Letter from the MEEA President

This is the last letter that I will have the pleasure of sending you as President of the MEEA. I feel privileged to have had the opportunity over the past several years to serve the MEEA as president, executive secretary, and board member, and I look forward to contributing to the Association in any way that I can as a member and an ex-president. During my terms as one of MEEA’s office holder, I have greatly benefited from support and guidance of our past presidents, particularly Jeff Nugent, Mine Cinar, Fatemeh Moghadam, and Sohrab Behdad. I hope to be able to follow their examples and do my best for our Association.

This year marks the 30th anniversary of the MEEA, which unfortunately coincided with the passing away of one of MEEA’s founders, Abbas Alnasrawi. While we celebrate the start of the MEEA’s fourth decade and Alnasrawi’s scholarship and contributions to our organization, it is a good time to take stock of what the MEEA has accomplished in the past and to look ahead at the future prospects. In this letter, I would like to highlight some of the important trends and changes in the MEEA that I believe have enhanced its capacity as an academic network over the past several years and have put the Association in a strong position to continue to flourish in the coming years.

First and foremost, the international conferences of the MEEA, which started in 2001, have now become regular successful events that bring together large numbers of economists from around world, particularly from the MENA region. While the annual winter meeting of the MEEA remains a central activity for the Association, the international conferences have overtaken that event in terms of number of participants and presentations. Our most recent international conference at the University of Nice, France, built on the successes achieved in earlier years and attracted over 200 par-

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MEEA President’s Letter (continued)

ticipants with 110 presentations. Our next international conference is scheduled to take place in Istanbul in June 2010 and negotiations are underway for conferences in other MENA countries in the following years. We are ever thankful to the colleagues who volunteer to organize these conferences at their institutions and put in tremendous amounts of effort and energy to ensure that these events are successful.

A very important consequence of our international conferences has been a sea change in the geographic diversity of the MEEA’s constituency. These conferences have made it much easier for the scholars residing in the MENA countries and Europe to participate in our activities and network. While until a dozen years ago the majority of MEEA members resided in the United States, today less than 25 percent do so. Instead, over 26 percent of membership resides in Europe, 23 percent in Turkey, 20 percent in the Arab countries, 4 percent in Iran, and the remaining 2 percent in other countries. Of course, part of this change is in due to the solid developments of the economics profession in the MENA region and the increased research on MENA economies in European institutions. However, the MEEA’s international venues have played a clear role in making its conferences accessible to the growing number of researchers in Europe and MENA. This is a valuable achievement that should be and will be continuing in the coming years.

Another major change in recent years has been the development post-ASSA sessions as an extension of the MEEA’s annual meeting. These sessions were initially prompted by the prospects of a cut in the number of sessions the MEEA could organize as part of the ASSA meetings. The Board decided to organize additional sessions before or after the ASSA events to ensure that our members could have reasonable opportunities to present their work. We have been fortunate that our colleagues residing near the locations of ASSA meetings have stepped forward and have helped us with the logistics of such sessions. The result has been a major expansion of the program of the annual meeting, almost doubling the number of the papers presented.

On another front, the MEEA’s website has undergone a major overhaul, enabling us to communicate more effectively with our constituency and to greatly facilitate the process of dues payment and paper submission and selection for our conferences. Also, in contrast to the past when the MEEA website was managed by amateur webmasters on university servers of the institutions where MEEA officers worked, it is now placed on a commercial site and benefits from a professional web designer and webmaster. An important aspect of the new website is our ability to process electronic payments. Thanks to the efforts of Hassan Aly, the MEEA has now a PayPal account that makes it much easier to receive dues and fees through the web. There are some details in the website that need to be polished and there are new areas in which the site can expand. However, already the site has substantially changed the way the MEEA transacts with its constituency. Our bylaws were also amended recently to make it easier to conduct the MEEA’s business through the Internet and other new means of communication.

