

THE ECONOMETRIC SOCIETY ANNUAL REPORTS  
REPORT OF THE TREASURER<sup>1</sup>

ECONOMETRIC SOCIETY

AUGUST 22, 2022

THE LAST TWELVE MONTHS WILL PROBABLY BE REMEMBERED as a transition period during which COVID-19 ceased to be the major economic, social and health concern, although with substantial heterogeneity both across countries and over time. Unfortunately, the long-awaited return to a period of stability failed to materialize. Fears of inflation first, and stagnation later, coupled with the economic consequences of the war in Ukraine, increases in interest rates and the prospect of further rises going forward, have created one of the most uncertain periods in decades.

The Econometric Society, though, has been rather agile at adapting its operations in such a rapidly changing environment. Virtual and hybrid meetings, regarded as temporary measures in 2020, have persisted well into 2022, with the Central office of the Society subsidizing not only technical assistance and tools, but also offering to underwrite part of the potential losses that such conference formats could generate as a temporary measure. Nevertheless, the recent North American Summer Meeting, and the European Summer Meeting that is about to start at what was meant to be the site of the 2020 World Congress, will hopefully confirm the return to more traditional in-person meetings, but with the added benefit of at least some of the presentations being streamed online.

As COVID-19 restrictions and their impact began to decline, the Executive Committee (EC) decided to reverse some of the decisions taken in 2020 to mitigate the economic consequences of the pandemic and resumed institutional price increases for 2022 for the decreasing number of university and research centres that still maintain the traditional subscription model, except for those in developing countries. In addition, the EC also approved the first increase in membership rates since 2018. At the same time, the Society began providing free memberships and reduced conference fees for participants from lower income countries, particularly those in Africa. Free and reduced-cost memberships for student members, especially those from poorer regions, also remain in place going forward. The good news is that despite all the uncertainty, the Society's membership grew in 2021 and again by mid-year 2022 to its highest levels ever (see the Report of the Secretary for detailed statistics).

Although the publishing activities of the Society were the least affected by COVID-19, they arguably face the most difficult challenges. First, the transformation of the business model from the traditional one based on individual subscriptions to printed volumes to an electronic one which provides unlimited accesses to consortia of universities and research centres, has meant that journal revenues continue their downward trend. More specifically, since switching to a royalty-based contract in 2019 with Wiley, the Society's publisher, the Society's institutional journal revenues have consistently fallen year over year: for 2019, actual institutional revenues were \$509,613,<sup>2</sup> for 2020, \$494,044, for 2021, \$490,461, and they are estimated to drop to \$445,242 in 2022, though Wiley believes this

---

<sup>1</sup>I would like to thank Executive Director Lyn Hogan for her contributions to preparing this report though all errors remain my own.

<sup>2</sup>The 2019 institutional revenue figures include deferred revenues of \$211,770 that no longer accrue as a result of the new royalty-based contract, so actual institutional publishing revenues came to \$509,613.

to be a somewhat conservative projection, just like the one produced for 2021 came in \$12,000 shorter than the actual figure. Second, the increasingly noticeable impact of the Open Access movement means that libraries are more and more reluctant to pay for content that can be accessed for free relatively quickly, while many research funding bodies are unwilling to cover the actual production costs of a highly prestigious journal such as *Econometrica*.

Membership revenues fared much better, enjoying year-on-year increases since 2018. Specifically, they jumped from \$680,253 in 2019 to \$723,227 and \$731,806 in 2020 and 2021, respectively. For mid-year 2022, membership revenues were \$661,953 compared to mid-year 2021 membership revenues of \$561,679, suggesting even bigger gains for this year.

At the same time, the shift from a majority reliance on institutional publishing revenues to majority reliance on membership revenues highlights the importance of investing not only in membership software and customer service, but also in measures that can increase the Society's outreach. For those reasons, with the help of the video production firm Econ Films, the Society has created three promotional videos that are not only posted on its web page, <https://www.econometricsociety.org/society/about-society-video>, but also routinely displayed during regional meetings and used in membership expansion and fundraising initiatives. Simultaneously, staff also launched an effort to upgrade the Society's database management alongside its website in order to improve the member experience and make the annual renewal period and membership operations run more smoothly.

