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**CENTRE/GROUP/NETWO
RK DIRECTOR'S
ANNUAL REPORT FORM
(Edition 10: November 2008)**

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CENTRE/GROUP/NETWORK DIRECTOR'S ANNUAL REPORT 2008/09

Reporting period : from 1 April 2008 to 31 March 2009

Name of Centre : Centre for the Microeconomic Analysis of Public Policy

Director's name : Richard Blundell

Start and End Dates : 01/04/2005 to 30/09/2010

Year of Operation : 4

Total budget from ESRC: £5,339,891.06

The Director's Annual Report should be completed in accordance with the attached guidelines. It should be submitted to EST and a copy **emailed** to the relevant ESRC Case Officer by **31 March 2009**.

Introduction

The Centre for the Microeconomic Analysis of Public Policy (CPP) carries out core analytical research that aims to inform microeconomic analysis of public policy. Our research takes place within the team-based environment at IFS, providing advanced training for young researchers.

For the period 1 April 2008 to 31 March 2009, our aims and objectives were to make advances on a number of specific research areas described under the headings: *Labour Supply and Retirement; Education and Human Capital; Competitiveness, Productivity and Firm Performance; Consumer Demand, Competition Policy and New Goods; Dynamics of Inequality, Saving and Wealth; and Public Finances*. We have made good progress in all of these areas.

The Centre acts as a national resource for analysis of emerging policy challenges and draws on extensive collaboration with leading researchers in the UK, Europe, North America and the developing world. We seek to communicate our research findings effectively, to a wide range of audiences, thereby maximising their impact on policy both directly and by informing public debate. Specific objectives for capacity building and communication were detailed in our Forward Plan, and we believe that we have made good progress on all of these.

There have been no major changes in staffing or in the structure of the Centre during this period, although we did have a number of staff go on maternity leave, which led to a delay in one project.

Impact and highlights

Research progress

1. Housing markets

We made advances on interrelated projects that seek to develop our understanding of individuals' behaviour in the housing market, and the impacts this has for non-housing consumption. Specifically, we have:

- developed realistic models of consumption and housing decisions over the life cycle, which help us understand how house price shocks might drive consumption swings, and that allow us to study how financial markets and earning processes affect house prices;¹ [See Annex 2 for references.]
- developed a measure of current expenditures on housing services for owner-occupiers that takes into account uncertainty in house prices, interest rates and incomes, dynamic life-cycle choices, and liquidity constraints that depend on both income and house value.²

2. Use of market research data

We have improved our understanding of the properties of new detailed longitudinal data on consumer expenditure, which we purchased from a market research firm with funding from the ESRC and Nuffield. These data have not yet been widely used in social science research in the UK. We compared these data with standard data used by social science researchers, the EFS. The results of this work provide a number of useful guidelines for using the data and recommendations for future data collection.³

We used these data to examine how consumers make savings by buying in bulk, buying own-brand products, buying from different stores and buying items that are temporarily price promoted. We considered the implications this has for the measurement of price indices.⁴

Academic impact

1. Conference on 'Structural Models of the Labour Market and Policy Analysis'

We held a conference at IFS on 6–8 November 2008, which aimed to bridge the gap between macro and micro economic models of the labour market, and to stimulate discussion on the use of structural models of the labour market for evaluating important policy questions. We brought together leading scholars from the UK, Europe and North America to discuss how various labour market institutions and policies interact with labour market uncertainties (shocks), human capital accumulation, and market imperfections and frictions.

The main discussions centred on the analysis of the key drivers behind the different labour market experiences, in terms of hours of work and employment, of the United States and Europe? Richard Rogerson (Arizona) presented work suggesting taxes are important in understanding trans-Atlantic differences, while Thomas Sargent (NYU) focused on differences in non-employment benefits. Other presentations considered specific institutions and reforms including unionisation (Robert Shimer (Chicago) and Coen Teulings (The Hague)), job search (Bas van der Klaauw (Amsterdam)). Rising inequality was examined by Gianluca Violante (UBC), while Giuseppe Moscarini (Yale) presented work on modeling equilibrium wage dispersion. Rasmus Lentz and Espen Moen (Denmark) focussed on firm dynamics, and Jeremy Lise (UCL and IFS) considered evidence on sorting.

