

## Summary of articles

*Price inertia and nominal aggregate demand in major European countries*, by Christian Bordes, Michael Driscoll and Marc-Olivier Strauss-Kahn.

In this paper we report new evidence on the importance of price level inertia in the four major European countries : Germany, France, Italy and the United Kingdom. We focus on the sensitivity of the results to different proxies for aggregate demand and different measures of equilibrium (or trend output). Overall, our results confirm the findings of related studies, and show that price level inertia is present to a significant degree in Europe. In addition, monetary aggregates appear to be a poor proxy for aggregate demand because of systematic movements in velocity.

*Journal of Economic Literature* classification numbers : 130, 310.

*Les choix de portefeuille des ménages en France*, par Pierre Artus et Eric Bleuze.

After having presented the theoretical model for portfolio choices under uncertainty, we analyse those choices in the french case for the period 1970 to 1986. We consider three different assets : money, bonds and stocks, and adress the following issues : (i) How do households form their expectations of the yields on the various assets, specially of capital gains or lossers ? (ii) Are the shares of mutual funds considered as being really an asset different from the others ? (iii) What kind of adjustment costs are households facing ? Do they apply to total wealth or just to the flow of current savings ? (iv) What is the effect of fiscal or institutional variables ?

*Journal of Economic Literature* classification numbers : 311, 313.

*Equity and efficiency of a reform of Belgian indirect taxes*, by André Decoster and Erik Schokkaert.

In this paper we apply the theory of tax reform to derive empirical results about the structure of indirect taxes in Belgium. We focus on the equity-efficiency trade-off and try to formulate conclusions which are relevant for policy makers. To integrate the merit good component

in the indirect taxes on tobacco and transportation, we compute the implicit valuation attached to them by policy makers. This component is considerable and affects the whole structure of tax rates.

*Journal of Economic Literature* classification numbers : 024, 321, 323.

*Discrimination statistique et marché du travail*, by Jean-Michel Plassard.

Statistical discrimination is the last attempt by economists to explain discrimination in the labor market. Models of statistical discrimination seek to explain discrimination which does not resort to an assumption of prejudice. By reviewing the literature, the purpose of this article is to precise some potential effects of stereotypes used by employers. We attempt to explain the consequences of this behavior on the allocation of resources and on the distribution of income on the labor market.

*Journal of Economic Literature* classification numbers : 821, 917.