

International Input-Output Association (IIOA)

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Annual Report 2006

Vienna, May 2007

Presidential Address

Dear Friends and Colleagues,

The Association is doing well. We have moved from only one international conference every four years, in our early days, to a main international conference every two years with more focused input-output meetings in the intermediate years, without losing participants at our main conferences. Our next intermediate meeting will be on Managing the Environment and will be held in Seville, a city we remember very positively from our 10th international conference in 1993. Our next and 17th International Input-Output Conference will be in 2009 in Sao Paulo, a superb location and a fine local organising committee that need no further recommendation. After that we might well move to a yearly international conference with 200-300 participants, marking the maturity of our Association.

Our Journal is also doing well. It has established a strong reputation, which only lacks the long overdue admission into the Social Science Citation Index. Under the leadership of Faye Duchin, our past president, the website of the Association has been modernized; a message board has been added as well as more content. The further development of its output, of course, also depends on your input to it, which would produce – I promise, in this case – a plausible supply-driven input-output multiplier. Also, the governance structure of the Association has been made more transparent and more democratic by initiating the change in our statutes. On all these activities you find more information further on in this report.

Thus, on behalf of the Association I thank Faye for her leadership and I thank the outgoing council members for their contributions. Also we sadly remember the decease of our good friend and colleague, Chris DeBresson, council member and chair of the local organising committee of our 14th international conference in Montreal in 2002.

Finally, Josef Richter resigned from his office as treasurer. He has been our treasurer since the founding of our Association. For more than 15 years he served the IIOA in this honorary office. It was to a large extent the result of his efforts that the IIOA is nowadays an Association with a sound financial basis. On behalf of all of you I thank Josef in particular for his service to our Association.

As for the future, I invite you all to come to our first General Assembly outside Vienna. There you will be informed about the newest developments, and there you have most likely to

decide about a substantial reduction of the membership fees. That is also the best place to contribute your own ideas and suggestions. The meeting will be held in the beautiful city of Istanbul, bridging Europe and Asia, where I hope to welcome you all.

Jan Oosterhaven
President, IIOA

Membership

As of March 31, 2007 the IIOA counted 332 members, 55 of whom were nominated by 18 institutional members and 1 contributing institutional member. This represents a slightly increasing net membership base, up from 326 in 2005. The number of institutional members continues to be stable.

Work of the Management

The work of the Secretariat – in close co-operation with the treasurer – embraced the following usual 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 and enlarging the website together with the webmaster.

The Secretary was also involved in the preparation and organisation of the forthcoming Istanbul conference.

The **2006 regular General Assembly** (based on the old statutes) was held on 29 May 2006 in Vienna. The required information to the Austrian authorities on the results of the General Assembly was provided by the Secretary.

The General Assembly also had to elect a **new auditor** as the previous auditor, Dr. Kurt Baumgartner, retired from being a member of the pool of *Austrian Economic Trustees*. The Association asked his successor, Mag. Otto Kremser, whether he would be prepared to take over this function and, after providing detailed information about our Association, he agreed and was elected as IIOA auditor.

In addition to the usual items on the agenda, the General Assembly also elected Christof Paparella as the **new treasurer** as Josef Richter announced to resign from this function. Due to the election of a new treasurer the organisation and the concrete division of labour between the Secretary and the Treasurer was newly arranged. In a letter all members were informed on the contact address of our new treasurer; it was also posted on our website.

In autumn 2006 the Secretary organised the **Council election 2006**.

In addition to these tasks, the Secretary was intensely involved in discussion, preparation and finalisation of the **new statutes**. The Statutes Committee consisted further of Thijs ten Raa (Chair), Jan Oosterhaven and the late Chris DeBresson. In 2006 the discussions were already

at a final state. Nonetheless, it was decided that an Austrian lawyer should check the consistency of the draft with the Austrian law. Based on his experience, the lawyer proposed further amendments, which needed further discussion within the Statues Committee. Most of the proposals by the lawyer were agreed upon by the Statues Committee in principle, even if the lawyer had the tendency to regulate all possible situations. After finalising the discussions, the Secretary convened an **irregular session of the General Assembly** in order to approve on the new statutes. This irregular session took place on 15 January 2007 in Vienna. The General Assembly approved the revised statutes with several smaller changes, most of them for clarification purposes.

The final version of the statutes was subsequently reported to the Austrian authorities. They approved the statutes with the exception of the following sentence in Article 14: “The Secretary and the Treasurer are appointed for a period of up to five years.” It was concerned that the appointment period was not fixed. Thus, this sentence was changed into “The Secretary and the Treasurer are appointed for a period of three years.” With this amendment the new statutes were **approved by the Austrian authorities on 1 March 2007**.

