



INTERNATIONAL SOCIETY FOR NEW INSTITUTIONAL ECONOMICS

ISNIE 2003 in Budapest This September

Plans for Seventh Annual Conference

Mary Shirley

It's not too late to register for ISNIE 2003 in Budapest. This year's conference will be an exciting one, with keynote addresses by Douglass North and Vernon Smith, presidential address by Paul Joskow, and panels on such topics as judges and economics; contractual puzzles in rural markets; institutions and collective choice; intellectual property rights; morals, norms and culture; privatization and corporate governance; and trust experiments.

The conference will open on Thursday, September 11. There will be a reception on Thursday evening following the first keynote address, and a gala dinner on Friday night in the marvelous atrium of the Museum of Applied Arts. The conference will end Saturday, September 13 at 3:30 pm. A sightseeing tour by bus will be available afterwards (\$25 fee).

The Budapest University of Economic Sciences and Public Administration will be the site for the conference. You can view the preliminary program and register for the conference at www.isnie.org.



Mary Shirley
President-Elect of ISNIE

Budapest has a striking location on both sides of the Danube River, and the conference site is directly beside the river. The old city, Buda, with its castle and churches, sits on steep hills above the river, while Pest, on the opposite bank, houses the famous neo-Gothic parliament building and many museums and hotels. Budapest is known for its lovely old buildings, excellent restaurants and cafes, and numerous museums and thermal baths. For more information about Budapest see www.budapest.info.hu/en.

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ISNIE 2002 Reviewed in *The New York Times*

The ISNIE 2002 Cambridge conference was reviewed in *The New York Times* by Virginia Postrel, columnist for the newspaper and former editor of *Reason* magazine. With the headline, “Even Without Law, Contracts Can Be Enforced,” Postrel writes about new institutional economics: “A lively field of economics with an unfortunately clunky name looks behind the blackboard assumptions. . . . Once a heterodox challenge to convention, this field is increasingly part of the mainstream. It asks deep theoretical questions and ties those questions to pressing empirical realities.”

To illustrate the kinds of research presented at ISNIE 2002, Postrel summarizes Avner Greif’s paper on how merchants in the late Middle Ages developed institutions that allowed a commercial revolution, and Guido Friebel and Sergei Guriev’s paper examining the payments that illegal migrants promise traffickers for long-term, long-distance moves to other countries. Both illustrate the point that “When the rule of law is absent or inefficient, people find other ways to make contracts workable. But those alternatives may be unstable or inefficient.”

Postrel also cites Oliver Williamson’s comments that researchers in new institutional economics look at economic activity through the “lens of contract,” focusing predominantly on gains from trade. For the full text of the review, see *The New York Times*, October 10, 2002. Full texts of most conference papers are at www.isnie.org.

The ISNIE Newsletter: Ideas and activities related to the study of institutions

Editor: Alexandra Benham

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Norms and Economic Evolution: Old Believers in Russia

Presentation at the Annual ISNIE Conference, September 28, 2002

Danila Raskov

Editor's Note: Among ISNIE's members, not everyone was able to attend the 2002 conference in Cambridge. This talk by a young economic historian and the accompanying comments by his discussant offer an example of the lively presentations and discussions that take place at the annual meetings.

Danila Raskov is assistant professor at St. Petersburg State University, Russia. Russia is his native country. He is currently working on a detailed study of the Old Believers in Russia and their economic behavior during the 18th and 19th centuries. Raskov has been locating and compiling data for his research from original church records and government censuses and archives in many parts of Russia. He has also visited isolated communities of present-day Old Believers. A book is in process. This live presentation at ISNIE 2002 was transcribed from videotape by Alexandra Benham, with minor editing to include some material shown on slides. Raskov's full paper is titled "Norms in the Economic Evolution: Old Believers in the Russian Nineteenth-Century Textile Industry." Address e-mail to dan@vr3315.spb.edu. Remarks by Mary Shirley, who served as the discussant, follow the text of this talk.

