I have read the revised version of the paper "Inflation/Unemployment Regimes and the Instability of the Phillips Curve" by Paul Ormerod, Bridget Rosewell, and Peter Phelps. The revision partially addressed the referee's concerns in the report but it makes insufficient contribution relative to the literature to justify publication in the E-Journal.

It is perhaps new to apply cluster analyses to cross-country time series economic data and to examine the stability of the historical relations between inflation and unemployment. However, the paper does not provide adequate explanations about how to interpret the results from the cluster analyses. In light of the previous literature on the Phillips curve, it is not surprising that the statistical relation between inflation and unemployment has been unstable and depends on the sample periods and policy regimes. Cluster analyses could have help us better understand the sources of the regime shifts in the Phillips curve relation if the cluster analysis results can be linked to some economically meaningful events or regime shifts (such as the shifts in and out of gold standards). Unfortunately, the paper does not make such connections except that it provides some loose notions of regimes such as "steady", "weak", and "disruption". It's not clear what one can learn from this statistically analysis. How does the analysis help guide theories? To what extent should we incorporate regime shifts in the standard dynamic sticky price models? Do these regime shifts correspond to some exogenous shocks to energy prices or productivity or changes in monetary policy? The paper does not succeed in making connections between the statistical findings and these important issues.

Given the large volume of the empirical literature on the Phillips curve, it's not clear what one can learn from the current paper. Therefore, I recommend rejection of the paper for publication at the Economics E-Journal. That said, the cluster analysis seems to be an interesting and useful approach in analyzing economic data, especially in periods with potential regime shifts. If the authors decide to revise the paper and send to another journal, they should try to provide some economic interpretations of the regimes identified through the cluster analysis. The general approach can also be useful for studying economically significant shifts in monetary policy regime (e.g., the shifts from passive to active monetary policy in the early 1980s in the United States). The authors should continue their promising work in applying cluster analysis to economic data. In doing so, they should also make tighter connections of their analyses to regime shifts or policy changes identified based on other approaches in the literature.