse a large database of a marriage agency in Japan (61,000 cases, 270 variables each, 900,000 interactions among members). My interest in this project is limited to testing some predictions of signalling theory and of the full disclosure principle.

With regard to dissemination, in October 2007 I spent a week in Bogotá, where I took part in a debate on *The Sicilian Mafia*, which was published in Spanish translation in 2007; I gave a lecture at the Escuela de Gobierno Alberto Lleras Camargo Universidad de los Andes, and I took part in a workshop on “Moral, Social and Legal Norms”, organised by Jon Elster and Antanas Mockus, former mayor of Bogotá, where I presented the paper with Origgì mentioned above. In November/December 2007 I was ‘Conférencier invité’ at the Collège de France for a month; I gave four lectures on signalling theory, and organised a workshop on ‘Mimicry in civil wars: the strategic use of identity signals’, hosted by the Collège and funded by PRIO, Oslo. In April 2008 I gave a lecture at NYU and delivered a paper in Nuffield, at the workshop on Analytical Sociology.

Finally, with regard to institution-building and managing in Oxford – while I continued to contribute to the development of *Exlegi* – with Ray Duch, Peyton Young, and the Warden, we proposed to the College the creation of the Nuffield Experimental Social Science Lab. The College generously agreed to support the initiative, and the Lab, which will be of service to the whole social science community in Oxford, will begin to function in October 2008. On 1st September I became Chair of the Sociology group.

Publications

Mafia sycylijska. Prywatna ochrona jako biznes. Warsaw: Oficyna Naukowa, 2008. (Polish edition of *The Sicilian Mafia*.)

‘Protección extralegal, mafias y economía’, *Revista Gobierno*, No. 1. Bogotá, Universidad de los Andes – Escuela de Gobierno Alberto Lleras Camargo, 2008.

‘Can We Trust Trust?’ in R. Bachmann and A. Zaheer (eds.), *Landmark Papers on Trust*. Cheltenham: Edward Elgar, 2008, Vol 1, pp. 133-57. (Reprint of a chapter originally published in D. Gambetta (ed.), *Trust. Making and Breaking Cooperative Relations*. Oxford: Blackwell, 1988.)

George Georgiadis (Non-stipendiary Research Fellow) During the academic year 2007-2008, Dr Georgiadis convened an ESRC-funded workshop on ‘Europe’s Unfinished Political and Economic Transitions? The Convergence-Divergence Debate Revisited’. The workshop was convened at the European Studies Centre of Oxford University with the support of Southeast European Studies at Oxford between 24-25 January 2008 and attracted scholars from the United States, Canada, the UK, and continental Europe. The keynote address of the workshop was given by Frank Schimmelfennig, one of the leading scholars of contemporary European affairs. From a substantive point of view the workshop aimed to capture and explain the typologies of political and economic transition experienced by two regions, the Western Balkans and Eastern Europe (broadly defined), reviving along the way an earlier debate on the question of the convergence or not of the transition countries towards a common model of market-based democracies. The proceedings of the workshop will be published as a special issue of *Southeast European and Black Sea Studies* (in December 2008).

Dr Georgiadis presented aspects of his research in various conferences, including the 2008 annual conference of the American Political Science Association (‘The Limits of Conditionality in Comparative Perspective’). Dr Georgiadis also contributed to the Nuffield Working Paper Series in Politics with his paper ‘Beyond Accession Conditionality and Negotiations: Privatization, Trade

Dynamics and the Political Economy of Early Post-communist Economic Transition' (No. 2007-W7).

John Goldthorpe (Emeritus Fellow) completed his work with Tak Wing Chan on the social stratification of cultural consumption and returned to research, in collaboration with Robert Erikson, Michelle Jackson and Colin Mills, on social mobility, with particular reference to the relation between income and class mobility and the role of education in mobility processes. These latter issues aroused some political interest and he was called upon to give evidence to the House of Commons Select Committee on Children, Schools and Families and to the Commission on Social Mobility set up by the Liberal Democrats. He also gave a lecture at the Trento Festival of Economics on the theme of 'Markets versus Meritocracy' which was based in part on new research, with Erzsébet Bukodi (Centre for Longitudinal Studies, Institute of Education, London), on the changing relationship between social class and education in Hungary in the course of the transition from state socialism to liberal capitalism. Colin Mills and he presented the results of their work on long-term trends in intergenerational class mobility in Britain to an EQUALSOC conference in Berlin in April and to a joint conference of the Centre for Longitudinal Studies and the Centre for the Economics of Education at LSE in June.

Publications

“‘Cultural Capital’”: A Response to the Comments’, *Sociologica*, 2, doi: 10.2383/24759, 2007.

(with T.W. Chan) ‘Data, Methods and Interpretation in Analyses of Cultural Consumption: A Reply to Peterson and Wuggenig’, *Poetics*, 35, 317-29, 2007.

(with T.W. Chan) ‘The Social Stratification of Cultural Consumption: Some Policy Implications of a Research Project’, *Cultural Trends*, 16, 373-84, 2007.

(with M. Jackson) 'Intergenerational Class Mobility in Contemporary Britain: Political Concerns and Empirical Findings', *British Journal of Sociology*, 58, 525-46, 2007.

(with C. Bunting, T.W. Chan, E. Keaney and A. Oskala) *From Indifference to Enthusiasm: Patterns of Arts Attendance in England*. London: Arts Council England, 2008.

'Three Cheers for Unoriginality – but Who Will be Cheering?: A Comment on Breuer and Lizardo', *Sociologica* 1, doi: 10.2383/26581, 2008.

(with M. Jackson) 'Education-Based Meritocracy: The Barriers to its Realization', in A. Lareau and D. Conley, (eds.), *Social Class: How Does it Work?* New York: Russell Sage Foundation, 2008, pp. 93-117.

'Two Oppositions in Studies of Class: A Reflection' in A. Lareau and D. Conley, (eds.), *Social Class: How Does it Work?* New York: Russell Sage Foundation, 2008, pp. 350-53.

(with C. Mills) 'Trends in Intergenerational Class Mobility in Modern Britain: Evidence from National Surveys, 1972-2005', *National Institute Economic Review*, 205, 83-100, 2008.

Sandra Gonzalez-Bailon (Non-stipendiary Research Fellow)
During my one-year ESRC Postdoctoral Fellowship I have been engaged mostly in the dissemination of my doctoral dissertation by attending conferences and writing papers for publication. Two of those papers ("Opening the Black Box of Link Formation: Social Factors Underlying the Structure of the Web" and "Traps on the Web: The Impact of Economic Resources and Traditional News Media on Online Traffic Flow") are currently under review. The first paper examines to what extent factors that are exogenous to the web (like economic resources and visibility in traditional media) affect its structure; the second paper shows that such structure (and in particular, the distribution of centrality) has a significant role in determining the amount of traffic that sites get: the most central

sites are the most visited; they are also the sites published by the richest and the most visible organizations. The aim of both papers is to uncover a sociologically relevant dimension of the web that has been disregarded so far but that is nonetheless crucial to understand its political economy. I presented previous versions of these papers at the Department of Sociology seminar (Oxford, November 2007), the Sunbelt INSNA conference (Tampa, January 2008), the General Online Research conference (Hamburg, March 2008), the Politics Web 2.0 International conference (London, April 2008), and the seminar Forums of Pompeu Fabra University (Barcelona, May 2008). I presented a third paper (“Networks and Mechanisms of Interdependence: Theoretical Developments Beyond the Rational Action Model”) at the congress of the Spanish Sociology Federation in September 2007. This paper was submitted for publication to the international Spanish-speaking journal *Revista Internacional de Sociologia* (peer-reviewed). Publication is expected in early 2009.

During the past year I have also been engaged in two collaborative projects. I have worked with Tommy E. Murphy (researcher at Bocconi University) in a paper entitled “When Smaller Families Look Contagious: a Spatial Look at the French Fertility Decline Using an Agent-Based Simulation Model”. The aim of the paper is to explain one empirical instance of diffusion: the fertility decline exhibited by France in the XVIII and XIX centuries, which followed a very distinctive geographical pattern where the areas of low fertility gradually expanded to the detriment of those with high fertility rates. I presented this paper at the Nuffield Postdoctoral seminar (Oxford, 6 March 2008), the World Congress of the International Institute of Sociology (Budapest, June 2008), and the European Social Simulation Association conference (Brescia, September 2008). A draft has been published in the Oxford University Discussion Papers in Economic and Social History (n. 71, July). The second project involves a collaboration with Jose A. Noguera (associate professor at the Universitat Autònoma de Barcelona). We have been working in a paper entitled “Labour Market Behaviour, Unconditional Benefits,

and Social Mechanisms: An Agent-Based Model”. This paper, a draft version of which was also presented at the International Institute of Sociology Congress, aims to explore the effects that unconditional benefit schemes would have on the labour market. Agent-based simulation is used to explore the collective action properties of labour behaviour when the level of unconditional benefit that agents receive depends on the behaviour of the other recipients.

From 1 September 2008 I will be a research fellow at the Oxford Internet Institute, maintaining my connection to Nuffield as a non-stipendiary research fellow.

A.H. Halsey (Emeritus Fellow) I forgot to mention last year that the fourth of my series of readers in the sociology of education was published in 2006 by Oxford University Press, the first having appeared in 1961 from The Free Press (then located in Chicago) under the title *Education, Economy and Society*. My coeditors at that time were Jean Floud and C. Arnold Anderson. The fourth has the title *Education, Globalisation and Social Change*. Its principal editor is Professor Hugh Lauder of the University of Bath and, like its predecessors, it is now being translated into Japanese. The series has dominated the teaching of the sociology of education and has reflected world-wide changes in the place of education in society over the past century.

From the beginning of the academic year I have worked mainly on the idea of a college with a view to delivering a lecture or seminar at the Nuffield College Charter Celebrations in June 2008. This involved me in wading through all eight of the formidable volumes of the *History of the University of Oxford*. After summarising the long history of the Oxford Colleges I put forward the suggestion that Nuffield now appoints a Futures Committee under the chairmanship of the Warden to report to the Governing Body on the policy of the College in its second half-century after the receipt of its Charter in 1958. The details may be read on my web site. The seminar was well

attended, the discussion lively, and a written version of my lecture circulated.

Next year (2008-2009) I hope to spend most of my time bringing my autobiography up to date. The first edition was finished in 1994 and published by Macmillan in 1996 under the title *No Discouragement*.

Anthony Heath (Professorial Fellow) has been working on a wide variety of projects spanning ethnic inequalities, affirmative action policies, social identities and social cohesion. He is currently completing two projects: a study funded by the Nuffield Foundation on the affirmative action programme in Northern Ireland (with Christopher McCrudden, Peter Clifford, Heather Hamill and Raya Muttarak) and a study funded by the ESRC on changes over time in 'traditional' identities such as those based on class or nation (with John Curtice, Katarina Thomson and Bob Andersen). He was also asked to undertake some work for Lord Goldsmith's Citizenship Review on British identity.

A major new strand of work is on social cohesion. With James Laurence he has written a report for the DCLG on ethnic diversity and social cohesion, while UNDP have asked him to help with their work on social cohesion in Bosnia. A major new project on social cohesion (led by Miles Hewstone) which will involve field experiments in British schools has also been funded by the Leverhulme Trust.

Publications

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

(with J. Roberts) *British Identity: Its Sources and Possible Implications for Civic Attitudes and Behaviour*. Research report for Lord Goldsmith's Citizenship Review (2008).

<http://www.justice.gov.uk/docs/british-identity.pdf>

(with J. Laurence) *Predicting Community Cohesion: Multilevel Modeling of the 2005 Citizenship Survey*. Department for Communities and Local Government (2008).

<http://www.communities.gov.uk/publications/communities/pdf/681539>

(with C. Rothon and E. Kilpi) 'The Second Generation in Western Europe', *Annual Review of Sociology*, 34, 211-35, 2008.

(with Y. Li) 'Minority Ethnic Men in the British Labour Market (1972-2005)', *International Journal of Sociology and Social Policy*, 28, 231-44, 2008.

(with J. Tilley) 'The Decline of British National Pride.' *British Journal of Sociology*, 58, 661-78, 2007.

'Perspectives on Electoral Behavior', in R.J. Dalton and H.-D. Klingemann (eds.), *The Oxford Handbook of Political Behaviour*. Oxford: OUP, 2007, pp. 610-18.

(with Y. Brinbaum) 'Explaining Ethnic Inequalities in Educational Attainment', *Ethnicities*, 7, 291-305, 2007.

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. I have devoted a lot of my time to *The Oxford Handbook of Analytical Sociology* which I am editing together with Peter Bearman at Columbia. It will be published by Oxford University Press in 2009.

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 a Fellow of the Norwegian Academy of Science and Letters.

Publication

(with C. Stern) 'Rational Choice and Sociology', in S.N. Durlauf and L.E. Blume (eds.), *The New Palgrave Dictionary of Economics*. Second edition. Basingstoke: Palgrave Macmillan, 2008, vol. 6, pp. 872-7.

David F. Hendry (Professorial Fellow) continued the research under his ESRC-financed award *Automatic Tests for Super Exogeneity and Invariance* with Jennifer Castle and Jurgen Doornik.

This research extended his work on impulse saturation with Søren Johansen and Carlos Santos, which derived the distribution of the estimated mean in a simple location-scale model with independent sampling after adding impulse (zero-one) dummies for every observation in large blocks. Following extensions to dynamic models by Søren Johansen and Bent Nielsen, the significant impulses found in marginal models for any claimed exogenous variables can be tested for significance in a conditional model, and if the null is rejected, super exogeneity is refuted. Automatically testing super exogeneity thus becomes feasible, and is important as a requirement for robust empirical models in economic policy analyses (jointly with Carlos Santos and Jurgen Doornik, who has implemented the Autometrics option in PcGive which conducts such tests). Monte Carlo simulation experiments confirm an appropriate null rejection frequency and reasonable power for location shifts in marginal models when super exogeneity fails. An application to UK transactions money demand found a new conditional empirical model, and confirmed the super exogeneity of interest rates, inflation and total final expenditure.

Our general approach to forecasting potentially-predictable, but presently unanticipated, structural breaks has advanced by formalizing forecasting during a location shift in an equilibrium-correction process (which covers most extant model classes). We focus on estimating the further impacts of location shifts during their process (with Jennifer Castle and Nicholas Fawcett). Research

into the sources of forecast failure (with Mike Clements) had clarified the theory and empirics of so-called ‘naive’ forecasting devices and revealed their adaptability and robustness to shifts. We confirm the difficulty of outperforming such devices even when the form and timing of the break process is known, but show all approaches outperform the alternative of retaining the pre-break model.

Thirdly, improved approaches to model averaging in forecasting are also based on our findings about model selection, and help clarify when forecast combination is likely to work well, and when too many ‘bad’ models will contaminate the outcome (with James Reade).

Finally, research into forecasting Eurozone and US inflation sought to evaluate the theoretical and empirical value of adding disaggregate information to models of aggregates. Simulation experiments confirmed that our new approach to utilizing disaggregate information – which combines information, rather than forecasts as in earlier research – could yield useful improvements over the traditional approach (with Kirstin Hubrich of the European Central Bank).

Professor Hendry gave invited lecture series on ‘Econometric Modelling and Forecasting’ to the IMF, Washington; Arne Ryde Memorial Lectures, University of Lund; Central-Bank Economists’ Course, Oxford; and Econometrics Easter School, Oxford, as well as delivering invited papers at the Festschrift Conferences for Robert F. Engle, San Diego, Mike Wickens, York, and Peter C. B. Phillips, Singapore; the ESRC Research Grants Board; *Journal of Applied Econometrics Lecture*, MMF Conference, Birmingham; Statistics Norway; Sir Richard Doll/Royal Statistical Society Lecture; Frontiers in Financial Econometrics Workshop, Brisbane; Far Eastern Meeting of the Econometric Society; CEFS Launch Conference, Glasgow; Carlo Giannini Memorial Conference, Bergamo; and the DEE Conference, Cambridge.