I would like to continue the theme of religion in this session, and to speak about the particular case of the Old Believers in the Russian textile industry. This can show us how norms – social norms and ethics of behavior – can influence economic evolution, how the same norms can lead to quite different economic results when the environment changes. It is extremely important in the modern world of developing countries and countries in transition.

Usually, when we are speaking about the economic success of religious communities, we are talking about Weber's thesis that Protestant ethics helped economic rationality forward the growth of our modern civilization. In a way, this is an opposite



case, because the Old Believers were a counter-Reformation movement in Russia. But at the same time, they were very successful in purely economic terms and enhanced capitalist development.

First of all, some historical background about who the Old Believers are. They started in the 17th century, and for a period of time until the end of the 18th century, they were a severely persecuted community who refused to accept clergy reforms in the Russian Orthodox Church. Until the end of the 18th century, the government deprived them of civic rights, for example, the rights to trade and to be elected. Then Catherine II gave them equal rights with other citizens of the Russian Empire. Only after this liberalization were the conditions set for the Old Believers to emerge from religious and political opposition and become a notable economic power. They signaled the characteristics of very peculiar people. They were very harsh, austere, the men bearded, with old-fashioned black dress, sober and disciplined, so everybody could recognize that they were Old Believers. It's interesting to note that their signaling was a bit different from the usual case described by Eric Posner. This minority became

Raskov: Norms and Economic Evolution (continued)

successful, in part because they were not persecuted by the majority of the population. They were instead respected by the common people.

I used the data I extracted from archives and government censuses to look at religious affiliation, in order to get a picture of how many Old Believers worked in various industries.¹ I found that a good place to examine this process is the textile industry, which served as a force for market reforms and economic growth. Comparing the industrial statistics and the religious ones, we can see a rise and then a decline of the Old Believers' participation that is interesting to interpret. We see that they started from the beginning of the 19th century to become very powerful and important in the textile industry, into the middle of the century. And after that, step by step, they lost their position, and other groups – principally foreigners and members of the Jewish community – achieved leading positions in this industry.

Hence, from historical evidence, two questions arise. How did such a conservative group, “irrational adherents to letter and gesture” as Alexander Gerschenkron called them, become successful in the purely economic aspect? And second, why did the peak of the Old Believers' participation in the textile industry take place in the middle third of the 19th century, and then decrease by the end of the century?

I would propose a general theoretical framework for the interpretation - a scheme of how norms affect economic evolution. First of all, social norms often set objectives of economic activity. Second, social norms, slow to change, can positively influence economic growth, to the extent they are congenial with certain types of technology. Social norms can facilitate and enforce new arrangements in the absence of efficient enforcement of formal rules. That was the case here. But it's also interesting that, third, changes in the external environment may

The Old Believers' Share in the Russian Textile Industry

Cotton Weaving in Moscow

Year	Old Believers'		Old Believer		O.B. Output (in Russian Rubles)	
	Factories	% of Total	Workers	% of Total		% of Total
1843	31	21%	3,303	16%	981,800	13%
1853	36	25%	3,766	25%	1,255,109	18%
1867	11	39%	2,660	53%	1,110,828	56%
1871	13	36%	2,493	47%	1,266,547	51%
1879	6	17%	785	14%	541,000	13%

Wool Weaving in Moscow

Year	Old Believers'		Old Believer		O.B. Output (in Russian Rubles)	
	Factories	% of Total	Workers	% of Total		% of Total
1843	12	18%	1,979	20%	1,448,394	29%
1853	10	17%	2,743	23%	1,404,109	24%
1867	27	29%	6,385	36%	4,487,010	44%
1871	20	16%	5,126	24%	3,812,158	28%
1879	15	12%	4,117	21%	3,751,950	19%

Source: Talk by Danila Raskov

Raskov: Norms and Economic Evolution (continued)

contradict certain social norms, especially those of small religious groups. Thus, different social norms tend to promote different patterns of economic evolution in the process of interplay with the same technological standards. And now we can consider this analytic framework (social norms – external technological changes), in the case of the Old Believers.