The MembersWeb as part of our Website was updated constantly: it comprises the list of members, a feedback form and a form to provide changes of address directly to the Secretariat.

Results of the Council Elections 2006

According to Article 9(4) of the old statutes of the IIOA every three years Council elections must take place to replace three elected Council members whose term expires. At the end of 2006, the Council tenure of the following three Council members expired: Gabrielle Antille Gaillard, Maurizio Ciaschini and Thijs ten Raa.

A call for candidates for the Council elections 2006 was mailed to all members in June 2006 and at the end of the deadline 8 members affirmed their candidacy for the Council elections (in alphabetical order):

Jiemin GUO
Geoffrey J.D. HEWINGS
Klaus HUBACEK
Shigemi KAGAWA
Kurt KRATENA
José M. RUEDA-CANTUCHE
Albert E. STEENGE
Sangwon SUH

In October 2006 the ballots together with short curriculum vitae of the candidates were mailed to all members who have paid their membership fee for 2006. Completed ballots were directly returned to our auditor, Mag. Kremser, who counted the votes and reported the results to the IIOA. Mag. Kremser received 98 completed in ballots, of which 95 were valid. The following three candidates received the highest number of votes and are thus elected Council members for the years 2007 – 2014:

Albert E. STEENGE
Geoffrey J.D. HEWINGS

José M. RUEDA-CANTUCHE

New President and new Vice-Presidents of the IIOA

As the election period of Faye Duchin ended in 2006, the new Council elected a new President. The Council elected as the new President for the years 2007 – 2009:

Jan OOSTERHAVEN

Furthermore, the terms of the two Vice-Presidents Norihisa Sakurai and Jan Oosterhaven ended also in 2006; the new Council also had to elect two new Vice-Presidents for the period 2007 – 2009. The new council elected as the new Vice-Presidents for the period 2007 – 2009:

Geoffrey J.D. HEWINGS and
Norihisa SAKURAI

The updated list of council members can be found at our website.

New treasurer Christof Paparella

Christof Paparella is Austrian national and has post-graduate degrees in *International Management Studies* and *Economics*. He has been active in the field of macroeconomic statistics for seven years, in particular national accounts. As a researcher at the Department of Statistics at Vienna University of Technology he studied national statistical systems in South East Asia. He also worked in several international organizations, such as Asian Development Bank, Inter-American Development Bank, International Monetary Fund, UNECE, and the UN Secretariat.

Revision of statutes

The revision of the statutes were finalised in 2006. The Statutes Committee, consisting of Thijs ten Raa (Chair), Jan Oosterhaven, Chris DeBresson and Norbert Rainer, reviewed the current statutes and proposed a series of amendments. Discussions also took place with the Board and an Austria lawyer checked the revisions for their consistency with the Austrian law. The revised statutes were endorsed by the Council and formally approved by the General Assembly.

The main changes are the following:

- The General Assembly will move from Vienna to the Conference venue where many members are present. The General Assembly will take place at least every four years (this was possible because of the new Austrian law).
- The Board, to date the governing body vis-a-vis the Austrian law so far, was abolished; the tasks of the Board were assigned to the Management (Secretary and Treasurer). The governing organ of the IIOA is now the Council.
- The Management previously was elected by the General Assembly. It is now to be appointed by the Council.

- In addition to these main structural changes, there are a lot of detailed amendments and clarifications in more or less all articles of the statutes.

The revised statutes can be found at our website.

Report on the Council Meetings in Sendai

During the Sendai Conference the Council held two meetings (25 and 28 July 2006) to discuss various basic issues concerning the activities of the IIOA, such as

- forthcoming and future conferences, especially the preparation of the Istanbul Conference in July 2007
- progress on the statutes amendments
- progress on the IIOA website
- issues of the Journal *Economic Systems Research*
- strategic issues in the future development of the IIOA

Furthermore, the Council decided to install IIOA Fellows:

- In order to honour appropriate members of the IIOA for their scientific contributions to the field of input-output analysis, the IIOA will install “**IIOA Fellows**”. The Fellows have the right to call themselves “Fellows of the IIOA” and have the right to lifetime free membership in the IIOA. At each International Input-Output Conference up to three new fellows will be elected by the group of elected fellows. The Council nominated the following three persons as the first three IIOA Fellows:
 - Andras BRODY
 - Anne P. CARTER
 - Karen R. POLENSKE

Norbert Rainer
Secretary, IIOA

Report on the International Input-Output Meeting on Sustainability, Trade and Productivity, 26 – 28 July 2006, Sendai, Japan

The 2006 Intermediate Input-Output Meetings were held in Sendai, Japan, July 26-28. As the central topic of the conference, the organizers had chosen “Sustainability, Trade & Productivity”. The meetings were organized under the auspices of the IIOA, while the Pan Pacific Association of Input-Output Studies (PAPAIOS) and Tohoku University were supporting organizations. The local organization committee was led by Hajime Inamura (chair) and Shigemi Kagawa, both from Tohoku University. They had selected the Sendai Sunplaza hotel as the conference venue.