2. Richard Blundell, Luigi Pistaferri and Ian Preston, ‘Consumption inequality and partial insurance’, *American Economic Review*, December 2008

Over the 1980s and 1990s, much work documented changes in the wage and income distributions, yet there was relatively little work on the corresponding changes in the consumption distribution. The studies that did exist were primarily descriptive – showing that income inequality had increased by more than consumption inequality – but did not attempt to uncover the link between these changes. In this paper, we analysed this link by considering data over the period from the late 1970s to the early 1990s. We showed that in order to understand the divergence in these two distributions, it was important to understand the link between shocks (unexpected changes) to income and households’ ability to insure themselves against these shocks. While income inequality rose, it was due to a relative increase in the variability of shocks that households could insure against, leading to less increase in consumption inequality.

During 2008, this research has been presented at many distinguished invited lectures⁵ and it is now informing our research on how consumers will respond to the increased uncertainty in the current downturn – for example, in IFS analysis of the likely impact of the temporary VAT cut in the UK as a fiscal stimulus.⁶

Economic and societal impact

1. Advice about the impact of the credit crisis on policy options

The banking and general economic crises have led to a large increase in demand for commentary and analysis on the fiscal and budgetary situation. We provided substantial advice:

- through several IFS publications;^{6,7}
- to the media through monthly public finance bulletins e-mailed to 1,900 individuals including journalists and policymakers; Robert Chote and Carl Emmerson gave presentations to BBC journalists in the run-up to the November 2008 PBR and April 2009 Budget; numerous appearances covering all of the major national television and radio news programmes; authored articles in *Public Finance Magazine*, *Daily Telegraph*, *Evening Standard*, *Sunday Telegraph*, *The Guardian*, *The Times*, *Health Service Journal* and BBC Online.
- directly, including oral evidence to House of Commons Treasury Select Committee inquiry on Budget Measures and Low-Income Households (two briefing notes submitted); to inquiries on March 2008 Budget and November 2008 PBR; advice to Lord Drayson, Minister of Science, DIUS, at ESRC-organised discussion on fiscal policy in an economic downturn; meetings with IMF, EC and Canadian Ministry of Finance; press briefing after Budget 2008 to 180 attendees; press briefing after PBR 2008 to around 240 attendees; by researchers being members of ESRC ‘Task Force to Advise Ministers on Evidence Based Interventions to Combat Recession while Enhancing Long Run Performance’.

2. Understanding the impact of inflation

Inflation has been unusually volatile recently. Understanding who is being most affected, and by how much, is important for policy formation. Measuring the impact of price changes for different households has been a core area of IFS research since it was first funded by the ESRC. Recent work in this area includes an IFS Commentary,⁸ presentations⁹ and media comment.¹⁰

Progress against objectives

Progress against research themes and milestones

We have made good progress against the research themes and milestones that we set out in our Forward Plan. The scientific section of our research plan was organised under six headings, and here we pick out a few examples of research progress under each one.

Labour Supply and Retirement

Work funded by the DWP used our tax and benefit microsimulation model, developed at CPP, to estimate the financial benefits of the Pathways-to-Work reforms to incapacity benefits. Results showed that financial benefits significantly exceed costs, with net measured benefits to participants and to the exchequer. We analysed transitions into and out of work for older people in the context of changes in work disability.¹¹ We are now integrating health changes into a structural model of retirement. Centre researchers have worked with US academics at RAND on an international comparison of incident health conditions and subsequent changes in work, income and wealth.¹² For example, analysis of health conditions across the wealth distribution for older adults in the US, England and Europe was published in the *American Journal of Public Health*.¹³

