

International Input-Output Association (IIOA)

P.O. Box 202, A-1031 Vienna, Austria; Fax: +43-2244-30210

Website: <http://www.iioa.org>; e-mail: office@iioa.org

Annual Report 2002

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Presidential Address

The 14th International Conference on Input-Output Techniques was held at Montreal, Canada, on October 10-15, 2002. On behalf of the Association, I would like to express my sincere appreciation for the hospitality of the local organizing committee and the University of Quebec at Montreal. We will hold the 15th International Conference at Renmin University at Beijing. This will be the first IIOA Conference in Asia since the conference at New Delhi, and we expect many participants from all over the world and discuss the important issues. Because the importance of the role of our Association has been increasing, we expect to propose the policy suggestion that our researcher would be increasingly focussed on addressing critical economic problems in the world.

The rapid technological progress of Information and Communication Technology (ICT) since the last quarter of the 20th century has consolidated the world in space and time. While ICT promoted the uniformity of information, and people are gradually coming to share common information, differences in culture and philosophy need to be clarified to reduce the conflict among the different cultures. It is also often observed that the economic and social structures do not adjust to the rapid technological changes and are not able to fully realize the benefit of the new technology in the entire society. The Japanese society and economy is not the exception. It continues the efforts for the recovery since the crash of the bubble economy in the beginning of 1990s. There are many unsolved problems simultaneously all over the world including the U.S. and Europe. We cannot deny there are possibilities to have simultaneous depression all over the world and economists do not yet know how to deal with this challenge.

Professor Leontief insisted that it is important to analyze not only the macro framework of the economy, but also the structure of the economy in order to deepen the understanding of the interdependency of all parts of the economy. He proposed Input-Output analysis to reconstruct and help in the recovery of the U.S. economy from the economic crisis of the 1930s. Concerning the policy implication resulting from Input-Output analysis, we can refer to the experience in the post-war recovery of Japan. The first Input-Output table in Japan was compiled in 1951, when the economic situation was in a kind of chaos just after the war. Although there were no computer facilities, the statisticians in government offices and the academics in the universities were eagerly willing to collaborate in order to construct the first

Input-Output table in Japan. They were enthusiastically willing to establish the analytical tool to plan the allocation of resources in limited supply. The Input-Output table made an important role to establish the planning of resource allocation among industries, the so-called Priority Production System.

In the 1960s the Japanese economy entered into a period of the high economic growth. The Keynesian macro economic policy to compensate the lack of the demand was enough to stabilize the economic situation during this period. After the 1970s, however, the economy entered a stage where it needed structural economic policy in the labor and capital markets as well as in the energy market. While the economic interdependencies among countries and regions are deepening enormously, the dynamic interdependency of technological decisions is also increasing through the process of capital accumulation. With the deepening interdependency in space and time, the analysis of the economic linkages is becoming increasingly important in order to solve economic problems through policy recommendation.

Finally, in order to achieve the progress in structural analysis proposed above, it is also vital to construct the consistent database across countries and regions. I propose a worldwide project to construct a common database for countries represented by members of IIOA. It would be highly valuable to deepen our ability to understand the structure of economies.

Masahiro Kuroda
President, IIOA

Membership

Membership increased considerable in 2002. This increase in the number is quite remarkable taking into account that we had to eliminate more than 30 non-paying members from our files at the beginning of 2003.

Membership (as of 15 March 2003)

Individual members

Individual members (including 45 members nominated by institutional members) 357

Institutional members

Institutional members 15
Plus one contributing institutional member.

Work of the Secretariat

The usual work of the Secretariat – in close co-operation with the treasurer – comprised as usual the following activities: (a) Membership administration, (b) Recording of payments of Membership Fees, including dispatching reminders, (c) Responding to letters from members and others, (d) Communicating with the Council, (e) Communicating with our Publishing

Company (subscription of members, address changes), (f) Communicating with the Editor of the journal *Economic Systems Research*, (g) Updating the website.

The Secretariat was also involved in the preparation and organisation of the 14th International Conference on Input-Output Techniques, 10 – 15 October 2002, Montreal, Canada.

