Welcome to the Economics Department
by Professor W David McCausland, Head of Economics

Our third Economics update comes during a very busy second semester, with lots of activity to report on. In this twice-yearly publication, we aim to keep you up to date with developments in the department.

The Economics Department has twenty-three faculty and staff members, and is part of Aberdeen University’s Business School. It has a well-established tradition of research in applied economics, particularly in the areas of labour economics and energy economics. There are also research interests in macroeconomics, the economics of health and wellbeing, and experimental economics. In the Research Excellence Framework of 2014 the department was ranked 4th in Scotland and 25th in the UK.

The Department of Economics is also home to the Scottish Experimental Economics Laboratory (SEEL), the Centre for European Labour Market Research (CELMR), and the Aberdeen Centre for Research in Energy Economics and Finance (ACREEF).

The department also has a strong commitment to high quality teaching and learning. Our undergraduate MA Economics programme has around 130 students (last year’s senior honours: 50 single and almost 80 joint-honours students). Our premium postgraduate MSc in Petroleum, Energy Economics and Finance has around 50 students, and is complemented by a new MSc Applied Economics programme and our established PhD programme.

Alex Kemp’s first half century
Professor Alex Kemp has been honoured for half a century of service to the University of Aberdeen.

Research matters
Professor Catia Montagna gives an overview of exciting research developments in the Department.
Alex Kemp’s fifty years of service honoured

Professor Alex Kemp has been honoured for half a century of service to the University of Aberdeen.

The milestone was recognised at the University’s Long Service Awards, which were held recently in the Linklater Rooms at the Old Aberdeen campus.

Professor Kemp received a Quaich from University Principal Professor Sir Ian Diamond in recognition of his long association with the University, which began when he started work as a lecturer in political economy in 1966.

Now internationally renowned as a leading petro-economist, Professor Kemp’s long career has seen him advise the Scottish and UK Governments, the World Bank, and the United Nations on energy economics.

A Fellow of the Royal Society of Edinburgh, his contribution to the sector has been recognised through a variety of awards, most notably an OBE which he received in 2006 for services to the oil and gas industries.

In 2012 he received a Lifetime Achievement Award at the Society of Petroleum Engineers Offshore Achievements Awards, and last year he received another Lifetime Achievement Award at the Press & Journal Gold Awards, where he became the first person to be inducted into the North Sea Hall of Fame.

NORTH SEA IMPACT

Professor Kemp has recently given a number of high impact presentations. The Scottish Council Development and Industry (SCDI) used his analysis in making their Budget representations following his presentation to the SCDI on March 3 2016. He also delivered a presentation entitled Adapting to a Challenging Oil Price Environment in Aberdeen to conference on Smarter Operations in a Low Oil Price World, on 10th March organised by BPD Zenith. He is scheduled to give the keynote presentation entitled Current Challenges in the Oil and Gas Sector to an event hosted by Willis Towers Watson, actuaries, on April 21 2016.

Faculty update

Since our last newsletter, two staff were promoted: Dr Heather Dickey (pictured, left) from Lecturer to Senior Lecturer and Dr David McCausland from Senior Lecturer to Professor.
The Aberdeen Centre for Research in Energy Economics and Finance (ACREEF) hosted a SIRE energy economics workshop on Friday, 29 May 2015. Organised by Drs Marc Gronwald (pictured, above) and Xin Jin, the workshop brought together Scottish and international researchers to discuss work in this growing field. Keynote speakers included Mine Yucel from Federal Reserve Bank of Dallas. In light of the importance of crude oil for the Scottish economy and the current low level of crude oil price, this workshop was highly relevant and timely. The workshop covered topics of great interest to a wide audience from academia, policy, and industry bodies/interest groups.

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Women in Economics

by Professor Catia Montagna

Professor Catia Montagna recently featured in the University’s celebration of International Women’s Day (March 4, 2016). An extract of her reflections are printed below.

Originally from Italy, Catia studied at the University of Parma before arriving in Scotland, where she gained an MPhil in Economics from the University of Glasgow and a PhD in Economics from the University of Dundee on the effects of international trade on industry dynamics.

She holds a variety of roles at the University of Aberdeen, including School Director of Postgraduate Research, Programme Director for the MSc Applied Economics and Director of Research for Economics at the Business School. She is Joint Managing Editor of the Scottish Journal of Political Economy and an Executive Member of the Scottish Institute for Research in Economics (SIRE).