As mentioned in last year's report, in January 2021 the EC decided to create an ad hoc Fundraising Committee with the aim of partly replacing lost revenue as a result of the changing publishing model and to support worthy causes important to the Society and its members. These causes include providing scholarships to young scholars to help them attend Society meetings, including the quinquennial World Congress, supporting the Fund for Africa that provides free Society memberships and meeting travel grants to young Africa-based scholars, and providing free and reduced-price memberships to low- and middle-income members and students, together with reduced submission and publication fees. In addition, Africa, Asia, Australasia, and Latin America's regional accounts are subsidized by annual grants from the Central office to help with activities for young economists, and these four regions also receive generous funding for plenary lectures at their annual meetings. Finally, the Society publishes two highly prestigious open access journals, *Quantitative Economics* and *Theoretical Economics*, with the same quality standards as *Econometrica* but without receiving any revenue from them. Following the success of the Fundraising Committee during 2021, which is described in more detail in Section 4, the EC decided to transform it into a standing one so that Society fundraising becomes a regular feature going forward.

Finally, the Society's smaller income sources, including the Cambridge University Press Monograph Series, which provides free online access to all its members, a partnership with JSTOR to provide access to back issues of Society journals, and EconJobMarket, an economics job posting service, added modestly to revenues over the period covered by this report.

The Society continues its relationship with Wells Fargo for its day-to-day banking and credit card processing, and with Vanguard to manage its investments. The Society's Central office total cash and assets rose from \$4,414,557 at the end of 2020 to \$4,914,346 a year later. Unfortunately, the economic factors mentioned in the opening paragraph, and the increases in uncertainty associated to them, have resulted in rather large losses for both fixed and especially variable income assets in the current year, with a reduction of just

over \$600,000 as of June 30, 2022, compared to a year later. Nevertheless, the investment policy of the Society described in Section 2, combined with a prudent budgeting process that relies on a rather conservative estimate of expected capital gains, means that the Society should be able to weather the storm reasonably well. Specifically, at the end of 2021, the Society's total financial assets were at \$5,539,206, and had reached \$5,686,019 by mid-year 2022, more than doubling its end-of-year 2016 cash and investments of \$2,571,277 in just over five years. In turn, the regional account totals went from 2020 end-of-year holdings of \$608,031 to 2021 end-of-year holdings of \$624,860.

Like in previous years, by the middle of 2022 the cash position had become larger than what would be needed for day-to-day operations in the foreseeable future, and the Executive Vice-President and Director decided to transfer \$150,000 from Wells Fargo to the different Vanguard funds in early July.

## 1. ACCOUNTS

Once again, the Society ended 2021 in a stronger financial position than 2020. The total current assets<sup>3</sup> of the Econometric Society as of Dec. 31, 2021, were \$5,742,597 compared to \$5,197,837 on December 31, 2020. Similarly, the fair market value of the Society's Central office investment portfolio, *excluding* regional funds, was \$4,762,716 on December 31st, 2021, compared to \$4,068,817 a year before. At the end of 2021 the Society's current liabilities sat at \$523,803 compared to 2020's year-end liabilities of \$656,859. Moreover, total 2021 net assets were \$5,218,794 compared to 2020's of \$4,540,978. Finally, total net assets mid-year 2022 are \$5,253,510.

In turn, 2021 collected revenues reached \$2,092,262, slightly higher than the previous year's revenues of \$2,050,346, while 2021 end-of-year expenses were \$1,414,446 compared to the previous year's value of \$1,356,170. This increase reflects higher publication costs, salaries, and a new category of special projects, which helped regions execute virtual meetings in the face of the COVID-19 pandemic.

Overall, net revenues end-of-year 2021 were slightly lower at \$677,816 compared to \$694,176 for end of year 2020. Unfortunately, the substantial unrealized capital gains recorded at the end of 2021 have mutated into even larger unrealized losses at the time of writing. Specifically, mid-year 2022 collected revenues are \$666,484 while expenses are \$631,768, leaving current net revenues for 2022 at \$34,716, a large drop from the previous mid-year's net revenues of \$776,544, the difference being mostly due to the *unrealized* investment losses over those twelve months.

Since 2013 the Society has employed Schulman-Lobel of North Brunswick, New Jersey as its accounting firm to assist with bookkeeping, tax preparation, and advise on compliance requirements. Eisner-Amper has been auditing the Society's accounts since 2015. As in all past Reports of the Treasurer since 2018, the numbers in this one are based on the most recent audited financials, namely 2021, which are now available in late May, early June.

