

National Institute Economic Review

1/98

"The replacement of PEPs by Individual Savings Accounts will reduce aggregate national wealth up to 4%."

"Developments in East Asia will reduce UK exports and foreign investment this year, affecting employment growth."

COMMENTARY

- Policy Implications for the UK Economy
- World Financial Market Turmoil

THE UK ECONOMY

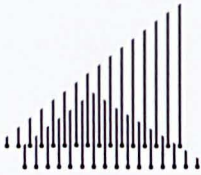
- Prospects for the UK
- Fiscal Report

WORLD OUTLOOK

- Prospects for the World Economy
- The East Asian Crisis

RESEARCH ARTICLES

- David Miles on Pensions Reform
- Mike Artis on EMU
- John Cantwell on Foreign Investment



... FROM THE NATIONAL INSTITUTE

Coping with recession: UK company performance in adversity **P.A. Geroski and P. Gregg**

Published by Cambridge University Press, this book looks at how UK companies dealt with the pressures unleashed by recession. Using the data compiled from a survey of 600 leading companies, Geroski and Gregg examine four main issues:

- What makes companies vulnerable to recessionary pressures?
- How do companies typically respond to these pressures?
- How have recessionary pressures been transmitted back into labour markets—and what kinds of institutional changes have they induced?
- Do recessionary pressures stimulate innovative activity?

Price: £30.00 hardback and £14.95 paperback. (pp. 214.)
ISBN 0 521 62276X hardback—ISBN 0 521 626013 paperback

Institute Discussion Papers are available on subscription at the discounted rate of £30 for 10 papers. Call the Institute for details.

Innovation, investment and the diffusion of technology in Europe **(eds) Ray Barrell and Nigel Pain**

A book analysing the causes and effects of foreign investment in Europe is due to be published early in 1998 by Cambridge University Press, edited by Ray Barrell and Nigel Pain. The book will contain chapters by experts from several European countries and follows a conference held at NIESR during 1997.

NIESR Discussion Papers

No. 112 Under-achievement and pedagogy by R.G. Luxton and Graham Last

The superior performance of Continental schools in laying the foundations of mathematical competence is reviewed through the direct observations of English teachers and headteachers. As part of the Primary Mathematics Initiative in the London Borough of Barking and Dagenham, run in conjunction with researchers from the National Institute, over fifty teachers have visited schools in Switzerland and Germany for a week at a time in a programme which began in 1994. Their observations have contributed to experimental reforms in classes in the Borough which are now in their second phase.

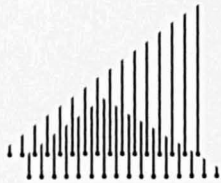
No. 119 A Common Currency Route to EMU: The Hard ECU Revisited by Christopher Taylor

If the Maastricht approach to monetary union breaks down, EU governments will be under pressure to find a convincing alternative route to monetary union. A viable way forward could be found by reviving the ideas for a common currency embraced by the UK Government in 1990. The introduction of a new currency for Europe—the 'Hard Ecu', which would be as strong as the strongest existing EC currency by virtue of its 'no-devaluation' guarantee, implemented through the narrow-band ERM then in force. The Hard Ecu scheme was rejected, although not for the best of reasons. The author re-evaluates flaws in the previous schemes and suggests practical ways in which these could be rectified.

No. 120 Back From The Dead Again? Production Supervisors in the United States, Britain and Germany by Geoff Mason

Recent diffusion of 'lean production' work practices and various forms of team-working in manufacturing has revived arguments about the decline of production supervisors. These issues are submitted to empirical scrutiny through a detailed comparison of the skills and utilisation of supervisors in the American, British and German engineering industries which concludes that the threatened demise may be exaggerated.

For further details of all National Institute Publications please contact Annie Stewart at NIESR on tel 0171 222 7665 or e-mail a.stewart@niesr.ac.uk



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The *Review* welcomes the offer of high quality articles. Content should relate in some way to the explanation of economic performance (broadly defined) in the UK or internationally. There is some emphasis on quantitative research. Articles should normally be research based, and comprise 4–10,000 words, excluding tables. All articles are externally refereed, but the *Review* is able to organise quick publication in appropriate cases. Full notes for contributors are available from *Gill Clisham*.

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