The MEEA’s bylaws have also changed in a more important way. Following a decision in 2008 by the Board of MEEA to propose an increase in the number of Directors from nine to eleven, the MEEA members overwhelmingly voted in favor of such a change. The two additional Directors are to be appointed by the elected members of the Board for the duration of the Board’s term (or if need be for a specified portion thereof). Giving the elected Directors the option to recruit two other colleagues will enable them to complement the existing skill set or extend thereof. Giving the elected Directors the option to recruit two other colleagues will enable them to complement the existing skill set or extend it various ways, as needed. For example, it could help ensure geographic or field diversity or the capacity to take on new tasks, such as fundraising and training activities.

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Middle East Economic Association Meeting
in conjunction with Allied Social Science Association
January 3-6, 2010
Atlanta, GA

Sunday, January 3rd

2:30 pm
Marriott Marquis, Atrium Ballroom C

MEEA POSTER SESSION
Presiding
Hassan Aly

ZULAL S. DENAUX AND SAYGILI—Determinants of Vertical Specialization of Production

NAGLA RIZK—Measuring Knowledge Creation in the Arab Countries: A New Assessment Yardstick

ADEL BOUGHRARA and SAMIR GHAZOUANI—Is There a Bank Lending Channel of Monetary Policy in Selected MENA Countries? A Comparative Analysis


HUSEYIN KAYA—Saving Investment Association in Turkey

SADULLAH CELIK, ERHAN ASLANOGLU and SEDA UZUN—Determinants of Consumer Confidence in Emerging Economies: A Panel Cointegration Analysis

GHAZI A. JOHARJI—Examining Government Expenditure and Economic Growth: Case Study of Saudi Arabia

HALA EL-RAMLY—A Re-Examination of Income Convergence among Arab Countries

UMUT GUNDUZ—The Impact of Trade on Social Development

BASSAM ABU AL-FOUL—The Causal Relationship between Saving and Economic Growth: Some Evidence from MENA Countries

CYRUS BINA—Obama’s Middle East Inheritance: War and Oil

AHMED KAMAL—Does FDI Crowd-in or Crowd-out Domestic Investment? The Case of Egypt

Monday, January 4th
8:00 am, Marriott Marquis M109

BUSINESS ENVIRONMENT, INVESTMENT AND GROWTH
Presiding
Serdar Sayan

MOHAMED EL ARBI CHAFFAI and PATRICK PLANE—A Comparison of Male-Female Entrepreneur Performances in the Manufacturing Industry: The Case of Four MENA Countries

A. SUUT DOGRUEL and CAN KARAHASAN—On the Dynamics of the Business Environment in the MENA Region

JULIANE BRACH—Technological Readiness in the Middle East and North Africa

NADA MORA, SIMON NEAIME, and SEBOUH AINTABLIAN—Finance with a Focus on Dollar Debt: Evidence from a Survey of Lebanese Firms

AHMET FARUK AYSAN, OMER FARUK BAYKAL and MARIE-ANGE VEGANZONES-VARoudakis—Shocks, Vulnerability and Therapy

Discussants
Mehtap Hisarciklilar
Hadi Esfahani
Tarik Yousef
Fahad Albad
Ahmed Kamaly

January 4th
10:15 am, Marriott Marquis M109

GULF ECONOMIES
Presiding
Ali Kutan

ABDULLAH AL-HASSAN—A Coincident Indicator of the Gulf Cooperation Council (GCC) Business Cycle

TAREK COURY and DAVE CHETAN—Economics of Growth and Diversification in the GCC

FAHAD ALBADI and BANDAR ABAALKHAJ—The Stability of Money Demand Functions and Monetary Policy in the GCC Planned Monetary Union

SHAWKAT M. HAMMOUDEH, YUAN YUAN, and MICHAEL McAULEY—Shock and Volatility Spillovers among Equity Sectors of the Gulf Arab Stock Markets

RIZA DEMIRER and TALAT ULUSEVER—Investor Herds and Oil Prices: Evidence from GCC Stock Exchanges

Discussants
Zulal S. Denaux
Bassam Abu Al Foul
Sadullah Celik
Hakan Saraoglu
Wassim Shahin

MEEA Board Meeting
Marriott Marquis, L502
January 4th, 2010
6:00-8:00 PM
(invitation only)
12:30 pm, Marriott Marquis M109