Education and Human Capital

We collated administrative data from HMRC and DWP to assess the impact of the youngest child's birth month on labour supply choices of low-income lone parents. Findings suggest a significant short-term effect. We presented the results to DWP's Parent Policy Evaluation Strategy Steering Group in September. We asked why young people from poor socio-economic backgrounds have lower academic attainment and engage in more risky behaviours than their richer peers. One particular focus of this work is the role of parents' and young people's educational aspirations and expectations, as well as other aspects of parenting, and young people's own self-concepts (such as ability, beliefs, and valuation of school). This work is co-funded by JRF and DCSF. We considered the school funding system in England and analysed whether funding follows measures of educational need, such as social deprivation and special educational needs.¹⁴ We have made initial progress on modelling households' schooling decisions with multiple children, but this work has been slower than expected, partly because the two main researchers have been on maternity leave this year.

Competitiveness, Productivity and Firm Performance

We used new data developed with co-funding under the AIM initiative to describe what impact globalisation is having on the organisation of innovative activities around Europe.¹⁵ We also examined how firm boundaries and national borders jointly affect the diffusion of knowledge. We find evidence that multinational firms play an important role in facilitating the transfer of knowledge across countries. We used data from within a large UK multinational firm to exploit a quasi-experimental setting in which the firm changed its incentive system (to adopt a Balanced Scorecard) in one division and not in another. Our results suggest that the Balanced Scorecard had some impact, but that it varied with branch characteristics, and, in particular, branches with more experienced managers were better able to respond to the new incentives.¹⁶

Consumer Demand, Competition Policy and New Goods

We showed that different households experience very different inflation rates; this is truer now than at any time for 25 years. The oldest and poorest households have faced significantly higher inflation than others, driven by recent high food and energy price rises.^{7,17} We completed a comparison of new consumer panel data from market research firm TNS and standard data used in social science research, the EFS.³ We examined how consumers change their behaviour to save and considered the implications for measuring price indices.⁴ We developed a static discrete-choice microeconomic model that incorporates unobserved heterogeneity, childcare costs and usage, fixed costs of work and the detailed non-convexities of the tax and transfer system. We integrated a detailed and highly efficient tax and benefit model which substantially improves upon the estimation and simulation of these models. These models are currently being employed to examine the optimal structure of marginal tax rates among lone parents.¹⁸

Dynamics of Inequality, Saving and Wealth

We analysed associations between poverty defined by income, wealth and self-reported quality of life among older people and found some interesting patterns.¹⁹ We made much progress in understanding links between consumption and housing decisions. This included developing a more robust theoretical model, empirical

analysis of downsizing housing consumption and decumulating housing wealth by older households,²⁰ and developing a simulation model that aggregates individual demand for housing and consumption decisions. We developed models of equilibrium house prices and the implications of various features of the economy, in particular financial markets and earning processes for the properties of house prices. We completed a study of the extent of partial insurance to income shocks in the US,²¹ and continued a simulation of the reliability of methods for analysing shocks based on studying consumption and income equality.²²

Public Finances

We compared the value of UK public sector teachers' pensions and showed how they changed under the 2007 reforms.²³ The banking and general economic crises have led to a large increase in demand for commentary and analysis on the fiscal and budgetary situation in the UK. IFS has provided substantial advice on what impact the credit crisis has for the policy options open to the government now and into the future. This advice has been provided directly to the government, to opposition parties, to the media and to civil society more broadly. Outputs include several publications on the IFS website, briefings to the media, numerous appearances covering all major national television and radio news programmes, and direct policy advice.

Major outputs

During the year, 26 journal articles were published or forthcoming and 21 working papers were produced. Centre staff presented 89 papers at conferences and seminars. We published 15 non-academic reports. We held 10 events aimed at a non-academic audience, and Centre staff took part in many more external events. See the section below on Investment-Specific Indicators for more details.