Let's examine the social norms of the Old Believers. There are the following core beliefs. First, they regarded every small change in rituals, holy books, and liturgy made by Patriarch Nikon and subsequently as an unforgivable evil and apocalyptic sign. Second, it's interesting that it's mainly the general Christian values that we see here – asceticism, hard work, thriftiness, and mutual trust – the same as with the Protestants. The difference compared to the rest of the population was that these virtues were better enforced in a small community. Douglass North (1990) has emphasized the importance of such norms for initial economic development, saying, "Effective traditions of hard work, honesty, and integrity simply lower the cost of transacting and make possible complex, productive exchange."

Consider the external changes during this period of time. The technology changed, and cotton became a very cheap material for clothing. In the first half of the 19th century, cotton production was concentrated within family businesses, and labor-intensive operations predominated. We see that many careers of "textile barons" started from very small family businesses. Savva Morozov, for instance, built his business remarkably, moving from being a serf to being owner of the largest factory in Russia. It's noteworthy that social norms and community organization helped the Old Believers to hire free people, even though that was very difficult. The Old Believers also created special ties and gave money to other serfs to pay for their freedom, in order that they could work for the factory. The Preobrajensky and Rogojensky communities in Moscow were the most typical examples of such organizations in the middle of the 19th century.

But in the second part of the 19th century, external changes occurred in government policies and tariffs. These altered the textile industry from family-owned businesses to joint stock companies, from small domestic production to big mills, from labor-intensive to capital-intensive production. This changed the position of the Old Believers drastically. One can ask, "Why is it that they didn't follow the general trend?" They did follow it partly, but they lost their comparative advantage in the new circumstances. Changes in the external environment contradicted their core values. Most of the Old Believers chose to keep their old way of life and gave up profitable new opportunities.

What can we learn from this study? Usually two different explanations of religious group success are given, either "Weber's thesis" or else "the effect of minority group status." Weber's thesis explains economic success through doctrinal differences in values. According to his approach, embedded values pushed persons to a special attitude toward wealth and toward day-to-day work and responsibilities. The second approach emphasizes the special role of the social position of groups in a society. As we see from history, heterodox groups have some potential to be successful in trade and commerce. But these explanations do not explain the rise and then the eventual fall of such communities as the Old Believers. In this respect the New Institutional Economics perspective is much more helpful, because it allows understanding the role of social norms in economic evolution.

Also we learn that in the absence of the rule of law, deeply rooted social norms can help to implement some types of new technology. And these changes are both stable and irreversible. We know many other examples of reforms that were not adjusted to social norms and that were soon followed by counter-reforms.

I understand that some open questions remain. For example, what particular kinds of contracts in the textile industry depend on social norms? How and in

Raskov: Norms and Economic Evolution (continued)

what respects could social norms change? I think that with the help of New Institutional Economics we can better understand these and other questions that concern the interrelation of religion and the economy. Thank you very much.

Footnote

¹ Religious affiliation data were extracted from government censuses of 1850 and 1857, archives of the Ministry of Internal Affairs, the Titov manuscripts, and other sources. From these I constructed a list of 1200 entrepreneurial families of Old Believers in Moscow. Industrial statistics are drawn from reports of 1843, 1853, 1867, 1871, 1879, and 1890.

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Editor's Note: Commentators at ISNIE conferences have the tradition of offering insightful and useful discussions of the papers presented. The discussant for this paper was Mary Shirley, who is currently President-Elect of ISNIE and President of the Ronald Coase Institute. Here, transcribed from videotape with minor editing, are her spoken comments on Danila Raskov's study.

Comments by Mary Shirley

I think this is a very interesting paper and potentially a very important paper. It deals with the premise that norms confer advantages in some circumstances and disadvantages in others. This could go a long way to allowing us to really understand and unpack the importance of norms, which I think is an area in which New Institutional Economics needs to do a lot more work.

Now having said that, I think that Danila could deal much more systematically with the issue of which norms convey advantages at one time and disadvantages at another. And so, being a conscientious discussant, I did so. This table (see figure below) is presented with apologies to Danila,

because I'm guessing from his paper that these are the advantages and disadvantages of the norms of the Old Believers.