He presented papers at the Royal Economic Society, 'Phillips Curve 50 Years On', Wellington, and OxMetrics Conferences, and delivered Master Classes at the Society of Business Economists and National Centre for Econometrics Research, Sydney, as well as seminars at State University of New York, Albany; George Washington University; Federal Reserve Board, Washington; Oxford; Queensland Treasury; Reserve Bank of Australia; Queensland University of Technology; Australian Treasury, Canberra; and Singapore Management University.

He was a Member of the UK Government's Foresight Panel, the Royal Society of Edinburgh Fellowship Nominating Committee for Economics, 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. He was the Research Assessment Exercise Coordinator for the Oxford Department of Economics.

Publications

(with S. Johansen and C. Santos) 'Automatic Selection of Indicators in a Fully Saturated Regression', *Computational Statistics*, 23, 317-35; Erratum, 337-39, 2008.

(with M.P. Clements) 'Forecasting Annual UK Inflation Using an Econometric Model over 1875-1991', in M.E. Wohar and D.E. Rapach (eds.), *Forecasting in the Presence of Structural Breaks and Model Uncertainty, Frontiers of Economics and Globalization*. Volume 3. Amsterdam: Elsevier, 2008, pp. 3-39.

(with J.L. Castle) 'Forecasting UK Inflation: Empirical Evidence on Robust Forecasting Devices', in M.E. Wohar and D.E. Rapach (eds.), *op. cit.* pp. 41-92

(with J.J. Reade) 'Elusive Return Predictability: Discussion', *International Journal of Forecasting*, 24, 22-28, 2008.

'Equilibrium-correction Models', in S.N. Durlauf and L.E. Blume (eds.), *The New Palgrave Dictionary of Economics*. Second edition. Basingstoke: Palgrave Macmillan, 2008, vol. 3, pp. 13-21.

(with P.C.B. Phillips) 'Biography of Denis Sargan', in S.N. Durlauf and L.E. Blume (eds.), op. cit., vol. 7, pp. 274-81.

(with N.R. Ericsson) 'Cointegration', in W.A. Darity, Jr. (ed.) *International Encyclopedia of the Social Sciences*, Volume 2. Second edition. Basingstoke: Macmillan, 2008, pp. 2-4.

(with M.P. Clements) *Forecasting Economic Time Series* (Chinese edition), translated by L. Maozu, 2008. (Originally published by Cambridge University Press, 1998).

Andrew Hurrell (Emeritus Fellow) works on international relations. In January 2008 he took up the Montague Burton Chair in International Relations and moved to a Fellowship at Balliol College after eighteen years at Nuffield. 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* was published by OUP in November 2007.

Much of the academic year was taken up with running a major programme of events on the broad theme of Governing the Globe? Governance and Institutions in the 21st Century, sponsored by the Social Sciences Division. The programme consisted of a series of twenty inter-disciplinary public lectures entitled Foundations of Governance in a Globalized World; a series of occasional lectures and workshops on Global Perspectives on Order and Justice; and a number of cross-departmental doctoral student workshops, one of which was co-organized with Sciences-Po. In March, together with Rahul Rao, he organized a workshop in Nuffield on Provincializing

Westphalia: The Emergence of Global International Society. The workshop, and the on-going project, seeks to broaden debates about international political order beyond recent preoccupations with US empire and the fate of global liberalism and to develop a careful analysis of ‘non-western’ sets of ideas and practices, especially as exemplified in the thinking, policies and practices of major states, regions and societies.

Most of his own research this year was devoted to his project on Emerging Powers and Global Order. 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? This work involved two research visits to Brazil in December and April and participation in a conference in New Delhi in January where he spoke on a panel on global climate change governance.

He continued for a final year as director of the Centre for International Studies and served on appointment committees for two new International Relations posts, one on South Asia, the other on the Islamic World. He is also the Oxford director of a three-year research programme on Regional Powers run jointly by Oxford, the German Institute of Global and Area Studies in Hamburg and Sciences-Po in Paris. Together with Charles Beitz, he coordinates the Oxford/Princeton project on global justice and is on the executive committee of Oxford/Princeton Global Leaders Fellowship Programme. This US\$7 million, five-year programme involves the appointment of up to six post-doctoral fellowships each year in world politics and political economy for holders of a doctorate who are nationals of a developing country. The programme aims to create a network of scholars and practitioners

with expertise in the key issues surrounding globalisation. The first cohort of GLF fellows will begin their work in Oxford in October 2008.

Publications

'Lula's Brazil: A Rising Power but Going Where?', *Current History*, 51-57, February 2008.

On Global Order. Power, Values and the Constitution of International Society. Oxford: Oxford University Press, 2007.

Michelle Jackson (Non-stipendiary Research Fellow) continued to 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 and considers the relative importance of previous educational performance and choice in the creation of these inequalities. One paper focuses on ethnic inequalities in the propensity to make the transition from GCSE to A-level education. Far from being the most advantaged group, the white majority population is in fact in an intermediate position – in comparison to the white population, some ethnic minority groups have higher transition rates to A-level and some ethnic groups have lower transition rates. Furthermore, through counterfactual analyses it can be shown that if previous educational performance is held constant at the level achieved by the white majority, every single ethnic minority group is advantaged in the transition to A-level education relative to the white majority population.

Michelle also worked on an Equalsoc-funded collaborative paper on the role of educational field of study in social class mobility. While many studies of social class mobility examine the role of educational level in explaining the association between class origin

and class destination, there is very little research on the role of the field of study in which the educational qualification was obtained. The paper shows that in fact taking account of educational field of study does not add a great deal to our understanding of mobility processes, after the level of educational attainment is taken into account.

Finally, she worked on a paper with David Cox and Shiwei Lu, titled 'On square ordinal contingency tables: a comparison of social class and income mobility for the same individuals'. The paper develops methods for the analysis of class and income mobility tables for the same individuals, illustrated using data drawn from two British birth cohort studies: the National Child Development Study, covering a cohort of individuals born in 1958 and the British Cohort Study, covering a cohort of individuals born in 1970.

Michelle presented papers at seminars held in Nuffield College (December 2007) and Otto-Friedrich University in Bamberg (June 2008). She also attended the Florence and Stanford meetings of Research Committee 28 (Social Stratification and Mobility) and Equalsoc conferences in Dijon (November 2007) and Berlin (April 2008).

Publications

(with J.H. Goldthorpe) 'Intergenerational Class Mobility in Contemporary Britain: Political Concerns and Empirical Findings', *British Journal of Sociology*, 58, 525-46, 2007.

(with J.H. Goldthorpe) 'Problems of an Education-Based Meritocracy', in A. Lareau and D. Conley (eds.), *Social Class. How Does it Work?* New York: Russell Sage Foundation Press, 2008, pp. 93-117.

(with R. Luijkx, R. Pollak, L.-A. Vallet and H. van de Werfhorst) 'Educational Fields of Study and the Intergenerational Mobility Process in Comparative Perspective', *International Journal of Comparative Sociology*, 49, 369-88, 2008.

Magnus Jedenheim-Edling (Non-stipendiary Research Fellow) I have been continuing my work on collective responsibility. I have mainly been working on two papers; both dealing with the problem of over-determination. A case of over-determination occurs when more persons than necessary together produce an outcome. It may then be claimed of each contributor that his act does not make any difference: the outcome would have occurred even if he had acted differently. Suppose we claim, as the most influential moral theories arguably do, that an act is wrong, if and only if, it is necessary for some bad outcome. In that case, it is not true of any single contributor, in a case of over-determination, that he has done anything wrong, since his act wasn't necessary. It should be emphasised that it is reasonable to assume that some of the most pressing problems of our time, like, for instance, pollution, climate change, and so on, are cases of over-determination. Some people believe that we may get around this difficulty by claiming that the group acts wrongly since the bad outcome would not have occurred had all the members of the group acted differently. I share this view but there are a number of difficulties that have to be resolved. The most important ones are: we have to be able to separate wrongdoers from others; and we have to be able to reduce the responsibility of the group to that of its individual members. I am not aware of an account that successfully deals with these issues. The two papers I have written try to do that. One of them approaches these issues from an act-consequentialist perspective, and the other one from a right-based perspective. One has been submitted and the other will soon be.

I have on a regular basis been attending David Miller's workshop in political theory (where I presented one of the papers, 'What We Would Do') and the moral philosophy seminar. I have also been preparing two other papers. One criticises Philip Pettit's theory of collective responsibility, and the other claims that right-based theories cannot criticise act-consequentialism on account of not respecting the distinction between persons because right-based

theories fail to do that themselves. These papers are not quite ready to be submitted.

Ian Jewitt (Official Fellow) completed a paper with Ohad Kadan and Jeroen Swinkels, both of the Olin Business School, on “Moral Hazard with Bounded Payments” (this is an extension of the seminal work begun by James Mirrlees at Nuffield). In a related vein, he also finally completed a very long standing project on “Information in Decision and Principal Agent Problems”. He continued his researches into ambiguity averse decision with a new project exploring how various differently axiomatised models of decision makers respond to “paradoxical” information (in the sense of Simpson’s Paradox). More practically he has been studying the problem of market design for legal aid services following initiatives proposed in Lord Carter’s Review of Legal Aid Procurement.

Christel Kesler (Postdoctoral Prize Research Fellow). I have spent my first year at Nuffield on several ongoing projects and several new ones. I have begun to revise my dissertation (Immigrants, Work, and Welfare: Incorporation and Exclusion in Germany, Sweden, and the United Kingdom) into a book manuscript, and am also revising material from the dissertation into two stand-alone articles for submission to peer-reviewed journals. In the revision process, I have benefited this year from opportunities to present this work at the annual autumn meeting of the International Sociological Association’s Research Committee on Poverty, Social Welfare, and Social Policy (RC19) in Florence, and in May at the Social Science Conference of the CO-REACH (Co-Ordination of Research between Europe and China) network in Beijing.

I also began three new projects, and have been presenting work from these projects to various academic audiences over the course of the year. First, with Irene Bloemraad of the University of California-Berkeley, I have completed a paper entitled ‘Does Immigration Erode Social Capital? The Conditional Effects of

Immigration-Generated Diversity on Trust, Membership, and Participation across 19 Countries, 1981-2000'. The paper argues that national level institutional and policy contexts condition the relationship between immigration-driven diversity and measures of social capital such as social trust, civic engagement, and political participation. Versions of this paper have been presented in an Oxford Sociology Department seminar, at the Canadian Sociological Association annual meeting in Vancouver, at the Summer Workshop on Immigration and Social Change in Britain and the U.S. in Manchester, and will be presented at the American Sociological Association annual meeting in Boston. The paper is currently under review at a major journal.

My second new project, with Luisa Schwartzman of the University of Wisconsin-Madison, is entitled 'Immigration and Ethnic Boundary-Crossing in Britain: A Multi-Generational Approach'. The project uses the Longitudinal Study of linked 1971 to 2001 census records for England and Wales to examine the determinants of ethnic identification among immigrant second and third generations, with a particular focus on the roles of ethnic intermarriage and social mobility. Some results from this project will be presented at this year's summer meeting of the International Sociological Association's Research Committee on Social Stratification and Mobility (RC28) at Stanford.

A third new project, entitled 'Immigration and the Dynamics of Occupational Segregation in the European Union', uses EU Labour Force Surveys to examine cross-national differences in occupational segregation by both gender and immigrant status over the period of the early 1990s to the present, and attempts in particular to identify labour market conditions that lead to accelerated immigrant segregation. Results from this project were presented at the EU Equalsoc network's midterm conference in Berlin. In addition to the conference in Berlin, I also attended an Equalsoc meeting in Dublin in November, and have begun to organise a new collaborative project with Equalsoc colleagues from several countries that will

involve a cross-national comparison of immigrants' labour market outcomes in longitudinal perspective.

Publication

Review of *Immigration and the Transformation of Europe*, edited by C.A. Parsons and T.M. Smeeding, *American Journal of Sociology*, 113, 1452-54, 2008.

Yuen Foong Khong (Faculty Fellow) completed his first year as Chair of the Politics Group in the College; concurrently, he also served as Director of Graduate Studies (International Relations) in the Department of Politics and International Relations. He continued to work on his project on identity and American foreign policy during the 2007-08 academic year. An early version of some of his ideas was published as "Neoconservatism and the domestic sources of American foreign policy" (see below) in which he sought to tease out the relative roles of neoconservative ideas, the post-9/11 mindset, and the Bush administration's risk tolerance levels in explaining the decision to go to war against Iraq in 2003. He is also working on a paper on the role of regions in international relations theory. The paper seeks to explore the pressures felt by states by virtue of their being situated or included in the various "regions" of the world. In March, he attended the International Studies Association Annual Convention in San Francisco, where he participated in a roundtable on "Bridging the Divide between International Relations Theory and Foreign Policy Analysis". In August 2008, he also participated in the Asia Pacific Programme for Senior Military Officials, organized by the S. Rajaratnam School of International Studies in Singapore.

Publication

'Neoconservatism and the Domestic Sources of American Foreign Policy', in S. Smith, A. Hadfield, and T. Dunne, (eds.), *Foreign Policy: Theories, Actors, Cases*. Oxford: Oxford University Press, 2008, pp. 251-68.

Desmond King (Professorial Fellow) pursues several scholarly strands of research.

He has continued research about the American State, funded by his Leverhulme Trust Major Research Fellowship. This has a number of elements. *First*, two papers were completed with Robert Lieberman (Columbia) developing a typology of the American State in a comparative context distinguishing such distinct activities as its role in standardization and democracy building through civil rights. One is published and the other under review. *Second*, King convened (with Lawrence Jacobs, Minnesota) a major conference in Nuffield in May 2008 on “Restructuring America: the American State, Political Change and Rising Inequality”. Papers were presented on federalism (Gary Gerstle, Vanderbilt, Kimberley Johnson, Barnard), public opinion, democracy and inequality (Larry Bartels, Princeton, Ben Page, Northwestern), feminist activists and the American State (LeeAnn Banaszak, Penn State), empire (Paul Frymer, Princeton), Hartzian liberalism (King with Marc Stears, Oxford), inequality and democracy (John Ferejohn, Stanford), African American youth and the American State (Cathy Cohen, Chicago), theories of the American State (King with Robert Lieberman, Columbia) and commentaries came from Nancy Bermeo (Oxford), Liz Cohen (Harvard), Guillermo O’Donnell (Notre Dame), Stephen Skowronek (Yale), David Soskice (Oxford and Duke), Stephen Tuck (Oxford) and Laurence Whitehead (Oxford). The papers and discussions focused on the challenges arising from rising economic inequality, administrative incoherence, segmented representation and foreign overstretch now confronting the American State. Some of these themes – for instance, that of political polarization – were anticipated at a conference in 2006 on the Bush presidency, the papers from which were published in 2007 titled *The Polarized Presidency of George W Bush* and edited with George C Edwards. *Third*, partly in preparation for this conference, the King and Lieberman paper was one of several presented at a panel on the American State organized at the APSA annual meeting in September 2007. *Fourth*,

further work on a book length project on the American State was completed, taking the framework of standardization as a basis for periodizing American political development. *Fifth*, final work was completed on the edited project (with Laurence Whitehead) on *Democratization in America* and delivered to the publishers.

King continued his research on race, racial orders and American politics with Rogers M Smith (University of Pennsylvania). Their second long paper employing the framework of racial orders to analyse four case studies in recent public policy – affirmative action in employment, school vouchers, census categorization and majority-minority districts – was completed and accepted for publication. This work is continuing as readers may imagine! The historical selection of Senator Barack Obama as the Democrat presidential candidate (perhaps President by the time you read this) has prompted further research on the durability of racial orders, which King and Smith are presently pursuing. In addition a new edition of his 1995 book, *Separate and Unequal*, was published with a new Postscript.

