

Below I provide the evaluations of my application for a senior researcher grant from the Academy of Finland. According to the representative of Economics in the Research council for the Culture and Society, professor Jaakko Pehkonen from the University of Jyväskylä, there were only three applicants from the field of economics. Two got the grant, and I was deemed the worst of the applicants, and consequently did not get a grant. Professor Markus Jäntti from Åbo Academi and professor Hannu Tervo from the University of Jyväskylä were better than I.

My application was evaluated by two foreign experts. The Academy states the following on its web-page: 'Any application that cannot be reviewed by panels will be forwarded to a minimum of two individual experts. These are mainly foreign experts who are esteemed researchers in their respective fields.' The experts were Steve Machin ja Lorenzo Cappellari.

The former is from the University College London, and he states on his home-page the following: 'My main research area covers empirical work in labour economics, the economics of education and industrial relations.' I think that there is no dispute that he satisfies the criteria of the Academy.

The latter evaluator is from Università Cattolica, Milano. He states on his home-page the following: 'His research interests are labour economics, income distribution and dynamics, economics of education, and microeconometrics.' According to RePEc all his work is empirical, and by his publication record he clearly satisfies the criteria of the Academy, too.

I found it somewhat strange that my application, which is theoretical, was evaluated by two experts who both work on the empirical side of economics. But careful reading of the statement of the Academy above reveals that the evaluators are not necessarily assumed to be experts on the field of the application; they are expected to be expert on their own fields.

I was also somewhat surprised that I was the worst of the applicants since I thought that I have done quite a lot and quite good research in the last three years. I guess that this just tells about the high standard of economic research in Finland.

Anyway, I asked professor Pehkonen about details of the decisions in the hope that I might improve my application, and why I was not evaluated by anyone who is an expert in theoretical research. Pehkonen told me that it is totally random who turn out to be the experts, and this time I just happened to get these experts. He also told that of us three applicants professor Jäntti was clearly the best while I was pretty even with professor Tervo. He also encouraged me to apply next time, and see whether I should be luckier in the lottery then. While pondering over this possibility I still try to figure out what is the probability that the evaluators of a theoretical research proposal turn out to be two experts in empirical labour economics. It would be interesting to know from what fields the other applicants' experts were; perhaps not from economics at all.

Below you can see the evaluations of my research proposal but before that I let you see what the Academy states on its web-page: 'The Academy of Finland is committed to the best interests of scientific research. In all its operations the Academy aims at reliability, impartiality, openness, interactivity and at making use of the best expertise available.' Go figure.

Date 08.03.2007

Application number 119807

Applicant Klaus Kultti

Project title Applications of dynamic matching models to the study of market structure, intellectual property rights and marriage markets.

1. Research plan

1.1 Scientific quality and innovativeness of the research plan: Is the project scientifically/academically significant? Is the research plan academically/scientifically solid? Can the project generate new knowledge, new methods, new technology etc.? Is the project ambitious? **Grade 4**

The application consists of some already initiated research lines, plus a proposal for genuinely new research line. The project is significant, solid and ambitious. Most of it consists of applications of methods already developed (and published) by the applicant to specific research questions in labour economics, industrial economics and the economics of property rights. The most innovative part of the proposal has to do with models of the marriage market and the introduction of heterogeneity within dynamic matching models. As the applicant correctly indicates, completion of this research is unlikely within the time frame of this proposal. It is therefore difficult to consider this last part as entirely pertinent to the application, since the probability of seeing some output on that front seems low relatively to the rest of the application.

1.2 Feasibility of the research plan:: Are the research plan, the proposed schedule and the research objectives clearly presented and realistic? Are the research methods and materials appropriate for the project? **Grade 3**

The research methods are well stated and the applicant is certainly a well-known expert in this field. The main issue here has to do with timings for the third part of the application--marriage market. The applicant is realistic in stating that completion of this strand will stretch outside the funding period.

1.3 Ethical questions :: Are ethical issues involved and if so, how are these taken into account? **Grade 1**

2. Research environment

2.1 Competence and expertise of the applicant/research team :: What are the merits and previous scientific achievements of the applicant and other researchers? Do the researchers have the necessary expertise and competence to carry out this project? Is the project management and the division of labour appropriate and well-planned? **Grade 4**

The applicant has already shown ability to deal with the methodological issues involved in this project. This is witnessed by a significant publication score in highly ranked peer reviewed outlet, either by the applicant alone, or with co-authors, some of which are also mentioned in the application as potential contributors to the research output. My doubts remain about the appropriateness of including in this application on project for which the output expected within the relevant time scale is small.

