



# Scientific Council Report

*25 July 2013*

## **Mission of the Scientific Council**

The Scientific Council, appointed by the Board, consists of eight internationally recognised academic scholars and other experts. Its main tasks include advising Bruegel and its Board on research planning, and evaluating the quality of research ex post. This ex post evaluation is conducted every three years (2007, 2010 and 2013) and is formalised in a Report, which feeds in the overall evaluation of Bruegel activities, undertaken by the Review Task Force (RTF) Committee.

The present Report of the Scientific Council is thus here to give to the RTF Committee an assessment of the scientific quality of Bruegel 2010-2012 publications.

## **Members of the Scientific Council**

Its current members have been appointed by the Board in early 2005. The chairperson of the Scientific Council attends Board meetings.

- Giuseppe Bertola, Professore Ordinario di Economia Politica, Facoltà di Scienze Politiche, Università di Torino;
- Sergei Guriev, Morgan Stanley Professor of Economics and Rector of the New Economic School in Moscow;
- Kai Konrad, Managing Director at the Max Planck Institute of Tax Law and Public Finance;
- Philippe Martin, Professor of Economics at Sciences Po in Paris;
- Kevin O' Rourke, Chichele Professor of Economic History and Fellow of All Souls College, University of Oxford;
- Raghuram Rajan, Eric J. Gleacher Distinguished Service Professor of Finance at the University of Chicago's Booth School of Business;
- Lucrezia Reichlin, Chairwoman of Bruegel Scientific Council, Professor London Business School;
- Paul Seabright, Professor at the Toulouse School of Economics, Research Fellow at the Centre for Economic Policy Research and Professor Assistant at École Polytechnique, Paris.

## **Procedure for the present SC evaluation of Bruegel 2010-2012 publications**

The procedure for the work of the Scientific Council (SC) was discussed by members with Guntram Wolff and Jean Pisani-Ferry and summarised in a memo which was discussed and approved by the Board (memo annexed).

The Scientific Council (SC) met at Bruegel in Brussels on June 25<sup>th</sup> 2013. Members attending were: Giuseppe Bertola, Sergei Guriev, Philippe Martin, Kevin O'Rourke, Lucrezia Reichlin (chair) and Paul Seabright. Konrad Kai was excused.

Before the meeting, each member of the committee read a selected number of papers, reports and policy briefs (twenty-nine in total) and some members exchanged written views on those readings with the chair. The material to be refereed was selected by Bruegel.

The SC met with Guntram Wolff, Bruegel's director, and attended presentations by Bruegel's researchers on past research and future agenda in four main areas of activity:

1. **The EU economy in the global context** – presented by André Sapir
2. **Finance and financial regulation** – presented by Nicolas Véron

3. **European macroeconomics and the economic governance of the EU** – presented by Zsolt Darvas
4. **Competition, innovation and sustainable growth** – presented by Reinhilde Veugelers

The SC also devoted some of the time in a separate meeting including only its members to discuss the material which had been read and evaluation criteria.

#### **Key points on the evaluation of past research:**

- All pieces are on important relevant issues, well written and clear. In general the research topics show a good balance between the short term and longer term issues. In general, publications are judged to be of high quality with grades ranging from very good to good.
- The research on European issues is the most prolific and also very visible in the policy debate. This has been particularly true for the proposal on the banking union and on the Eurobonds but not exclusively on those subjects.
- Two concerns emerged from written evaluations and the discussion:
  - a) In some cases, the analysis or, more often, the description of the facts is not followed by a clear discussion on the policy implications. There are publications in which policy implications are not discussed explicitly and one gets the sense that readers are expected to work these out for themselves. More worryingly, in few cases policy conclusions are drawn that do not follow from the facts, as when some described trend is presumed to be self-evidently a good thing to be encouraged or a bad thing to be prevented. It is important for this weakness to be fixed for the future.
  - b) In several cases, there is a sense of lack of a conceptual framework for the analysis of the policy question being discussed. In discussing this problem, we have come to the conclusion that often the pieces are written close to the events and on issues on which there is not much academic work to rely on. It is therefore important to come back to those pieces after a while for a reassessment (see below). However, there are also cases in which the authors have not given enough explicit attention to the conceptual framework even though one exists. We recommend that the editorial process tries to press authors to address explicitly the conceptual framework (what market failures are implied in the described phenomena, and what policy interventions might realistically improve upon them?), and if existing research does not really provide one, to say so explicitly (more on this below).
- Research on competition, innovation and growth should be better integrated with research on other programs and be more focused.