King's work in comparative welfare policy bore fruition this year with the publication of his co-authored paper with David Rueda (Professor of Politics at Oxford and Associate Member of Nuffield) on cheap labor in the American Political Science Association's journal *Perspectives on Politics*. This paper formulates a typology of labor in advanced industrial democracies, distinguishing between standard and non-standard types of cheap work, and explaining which countries use most of which type with some counter intuitive findings. Strong welfare states thus often rely more on non-standard cheap labor because the core of the labor force is so well protected from new entrants.

In addition to paper presentations at APSA, King gave a plenary address at the annual 2007 French PSA in Toulouse on the "Comparative Perspectives on the Political Sociology of the State". He delivered a paper to the American Studies Society at the University of Tokyo on US national identity, and a paper on the idea

of American empire at the European University Institute. And he gave talks from his American State project at the Miller Center at the University of Virginia, the University of Bremen (published as a working paper) and the American University in Paris. He gave a talk on racial orders at the European University Institute. He acted as a discussant at a workshop on historical institutionalism convened at Northwestern University.

For the University he served as a member of the Executive Committee of the Rothermere American Institute, of which committee he becomes chair in September 2008. He finished his period as RAE Co-ordinator for the Department of Politics and IR's submission (numbering 99 colleagues) delivered in November 2007. The RAE role absorbed a surprising amount of time in the final weeks before submission as the University's requirements became more precise. He is a Delegate of Oxford University Press, where he is a member of the Finance Committee, a Fellow the British Academy (where he is also serves on the International Policy Committee) and a member of several editorial boards including the *British Journal of Political Science*.

Publications

Separate and Unequal: African Americans and the US Federal Government. New York: Oxford University Press, 2007. Revised edition with a Postscript.

(edited with G.C. Edwards) *The Polarized Presidency of George W Bush*. New York: Oxford University Press, 2007.

(with D. Rueda) 'Cheap Labor: The New Politics of "Bread and Roses" in Industrial Democracies', *Perspectives on Politics*, 6, 279-97, 2008.

(with R.C. Lieberman) 'Finding the American State: Transcending the "Statelessness" Account', *Polity*, 40, 368-78, 2008.

Uwe Kitzinger (Emeritus Fellow) is an Affiliate of the Centre for European Studies at Harvard and continues work on the problems of South-East Europe and the European Union. The *Journal of Common Market Studies*, now in its 45th year, marked his 80th birthday with a dinner at the Athenaeum addressed by the Chancellor of the University.

Paul Klemperer (Professorial Fellow) continues to research industrial economics, auctions, and economic policy (especially competition policy, and climate change) – see the forthcoming publications at www.paulklemperer.org.

U.K. Government service this year included being an Adviser to the Bank of England; a Member of the Environmental Economics Academic Panel of the Department for the Environment, Food & Rural Affairs; and a Member of the Panel of Economic Advisers of the Competition Commission. He also advised other governments and non-governmental bodies.

He developed a new auction procedure for close substitutes, and is also working on auctions of multiple related goods with significant complementarities between them. He has recently completed a joint project with Jeremy Bulow (Stanford University) on “Why Do Sellers (Usually) Prefer Auctions?” (to be published in the *American Economic Review*).

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 served 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. He is also on the Management Committee of Oxford University’s newly founded Smith School of Enterprise and the Environment.

Publications

‘Auction Theory’, in W. Collins (ed.) *Issues in Competition Law and Policy*, Chicago: American Bar Association, 2008, vol. 1, pp. 539-76.

‘Network Goods (Theory)’, in S.N. Durlauf and L.E. Blume (eds.), *The New Palgrave Dictionary of Economics*. Second edition. Basingstoke: Palgrave Macmillan, 2008, vol. 5, pp. 915-17.

‘Switching Costs’, in S.N. Durlauf and L.E. Blume (eds.), *op cit.*, vol. 8, pp. 125-28.

Christopher Ksoll (Non-stipendiary Research Fellow) During this first year at Nuffield, most of my time was spent on a project studying Burundian refugees’ strategies to recuperate their occupied land in a situation in which legal institutions are weak. In 1972, widespread violence targeting Hutu segments of the Burundian society led to a massive exodus of refugees. In 2004 some of these refugees and their descendents were still living in Tanzania. However, in recent years the Tanzanian government has been pushing hard for these refugees to become naturalized or to return. In 2007 about 20% of the refugees residing in Tanzania (over 40,000) committed themselves to returning to Burundi, where during the more than thirty years of exile, other Burundians – some Hutus, some Tutsis – have occupied their land.

The legal situation surrounding who owns the land is unclear. The international community has been pressing for a solution, since in some areas refugees make up more than 10% of the population and many fear tensions over land could reignite the conflict. However, the Burundian parliament has been dysfunctional over internal administration affairs.

This is the setting for the return of refugees who believe the land is theirs to claim and occupants who often were born on the land and consider it theirs. The legal system itself is widely seen as corrupt. Refugees thus have three options: engage in violence to recuperate

the land by force, entrust themselves to the vagaries of the (costly) law or to seek mediation.

I am collaborating with a South African NGO that provides costless mediation to refugees and occupants to resolve the problem. This NGO, ACCORD, has been working in Burundi for four years and has now expanded their operations. I have been able to convince them to randomize their expansion, thereby providing for an exogenous change in the costs and benefits to the mediation alternative.

Nevertheless, a number of challenges have arisen. The number of villages (or collines as they are called in Burundi) in which there are refugees from 1972 is much smaller than I had anticipated. Moreover, in April 2008, at the end of my last trip, the remaining rebel group attacked the capital, stopping the influx of refugees (and therefore temporarily postponing conflicts). While the rebel group has since submitted to disarmament, the reduction in conflicts will certainly reduce the size of the sample that I can collect.

I hope to return in September and October 2008 to collect household level data on the refugees and the current occupants. I will collect data on their demographic and socio-economic situation, as well as which forum they are most likely to succeed in and their political or ethnic connections within the legal system and the administration.

In a second project, I am collaborating with Rocco Macchiavello here at Nuffield and Ameet Morjaria at the London School of Economics to study the impact of the recent post-election violence on the performance and behaviour of flower exporters in Kenya. Kenya recently experienced a massive episode of violence during the months of January and February 2008 after claims of manipulation were made against the official election results. We are studying the effects on firms and how firms reacted to mitigate the impacts through additional investments in security for the workers and the transportation of flowers. From descriptive accounts we know that the effects were substantial. In one of the largest farms, of 4000

workers only 200 appeared for work in the days after the violence had hit that area.

Moreover, we are interested in whether the effects differed depending on which marketing channels – selling via the auctions in Holland versus selling directly to buyers – are used by the flower exporters. While firms can sell all their production to auctions without any delivery obligation, firms selling to large buyers have contractual obligations. We are testing whether firms with contractual obligations prioritized these obligations (which seems pretty obvious) and whether they spent substantially more to fulfil their contract for example by heavily investing in transportation security and even buying flowers from other exporters.

We are basing our study on a dataset that we are collecting, financed by the Centre for the Study of African Economies. This survey collects information on sales, costs, contractual arrangements in January 2007 and January 2008, allowing us to identify differences between the two years. We also have access to a detailed dataset of exports by firms which will allow us to control for differing trends.

Adrienne LeBas (Postdoctoral Prize Research Fellow, Politics) spent the bulk of the past year working on her book manuscript, tentatively titled *From Protest to Parties: Party Development and Democratization in Africa*. The book, based on more than two years of fieldwork in Zimbabwe, Zambia and Kenya, attempts to explain why some opposition parties in democratizing Africa are able to effectively mobilize mass constituencies across ethnic lines, while others quickly fragment or remain organizationally weak. The book argues that both historical legacies, especially the form of state-labor relations, and the strategic choices of party elites are important in explaining party strength and weakness. The book is under contract with Oxford University Press and will appear in late 2009.

In addition to this primary project, LeBas began two new projects on democratization and party development. The first of these involves the gathering of unique data on ethnicity and party

candidate nomination. Using local coders in three countries (Kenya, Malawi, and Zambia), the resulting dataset will allow for the analysis of the degree to which individual parties are ethnicized (i.e., run monoethnic candidate slates) and of differences in the ethnicization of party systems over time and across countries. In 2008-2009, LeBas hopes to attract funding to allow for the hiring of additional coders and the expansion of the dataset to include four election rounds in each country.

A second project builds on LeBas's abiding interest in electoral violence. A seed grant from her employer, Michigan State University, permitted the beginning of fieldwork in Kenya in 2007-2008 on the micro-organization of political violence, which has been a consistent feature of Kenyan politics since the early 1990s. This research examines the links between political party campaigns, local economies of violence and vote-buying, and voter attitudes. The outbreak of large-scale violence in January of 2008 disrupted research, but planned focus groups in urban slums were held in three Kenyan cities in June. A recent grant from the John Fell Fund will support further fieldwork and a pilot survey in 2008-2009.

Over the past year, LeBas presented research at the American Political Science Association, the African Studies Association, and a Nordiska Afrikainstitutet conference on Zimbabwe in Johannesburg. She is also an invited presenter at a conference celebrating the fiftieth anniversary of the Centre d'Etude d'Afrique Noire in Bordeaux, which will be held in September.

Hartmut Lenz (Non-stipendiary Research Fellow) works in the field of Comparative Politics, with a focus on intergovernmental negotiations in the European Union, multi-level governance as well as risk and conflict management.

In July 2007 Hartmut was awarded a position as visiting scholar at the Weatherhead Center of International Affairs, Harvard University. This two-month scholarship gave him the chance to extend his research on the role of domestic actors in intergovernmental

negotiations. The close co-operation with Professor Lisa Martin resulted in an extension of the research focus on a comparison between structured and non-structured negotiations, to explore the different impact of commitment strategies in these negotiation processes. This research resulted in the paper “Facing the Consequences: Government Strategies and EU Constitutional Treaty”, which was presented at the annual meeting of the Midwest Political Science Association in March 2008. This paper links the impact of ratification constraints with the actual negotiation process. A formal model is developed that analyses the connection between the preferences of the domestic audience and the institutional framework of a country. The model shows a clear causal connection between the relative constraints of a country’s domestic ratification process and the bargaining power of governments. Empirical findings further suggest that the variation of domestic audience costs is an important factor in explaining relative gain in intergovernmental negotiations.

A second project Hartmut worked on was in cooperation with Stephanie Novak from the Institut d’Études Politiques de Paris. The aim of their project was to present a more refined look at the decision-making process in the Council of Ministers in the European Union, differentiating between consensus and unanimity procedures. This project especially highlights that the reputation effects and vote trading are the key factors for the high amount of decisions made under consensus. Furthermore the decision-making process has been modeled on a completely different framework, using the Nash variable threat model. In their analysis they show theoretically and empirically that strategic behavior of the negotiators – not necessarily agreement over the issues – leads to this high level of consensus and that this is quite different to unanimity decisions. Empirically it could be observed that unsatisfied member states tend to join the majority at the last minute if they did not manage to build a blocking minority, being reluctant to appear outvoted. The results of this research will be presented at the APSA Annual Conference in August 2008.

Additionally, in February 2008 Hartmut was invited to give a lecture on “Mixed Methods Research in Political Science” at Instituto Tecnológico y de Estudios Superiores de Monterrey in Mexico City, which was part of a conference on ‘International Relations in the 21st Century’.

In July 2008 he was invited to give a series of four lectures at the Hyogo International Summer School in Kobe, under the umbrella topic ‘Multi-cultural Symbiosis’. The lectures will focus on conflict prevention, co-operation and commitment in cross-cultural negotiations.

Publication

(with H. Dorussen and H. Ward) ‘Public Commitment Strategies in Intergovernmental Negotiations on the EU Constitutional Treaty’, *Review of International Organizations*, 2, 131-52, 2007.

Matthew Loveless (Non-stipendiary Research Fellow) joined the Eurequal project ‘Social Inequality and Why It Matters for the Economic and Democratic Development of Europe and Its Citizens: Post-Communist Central and Eastern Europe in Comparative Perspective’, (funded by the European Commission under Framework 6; Principle Investigators: Stephen Whitefield and Geoffrey Evans). The project investigates the origins and effects of social inequality in Central and Eastern Europe with the ultimate aim of discerning how resultant inequality is related to the trajectories of democratization and market liberalization in the region. While little empirical work has addressed this process in Central and Eastern Europe, social inequality is a salient social factor that affects individuals’ access to broader social, political, and cultural goods as well as their prospects for economic opportunities beyond mere income. The first part of the project has been the collection, cleaning, and standardization of the multiple data sources. Thus, Matthew has focused on integrating 13 Central and Eastern European (CEE) mass public survey datasets, appending these data

to earlier surveys to create a cross-national and cross-temporal CEE mass public survey (including the years 1993-2007), and creating an integrated data set that includes 12 CEE elite expert surveys on political parties.

While beginning the empirical analysis of these above data, Matthew has also pursued a previous research project on the effect of mass media on individuals' democratic political socialization in Central and Eastern Europe. The findings have suggested that citizens use mass media deliberately (specifically in the form of 'information-seeking') as sources of political information during the fluid period of democratic transition. While these published findings are predicated on previous Western media theory, they expand the understanding of individuals' mass media use in political environments of uncertainty. Matthew has as well continued his work on the question of the democratic deficit in the European Union by publishing a state of the discipline work on the public perception of the EU as a system of governance (with R. Rohrschneider). Reflecting his ongoing involvement in each of the three projects above, he has presented papers at conferences at the American Political Science Association Annual Meeting (Chicago, IL (USA); August 2007); the Mid-West Political Science Annual Meeting (Chicago, IL (USA); April 2008; with S. Whitefield); the Department of Politics and International Relations at the University of Aberdeen (Aberdeen, U.K.; April 2008); and the CEELBAS seminar on "Changing Dimensions of Social Inequality in Russia and Eastern Europe" at St. Antony's College at the University of Oxford (30 May 2008; with S. Whitefield).

Publications

'Media Dependency: Mass Media as Sources of Information in Democratizing Countries of Central and Eastern Europe', *Democratization*, 15, 162-83, 2008.

(with R. Rohrschneider) 'Public Perceptions of the EU as a System of Governance', *Living Reviews in European Governance*, 3, 2008. <http://www.livingreviews.org/lreg-2008-1> (cited on 11 August 2008).

Kenneth Macdonald (Faculty Fellow) has been mainly working (with Professor Peter Kemp) on the worklessness correlates for individuals (and households) of the experience of social housing. The 'and households' clause matters, since the story differs by category. He has also undertaken further work on considerations for substantive model selection in quantitative sociological analysis (standard tools more attend to prediction-maximisation than to explanatory pertinence). A long-standing research interest in the ethical specification of and constraints on filial obligation in an ageing society also made some progress. In obsessive minor mode, having noted that design decisions handling missing data in relational and logical expressions within the widely-used analysis program Stata have, for the user, complex, pernicious and poorly understood consequences, he programmed a general 'wrapper' command correctly to handle all conditional and variable-generation requests; and is actively (and uncharacteristically) campaigning for a rewrite of this section of Stata syntax.

Publications

(with M. McAuley) 'Russia and Youth Crime: A Comparative Study of Attitudes and their Implications', *British Journal of Criminology*, 47, 2-22, 2007.

(with M. Grieco) 'Accessibility, Mobility and Connectivity: The Changing Frontiers of Everyday Routine', *Mobilities*, 2, 1-14, 2007.

