

EDITORIAL INTRODUCTION

SPECIAL ISSUE IN MEMORY OF PROFESSOR DAVID G MAYES

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Professor David G Mayes, professor of finance, formerly chief economist at the Reserve Bank of New Zealand and adviser to the central banks of Finland and Estonia, passed away in November 2017. Professor Mayes, a prolific writer and committed teacher, joined the University of Auckland in 2008 and was a member of the Europe Institute from its beginnings (also in that year).

To recognise his invaluable contributions in the fields of finance and European integration, and to the Europe Institute, The *New Zealand Journal of Research on Europe* called for papers to appear in this special issue in his memory. We sought submissions on topics related to David's fields of interest in finance, world banking and European integration. We received a pleasing number of quality submissions.

The late Professor David Mayes was one of the foremost scholars on many aspects of Europe, the European Union (EU) and European Integration in New Zealand. He was a Director of the Europe Institute at the University of Auckland and continued his involvement, latterly as Chair of the Management Board, until his untimely death on November 30, 2017. David's last academic appointment was as Professor of Banking and Financial Institutions in the Department of Accounting and Finance, at the University of Auckland Business School.

Born and raised in the UK, David's impressive career began at the University of Oxford, where he received his MA in economics, and at the University of Bristol, where he received his PhD. David had a

wealth of knowledge gained from many years of conducting research. His research interests were diverse, focussed mainly on banking and financial institutions in the New Zealand and European environments, such as problems with cross-border banking, which is a substantial issue in both the EU and New Zealand. He was also very interested in, and was one of the first in the University of Auckland to analyse, digital currencies such as bitcoin and how they might affect the banking sector.

Something of a polymath, David contributed substantially to New Zealand and international research on the European Union, leading several successful funding bids, including through the EU's FP6 and the EU-funded New Zealand European Union Centres Network (EUCN). David represented the University of Auckland and the Europe Institute on the Board of the EU Centres Network - a network of all New Zealand universities involved in European research and the teaching of European studies. He was a frequent contributor and often director of the course at the heart of the European Studies programme at the University of Auckland.

David made huge contributions to many aspects of EU and EU-New Zealand research and relations, including books, research projects, conferences, hosting research visitors and so on, in addition to his own prolific academic publishing. David was a founding member and treasurer of the New Zealand Europe Business Council and one of the last new topics he worked on with colleagues at the

Europe Institute was on the (currently ongoing) negotiations for a free trade agreement between New Zealand and the EU.

David was more than an academic researcher: he was one of those rare professors who also had vast practical experience, having worked, advised, or consulted at places such as the Bank of Finland, the Reserve Bank of New Zealand, the New Zealand Institute of Economic Research, the International Monetary Fund, the OECD, and a number of Central Banks throughout Europe and internationally. This experience contributed greatly to producing research that was important and contemporary. Indeed, the ability that David had to bridge the gap between academia and practice was rewarded in 2013 when he won the University of Auckland Business School's Excellence Award for Research Relevance. This talent also allowed him to use real life experiences in the classroom for his teaching, something that his students valued highly. David was also a very strong advocate for improving the financial literacy of New Zealanders and believed that education and training through professional organisations such as the Financial Services Institute of Australasia (FINSIA), where he was a Senior Fellow, was the key to seeing this happen.

David was extremely dedicated to his research students and teaching, but in particular to the PhD students he supervised, who not only regarded him as their supervisor, but also as a mentor and friend. David was very generous with his time with staff, especially junior

colleagues, in providing encouragement and support in their teaching or research activities.

Some of the articles in this Special Issue in his memory have been written by co-authors with whom he worked. Indeed the first article *Crises, reforms and ideology*, was co-authored by **Jan Fidrmuc and David G Mayes**, and presents research which was undertaken while Jan Fidrmuc was visiting David at the University of Auckland. The article investigates the relationship between economic crises and reforms while taking account of the political orientation (ideology) of the government in office. They find little evidence that crises beget reforms in general but show that the effect of crises on political reform (democratization) is mixed and generally weak. The second paper, *Brexit and macroeconomic synchronization in the EU*, by **Patrick Crowley and David Anderson**, relates to David's long-standing research interests on the UK membership of the EU and looks at the departure of the UK from the EU (commonly known as Brexit). They question whether the UK might consider joining the EFTA countries as an alternative. Using a recently developed measure of synchronicity the paper assesses various measures of the UK's synchronicity – with the EU as a whole, with other individual EU member states; and with the EFTA countries. While the UK has not been an outlier within the EU, they find that it would also fit quite comfortably within the EFTA grouping. The third paper is by **Stefano Riela** and investigates *The fiscal room for manoeuvre of the euro area countries*. Within the context of Economic and Monetary Union (EMU) in the EU, centralised monetary policy and national fiscal

policies operate under a degree of coordination and surveillance. The article looks at the working of fiscal surveillance as it relates to budget balances and aims to explain the concept of the fiscal room for manoeuvre with reference to the output gap. It finds that sufficient room for manoeuvre of euro area countries is needed especially after the Covid-19 crisis of 2020. In the fourth paper, *Changes and challenges of Euroscepticism in Estonian European integration, fifteen years on from accession*, **Logan Carmichael** gives an analysis of the different ways in which Euroscepticism in Estonia, dating back to the 1990s, has manifested itself and how such attitudes have had a limited but evident impact on Estonian integration into Europe. The final article, *European sharpbenders: Meta-regional strategy and regionalisation* by **Peter Záborský**, builds on early work by David and extends the business strategy concept of sharpbending. With evidence from two European multinational firms, the paper integrates business strategy and economic integration with the regionalisation perspective and regional versus global strategy research in international business and global strategy.

David was a gifted scholar and a warm human being who gave so much to academia, to practice, and to the community. A hard-working and committed colleague, David is greatly missed by his colleagues in academia and in banking, and by his many friends in New Zealand and abroad. We commend this volume to you in his memory.

We thank all of the submitters and the reviewers of the papers for this volume.

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