#### **Some suggestions emerged from the discussion:**

- Since, inevitably, most of the pieces are written on topics of immediate policy relevance where there is no research to rely on, it is important to track their prediction with their outcome. For the SC this is more relevant information than understanding whether the relevant academic literature – often lagging – has been cited. Going back to past research and assessing its predictive power and relevance is a useful self-evaluating exercise which should be carried systematically. In particular, it could prove very insightful and

informative to revisit the previous Memos to the New Commissioners on the occasion of the next appointments, and in the light of subsequent events and research.

- Inevitably, some important topics of research are missing (eg labour) but, in some cases, synergies with existing programs can be exploited to be present in some key areas (eg labour implications of innovation policy).
- Given the successful presence in the macro debate and the in-house expertise, more has to be done on monetary policy and on ECB monitoring.
- For the planning of future research the SC mostly agrees with what is outlined in the presentations. Special emphasis is on:
  - i. issues, trade in particular, related to neighbouring emerging markets such as Turkey, the Middle East and Central Asia;
  - ii. the historical-political and legal dimension of some of the reforms in the European agenda (eg banking union) [on this some new expertise has to be acquired];
  - iii. the future of banking;
  - iv. energy policy
- Various ideas on human capital development, dissemination and use of external resources were also discussed.

The appendix with quantitative evaluation prepared by Bruegel is annexed

**Memo on the procedure to conduct the evaluation of Bruegel publications by the Scientific Council**

## 2010-2012 Bruegel publications reviewed by the Scientific Council

### European Macroeconomics

	<b>Title</b>	<b>Scholar(s)</b>	<b>Type</b>
<b>17 September 2012</b>	FISCAL RULES: TIMING IS EVERYTHING	Benedicta Marzinotto, André Sapir	<i>Policy Brief</i>
<b>14 September 2012</b>	THE FISCAL IMPLICATIONS OF A BANKING UNION	Jean Pisani-Ferry, Guntram B. Wolff	<i>Policy Brief</i>
<b>25 June 2012</b>	WHAT KIND OF EUROPEAN BANKING UNION?	Jean Pisani-Ferry, André Sapir, Nicolas Véron, Guntram B. Wolff	<i>Policy Contributions</i>
<b>23 May 2012</b>	ARITHMETIC IS ABSOLUTE: EURO AREA ADJUSTMENT	Guntram B. Wolff	<i>Policy Contributions</i>
<b>30 March 2012</b>	THE MESSY REBUILDING OF EUROPE	Jean Pisani-Ferry, André Sapir, Guntram B. Wolff	<i>Policy Briefs</i>
<b>29 March 2012</b>	SUDDEN STOPS IN THE EURO AREA	Silvia Merler, Jean Pisani-Ferry	<i>Policy Contributions</i>
<b>06 February 2012</b>	CORPORATE BALANCE SHEET ADJUSTMENT: STYLIZED FACTS, CAUSES AND CONSEQUENCES	Guntram B. Wolff, Eric Ruscher	<i>Working Papers</i>
<b>15 January 2012</b>	THE EURO CRISIS AND THE NEW IMPOSSIBLE TRINITY	Jean Pisani-Ferry	<i>Policy Contributions</i>