Lars Malmberg (Non-stipendiary Research Fellow) is a Research Councils UK (RCUK) Academic Fellow 2007-2012, and senior researcher at the Department of Education. The overarching aims of

his 5-year research programme titled “Teaching and Learning: An advanced quantitative approach”, are to (1) carry out original and substantive research on children’s, youths’, student teachers’ and teachers’ perceptions of, and self-related beliefs about learning in interactive learning contexts, (2) apply state-of-the-art quantitative methods (e.g., Structural Equation Models and Multilevel Models) in primary and secondary datasets, and (3) to synthesize empirical findings within theoretical perspectives in psychology and education. His work is concerned with: (a) effects of perceptions of classroom interaction and classroom climate on primary and secondary school students’ self-related belief about school achievement, (b) effects of teacher education on student teachers’ self-related beliefs about competence and (c) effects of early child care and pre-school on children’s social and cognitive outcomes. During the academic year 2007-08 he completed data collection in the Learning Every Lesson study (Research Development Fund). Pupils in 16 classrooms reported their learning experiences for each lesson for one week’s time using handheld computers. He is co-investigator (with Dr Eirini Flouri) on a study of the relationships between father-presence and early child development (ESRC), co-instructor in a meta-analysis workshop series funded under the ESRC Researcher Development Initiative with Prof Herb Marsh and Ms Alison O’Mara. He currently teaches quantitative methods (with Dr Hayward) and contributes to the Research Methods in Education course in the Department. He also teaches the Structural Equation Modelling in the Research Methods in Social Sciences. Dr Malmberg has on-going collaboration with national and international colleagues. Some recent publications include:

Publications

(with T.D. Little) ‘Profiles of Ability, Effort, and Difficulty: Relationships with Worldviews, Motivation and Adjustment’, *Learning and Instruction*, 17, 739-54, 2007.

(with A. Stein, A. West, S. Lewis, J. Barnes, P. Leach, K. Sylva, and FCCC) 'Parent-infant Interaction: A Growth Model Approach', *Infant Behavior and Development*, 30, 615-30, 2007.

(with A.J. Martin, H.W. Marsh and R.L. Debus) 'Performance and Mastery Orientation of High School and University/College Students. A Rasch Perspective', *Educational and Psychological Measurement*, 68, 464-87, 2008.

(with P. Mwaura and K. Sylva) 'Evaluating the Madrasa Pre-school Programme in East Africa: A Quasi Experimental Study', *International Journal of Early Years Education*, 16, 237-55, 2008.

(with K. Sylva, A. Stein, P. Leach, J. Barnes and FCCC) 'Family and Child Factors Related to the Use of Non-maternal Infant Care: An English Study', *Early Childhood Research Quarterly*, 22, 118-36, 2007.

Iain McLean (Official Fellow) continued to work in UK public policy research, this year with focuses on Scotland; the UK constitution; and options for an incoming UK government.

Applied research on UK (especially Scottish) devolution remained very active. The pamphlet Iain wrote with colleagues at IPPR was the tip of the iceberg. Meetings were held with the First Minister of Wales and his advisers, and with the Leader of the Opposition in the Scottish Parliament. Iain was appointed to the Independent Expert Group of advisers to the Calman Commission on Scottish Devolution. The remit of the Independent Expert Group is to offer "impartial advice and evidence specifically to support the Commission's work on how the financial accountability of the Scottish Parliament might be improved". Iain had to fight off contradictory stories in the Scottish media, one of which described him as "PM's aide", and others hailed him as a convert to the cause of Scottish independence. The Finance Committee of the Scottish Parliament asked Iain for written and oral evidence on the Scottish budgetary process.

In 2005 Iain had submitted to HM Treasury a Freedom of Information (FOI) request to see files on updates of the Treasury's 1976-79 "Needs Assessment" of the relative public spending needs of the four countries of the UK. The Treasury then replied that there had been no "interdepartmental" needs assessments since then. Only during this year did it become clear that this adjective answered a question that Iain had not asked. Another FOI release insisted on by the Information Commissioner over the objections of the Scotland Office has revealed (what Iain had already strongly suspected) that there was a unilateral Treasury update in 1984. Iain has therefore resubmitted his 2005 request to the Treasury.

Iain's book on the UK constitution in the light of the collapse of Diceyanism, mentioned last year, will be submitted to the publisher at the end of 2008. The most interesting task of the year was reading the 1913 correspondence in the Royal Archives, Windsor Castle, between George V and Prime Minister H.H. Asquith on the constitutional position of the sovereign. A Working Paper containing the letters has been posted on the College Working Papers in Politics site.

The biggest project during the year was Options for Britain II. This project, of which Iain is principal investigator, aims to replicate "Options for Britain", a research project edited out of Nuffield in the mid-1990s by four young researchers, two of whom (David Halpern and Stewart Wood) went on to adviser positions with the current UK government. Options II is designed, like its predecessor, to advise an incoming UK government on the range of options open to it across the main areas of public policy. David Halpern left his position as Senior Policy Adviser in the Prime Minister's Strategy Unit so that he could act, from outside government, as the main consultant to the project. It was planned that Stewart Wood, now at Magdalen College, should again be co-investigator, but his contract as special adviser to Chancellor Brown was renewed when Mr Brown became Prime Minister. A vigorous Advisory Committee

ensures that Options remains non-partisan. Substantial publications from this project are expected after this report goes to press.

Less directly (but still indirectly) connected with public policy was a project with three North American colleagues: André Blais (Montreal), James C. Garand (Louisiana State) and Micheal Giles (Emory). This replicates and extends earlier surveys of political scientists' evaluations of academic journals. Previous waves were restricted to US political scientists. The current wave extends the survey to Canada and the UK. Fieldwork is complete; papers have been and are being given at academic conferences; we expect several publications next year. The preliminary results, presented to the Political Studies Association conference in April, were picked up and publicised by *THE S*.

Papers were given at Charles University, Prague (x3); several Options for Britain events; the Political Studies Association conference; the Voting Power and Procedures conference, Caen; Edinburgh, Essex and Australian National universities. Government and think tank meetings addressed included ippr, the Scottish Parliament and a *Holyrood* magazine conference on Scottish tax-and-spend policy.

Iain was appointed to a one-month visiting professorship at the École des Hautes Études en Sciences Sociales, Paris, which he will take up in spring 2009. He expects to resume his research programme in 18th-century social mathematics before or during this appointment. He was elected a Fellow of the British Academy.

Publications

(with G. Lodge and K. Schmuecker) *Fair Shares? Barnett and the Politics of Public Expenditure*. London/Newcastle: ippr / ippr north, 2008.

'Climate change and UK Politics: From Brynle Williams to Sir Nicholas Stern', *Political Quarterly*, 79, 184-93, 2008.

(with C. Jennings) 'Political Economics and Normative Analysis', *New Political Economy*, 13, 61-75, 2008.

I. McLean, oral and written evidence to Scottish Parliament Finance Committee, *Official Report*, June 2008, cols. 627-48, at: <http://www.scottish.parliament.uk/s3/committees/finance/or-08/fi08-1702.htm#Col627>

'Don't Let the Lawyers Do the Math: Some Problems of Legislative Districting in the UK and the USA', *Mathematical and Computer Modelling*, 48, 1446-54, 2008.

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

1) 'Gaming and Strategic Ambiguity 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.

Meg presented this research in Oxford, at Bristol's CMPO conference on Public Organization, and at the European Summer Symposium in Economic Theory at Gerzensee.

2) 'Increasing Interdependence in Multivariate Distributions' is joint work with Bruno Strulovici (Nuffield Postdoctoral Prize Research Fellow 2005-8). 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 ex post 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 presented this research at the Department of Statistics in Oxford and at the Risk, Uncertainty, and Decision 2008 conference.

3) ‘Multi-Sender Cheap Talk when the Policy Space is Restricted: The Power of (Extended) Battaglini Mechanisms’ is joint work with Julia Nafziger (ECARES, Université Libre de Bruxelles). In sender-receiver games with cheap talk, the decision-maker (receiver) has imperfect information about the consequences of a policy and seeks advice from better-informed experts (the senders), whose preferences are not perfectly aligned with those of the decision-maker (i.e., the experts are “biased”). The advice transmitted by the senders is costless but unverifiable (hence, “cheap talk”), and the receiver cannot commit herself in advance as to how she will respond to the senders’ advice. Such games can be used, for example, to analyze the interaction between the CEO of a multi-divisional firm and the division managers. In such settings, the CEO may have the authority to reallocate cash flows across the firm’s divisions. However, she typically knows less about the true investment needs of the divisions than do the division managers themselves. Thus, the CEO wishes to solicit reports from the managers about their investment needs. However, the preferences of the managers over the cash allocation are likely to diverge from those of the CEO: For example, a division manager may derive private benefits from overseeing large investments, so may prefer more cash for his division than the CEO would wish to allocate to him if she were as well informed.

In a cheap-talk setting with two identically-informed, biased senders and a two-dimensional policy and state space, Battaglini (2002) has shown how the receiver can exploit some degree of common interest between each sender and herself to fully extract the senders' private information. A crucial assumption underlying Battaglini's analysis is the absence of any bound on the policy space. Yet such a bound is present in many contexts. In the CEO-manager setting just discussed, for example, the total cash allocated to the firm's divisions will be restricted by the firm's retained earnings. We examine how such a bound affects the scope for information extraction.

First, we show that such a bound will cause a naïve application of Battaglini's construction to fail to elicit truthful reporting. We then show how, by modifying his construction in natural ways, full information extraction remains possible in a wide range of settings, and we characterize such settings in terms of the directions of the senders' bias vectors relative to each other and relative to the boundary of the policy space.

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*.

David Miller (Official Fellow) began the year working on some questions arising from his book on *National Responsibility and Global Justice*, published in November. He wrote a reply to critics of the book, and did further research on the boundaries issue, the issue in other words of why the idea of social justice should apply between those who belong to the same political community, but not between those who belong to separate communities (assuming that it does). There must be some special relationship that holds between fellow-members, but what exactly is it? There are three obvious candidates: the relationship might be one of economic co-operation, of shared subjection to a coercive political system, or of common identity. In each case we can find plausible grounds for saying that the

relationship grounds duties of social justice. What is interesting, however, is that the nation-state, as traditionally conceived, combines each of these relationships within the same set of borders. This explains why social justice is 'special'. But it also raises, for future investigation, the question of how we should think about justice in a world where the three relationships no longer coincide.

From the New Year, he returned to a second theme from the book, the idea of collective responsibility, and developed it in a new direction, in preparation for Tanner Lectures to be delivered in Beijing in March on the theme 'Global Justice and Climate Change: how should responsibilities be distributed'. These lectures asked the question: assuming that in order to prevent further damaging climate change, nation-states must alter their behaviour in ways that are somewhat costly to their members, can we find fair principles for distributing the costs of adjustment. Two popular solutions were criticized and rejected: allocating responsibilities on historical grounds, i.e., to those states who have in the past contributed most to the build-up of greenhouse gases; and allocating responsibilities on the basis on an equal per capita right to emit such gases, i.e., to those states whose per capita emissions are currently above the globally sustainable level. Instead, the lectures argued for the principle 'from each according to his abilities, to each according to his needs', meaning, in this context, that states whose citizens suffered from endemic poverty should be allowed to increase their emissions where necessary for purposes of development, while states above that line should make reductions on the basis of equal per capita cost until a sustainable overall level is reached. The conclusion, in other words, was largely sympathetic to the Chinese position on global warming, while the arguments normally given to support it were rejected.

Arising from these lectures, he wrote a more narrowly analytical paper on 'Taking Up the Slack: responsibility and justice in situations of partial compliance', which investigated whether, in situations where responsibilities are clearly allocated, but some agents fail to

discharge theirs, those who have already complied are bound to do more (for example: cut their greenhouse gas emissions still further if others fail to what is required of them according to some fair division of responsibility).

In late June and early July, he co-convoked the second leg of the SIAS Summer Institute on Citizenship and Migration, this one being held at Stanford University. These meetings brought together young political theorists and social scientists from Europe and North America to discuss issues such as the right of states to exclude would-be immigrants at their borders, and which kind of policy regime is most likely to integrate immigrants successfully.

Throughout the year, he served, for the last time, as Director of Graduate Studies in Politics for the University, and on the Standing Committee for Politics of the British Academy.

Publications

National Responsibility and Global Justice. Oxford: Oxford University Press, 2007.

Michael Walzer: Thinking Politically. New Haven and London: Yale University Press, 2007.

‘Diritti umani, bisogni fondamentali e scarsità’, *Ragion Pratica*, 29, 433-48, 2007.

‘Wer ist für globale Armut verantwortlich?’, in B. Bleisch and P. Schaber (eds.), *Weltarmut und Ethik*. Paderborn: Mentis, 2007, pp. 153-70.

‘Republican Citizenship, Nationality and Europe’, in C. Laborde and J. Maynor (eds.), *Republicanism and Political Theory*. Oxford: Wiley-Blackwell, 2008, pp. 133-58.

‘Irregular Migrants: An Alternative Perspective’, *Ethics and International Affairs*, 22, 193-97, 2008.

'Political Philosophy for Earthlings', in D. Leopold and M. Stears (eds.), *Political Theory: Methods and Approaches*. Oxford: Oxford University Press, 2008, pp. 29-48.

Alexander Moradi (Non-stipendiary Research Fellow) My research has two objectives. Firstly, it aims to bring forward new evidence on how living standards evolved in sub-Saharan Africa before and during the colonial era. The conventional wisdom about Africa is that exploitative colonial policies massively deprived indigenous populations and that colonial times did not see much progress in human development. Little quantitative evidence exists however. Secondly, a long-term perspective allows new insights into the institutional argument for growth. There is an influential literature arguing that African countries inherited anti-growth institutions from the colonial era. The literature, however, largely ignores the effect of these institutions during the colonial era.

Records of the colonial armies turned out to be a real and hitherto untouched treasure. While civil administrations of the colonial state were slowly developing, the military was quickly built for the conquest and occupation of African territories and collected information of their employees that, by the standards of the field, are of extremely high accuracy. The rank-and-file was recruited from African populations; heights (and weights) were measured as part of routine medical examinations and for identification purposes. In my studies, I particularly use population mean height as a measure of nutritional and health status.

Data collection made good progress. While a small data set of 1,500 Kenyan enlistees could be procured from the Defence Headquarters in Nairobi two years ago, a much bigger sample of 25,000 recruits enlisted 1901-1955 in the Gold Coast Regiment was finalised only this year after extensive fieldwork in Ghana. As a big step forward to extend the analysis to former French African colonies, my collaborators (Denis Cogneau, DIAL and Laurent

Heyberger, Belfort-Montbéliard) and I obtained access to data of Spahis and Tirailleurs sénégalais.

Preliminary results for Ghana and Kenya suggest that, despite exploitative policies and short-term crises, the colonial era saw, at least in some regions, significant improvements in nutrition and health 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. This challenges conventional wisdom and the colonial legacy literature.

An article on the development in Kenya 1880-1980 is forthcoming in the *Journal of Economic History*. For a paper, which analyses trends and determinants of post-independence Africa, I received a Revise and Resubmit from *Economics & Human Biology*. Another paper, which under the light of the new findings confronts popular arguments of colonial legacy, is currently under review at the *Journal of International Development*.

Scott Moser (Postdoctoral Prize Research Fellow) spent his first year at Nuffield excitedly getting familiar with the academic environment. His interests are broad, but he mainly works in the area of applied social choice, specifically legislative institutions. This past year was primarily spent adapting his PhD dissertation for publications. This effort resulted in two papers.

In *Voting by Adaptive Agents in Multicandidate Elections*, a computational model that incorporates a principal of robustness is developed and used for comparing voting rules. Results from computational experiments suggest that approval and plurality voting rules generate similar, relatively intuitive behaviours, instant runoff consistently selects social-utility maximizing candidates, whereas Borda Count often encourages pathological strategies to be used by voters and “worst-case” candidates to be elected. A second paper emanating from the PhD dissertation is *Legislative Institutions and Information Aggregation*, which examines the properties of various real-world institutions used for amending bills in lower houses. It

provides an account of one type of institutional choice based on information aggregation.

In addition, new projects have been started, most notably *Gambling on Issues* (with John Gasper, Carnegie Mellon University) which attempts to understand and model issue-raising in pre-election campaigning. It does so by modelling a set of candidates engaging in a series of debates in order to learn about public responsiveness to issues. At the core of the model is a fundamental and interesting tension: there is an incentive for a candidate to take a stance early (claiming an issue), yet there is an opposing incentive to free-ride off of others (and hence not accidentally raise an unpopular issue).

Another project – *Scoring Methods and Banks Stability: Nature Versus the Agenda Setter* – seeks to develop tools useful to agenda setters facing uncertainty. It introduces new scoring methods for use in social choice situations. Broadly speaking, the project seeks to identify summary scores sufficient for an agenda setter to help schedule “robust” agendas.

