PITCH LETTER 1 (SOMETHING NOT TO DO):

Good afternoon. Attached is an op-ed submission for your review concerning an underappreciated development in the global economy – that of the growing transparency of IMF country surveillance. This work is supported by a grant from the National Science Foundation.

Commented [MSE1]: Note that I don't say what I argue about it. Doesn't grab immediately. Vanilla and uncompelling.

In terms of my qualifications, I am an Associate Professor at the School of Diplomacy and International Relations at Seton Hall University. I hold a PhD in political science from Rutgers, and my previous op-eds have appeared in *Foreign Policy*, *World Politics Review*, *Foreign Policy in Focus* and *World Policy Journal*.

If you have any questions, please feel free to contact me. My home phone is 973-867-5309.

Cordially,

Martin Edwards

NOTE: This doesn't really sell an editor. The New York Times opinion editor gets 700 submissions per day. You have to make your work stand out to warrant opening the attachment. Figuring out how to sell your ideas is even more critical for you. I tried to ramp up the pitch letter to solve this problem moving forward – and the result is on the next page.

PITCH LETTER 2 (SOMETHING TO DO)
Good morning! Attached is a potential submission of 810 words.

I wrote this following the release last month of the OECD's Economic Survey of the US. It builds on themes developed in a project my graduate students recently completed (http://oecdproject.wordpress.com/) evaluating the effectiveness of OECD economic surveillance in 24 countries.

One of the findings in the US Economic Survey is that the OECD's recommendations were adopted by policy makers about ½ the time – a finding that we confirm in the larger study. I argue that focusing solely on whether recommendations are adopted by countries is not a good yardstick for assessing whether the OECD is effective.

After all, these recommendations not backed by any sanctions, and many of the OECDs recommendations are for policies that don't produce harm for other countries if left uncorrected. The incentives to adopt these recommendations, then, are low.

I argue that the value of the OECD's surveillance comes in the information that it provides. Surveillance aids the policy process by benchmarking the US relative to other OECD members, and by helping to outline a menu of possible solutions to a problem. By informing politicians about potential costs and benefits of reforms, this makes the process of policy change easier.

I'm a member of the New Rules for Global Finance coalition, and my scholarship on economic surveillance has been supported by the National Science Foundation. My policy commentary has appeared on Foreign Policy.com, World Politics Review, the World Policy Journal Blog, Global Journal, Foreign Policy in Focus, and Inside Higher Ed. Links to my media commentary are available at http://works.bepress.com/martin_edwards/.
A full CV is available for viewing at the URL below.

I look forward to hearing from you.

Kind regards,

Martin Edwards

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Commented [MSE2]: Shows that I read the guidelines and meet them

Commented [MSE3]: TIMELY!

Commented [MSE4]: Because you had better have one!

Commented [MSE5]: Sells the work….

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Op-ed corresponding with pitch letter one:

A quiet victory for economic transparency

Given the political paralysis in Washington and the ongoing crisis over the Euro zone, it is difficult to be optimistic about the global economy. Focusing solely on recent gloomy headlines, though, causes us to miss a significant transformation underway in the global economy. Since its founding, International Monetary Fund member countries have held annual consultations with Fund staff. These consultations help ensure that each country's economic policies contribute to growth without causing undue harm to trading partners. Since 1997, this consultation process has moved from a process conducted in private to one conducted in public, with information readily accessible by anyone with access to the internet. Simply put, the emergence of this transparency about IMF surveillance will help the world to avoid the **next** economic crisis.

Commented [MSE8]: Note that this gets to the point. The first paragraph reads just like the last. Note how distinct this is from the opening paragraphs of most papers!

Four facts about this transparency revolution merit attention. First, country transparency has increased dramatically over time. Between 2001 and 2003, 70% of the countries that had an Article IV consultation released the staff report – which is the document that the Fund staff members write for the Executive Board's review. In 2010, 89% of the countries that had an Article IV consultation released their staff reports.

Transparency also has become more detailed over time. Countries originally allowed the Fund to issue a short press release detailing the findings of the consultation. Starting in 1999, countries could release the staff report, which provided even more detail for interested observers. The most recent staff report for the United States was released in July of this year. It recommended reducing the budget deficit and called for additional measures to prop up the housing market as well as tax cuts targeted to firms hiring long-term unemployed workers. Thus, not only are more countries releasing information about their consultations, but the extensiveness of the information has increased as well.

This historical context underscores an important point: transparency also become robust. The global economic downturn has not caused states to release less information about their Article IV consultations. The percentage of countries releasing staff reports has increased by four percent since the start of the crisis. Even under the stresses of the global slump, transparency has increased. With so many countries releasing information, countries unwilling to be transparent stand out, whether we're talking about press releases or staff reports.

Most importantly, transparency is consequential. Investors can make better decisions when they have better knowledge about the present and future states of the economy, and the Article IV process is intended to convey this information. Recent studies have sought to quantify how much transparency matters. Countries that publish staff reports see their borrowing costs in sovereign debt markets decrease by between 25 and 40 percent. Thus, for developing countries, transparency serves to reduce the cost of servicing their debts.