Capacity building

CPP provides advanced training for young researchers. A few specific highlights from this year follow:

- Two new PhD research scholars were appointed: Daniel Rogger is co-funded via UCL and supervised by Richard Blundell; Thibaut Lamadon is co-funded under Costas Meghir's ESRC Professorial Fellowship.
- Three new full-time research economists were hired.
- A media training day was held in-house and attended by 10 researchers.
- We hosted three visiting junior scholars: Bas Straathof (CPB Netherlands, 3 months), Jeroen Sabbe (KU Leuven, 1 year) and Stephan Seiler (LSE, 1 year).
- We hosted 18 visiting researchers and held 28 seminars involving internal and external speakers.

Communication

The Centre acts as a national resource for analysis of emerging policy challenges. We make all of our output available online. CPP researchers spend considerable time and effort talking to journalists. Highlights include:

- Editors and contributors to the Mirrlees Review made presentations at about 20 academic conferences around the world. Presentations and discussions were also held with HM Treasury and the CBI.
- The Fiscal Facts area of the IFS website has been updated in line with recent Budget changes.
- Presentations were made to A-level students in London and Cheltenham and to undergraduates in London (our 'Public Economics day') and at Cambridge and Oxford Universities.
- The Green Budget 2009 was published, in collaboration with Morgan Stanley, and launched to an audience of around 250 from the public and private sectors and academia.
- CPP researchers provided evidence to three Parliamentary Select Committee inquiries as well as other substantive advice to government and opposition parties (see Economic and Societal Impact 1 above).
- Centre staff promoted work in social science research at a Government Economic Service/Bank of England careers day. A session on careers in economics was also included in our Public Economics day.
- Monthly bulletins were issued commenting on the latest public finance figures. Increasing numbers of users have signed up to receive these and they have been widely reported in the press.
- We ran 10 policy events and four academic conferences.
- A conference on corporate tax was run jointly with the CBI.
- A residential conference on education policy has been organised, to be held in Cambridge in April 2009.
- Our website has been redesigned with a more modern look and to provide easier navigation and searching.

Investment-Specific Indicators

During the year, 26 journal articles were published or forthcoming; two of these were in *Econometrica*, two in *Review of Economic Studies* and two in *American Economic Review*. Also, 21 working papers were produced. The 89 listed papers and talks given by Centre researchers over the year are a representative selection.

The 15 non-academic reports that were published include IFS reports and briefing notes as well as reports prepared for publication by external bodies such as government departments. We held 10 events at IFS aimed at a non-academic audience, and Centre staff took part in many more external events, presenting research findings to a range of non-technical audiences.

Centre staff continued to serve on a range of committees and editorial boards, to give evidence to Select Committees and to advise policymakers on policy issues wherever possible. They also gave a number of presentations to stakeholders, such as CIPFA and the CBI.

During the past year, Centre staff made around 150 appearances on radio and TV, and IFS was mentioned just over 1,400 times in the printed press. There were peaks in this activity around the times of the Budget and the Pre-Budget Report as well as at the launch of our policy reports, but the level of press interest has remained high all year, in large part owing to the state of the public finances and concern over the ‘credit crunch’.

Seven PhD students are currently supervised within the Centre: Silvia Espinosa, Ben Etheridge, Thibaut Lamadon, Matthias Parey, Ximena Quintanilla, Daniel Rogger and Andrew Shephard. Matthias Parey has secured a research position at Essex University and will be completing his PhD later this year. Several members of staff are supported by IFS to study part-time for PhDs: this year, Chiara Binelli, Maria Casanova, Gareth Macartney and Matthew Wakefield were awarded doctorates. Centre staff gave lectures as part of the Public Economics course at Oxford and Cambridge during the Michaelmas term. We also held a Public Economics day in London, providing travel expenses for those coming from further afield. This included a session about careers in economics, featuring four IFS alumni now working in economics in the public and private sectors. Centre staff contributed a number of articles to the *Economic Review*, a magazine aimed at sixth formers.