Finally, a paper presenting one formalization of William Riker’s heresthetics – *Structure of Herestherical Power* (with John Patty and Maggie Penn, Harvard University) – has been accepted for publication in the *Journal of Theoretical Politics*. Scott’s other activities this past year have included paper presentations at the Midwest Political Science Association (Chicago, IL) and the American Political Science association (Boston, MA) and refereeing for the journal *Mathematical and Computer Modelling*.

John Muellbauer (Official Fellow) The international credit crunch and its fall-out on housing markets and consumption, housing and credit issues occupied much research and dissemination effort in 2007-8. John gave a Bank of England seminar in November, participated in a Bank of England workshop on housing and household credit in January 2008, an IMF roundtable in March 2008, a transatlantic debate on a similar theme at the Bank of Spain in May

2008, and gave related talks in Oxford and at the European Society European Meetings in Milan in August 2008.

With Anthony Murphy, a special issue of the *Oxford Review of Economic Policy* was edited on this topic with distinguished contributors, incorporating an overview of the interactions between housing and the wider economy. Tragically, Gavin Cameron, who helped plan this special issue, died just before the September 2007 conference, where first drafts were presented.

With John Duca of the Federal Reserve Bank, Dallas (Economics visitor in November, 2007) and Anthony Murphy, a paper was completed on the determination of US house prices. This suggested that, as of May 2008, the US house price correction was only around half complete, even on the assumption of stable real income levels. The explosion and subsequent collapse of sub-prime lending in the US account for a major part of recent US house price fluctuations. Joint research has continued on the regional dimensions of US house price dynamics.

With Keiko Murata of the Cabinet Office in Japan (Economics visitor in July), a paper was completed on why monetary policy in Japan was relatively ineffective. One reason is that, in the absence of UK or US style household credit markets, there is no housing collateral effect on consumption in Japan. Another is that with the huge liquid assets holdings of Japanese households, lower real interest rates tend to reduce household spending power. This was presented at the Economic and Social Research Institute (Cabinet Office of Japan) Workshop “Japan’s Bubble, Deflation and Long-term Stagnation” at Columbia University, New York in March and at the Dallas Federal Reserve Bank.

A paper was also completed with Anthony Murphy for the Department of Communities and Local Government, on international migration to and from the UK, establishing that some of these migration flows are sensitive to housing market conditions, as well as wider economic conditions and institutional and policy shifts.

Modelling and forecasting inflation under an ESRC grant was a major research theme this year the topicality of which in this inflationary year was not anticipated when making the funding application. Three papers were completed with Janine Aron. One takes the South African Reserve Bank's model for producer prices and shows how it can be substantially improved by taking account of structural changes introduced by greater trade openness and in a more general model. This is to appear in a Bank of England volume on monetary policy in a more globalised world. A second paper also analyses inflation in South Africa, showing that forecasting the ten major components of the consumer price index separately and aggregating the forecasts tends to outperform a model for the overall index alone. In turn, our model for the latter outperforms simple autoregressive bench-mark models. These are notable results since the international literature agrees that the bench-mark models are very hard to beat in pseudo out of sample forecasting exercises. A paper on monthly US data finds broadly similar results, most strikingly on the very notable out-performance of our approach relative to benchmark models. The evidence on the benefits of forecasting the index components separately vs. forecasting the overall index is more mixed for the US: better for some information sets, worse for others. These papers begin to address the wider implications for methods of modelling and forecasting but an exciting research agenda remains. Related work on forecasting US output made considerable progress with the visit of Roland Meeks (formerly British Academy Research Fellow at Nuffield and now at the Dallas Federal Reserve Bank).

John co-ordinated Oxford's successful application with the LSE, Glasgow, Newcastle and Swansea for a national Spatial Economics Research Centre funded by the ESRC and co-funding from several government departments. Anthony Murphy, Stephen Nickell and Patricia Rice are the other Oxford participants.

Media contributions included the FT, VOXEU, the BBC World Service, BBC radio's Today Programme, and Bloomberg television.

John also continued to consult for the Department of Communities and Local Government, Oxford Economic Forecasting (now OxfordEconomics.com) and a range of hedge funds. John began his third stint as College investment bursar for the financial portfolio on August 1, 2008.

Publications

‘Housing, Credit and Consumer Expenditure’, in *Housing, Housing Finance, and Monetary Policy: A Symposium Sponsored by the Federal Reserve Bank of Kansas City, Jackson Hole, Wyoming*, August 30-September 1, 2007. Kansas City: Federal Reserve Bank of Kansas City, 2008, pp. 267-334.

(with A. Murphy) ‘Housing Markets and the Economy: The Assessment’, *Oxford Review of Economic Policy*, 24, 1-33, 2008.

(with J. Aron) ‘A Review of Monetary Policy in South Africa since 1994’, *Journal of African Economies*, 16, 705-44, 2007.

(with J. Aron and J. Prinsloo) ‘Estimating the Balance Sheet of the Personal Sector in an Emerging Market Country: South Africa, 1975-2003’, in J.B. Davies (ed.), *Personal Wealth from a Global Perspective*. Oxford: Oxford University Press, 2008, pp. 196-223.

‘Housing and Personal Wealth in a Global Context’, in J.B. Davies (ed.), *Personal Wealth from a Global Perspective*. Oxford: Oxford University Press, 2008, pp. 293-311.

‘Housing, Credit and the Economy’, *Economic Outlook*, 31:4, 13-20, 2007.

David Myatt (Official Fellow) In January I returned to Nuffield after eight years elsewhere. It’s great to be back.

During my brief time back I have divided my research time more or less evenly between economics and political science, and that balance is likely to continue in the future. In the past few months I have written or drafted many new research papers, including

theoretical studies of leadership in politics (with Torun Dewan), of coordination problems in macroeconomics (with Chris Wallace), and of sales strategies in industrial economics (with Eric Rasmusen), and I have presented these and other papers at various seminars, workshops, and conferences. I've also devoted a substantial fraction of my time to editing duties, following my appointment as an editor of the *Economic Journal*.

Publications

'On the Theory of Strategic Voting', *Review of Economic Studies*, 74, 255-81, 2007.

(with C. Wallace) 'When Does One Bad Apple Spoil the Barrel? An Evolutionary Analysis of Collective Action', *Review of Economic Studies*, 75, 499-527, 2008.

(with C. Wallace) 'An Evolutionary Analysis of the Volunteer's Dilemma', *Games and Economic Behavior*, 62, 67-76, 2008.

(with T. Dewan) 'Scandal, Protection, and Recovery in the Cabinet', *American Political Science Review*, 101, 63-77, 2007.

(with T. Dewan) 'Leading the Party: Coordination, Direction, and Communication', *American Political Science Review*, 101, 827-45, 2007.

Tiziana Nazio (Non-stipendiary Research Fellow) has undertaken some teaching including PhD courses at the Universities of Oslo and Turin. She has continued working on three research projects, including an ESRC-funded comparative project on the interrelationship between labour market careers and childbirth decisions, where she has focussed especially on the Italian and British cases (principal investigator). She has also been contributing to several papers within 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). Finally, she produced a paper with C. Saraceno (WZB, Berlin) within the Equalsoc network of excellence on the transformation of intergenerational relationships. Here, they explored the differences between married and cohabiting couples in the frequency of contacts and visits to their parents, comparing Italy and the UK. During the year she paid a visit to WZB (Berlin), University of Turin and the Centre for Demographic Studies (Autonomous University Barcelona) and presented her work at several conferences, including GENET (City Univ., London), RC28 (EUI, Florence), PAA2008 (New Orleans) and EPC2008 (Barcelona). She has refereed papers for the *European Sociological Review*, *Population Studies*, *Labour*, and *Gender, Work and Organization*.

Publication

Cohabitation, Family & Society. London & NY: Routledge, 2007.

Bent Nielsen (Reader in Econometrics and Faculty Fellow) has continued working on the development of econometric techniques for the analysis of monetary data from hyperinflations. This research is supported by an ESRC research fellowship.

He finished a paper on the properties of dummy saturation models with S. Johansen. The dummy saturation technique was proposed by D.F. Hendry.

He studied the properties of the estimated characteristic roots in an autoregression with H.B. Nielsen.

He continued to study the chain ladder methods using for reserving in non-life insurance in joint research with D. Kuang and J. 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 organised the 7th Royal Econometric Society Easter School in Econometrics. This Ph.D. training course held in college attracts participants from all of Europe and is supported by the ESRC.

He has presented papers at the EC² conference in Faro, the “Econometric Study Group conference” in Bristol, the London-Oxford Time Series Workshop and at a seminar in Oxford.

Publications

(with J.J. Reade) ‘Simulating Properties of the Likelihood Ratio Test for a Unit Root in an Explosive Second-order Autoregression’, *Econometric Reviews*, 26, 487-501, 2007.

‘On the Explosive Nature of Hyper-Inflation Data’, *Economics: The Open-Access, Open-Assessment E-Journal*, vol. 2, 2008-21.

Adrian Pagan (Senior Research Fellow) Research in 2007/8 focused on the interface between theoretical and empirical models of the macro-economy. The former tend to be designed to develop an understanding of economic mechanisms while the latter are constructed so as to provide a close fit to the data. In recent years there has been some convergence between the two approaches and my research has been directed at furthering this. Basic to the research has been an emphasis upon how theoretical models should be designed to reflect salient features of the data as well as an examination of some flaws in some of the conventional approaches to doing this. Specifically, an issue that has been of some concern to those seeking to design models that fit the data has been the recognition that many economic series have the property that at least a fraction of the shocks impacting on them remain permanently. However, theoretical models often proceed by assuming that this is not important, and models are designed in which the shock eventually disappears from the series. Thus one of the topics I have worked on in the past two years has been how one should design models that encompass theoretical perspectives but do incorporate such permanent shocks. Early work on this was done with Kapetanios and Scott and was published in 2007, but a more extensive treatment was provided in the last year in a joint paper

with Professor Hashem Pesaran of Cambridge University. This has now been accepted for publication and has already been applied in a number of studies.

Often those who try to fit theoretical models to the data attempt to remove the permanent shocks by filtering the data. In a paper with Martin Fukač of the Reserve Bank of New Zealand, that is now accepted for publication, we show that this can result in errors if one attempts to estimate the model parameters. The reason is simple. The original description of the rules that would be used to determine optimal consumption and investment paths (for example) are in the levels of the series, and these do not reduce to the same type of rules in the transformed data. If one applied the “levels” rules to transformed data, as is mostly done, there would be missing terms in the rules being estimated, and this specification error leads to biases. Often it is extremely difficult to compensate for this bias, leading to our recommendation that one has to implicitly extract the permanent shocks in a model-consistent way. We derive methods for doing this, both when one needs to estimate a complete system and also when we might only be interested in estimating a sector of it. The latter scenario is often appealing, since many questions that we ask do not require the estimation of a complete system. In a paper with Louis Maccini of Johns Hopkins University we give an example of this latter point in connection with an analysis of the role of inventories in business cycles. If one tries to model the complete system it is possible that an error made in specifying it can have an impact on the estimation of the parameters characterizing sector and this can lead to misleading conclusions being reached.

An application of many of these ideas to Australian data with Dr M. Dungey of Cambridge University has also been accepted for publication.

Courses on the interface between theoretical and empirical models that used much of my research were given to the Italian Summer School in Econometrics for Ph.D students held under the auspices of CIDE in Bertinoro Italy, to second year Ph.D students at Goethe

University, Frankfurt, and to members of the Economic Society of Australia in Sydney.

Presentations were given to the Australasian Meetings of the Econometric Society in July 2007, the Federal Reserve Bank of Boston conference on the Phillips Curve (June 2008), the Australian Macroeconomic Workshop (March 2008), and the Workshop on Macroeconomic Dynamics (July 2008).

Seminars were presented at the Federal Reserve Bank at Richmond, the University of Venice and the Reserve Bank of Australia

I helped organize a conference on Open Economy Dynamic Macroeconomic Modelling held at the Reserve Bank of Australia in December 2007. I am also assisting with the same conference in December 2008.

Publications

(with G. Kapetanios and A. Scott) ‘Making a Match: Combining Theory and Evidence in Policy-oriented Macroeconomic Modeling’, *Journal of Econometrics*, 136, 565-94, 2007.

(with M. Fukač) ‘Commentary on ‘An Estimated DSGE Model for the United Kingdom’, *Federal Reserve Bank of St Louis Review*, 89, 233-40, 2007.

Kerry Papps (Non-stipendiary Research Fellow) I spent my first year at Nuffield in a whirl of activity, revising my three Ph.D. thesis papers, continuing work on two other existing papers and beginning two new projects.

My primary thesis research looks at the risk of divorce and the effects this has on the labour supply decisions of married couples. It finds that married women work a small but significant amount more when they face a high likelihood of divorce, whereas men’s work hours are unaffected by marital instability. During the year I completed a number of minor revisions to this paper to address

comments raised during presentations the previous year and submitted it for publication.

The second paper from my thesis uses season-to-season performance data from Major League Baseball and considers whether individual players are influenced by how well their teammates play, either in the current or preceding season. The results suggest that players accrue both short- and long-run benefits from playing alongside talented colleagues. This paper was presented at both the Royal Economic Society meetings in Warwick and the Society of Labor Economists meeting in New York in 2008, as well as at a lunchtime seminar at Oxford. During the year, I also began a new project stemming from this research with Alex Bryson (Policy Studies Institute) and Rafael Gomez (LSE). The aim of this is to consider the optimum level of performance and salary inequality within a baseball team.

My final thesis paper examines whether productivity spillovers exist within firms using matched U.S. employer-employee data. Since these data are confidential, I have had to travel back to the U.S. on three occasions during the year to continue working with them. Although this has slowed progress somewhat, a full revision of the empirical analysis has been completed and the results are currently being reviewed in order to approve them for disclosure.

In addition to these papers, I continued to collaborate with Fran Blau and Larry Kahn (both Cornell University) on a project looking at the assimilation experiences of immigrants to the U.S. and how they are affected by economic and demographic conditions in their origin country. This paper was submitted to a journal this year and is currently under review. An additional paper based on this research project is also at the draft stage. Another existing project looks at the effects of payroll taxes on employment in Turkey. This work was begun as a contract for the World Bank. During 2008, I revised the results and presented the paper at the Third IZA/World Bank Conference on Employment and Development in Skhirat, Morocco.

Finally, I spent time assembling a dataset as part of a new project looking at divorce behaviour among film actors. My initial plan is to consider how decisions to marry and divorce are influenced by various indicators of fame, as well as studying the different *reasons* for divorce and the causes and effects of these.

Additional professional activities during the year have included refereeing for *Labour Economics*, *Regional Studies* and the *Review of Economics of the Household* and chairing a session at the Royal Economic Society meetings. I also became a Research Fellow of the IZA in Bonn, Germany.

Mark Pickup (Non-stipendiary Research Fellow) This year, I continued to focus on my two primary areas of research – election campaign polls and methodological issues of longitudinal measurement and modeling. The first of these areas addresses 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 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?

The second of two papers written with Richard Johnston and addressing the first question was published in the *International Journal of Forecasting* this year. Also related to the first question, my web site – The Polling Observatory – is up and running, reporting and providing analysis on the published election polls leading into the next Canadian federal election.

With a focus on the second question, Fred Cutler, Scott Matthews and I have begun the collection and coding of media stories related to polls and the horserace in a range of different elections. Each story in the resulting database is 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.

This work is part of a larger three-year project, funded by the Social Sciences and Humanities Research Council. The larger project will address the third question by examining first: how voters use the information contained in polls as they make their voting decisions. And second: how the departure of polling information from actual collective intentions creates bias in electoral outcomes. For these purposes, I have developed a flexible theoretical model of the effect of polls on voters. The first results of the application of that model to the Canadian case are forthcoming in an edited volume that will be published by the University of British Columbia Press. The model ultimately will be applied to, multiple elections in multiple countries to produce far more general conclusions than exist in the literature. This will hopefully greatly improve our understanding of the way polls affect electoral democracy. Fred, Scott and I also completed an election survey during the Ontario election in October with a focus on the use of information from polls published during the campaign. The first results from that study were presented to the Canadian Political Science Association this year.