<b>29 December 2011</b>	A TALE OF THREE COUNTRIES: RECOVERY AFTER BANKING CRISES	Zsolt Darvas	<i>Policy Contributions</i>
<b>23 November 2011</b>	WHAT KIND OF FISCAL UNION?	Benedicta Marzinotto, André Sapir, Guntram B. Wolff	<i>Policy Brief</i>
<b>31 October 2011</b>	AN EVALUATION OF IMF SURVEILLANCE OF THE EURO AREA	Jean Pisani-Ferry, André Sapir, Guntram B. Wolff	<i>Blueprints</i>
<b>23 September 2011</b>	TESTIMONY ON THE EUROPEAN DEBT AND FINANCIAL CRISIS	Nicolas Véron	<i>Policy Contributions</i>
<b>22 September 2011</b>	HOW EFFECTIVE AND LEGITIMATE IS THE EUROPEAN SEMESTER? INCREASING ROLE OF THE EUROPEAN PARLIAMENT	Benedicta Marzinotto, Guntram B. Wolff, Mark Hallerberg	<i>Working Papers</i>
<b>07 February 2011</b>	A COMPREHENSIVE APPROACH TO THE EURO-AREA DEBT CRISIS	André Sapir, Jean Pisani-Ferry, Zsolt Darvas	<i>Policy Briefs</i>
<b>06 May 2010</b>	THE BLUE BOND PROPOSAL	Jakob von Weizsäcker, Jacques Delpla	<i>Policy Brief</i>

## Competition, innovation and sustainable growth

	<b>Title</b>	<b>Scholar(s)</b>	<b>Type</b>
<b>17 July 2012</b>	THE TRIGGERS OF COMPETITIVENESS: THE EFIGE CROSS-COUNTRY REPORT	Carlo Altomonte, Tommaso Aquilante, Gianmarco Ottaviano	<i>Blueprints</i>
<b>29 February 2012</b>	INNOVATION IN EU MERGER CONTROL: WALKING THE TALK	Reinhilde Veugelers	<i>Policy Contributions</i>
<b>15 July 2011</b>	ASSESSING THE IMPACT OF THE EU ETS USING FIRM LEVEL DATA	Georg Zachmann, Anta Ndoye, Jan Abrell	<i>Working Paper</i>
<b>16 June 2011</b>	RETHINKING INDUSTRIAL POLICY	Philippe Aghion, Julian Boulanger, Elie Cohen	<i>Policy Briefs</i>
<b>22 May 2011</b>	GREEN EXPORTS AND THE GLOBAL PRODUCT SPACE: PROSPECTS FOR EU INDUSTRIAL POLICY	Mark Huberty, Georg Zachmann	<i>Working Paper</i>
<b>03 April 2011</b>	A G2 FOR SCIENCE?	Reinhilde Veugelers	<i>Policy Briefs</i>
<b>24 January 2011</b>	CORPORATE GOVERNANCE PRACTICES AND COMPANIES' R&D ORIENTATION: EVIDENCE FROM EUROPEAN COUNTRIES.	Bruno van Pottelsberghe	<i>Working Paper</i>
<b>06 September 2010</b>	THE RELATIONSHIP BETWEEN HEALTH AND GROWTH: WHEN LUCAS MEETS NELSON-PHELPS	Philippe Aghion	<i>Working Paper</i>



<b>25 August 2010</b>	EUROPE'S MISSING YOLLIES	Reinhilde Veugelers	<i>Policy Briefs</i>
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### Finance and Financial Regulation

	<b>Title</b>	<b>Scholar(s)</b>	<b>Type</b>
<b>05 February 2011</b>	TOO BIG TO FAIL: THE TRANSATLANTIC DEBATE	Nicolas Véron, Morris Goldstein	<i>Working papers</i>