Development work on the website has been undertaken this year: the site has been rebranded with new graphics, a cleaner, more accessible page layout and clearer navigation tools. The search and browse facilities have been improved. All of these changes should allow users to navigate more easily. Further improvements over the coming year will aim to update the content frequently to follow current events and to streamline communication with stakeholders to make them aware of relevant updates (see Forward Plan).

ESRC General Indicators for Reporting to Government

<i>Name of investment:</i>	
<i>Indicator</i>	<i>Number</i>
Indicator A: Number of activities and events involving the general public	9
Indicator B: Number of projects attracting co-funding	68
Indicator C: Number of public policy/business orientated seminars and workshops	10
Indicator D: <i>(i) How many non-academic users have worked within the investment on a formal basis to complete a specific programme of work?</i> <i>(ii) How many researchers have the investment placed in user organisations on a formal basis to complete a specific programme of work?</i> <i>NB – placements funded through ESRC placement schemes should not be included.</i>	(i) Number of non-academic users hosted: 8
	(ii) Number of researchers placed in user organisations: 0
Indicator E: Number of non-academic users on the investment's Advisory Committee	(i) Total number of Advisory Committee members: 8
	(ii) Total number of non-academic user members: 6 <i>Including:</i> Number of private sector members: 1 Number of public sector members: 5 Number of third sector members: 2

Indicator A: Activities and events involving the general public

For each activity/event please complete the table below:

Title:	Date:	Format: [<i>type of event (e.g. lecture/broadcast ...)</i>]	Number of participants:
IFS / ETPF Conference: International Tax and Economic Welfare	21-Apr-08	Conference	156
Level Playing Field? The Implications of School Funding	10-Jun-08	Conference	81
Poverty and Inequality in the UK: 2008	11-Jun-08	Conference	96
IFS Annual Lecture by Vincent Cable MP: Economic Policy Lessons from the Disappearing Decade of Stability	07-Jul-08	Lecture	298

Pre-Budget Report Analysis	25-Nov-08	Briefing	239
Public Economics Lectures	08-Dec-08	Lectures	106
IFS Green Budget 2009	28-Jan-09	Conference	243
Forecasting Child Poverty in 2010 and 2020	18-Feb-09	Conference	100
How Does Inflation Affect Different People?	09-Mar-09	Conference	86

Indicator B: Number of projects attracting co-funding

For each project please complete the table below:

Name of project:	Amount of external funding (2008):	Name of co-funding body/bodies:
Expenditure and Inflation Experience of Elderly Households	£26,245	Age Concern
National Equalities Panel	£1,989	Cabinet Office
School Funding	£38,881	CfBT
Plataforma (Education in Mexico)	£711	CIDE/Mexican Government
Retirement and Saving	£60,469	Consortium
Drivers and Barriers to Educational Success	£31,557	DCSF
Education Research Centre	£46,501	DfES
Analysis of Patterns of Business Locations	£2,558	DTI
Earnings & Employment Histories and Pension Outcomes	£36,659	DWP
ERAD Evaluation	£58,482	DWP
HBAI 2007/8	£39,227	DWP
HBAI 2008/9	£8,775	DWP
In-Work Credit and Work Search Premium	£89,433	DWP
Lone Parents Study	£1,102	DWP
Pathways to Work	£126,371	DWP
Work Retention, Progression and Advancement for Low-Income Families	£47,850	DWP
Living Standards of Families Reporting Low Incomes	£38,896	DWP/DCSF
Analysis of the Bosnia Microfinance Impact Assessment Survey	£9,712	EBRD
Analysis of the Mongolia Microfinance Impact Assessment Survey	£17,947	EBRD
EUROsociAL Program, Taxation	£48,719	EC

