

MODEST
international working group on
MODelling of Economies and Societies in Transition

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Newsletter

sent out irregularly, mainly on the basis of what's new
Edited etc. by Jan Owsinski

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**Feel cordially invited to MODEST 2010 in Bydgoszcz, Poland. The deadline for sending
in the papers is June 15th, 2010!!! (see also below)**

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1. MODEST 2008 meeting in Warsaw and the publications thereof

As announced previously, the consecutive meeting in our series, the MODEST 2008 Workshop, took place on September 19th-20th, 2008, in Rembertów by Warsaw, within the campus of the National Defence Academy. It was, according to the rule, affiliated with the bi-annual conference of the Polish Operational and Systems Research Society (BOS 2008), having taken place on 18th-20th September. The proper MODEST meeting in the framework of the BOS conference was a joint undertaking of MODEST and the Polish chapter of INFORMS. A number of interesting papers were presented, and a vivid discussion followed.

The papers from the BOS conference, including those, resulting from the MODEST meeting, which passed the refereeing procedure and were accordingly modified, were published in three books, being three successive volumes (62, 63 and 64) in the series of “Systems Studies”, which is being published by the Systems Research Institute of the Polish Academy of Sciences, one of the co-organisers of the BOS conference series. The three volumes contain close to 100 papers from the BOS 2008 meeting.

Notwithstanding these three volumes two special issues of two different journals have been prepared as a follow-up. Both of them are largely due to the activity of the MODEST group, and this fact shall be duly acknowledged in the respective publications.

One is a special issue of the *Journal of Organisational Transformation and Social Change*, published by Intellect in the United Kingdom, and the tentative title of this special issue is "Corruption and Good Governance". This issue is guest edited by Jan W. Owsinski, and the authors of the finally accepted papers are: M. Yolles and O. Savagvudcharee (paper on generic theory of corruption with a case illustration from Thailand), J. W. Owsinski (a remake of an old paper on the "Herring Barrel Metaphor", being a very telling model of the communist, or the real-socialist system, based on institutionalised corruption), H. Lindskog, S. Brege and P.-O. Brehmer (on public procurement process, as distinct from private purchasing, and the inherent risks of corruption), I. Woroniecka-Leciejewicz (on the game between the government and the central bank and the cases when coordination is necessary and when it is not necessary), K. Cichocki (describing a model for managing local authority finance, with special emphasis on debt management, and the use of this model), and A. P. Wierzbicki (on the perspectives for and the challenges to the systems and operational sciences in the era of knowledge economy and knowledge civilisation). This special issue should go out of print in 2010, hopefully before Summer.

The other is a special, English-language issue of the Polish journal *Badania Operacyjne i Decyzje* (*Operations Research and Decisions*), published by the University of Technology in Wrocław. The title of this issue is "Decisions in Politics, Economics and Business", and the guest editor is, again, Jan W. Owsinski. This issue, no. 4/2009, is composed of papers, dealing with game theory, optimisation, stochastic models and various operations research methods in decision making in political bodies (E. Turnovec for the European level and J. Mercik for the veto power of the Polish President, H. Bury and D. Wagner for group decisions), in production and pricing (S. Bylka, I. Żółtowska and E. Toczyłowski, M. Kaleta and E. Toczyłowski), in environmental issues – related to greenhouse gases and the respective emission market (P. Nowak and M. Romaniuk, J. Stańczak), as well as simulation of customer behaviour (A. Kowalska-Styczeń).

2. Next MODEST meeting, September 2010 – ampler information

The subsequent MODEST Workshop shall take place affiliated to the next BOS conference, BOS 2010, which will take place on September 20-22 (Monday through Wednesday) 2010 in Bydgoszcz, an important city in central-northern Poland (some 200 km to the North of Warsaw). This meeting is organised jointly with the Systems Research Institute of the Polish Academy of Sciences and the University of Technical and Natural Sciences in Bydgoszcz. The themes, envisaged for the MODEST meeting are:

- "ICT and (local) development" - largely based on the already existing bilateral Polish-French cooperation, but, of course, all of those interested are cordially invited to join in!
- "Banking & finance: trust, connectivity and resilience" - against the background of the recent and the currently looming international crises, but not only...
- "Environment & economy: getting rid of paradoxes, political agenda and the dirt?" - have we learned anything new as of late?

Papers have already been announced and quite an interesting program is under preparation. The deadline for sending in the papers is June 15th, 2010. The registration fee, including student hostel accommodation, shall not exceed 250 €, and shall depend on the number of days, for which you register. Further information, with more details (transport, location fee) shall be sent out at around June 10th, 2010.

3. Proposals and suggestions

In the previous Newsletters we forwarded some suggestions concerning the potential fields of collaboration, e.g. within the framework of bilateral or European projects. We now return to these ideas, by inserting some additional information, and adding one more domain of potential joint work.

Let us emphasise that in all those fields not only definite research work is, of course, being carried out, but, actually, some collaborative work is, as well, underway.

These activities, and the related ideas, concentrate around the following four themes (which, of course, do by no means limit the potential scope of concepts for future collaborative work):

- modeling for the evaluation of the consequences of and design of changes in the Common Agricultural Policy; there are already a number of models that supposedly do the job, but what virtually all of them lack is the micro- or landscape, or community dimension (or, at a bare minimum – the one of a municipality); on the other hand there is also a gap on the real macro scale meaning aggregate effects for the EU and the world; in conditions of the current crisis the knowledge of potential consequences of various policies and instruments at the scale of the real processes, and not only somewhat abstract aggregates, becomes even more important;
- assessing and modeling the role of ICT in development (place and role in the feedback loop), especially in terms of development dynamics from various starting points, and the possibility of short-cuts; here, as well, the local and regional dimension is of importance; again, this applies equally to the macro- and the real micro- dimensions, in economic and spatial terms;
- modeling the consequences of policies related to the “green paths”, and the possibility of making (or leaving open and effectively available) the truly “optimum” choices and avoiding the “green paradoxes”, without bearing too much of economic and social costs that would impair short- and medium-term competitiveness; this involves an intricate interplay of time horizons, investment and risk, mainly associated with energy; the recent events on the world scene, oil prices and global-warming-related undertakings included, show it very clearly that the respective models are indeed necessary, and, at that, a variety of them, that could grasp the different aspects and perspectives on these issues;
- development of the methodologies related to decision making under uncertainty in situations of emergency, with the use of decision rules, decision trees, fuzzy and intuitionistic logic, and respective linguistic representations; this set of methodological tools might be of high value in devising decision support systems for the high-risk operations with limited information and high uncertainty.

Should you be interested in collaboration on these themes, or in coining other ones of potential interest to members of MODEST, please, contact us about it.

4. A reminder: the book published by Palgrave

In 2007 a book was published by Palgrave Macmillan, very closely associated with the activity of MODEST. An important aspect of this book is the contribution of the 2007 Nobel Prize Laureate in Economics, late Leonid Hurwicz. Here is the complete information on the book and its contents:

Zbigniew Nahorski, Jan W. Owsinski and Tomasz Szapiro, eds., *The Socio-Economic Transformation. Getting Closer to What?* Palgrave Macmillan, Houndmills – New York, 2007, ISBN 13: 978-0-230-00794-9; ISBN 10: 0-230-00794-5 (hardback).

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