

Edited by Daniel Cohen
for the International Economic Association

Contemporary Economic Issues

Volume 3

Trade, Payments and Debt



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Volume 3: Trade, Payments and Debt

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Contemporary Economic Issues

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Congress of the International Economic
Association, Tunis**

Congress Editor: Michael Bruno

Volume 3 TRADE, PAYMENTS AND DEBT

Edited by

Daniel Cohen



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The International Economic Association

A non-profit organization with purely scientific aims, the International Economic Association (IEA) was founded in 1950. It is a federation of some sixty national economic associations in all parts of the world. Its basic purpose is the development of economics as an intellectual discipline, recognizing a diversity of problems, systems and values in the world and taking note of methodological diversities.

The IEA has, since its creation, sought to fulfil that purpose by promoting mutual understanding among economists through the organization of scientific meetings and common research programmes, and by means of publications on problems of fundamental as well as of current importance. Deriving from its long concern to assure professional contacts between East and West and North and South, the IEA pays special attention to issues of economics in systemic transition and in the course of development. During its nearly fifty years of existence, it has organized some hundred round-table conferences for specialists on topics ranging from fundamental theories to methods and tools of analysis and major problems of the present-day world. Participation in round tables is at the invitation of a specialist programme committee, but eleven triennial World Congresses have regularly attracted the participation of individual economists from all over the world.

The Association is governed by a Council, composed of representatives of all member associations, and by a fifteen-member Executive Committee which is elected by the Council. The Executive Committee (1995–98) at the time of the Tunis Congress was:

President:	Professor Jacques Drèze, Belgium
Vice-President:	Professor Anne Krueger, USA
Treasurer:	Professor Erich Streissler, Austria
Past President:	Professor Michael Bruno, Israel (deceased 25 December 1996)
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Professor Amartya Sen, India
Professor Stefano Zamagni, Italy

Secretary-General: Professor Jean-Paul Fitoussi, France

General Editor: Professor Michael Kaser, UK

Sir Austin Robinson was an active Adviser on the publication of IEA conference proceedings from 1954 until his final short illness in 1993.

The Association has also been fortunate in having secured many outstanding economists to serve as President: Gottfried Haberler (1950–53), Howard S. Ellis (1953–56), Erik Lindahl (1956–59), E. A. G. Robinson (1959–62) Ugo Papi (1962–65), Paul A. Samuelson (1965–68), Erik Lundberg (1968–71), Fritz Machlup (1971–74), Edmond Malinvaud (1974–77), Shigeto Tsuru (1977–80), Victor L. Urquidi (1980–83), Kenneth J. Arrow (1983–86), Amartya Sen (1986–89), Anthony B. Atkinson (1989–92), and Michael Bruno (1992–95).

The activities of the Association are mainly funded from the subscriptions of members and grants from a number of organizations, including continuing support from UNESCO, through the International Social Science Council.

Preface

Michael Bruno

The World Congress of the International Economic Association held in Tunis in December 1995 was the eleventh in a series that started in Rome in 1956, with the most recent one being held in Moscow in 1992. This Congress was marked by being the first to take place in Africa and the Middle East. This was reflected in having special sessions devoted to the Economic Development of Sub-Saharan Africa, Maghreb Economies and the Economics of the Middle East Peace Process, besides a wide array of topics in contemporary economics of development, trade, economic growth and general economic theory. Quoting from the opening speech by the President of Tunis, His Excellency Zine El Abidine Ben Ali:

Tunisia is very proud that your Association is holding its eleventh congress – the first such event to take place in Africa and the Middle East – on our soil. This will give you a good opportunity to concentrate your attention on the most recent developments in economics and their role in strengthening development, as can be seen from the items on your agenda. The situation now prevailing in many countries, particularly those on our African continent, more than confirms the necessity of giving such issues an essential place in contemporary economic thinking.

Tunisia's impressive recent development effort, marking both a vigorous growth rate, low inflation, marked improvement in its social indicators, greater openness to international trade, as well as its ample cultural and historical treasures, made it a particularly interesting host country for our Association. It was a very lively Congress, with many high quality sessions, interspersed with several cultural and other events which introduced the broadly international group of attendees to the host country's institutions and culture.

The Congress programme consisted of four plenary sessions (those by Professor Edmond Malinvaud, Professor Robert Putnam, the Austin Robinson Memorial lecture delivered by Professor Assar Lindbeck, as

well as the Presidential Address). It had three panel sessions (chaired by Professors U. Reinhardt, A. Tornell and S. Fischer), and 41 regular sessions. In these there were 43 invited papers and 278 contributed papers. The Congress was attended by about 700 participants coming from 68 different countries.

The full list of the Programme Committee is as follows:

Bina Agarwal, University of Delhi, India
Kenneth Arrow, Stanford University, USA
Anthony Atkinson, Oxford University, UK
David Audretsch, Wissenschaftszentrum Berlin, Germany
Richard Baldwin, University of Wisconsin, USA
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