ECONOMICS OF EDUCATION IN THE MENA REGION
Presiding
Hadi Esfahani

MOHAMED SALEH—An Economic Theory in Educational and Occupational Distributions across Religious Groups: Empirical Evidence from the 19th and 20th Century Egypt

SEVIL ACAR and FATMA DOGRUEL—Sources of Inequalities in Selected MENA Countries

M. NAJEEB SHAFIQ—Reservations about the Road Not Traveled in the Middle East and North Africa: A Quantile Regression Analysis of School Incentives and Accountability using PISA 2006

MEHTAP HISARCIKLILAR, ANDREW McKay, and PETER WRIGHT—Gender Based Differences in Educational Achievement in Turkey: What has Changed over Time?

SAMIR B.E. MALIKI and ABDERRAZAK BENHABIB—Quantification of the Relationship between Poverty and Education in Algeria: A Multinomial Econometric Approach

Discussants
A. Suut Dogruel
Jeff Nugent
Hassan Aly
Rana Hendy
Alpay Filiztekin

January 6th
10:30 am, Georgia Tech,
IC Building Room 113

FINANCIAL MARKETS IN TURKEY
Presiding
Riza Demirar

ULKEM BASDAS and UGUR SOY-TAS—The relationship between Spot Index and Future Returns: Cross-correlation Evidence from Turkey

SADULLAH CELIK, ERHAN ASLANOGLU and PINAR DENIZ—The Relationship between Consumer Confidence and Financial Market Variables in Turkey during the Global Crisis

CAN INCI and HAKAN SARAOGLU—International Equity Asset Classes in the Turkish Fund Industry

TAYYEB SHABBIR—Financial Innovations, Adverse Shocks and Resiliency to Financial Crises: the Case of Turkey

Discussants
Shawkat Hammoudeh
Juliane Brach
Nada Mora
Riza Demirer

January 6th
10:30 am, Georgia Tech,
IC Building Room 117

LABOR MARKETS, WAGES AND PENSIONS
Presiding
Nora Colton

RANA HENDY—Within Resource Allocation in Egyptian Couples: Do Distribution Factors Matter?

AYSE AYLIN BAYAR, ONER GUNCAYDIL and OZGUR KAYALICA—Wage Differentiation in Tradable and NonTradable Sectors: Evidence from Turkey

IPEK ILKKARACAN, MEHTAP HISARCIKLILAR and ERDAL AYDIN—Formal versus Informal Labor Market Segmentation in Turkey in the Course of Market Liberalization

YIGIT AYDEDE—Sustainability of the Turkish PAYGO System’s Generosity in the People’s Eyes

Discussants
Edward Sayre
Tarek Coury
M. Najeeb Shafiq
Pinar Derin Gure

MEEA Business Meeting
Marriott, M109
January 4th, 2010
8:15-9:15
January 6th
2:00 pm, Georgia Tech,
IC Building Room 113

POVERTY, INEQUALITY AND POLITICAL ECONOMY
Presiding
Wassim Shahin

PINAR DERIN GURE—Separatist Terrorism and Poverty in Southeastern Turkey

NORA COLTON—Migration of Islamic Militancy to Urban Poverty Belts in the Middle East

KAREN PFEIFER—Applying SSA Analysis to the Middle East: the Cases of Egypt, Jordan, and Kuwait

MEHMET BABACAN—Lobbying and Growth: A Comparative Multi-Country Analysis

SALPIE DJOUNDOURIAN—The Environmental Movement in the Arab World

ALAIN SAFA and NATHALIE HILMI—Socio-Economic Impact of Climate Change: A First Assessment for North Africa

Discussants
Mohamed Saleh
Sohrab Behdad
Ipek Ilkkaracan
Cyrus Bina
Mehmet Babacan
Salpie Djoundourian

January 6th
2:00 pm, Georgia Tech,
IC Building Room 115

PRICING ISSUES AND PRICES
Presiding
Abdelrezzak Benhabib

ALPAY FILIZTEKIN—Convergence to the Law of One Price in Turkey

ZEYNEP DENIZ—Gasoline Prices in Turkey

MOHAMED BENBOUZIANE, ABDELHAK BENAMAR and CHAIB BouNOUa—Money and Prices in the Maghreb Countries: A Re-investigation Using an ARDL Bounds Testing Approach