Further in this report are several tables addressing the Society's accounts: Table I: Econometric Society Statement of Financial Position 2018 To Mid-Year 2021; Table II: Econometric Society Revenues, 2018-Mid-Year 2021; and Table III: Econometric Society Expenses, 2018-Mid-Year 2021.

---

<sup>3</sup>Total current assets include cash, investments, receivables, publication inventory, and other current assets.

TABLE I  
ECONOMETRIC SOCIETY STATEMENT OF FINANCIAL POSITION 2019 TO MID-YEAR 2022.

(unit US dollars)	2019 Year-End	2020 Year-End	2021 Year-End	2022 Mid-Year
<b>ASSETS</b>				
<b>Current Assets</b>				
Cash and cash equivalents	910,002	683,996	511,732	1,428,619
Investments	3,464,168	4,338,592	5,029,267	4,264,309
Receivables	168,149	132,369	171,942	290
Publication inventory	1580	10,880	7656	7656
Other current assets	15,000	32,000	22,000	33,423
<b>TOTAL CURRENT ASSETS</b>	<b>4,558,899</b>	<b>5,197,837</b>	<b>5,742,597</b>	<b>5,734,297</b>
<b>Liabilities and Current Assets</b>				
<b>Current Liabilities</b>				
Accounts payable and accrued expenses	366,762	203,616	93,701	50,685
Deferred revenues	345,335	453,243	430,102	430,102
<b>TOTAL CURRENT LIABILITIES</b>	<b>712,097</b>	<b>656,859</b>	<b>523,803</b>	<b>480,787</b>
<b>Net Assets</b>				
Without donor restrictions	3,832,249	4,526,359	5,204,174	5,238,866
With donor restrictions (Marschak)	14,553	14,619	14,620	14,644
<b>TOTAL NET ASSETS</b>	<b>3,846,802</b>	<b>4,540,978</b>	<b>5,218,794</b>	<b>5,253,510</b>
<b>TOTAL LIABILITIES AND EQUITY</b> (Total Assets)	<b>4,558,899</b>	<b>5,197,837</b>	<b>5,742,597</b>	<b>5,734,297</b>

## 2. INVESTMENT AND ASSETS STRATEGY

The Society's Investment Committee is chaired by the Executive Vice-President and includes two Fellows appointed by the Executive Committee for a term of three years that can be renewed once. Yacine Aït Sahalia and Franklin Allen started their second and last 3-year terms in January 2020 and 2021, respectively.

The Society's Investment Committee advises on the allocation of the Society's assets, with the exception of the Australasia and Europe accounts, which aim at hedging exchange rate risk. The Society is very grateful to the current members for their guidance.

The Society keeps three bank accounts at Wells Fargo: a main business account, a sundry account for smaller expenses, and a separate account to handle the large funds collected from meeting registrations and passed through to the regions after deducting transaction fees incurred and any surplus owed to the Central office.

The Econometric Society can be characterized as a long-term passive investor with a hopefully very long horizon. Currently, annual revenues continue to exceed annual expenses so there is no need to draw down the financial portfolio. However, the push for Open Access journals remains a very serious threat, making it essential to maintain a solid investment base.

A few years ago, the Executive Committee decided to create a benchmark portfolio for the Society of 20 percent cash and short-term US government bonds, 15 percent other bonds, 30 percent US equities, 30 percent international equities, and 5 percent emerging market equities. In addition, in 2019 the Investment Committee agreed to a systematic rebalancing of the investments towards the benchmark every six months. Intuitively, the

TABLE II  
ECONOMETRIC SOCIETY REVENUES, 2019 TO MID-YEAR 2022.