Hard work, he says, causes high productivity and a capacity for self-organization, but may mean that you persist in labor-intensive practices, fail to adapt new technologies, and fail to specialize and expand.

Thrift gives you a surplus to reinvest, but also prevents you from participating in the banking system and being willing to indebt yourself to foreigners.

Trust leads to shared savings at low interest rates, reliable labor, low-cost enforcement, but also to low use of impersonal mechanisms for contracting and financing as these become available. This reduces your potential for expansion, and may explain why the Old Believers didn't create joint stock companies.

Charity wasn't emphasized in Danila's remarks or his paper, but I couldn't see any disadvantages to charity.

Sense of community, as he described it, leads to close economic ties that lower enforcement costs, but also led the Old Believers to associate outsiders and the state with evil. That meant there were opportunities for contracts that the Old Believers didn't exploit, and they failed to expand into new industries and regions. I think something like this analysis would be very helpful for this paper.

Another issue that I think Danila has to sort out is this: to what extent were the Old Believers' norms working against them in a changed environment – which is his premise – and to what extent did Old Believers' numbers decline because the changed environment led to the appeal of secular life or mainstream religion? He mentions in the paper that the church allowed them to use their old rituals after 1800. That may have led some Old Believers to convert to the mainstream orthodox religion, and the numbers of Old Believers in textiles would fall. Also it seems logical that as Old Believers became richer, they would be more attracted to the secular life. They

Shirley on Raskov: Norms and Economic Evolution (concluded)

would fall away from their norms and perhaps no longer report themselves as Old Believers. That would also lead to a decline in their number. So we need to sort this out, to understand what was the effect of social norms and what was the effect of Old Believers just leaving their old beliefs.

I would also like to know more about textiles and how it was that the Old Believers' norms seemed to be best suited for the textile technology of that time. The paper talks a lot about the rise of other industries, like mining and manufacturing. The Old Believers stayed in textiles, which seems to have been a disadvantage; then textiles changed, that was another disadvantage. There could be more on that.

Finally, I think the paper should deal more

explicitly with the whole literature on minorities. Danila is saying that for the Old Believers it was norms that were driving their situation rather than their status as a minority group. I'm willing to accept that premise, but I would like to see more evidence offered on it.

There are some interesting areas here for future research. One possibility is to contrast the Old Believers with the Mormons, whose belief system seems very well adapted to current technology. One might be able to predict when Mormonism might become a commercial disadvantage. It would also be interesting to study the importance of norms as an enforcement mechanism in modern Russia in the absence of efficient, impersonal enforcement mechanisms.

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Social Norms of the Old Believers:

Their Advantages and Disadvantages in the Russian Textile Industry Through Time

Trait	Advantages	Disadvantages
Hard work	High productivity, capacity for self-organization	Kept labor-intensive practices; failed to adopt new technology, specialize, expand
Thrift	Surplus to reinvest	Failed to participate in banking system or attract foreign credit
Trust	Shared savings at low interest, reliable labor, low-cost enforcement	Low use of impersonal mechanisms: as these became available, this reduced expansion
Charity	Reduced dissension and labor turmoil; increased trust and sense of community	
Sense of community	Close economic ties, low-cost enforcement	Associated outsiders and the state with evil; neglected opportunities for state contracts; failed to expand into new industries and regions

Source: Talk by Mary Shirley

Moments from ISNIE 2002

Cambridge, Massachusetts, USA, September 27–29, 2002

Photos by Alexandra Benham



Paul Joskow (USA), incoming President of ISNIE, organized the conference and welcomed participants to Cambridge.



Paul Joskow greeted Kenneth Shepsle (USA), Gary Libecap (USA), and Lee Benham (USA) at the Tang Center, Massachusetts Institute of Technology, where the conference was held.



Claude Ménard (France), outgoing President of ISNIE, arrived at the conference where he delivered his presidential address, “The Economics of Hybrid Organizations.”