The total number of participants was 146, of which 74 were Japanese. The other 72 participants came from no less than 27 countries. The program listed 41 parallel sessions with 119 papers in total. The plenary opening session on Wednesday July 26, had speeches by the

chair of the local organizing committee (Hajime Inamura), the president of PAPAIOS (Mitsuo Ezaki), the president of Tohoku University (Takashi Yoshimoto), the mayor of Sendai city (Katsuhiko Umehara), and the president of the IIOA (Faye Duchin). The session concluded with a video on Leontief which was made by the Leontief Centre in St. Petersburg and which was introduced by Masaaki Kubinowa. The other plenary session was on Thursday morning and included the two keynote speeches. Robert U. Ayres presented the paper “Some thoughts on a hybrid materials-process input-output model at the firm level” (co-authored by Daniel Dias) and former IIOA president Masahiro Kuroda spoke about “What and how can we contribute to science policy as input-output scholars?”. The conference officially ended on Friday with a farewell lunch, but quite a number of participants joined one of the two conference tours on Saturday.

Most of the sessions were convened by session organizers. Such sessions typically exhibit an inherent coherence and are well attended. The session organizers are crucial for the success of the program. I would thus like to thank (in alphabetical order): Vito Albino, Noritoshi Ariyoshi, Joerg Beutel, Kiyoshi Fujikawa, Gülay Günlük-Şenesen, Toshiaki Hasegawa, Tadashi Hayashi, Yuzuru Miyata, Pierre Mohnen, Shinichiro Nakamura, Yasuhide Okuyama, Ole G. Pedersen, Thijs ten Raa, Norihisa Sakurai, Ferran Sancho, Mikio Suga, Sangwon Suh, Marcel Timmer, Bart Verspagen, Ayu Washizu, Helga Weisz, and Harry C. Wilting.

Finally, I should like to mention that most of the papers that were presented in Sendai can be downloaded from <http://www.iioa.org/Conference/intermediate2006-downable%20paper.htm>.

Erik Dietzenbacher
Chair, Scientific Program Committee
(also on behalf of the local organizers, Hajime Inamura and Shigemi Kagawa)

Preparation of the 16th International Input-Output Conference, July 2- 6, 2007, Istanbul, Turkey

The next international input-output conference will take place at the Istanbul Technical University (ITU) in Istanbul, Turkey. The conference will be organized by a local committee headed by IIOA members Umit Senesen, ITU, and Gulay Gunluk-Senesen, Istanbul University. It is supported by ITU, Turkish Economics Association (TEK) and The Scientific and Technological Research Council of Turkey (TÜBİTAK). The head of the Scientific Programme Committee is Klaus Hubacek from University of Leeds, UK.

The goal of the conference is to promote and stimulate the exchange of ideas among economists and between them and government officials, engineers and managers with interest in input-output analysis and related methods worldwide. Thematic topics related to any aspect of input-output modelling have been invited. This includes economic theory, issues of policy and strategy such as growth and development, or energy and environment; all aspects of models, methods, and analytical frameworks; application at global, national, regional and local levels, the use of input-output analysis in new areas including interdisciplinary research and the collection of data and compilation of input-output tables.

The call for papers has resulted in the submission of some 350 abstracts leading to almost 200 full papers (30 of which are from students) after review and a few withdrawals. We further

received 9 submissions for the running of the Leontief Memorial Prize for the best conference paper of young authors.

Further information may be obtained from the conference website: <http://www.io2007.itu.edu.tr/> and from the IIOA website: <http://www.iioa.org/conferences.htm>.

Klaus Hubacek
*Chair of the Scientific Programme Committee and chair of the Local Organising Committee
(also on behalf of the local organizers Gulay Gunluk-Senesen and Umit Senesen)*

Report of the Webmaster

The web activities have become a bit quieter after the initial installation of the new features such as the message board and the members area (thanks to Norbert). The routine work includes updates of news items on the front page of the IIOA website, updating and internalizing of papers of the IO conferences, and updating and maintaining the basic functions of the IIOA web.

The number of message board users has increased to some 90 but the traffic has considerably slowed down during the year. Most of the postings are before and after an IIOA conference with not much use in the interims period. Most of the postings are related to data requests and technical questions.

The working paper section has been drafted and shall be launched soon. An online submission system is envisioned but is dependent on the costs that might entail. Another added benefit of such a system would be that it could be used for the organization of submissions of abstracts and papers similar to the one used for the Sendai conference in 2006.