(unit US dollars)	2019 Year-End	2020 Year-End	2021 Year-End	2022 Mid-Year
<b>Dues and subscriptions</b>	<b>1,401,636</b>	<b>1,243,471</b>	<b>1,304,467</b>	<b>1,074,942</b>
Membership Fees	680,253	723,227	731,806	661,953
Institutional Publishing Revenues <sup>1</sup>	721,383	494,044	490,461	362,593
Submission Fees	0	26,200	79,800	34,100
Publication Fees	0	0	2400	16,296
<b>In-Kind contributions (rent + donated stipend)</b>	<b>10,400</b>	<b>10,400</b>	<b>14,536</b>	<b>0</b>
<b>Other revenues</b>	<b>489,499</b>	<b>300,515</b>	<b>321,542</b>	<b>355,826</b>
JStor	38,173	38,128	40,195	0
Net Regional income (not WC income) <sup>2</sup>	351,604	24,501	137,024	287,984
Regional income (only booked surplus)	62,029	28,500	1542	0
Permissions	229	0	0	0
2020 World Congress income	0	197,142	40	0
Mailing lists and Ad Revenue	1000	1207	0	0
EconJobMarket <sup>3</sup>	4700	0	6350	0
Cambridge Monograph (Royalties)	1415	1542	1210	0
Donations (corporate) <sup>4</sup>	0	0	85,500	49,000
Donations (individual)	30,349	9495	49,681	18,842
<b>Total investment income (includes regions)</b>	<b>526,138</b>	<b>495,894</b>	<b>451,716</b>	<b>-764,308</b>
Interest and Dividend Income	81,612	66,595	93,662	50,113
Unrealized losses/gains	329,234	387,553	289,643	-815,889
Realized gains	111,292	41,746	68,411	1468
Net assets released	4000	0	0	0
<b>Total Unrestricted Revenues</b>	<b>2,427,673</b>	<b>2,050,280</b>	<b>2,092,261</b>	<b>666,460</b>
with Marschak dividend	387	66	1	24
<b>Total Revenues</b>	<b>2,428,060</b>	<b>2,050,346</b>	<b>2,092,262</b>	<b>666,484</b>

<sup>1</sup> Institutional publishing now includes all permissions and Open Access payments.

<sup>2</sup> Net regional income equals the amount left after reconciling for incoming and outgoing regional income-usually banking and credit card fees charged on regional income before returning. Regional surplus refers to actual surplus reported and booked by a region. Central office receives 10% of any booked surplus.

<sup>3</sup> Payment of \$2600 came in after 2020 audit so credited to 2021, hence double payment in 2021.

<sup>4</sup> \$35,000 more committed.

purpose of the rebalancing plan is to smooth over time the effects of the large fluctuations in asset prices that occur from time to time. According to a substantial body of empirical evidence, this strategy should be more profitable over the long run than any market timing deviations. This rule was applied for the first time at the end of June 2019, and then again at the end of each subsequent June and December.

Nevertheless, the Investment Committee may decide to deviate from the benchmark if deemed appropriate. In fact, in March 2022 the economic and financial consequences of the Russian invasion of Ukraine led the Committee to slightly increase the allocation to Inflation Protected Securities from 5 to 8%, and to reduce the allocation to US Government debt in nominal terms accordingly.

Table IV below shows the evolution of the Society's financial investments in recent years. Unfortunately, with the exception of the money market fund, the performance of the funds between June 30th, 2021, and June 30th, 2022, has been very disappointing.

TABLE III  
ECONOMETRIC SOCIETY EXPENSES, 2019 TO MID-YEAR 2022.

(unit US dollars)	2019 Year-End	2020 Year-End	2021 Year-End	2022 Mid-Year
<b>Publishing (Program Services)</b>	<b>722,641</b>	<b>672,389</b>	<b>691,254</b>	<b>346,617</b>
Editorial	449,167	478,747	477,319	251,086
Circulation <sup>1</sup>	82,830	0	0	0
Production/Composition	179,393	178,126	200,557	94,131
Editorial (in-kind)	0	0	3928	0
Editorial meetings and dinners	3251	4166	0	0
Editorial software	8000	11,350	9450	1400
<b>Administrative (Support Services)</b>	<b>871,979</b>	<b>683,781</b>	<b>693,038</b>	<b>273,528</b>
Salaries and benefits	305,571	315,830	350,517	166,339
In-kind rent expense	10,400	10,400	10,608	0
Professional fees	56,821	53,496	62,455	10,685
Other Administrative Expenses <sup>2</sup>	53,428	48,386	54,354	38,893
Regional Meetings Expenses <sup>3</sup>	339,818	37,572	155,104	35,478
Young Economist Activities	18,000	3000	10,000	0
World Congress (to WC acct) <sup>4</sup>	20,000	20,000	20,000	0
World Congress Expenses	0	154,914	0	0
Web site	19,908	21,084	29,416	15,255
Executive Committee Expenses (travel etc.)	48,033	19,099	584	6878
<b>Special projects (virtual meetings)<sup>5</sup></b>	<b>0</b>	<b>0</b>	<b>30,154</b>	<b>11,623</b>
<b>Total expenses</b>	<b>1,594,620</b>	<b>1,356,170</b>	<b>1,414,446</b>	<b>631,768</b>
<b>Total revenues</b>	<b>2,428,060</b>	<b>2,050,346</b>	<b>2,092,262</b>	<b>666,484</b>
<b>Net revenues</b>	<b>833,440</b>	<b>694,176</b>	<b>677,816</b>	<b>34,716</b>

<sup>1</sup> Beginning in 2019, circulation was folded into costs covered by Wiley so circulation line item will remain \$0 going forward.