Relaxing between sessions, Olga Nashchekina (Ukraine), Mario Villarreal Diaz (Mexico), Agnieszka Slomka (Poland), and Benedikt Korf (Germany) shared some refreshments.



Debating styles are many and varied at ISNIE gatherings, as Noel Johnson (USA) and Jacek Jastrzebski (Poland) demonstrated during the reception.



The examination of ideas continued in every setting. The conference had 192 participants registered, with 97 papers presented in parallel sessions and 3 in plenary sessions.



Markus Brem (Germany), Christian Bessy (France), and several colleagues enjoyed food, wine, and conversation together at the gala dinner on Saturday evening.

Hungarian Society for New Institutional Economics Underway

The Hungarian Society for New Institutional Economics held its founding ceremony October 4-5, 2002, in Debrecen, Hungary, in conjunction with an international conference, "The Evolution of Institutions and the Knowledge Economy." It sponsored a workshop there on "The Institutions of the Knowledge Economy."

This September the Society is co-organizing a workshop to be held in Groningen, The Netherlands, September 25-26, 2003. This workshop is being jointly organized with the SOM Research School, University of Groningen, within the framework of the Dutch Network of Institutional Economics. The workshop organizers are Bart van Ark, Gábor Péli, and Balázs Hámori.

Later in the fall, the Society is co-organizing a conference on "Institutional and Policy Diversity - Its Role in Economic Development." This will take place November 3-4, 2003 in Debrecen. The deadline for submission of abstracts is September 15. For further information or to register on-line, see www.econ.klte.hu/conference.

Annual Workshop Held in Spain

Universitat Pompeu Fabra, Barcelona, Spain, was the venue for the fourth International Workshop on Institutional Analysis, June 27-28, 2003. Benito Arruñada was the workshop organizer. The annual meetings are designed to offer a forum for presenting work in progress on New Institutional Economics, in an informal atmosphere. There were 29 participants this year coming from many countries extending as far away as Brazil, India, and the USA. Sixteen papers were presented on the topics of creating institutions, law and economics, organization economics, private ordering, technological change, and financial contracting. Eric Posner delivered the keynote lecture.

The next workshop in this series is scheduled for June 25-26, 2004. The deadline for submitting paper proposals is March 1, 2004. For more information on the recent workshop and 2004 Call for Papers, see www.econ.upf.es/~arrunada/workshop.html.

Ronald Coase Institute Conducts Variety of Activities On Institutional Analysis

The Ronald Coase Institute has recently organized several events for scholars interested in the empirical analysis of institutions.

Chicago, Illinois, USA was the site for a research conference on transaction costs held February 21-23, 2003. Twenty-one scholars and practitioners discussed conceptual issues in measuring transaction costs, examined World Bank surveys and measures of costs from preliminary studies in Brazil and Bulgaria, considered technical survey issues and literature reviews, and examined some institutional innovations designed to reduce transaction costs. Financial support for the conference was provided by Coase Foundation and the George Stigler Center for the Study of the Economy and the State.

In Budapest, Hungary the Institute will conduct a workshop on September 6-11, 2003, immediately before the ISNIE 2003 conference. Twenty-two young scholars are expected to attend. Alexandra Benham and Lee Benham are organizing the workshop. Balázs Hámori is handling arrangements in Hungary. Speakers will include Paul Joskow, Gary Libecap, and Douglass North. Primary financial support is provided by Earhart Foundation and Coase Foundation. The Budapest College of Management is providing in-kind assistance.

São Paulo, Brazil will be the venue for a workshop on institutional analysis to be held December 6-11, 2003, conducted jointly with the University of São Paulo. Immediately thereafter, the Institute will co-host the conference "Promoting Institutional Reforms in Latin America" on December 12-13 in São Paulo, organized jointly with the Center for International Private Enterprise (CIPE). The Ronald Coase Institute will organize several talks on the measurement of transaction costs, discussing the results of its collaborative projects now underway in the USA, Brazil, and Peru. Douglass North will be a keynote speaker at the conference.

For further information and future workshop announcements, see www.coase.org.

