In March 2002 the first issue of the Portuguese Economic Journal (PEJ) was released. By then, the world was still shocked by the 9/11 terrorist attack and the military response in Afghanistan that followed. The previous-year Y2K recession in the United States was mild and this was the year that its ripples also hit Portugal. Deflation, high inflation, and deep and prolonged recessions were a distant memory in both countries. The euro had recently been adopted by 12 EU countries and this movement was seen as irrevocable and the end of sovereign-debt crises for those nations. By the end of the year, a coronavirus respiratory infection (SARS) would emerge in China, but it would soon fade away with nearly 8,000 cases and less than 800 deaths officially registered. Terrifying pandemic diseases were also a thing of the past.

The main support for scientific publication was paper, social media was giving its first steps (surely as a force for good), and there were 166 Economics journals indexed in the Social Science Citation Index (SSCI) database, none of them associ-
ated with Portugal. These journals produced less than 7,000 (citable) articles and nearly 130,000 citations in that year.

Twenty years have since passed. In the meantime, the world has seen the Great Recession, the euro-area sovereign debt crisis, the Covid-19 recession with its generalised lockdowns, deflation, non-conventional monetary policy, and recently the return of high inflation. Religious terrorism is on retreat, but cold, warm, and hot wars involving nuclear powers are back all around the world.

A paper issue of a scientific journal is a niche and nostalgic curiosity, open-access publication became respectable and was stimulated by funding organisations, and societies’ attitude towards Science changed, incited by social-media populism. In 2021, there were 380 Economics journals indexed in the SSCI, including PEJ, which produced more than 26,000 articles and 1.5 million citations.

That said, this is a time to celebrate. None of the current members of the executive board of PEJ were part of the original editorial board that had the courage to launch this journal, as an initiative of Portuguese scholars, but involving high-profile researchers from other countries. And that is why we felt the need to honour the founding fathers of PEJ by inviting them to contribute with original research for this special issue. In addition, we have also invited two other members of the editorial board, who have also had a special role in the inception of the journal, to contribute with their reflections on the status of research in Economics.

In his article entitled “Portuguese Economic Journal, past and future”, José Luís Cardoso offers a brief history of the PEJ. The reader can find not only a description of the process leading to the birth of the journal, but also a detailed picture of the Portuguese research community in Economics at the turn of the millennium. Furthermore, the author reflects on the current publication trends in Economics and in other Social Science and Humanities areas, assessing the dissemination of research and its impact.

Paulo Guimarães and Mariana Barbosa’s “The state of Portuguese research in economics: 20 years after” provides an update on the first article published in PEJ, Paulo Guimarães’s “The state of Portuguese research in economics: an analysis based on publications in international journals”. The authors provide an in-depth analysis of a large dataset that includes publications, citations, and institutions for researchers in Economics with Portuguese nationality and with Portuguese affiliations. They find that the number of publications almost quadrupled between 2000 and 2019, but there was nearly a 20% decline in the last seven years.

In “The dynamics of growth and distribution in a spatially heterogeneous world”, Paulo Brito extends both the Ramsey and the AK growth models to include location. He uses partial differential equations to study the dynamics of aggregate variables and spatial distributions due to capital flowing amongst locations. The author finds that aggregate convergence over time in those models is still governed by the usual mechanisms in a single-location model. However, spatial frictions and the intertemporal elasticity of substitution in consumption determine the local pattern of convergence overtime as they control two opposite forces: diffusion vs. agglomeration.

“Quality decreases from introducing patient choice in a National Health Service” by Pedro Pita Barros studies the introduction of free patient choice in the Portuguese National Health Service when hospitals are not subject to activity-based payment and resort to quality in order to attract demand. The paper provides a theory of asymmet-
ric responses to policy change based on hospital cost and managerial asymmetries. It formulates a spatial model of competition between two horizontally differentiated semi-altruistic providers and shows that, given the two types of asymmetries, quality at both hospitals may change in either the same or in opposite directions. In addition, managerial advantage is shown to determine the high-quality hospital prior to the policy change. In contrast, marginal-cost advantages play no role in determining quality provision when hospitals are local monopolists. The empirical evidence supports the main theoretical prediction of asymmetric responses to introducing free patient choice.

In “The net product in the *Formule du Tableau Economique*: Lessons from a formalism”, Rodolphe Dos Santos Ferreira and Ragip Ege revisit Quesnay’s 1766-68 seminal work and its modern interpretations as an input-output table. The authors offer a novel interpretation of this nearly three-centuries old formalism and its role in understanding the net-product formation and the role of Nature in both value-added imputation and income distribution.

Pedro Portugal and José Varejão’s “Why Do Firms Use Fixed-Term Contracts?” take advantage of a short overlapping window between two Portuguese datasets to investigate how this specific form of lightly regulated temporary employment affected the hiring policies of companies. Their results align with previous research highlighting the role of temporary contracts as a screening device for promotions to permanent positions. They conclude that companies more intensive in human capital are less likely to resort to fixed-term contracts in hiring, but they promote their workers to permanent positions more often.

João Santos Silva and Silvana Tenreyro’s “The Log of Gravity at 15” takes stock of the impact that their paper “The Log of Gravity” had in the empirical trade literature since its publication in 2006. In the original paper, the two authors challenged the long-established practice of estimating constant-elasticity models (such as the well-known gravity equation of international trade) in the corresponding log-linearized specification by showing that, in many common situations, this approach would lead to biased estimates of the parameters of interest. Despite some initial resistance to their findings, estimating constant-elasticity models in levels using the Poisson pseudo maximum likelihood became the widely accepted estimation method to apply. To put the contribution of the original paper in perspective, in the time span ranging between its publication and today’s date, it has attracted nearly 7,000 citations in Google Scholar, i.e. it has been cited 1.2 times per day!

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