<sup>2</sup> "Other admin" contains office expenses, merchant services, bank charges, and interest and penalties.

<sup>3</sup> By the end of the year, regional revenues and expenses or "pass through" income and expenses are reconciled with each Regional Standing Committee's meeting organizers less 4.5% of credit card processing and banking fees and other incurred expenses.

<sup>4</sup> The \$20,000 annual World Congress contribution is set aside annually to be used every five years for travel grants and other WC expenses.

<sup>5</sup> Special projects is a new category encompassing unusual or one-time project costs that will not be repeated.

While the equity funds did reasonably well until the end of 2021, fears of inflation first, and stagnation later, coupled with the economic consequences of the war in Ukraine, increases in interest rates and the prospect of further rises going forward, have resulted in rather large losses for both fixed and especially variable income assets.

As mentioned before, though, by the middle of 2022 the cash position had become larger than what would be needed for day-to-day operations in the near future, and the Executive Vice-President and Director decided to transfer \$150,000 from Wells Fargo to the different Vanguard funds in early July.

### 3. INSTITUTIONAL AND MEMBER SUBSCRIPTION REVENUES AND RATES

The 2019 royalty-only contract between Wiley and the Econometric Society, which expires at the end of 2023, require Wiley to cover the cost of printing, distributing, and disseminating the Econometric Society journals. The contract also calls for the Econometric Society to receive a % royalty on all revenue earned for the journal, folding in

TABLE IV  
SOCIETY TOTAL ASSETS, 2020 TO MID-2022.

Name of Asset	Market Value 12-31-2020	% Total	Market Value 12-31-2021	% Total	Market Value 6-30-2022	%
<b>TOTAL FINANCIAL ASSETS</b>	<b>5,022,588</b>		<b>5,539,206</b>		<b>5,686,019</b>	
<b>Central Office Only, Cash &amp; Assets</b>	<b>4,414,557</b>	<b>87.89</b>	<b>4,914,346</b>	<b>88.72</b>	<b>5,105,620</b>	<b>89.79</b>
Cash and liquid securities						
Wells Fargo Checking	303,088		61,931		695,855	
Wells Fargo Sundry	9865		10,188		12,508	
Wells Fargo—Regional Meetings	18,170		30,271		305,124	
Federal Money Market	80,796		92,782		92,936	
Debt Funds						
Total Bond	405,601		463,722		415,406	
Inflation Protected	202,879		233,852		332,809	
S/T Treasury	727,762		834,403		680,422	
Equity Funds						
Stock Mkt Index	1,223,402		1,455,748		1,144,442	
Intl Stock Index	1,428,377		1,682,209		1,376,797	
Special Central Office						
Marschak Money Market	14,617		14,619		14,643	
African Scholar Money Market	N/A		34,621		34,678	
<b>Regions' Funds</b>	<b>608,031</b>	<b>12.11</b>	<b>624,860</b>	<b>11.28</b>	<b>580,399</b>	<b>10.21</b>
<b>Africa</b>	<b>16,936</b>	<b>0.34</b>	<b>16,938</b>	<b>0.31</b>	<b>16,966</b>	<b>0.30</b>
Africa Money Market	16,936		16,938		16,966	
<b>Asia</b>	<b>115,207</b>	<b>2.29</b>	<b>130,410</b>	<b>2.35</b>	<b>111,438</b>	<b>1.96</b>
Far East Asia Money Market	2289		2549		2553	
Far East Asia S/T Treasury	20,611		22,930		22,204	
Far East Asia Bond Market	34,433		38,207		34,226	
Far East Asia Stock Market	57,874		66,724		52,455	
<b>Australasia</b>	<b>54,082</b>	<b>1.08</b>	<b>51,822</b>	<b>0.94</b>	<b>50,049</b>	<b>0.88</b>
Australasia Money Market	17,413		17,415		17,444	
Other Australian	36,669		34,407		32,605	
<b>Europe</b>	<b>366,950</b>	<b>7.31</b>	<b>348,493</b>	<b>6.29</b>	<b>324,622</b>	<b>5.71</b>
Europe Money Market	165,965		151,428		151,679	
Europe Intl Stock	71,788		77,979		63,822	
Other Euro	129,197		119,086		109,121	
<b>Latin America</b>	<b>40,731</b>	<b>0.81</b>	<b>40,735</b>	<b>0.74</b>	<b>40,802</b>	<b>0.72</b>
Latin America Money Market	40,731		40,735		40,802	
<b>North America</b>	<b>14,125</b>	<b>0.32</b>	<b>36,462</b>	<b>0.74</b>	<b>36,522</b>	<b>0.72</b>
North America Money Market	14,125		36,462		36,522	