ESNIE Holds Second Spring School in Corsica

ESNIE, the European School on New Institutional Economics, held its second NIE spring school in Cargèse, Corsica, France on March 31 - April 4, 2003. Eric Brousseau was the coordinator. The 49 participants – doctoral students, post-docs, and colleagues seeking NIE training – came from 27 countries in Europe and elsewhere.

Formal lectures were given each morning by scholars including Erin Anderson, Benito Arruñada, Bruno Deffains, Olivier Favereau, Alain Kirman, Lewis Kornhauser, Gary Libecap, Bentley MacLeod, Luc Soete, and Frank H. Stephen. Afternoon workshops on research questions and technical issues were conducted by Pierre Garrouste, Jean-Michel Glachant, Manuel Gonzalez-Diaz, Christian Harm, Thierry Pénard, Emmanuel Raynaud, Bruce Rayton, Markus Reitzig, Roland Speklé, and Carine Staropoli.

Participants presented their work in progress during late-afternoon seminars, with discussion by specialists in the discipline.

Financial support was provided by the French Ministry of Research, the French Ministry of Higher Education, the National Center for Scientific Research, and the INRA (French Research Institute for Agronomy and Agro-Business Industries).

In November 2002 ESNIE conducted a research workshop, “The Theories of the Firm.” The papers from this workshop, edited by Stephane Saussier and Pierre Garrouste, will be published in the *Journal of Economic Behavior and Organization*. Plans are now underway for a research workshop on the regulation of network industries, to be held in March 2004.

ESNIE will conduct its next spring school on May 2-8, 2004. The program should be available in September. For further information about ESNIE and future events, and for papers presented at the 2003 spring school, see www.esnie.org.

Bulgaria To Host Workshop on Institutional Analysis

The International Center for Academic Cooperation, with headquarters in Tübingen, Germany, has arranged a workshop in institutional analysis, “Comparative Research: The Case Study of Bulgaria,” to be conducted September 2-9, 2003, in Sofia. Organizers include George Chobanov, Georgy Ganev, Joachim Starbatty, Sonja Oppen, and Lee Benham. The goal of the workshop is to familiarize young academics from Bulgaria and neighboring transition countries with the ideas, research, and empirical achievements of NIE as they pertain to the transition experience. Funding is being provided by the Volkswagen Foundation.

ISNIE Elections Held

Elections were held electronically last autumn to fill four ISNIE board positions. The board members whose terms were expiring at that time were Ronald Coase, Douglass North, Claude Ménard, and Oliver Williamson. The newly elected board members are Lee Benham, Douglass North, Oliver Williamson, and Decio Zylbersztajn. Gary Libecap is now the vice-president of ISNIE. He will serve during the coming year as president-elect, and subsequently as president of ISNIE. On the nominating committee were Avner Greif, Claude Ménard, and Mary Shirley.

ISNIE Will Sponsor Session at ASSA Meetings, January 2004

ISNIE is again organizing a session at the annual Allied Social Science Association (ASSA) meetings in January 2004 in San Diego, California. ISNIE’s session, “Developments in Institutional Economics,” will be chaired by Paul Joskow. The speakers and their topics include Mie Augier, “Marching Towards ‘A Behavioral Theory of the Firm’,” Benjamin Klein, “Fisher Body – General Motors Once Again: What Is a Holdup?” and Gary D. Libecap, “Water Transfer Decisions within Irrigation Districts: Conflicting Property Rights and Third-Party Effects.” Discussants will be Paul Joskow, Pablo Spiller, and Oliver Williamson.

Retrospective: Inaugural Conference of ISNIE

St. Louis, Missouri, USA, September 19–21, 1997



ISNIE came fully into existence as a Society at a conference in St. Louis in 1997, organized by Lee Benham. Ronald Coase served as the founding President of the Society. At the close of the conference, the two reflected on future prospects for the fledgling Society.



“We have an opportunity here to create a defining moment in the history of the social sciences and economics.” - Douglass North.



When the conference opened at Washington University, the number of individuals registering exceeded all expectations, even though there had been no formal advertising. To feed the overflowing crowd, lunch was served on the lawn.



