

OBSERVER

Economists' hall of fame

■ How should the Treasury go about picking the members of its new economic panel to improve economic forecasting? The FT has just helpfully drawn up a fame-ranking of economists in the UK which might help the Great George Street mandarins. It is based on the number of articles in heavier, as distinct from tabloid, newspapers, in which a particular dismal scientist is mentioned. Each name is counted only once per article.

By that yardstick, Britain's best known economist over the 12 months to mid-October is Gavyn Davies of Goldman Sachs, with 161 mentions.

The top 10 also includes Tim Congdon, Patrick Minford, Bill Martin and Peter Warburton – all members of the "Liverpool Six" group who've long said the Treasury was over-optimistic about predicting recovery – plus another vehement opponent of government policies in Neil Mackinnon of Citibank.

Three of the four remaining top-tenners are Roger Bootle of Greenwell Montagu, Gerard Lyons of DKB and Peter Spencer of Kleinwort Benson. The other is Adam Smith who's unlikely to be asked to join the panel committee on account of having been dead for 202 years.

Fame, however, is not apparently a reliable gauge of quality. For, in several cases, very few mentions were scored by people highly placed in last week's FT ranking of economists for the accuracy of their projections.

The leader by that criterion, Paul Turnbull of Smith New Court, came only 37th in the fame league. And the third most accurate, Keith Wade of Schroders, surely deserves better than 46th place in the

celebrity list with only a single mention.

But there is consolation for the Treasury's chief economic adviser Alan Budd, who has the final say on membership of the panel. Even though his forecasts have not been the best, he performs creditably in the latest test, coming in at number 15.

Bondage

■ So how do these canny US hedge funds, which have been increasingly recognised as a powerful force in the world's financial markets, devise their trading strategies?

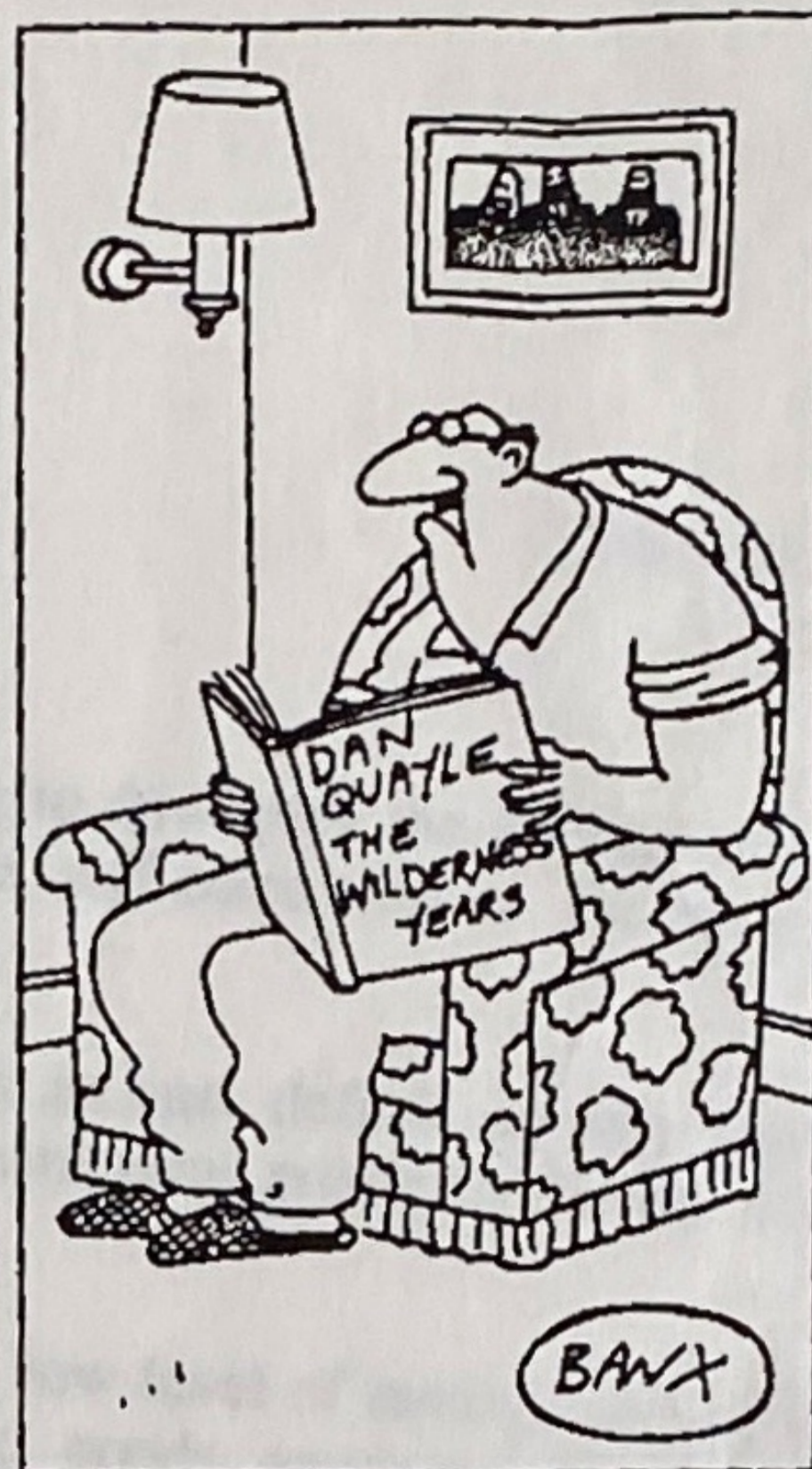
Well, from the current US edition of *Penthouse* for starters. One fund has seized on the magazine's interview with Gennifer Flowers, the one-time cabaret singer who has been alleging that she had a 12-year affair with US presidential candidate Bill Clinton.

The funds' traders wanted to know what view they should take of the US bond market in the event of a Clinton win. So they sent off to a professional psychoanalyst the 16-page article, during the course of which Flowers goes into fulsome detail about her alleged relationship.

It was returned with the seminal conclusion that the Democratic candidate likes to be pushed around. And what does that mean for financial markets? A sell for bonds and good news for the stock market, of course.

Can of beans

■ Alexandra, aka Heidi, Sprüngli is back. The new 44-year-old wife of the 72-year-old Swiss chocolate king Rudolph Sprüngli was on Swiss television last weekend to deny some of the more colourful allegations



about her past.

The August marriage inspired the Swiss media subsequently to publish a flurry of photographs and testimonials suggesting that the career of the new Mrs Sprüngli had ranged rather more broadly than merely waitressing, inheriting a large sum of money after marrying an older man who died within 18 months of their wedding, and being a member of the obscure religious sect, I AM.

Little had been heard from the happy couple themselves post the nuptials, but now the chocolate pot has taken another stir. Looking like a sergeant in the Salvation Army with virtually no make-up and her dark hair pulled tightly back in a bun, Alexandra/Heidi nearly denied the allegations: "If you took all the things said about me and added them all up, only about 5 per cent is true." The incriminating photographs of her in bra and suspender belt were montages, she said, with her head on someone else's body.

Shareholders of Lindt & Sprüngli, who may have worried about reports that the new Mrs Sprüngli would take