Discussants
Olga Shemyakina
Ghazi A. Joharji
Haluk Erlat

January 6th
4:00 pm, Georgia Tech,
IC Building Room 117

INTERNATIONAL FACTOR MOVEMENTS
Presiding
Guzin Erlat

NADA MASSoud—FDI Mode of Entry and Growth in Emerging Markets: Evidence from Egypt

HISHAM FOAD—The Effect of the Gulf War on Migration and Remittances in the Middle East

AYSU INSEL, NESRIN SUNGUR CAKMak, and ALPTUG OKTEN—The Link between the Immigration of the Turkish People and Turkish Trade

OLGA SHEMYAKINA and PATRICIA JUSTINO—Migrant Remittances and Household Labor Supply in the Post-Conflict Tajikistan

Discussants
Fatma Dogruel
Nora Colton
Hisham Foad
Aysu Insel

January 6th
4:00 pm, Georgia Tech,
IC Building Room 115

MONETARY POLICY
Presiding
Guzin Erlat

MERIEM DJENNAs, MOSTEFA DJENNAs and MOHAMED BENBOUZIANe—A Neural Networked Genetic Algorithm Hybrid Model of the Modelling of the Exchange Rate: The Cases of Dollar-Kuwaiti Dinar and Dollar-Saudi Arabian Riyal Exchange Rates

NADA MORA—Do Reserve Requirements Matter? The Response of Bank Credit in Lebanon to Different Currency Reserve Requirements

HODA SELIM—Has Egypt’s Monetary Policy Changed with the Announcement of the Float?

ZULAL S. DeNAUX, HAKAN BERUMENT and YELIZ YALCIN—The Effect of Monetary Policy on Components of GDP: A VAR Analysis with Sign Restrictions Model

Discussants
Nathalie Hilmi
Hoda Selim
Ahmet Faruk Aysan
Bassam Abu Al-Foul
Abdullah Al-Hassan

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**ANNOUNCEMENTS**

**IBN KHALDUN PRIZE**

Reminder that submissions for the Ibn Khaldun Prize for the best paper on one or more Middle Eastern countries by a junior economist (no more than five years since receiving Ph.D.) must be received no later than December 29th, 2009 at the following address: Prof. Jeffrey B. Nugent, Dept. of Economics, University of Southern California, Los Angeles, CA 90089-0253, USA. (email: nugent@usc.edu). The entries will be evaluated by a three person committee.

**WESTERN ECONOMIC ASSOCIATION**

Jeff Nugent will be organizing panels for the Western Economic Association International’s meetings in Portland, Oregon. If you are interested in presenting a paper on any economic topic concerning the Middle East or economic development in general, please contact Jeff. You should also indicate your willingness to serve as a discussant. He needs both of the paper abstract and your indication of willingness to serve as a discussant by January 8th. Contact him at nugent@usc.edu or (phone) 213 740-2107.

**THE ROUTLEDGE POLITICAL ECONOMY OF THE MIDDLE EAST AND NORTH AFRICA SERIES**

**EDITED BY HASSAN HAKIMIAN, LMEI RESEARCH ASSOCIATE AND CASS BUSINESS SCHOOL, LONDON**

The aim of the Series is to publish both specialist and more general titles pertaining to the political economy of the Middle East and North Africa region – broadly defined to cover countries from Morocco to Iran. The series is overseen by an international Editorial Board covering a broad range of expertise and areas of specialization.

There have been four volumes out already and another three are in the pipeline. The series continues to attract excellent contributions, matched by some of the best names from the field.

Submissions from prospective authors are welcomed, and should be sent in the first instance to the series editor (H.Hakimian@city.ac.uk). The series is open to single-authored books as well as edited volumes and textbooks. All manuscripts are subject to international standards of peer review.

**MEEA President’s Letter (continued)**

These major developments, along with many other detail changes, have put the MEEA in a stronger position to function. There are a many of steps that can help us build on our past achievements and enhance our network. Here are some ideas, among many others, that have been considered in the past and I believe are worth pursuing.