Douglass North subsequently served as the second President of ISNIE, and Oliver Williamson followed as the third.



All sessions were plenary, to create a common experience and perspective. Thirty-two papers were presented. Among the discussants, Philip Keefer commented on current work and future directions in political science.



Two and a half days of concentrated meetings included a gala dinner at the St. Louis Arch. Participants traveled by school buses to the park and came down the grassy hill to a warm welcome, a festive meal, and panoramic views of the city.



From as far away as Russia, Tanzania, New Zealand, individuals journeyed at their own initiative and expense. After a long trip from Hungary, Mihaly Kopanyi and Laszlo Szakadat finally stood beside the Mississippi River with Alexandra Benham, conference co-organizer.

ISNIE 2003 Logistics and General Information

**Annual Conference of the
International Society for New Institutional Economics
Budapest, Hungary
September 11-13, 2003**

Mary Shirley, President-Elect, Conference Organizer

Conference registration is still open. The registration fee for the conference is **\$225 US before August 1, 2003** and **\$275 US after August 1.** As always, the earlier you register, the better. There will be **no** on-site registration. The fee includes lunches, coffee breaks, a reception with wine and hors d'oeuvres, and a gala dinner. Before August 15 the cancellation fee is \$100 US; after August 15 **no** refunds will be given. Use the membership and registration forms in this Newsletter, or download and print them from *www.isnie.org*. To register, you must be a member of the Society, with your dues paid for the year 2003.

Conference participants must make their own travel and hotel arrangements. If you are coming from abroad, please check as to whether you will **need a visa** to enter Hungary, and if so, apply in a timely manner. Demand for hotel space in Budapest is intense in the fall, so book your room early. We have arranged for a limited number of rooms to be available at special rates **until August 15.** To get these rates, you must E-mail or fax the hotel directly (the special rates are **not** available through hotel Web sites). See the hotel information sheet in this Newsletter and then go to *www.isnie.org/ISNIE03/hotels.htm* to download and print individual hotel forms.

To reach Budapest, the closest airport is Ferihegy, 15 km from the city center. Ferihegy Airport is easily accessible by direct flights from Frankfurt, Paris, Zurich, London, and other major European cities. The Airport Minibus Service, run by the airport authority, transports people quickly and comfortably to anywhere in the city for a fixed fee, about \$9 US. The minibus service has an information desk in the arrival lobby of the airport. Taxis are also available but are more expensive. Train service to Budapest is also available from most European cities.

A sightseeing tour of Budapest by bus will be available after the conference closes on Saturday afternoon. You may register for this on-site at the conference. The fee will be \$25 US.

We hope to see you in Budapest!

ISNIE 2003 Conference Registration

**Annual Conference of the
International Society for New Institutional Economics
Budapest, Hungary
September 11-13, 2003**

To register, please fill out the form below and submit it with your VISA/MasterCard credit card information or your check drawn on a U.S. bank in U.S. dollars. The registration fee is **\$225 US** before August 1, 2003, or **\$275 US** after August 1, 2003. Before August 15 the cancellation fee is \$100 US; after August 15 **no** refunds will be given. Space is limited, and registration is subject to availability. Please fax this form to (314) 935-5688 or mail this form to:

ISNIE
Department of Economics, Campus Box 1208
Washington University
One Brookings Drive
St. Louis, MO 63130-4899
USA

You must be a current member of ISNIE to register for the conference.

ISNIE 2003 Conference Registration Form

(PLEASE PRINT VERY CLEARLY)

Surname: _____

First Name and Middle Initial: _____

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Department: _____

Address: _____

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I agree to pay \$225 US (or \$275 US after August 1, 2003) to ISNIE for ISNIE 2003 conference registration.

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Date: _____

I enclose my check drawn on a U.S. bank in U.S. dollars, payable to ISNIE.