The 2002 regular General Assembly was held on 28 May 2002 in Vienna.

The 2003 regular General Assembly will be held on 28 May 2003, 5.00 p.m., at the Institute of Econometrics and Operations Research of the Technical University of Vienna, Argentinierstraße 8, A-1040 Vienna. This meeting will be held in German language and all members of the Association can attend.

Council Meetings

The Council held two meetings during the Montréal conference (10 and 13 October 2002). At these meetings the Council dealt with the following agenda items:

- Based on proposals by the Editor the Council decided on some changes in the Editorial Board of *Economic Systems Research*.
- Decision on the revised bylaws.
- Report by Shangtong Li and Masahiro Kuroda on the plans for the 15th International Conference in August 2004 in Beijing, P. R. of China.
- Based on the proposal by Masahiro Kuroda the Council nominated Norihisa Sakurai as Chair of the Scientific Programme Committee for the Beijing Conference.
- The Council discussed offers for the conference in the year 2006.
- Concerning the membership fees the Council decided that the amount of the membership fee be equally expressed in US \$ and in Euro, as long as the difference between the two currencies is smaller than 5%. Otherwise, the membership fee is set as currently on the basis of the US \$ alone.
- Further topics on the agenda referred to questions of membership (individual and institutional), the council elections 2003, the policy on royalties for reprint requests.
- The Council also decided that it is very desirable to convene Council meetings not only on the occasion of the international input-output conferences but also in the years between.

Members meeting

A meeting of the members was held on 14 October during the Montréal conference. The members were informed on the results of the Council meetings and the planned future activities of the IIOA.

Organised and presented by Prof. A. E. Steenge a video was shown containing an interview with late Prof. W. Leontief in a TV series on Nobel laureates.

Norbert Rainer
Secretary, IIOA

Report of the 14th International Conference on Input-Output Techniques, 10 – 15 October 2002, Montreal, Canada

The 14th International Conference on Input-Output Techniques was held in Montréal, Canada, October 10-15, 2002. Organized under the auspices of the IIOA, it was hosted by the Université du Québec à Montréal and Christian DeBresson chaired the local organization committee. This was the first time that the international input-output (IO) conference took place in Canada, and it was the second time in North America. Previous locations were Driebergen, The Netherlands (1950), Varenna, Italy (1954), Geneva, Switzerland (1961, 1968, 1971), Vienna, Austria (1974), Innsbruck, Austria (1979), Sapporo, Japan (1986), Keszthely, Hungary (1989), Seville, Spain (1993), New Delhi, India (1995), New York, USA (1998), and Macerata, Italy (2000). The 15th conference is scheduled for Beijing, P.R. China, in August 2004.

The program, which was issued to the attendees in Montréal, listed no less than 284 papers, the largest set ever on an IO conference. The papers covered a wide range of topics and a substantial number was presented by “non-IO” specialists. Participants to the IO conference came from all over the world, including many from non-OECD countries. It is my impression that interest in IO seems to be rebounding. Unfortunately, only about 80% of scheduled papers was presented. Most “no-shows” were authors who were unable to raise sufficient funds for the trip to Montréal. One known exception was an author who only discovered at the airport that he had forgotten his passport.

Montréal marked the third time that IIOA Travel Grants were awarded to young scholars from non-OECD nations to enable them to attend the conference. The winners were Kakali Mukhopadhyay (India), Xue Fu (P.R. China) and Xu Jian (P.R. China). Congratulations!

In Montréal, four distinguished speakers delivered keynote addresses: 1980 Nobel laureate Lawrence R. Klein; Dale W. Jorgenson; Mike Scherer; and Gordon McBean. Other plenary activities were a session on “The Human Contribution to and Economic Implications of Climate Change” (with papers by Klaus Conrad, Christoph Böringer, Shinichiro Nakamura & Yasushi Kondo, and Faye Duchin) and a session with the best three papers from the Leontief Memorial Prize competition for authors less than 40 years old. At the end of this session, the second Leontief Memorial Prize was presented by the IIOA’s president Masahiro Kuroda to Kazuhiko Nishimura for his paper “Technology Transfer with Capital Constraints and Environmental Protections: Models and Applications to the Philippines”. The other two papers in this session were by Daniel J. Wilson and Jan Mutl. Compliments to all three authors, and congratulations to the winner!

