



FEBRUARY 2013 NEWSLETTER

HIGHLIGHTS

Lunchtime Seminar

Dinny McMahon, China's Shadow Banking System, February 12th 2013

Lunchtime Seminar

Prof Steve Keen, Explaining the Crisis Using Private Debt and Aggregate Demand, February 28th

ACE 2013 Call for Papers and Reviewers

Due date for submission of papers: 22 March 2013

Upcoming Partner Events

Australian Political Economy: State of the Art, 3rd – 5th April 2013

OTHER ANNOUNCEMENTS

Jobs for Economists

University Seminars

JOBS FOR ECONOMISTS

Principal Analyst – Economic Regulation Authority WA

<http://www.ecosoc.org.au/node/588>

<http://www.ecosoc.org.au/node/589>

Professor of Health Economics – University of Sydney

<http://www.ecosoc.org.au/node/597>

Team Leader – Phramaeconomics – Sydney

<http://www.ecosoc.org.au/node/599>

Associate Professor / Professor in Political Economy –
University of Sydney

<http://www.ecosoc.org.au/node/603>

Jobs openings are advertised on the Economics Society Central Council website (www.ecosoc.org.au/cc/jobs).

If you would like to advertise, free of charge, a job opening in the field of economics with us, please email details of the job to ecosocnsw@ecosoc.org.au

LUNCHTIME SEMINAR

SPEAKER: DINNY McMAHON

TUESDAY FEBRUARY 12TH 2013

Presenter: Dinny McMahon
Topic: China's Shadow Banking System: Financial Liberalization by Stealth or a Lurking Problem?
Time: 12:15 pm for 12.30 pm, Tuesday 12th of February 2013. Presentations usually conclude by 1.15 pm to 1.30 pm
Venue: Ground Floor East Seminar Room, Reserve Bank of Australia, 65 Martin Place, Sydney
Cost: Free, light refreshments provided
RSVP: Please respond to ecosocnsw@ecosoc.org.au

In the last few years China's shadow banking system has evolved from occupying a marginal place at the fringes of China's financial system to being a major source of credit for large companies and even local governments. In the process it has become a driving

force in Beijing's efforts to have the market determine interest rates – long a goal of the government – and to wean the economy off an overdependence on the banks. However, the rise of shadow financing is diluting Beijing's control over the economy, and risks are building that could threaten the financial system's stability if unchecked. Dinny McMahon will take a look at the institutions that make up China's shadow banking system and why they're changing the way China's economy works.

Dinny McMahon is a reporter with the Wall Street Journal in Beijing where he covers banks and finance. Prior to joining WSJ in 2009, he covered China's foreign exchange market and general news in Shanghai for Dow Jones Newswires. Dinny studied Arts/Commerce at the University of New South Wales, and international relations at the Johns Hopkins School of Advanced International Studies in Nanjing. He has worked and studied in China for over ten years.

LUNCHTIME SEMINAR

SPEAKER: PROF STEVE KEEN

THURSDAY FEBRUARY 28TH 2013

Presenter: Steve Keen
Topic: Explaining the Crisis Using Private Debt and Aggregate Demand
Time: 12:15 pm for 12.30 pm, Thursday February 28th 2013 Presentations usually conclude by 1.15 pm to 1.30 pm
Venue: Ground Floor East Seminar Room, Reserve Bank of Australia, 65 Martin Place, Sydney
Cost: Free, light refreshments provided
RSVP: Please respond to ecosocnsw@ecosoc.org.au

I argue that aggregate demand is in fact income plus the change in debt. This is seen as "double counting" by both conventional Neoclassical and unconventional Post Keynesian economists, who argue that aggregate demand equals income.

In this paper I prove that the ex-post identity of aggregate demand and aggregate income is consistent with ex-ante demand exceeding income. I then show that the empirical strength of this approach as explanation not only for the global economic crisis but for the "Great Moderation" which preceded it, and

discuss its implications for the impact of the budget surplus fetish on future economic growth.

Steve Keen is a Professor of Economics & Finance at the University of Western Sydney, and author of the popular book *Debunking Economics*. Steve predicted the financial crisis as long ago as December 2005, and warned that back in 1995 that a period of apparent stability could merely be "the calm before the storm".

He has over 60 academic publications on topics as diverse as financial instability, the money creation process, mathematical flaws in the conventional model of supply and demand, flaws in Marxian economics, the application of physics to economics, Islamic finance, and the role of chaos and complexity theory in economics. His work has been translated into Chinese, German and Russian.

Since 1995, Steve's main research focus has been the development an alternative, empirically grounded theory, known as the "Financial Instability Hypothesis", which argues that finance markets are inherently unstable. Steve's forthcoming book on this topic, *Finance and Economic Breakdown*, will be published by Edward Elgar (UK) in 2012.

