



GEM Breakfast – Conference – Tuesday September 5th 2006

8.30 -10.00 am

François Goguel Room

56, rue des Saints-pères, Paris 7

9/11: the aftermath five years on

First appraisals of the effects of mass terrorism on the world economy

On September 11th, 2001, terrorism introduced a new kind of threat to the world. The limits of violence were overstepped and the targets became almost exclusively civilian, reflecting a deep change in the motivations and objectives of acts of terrorism.

Data on this new kind of terrorism and its effects on the economy are just beginning to appear. A new security environment is taking shape and, beyond the direct effects of the attack, the consequences on the functioning of the socio-economic system are increasingly obvious. What changes to the economic system have occurred as a result of this threat ? How extensive are these changes? How are both the public and private sectors dealing with terrorism and its impact ?

Five years after September 11, the time has come to take stock of the situation. To do so, GEM has invited three researchers currently working on the topic to participate in a breakfast conference this coming September :

- **Eric Lahille**, PhD in Economics, teaches international industrial economy at the Institut Supérieur de Technologie et de Management (ISTM) of Paris' Chamber of commerce and industry. He is an associate researcher at the Centre d'Etudes des Modes d'Industrialisation (CEMI) of the Ecole des Hautes Etudes en Sciences Sociales.
- **Alyson J.K. Bailes**, Director of Stockholm International Peace Research Institute (SIPRI), Stockholm, former member of the British diplomatic services, former British ambassador in Finland.
- **Thierry Verdier**, PhD in Economics, Chief Engineer at Ponts et Chaussées, academic director of Paris Jourdan Sciences-Economiques, Director of studies at the Ecole des Hautes Etudes en Sciences Sociales, Professor at the École polytechnique, Paris.

Conference format :

Dr. Lahille will give an overview of existing links between economy and terrorism. What is the cost of terrorism ? How do economic policies take terrorism into account ? Do terrorism and security concerns add new elements to the way in which economies are assessed ?

Alyson Bailes will discuss links between business, security and the way in which terrorism has been “integrated” into the global capitalist world. Aren’t industrialized countries partly responsible for the birth of new threats like terrorism ? How have the respective roles of the public and private sectors been altered in a context where questions of defence and security are no longer tackled in the same way? What kind of co-operation is possible or likely in the fight against terrorism ?

Finally, Dr Verdier will present the results of a recent study he released with Daniel Mirza on the effect of security measures against terrorism on the bilateral trade flow in the United States. Do good trade relationships between the US and another country affect the degree of security existing within these two countries ? Does the impact of terrorism only apply to trade? Which of exports or imports are more affected by security measures ?

The conference will take place in English and French

The Speakers

Eric Lahille (France)



Dr Eric Lahille holds a PhD in Economics from the University of Paris 1. He is an associate researcher at the CEMI-EHESS (Centre d’Etude des Modes d’Industrialisation – Ecoles des Hautes Etudes en Sciences-Sociales). He first taught at Dauphine University in Paris, before working as an economist at the Industrial Affairs Services (French Ministry of Defence). He then took over the management of the International Trade Commission at the Chamber of Commerce and Industry of Paris (Chambre de Commerce et d’Industrie de Paris). His research areas are defence economics, changes in economic organisation, economic policies and international industrial economy.

For more information:

<http://cemi.ehess.fr/document.php?id=265>

http://www.istm.fr/enseignements/cv.php?uid=lahille&no_prof=7

Alyson J.K. Bailes (United Kingdom)



Alyson J.K. Bailes is the Director of the Stockholm Peace Research Institute (SIPRI). Before that, she served for 32 years in the British Diplomatic Service where many of her tasks concerned arms control, security policy and defence related matters. From 1987 until 1990 she served as Deputy Head of Mission at the British Embassy in Beijing, being actively involved in the negotiations on Hong Kong. In 1994-1996, she was head of the Foreign and Commonwealth Department Security Policy Department and from 1997 to June 2000 Political Director of the Brussels-based European defence institution, Western European Union. In 2000, she was appointed Ambassador to Finland, a position she held until 2002 when she resigned from the British Diplomatic Service to take up her current position at SIPRI. She was a member of the WMD Commission (2004-05) under Hans Blix and Chair of the Advisory Council of the European Centre for Minority Issues. Alyson Bailes is co-editor with Isabel Frommelt of the SIPRI/OUP volume *Business and Security "Public-private sector relationships in a new security environment"*, 2004, Oxford University Press.

For more information :

http://www.sipri.se/people/alyson_bailes/2004051802.html

<http://about.sipri.se/organization/Direct.html>

Thierry Verdier (France)



Thierry Verdier is Chief Engineer at the Ponts et Chaussées school, academic Director of Paris Jourdan Sciences-Economiques (a joint CNRS-EHESS-ENPC-ENS research unit) and Director of Studies at EHESS, He is also a professor at the Ecole Polytechnique in Paris. As a CEPR research fellow, he is co-Director of the International Trade program there. He is also a research fellow at the William Davidson Institute (University of Michigan), editor at Berkeley Electronic Journal of Economic Analysis of Policy, associate editor to the *European Journal of Political Economy*, member of the editorial committee of *Économie Internationale* and part of the editorial committee of the *Annales d'Économie et de Statistique*. He recently published an article with Daniel Mirza on the impact of terrorism on US bilateral trade entitled "*Are lives a Substitute to livelihoods? Terrorism, security and US bilateral imports*".

For more information:

<http://www.pse.ens.fr/verdier/index.html>

<http://www.pse.ens.fr/seminaire/jj0604.pdf>