1. In the past, MEEA officers have helped organize sessions in conferences other than the MEEA. Jeff Nugent has been quite active in this respect and Serdar Sayan has sent out a call for papers to organize session at the upcoming meeting of the Middle East Studies Association. These efforts can become more systematic and a routine part of MEEA’s activities, with the task being assigned to a sub-committee of the MEEA’s Board of Directors.

2. It would be worthwhile to consider organizing frequent small conferences and workshops in MENA countries focused on specific topics or individual countries. This could be particularly beneficial to colleagues residing in the region to have more opportunities to present their work and to learn from scholars working in field close to theirs.

3. Following the model of Ibn Khaldun prize, the MEEA should pursue the idea of establishing new prizes, for best papers presented in its conferences or best papers on MENA countries in various fields. Funding for such prizes may come from investing part of the MEEA’s current surplus or initiating fund raising campaigns to attract donations from individuals and foundations.

4. Dissemination of economics research on the MENA countries remains limited. The MEEA could help address this deficiency in various ways. For example, the small conferences or workshops suggested above could be focused on policy issues and policymakers or members of the media could be invited to participate. Also, such events might include sessions where scholars meet communication and media experts and learn how to make their research results make more accessible to policymakers and the general public. We should certainly consider dedicating some of the sessions in our upcoming conferences to panels discussing current policy issues.

I am confident that MEEA’s leadership team of Serdar Sayan (President), Hassan Aly (Executive Secretary), and Ward Sayre (Treasurer), augmented by the strong team of other Board members will significantly improve upon existing achievements, initiate new activities, and take the Association to higher grounds. I would like to thank them all on our collective behalf for their dedication and contributions to the MEEA. I wish them the best success in the coming years.

Finally let me wish each and every member the best for the holidays and for the new year and beyond.

Hadi Salehi Esfahani
University of Illinois at Urbana-Champaign
As part of the information services to MEEA members, the Newsletter will announce new titles on the political economy of the Middle East. We renew our request to publishers to send us copies of new titles on the political economy of the Middle East and North Africa.


Membership

If you are interested in becoming a member of the Middle East Economic Association, please fill out this form and return it to the Treasurer. The membership fee is $25 for faculty and other professionals, $20 for students, and $10 for all members residing in a MENA country.

Name:

Rank & Affiliation

Address

Telephone:

Fax:

Email

Send to: Edward Sayre
Treasurer, Middle East Economic Association
118 College Drive, Box 5108
University of Southern Mississippi
Hattiesburg, MS 39406-0001

The Middle East Economic Association, a non-profit international organization, was formed in 1978 and is affiliated with the American Economic Association and the Middle East Studies Association. The main objective of MEEA is to foster scholarship and to establish lines of communication among specialists interested in the Political Economy of the Middle East. Web: www.meeaweb.org

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NEWSLETTER
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Send us news about yourself, other organizations, forthcoming conferences and new publications. Address all communications to the editor:

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The Middle East Economic Association in association with the Economic and Social Research Center (ESCR) of Istanbul Technical University (ITU) hereby announces the 9th International Conference on June 24-26 at the Faculty of Management at ITU in Istanbul, Turkey.

The goal of the conference is to promote and stimulate the exchange of ideas in the field of economic research applied to the Middle East and North African (MENA) countries. The conference will cover all areas of economics with application to the MENA region.

We expect the 9th International Conference of MEEA to become a forum not only for facilitating academic and policy discussion, but also for encouraging students and other young scholars to work on and find new ways of analyzing economic problems in the region. We look forward to seeing you in Istanbul in June 2010 at the crossroad of two continents and two different cultures.

Deadline for submission of abstracts is 5 February 2010
Reply to authors of acceptance: 5 March 2010
Deadline for submission of full papers is 14 May 2010
Announcement of the program by: 24 May 2010

Abstract submission and details are available on the conference website http://www.meeaweb.org

Best Regards,

MEEA Programming Committee
and
Öner Günçavdi
Chairman of the Local Organizing Committee

THE MIDDLE EAST ECONOMIC ASSOCIATION
ISTANBUL, TURKEY
JUNE 24-26, 2010

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