### Global economics and governance

	<b>Title</b>	<b>Scholar(s)</b>	<b>Type</b>
<b>23 July 2011</b>	GLOBAL CURRENCIES FOR TOMORROW: A EUROPEAN PERSPECTIVE	Ignazio Angeloni, Agnès Bénassy-Quéré, Benjamin Carton, Christophe Destais, Zsolt Darvas, Jean Pisani-Ferry, André Sapir, Shahin Vallée	<i>Blueprints</i>
<b>12 July 2010</b>	FISCAL FEDERALISM IN CRISIS: LESSONS FOR EUROPE FROM THE US	Zsolt Darvas	<i>Policy Contributions</i>

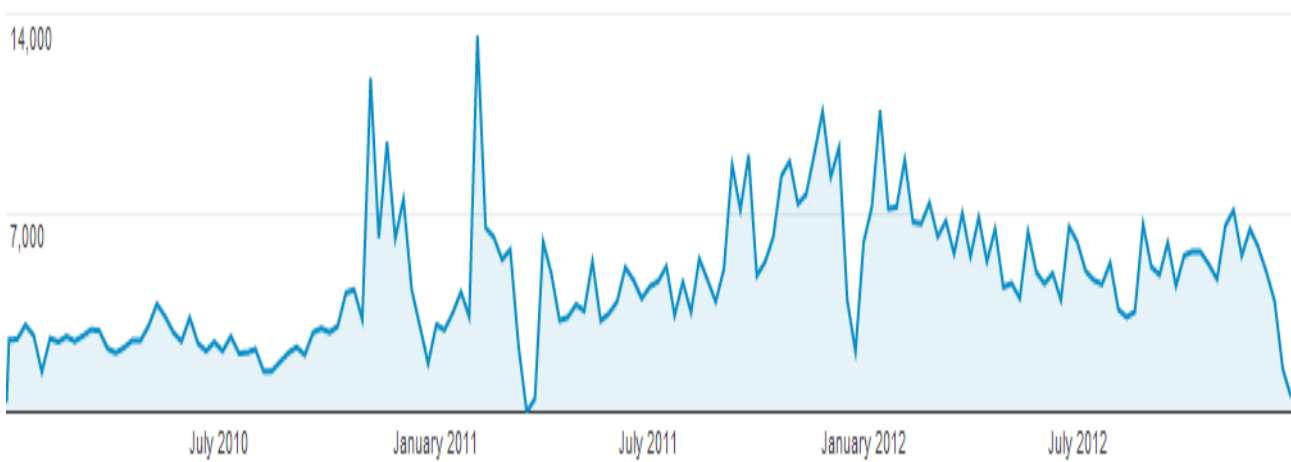
# List of Bruegel publications reviewed by the Scientific Council