Business-University Innovation Linkages	£31,154	ESRC
Composition Effects and Changes in Wage Inequality	£37,134	ESRC
Econometric Study Group	£4,151	ESRC
Effects of Reproductive Health on Poverty in Malawi	£118,073	ESRC
ESRC/DfID Centre	£167,913	ESRC
Evaluation and Design of In-Work Benefits	£99,627	ESRC
Globalisation, Innovation and Productivity	£35,520	ESRC
Housing Expenditure and Household Welfare	£35,724	ESRC
Microdata Training Courses	£47,267	ESRC
Product Market Competition, Technology and Productivity	£36,321	ESRC
Professorial Fellowship	£56,790	ESRC
Professorial Fellowship (Dynamic Models and Policy Evaluation)	£163,984	ESRC
Public Finance Analysis	£5,865	ESRC
The Demand for Durables in the Second Half of Life	£75,221	ESRC
UK-Australia Determinants and Effects of School Choice	£21,533	ESRC
Use of Scanner Data Technology for Collecting Data	£29,081	ESRC
Roberts Monies	£33,728	ESRC
Widening Participation in HE	£51,911	ESRC (via IoE)
Paying for Innovative Consumer Products	£29,325	ESRC (via Surrey)
Inequalities in Health in an Ageing Population	£18,704	ESRC (via UCL)
Microdata Methods and Practice (RTN)	£673,951	EU
Nutrition and Conditional Cash Transfers	£1,134	Food and Agriculture Organisation
Trends in Portfolios among Those Approaching Retirement	£6,923	FSA
Updating the Labour Supply Model	£2,445	HM Treasury
Estimating Impact of Food Price Increases on the Welfare of Poor Households in Colombia and Mexico	£7,682	IADB
Impact Evaluation of the Colombian Subsidised Health Insurance	£14,288	IADB
Private Pensions in South America	£2,835	IADB
Scholarships in Mexico	£7,028	IADB
Attitudes to Education	£98,688	JRF
Modelling Child Poverty	£17,997	JRF
Green Budget 2008	£18,357	Morgan Stanley
Green Budget 2009	£23,008	Morgan Stanley
Optimal Treatment of IP and Licensing Agreements	£49,477	MRC

Economic and Health Determinants of Retirement Behaviour	£21,327	NIH
NIA PO1 SES & Health (NIH)	£30,605	NIH/RAND
NIA PO1 Work Disability (NIH)	£1,134	NIH/RAND
NIA PO1/RO1 Housing (NIH)	£26,897	NIH/RAND
Survey of Ageing (ELSA) I	£111,238	NIH/UK Govt
Paying for Quality Childcare	£1,537	Nuffield (via Daycare Trust)
Compliance Costs of Benefits and Tax Credits	£8,975	Nuffield (via Oxford)
Poverty and Inequality in Britain: 2007–9	£13,539	Nuffield Foundation
Mirrlees Review	£102,827	Nuffield/ESRC
Dynamic Scoring	£1,437	OECD
Teachers' Pensions	£22,559	OME
Commissioned	£24,807	Various
Tax Law Review Committee II	£53,836	Various
Evaluation in Colombia III	£3,511	World Bank
Global Program of Impact Evaluation for Malaria	£24,660	World Bank

Indicator C: Public policy/business orientated seminars and workshops

For each event please complete the table below:

Title:	Date:	Target audience: [<i>private sector/public sector/practitioners/third sector</i>]	Number of participants:
IFS / ETPF Conference: International Tax and Economic Welfare	21-Apr-08	Private sector; public sector	156
Level Playing Field? The Implications of School Funding	10-Jun-08	Private sector; public sector; third sector	81
Poverty and Inequality in the UK: 2008	11-Jun-08	Private sector; public sector; third sector	96
IFS Annual Lecture by Vincent Cable MP: Economic Policy Lessons from the Disappearing Decade of Stability	07-Jul-08	Private sector; public sector; third sector	298
Structural Models of the Labour Market and Policy Analysis	06-Nov-08	Public sector; third sector	109
Pre-Budget Report Analysis	25-Nov-08	Private sector; public sector; third sector	239
Public Economics Lectures	08-Dec-08	Third sector	106
IFS Green Budget 2009	28-Jan-09	Private sector; public sector; third sector	243

