



society of business economists

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## **ANNUAL REPORT OF THE CHAIRMAN 2012-13**

It is a great pleasure and privilege to have been asked to become Chairman of the SBE. The first item of this Annual Report must be a vote of thanks to Bronwyn Curtis for handing over the Society in such good shape. She will be a very hard act to follow, and I am grateful that she is standing for Council again and will be a continued source of support.

The major change of course has been Marian Marshall completing the handover of her many responsibilities, having retired as Secretary. A lunch to mark Marian's retirement was held in June and we trust she and Tudor will enjoy their retirement – Tudor completes his support for the Society at the AGM as the accounts presented there will be the last set on which he has worked as Financial Controller. They have both worked diligently on our behalf for many years, and all the SBE members owe them much gratitude; their contribution has been of much value.

The autumn of 2013 has started on an encouraging note for the UK and global economies. However, the volatility of the financial markets around any prospect of policy change from central banks, and the continued need for fiscal discipline in many countries, suggest that the recovery is unlikely to be smooth. Members of the SBE are likely to experience strong demand for their services.

It is very pleasing that membership has increased a little this year, not least due to the energy of Alison Cottrell and other members of the membership committee. But the accounts also show that the SBE has again had to draw on its reserves. A set of actions are planned to bring the finances back into balance, and I am grateful to James Lambert for taking over as our Honorary Treasurer.

## **MEETINGS AND EVENTS**

Andrew Bailey, Deputy Governor for Prudential Regulation at the Bank of England, proved a absorbing speaker at our Annual Dinner – which was held in June. At the Dinner, the Rybczynski Prize was presented by Dave Ramsden, our President, to Jose Ursua, from Goldman Sachs, for the essay 'Navigating the new era of public debt build-ups'.

With the 2013 Annual Conference taking place in October, it really falls into next year's review, but it seems appropriate nevertheless to thank George Buckley for lining up such an excellent range of speakers.

During the year, there were great speakers and topics for the monthly meetings: Andrew Dilnot spoke at last year's AGM on paying for old age, Christof Ruehl described the oil market, George Buckley and Kevin Daly debated the UK economy, Andrew Sentance outlined the 'new normal' for business and Stephen King talked about 'when the money runs out'. The popular masterclass series was again well-attended: Professor Nicholas Craft discussed lessons from the 1930s and Professor Nicholas Bloom looked at the topic of policy uncertainty and the recovery. Finally our President, Dave Ramsden, kindly spoke at a lively post-Budget briefing.

## **SBE ACCOUNTS**

In the year ended 30 June 2013, the Society's turnover increased by 8 per cent on the previous year as membership numbers increased for the first time in several years.

Operating income from a number of other sources also rose as compared to last year, including both journal and advertising income. However, operating income from conferences and dinners fell by 42 per cent due to the fact that the 2013 annual conference was held in October, with the revenue therefore accruing in the current financial year rather than the 2012/13 financial year.

Over the course of the year, the Council remained focused on reducing costs whilst maintaining an attractive range of events and publications for members. Some success was achieved in this regard, with operating expenses falling by £5,541 as compared to last year (excluding the impact of holding the annual conference after the end of the 2012/13 financial year), driven by reductions in journal expenses and the cost of hosting evening meetings and master classes. General administrative expenses remained broadly flat.

The Society's operating loss fell slightly from £18,328 in 2011/12 to £17,426 in 2012/13 (as compared to a budgeted loss of £18,600 for 2012/13). The Society will therefore be required to draw on its reserves, which stood at a healthy £115,345 at the end of 2012/13. Whilst an operating loss is disappointing, the picture is improving as membership shows signs of increasing and costs fall. The annual conference made a surplus of £4,484 in 2011/12 and were this figure accrued in 2012/13, the operating loss would have been reduced by 29% to £12,942.

Over the next two years, the Council is committed to reducing costs further, in part by increasing the use of the website and the move of the SBE Journal online – and is aware of the need to offer good value to our members. We will also seek to arrange a few events which can generate a surplus (such as the recent lunch with Dr Jens Weidmann) and find sponsorship opportunities. Please do continue to recommend the Society to colleagues and keep the Society in mind for advertising and sponsorship opportunities.

