

Abstracts

Strukturelle træk i den finansielle sektor før og efter år 2000

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Structure of the financial sector – before and after year 2000

The repercussions from the financial crisis around 1990 did not only result in the reduction of the number of banks, but also serious criticism of the Authorities' handling of some cases. While solving the threat to the market, it did not always go 'according to the book'. A committee on the financial sector's future with broad representation from both industry and authorities resulted in improved cooperation between the Danish FSA and the industry, a thorough modernisation and rationalisation of financial legislation has taken place, incorporating the previous criticised experiences. The tendency toward disintermediation, in which the public invests an increasing share of its assets in risky products, is judged as advantageous for the industry, which has shown a high level of profitability in the years after 2000.

Centralbankernes rolle i den økonomiske politik

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The Role of Central Banks in the Economic Policy

The aim of monetary policy in most countries is price stability. Central banks still follow different ways in order to reach the goal. In Denmark, a fixed-rate policy vis-a-vis the Euro is used, while a number of other small countries since the beginning of the 1990s have operated inside a framework of inflation-management with explicit inflation objectives. Broad monetary aggregates no longer play a role in the formulation of monetary policy, neither in large nor small countries. Irrespective of monetary strategy, all central banks make use of the short term rate of interest as instrument in monetary policy. It is difficult to decide which of the two strategies best result in securing price stability and a stable high level of employment. The article reviews the most important monetary policy problems in the light of the economic literature of the latest two decades. Furthermore, the challenges to price stability, financial stability and the Danish fixed-rate policy posed by the current trend of globalisation and of financial innovation is analysed.

Private Equity: Implications for Investment and Efficient Resource Allocation

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The article analyses the recent development in Private Equity finance, in which Private Equity Groups directly channel capital into

companies with the aim to exert corporate control during a period and later sale of their participation at a profit over and above the market average. Traditional forms – venture capital and long term equity participation – is normally seen as positive, because success for the Private Equity fund depends on the positive long term development of the target company. The latest development introduces a new model – short term ownership, principally funded through borrowing (leveraged buy out), tethered by low interest rates and ample market liquidity. The analysis of recent cases shows that Private Equity-ownership often results in maximising the target company's debt, radical cost reductions and asset stripping in order to maximise the flow of funds in the short term, but which might result in fatal consequences for the target company in the long run. Finally, this development is discussed in the theoretical perspective of corporate control. It is argued that the new form of Private Equity does not reduce the principal-agent problem, known from public companies with widespread ownership. The problem is only taken to another level, with less transparency and accountability and thus potentially more damaging.

Keynes' metodologi og makroøkonomisk forskning – et bud på en belysning

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J.M. Keynes' Methodology and the Science of Macroeconomics – an interpretation

In the history of economic thought many Post Keynesian scholars offer a distinct interpretation of John Maynard Keynes's General Theory. One of the fundamentals of Post Keynesianism in this regard is the statement that the way Keynes understood economics can not be understood correctly if one does not take the methodology of Keynes into account. And Keynes could rightfully be said to have started a methodological as well as a theoretical revolu-

tion in economics. In the present paper the content of the methodology of Keynes is highlighted followed by a discussion to what extent this methodology could be said to have influenced modern macroeconomics. Most weight in this respect is given to a presentation of some core elements of the Keynes-like tradition of Post Keynesianism.

Differentieret forskningskommunikation – Mål og målgrupper i en dansk kontekst

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Differentiated Science Communication – Objectives and Target Group in a Danish Context

Communication and dissemination of scientific research to the people is a new discipline gaining political importance. Research institutions must give priority to popular information and their effort influences their share of the over all Public science budget. In this article the content and effect of different modes of disseminating the result of new research is analysed in relation to fulfilment of this goal. A distinction is made between two principally different conceptions of the aim of communication. The dissemination paradigm, characterised as marketing of the importance of research results for society, a politically necessary legitimisation of the considerable public appropriations to advanced science. The participation paradigm, which acknowledges that new scientific advances are not necessarily unproblematic and in which the nurturing of a critical public is important (technology assessment). It is, however, a precondition for successful interaction that the target public is qualified to understand. The article presents results of the public's attitude to scientific research, showing important differences according to gender, age and education. The importance of these difference must be incorporated in the communicative process.