ISNIE 2003 Hotel Information

Annual Conference of the International Society for New Institutional Economics Budapest, Hungary September 11-13, 2003

ISNIE has contracted **special rates** for the 2003 conference with the following six hotels. The number of asterisks indicates the star rating of each hotel. Hotels closest to the ISNIE conference site are Hotel Gellert and Hotel Korona, one station away by tram. The other hotels are all within a few stations by public transport.

For each hotel, the special rates and the number of rooms available at that rate are shown below. The special rates will be offered **until August 15, 2003**. After that, they may no longer be available. Rooms will be assigned on a first come, first served basis.

Hotel Gellért **** www.danubiusgroup.com/gellert
40 single rooms with shower EUR 54/ night
45 single rooms with bathroom EUR 96/ night
15 double rooms with bathroom EUR 130/ night

Hotel Mercure Korona **** www.mercure-korona.hu
100 rooms (single or double) EUR 87/ night

Hotel Ibis *** www.ibis-centrum.hu
50 rooms for one person EUR 69/ night
for two persons EUR 74/ night

Hotel Sissi **** www.hotelsissi.hu
15 rooms single room EUR 76/ night
double room EUR 84/ night

Hotel Kalvin House *** www.hotels.hu/kalvin_haz
15 rooms single room EUR 50/ night
double room EUR 60/ night
triple room EUR 70/ night

Marriott Hotel ***** www.marriott.com (choose Budapest)
8 rooms EUR 120/ night

The best way to register for a hotel room is to download the hotel's registration form (as a Word file or PDF file) from www.isnie.org/ISNIE03/hotels.htm. **Then e-mail or fax** the completed registration form **directly to the hotel** you choose. **Include the keyword "ISNIE Conference"** on your form, to receive the special rate.

Please note: You will **NOT** receive the special rate if you register on-line using the hotel's Web site.

2003 Membership Application/ Renewal

International Society for New Institutional Economics

Membership in the Society is open to everyone interested in the New Institutional Economics, regardless of academic discipline or professional employment. Membership is for the calendar year January 1 to December 31. Only current members may submit proposals and attend the annual conference. Members receive a subscription to the ISNIE Newsletter and will be included in the NIE Network, a Web-based directory and information service.

The annual membership fee is **\$40 US** for individuals in Andorra, Australia, Austria, Bahamas, Belgium, Bermuda, Brunei, Canada, Cayman Islands, Denmark, Finland, France, French Polynesia, Germany, Hong Kong, Iceland, Iran, Ireland, Israel, Italy, Japan, Liechtenstein, Luxembourg, Monaco, Netherlands, New Caledonia, New Zealand, Norway, Qatar, San Marino, Singapore, Spain, Sweden, Switzerland, United Arab Emirates, United Kingdom, and the United States. For individuals in all other countries, the annual membership fee is **\$20 US**. For students submitting a letter from their department verifying student status, the annual fee is **\$20 US**.

To join or renew your membership, fill out a copy of the form below (please type or print clearly). Fax the completed form, along with your VISA/MasterCard credit card information, to (314) 935-5688. Or mail the form, along with your VISA/MasterCard credit card information or your check drawn on a U.S. bank in U.S. dollars, to:

ISNIE
Department of Economics, Campus Box 1208
Washington University
One Brookings Drive
St. Louis, MO 63130-4899
USA

2003 ISNIE Membership Form

(PLEASE PRINT VERY CLEARLY)

Surname: _____

First Name and Middle Initial: _____

Organization/Company: _____

Department: _____

Address: _____

City, State, Postal (ZIP) Code: _____

Country: _____

Telephone: _____ Fax: _____

E-mail Address: _____

Personal Homepage/Vita URL: _____

Research Interests (and JEL codes): _____

I agree to pay \$40 US (or \$20 US if eligible) to ISNIE for ISNIE membership dues for 2003.

VISA/MasterCard Credit Card Number: _____

Expiration Date: _____

Name (as it appears on credit card): _____

My Signature: _____ Date: _____

I enclose my check drawn on a U.S. bank in U.S. dollars, payable to ISNIE.

Newsletter

*International Society for New Institutional Economics
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St. Louis, MO 63130-4899
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