My second area of research addresses issues of longitudinal measurement and modelling in political science. I am wrapping up a project which 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 comparative work (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 resulting paper from this work is being revised for resubmission to *British Journal of Political Science*.

Also in its final stages is my paper with Geoff Evans, which examines the political conditioning of economic perceptions in the 2004 US presidential election and the consequences for the standard economic model. The manuscript is under review.

In November 2007, I convened a workshop on 'Producing Better Measures by Combining Data Sources Cross Temporally'. The focus

of the workshop was the exploration of the increasing number of methods to combine data sources to produce better longitudinal measures. A variety of methods were considered for a range of political concepts, including public opinion, civil liberties, democracy, banking crises, ideology and party left-right placement. I have edited and submitted the papers from the workshop for review as an *Electoral Studies* Special Symposium.

In addition to my two primary areas of research, I have become this year increasingly interested in the application of longitudinal network analysis in political science. I presented my work with Mark Manger and Tom Snijders at the Networks in Political Science conference at Harvard. This work has produced two papers – the first of which will be submitted to *International Organisation* this fall.

Publication

(with R. Johnston) ‘Campaign Trial Heats as Election Forecasts: Measurement Error and Bias in 2004 Presidential Campaign Polls’, *International Journal of Forecasting*, 24, 272-84, 2008.

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.

Jochen continued to work on his three-year ESRC project, ‘Whither Multilateralism? International Security Institutions and Informal Groups of States’, which commenced in January last year. He is now in the process of preparing a monograph, *The Anatomy of Informal Governance: European Union, NATO, and United Nations*, presenting the findings of his research, which he expects to complete in late 2009. In March and April this year, he spent considerable time for interviews and background talks at UN Headquarters in New York.

Furthermore, he is about to finalize three major papers:

1. “Taming Hegemony: Informal Institutions and U.S. Foreign Policy”: This paper analyzes the dynamics between informal institutions and U.S. foreign policy. It argues, firstly, that analyzing U.S. roles in ad hoc arrangements illustrates the limited explanatory leverage of ‘unilateralism’ and multilateralism which have become common labels to describe U.S. foreign policy. Secondly, informal institutions are instrumental for legitimizing U.S. leadership in responding to international conflict, as they disguise hegemonic power and avoid the appearance of unilateral action. They are key elements in securing legitimation of policy outcomes that cannot be achieved inside formal international organizations. Thirdly, engaging friends or potential foes through informal institutions tends to decrease the probability of soft or hard balancing against the United States.

2. “International Society and the Coordination Conundrum: Limits of Collective Action in the Building of Peace” (with Neil MacFarlane): This paper highlights the structural impediments to effective coordination in responding to contemporary conflict, and to learning within such a diverse community of actors.

3. “Whose Global Ethics? The Regional Dimension of R2P in East Asia” (with Ryoko Nakano, National University of Singapore): This paper addresses the problem of norm diffusion in International Relations with particular reference to the implementation of ‘The Responsibility to Protect’ (R2P) in East Asia. It introduces a dynamic explanation of norm diffusion that identifies how regional actors deconstruct and reconstruct global norms in order to make them fit with regional beliefs and identities. The paper argues that global norms have a strong regional and local dimension. It is here where the competing demands of intervention and sovereignty as well as responsibility and power needs to be reconciled.

Jochen presented his work at conferences, seminars, and workshops in Cambridge, Ljubljana, New York, Oxford, and Tokyo.

In Michaelmas Term, he will assume the position of Acting Director of the Centre for International Studies in succession of Andy Hurrell.

Publication

'Legitimacy and Accountability of the United Nations', in M. Fowler and S. Kuyama (eds.), *The Accountability of the United Nations*. Tokyo: United Nations University Press, pp. 95-121, 2008.

Kevin Roberts (Professorial Fellow) continued his interest with collective choice problems, looking particularly at the role played by the commonly made assumption of independence of irrelevant alternatives which states that a ranking of two alternatives should be independent of information relating to other alternatives. Part of the study looks at arguments for and against the condition. Another avenue pursued this year looked at the consequences of relaxing the condition. Under some sets of conditions, including independence, majority rule is the uniquely defined collective choice rule. However, it fails to deliver rankings which avoid cycles. The study showed that if independence is relaxed sufficiently to avoid cycles then the non-cyclic rule that first becomes available is the well-known Borda rule. This suggests that, despite their differences, the Borda rule and majority rule sit close together in the space of all collective choice rules. A paper was completed on this topic.

Work continued on a project looking at market frictions and how they shape aspects of market structure, a project joint with Godfrey Keller and Margaret Stevens. With frictions viewed as a technological feature of markets, the efficient size and spread of markets depends upon a measure of the size of the economy. The same can be said of the size and the spread under competitive forces. The project, which extends previous work, compares efficient and competitive outcomes and investigates the role played by the size of the economy. This analysis has implications for cross-economy comparisons and suggests a new facet of the growth process. In a

not dissimilar vein, work started on a project, joint with Peter Neary, looking at market structure as captured by the size distribution of firms in a single market and at how this depends upon the size of the market.

Publications

‘Condorcet Cycles? A Model of Intertemporal Voting’, *Social Choice and Welfare*, 29, 383-404, 2007.

‘Wage and Employment Determination through Non-cooperative Bargaining’, *Scottish Journal of Political Economy*, 54, 699-720, 2007.

‘The Participant’s Curse and the Perception of Unequal Treatment’, *Economics Letters*, 97, 162-69, 2007.

(with E. Maskin) ‘On the Fundamental Theorems of General Equilibrium’, *Economic Theory*, 35, 233-40, 2008.

Meredith Rolfe (Postdoctoral Prize Research Fellow) devoted much of her time this year to making explicit the “conditional choice” research framework that has guided her work on voting turnout and other research projects. Conditional decision-makers do not simply weigh the costs and benefits of decisions, but engage in ongoing social interactions with family members, friends and colleagues. Thus, the conditional decision-making framework can be used to study the impact of social influence, social structure, and social meaning; as well as individual differences in perceiving and processing information from social interactions. Concretely, this work took the form of two additional chapters and extensive editing of her book manuscript. The manuscript, entitled *Voting Together: A Social Theory of Turnout*, has been submitted to the University of Chicago Press for review. She also completed a related chapter on the dynamics of conditional decision-making for the *Handbook of Analytical Sociology*, forthcoming from Oxford University Press.

In addition, she began or continued several collaborative research projects that look at concrete examples of the impact of social context on the dynamics of decision-making. A project on the gender gap and partisanship in the US, with Scott Blinder (Nuffield), has yielded one completed conference paper plus research for an additional paper to be completed later in 2008. We argue that the gender gap in political preferences does not reflect inherent or purely socialized differences between males and females, but a more complex interaction between social identity and the social construction of political partisanship and issue positions. Another paper in progress, with economists Ott Toomet (Tartu) and Marco Van Der Leij (Alicante), looks at the impact of interethnic friendships and social context on the ethnic wage gap across multiple nations. I also began collaborations with Tamar Yogeve (Nuffield) on market reputation and pricing; with Andrew Gelman (Columbia) on social context and political trust; and with David Barron (Oxford) on social capital and social networks. Finally, a paper on political discussion networks with Casey Klofstad (Miami) and Scott McClurg (Southern Illinois) was accepted for publication at *Public Opinion Quarterly*.

She continues to serve as coordinator of the EqualSoc group on network measurement; a research team which has grown significantly in activity and size. As part of this project, she convened a seminar on social network measurement, held at Nuffield this June and attended by 18 scholars from around Europe. A working group composed during this event is now preparing a larger proposal to obtain funding for a multi-national pilot to compare new and existing social network measures. She has presented her work at multiple Equalsoc conferences and the American Political Science Association. She has accepted a research post in the Corporate Reputation Centre at Saïd Business School, University of Oxford, and will begin in this position in the fall.

Marzena Rostek (Non-stipendiary Research Fellow) During my visit to Oxford, I have devoted my attention primarily to two projects, one on thin financial markets and a new project on foundations and practical design of divisible-good auctions. I have also revised and re-submitted my earlier axiomatic work on decision theory (“Quantile Maximization in Decision Theory”).

Project on Thin Markets: Since transaction-level data became available in the early 1990s, it has been well understood that institutional investors (e.g., mutual funds, hedge funds, pension funds, investment banks), whose trade on the NYSE accounts for more than 70% of daily trading volume, exert a significant impact on prices and take it into account in their trading strategies. To mitigate the adverse effects of price impact, large traders do not place their orders at once; rather, they break them up into smaller blocks, which are then placed sequentially. If traded at once, a typical institutional package traded at the NYSE would represent more than 60% of the total trading volume.

On the theory side, the presence of market power poses challenges to modeling. In particular, the competitive approach is not suitable for modeling thin markets since it assumes that no individual trader can affect the market price by his buying or selling orders. The theoretical mechanisms underlying the more recent models of asset pricing with price impact are based either on asymmetric information. Nevertheless, for many market events that involve anticipated demand or supply shocks, such as *preannounced* inclusions of new stocks into the S&P, the price impact component that derives from asymmetric information can only partially explain the observed magnitudes of price changes. The paper “Frequent Trading and Price Impact in Thin Markets” (with M. Weretka) studies such dynamic thin markets and establishes implications of market thinness for asset pricing that do not derive from informational asymmetries but rather from investors’ preferences and the risk/return properties of assets. The results match a number of

stylized facts that are hard to reconcile with either the competitive or the asymmetric-information approach.

Recently, we were invited to write an entry on “Thin Markets,” which is now forthcoming in *The New Palgrave Dictionary of Economics Online* (2008, Palgrave Macmillan), edited by Steven N. Durlauf and Lawrence E. Blume.

Project on Divisible-Good Auctions: The auction theory has successfully developed results for selling non-divisible goods, that is goods for which agents have unit demands (e.g., pieces of art, real estate). However, many goods being auctioned are *perfectly divisible* (and agents may have demands for multiple units of such goods). For instance, most Treasury departments all over the world auction securities on a weekly basis; Treasury auctions are one of the key open-market operations. Apart from Treasury securities, auctioning divisible goods has also become standard in other financial markets, such as IPOs as well as repo and commodity markets (e.g., spectrum, electricity, or the national exchange for sulphur-dioxide emission permits). And yet, few results exist in auction theory to permit a formal analysis of selling divisible goods. To provide such general results and examine the design of divisible-good auctions is the goal of the project.

The two designs used for auctioning divisible goods that have been most commonly used in practice are the *uniform-price* and the *discriminatory-price auction*. Till today, essentially nothing is known theoretically about the superiority of either auction format in terms of revenue or efficiency. The paper “Discriminatory or Uniform? Design of Divisible-Good Auctions” (with M. Weretka) establishes such revenue and efficiency rankings.

I have also been working on *double-auction* markets for perfectly divisible goods. The literature on double auctions has focused on large market environments. The recent revival in this strand of literature has produced several long-awaited results on existence and information aggregation. The central message of this influential strand of research is that, under fairly general conditions, the market

can accomplish both an efficient allocation and aggregated information; that is, as the market grows large, the limit reflects the true state of the world. Yet, very little is known about the efficiency and informational properties of equilibrium small double-auction markets. In a setting with quadratic (e.g., mean-variance) utilities, which gives analytical solutions, a new paper “Small Double Auctions” (with M. Weretka), characterizes information aggregation, efficiency and price discovery in double-auction markets with an arbitrary, possibly small, number of traders.

During the year, I presented my work at seminars at the University of Chicago, Nuffield College, University of Southampton, UCL, University of Warwick (CRETA), and the Hebrew University in Jerusalem; and at various conferences, including the Midwest Economic Theory Conference in Ann Arbor, American Finance Association Annual Meeting in New Orleans, and the Essex Economics Workshop 2008. I also served as a discussant at the North American Winter Meetings of the Econometric Society in New Orleans. In May, I visited the Center for Rationality in Jerusalem for one week.

Publication

(with M. Weretka) ‘Thin Markets,’ in S.N. Durlauf and L.E. Blume (eds.), *The New Palgrave Dictionary of Economics Online*, Palgrave Macmillan, 2008. doi:10.1057/9780230226203.1872

Gwendolyn Sasse (Professorial Fellow) My new monograph *The Crimea Question: Identity, Transition, and Conflict* was published by Harvard University Press at the end of 2007. The book is the culmination of an enduring research interest in the dynamics of conflict-prevention. Its starting point is the famous quip by Ernest Gellner, who declared that one of the great mysteries in social science was the “dogs that do not bark” – those nationalisms which do not actively, and usually violently, pursue nation-state formation. In the book I explore a case where violent conflict was widely

expected to occur, but did not – Crimea (Ukraine). In the immediate aftermath of the fall of communism Crimea was perceived to exhibit all the characteristics usually associated with violent ethnic and regional conflict. The absence of conflict, the book argues, is a result mainly of elite bargaining and institutional innovation as part of Ukraine’s transition to democracy. My study is a counterweight to the emphasis on violence in the study of conflict in both small-n and large-n studies. The book was launched in the US and the UK by two panel discussions: at the Annual ASN Convention in New York (April 2008) and at Nuffield College as part of the events hosted by the new Oxford Centre for the Study of Inequality and Democracy (OCSID) (May 2008). These discussions have sparked off fresh thinking about the comparative dimensions and transferable lessons of the critical case at the heart of my monograph. While a critical case study defies easy comparability, I am now searching for equivalents of Crimea’s flexible approach to defusing ethnic nationalist mobilization. My first paper on this theme will be presented at APSA 2008 in Boston.

I have continued my research on international conditionality, in particular EU conditionality, by expanding beyond a focus on Central and Eastern Europe to the Western Balkans and the EU’s eastern neighbourhood. By including a wider variety of political settings, I have developed further the alternative concept of ‘conditionality as process’ (Hughes, Sasse, Gordon, 2004), which calls into question simplistic notions of conditionality which assume rather than demonstrate its operational effectiveness (or lack thereof). My research probes the empirical, conceptual and methodological weaknesses of international conditionality by analysing the flexible and changing nature of conditionality itself, most appropriately studied, in my view, through process-tracing, and a focus on the role of domestic conditions. This new research has generated two articles on the EU’s European Neighbourhood Policy (ENP) and on the minority rights conditionality in Central and Eastern Europe in the post-accession period. The first paper

suggests a framework for understanding the mobilization and socialization effects of the ENP's 'conditionality-lite'; the second paper punctures the myth of effective minority rights enforcement in accession countries, in particular the Baltic states. EU conditionality is best understood as having a 'lock-in effect' on domestic political change rather than bringing about this change. The logical conclusion, I argue, is that conditionality can also lock in deeper structural problems such as segregation or an unwillingness to engage on the part of the majority and the minority. Two further chapters on the ENP and minority issues in Central and Eastern Europe have been submitted to edited volumes which will appear in late 2008 and 2009 respectively.

Through my previous post at the London School of Economics, I am still a partner in a three-year EU Specific Targeted Project (MIRICO), funded under the EU's Sixth Framework Programme. The MIRICO project, which has just entered its final phase, looks at the interaction of international and domestic actors in processes of conflict-management and democratization in the Western Balkans. My own contribution (in the form of working papers) has been an analysis of the conflict-management practices and peace agreements in the Western Balkans, and the EU's profile in conflict-prevention and -resolution. These findings were shared and discussed among the project partners at workshops in Graz (December 2007) and Cologne (February 2008). Throughout the year I have also been part of regular briefings with Commission officials in Brussels.

I was invited to give a guest lecture in the Andrew W. Mellon Sawyer Seminar Series: 'Power-Sharing in Deeply Divided Places' at the University of Pennsylvania (October 2007) and to give the Schapiro Public Lecture at the London School of Economics (October 2007). I have presented my research at a British Academy-funded workshop at the University of Nottingham (October 2007), the annual conference of the Council on European Studies in Chicago (March 2008) and the ASN Convention in New York (April 2008).