2.2 National and international networks of the applicant/research team :: Are the applicant and the research team engaged in meaningful and significant national and/or international research collaboration? What is the importance of the collaboration networks for the proposed project? **Grade 2**

The project does not seem to be connected internationally with other research units through a network. There are references to possibilities of cooperation with other researchers for parts 1 and 2 of the proposal, but are rather vague. Part 3 of the project is involved in a larger scale project that involves researchers from ETLA working on empirical models of the marriage market. This is rather promising from the point of view of research complementarities.

However, this is also the part of the project where a timely implementation of the proposal seems the less likely.

2.3 Doctoral and post-doctoral training and development of the research environment :: What is the significance of the project for doctoral and post-doctoral training? Is the training well-planned? What are the merits of the senior researchers as supervisors at doctoral/post-doctoral level? What resources and environment are offered to the doctoral and postdoctoral researchers? **Grade 3**

The applicants has experience as doctoral supervisor and the research environment seems adequate for the pursue of doctoral studies.

2.4 If a consortium is involved, assess the significance of the consortium for the attainment of the research objectives **Grade 5**

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| Overall assessment |
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2.5 Overall Assesment: Main strenghts and weaknesses of the project. Additional comments and suggestions : **Grade 4**

The main strenghts of this proposal are to be found in application of sound research methods to new interesting topics in labour, industrial and proerty rights economics. The applicant's well established publication score in this area suggests that it is likely that these research lines will generate quality output in the near future. A partial weekness of the application is the inclusion of a research line that, although highly interesting, is unlikely to generate output in a timely manner. Another weekness is the under-developed network dimension of the overall application.

Date 20.03.2007

Application number 119807

Applicant Klaus Kultti

Project title Applications of dynamic matching models to the study of market structure, intellectual property rights and marriage markets.

1. Research plan

1.1 Scientific quality and innovativeness of the research plan: Is the project scientifically/academically significant? Is the research plan academically/scientifically solid? Can the project generate new knowledge, new methods, new technology etc.? Is the project ambitious? Grade 4

The application is on three research areas: equilibrium market structure; intellectual property rights; and modelling marriage and divorce. The proposed work is (mostly) theoretical economic analysis. The research plans are interesting and could generate new knowledge. In my view, the second and third areas are more innovative and more likely to deliver new findings.

1.2 Feasibility of the research plan:: Are the research plan, the proposed schedule and the research objectives clearly presented and realistic? Are the research methods and materials appropriate for the project? Grade 3

The research plan is clearly stated, but there is much less on what will be done when and what outputs will emerge. The methods seem appropriate.

1.3 Ethical questions :: Are ethical issues involved and if so, how are these taken into account? Grade 0

2. Research environment

2.1 Competence and expertise of the applicant/research team :: What are the merits and previous scientific achievements of the applicant and other researchers? Do the researchers have the necessary expertise and competence to carry out this project? Is the project management and the division of labour appropriate and well-planned? Grade 3

The applicant is well known in a number of areas, bridging theoretical work in IO, game theory and monetary economics. He is well disposed to do the proposed research. His research team is briefly described, but also looks promising.

2.2 National and international networks of the applicant/research team :: Are the applicant and the research team engaged in meaningful and significant national and/or international research collaboration? What is the importance of the collaboration networks for the proposed project? Grade 2

There does not seem to be much in the way of collaboration on an international level.

2.3 Doctoral and post-doctoral training and development of the research environment :: What is the significance of the project for doctoral and post-

doctoral training? Is the training well-planned? What are the merits of the senior researchers as supervisors at doctoral/post-doctoral level? What resources and environment are offered to the doctoral and postdoctoral researchers?

**Grade
3**

This is briefly stated, but looks good, although the applicant states the need to find suitable doctoral students for his first research area on equilibrium market structure.

2.4 If a consortium is involved, assess the significance of the consortium for the attainment of the research objectives

**Grade
0**

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|---------------------------|
| Overall assessment |
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2.5 Overall Assessment: Main strengths and weaknesses of the project. Additional comments and suggestions :

**Grade
3**

The application looks to be quite a good one and looks like it can deliver theoretical advancements. It is a bit 'stand alone' (hence the lack of international collaborators) but this can be how theoretical projects operate within economics.