Forecasting Child Poverty in 2010 and 2020	18-Feb-09	Private sector; public sector; third sector	100
How Does Inflation Affect Different People?	09-Mar-09	Private sector; public sector; third sector	86

Indicator D: Number of (i) non-academic users hosted and (ii) number of researchers placed in user organisations *NB – Placements funded through ESRC placement schemes should not be included.*

For each placement please complete the table below:

Name:	Hosted: <i>[Where from?]</i>	Placed: <i>[Where to?]</i>	Dates/duration:	Purpose:
Heike Harmgart	EBRD	IFS	Frequent visits throughout the year	Productivity and innovation
Tracey Bowler	Self-employed tax lawyer	IFS	Frequent visits throughout the year	Tax Law Review Committee
Bas Straathof	CPB, Netherlands	IFS	September–December 2008	Productivity and innovation
Ariel Fiszbein	World Bank	IFS	Several visits throughout the year	Development policy evaluation
Marcelo Cabrol	IADB	IFS	2–4 July 2008	Development policy evaluation
Ana Santiago	IADB	IFS	2–4 July 2008	Development policy evaluation
Malcolm Gammie	One Essex Court	IFS	Frequent visits throughout the year	Tax Law Review Committee and Mirrlees Review
Jiao Huifang	ESRC, CID	IFS	June 2008	ESRC secondment

Visitors to CPP

Name		Visit started	Visited ended
Jere	Behrman	01-Apr-08	30-Apr-08
Arthur	Lewbel	07-Apr-08	09-Apr-08
Paul	Gertler	01-May-08	31-May-08
Krishna	Pendakur	14-Jun-08	30-Jun-08
Arthur	Lewbel	17-Jun-08	24-Jun-08
Stefan	Hoderlein	18-Jun-08	19-Jun-08

Ana	Santiago	02-Jul-08	04-Jul-08
Marcelo	Cabrol	02-Jul-08	04-Jul-08
Jörg	Stoye	02-Jul-08	08-Jul-08
Hilary	Hoynes	05-Oct-08	09-Oct-08
Angus	Deaton	05-Oct-08	11-Oct-08
Yoram	Weiss	10-Oct-08	09-Nov-08
Richard	Spady	13-Oct-08	24-Oct-08
Robert	Hall	19-Oct-08	25-Oct-08
Jere	Behrman	01-Dec-08	31-Dec-08
Wendy	Janssens	01-Dec-08	31-May-09
Richard	Spady	08-Dec-08	13-Dec-08
Jeroen	Sabbe	02-Feb-09	01-Jun-09
Thomas	Stoker	07-Feb-09	14-Feb-09
Gordon	Anderson	14-Feb-09	22-Feb-09
Frank	Windmeijer	24-Mar-09	25-Mar-09

Annex 1: Key Performance Indicators

KPI	2007/08 (18 months)	2008/09	Target for 2009/10
<i>Scientific outputs</i>			
Refereed journal articles	38	26	26
Working papers	37	21	21
<i>Conference participation</i>			
Conference papers	-	15	15
Seminar papers (academic audiences)	-	74	74
<i>Conferences hosted</i>			
Academic conferences hosted	3	4	4
Academic seminars hosted	27	28	28
International visitors	30	23	23
<i>Engagement with non-academic stakeholders</i>			
Policy briefings hosted	21	10	10
Non-academic reports	23	15	15
Authored newspaper articles	10	23	20
Broadcasts	60	150	150
Newspaper mentions	600	1,400	1,000
<i>Capacity building</i>			
PhD students supervised	7	7	6
New graduate economists recruited	3	3	3
Summer internships	4	2	3
Public Economics lectures (Oxbridge)	7	6	6
Public Economics event (London)	1	1	1
Articles written for student audience	5	5	5