In Oxford, I spoke at several events at Nuffield College and the European Studies Centre at St. Antony's. I have been an active member of the Oxford Centre for the Study of Inequality and Democracy since its inception this academic year.

I continue to be the deputy editor of the UNDP newsletter *Development and Transition* (www.developmentandtransition.net). I was also re-selected as an International Scholar within the Open Society Institute Academic Fellowship Programme. In this capacity I pay regular visits to two political science/IR departments in Sofia, Bulgaria, and advise them on departmental reforms, curriculum design, teaching methods and research. I have also just been elected on to the Board of the Open Society Think Tank Fund.

Publications

The Crimea Question: Identity, Transition, and Conflict. Cambridge, MA: Harvard University Press, 2007.

'Review Symposium: Kymlicka's Odyssey – Lured by Norms into the Rocks of Politics', *Ethnicities*, 8, 265-70, 2008.

'The European Neighbourhood Policy: Conditionality Revisited for the EU's Eastern Neighbours', *Europe-Asia-Studies*, 60, 295-316, 2008.

'The Politics of Conditionality: The Norm of Minority Protection before and after EU Accession', *Journal of European Public Policy*, 15, 842-60, 2008.

Gilles Serra (Postdoctoral Prize Research Fellow) My first year at Nuffield College was very rewarding. The College provided an exceptional environment to fine-tune the research that I had started in my dissertation and to begin new projects.

My research this year focused on three papers. The first paper, titled "Why Primaries? The Strategic Choice of Candidate Selection Method", studies the origin of primary elections. I elaborate a formal

model to study the conditions under which party leaders democratize their parties. This research was posted in the working-papers series of the Politics Group at Nuffield College, and is now submitted to an academic journal.

The second paper, titled “Polarization of What? A Model of Elections with Endogenous Valence”, builds a model of electoral competition over two dimensions: policy and quality. The results indicate that candidates will not converge to one another in any dimension and there will thus be a substantial amount of polarization, which contradicts the famous Black-Downs results but is consistent with a vast amount of empirical evidence. That research is now being submitted for publication.

The third paper was written in Spanish with the title “Algunas Críticas a la Reforma Electoral, y Propuestas para Futuras Reformas” (Some Critiques of the Electoral Reform, and Proposals for Future Reforms). I argue that the recent electoral reforms passed by the Mexican Congress include some worrisome legislation that represents a step backward in Mexico’s hard-earned democratization. I also propose new reforms that would, in my opinion, strengthen the democratic credentials of Mexico’s institutions. The essay is going to be published in a book edited by Mexico’s Electoral Tribunal.

That research was presented in several seminars and conferences. I was invited to present at the inaugural conference of the Political Science and Political Economy Group of the London School of Economics. I was also invited by the Centro de Estudios de México en el Unión Europea to participate in its annual seminar in Madrid. I presented two papers at the Midwest Political Science Association meeting in Chicago, and I presented twice at the “post-doc seminar” organized by Adrienne LeBas and Maria Sobolewska at Nuffield College. Finally, I have a paper scheduled to be presented at the annual meeting to the American Political Association in Boston.

Surprisingly enough, my papers got some attention by the media. The nail-biting contest between Barack Obama and Hillary Clinton

raised the public's awareness of primary elections, and some news outlets quoted my research. They included:

- *The Washington Post*, “Lost in the Smoke-Filled Room: Unexpected Talent”;
- *RTP (Rádio e Televisão de Portugal)*, “Primárias”;
- *Pittsburgh Post-Gazette*, “Why primaries? Contests may be long, messy, but they give outsiders a chance”.

In addition to research, a portion of my time was devoted to College service. I was part of the Personnel and Domestic Committee, where we discussed College policies regarding health, safety, renovations, investments, staff compensation and student welfare.

Of most consequence, I was part of the group who organized the annual *pantomime* performed during the Holidays. The show we produced was a fine parody of British and American universities, which included the cameo appearances of academic stars Piero Ignazi, Gwendolyn Sasse and David Soskice. The pantomime was titled “Indiana Jones and the Quest for the Holy Data Set,” and I served as the main coordinator as well as one of the directors and writers. Other post-doctoral fellows were actively involved, displaying some unsuspected theatrical talent like Brendan Beare, Aytak Erdil, Christel Kesler, Christopher Ksoll, Scott Moser, Kerry Papps, Marzena Rostek and Marek Weretka.

Overall, I fully enjoyed the opportunities for intellectual and social development at Nuffield College, and am eager to see what the next year will bring.

Neil Shephard (Professorial Fellow) I am currently on leave from my duties as a University Professor of Economics to lead the establishment of the Oxford-Man Institute. This Institute is a university wide interdisciplinary research centre which focuses on various aspects of quantitative finance. It provides a physical home for faculty and students from economics, mathematics, computer

science, engineering, statistics and law who want to study different aspects of the subject for part of their time.

Since we opened the doors in September 2007 it has been an intellectually stimulating place to work. For example, I have not had an exposure to really strong computer scientists before and I have been learning how they think about some interesting such as data scraping (i.e., building programs to get data from web based databases in real time – e.g., price of airline tickets or baked beans).

My own work has continued to focus on trying to develop new econometric tools to learn about time-varying volatility and jumps in financial markets from high frequency financial data. This has mostly been jointly with Ole Barndorff-Nielsen, Asger Lunde (both Aarhus) and Peter Hansen (Stanford). I have written a paper with Rob Engle (NYU) and Kevin Sheppard (Oxford) on very large dimensional dependence structures amongst asset returns. We call this vast econometrics.

On a more routine front I sat on a University committee which is bringing in unified GroupWare (i.e., Email, calendars, blackberries) to the entire University (which avoids each College, Department and Institute having to individually provide these services). I continued to be an associate editor of *Econometrica*.

Publications

(with Y. Omori, S. Chib and J. Nakajima) ‘Stochastic Volatility with Leverage: Fast and Efficient Likelihood Inference’, *Journal of Econometrics*, 140, 425-49, 2007.

‘Stochastic Volatility Models’, in S.N. Durlauf and L.E. Blume (eds.), *The New Palgrave Dictionary of Economics*. Second edition. Basingstoke: Palgrave Macmillan, 2008, vol. 7, pp. 931-37.

Tom A. B. Snijders (Professorial Fellow) focuses on statistical methods for social network analysis, which is the study of relations in groups of individuals but also groups of firms, etc. A typical

difficulty is that ties between different individuals can be highly interdependent, and the satisfactory representation of this kind of dependence 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. Current work is, e.g., about the development of statistical procedures that are more efficient statistically (compared to the method of moments estimators that now are mainly used), such as maximum likelihood. Pip Pattison and Garry Robins from the University of Melbourne visited briefly in Michaelmas Term for research collaboration. 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. A grant of USD 700,000 was obtained from the National Institutes of Health (USA), as part of the larger research project *Adolescent Peer Social Network Dynamics and Problem Behavior* (principal investigator Dr. John Light, Oregon Research Institute), for reprogramming and improving the *SIENA* program. 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. For dissemination of these methods for analyzing network dynamics and for collaboration in its application, Tom visited the Academia Sinica in Taipei where he taught a 3-day workshop on longitudinal modeling in network analysis.

In this year, Tom was a visiting professor in the month of April at the Faculté Jean Monnet, Université de Paris-Sud, where he collaborated with researchers in the group of Prof. Nicolas Carayol

on networks and innovation (patents). Further he got an honorary appointment as Professorial Fellow in the School of Behavioural Sciences of the University of Melbourne. He was awarded the Order of Knight of the Netherlands Lion for his scientific work. Together with Pat Doreian he is editor of the journal *Social Networks*.

In a collaboration initiated by Peter Hedström and Tom Snijders, “The Nuffield Network of Network Researchers” (NNNR) has been created. This is an informal association of currently sixteen fellows, associate members, and students at Nuffield who are interested in social network research. A seminar has been held which had very good speakers and attendance, and a website has been established at <http://www.nuffield.ox.ac.uk/nnnr/>. The NNNR and this seminar serve as a focus for collaboration in Nuffield, but also with researchers elsewhere, on topics related to social network analysis.

Publications

(with D. Dekker and D. Krackhardt) ‘Sensitivity of MRQAP Tests to Collinearity and Autocorrelation Conditions’, *Psychometrika*, 72, 563-81, 2007.

(with M. J. Lubbers) ‘A Comparison of Various Approaches to the Exponential Random Graph Model: A Reanalysis of 102 Student Networks in School Classes’, *Social Networks*, 29, 489-507, 2007.

(with H. Elzen, J.P.J. Slaets, and B.J.M. Steverink) ‘Evaluation of the Chronic Disease Self-management Program (CDSMP) among Chronically Ill Older People in the Netherlands’, *Social Science & Medicine*, 64, 1832–41, 2007.

(with J.H. Koskinen), ‘Bayesian Inference for Dynamic Social Network Data’, *Journal of Statistical Planning and Inference*, 137, 3930-38, 2007.

(with M. Van der Gaag and H. Flap), ‘Position Generator Measures and their Relationship to Other Social Capital Measures’, in N. Lin

and B. Erickson (eds.), *Social Capital: An International Research Program*. Oxford: Oxford University Press, 2008, pp. 27-48.

(with J. Berkhof), 'Diagnostic Checks for Multilevel Models', in J. de Leeuw and E. Meijer (eds.), *Handbook of Multilevel Analysis*. Berlin: Springer Verlag, 2008, pp. 141-175.

(with R. Stewart, W.J.M. Niessen, J. Broer, F.M. Haaijer-Ruskamp, and B. Meyboom-De Jonge) 'General Practitioners Reduced Benzodiazepine Prescriptions in an Intervention Study: A Multilevel Application', *Journal of Clinical Epidemiology*, 60, 1076-84, 2007.

Maria Sobolewska (Postdoctoral Prize Research Fellow) The first year of my Prize Fellowship started with the presentation of my new research project, on Citizenship and Muslims in Britain, at the European Sociological Association Conference and at the Nuffield Political Science Seminar. As a result of feedback received I am working on turning this paper into two: a chapter about Islamic religious extremism for an edited volume on political extremism in Britain due to come out next year; and a journal article on the perceptions of citizenship by young Muslims in Britain for which I am hoping to incorporate new data due to come out at the end of this year. Despite a lot of interests from publishers in a book proposal on this topic, it seems unfortunately that the data quality would not warrant a large project of this kind.

Aside from my interest in Muslims in Britain, I have pursued further my doctoral topic of electoral behaviour of ethnic minorities in Britain further. Firstly I have been exploring this topic from a new, for me, qualitative perspective. I have conducted 20 in-depth interviews with Britons of minority origin and analysed this data. The results were presented at the Political Science Association Annual Conference in April. Professor Anthony Heath and I are working on an article based on this data that we plan to submit for review later this summer. The funding for this project came from the British Academy in order to prepare ground for an application

for a new survey of political behaviour and attitudes of ethnic minorities in Britain. We have now nearly finalised this application and will be hoping to submit it to the funding body at the end of this summer.

I have also turned two more of my doctoral thesis chapters into articles. The first one, on the problematic issue of race and class in Britain, I have presented in its new form at the Political Science Association Annual Conference and have now sent out to a journal. The second one, on the sociological explanations of electoral turnout of minorities in Britain, will hopefully leave my desk later this summer. I am also currently working on a paper on the relationship between social identities and party identity loosely based on my doctoral work that I am planning to present at the Elections, Public Opinion and Parties Annual Conference in the autumn.

Aside from strictly academic pursuits I have also tried to participate actively in the life of College. I have co-convened (with Adrienne LeBas) a cross-disciplinary seminar series for post-doctoral fellows of College. This seminar is a useful tool of receiving detailed feedback before submitting articles for publication, as the papers are circulated ahead of time for all participants to read and then discuss in an informal and friendly atmosphere. This year I have also been an editor of Nuffield Political Science Working Paper Series. Finally, I have held an office of Dean of Degrees, which allowed me to share the joy and pride of graduation with many of the College's alumni and their families. I have enjoyed my year in Nuffield immensely and am looking forward to the next year of my Fellowship.

Bruno Strulovici (Postdoctoral Prize Research Fellow) primarily focused on his job market paper, entitled “Learning While Voting: Determinants of Collective Experimentation”. 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 evolve through learning and experimentation with available alternatives. The paper develops

a framework to analyse how such preference uncertainty affects collective decisions. The question is addressed through a multi-armed bandit model, in which arm's payoff may vary across society members. 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 Oxford, Cambridge, the LSE, Kellogg, Princeton, Northwestern, Caltech, UPenn, Columbia, Stanford, and U Arizona.

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 recently presented at Toulouse IDEI, the LSE, and the LBS.

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 will be resubmitted to *Econometrica*.

In a related field, Bruno worked with Margaret Meyer (Nuffield College) on the comparison of interdependence in multivariate distributions, which may be seen as a multidimensional version of the Rothschild-Stiglitz analysis of risk, when the objective function is supermodular (we extend the analysis to convexity objective functions). 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. This work was recently presented at Oxford's Statistics department and at the "Risk, Uncertainty, and Decision" conference, which also took place in Oxford this year.

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 Tchisty (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, is ‘Revise and Resubmit’ in *Economic Theory* under the title ‘Generalized Monotonicity Analysis’.

Quentin Van Doosselaere (Postdoctoral Prize Research Fellow) Family medical issues have prevented me from participating in academic projects in the way I had intended this year. Most of my available time has been devoted to working on my forthcoming book *Commercial Agreements and Social Dynamics in Medieval Genoa* (Cambridge University Press, 2009) since feedback from editors and reviewers led me to return to the Genoese Archives to supplement my existing body of research. While searching among the notarial records, I also gathered data on medieval and renaissance insurance practices that can serve as a basis for my large empirical research project on the history of risk. My objective is to analyze the relationship between social network configuration and the perception of risk from the end of the medieval period onwards. In addition to maritime insurance of the 14th to 18th centuries, I plan to build up a data base of life insurance (starting in the Netherlands in the 17th century) and fire insurance (in England at the beginning of the 18th century). My aim is to track how the notion of risk was transformed over time, as the social ties that were cemented by solidarity under uncertainty became replaced by a quantifiable idea of odds about actual circumstances. Ultimately, the pricing of risk through modern markets became a powerful solvent of social relations.

Kathleen Thelen (Senior Research Fellow) is working on a book, jointly with Cathie Jo Martin and Duane Swank, on “Institutional Change and the Politics of Social Solidarity in the Advanced Industrial Democracies”. The book analyzes the politics of

institutional change, especially within so-called “coordinated market economies” of Europe that in the past also featured high levels of cooperation between labor and capital. The book explores why some countries have managed to maintain such coordinating capacities as they adjust to contemporary economic transformations associated with globalization and the transition to services, while others fail. Initial results from this project were published in an October 2007 article in *World Politics* by Martin and Thelen.

I have also just completed an edited book project, together with James Mahoney, on “How Historical Institutionalists Explain Change”. This volume, based on a conference held at Northwestern University in October 2007, contributes to an emerging literature on the politics of institutional change. The introduction elaborates an historical-institutional approach to these questions and proposes a model of change that can be applied to the study of incremental endogenous change. The chapters then provide illustrations of the utility of this approach in the context of sustained empirical analyses of specific instances of incremental change in a diverse range of empirical settings.

I will complete my term as president of the American Political Science Association’s Organized Section on Politics and History in August of 2008, and have just been elected President of the Society for the Advancement of Socioeconomics, a multi-disciplinary and international association of scholars of political economy and economic sociology. I was also recently appointed to the Board of Trustees of the Wissenschaftszentrum in Berlin, and to the Advisory Board of the Institute of Advanced Study, also in Berlin.

Publication

(with C.J. Martin) ‘The State and Coordinated Capitalism: Contributions of the Public Sector to Social Solidarity in Postindustrial Societies’, *World Politics*, 60, 1-36, 2007.