Of the 86 parallel sessions, more than half were specially organized, the rest were assembled from submitted abstracts. I am gratified by the continual rise in the number of organized sessions from conference to conference. Generally, such sessions exhibit an inherent coherence and are well attended. In addition to the parallel sessions, the Montréal conference also witnessed two workshops (organized by Bart Los & Albert E. Steenge and by Emilio Fontela). The Scientific Program Committee (SPC) tried to stimulate the organization of such workshops in order to “internalize” real discussion into the program, instead of leaving them for informal settings (such as coffee and tea breaks). In my view, both workshops succeeded in generating lively discussion. Hence, it would be good to see more such workshops at future conferences. In the same vein, the very last session of the conference was a plenary round

table discussion on the future of IO economics, which experienced a severe overflow of attendees.

When sketching the outline of the conference program, the SPC felt that it was appropriate to include a session specifically for presenting software developed by IIOA members. The purpose was twofold: (1) to let membership experience the state of the art in IO and related software and (2) to permit some vendors to show their wares. Although the session was not as successful as anticipated (in terms of attendance), I feel that we should try such a session (or set of sessions) again in Beijing.

Also new to the program in Montréal were the evening courses. In evaluating past IO conferences, participants, organizers and IIOA council members frequently mentioned that our conferences also serve clear educational purposes, in particular for younger scholars and participants from less-developed countries. Hence, we tried to “institutionalize” this aspect of IO conferences by organizing courses. Their goal was to provide attendees with little (or no) background in IO analysis, an introduction to a selected sub-field within two hours. The “junior” participants, who had attended one or more of the courses, were all very enthusiastic. Some “senior” conference participants regretted that they had not been allowed to attend the courses. Perhaps the entry structure to such courses should be reconsidered next conference. The program listed seven of these evening courses and I would like to thank the “teachers” Paul de Boer, Faye Duchin, Emilio Fontela, Geoffrey J.D. Hewings, Michael L. Lahr, Kishori Lal and Thijs ten Raa.

It is obvious that organizing the scientific program of such a large conference is impossible without the help of others. I am indebted to the other three members of the SPC, that is to Christian DeBresson, Kishori Lal and Pierre Mohnen. Others who contributed to the conference program in a big way were the session organizers. Therefore, I thank (in alphabetical order): Pirkko Aulin-Ahmavaara, Jean-Pierre Blanchet, L. Martin Cloutier, Klaus Conrad, Christian DeBresson, Ina Drejer, Faye Duchin, Guido Erreygers, Osmo Forssell, Gülay Günlük-Şenesen, Jiemin Guo, Mark de Haan, Tarek Harchaoui, Annemarth Idenburg, Chris Jensen-Butler, Hiroyuki Kosaka, Michael L. Lahr, Roland Lantner, André Lemelin, Csak Ligeti, Bart Los, Bjarne Madsen, Helmut Maier, Louis de Mesnard, Pierre Mohnen, Karim Nauphal, J. Asger Olsen, Mark Planting, Dan S. Rickman, Joyashree Roy, Norihisa Sakurai, Claude Simard, Albert E. Steenge, Robert Stehrer, and Paul J. Thomassin.

Finally, I should like to mention that most of the papers that were presented in Montréal can be downloaded from the conference website <http://io2002conference.uqam.ca>. Any information on future (and past) IO conferences is available at the IIOA’s website <http://www.iioa.org>. I hope to meet you all again next year in Beijing!

Erik Dietzenbacher
Chair, Scientific Programme Committee
14th International Conference on Input-Output Techniques

Editors Report

Volume 14 (2002) had 430 pages, which was somewhat less than our page limit (of 464 pages). After a volume without a special issue, I was happy to be able to continue again the policy of one special issue per year. Bart Los and Bart Verspagen edited issue 4, “Systems of Innovation: Scientific and Technological Interdependencies,” based on papers presented at the international conference “The Future of Innovation Studies” held in September 2001 in Eindhoven, The Netherlands.