ACE 2013 CALL FOR PAPERS AND REVIEWERS

SUBMISSION OF PAPERS: 22nd MARCH 2013

This year the Australian Conference of Economists (ACE2013) will be held at Murdoch University in Perth.

The deadline for papers for ACE2013 is fast approaching.

We invite you to submit original papers that examine the conference theme *Beyond the Frontiers: New Directions in Economics*

ACE2013 believes the theme offers considerable flexibility and could be used to report research findings or discuss issues related to areas such as:

GFC / Euro / Banking Crisis
Resources Boom (Energy Crisis)
Federal / State Financial Relations
Chinese Economy and Impact on WA / Australia
Experimental and Behavioural Economics
Climate Change / Environment
Monetary Policy / World Bank

The organisers would welcome papers on other subjects. Please contact Professor David Butler, Conference Chair, on +61 (0)8 9360 2078 or ACE2013@murdoch.edu.au should you have any

questions.

To submit your paper go to:

<https://editorialexpress.com/conference/ACE2013>

Due date for submission of papers: 22 March 2013

For more information go to:

<http://www.ace2013.org.au>

Registration for the 42nd Australian Conference of Economists will open on 1 May 2013.

Conference Dates: 7th July 2013 - 10th July 2013

Confirmed Speakers:

Prof Robert Sugden, University of East Anglia
Richard B. Freeman, Harvard University
Prof Glenn W. Harrison, Georgia State University
Prof James Andreoni, University of California
Prof Andrew Clark, Paris School of Economics
Profs Kala Krishna, PennState University
Profs Vijay Krishna, PennState University

UPCOMING PARTNER EVENTS:

These events that are not hosted by the Economic Society but are events run by organisations with a relationship with the Society and we expect to be of interest to members. You should go to the web-link provided for further information. Note: Partners may not recognise Economic Society membership for discounts.

Australian Political Economy: State of the Art

3rd – 5th APRIL 2013

In recognition of Frank Stilwell's outstanding contribution to Australian political economy, the University of Sydney's Department of Political Economy will commemorate his career with a Conference, a Dinner, and an Exhibition and Reflections event.

Conference: *Political Economy: Past, Present and Prospects*

Keynote speakers will be: **Jane Kelsey, Gabrielle Meagher, John King, Geoff Harcourt, Andrew Mearman, Brendan Gleeson** and **Mark Diesendorf**.

The conference will have six sub-themes: contesting economic ideas, economic policies, cities and regions, a green economy, economic inequality, and teaching political economy. Each theme will be introduced by a keynote speaker and then discussed by 3-4 other speakers.

Registration can ONLY be made online and must be received by Thursday 28 March 2013.

Coinciding with the conference, an **exhibition** of selected work by artists, political economists and others with an interest in the themes of the conference will be held at the Verge Gallery.

On Thursday 4 April (5:30 – 7:00 pm), Frank will open the exhibition and offer reflections on his career. Drinks and canapés will be provided. All are welcome to attend. RSVP is necessary for catering purposes. A **dinner** will be held at Sydney University's Great Hall on Wednesday 3rd April 2013, starting at 7:00pm.

To register for any or all of these events please see the department's webpage here:

http://sydney.edu.au/arts/political_economy/about/events/?id=1774

SEMINARS AT UNIVERSITIES

These seminars are subject to change. Please check the links provided to confirm.

[University of New South Wales](#)

Date	Time	Place	Speaker	Topic
4 February	3.30 pm	ASB 119	Agnieszka Tymula, NYU	TBA
6 February	3.30 pm	ASB 119	Katherine Eriksson, University of California	TBA
8 February	3.30 pm	ASB 119	Jeremy Smith, Boston University	TBA

For seminars/speakers with TBA topics, please see their [website](#) (www.asb.unsw.edu.au).

[University of Sydney](#)

Date	Time	Place	Speaker	Topic
7 March	4:00pm	Merewether room 498	Michelle Sovinsky, University of Zurich	TBA
12 March	4:00pm	Merewether room 498	Saraswata Chaudhuri, University of North Carolina	TBA

For seminars/speakers with TBA topics, please see their [website](#)

[University of Technology, Sydney](#)

Date	Time	Place	Speaker	Topic
5 February	11:00pm	Room D301	Per Krusell, Stockholm University	Gross Worker Flows over the Business Cycle
7 February	11:00pm	Room D301	Shiko Maruyama (University of NSW)	Do Siblings Free-Ride in "Being There" for Parents?
8 February	11:00pm	Room D301	Dong-Hyuk Kim, UTS	Empirical Relevance of Ambiguity in First Price Auction Models
11 February	11:00pm	Room D301	Balazs Szentes, LSE	TBA
12 February	11:00pm	Room D301	Myongjin Kim, Boston University	Strategic responses to used-goods markets: Airbus and Boeing since 1997

For seminars/speakers with TBA topics, please see their [website](#)

Macquarie University. For TBA speakers, please see their [website](#) (www.econ.mq.edu.au).