Another ongoing activity is to create a link to *Economic Systems Research* and thus allowing members easier access.

Klaus Hubacek
Webmaster, IIOA

Editor's report

Volume 18 (2006) had 442 pages, which was 22 pages less than our annual page limit (of 464 pages). In December, we published the special issue "The History of Input-Output Analysis, Leontief's Path and Alternative Tracks" for which Olav Bjerkholt and Heinz D. Kurz acted as guest editors. The idea for this special issue grew out of a special session on the history of input-output analysis at the conference in Beijing. Next to four papers from this session, the special issue also contains an interview with Leontief and an article about Leontief's family in Russia (both of which were translated from Russian).

By the end of 2006, several colleagues were working on special issues. Christian DeBresson had been editing "China's Growing Pains: Recent Input-Output Research in China on China",

Yasuhide Okuyama was preparing a special issue on “Economic Modeling for Disaster Impact Analysis”, and Pirkko Aulin-Ahmavaara and Marcel P. Timmer were working on “New Developments in Productivity Analysis within an Input-Output Framework”. It thus seems that also in the next volumes we can carry on the tradition of one special issue per year.

A full account of the number of submissions and their status on January 1, 2007, is given in Table 1. It provides a detailed overview for 2006 and a comparison with the four foregoing years. The results indicate that the number of submissions has been fairly stable in the last five years. But of course, I would be happy to receive many more high-quality submissions so as to improve the quality of the journal even further.

Table 1. Overview of submissions and their status.

	Number of papers				
	2002	2003	2004	2005	2006
Rejected directly by the editors	6	6	10	14	9
Rejected because of referee reports	19	20	19	14	9
Withdrawn by the author(s)	-	1	-	-	-
Currently with the referees	-	-	-	-	9
Currently with the author(s) for revision	2	-	5	2	6
Accepted for publication	14	17	14	12	7
Special issues	6	8	7	6	7
Total	47	52	55	48	47
Rejection rate (%) ^a	61	61	61	67	45
Acceptance rate (%) ^a	34	39	29	28	18
Remainder (%) ^a	5	-	10	5	37

^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

In May 2006 former Treasurer Josef Richter retired from his function. The accounting system was restructured to a simple but fully electronic format linking items in the financial statement back to individual transactions. Auditing of the IIOA accounts has been assumed by Otto Kremser, a chartered accountant; it took place in February and March 2007.

The financial report for 2006 indicates that predictions for the fiscal year 2006 had been fairly precise. The surplus amounted to US\$ 15.5 thousand - slightly lower than predicted but still comfortably positive.

In interpreting the figures in the financial report, it is important to note that the report is stated in US dollars. Most of the IIOA expenditures accrue in Euros – with the exception of the costs for

the ESR journal; therefore a rise in the US \$/Euro exchange rate triggers an increase in costs expressed in US \$. Lawyers' fees of US \$ 5.3 thousand accrued in the process of the revision of the IIOA statutes, which represent the most significant shift in expenditures. Membership contributions dropped back to their level of 2005, not surprising for a year without a major IIOA conference. Interest revenue appears constant in 2006 compared to previous years but actually doubled during 2006. Since the additional interest of US \$ 1.6 thousand (net of withholding tax) was received in the accounts only in January 2007 due to a belated correction of accounts on the side of Raiffeisen Landesbank, this revenue has to be shown in the financial report for 2007, according to existing accounting rules.

On the expenditure side, banking charges increased since IIOA management decided to protect IIOA funds from potential losses by quickly moving them from accounts with the troubled BAWAG institute to new accounts with the Raiffeisen Landesbank. Because of Council elections in 2006, expenditures for postage, auditing and administration were higher than in 2005. Costs for administrative purposes are generally very low in the IIOA.

In 2006, the membership contribution for individual members continued to amount to US \$110 for two years or US \$ 60 for one year. Many members took advantage of the possibility to pay their contributions via credit card.

For 2007 we again expect a surplus, even if notably lower due to the Conference in Istanbul. Membership contributions as well as royalties and costs for the ESR journal are expected to remain constant. There are no lawyers fees anticipated. Interest revenue will surge to a level of US \$ 4,400 due to the belated credit of 2006 interest earnings, as stated above. A conservative estimate of the costs of the Istanbul conference amounts to about US \$ 20,000; this includes travel grants, council travel, keynote speakers. A strong participation of IIOA non-members at the conference – which at present cannot be predicted -, would entail a capitation revenue for the Association and may lower the estimated amount.

In 2008 interest revenue will drop back to its regular level. The introduction of an IIOA capitation fee for participation at the Seville conference instead of a fixed refund increases the variance of potential revenues, a conservative estimate of revenues around US \$ 5,000 appears nevertheless justified.

Christof Paparella
Treasurer, IIOA