Catia’s interest in economics began as a teenager in Parma, when she took a class in economic geography at high school. “We learned a lot in the class about uneven development, the role of trade, institutions and policy in determining the distribution of wealth and economic development. That’s where I fell in love with these issues,” she explains. “I decided I would become an economist because I believed I could help ‘change the world’, but that turned out to be a bit too ambitious!”

As a woman working in a traditionally male dominated area, Catia is aware of economics as a subject that has struggled to attract women in the past. However, she says this is changing for the better.

“When I was starting out it was clear that there were less female economists, but I think that the situation is different now,” she said. “Through the numbers of female students enrolling in economics courses at university you can see that there is now a positive trend that everyone welcomes.”
Who’s who in the department?

Head of Department: Professor W David McCausland (pictured, right)
Secretary: Peter Bartlam
Director of Research and REF co-lead: Professor Catia Montagna
Director of Teaching: Dr Alex Zangelidis
Examinations Officer: Dr Xin Jin
Director MSc/MRes Applied Economics (AE): Dr Catia Montagna
Director MSc Petroleum, Energy Economics and Finance (PEEF): Dr Marc Gronwald
PhD Director and DTP Pathways Coordinator: Professor Ioannis Theodossiou
Applications teams:
- AE (Professor Catia Montagna, Drs Mauro Papi and Nikos Vlassis)
- PEEF (Professor Euan Phimister, Drs Marc Gronwald and Agathe Rouaix)
- PhD (Professor Ioannis Theodossiou and Drs John Skatun (pictured, below) and Takahiko Kiso)
Student Lifecycle Officer (Recruitment, Induction, Employability and Alumni): Dr Yu Aoki
Research Seminars Team: Professor Keith Bender (internal workshops); Drs Yu Aoki, Mauro Papi and Nikos Vlassis (external seminars)
CELMR: Professor Ioannis Theodossiou (Director), Professor W David McCausland (Assistant Director), Dr John Skatun (Associate Director)
International Exchange Coordinator: Dr Agathe Rouaix
Scottish Experimental Economics Laboratory (SEEL): Professor Joe Swierzbinski (Director) and Dr Jeurgen Bracht (Deputy Director)
SIRE (Scottish Institute of Research in Economics) Stringer and SRDG Liaison: Dr Ramses Abul-Naga
Student industry placements team (PEEF): Drs Xin Jin and Nikos Vlassis
Economics Policy and Knowledge Exchange (EPAKE) committee: Professor McCausland and Professors Theodossiou, Phimister, Bender and Montagna.

ECONOMICS MEMORIAL PRIZE

The Department is proud to announce that from academic year 2016/17 (subject to Senate approval) it will be able to once again award the Economics Memorial Prize. This will be an annual award, by the examination board, of £125, to the best dissertation in economics submitted by a final year undergraduate registered for either single or joint honours MA Economics degrees. The object of the prize is to encourage independent thinking and investigation in questions relating to economics. The prize was founded in 1919 in memory of a graduate who fell in the 1914-18 war.
Research and postgraduate update

by Professor Catia Montagna, Director of Research Economics, School Director of PG Research, and Director of the MSc Applied Economics.

I decided to write this entry for the Economics Newsletter wearing my multiple 'hats' because there are a number of exciting news to report that are a testimony of how successful our integrated approach to our research and postgraduate teaching and research is.

PhD Masterclasses

We believe that continued training at an advanced level needs to underpin PhD research and it is our aim to continue to build on the extensive expertise we have in both theoretical and applied economics to support our growing population of PhD students.

Details of all the PhD Masterclasses are shown on the next page.

Discussion papers relaunch

The liveliness of our research in economics is reflected in the Economics Discussion Papers Series that has recently been re-launched and which now integrates general economics discussion papers with those of the Centre for European Labour Market Research (CELMR) and the Scottish Experimental Economics Laboratory (SEEL). The series is linked to RePEc (Research Papers in Economics), a worldwide collaborative effort to enhance the dissemination of research in economics, and our aim is to use it to increase the visibility of the high quality economics research we are producing in the department.

Policy Briefs

We in process of complementing the discussion paper series with a series of Policy Briefs that will facilitate the dissemination of our ideas and results to stakeholders in government, industry and to the public at large. I believe that the Briefs will prove invaluable in underpinning our policy exchange and I am working with the University Policy Affair Unit to ensure that they will be highly visible.