<i>Co-funding and organisational effectiveness</i>			
<i>Additional research funds sought</i>			
Number of projects	70	71	70
Amount of funding	£3,040,524 (for 2007 only)	£3,203,812 (for 2008)	£3,752,980 (for 2009)
<i>Advisory Committee</i>			
Number of meetings	1	0	1
<i>Financial management</i>			
Administration and finance meetings with senior research staff	8	5	5
Quarterly financial review	Quarterly financial review	Quarterly financial review	Quarterly financial review

Annex 2: References

1. These papers have been presented at the Royal Economic Society Annual Conference, the Bank of England, the NBER Summer Institute and the American Economic Association annual meetings (see <http://www.nber.org/confer/2008/si2008/EFACR/wakefield.pdf>).
2. Laura Blow and Lars Nesheim, 'Dynamic housing expenditures and household welfare', cemap Working Paper 04/09.
3. Andrew Leicester and Zoë Oldfield, 'An analysis of consumer panel data', IFS Working Paper (forthcoming in *Fiscal Studies*).
4. Rachel Griffith, Ephraim Leibtag, Andrew Leicester and Aviv Nevo, 'Timing and quantity of consumer purchases and the consumer price index', NBER Working Paper 14433 (forthcoming as "Consumer shopping behavior: how much do consumers save?" in *Journal of Economic Perspectives*).
5. These included: *Penn Lecture in Economics*, University of Pennsylvania, April 2008; *2008 Journal of Applied Econometrics Lectures*, Madrid, June 2008; *Goethe University Public Lecture Series on Inequality and Justice*, Frankfurt, June 2008; *IIPF Invited Lecture*, Maastricht, August 2008; *Annual Lecture in Public Economics*, Dottorato in Economia e Finanza Amministrazione Pubblica, Milan, September 2008; and *Carlos Diaz Alejandro Lecture*, LAMES (Latin American Meetings of the Econometrics Society), November 2008.
6. Thomas F. Crossley, Hamish Low and Matthew Wakefield, 'The economics of a temporary VAT cut', IFS Working Paper 09/02 (forthcoming *Fiscal Studies*).
7. Robert Chote and Carl Emmerson, *Alistair Darling's Mini-Budget: Can He Afford It?*, IFS Briefing Note 78; Robert Chote, Carl Emmerson and Gemma Tetlow, *The UK Public Finances: Ready for Recession?*, IFS Briefing Note 79; Robert Chote, Carl Emmerson, David Miles and Jonathan Shaw (eds), *The IFS Green Budget: January 2009*, IFS Commentary 107.
8. Andrew Leicester, Cormac O'Dea and Zoë Oldfield, *The Inflation Experience of Older Households*, IFS Commentary 106.
9. *ESRC Festival of Social Science 2009*: event on 9 March on the variation in inflation across households; 90 attendees including from government departments and sixth formers. Forthcoming presentation to ONS Pensions Statistics Advisory Group.
10. Media interviews on inflation across households, including Radio 4 and Radio 5, local radio and Press Association TV interview distributed to local news sites; 34 articles in national and local newspapers.
11. James Banks and Gemma Tetlow, 'Extending working lives', in J. Banks, E. Breeze, C. Lessof and J. Nazroo (eds), *Living in the 21st Century: Older People in England: The 2006 English Longitudinal Study of Ageing (Wave 3)*, Institute for Fiscal Studies.
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20. Matt Wakefield presented this work at the Royal Economic Society Annual Conference, the Bank of England, the NBER summer institute and the American Economic Association annual meetings, see <http://www.nber.org/confer/2008/si2008/EFACR/wakefield.pdf>.
21. Richard Blundell, Luigi Pistaferri and Ian Preston, 'Consumption inequality and partial insurance', *American Economic Review*, 98: 1887–1921.
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