## Publications Analytics

Fig 1 - Unique page views and total page views 2010-2012



Fig 2 - Page views timeline 2010-2012

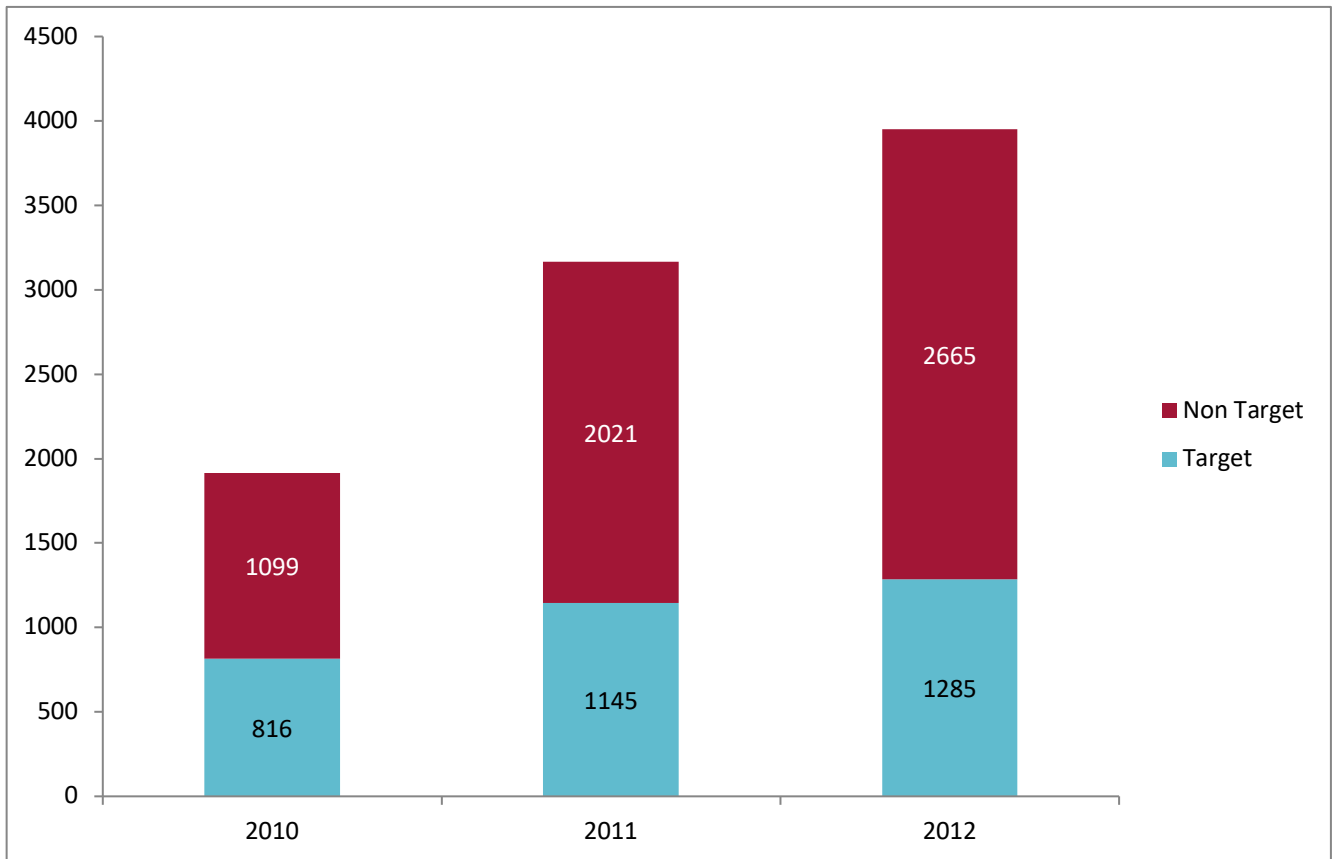


**Fig 3 - Top downloaded publications 2010-2012**

Rank	Publication	Research Area	Hits from Bruegel website	Citations Google Scholar	Citations IDEAS-RePEc
3	PC: Sudden stops in the euro area	Eur Macro	10905	43	15
4	PC: What kind of European banking union?	Eur Macro	9863	24	4
8	PB: The fiscal implications of a banking union	Eur Macro	6066	20	1
1	PC: The Euro crisis and the new impossible trinity	Eur Macro	13591	52	1
2	PB: What kind of fiscal union?	Eur Macro	11374	50	11
5	PB: The Blue Bond Proposal	Eur Macro	9830	124	1
7	PC: A tale of three countries: recovery after banking crises	Eur Macro	6134	14	5
11	PB: A comprehensive approach to the euro-area debt crisis	Eur Macro	5049	34	16
12	PC: Testimony on the European debt and financial crisis	Eur Macro	4623	7	0
13	PC: Arithmetic is absolute: euro area adjustment	Eur Macro	4097	7	1
18	WP: Corporate balance sheet adjustment: stylized facts, causes and consequences	Eur Macro	1848	3	1
6	PB: The messy rebuilding of Europe	Eur Macro	7503	6	2
14	BP: An evaluation of IMF surveillance of the euro area	Eur Macro	3538	6	1
15	PB: Fiscal rules: Timing is everything	Eur Macro	3083	3	1
20	EP: An Assessment of the European Semester	Eur Macro	1633	4	0
9	E&L: Fiscal federalism: US history for architects of Europe's fiscal union	Glob eco and gov	5678	34	24
17	BP: Global currencies for tomorrow: a European perspective	Glob eco and gov	1987	21	26
24	WP: Too big to fail: the transatlantic debate	Finance and financial regulation	1140	38	12
