

Economics research in Europe has experienced an accelerated development. Part of it has to do with demography, economic growth and the increase of resources devoted to education in affluent societies. But there are many aspects in the evolution of our profession that could have gone wrong, and yet took a good turn thanks to the action, the determination and the example provided by a few persons.

Today we are celebrating one of them, Profesor Jacques Drèze. He has a lot to do with the positive directions that economics has taken in Europe. His example as a researcher, as an institution builder, as an educator and as a concerned European citizen has provided generations of economists with guidance and direction. He will tell us about his research interests and his concerns and advise for our economies.

Hence, my introduction will concentrate on his contributions as a leader of the profession.

In the summer of 2009, a little more than one year from now, about two thousand economists will gather in this Bellaterra campus of UAB and on that of the UPF downtown in order to attend the annual joint meetings of the European Economic Association and of the Econometric Society, organized in cooperation among all the institutions that constitute the Barcelona Graduate School of Economics.

Jacques Drèze was President of the Econometric Society in 1970, and a founder first President in of the EEA.

Founded in 1985, the EEA is an organization that looks both at the intellectual foundations of economics but also at its implications for policy and reform. It is also committed to quality, openness and service, and has contributed in different ways to develop economics in Europe. Its first meeting in Vienna, held in 1986, gathered 600 participants and 150 contributed papers. In last year's joint meetings in Budapest there were ten times more papers, around 1500 papers. Indeed, things have exploded.

But size is not what matters most. The EEA is contributing to give a truly international dimension to our profession, by introducing good practices that keep permeating and help to redress the many bad habits of smaller national communities.

It sustains a journal, organizes summer schools, and when time came, it provided great help for Eastern European colleagues to recover their contact with modern economics. One of its major contributions to internationalization of our profession is to promote mobility by sustaining a job market. (To our pride, the job market structure adopted by the EEA is the one first started by the Spanish Economic Association, whose remote origins are in the Autònoma's Symposia for Economic Analysis). Of course, it could be doing more, and sometimes Professor Drèze has expressed his concern about the role of this baby of his, and how to improve it. But something is and will remain true: that Jacques' first thrust to the EEA, his "chiquenaude primitive", provided the organization with an excellent start.

Let us now turn to the Econometric Society, of which he was also President.

It was created much much earlier, in the early nineteen thirties. It has always been a meeting point for economists committed to excellence in any part of the

world. Its European Congress met in Barcelona in 1971, and its seventh world congress was also held in our city, in 1990. Its comeback in 2009, hand to hand with the EEA, will be like meeting an old friend. But not as old as it could be, since the first time that the ES had a congress in Spain was much earlier, fifty years ago. This happened in Bilbao, just when the economics department there was being born.

A young and hyperactive Jacques Drèze participated in this Bilbao meeting, already a part of the small elite that was to blossom into what are now massive gatherings. The minutes of the Bilbao meeting point out at how much, indeed, our profession has evolved since then. There were 90 participants and fifteen papers altogether. The proceedings, were published in *Econometrica*, including summaries of the discussions: a total of 22 pages, written in French. I am sure that many of my colleagues, who hate large meetings, would sign up for a chance to attend the 1958 one. I certainly would too. But those who were there must have been proud, over the years, to see economics blossoming from such a small start. And we are certainly proud to have Jacques Drèze here today to recognise the role of those pioneers.

But this involvement in large organizations is not his only contribution to the development of our profession, by any means. An even more fundamental one has consisted in building institutions and programs that have set standards of quality for all of us. In 1966 he was the founder of CORE, a research institute that was, for years, THE place in continental Europe where things did happen. A place for visitors, a place for the creation and exchange of ideas. CORE is still an important research center, although its main success was to lose its monopoly, thanks to its success in setting standards and proving that they could be upheld. In the words of Professor Drèze himself: "The contribution of CORE to economics in Europe is less the research output produced in-house than the stimulus to others by the simple example that it could be done". I think that this may not do justice to in-house production, but it is certainly a fact that CORE was an example. It was, in particular, for those of us Europeans who were students in the US in the late sixties and early seventies. Then, the only working papers coming from continental Europe that were available in US departments of economics libraries had CORE's pale blue covers. This certainly an inspiration for the Bellaterra founders. The first economics Working Papers in Spain started to be published in our department in the mid seventies.