permissions and Open Access payments to the total royalty payment. In January of each year, Wiley pays the Econometric Society a guarantee of 80% of the projected profit. The remainder of the revenue from the previous year is paid out the following year no later than April 30.

Each year in late May/early June, the EC, in conjunction with Wiley Publishers, sets the following year's institutional subscription rates. It is important to note that these rate increases apply only to those institutions that maintain the traditional subscription model, whose number has been in a clear downward trend for decades, not to regional or national consortia or other such groups, whose subscription rates Wiley negotiates separately. In 2022, the EC agreed to increases of 2% and 3% for the online and print + online rates, respectively, but no change to the \$270 special rate for low-income and

lower-middle income countries. At the moment, there remain only 226 institutions getting access via traditional title-by-title subscriptions, five of which, based in India, benefit from the special \$270 rate, as compared with 7142 institutions getting access via a Wiley license. Of those 226 institutions, there are 147 subscribers still getting printed copies of the journals, so hopefully the slightly higher rate of increase for this category will provide a modest nudge to reduce the carbon footprint of the Society's publications.

Print + Online subscribers receive hard copies of the three Econometric Society journals (*Econometrica*, *Quantitative Economics*, and *Theoretical Economics*) for the corresponding year and have free online access to volumes of *Econometrica* back to 1999 directly through the Society's web site and back to 1933 through JSTOR (a digital library publishing copies of the Society's journal articles two years post-publication or later). *Quantitative Economics* and *Theoretical Economics* are open access. Online-only subscribers do not get the hard copies of the journals. Since 2006, institutional subscribers to *Econometrica* have perpetual online access to the volumes to which they subscribe. Individual members are served through the Central office and purchase their subscriptions directly through the Society website as part of their overall membership package.

Each summer, the EC votes on whether to implement changes in individual memberships for the coming year. Specifically, in August 2018 the EC decided to expand its membership tiers for 2019, replacing the existing high-income category with two subcategories representing those with incomes either above or below \$100,000, and adding a lower-middle income category to address the income dispersion more accurately across developing countries. A year later, the EC decided against increasing membership rates for 2020, while approving the introduction of a new online category of low-and lower-middle income student with a \$10 fee attached. Due to the COVID-19 pandemic, in 2020 the EC decided to keep 2021 membership rates frozen for a second year in a row. However, given that cumulative CPI inflation from July 2018 to July 2021 had been 7% according to the US Bureau of Economic Analysis, which resulted in increases in many of the Society's operational costs, in August of last year the EC approved an across the board 7% increase for all membership categories rounded up or down to the nearest multiple of five. Membership rates for 2023 will be set by the EC at its forthcoming meeting in Milan.

As mentioned in the introduction, these measures, coupled with regular yearly increases in the number of individual members, only temporarily halted by the pandemic, have resulted in steady growth in membership revenues from 2018 onwards. Specifically, annual membership revenues went from \$680,253 in 2019 to \$723,227 in 2020 and \$731,806 in 2021. In turn, membership revenues were \$661,953 during the first six months of this year, compared to \$561,679 for the same period last year, indicating even bigger gains for 2022.