By the end of the year, several guest editors were working on special issues. More specifically, Rob Vos was editing an issue “Accounting for Poverty and Income Distribution Analysis,” with papers presented at a seminar at the Institute of Social Studies (ISS) in The Hague in November 2001, on the occasion of Graham Pyatt’s farewell as a professor of the ISS. Further, Paola Antonello was editing a special theme on “Input-Output, CGE and Econometrics” containing papers from both the Macerata and the Montréal conference, and Louis de Mesnard and Michael L. Lahr were working on a special issue based on papers presented in the sessions “Biproportional Projection in Input-Output Analysis”, which they had organized for the Montréal conference. Also, some of the keynote addresses in Montréal and the paper for which Kazuhiko Nishimura received the second Leontief Memorial Prize, will be published in the same issue.

Apart from the usual editorial work, two things seem important to mention. First, following my proposal the decision was taken (by the IIOA in its council meeting in Montréal) to “update” the editorial board of ESR. Peter McGregor and Sherman Robinson were relieved from their duties. I thank them for serving on the editorial board for several years. Starting with the first issue of Volume 15, David S. Kraybill and Michael L. Lahr will join the board. Second, in 2002 I have slightly changed the refereeing process. Whereas referees always used to receive full information with respect to the authors of the submitted paper, their names are now removed. In other words, ESR now has a double “blind” refereeing process.

A full account of the number of submissions and their current status was in previous reports always made on July 1. On that date the manuscripts for issue 4 are sent to the publisher and the editorial year ends, so to speak. For an Annual Report, however, this is a somewhat unfortunate procedure. At the request of the IIOA, I have now changed to “calendar-years”. Table 1 provides a detailed overview for 2002 and a comparison with the four foregoing years. It is a pleasure to note that the number of submissions is recovering. In particular if the special issues are left aside, the years 2000 and 2001 were very lean years, but 2002 is almost at the level of 1998 and 1999 again. As I have pointed out in previous editor’s reports, the number of submissions used to depend strongly on the input-output conferences. For last year’s growth in submissions, however, only part of it can be attributed to the spillover effects of the Montréal conference. It was a pleasant surprise to see that a substantial amount of submissions were by authors who had not submitted to ESR before or attended the Montréal conference.

Table 1. Overview of submissions and their status.

	Number of papers				
	1998	1999	2000	2001	2002
Rejected directly by the editors	8	5	4	7	6
Rejected because of referee reports	10	15	13	4	7
Withdrawn by the author(s)	1	2	1	-	-
Currently with the referees	-	-	-	-	16
Currently with the author(s) for revision	4	5	2	2	8
Accepted for publication	22	20	13	12	4
Special issues	-	5	9	-	6
Total	45	52	42	25	47
Rejection rate (%) ^a	42	47	55	44	32
Acceptance rate (%) ^a	49	42	39	48	10
Remainder (%) ^a	9	11	6	8	58

^a Percentages are based only on the ordinary submissions, i.e. excluding the contributions to special issues. The rejection rate includes the withdrawn papers and the remainder consists of submissions with the referees or with the author(s) for revision.

Erik Dietzenbacher
Editor, *Economic Systems Research*

Report of the Treasurer

As usual in the years of Conferences we had a significant deficit in 2002. It was somewhat lower than expected. There are three main reasons:

- Again many members used the opportunity to pay their Membership Fees for two or more years. On March 15, 2003 already 155 members had paid for 2003, 25 for 2004 and a few even for 2005. This fact increased our revenues from Membership Fees and enabled us to reduce the share of banking charges. The Fee is still 110 US \$ for two years or US \$ 60 for one year.
- On the expenditure side we tried hard to keep to costs low. The costs for administration were one third lower than estimated.
- The costs for the Montreal Conference were also somewhat lower than expected and some expenditure directly related to the Montreal Conference will show up in 2003.

Because of the necessity to have a Council Meeting in Vienna to prepare the next conference we are expecting a deficit for 2003 also. It will be in the same order of magnitude as the one for 2002.

Josef Richter
Treasurer, IIOA