Jeremy Tobacman (Non-stipendiary Research Fellow) In this second year of my Fellowship I continued to focus on consumption-related projects, often with a behavioral economics angle. High-interest, short-term loans called “payday loans” were the context for much of this research. Payday loans provide borrowers with liquidity until their next paydays. Despite annualized costs of this liquidity that often exceed 7000%, over ten million US households borrow on payday loans each year. The most ambitious undertaking on this topic (in collaboration with Paige Marta Skiba) estimates a structural model of payday loan borrowing, repayment, and default patterns. Administrative panel data from a lender show that over half of borrowers eventually bounce the personal checks that collateralize their loans, but on average someone who bounces a check has already paid 90% of the original loan’s principal in interest. This pattern of behavior resembles procrastination on default, we find, and can best be explained by a model that incorporates overoptimism.

In addition, Paige and I completed and submitted our paper estimating the causal impact of payday loan access on bankruptcy. We find that access to this type of very expensive credit causes a doubling in the propensity to file for personal bankruptcy over the following two years. This effect is larger and more significant for women, blacks, homeowners, and loan applicants at “monoline” shops that do not offer other financial services like pawn loans. In joint work with Mark Hoekstra, we have just begun to use the same identification strategy (which relies on a discontinuity in the probability of approval with respect to the credit score) to look for effects of payday loans on marriage and divorce.

It would be particularly puzzling – and interesting – for people to routinely borrow at 7000% per year when cheaper alternatives are available. New work with Paige and Sumit Agarwal matches the payday loan data with administrative data from a credit card issuer. We find that the matched sample has an average FICO score only one standard deviation below the average FICO score of all credit

card account holders, and two-thirds of payday loan applicants have over \$1000 of credit card liquidity at the time they apply.

Several other lines of research have also borne some fruit this year. A randomized evaluation of a new, rainfall-indexed insurance product for farmers in Gujarat, India (with Shawn Cole and Petia Topalova), has helped to illustrate which marketing strategies are effective for introducing complicated new financial products to rural households with low financial literacy. A paper combining theory and calibrated simulations shows that the quasi-hyperbolic discounting model predicts higher levels of wealth inequality than the exponential discounting model, resulting in Gini coefficients about 5% higher. And Mikhail Drugov and I have begun an applied theory project attempting to account for the joint distribution of wages, employment, and prestige over time and across occupations.

I again taught M.Phil. Macro classes during Hilary Term this year, and I assisted with the organization of an Experimental Social Science seminar series in Nuffield. I refereed for the *Quarterly Journal of Economics*, *American Economic Review*, *Review of Economics and Statistics*, *Organizational Behavior and Human Decision Processes*, *Journal of Economic Behavior and Organization*, *Review of Economic Studies*, *Journal of Public Economics*, *Journal of the European Economic Association*, Leverhulme Trust, and Oxford University Press; and gave seminars at Bristol, Cornell, the University of Illinois, the FDIC, the OCC, the Board of Governors of the Federal Reserve System, the University of Minnesota, the University of Pennsylvania's Department of Economics, and the Department of Business and Public Policy at UPenn's Wharton School. All but the first of these seminars occurred in the course of a job search, and the last resulted in match about which I'm thrilled. My time at Nuffield was tremendously enjoyable and productive, and I am deeply thankful for the opportunities, many and bright, that Nuffield provided.

Marek Weretka (Non-stipendiary Research Fellow) Each year, the U.S. Treasury conducts approximately 200 public auctions to issue more than \$4.2 trillion worth of securities. There is a long-standing

debate on which auction design should be used to finance public debt. The two designs of auctioning divisible goods that have been most commonly used in practice are the *uniform-price* and the *discriminatory-price auction*. In both auction formats, bidders may submit multiple price-quantity pairs. The auctioneer then aggregates the submitted schedules to determine the stop-out price (i.e., the price at which the aggregate demand equals the available supply), and bidders are allocated securities for which their bids exceeded the market clearing price. The formats differ in the payment: in a uniform price auction (“single price auction”), all winning bids are filled at the stop-out price, whereas in a discriminatory-price auction (“pay-your-bid”, “multiple-price auction”), the marginal payment for different units is collected according to the schedules that bidders submit.

It is now well understood that the results for single-unit demands do not carry over to divisible-good environments. However, apart from examples with constant marginal utilities, which effectively assume unit demands, nothing is known about the superiority of either auction format in terms of revenue or efficiency. Several studies constructed theoretical examples showing that the equilibria induced by the two designs cannot be unambiguously ranked in terms of revenue and efficiency in realistic auction settings. At the same time, cross-country studies of Treasury practices reveal a striking regularity – of 48 countries surveyed by Brenner, Galai and Sade (2006), 24 use the discriminatory-price format, 9 use the uniform-price one, and 9 employ both auction formats depending on the type of securities issued.

There are several reasons behind the lack of general theoretical guidelines for the design of divisible-good auctions. First, as yet, there exists no general analytical solution for equilibrium bidding strategies in the discriminatory-price auction. The notable exception is the contribution by Hortaçsu (2002) who derived symmetric equilibria for private-value auctions with two bidders and expotentially distributed private signals. (Unfortunately, Hortaçsu’s

result cannot be used to rank the two auction formats in terms of revenue and efficiency, because there exists no equilibrium with two bidders in the uniform-price auction.) Although significantly more is known about the uniform-price auction, the classical characterization of the uniform-price equilibria (Wilson (1979)) delivers a continuum of equilibria with starkly varying revenues; without a plausible equilibrium selection argument, it is thus hard to – theoretically or empirically – compare the two formats.

I (joint with M. Rostek) derive and characterize the unique linear Bayesian Nash equilibria in the uniform- and discriminatory-price auctions in environments with an arbitrary number of risk averse bidders, private and common values, and asymmetries in marginal utilities and endowments. For the discriminatory auction, we provide the first analytical derivation of bidding strategies for settings with more than two bidders. Apart from characterizing the revenue and efficiency rankings for the two auction formats, we address the questions that have been raised in practical design of auctioning divisible goods: encouraging bidder participation, fostering more aggressive bidding and broadening the distribution of awards. Our results may also contribute to the fast-growing literature that seeks structural methods to empirically compare auction mechanisms for a given data set of individual bids by constructing policy counterfactuals (Hortaçsu (2002b), Wolak (2002, 2005), Fevrier, Preget and Visser (2004), Armantier and Sbai (2006), Kastl (2006), and Hortaçsu and Puller (2007)). For example, the derived bidding strategies can directly be used to control for bidders' endogenous participation decisions as a potential source of misspecification, which has remained a challenge.

Publication

(with M. Rostek) 'Thin Markets,' in S.N. Durlauf and L.E. Blume (eds.), *The New Palgrave Dictionary of Economics Online*, Palgrave Macmillan, 2008. doi:10.1057/9780230226203.1872

Laurence Whitehead (Official Fellow) continued to work mainly on the comparative politics of democratization, focussing in particular on the country specific issues of most relevance to Bolivia, Mexico, Poland and Taiwan. (He gave conference papers in the last three of these.) A related interest concerns the “democracy promotion” policies of the UK, the US, Canada and the EU and he extended his collaboration with colleagues in all those locations, and his professional involvements with the International Political Science Association, the Latin American Studies Association, and the European-Latin American Network on Governability for Development. Thus, he organised a panel of IPSA Research Committee 13 (Comparative Democratization) at the Sciences Po centre in Poitiers in December 2007, which also hosted the annual conference of that Network. He also participated in the IPSA’s mid-term research planning convention in Montreal in April 2008, and he chaired the LASA Nominations Committee, as well as its section on EU-Latin American relations. This year was also a period of redoubled activity on behalf of the University, namely on the Audit and Scrutiny Committee (which extended its remit to tackle the HEFCE Governance enquiry) and the Nominating Committee for Council. In College he helped organise the seminar on ‘Turkish Politics Since 2002’, a democracy audit of Costa Rica, and a variety of Mexico-focussed activities. In particular he presented an analysis of executive-legislative relations to the Mexican Senate, and delivered a “conferencia magistral” to the Rectorate of the Autonomous University of the State of Mexico. In the Department of Politics he contributed to the launch of the new Centre on Inequality and Democracy, he continued his involvement with the Centre for the Study of Political Ideologies, and he also supported a one-day conference on Portuguese Politics, and several activities at the Centre for European Studies and the Rothermere American Institute. His teaching was mainly doctoral supervision, together with two graduate courses. In the background he is also making progress on a longer term book project concerning the foundations

of political life. One notable development is that in June 2008 he was elected the first president of the Conseil Scientifique of France's new Institut des Amériques.

Publications

'Taiwan's Democratization: A Critical Test for the International Dimensions Perspective', *Taiwan Journal of Democracy*, 3, 11-32, 2007.

'Reflections on the Enlarging EU (from a Longue Durée Perspective)', *The Polish Quarterly of International Affairs*, 17, 142-51, 2008. (Also as 'Refleksje na temat rozszerzania Unii Europejskiej', *Sprawy Międzynarodowe*, 41, 139-48, 2008.

'Elecciones Reñidas', in A. Knight, A. Schedler, L. Whitehead and E. Rabasa Gamboa (eds.), *La Conflictiva y Nunca Acabada Construcción de la Democracia Deseada: Mexico en Perspectiva Histórica y Comparada*. Mexico City: Editorial Porrúa, 2008, pp. 65-89.

'The Fading Regional Consensus on Democratic Convergence', in J.I. Domínguez and M. Shifter (eds.) *Constructing Democratic Governance in Latin America*. Baltimore: Johns Hopkins University Press, 2008, pp. 13-38.

'The International Politics of Democratization from Portugal (1974) to Iraq (2003)', in N.S. Teixeira (ed.) *The International Politics of Democratization: Comparative Perspectives*. Abingdon: Routledge, 2008, pp. 8-25.

'Regionalismo, Derechos Humanos y Democratización en América: la Importancia del Contexto', *Araucaria: Revista Iberoamericana de Filosofía, Política y Humanidades*, 20, 104-36, 2008.

'Conclusion: Bolivia's Latest "Refoundation"', in J. Crabtree and L. Whitehead (eds.) *Unresolved Tensions: Bolivia Past and Present*. Pittsburgh: University of Pittsburgh Press, 2008, pp. 255-69.

'Estados Unidos y la Hegemonía Internacional Después de la Guerra Fría', in A. Covarrubias (ed.) *México en un Mundo Unipolar... y Diverso*. Mexico City: El Colegio de México, 2007, pp. 31-60.

Peyton Young (Professorial Fellow) During the past year I have continued my research on how players learn in strategic environments. This is an especially challenging problem because the feedback effects between agents who are learning about each other's behavior often produce highly unstable dynamics. Indeed, in prior work I have shown that perfectly rational forward-looking players are frequently *unable* to learn their opponents' behavior precisely because their fine-tuned rationality makes the learning dynamics infinitely complex.

It can be shown, however, that learning is possible when players are not overly rational. Indeed, there exist very simple adaptive 'heuristics' in which people react only to their own recent payoffs and do not even attempt to predict the behavior of their opponents (whom they may not be able to observe); nevertheless the system of interacting agents eventually comes close to Nash equilibrium behavior with high probability. These adaptive learning rules are of considerable theoretical interest, and they have potentially important applications to the design of large interactive systems such as distributed computing, traffic control, and remote sensing.

On a quite different note, recent events in world financial markets led me to investigate whether large unregulated pools of investment funds (including hedge funds) might be contributing to financial instability because of their extreme leverage. Reliable data on these funds is very difficult to obtain, but it is possible to estimate how frequently they blow up. One can also show theoretically that their fee structure gives managers an incentive to take on risks that make it highly probable that they will blow up eventually. This research has been widely reported in the financial press, including an article in the *Financial Times* by Martin Wolf (former Nuffield Visiting Fellow).

This past year I gave plenary addresses at the Congress for Distributed Control in New Orleans, at the Global Absolute Return Conference in London, and delivered the Presidential Address at the 2008 World Congress of the Game Theory Society at Northwestern University. The book I wrote many years ago with Michel L. Balinski

(Fair Representation: Meeting the Ideal of One Man One Vote) won the Hallett Award of the American Political Science Association for a work that has made a lasting contribution to the theory of representation and electoral systems.

Publications

‘Stochastic Adaptive Dynamics’, in S.N. Durlauf and L.E. Blume (eds.), *The New Palgrave Dictionary of Economics*. Second edition. Basingstoke: Palgrave Macmillan, 2008, vol. 7, pp. 917-21.

‘Learning and Evolution in Games: Adaptive Heuristics’, in S.N. Durlauf and L.E. Blume (eds.), *op cit.*, vol. 5, pp. 53-6.

‘Social Norms’, in S.N. Durlauf and L.E. Blume (eds.), *op cit.*, vol. 7, pp. 647-51.

(with D.P. Foster) ‘Hedge Fund Wizards’, *The Economists’ Voice*, 5(2), Article 1. <http://www.bepress.com/ev/vol5/iss2/art1>

Student Publications

Caroline Fehl

‘Living With a Reluctant Hegemon: The Transatlantic Conflict Over Multilateral Arms Control’, *European Journal of International Relations*, 14, 259-87, 2008.

Ippei Fujiwara

(with Y. Teranishi) ‘A Dynamic New Keynesian Life-Cycle Model: Societal Aging, Demographics and Monetary Policy’, *Journal of Economic Dynamics and Control*, 32, 2398-427, 2008.

Lee Jones

‘Absent Sovereigns?’, *Journal of Intervention and Statebuilding*, 1, 383-88, 2007.

‘ASEAN Intervention in Cambodia: From Cold War to Conditionality’, *Pacific Review*, 20, 523-50, 2007.

Thomas Pegram

‘Accountability in Hostile Times: The Case of the Peruvian Human Rights Ombudsman 1996-2001’, *Journal of Latin American Studies*, 40, 51-82, 2008.

Robert Ritz

‘Strategic Incentives for Market Share’, *International Journal of Industrial Organization*, 26, 586-97, 2008.

‘Influencing Rent-seeking Contests’, *Public Choice*, 135, 291-300, 2008.

Silke Schneider

‘Anti-Immigrant Attitudes in Europe: Outgroup Size and Perceived Ethnic Threat’, *European Sociological Review*, 24, 53-67, 2008.

The International Standard Classification of Education (ISCED-97). An Evaluation of Content and Criterion Validity for 15 European Countries. Mannheim: MZES, 2008.

(with I. Kogan) ‘The International Standard Classification of Education 1997: Challenges in the Application to National Data and the Implementation in Cross-National Surveys’, in S.L. Schneider (ed.), *The International Standard Classification of Education (ISCED-97). An Evaluation of Content and Criterion Validity for 15 European Countries.* Mannheim: MZES, 2008, 13-46.

‘Applying the ISCED-97 to the German Educational Qualifications’, in S.L. Schneider (ed.), *The International Standard Classification of Education (ISCED-97). An Evaluation of Content and Criterion Validity for 15 European Countries.* Mannheim: MZES, 2008, pp. 76-102.

‘The Application of the ISCED-97 to the UK’s Educational Qualifications’, in S.L. Schneider (ed.), *The International Standard Classification of Education (ISCED-97). An Evaluation of Content and Criterion Validity for 15 European Countries.* Mannheim: MZES 2008, pp. 281-300.

‘Suggestions for the Cross-National Measurement of Educational Attainment: Refining the ISCED-97 and Improving Data Collection and Coding Procedures’, in S.L. Schneider (ed.), *The International Standard Classification of Education (ISCED-97). An Evaluation of Content and Criterion Validity for 15 European Countries.* Mannheim: MZES, 2008, pp. 311-30.

Heidi Stöckel

(with Gernot Klantschnig) ‘Crime Control and Victim-Centred Approaches to Human Trafficking: A Response to Testai’, *St Antony’s International Review*, 4, 58-62, 2008.

Frauenhandel in die Zwangsprostitution – am Beispiel der Republik Usbekistan (Trafficking of Women into Forced Prostitution – the Example of the Republic of Uzbekistan), Saarbrücken: VDM, 2008.