One of the recommendations of the ad hoc committee that the EC created in 2019 to think about possible ways to offset the potential lost revenues resulting from Open Access was the introduction on September 1st, 2020, of two modest fees associated with the submission and publication of papers in its journals. Specifically, a submission fee of \$50 per paper applies to all three journals. In contrast, only membership is required for invited resubmissions. In addition, individuals working in countries classified as low income by the World Bank may request a wave of the fee, and the same applies to papers previously reviewed at *Econometrica* and officially transferred to either *Quantitative Economics* or *Theoretical Economics* with their decision letter and reports. Importantly, papers rejected without review do not get a refund. In terms of revenue, submission fees generated



\$26,000 in the last four months of 2020, almost \$80,000 during 2021, and \$34,100 by the middle of this year. In addition, there is a publication fee currently set at \$10 per page (including typeset supplements), which authors of accepted papers residing in low- and lower-income countries may also request to be waived. As of June 30, 2022, \$16,296 has been collected in publications fees, but this new category is expected to increase significantly by the end of the year, as an increasing fraction of accepted papers were submitted after September 2020.

Finally, in April 2020 the Econometric Society announced that its EC agreed to move *Econometrica* to a hybrid journal model by offering a Gold Open Access option. As a result, authors of accepted papers now have the choice to pay an Article Publication Charge (APC) and retain copyright to their published work. Currently, the APC is set at 4600 USD/ 3450 GBP/ 4000 EUR. Nevertheless, those authors from countries, states, or regions with which Wiley has signed a “read and publish” agreement benefit from a lower APC. As a result, *Econometrica* is publishing many more open access articles than initially thought but collects substantially less income than expected.

The following pages present several tables mentioned above and tables laying out institutional publishing and membership data including Table V-A: Institutional Subscription Prices; and Table V-B: Individual Membership Rates.

TABLE V-A  
PREVIOUS, CURRENT AND ADOPTED INSTITUTIONAL SUBSCRIPTION PRICES.

Year	2018	2019	2020	2021	2022*	2023*
High-income						
Print + online	944	1000	1050	1050	–	–
Online only	742	787	787	826	–	–
High- and upper-middle income						
Print + online	–	–	–	–	1050	1082
Online only	–	–	–	–	851	868
Middle-income						
Print + online	255	270	284	284	–	–
Online only	192	204	214	214	–	–
Low- and lower-middle income						
Print + online	–	–	–	–	270	270
Online only	–	–	–	–	214	214
Low-income						
Print + online	95	100	105	105	–	–
Online only	14	15	16	16	–	–
China deal**						
Print + online	190	220	264	265	–	–
Online only	142	165	198	200	–	–
China, Large Institutions***	–	676	710	710	–	–

\*From 2022 onwards, only two categories remain: a merged high- and upper-middle income one, and a merged low- and lower-middle income one, which only affects at 5 institutions in India.

\*\*In 2021 increases were no longer required as China subscription rates had reached the targeted middle-income rate.

\*\*\*After 2022, this category was eliminated.

TABLE V-B  
2017–2023 INDIVIDUAL MEMBERSHIP RATES.

Year		2017	2018	2019	2020–2021	2022	2023*
<b>Ordinary Members</b>							
Print + Online	1 Year	200	230	–	–	–	–
Online Only	1 Year	130	140	–	–	–	–
Print + Online	3 Year	475	505	–	–	–	–
Online Only	3 Year	320	330	–	–	–	–
<b>High income I &lt;100K</b>							
Print + Online	1 Year	–	–	190	190	205	215
Online Only	1 Year	–	–	150	150	165	175
Print + Online	3 Year	–	–	430	430	460	485
Online Only	3 Year	–	–	340	340	365	385
<b>High income II ≥100K</b>							
Print + Online	1 Year	–	–	250	250	270	285
Online Only	1 Year	–	–	200	200	215	225
Print + Online	3 Year	–	–	565	565	605	635
Online Only	3 Year	–	–	450	450	485	510
<b>Middle income</b>							
Print + Online	1 Year	95	125	90	90	95	100
Online Only	1 Year	30	40	50	50	55	60
Print + Online	3 Year	225	255	205	205	220	230
Online Only	3 Year	70	80	115	115	125	130
<b>Lower-Middle income</b>							
Print + Online	1 Year	–	–	80	80	85	90
Online Only	1 Year	–	–	40	40	45	45
Print + Online	3 Year	–	–	180	180	195	205
Online Only	3 Year	–	–	90	90	95	100
<b>Low income</b>							
Print + Online	1 Year	65	65	50	50	55	60
Online Only	1 Year	10	10	10	10	10	10
Print + Online	3 Years	150	150	115	115	125	130
Online Only	3 Years	25	25	25	25	25	25
<b>Student</b>							
Print and Online	1 Year	95	95	90	90	95	100
Online Only	1 Year	30	30	50	50	55	60
<b>Low- and lower-middle income student</b>							
Online Only	1 Year	–	–	–	10	10	10

\*Proposed.