## **COUNCIL**

At the last AGM Charles Burton and Adam Chester retired by rotation and were re-elected. Dr Rebecca Driver and David Owen also retired by rotation but did not offer themselves for re-election. George Buckley's term as a co-opted member expired and he was elected to Council. I was nominated and elected to Council, taking over as Chairman at the Annual Dinner in June. Bronwyn Curtis has kindly agreed to serve as Vice Chairman.

Congratulations to Kevin Daly and Diane Coyle who were elected as Fellows during the year.

With a number of organisational changes, members of Council have worked hard to keep the Society running smoothly and indeed moving forward. Alison Cottrell has proved very successful with membership, and also producing the newsletter, Adam Chester continues to oversee the website and James Hirst has put in much time on editing the Journal. James Lambert has stepped forward to take up the role of Honorary Treasurer, for which I am most thankful, and Andrew Milligan continues to lead the Investment Committee. All members have supported the work around organising the monthly meeting schedule.

Sandra Curtis has done an immense amount of work as Honorary Secretary, especially as there have been a number of administrative changes, and it has been a real pleasure to work with her and indeed the whole Council. Katie Abberton and her team at PXL have maintained sound administration on our behalf.

## **JOURNAL**

*The Business Economist* has continued to provide members with longer articles and shorter comments on current issues; as well as reports on the Society's meetings and an excellent book review section (ably edited by Diane Coyle, to whom we are much indebted).

The topics covered by the articles have remained focused on the issues posed by the recent financial crisis and prolonged downturn. These have included consideration of economic rebalancing, fiscal austerity and public debt. In addition there were interesting sectoral articles: on retailing and on the history of the UK housing market, as well as the regular report of the SBE Salary Survey.

Council remains grateful to Jim Hirst who has edited the Journal for many years with much diligence and twisted many arms to produce stimulating pieces. In addition Marian Marshall as Production Manager and Adam Chester as Managing Editor have ensured continued success.

However, the world is moving online – and Council proposes that from 2014 the Journal will no longer appear in its current form. Instead the content will be published online – which in particular should mean that accounts of meetings are more quickly available to members. Members are still strongly encouraged, however, to submit short comments on current issues and indeed to propose longer articles for inclusion on the website.

## **WEBSITE**

The SBE website is an important part of the Society's offering. The website provides a useful means for members to keep up-to-date with the Society's news, access past journals and find details of upcoming monthly meetings. Progress on the development of the website has continued over the past year. The anticipated opening of a private members' area, however, has been delayed by issues surrounding the migration of the membership database online. These should be addressed over the coming months, and at the same time we aim to add more features to the website.

Council would like to thank Ian Marlow for the work he has undertaken in developing and updating the website over the past year.

## **MEMBERSHIP**

Membership has shown a welcome revival over the past year, after a sustained dip reflecting the slowdown in the financial services sector and the economy more broadly. Membership turned the corner at the beginning of the calendar year, to stand at 540 in September 2013 compared with 518 a year earlier.

The Council continues to prioritise both enhancing the Society's value to existing members (and in particular, those unable to come to speaker meetings as often as they would wish) and promoting the Society to potential new members. The recently established Membership Sub-Committee has, in this context, been building relationships with a number of universities in order to raise the SBE's profile with economics students and recently qualified graduates. The Council is also considering how the SBE can best serve its members at different stages of their professional lives, beginning with a focus on its younger members in the early part of their careers.

## **THE YEAR AHEAD**

SBE events have continued to be well-attended and appreciated by members – together with the rise in membership numbers this indicated that the Society remains of value. Over the next year our priorities are to complete the move of more activities online, to continue to look for ways to offer value to members, and, perhaps most important, to attract more young economist members. Ian Harwood has kindly agreed to lead a group considering how the Society could play a greater role in continuing professional development for business economists. Please do let any member of Council know if you have further suggestions for how the Society can remain relevant and thrive.

**KATE BARKER**

Chairman

November 2013