In 1978, CORE joined forces with Bonn and LSC to create the first cooperative European Doctoral Programme, based on cooperation with the best possible partners.

Again this is a path that others, including us have taken. Again, yet, Jacques Drèze pioneered on cooperation, this time in connection with graduate education. All these abilities in organizing have been the consequence of Jacques Drèze enormous authority, based on academic excellence and personal integrity.

Let me illustrate this trait of character by a simple anecdote. In the eighties, I was invited to participate in the evaluation committee for the first grants given to economics within the framework program of the EU. It was a great honor for me

to sit on that committee, close to giants like Edmond Malinvaud and Jacques Drèze, and I learned a lot about evaluation, fairness and good practice from participating in this panel. However, the Commission bureaucrats and the politicians in charge seemed to be worried about the standards of behavior of economists, and had imposed a mathematician to chair our meetings, with Professor Malinvaud as vicechair.

At some point, the mathematician left, and a new chairman was needed.

Then, a new member was parachuted into our group, an economist that was obviously trusted by the politician in charge. At lunchtime, it became apparent that he had been offered the chair by his friend. In the afternoon, the politician appeared and proposed the newcomer as chair. I was horrified. We had been guided by Drèze and Malinvaud for over a year, worked with all rigor and fairness: what else did they want? With the proposal and a heavy silence on the table, with all the calm he is able of, Jacques Drèze looked at all of us, and then told the proposer, in very quiet terms that we had a great vice-chair and a natural leader in Professor Malinvaud, and that we expected him to be our chair. It took one second for the politician to hold back and a few minutes to end the session. The parachuted candidate was never to be seen again in our meetings. Where others would have made a big fuss or started complicated negotiations, Jacques just stated the truth, called for respect, and held to his convictions.

Respect and inspiration is also what Jacques Drèze transmitted as a teacher.

My colleague and former student at CORE, Xavier Martínez Giralta remembers his course in general equilibrium with devotion: his relaxed voice, his ability to show the fundamentals, his probing and stimulating questions. And, above all, the way in which, while distributing the work assignment of the week, he declared "This problem set should take you about three hours of intelligent work". As Xavier says, after five hours of sweating, you started wondering about yourself!

I will not discuss at length other important characteristics of Jacques Drèze's personality. But let me just say that he is a consummated sailor and a man of peace.

I will finish with a few words on his research. I am sorry not to have been able to benefit from his guidance and teachings more often, but we were lucky to have him at the Autónoma and in Madrid 1991, as the first invited professor of a program that was established at that time by the BBV foundation. On that occasion, I introduced him with a few words in Spanish that I will now reproduce in English.

"Jacques Drèze is the author of many articles and half a dozen books. This is a lot, but many can say the same after a lifetime of work. What makes him much more special is the variety of fields he has worked on, and where he has contributed to push the frontiers of knowledge. He has worked on foundations: game theory, large economies, existence issues. He has made important contributions to public economics, the theory of labor managed economies and the foundations of finance. The behaviour of economic agents under uncertainty has been an underlying thread across much of his work: he has studied its consequences on many dimensions of economic importance, like savings, insurance, investment or employment.

In addition to these microeconomic issues, he has also made contributions to econometrics, in particular from the Bayesian point of view. Not to speak about his work on macroeconomics, both theoretical and policy oriented. You cannot say that Jacques Drèze is a microeconomist, an econometrician or a macroeconomist; nor that his work is theoretical or applied. He is all of that, a whole economist. When most of us have to cultivate a part of the field and hold to it, even arguing about its importance relative to other plots, he just embraces the whole. That's it. It sounds simple, but I challenge you to look for a list of people about whom you could say the same".

I would just like to finish with my thanks to the University, for joining us economists in honoring Professor Drèze, and to Professor Drèze for honoring us by accepting this doctorate.