#### 4. FUNDRAISING

Between 2021 and 2022, the EC, in addition to overseeing the Society's core activities, enacted some primary changes to the Society's operations in order to ensure its continued success over time. As mentioned in the introduction, one of those changes was instituting and then formalizing a process for fundraising.

At the August 2021 EC meeting, then President Pinelopi Koujianu Goldberg appointed an ad hoc fundraising committee made up of herself as Society President, a chair appointed by the President (Bernard Salanié), the Executive Vice President and the Exec-

utive Director. The committee determined that a two-tier approach to fundraising was the most desirable. The first tier involves pursuing corporate donors and non-profit foundations through contacts provided by the EC and fundraising committee members. Outreach to such potential donors offers various levels of sponsorship by dollar value from \$5000 to \$50,000. The second tier includes two fundraising campaigns (one in mid-June and the other in mid-October) from the President of the Society to both its Fellows and its members separately.

2021 sponsorships included the Cowles Foundation, Amazon Science, Fundación BBVA, D E Shaw, Google, and Two Sigma. Individual donations came primarily from fellows, although other members also contributed to some extent. Specifically, the audited 2021 fundraising numbers were as follows: \$49,681 from individual fellow/member donors, and \$85,500 in corporate and non-profit donors, including the Cowles Foundation, for a total of \$135,181. In turn, the \$49,681 from individual donors was targeted to either the Africa Fund (\$7029), the Emerging Scholars Fund (\$2031), or the General Fund (\$32,984), with the remaining \$7637 having no designation so automatically defaulted to the General Fund adding to the \$32,984 just stated.

Given its success, in 2022 the EC approved, and the Council ratified, the transformation of the ad hoc Fundraising committee into a standing one consisting of the President, First Vice President, Executive Vice President and Executive Director (ex-officio members), and two Fellows appointed by the Executive Committee for staggering terms of two years, who will chair the committee during the second year of their tenure. The EC convinced Bernard Salanié to stay on as chair until June 30, 2023, and appointed José Scheinkman as the second fellow member, who will presumably become chair on July 1, 2023.

During its first meeting, the new standing committee decided to continue the policies adopted by the ad hoc committee in 2021. As of the date of this report, all sponsors with the exception of Google have renewed for 2022, while the first fundraising drive for both fellows and members fundraising were completed in early July.

## 5. REGIONAL CONFERENCES AND THE WORLD CONGRESS

One of the core activities of the Society is the organization of scientific conferences across its six regions. Regional meetings should be self-financing, as the Society does not underwrite any potential losses under any circumstances. Revenue sources are typically through fundraising, sponsorships, pre-authorized Society funds, publisher exhibits, and registration fees, whose level must be approved by the Regional Standing Committee. Nevertheless, to help soften the potential added expenses and burden of running a virtual or hybrid meeting in both 2021 and 2022, the EC decided to provide each region \$10,000 as an insurance, which would be paid only if unexpected losses materialized. To the credit of the regions and the local organizers, this insurance has not been requested so far. Two regions did run meeting deficits as a direct result of providing either a hybrid meeting or extensive virtual meeting, but the host institutions voluntarily absorbed the losses.

The EC also decided that for 2021 meetings, the Society's Central office would cover any general regional costs that result from one-time expenses such as setting up API (Application Programming Interface) connections between its membership database, submission software and virtual or hybrid software, or similar group expenses that might benefit multiple regions. These expenses are recorded under the new Special Projects expense category. However, the majority of these supplements were eliminated during 2022 as regions became more accustomed to holding virtual meetings.

In addition, the Society organizes a World Congress every five years, which brings together members from all the regions. In preparation for this event, the 2016 EC approved

putting aside \$20,000 per year over five years to create a fund that could be used to offer travel bursaries to presenters from certain regions. This practice was again approved by the EC in 2021 in preparation for the 2025 Word Congress. The exact use of this fund will be decided closer to the date, paying particular attention to its location, which will be selected at the January 2023 EC meeting.

In summary, I am pleased to report that despite the uncertainties that only the future will resolve, the Society remains in sound financial shape and equipped to increase the breadth and depth of its activities over the coming years.

ENRIQUE SENTANA