27	EP: Identifying Discretionary Fiscal Policy Reactions with Real-Time Data	Glob eco and gov	214	1	1
16	PB: A G2 for science?	Comp, innov and sust growth	2366	3	0
19	WP: Green exports and the global product space: Prospects for EU industrial policy	Comp, innov and sust growth	1645	10	1
21	WP: Assessing the impact of the EU ETS using firm level data	Comp, innov and sust growth	1248	10	0
22	PC: Innovation in EU merger control: walking the talk	Comp, innov and sust growth	1245	0	0
23	PB: Europe's missing yollies	Comp, innov and sust growth	1216	10	1
26	WP: Corporate governance practices and companies' R&D orientation: evidence from European countries	Comp, innov and sust growth	262	1	0
28	WP: The relationship between health and growth: when Lucas meets Nelson-Phelps	Comp, innov and sust growth	141	52	18
25	BP: The triggers of competitiveness: The EFIGE cross-country report	Comp, innov and sust growth	796	5	6

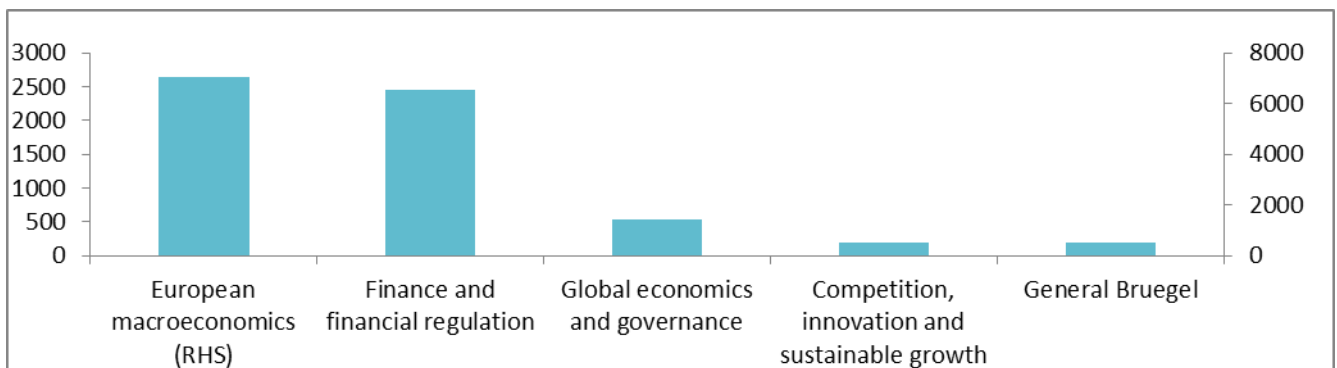
## Media statistics

**Fig 4 - Media coverage 2010, 2011 and 2012 (target media<sup>1</sup> as proportion of total media<sup>2</sup>)**



**Fig 5 - Mentions by research area**

Research area	Mentions
European macroeconomics	7041
Finance and financial regulation	2448
Global economics and governance	534
Competition, innovation and sustainable growth	184
General Bruegel	199



<sup>1</sup> **Target Media** includes: Triple A International Media, newswires and the main publications in Bruegel's state member countries plus China, US, Brazil, India, South Korea, and Japan.

<sup>2</sup> **Total Media** includes all the media where there has been at least one mention of Bruegel