This deepening global commitment to transparency about IMF surveillance brings with it important implications for the international economy moving forward. In the advanced economies, the proverbial day of reckoning for dealing with budget deficits has arrived. IMF surveillance can play an important role in these countries by serving as an impartial sounding board. Developing countries have used the Fund as a 'scapegoat' for leaders to justify political provocative policies; it's time for the developed countries to do the same. Critics often charge that the IMF's name is actually "It's Mostly Fiscal." Given its expertise, it is ideally positioned to offer constructive advice as politicians seek to put their fiscal houses in order. Transparency holds the key to translate this advice into action.

Transparency also serves to hold the IMF accountable in the exact same way that it helps hold national politicians accountable. The Fund's Independent Evaluation Office issued a tough evaluation of surveillance in the years before the onset of the economic crisis. Since then, Managing Director Lagarde has sought to focus surveillance so it calls greater attention to risks and is more candid in speaking frankly about the nature of economic challenges that countries face. The Fund expressed its concerns about Greece's competitiveness as well as its budget deficit as early as January 2007. Sending clearer signals ensures that investors and analysts react sooner to adverse developments, and creates greater pressure on politicians to adopt corrective policies. We need only consider what would have happened had we known more about the Greek economy years earlier.

Finally, the emergence of this norm of transparency helps us ameliorate our concerns about the tension between democratic governance and economic integration. It is no accident that a more democratic world is a more transparent one. In many countries, the same information that is shared with the Fund's Article IV team is released consistently to the public. For skeptics who think the rise of global democracy will weaken a commitment to global markets, the emergence of this norm of transparency shows how these two forces can in fact coexist. Amidst the present pessimism, transparency gives us reasons to look for the silver lining.

Op-ed corresponding with pitch letter two:

If an international organization made a number of recommendations about how to improve a state's economy and it only adopted less than half of them, we might be inclined to call that organization a failure. We would be missing the point. For many international organizations, their success or failure is not measured in whether governments do what they want, but rather whether the information that they provide is useful. Focusing solely on compliance as a measure of an international organization's success or failure understates what they actually do. By informing policy makers about the costs and benefits of reforms, they help to make policy change possible.

The Organization for Economic Cooperation and Development (OECD) is an international organization comprised of 34 developed and emerging market countries. Its latest Economic Survey of the United States is a 116 page report which came out last week. Each Economic Survey, which is released every 18 months for each member country, includes a list of previous recommendations and whether or not they were adopted. In the last Economic Survey which was written in 2010, the OECD made 29 recommendations, from providing job training to the unemployed to rebuilding the national electrical grid to expanding health care coverage and implementing cap and trade. Only 14 of these recommendations were adopted in the ensuing two years.

The same pattern exists across the OECD membership. My students recently completed a report evaluating OECD surveillance in 24 randomly-selected member countries. Our main finding was that 52% of the OECDs economic recommendations are adopted by member countries, and that this level of reform adoption is consistent over time and across different types of issues.

What does this tell us about the effectiveness of the OECD? The OECD is not designed to enforce its commitments. Unlike the International Monetary Fund, its recommendations are not backed by the threat to uphold access to loans. The advice in the Economic Surveys, then, is just that. Many of the reforms that the OECD recommends come in areas that do not pose direct harms to other countries. Trade policies have this feature; raising tariffs in the US harms foreign producers, and other countries can retaliate. Education policy is different; Germany is not harmed if the US tries to make teachers more accountable. The fact that many of these reforms are largely domestic, then, also reduces incentives to change policies. This suggests that high levels of reform adoption are unlikely.

Focusing purely on whether the OECD's recommendations are adopted, then, misses the point on how it actually works. Surveillance at the OECD works through peer review; countries are assessed relative to each other rather than an "optimal" economic standard. The US Economic Survey was discussed, defended, and debated with OECD staffers and with representatives of other member countries. Most importantly, the experiences of other countries help to inform the policy recommendations.

Surveillance aids the policy process in two ways. It benchmarks the US relative to other countries. Improving knowledge of the scope of a problem can give rise to debates about how to solve it. One of the findings in the Economic Survey is that the US has the fourth highest level of inequality in the OECD. Only Chile, Mexico, and Turkey have higher levels of inequality. This benchmarking can help to elevate the debate from whether a problem exists to what policies will best reduce inequality. Politicians might wish to avoid making these comparisons in order to control the debate, and benchmarking can be used to build support for reforms.

Commented [MSE9]: Again, first paragraph gets to the point!

Commented [MSE10]: Note that for online publications, hypertext links to source material are common – just like in a blog post.

Surveillance also aids the policy process by inviting comparisons between types of policy solutions. While the OECD report lauds the US for extending unemployment benefits, it also notes that other member countries have more active labor market policies. Because a large percentage of this unemployment is structural (resulting from workers with skill mismatches), the OECD counsels that the US devote more resources to providing job search assistance and training for unemployed workers to help them find new jobs. Similarly, to reduce the skill mismatch for high school graduates, the report discusses the strengths of the German and Swiss secondary education systems, which include strong vocational education components. Strengthening job training and vocational education, by raising the skill level of the workforce, will also serve to reduce inequality moving forward.

Economic reform is not easy. It creates winners and losers and requires hard choices. Understanding this is crucial to understanding the value of the OECD's work. The peer review process helps politicians do their jobs better. The use of benchmarking and comparisons allows policymakers to get a sense of the magnitude of a problem and outline a menu of options. Armed with this information, they can better appraise the costs and benefits of potential reforms. Far from being a threat to national sovereignty, then, this international economic surveillance can strengthen governments rather than weaken them.