Research themes

The School’s research is being organised along four research themes: Health, Work and Wellbeing; Energy and the Environment; Finance and Governance; and Theoretical and Methodological Innovation. Economists are involved in the development of most of these themes. In addition, John Skatun and Euan Phimister are co-leading the Health, Work and Wellbeing and the Energy and the environment themes respectively. In order to enhance collaboration across the school, the economics Lunchtime Workshops that Keith Bender coordinates have now been extended to the whole school, and have seen lively contributions from colleagues from all disciplines.

Preparation for REF 2020 is underway and I have started to run the individual research reviews of staff in economics. These are very proving very informative and some interesting new developments are emerging that will, in due course, make it into this newsletter. Watch this space!

MSc Applied Economics

In addition, the MSc Applied Economics courses are used to deepen and/or broaden the methodological and theoretical knowledge of our PhD students. The self-contained advanced policy analysis topics that make up the Applied Public Policy Analysis course of the MSc Applied Economics are offered as PhD Masterclasses to the whole school, and have been heavily attended by PhD students from all disciplines. This year, in addition to classes given by Ramses Abul Naga, Harminder Battu and Marjon Van der Pol (HERU), we have had contribution from Dr MacBean and Dr Murray from the Scottish Governments and from Professor Millard from the Bank of England (pictured, above), who also gave a very interesting staff seminar. From next year, the MSc in Financial Mathematics that we recently launched in collaboration with the Institute of Pure and Applied Mathematics (IPAM) will add to our portfolio.
PhD Masterclasses

- **Dr Ramses Abul Naga** – *The Theory of Economic Policy: Externalities* (27th January) and *The Theory of Economic Policy: Public goods* (10th February)

- **Prof Stephen Millard** (Senior Economist, Bank of England) – *Monetary Policy, the Central Bank and the Stability of the Monetary System* (3rd February)

- **Professor Marjon van the Pol** – *Health Economics and Policy Analysis: market failures and benefit measurement in health care* (22nd-23rd February)

- **Dr Harminder Battu** – *Randomised Trials and Policy Evaluation in Education* (29th February-1st March)

- **Dr Colin Mac Bean** (Senior Economist, Office of the Chief Economic Advisor Scottish Government) – *Introduction to Policy Appraisal and Evaluation Central Government* (March 2016)

- **Dr Neil Swanson** (Economic Adviser, CAP Reform and Agri-Environment, Rural and Environment Science and Analytical Services) – *Economics and Environmental Policy* (23rd March)

- **Prof Hans Hvide** – *Designing Research: an Application to Intertemporal Choices* (29th-30th March 2016)

- **Prof Euan Phimister** – *An introduction to using Stata for Empirical Research* (12-13 April 2016)

- **Dr Konstantinos Pouliakas** (European Centre for the Development of Vocational Training) – *Economics of Skill and Skill Mismatch* (26-27 April 2016)

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**ACREEF**

The Aberdeen Centre for Research in Energy Economics and Finance (ACREEF) provide a focus for the identification and implementation of high quality research in the areas of energy economics and finance, and to make a substantive contribution both to academic understanding and to policy debate in energy economics in the UK and worldwide. Professor Kemp has an established link with University of Stavanger on a major research project on taxation and investment in the oil and gas sector. Collaboration with University of Dar es Salaam is offering promising oil and gas research opportunities on in that country. Dr Gronwald has an established link with various universities including University of California at Berkeley, University of Basel, University of Hamburg, and Macquarie University, Sydney. He is also advising the Scottish Government as a member of TAGECCA.
Selected Recent Publications

- The Politico-Economics of Electricity Planning in Developing Countries: A Case Study of Ghana Abdul-Salam, Y. & Phimister, E. Jan 2016 Energy Policy. 88, p. 299-309
- Join the Union and Be Safe: The Effects of Unionization on Occupational Safety and Health in the European Union Economou, A. & Theodossiou, I. Jun 2015 Labour. 29, 2, p. 127-140
- Is unemployment and low income harmful to health?: Evidence from Britain Cooper, D. J., McCausland, W. D. & Theodossiou, Mar 2015 Review of Social Economy. 73, 1, p. 34-60
- (De)Unionisation, Trade Liberalisation and Selection Montagna, C. & Nocco, A. Feb 2015 Metroeconomica. 66, 1, p. 91-122