

THE ECONOMETRIC SOCIETY ANNUAL REPORTS
REPORT OF THE SECRETARY

MÁLAGA, SPAIN
AUGUST 26–27, 2012

1. MEMBERSHIP AND CIRCULATION

THIS REPORT STARTS by describing the evolution of the Society's membership and of the number of institutional subscribers. Information is provided on both a midyear and an end-of-year basis. The latest information available, as of June 30 of the current year and of selected previous years, is provided in the top panel of Table I. The bottom panel of Table I reports the final number of members and subscribers as of the end of 2011 and selected previous years. For any given year, the figures in the bottom half of Table I are larger than in the top half, reflecting those memberships and subscriptions that are initiated between the middle and the end of that calendar year.

The Society reached the historical record of 6,046 ordinary and student members at the end of 2010, probably due to the very high number of submissions to the World Congress in Shanghai, China. At the end of 2011, the total number of members had gone down to 5,202, a figure that is 14.0 percent below that of 2010 and 6.6 percent below the average of the period 2005–2009. The midyear figure for 2012 suggests that the decrease is going to be reversed this year, with a membership close to the average of the period 2005–2009.

In 2011, the number of institutional subscribers accelerated its declining trend, reaching 1,407 subscribers, which represents a 14.2 percent reduction with respect to the figure in 2010 and a 39.2 percent reduction with respect to the figure 10 years before. As noted in my previous report, this reduction could be related to the tightening of library budgets in high income countries as well as to the increase in institutional subscription rates agreed by the Executive Committee in 2009, which was especially significant for the new category of middle income countries. The midyear figure for 2012 suggests that this year there will be a smaller reduction in the number of institutional subscribers.

Table II displays the division between print and online and online only memberships and subscriptions. Since the choice between these two alternatives was offered in 2004, there has been a continued shift toward online only. This is especially significant for student members, 88.2 percent of whom chose this option as of June 2012, but the shift is also very significant for ordinary members, for whom the proportion of online only reached 64.8 percent in June 2012. It is also noticeable in institutional subscriptions, for which the proportion of online only went up from 37.3 percent in June 2011 to 42.0 percent in June 2012.

Table III compares the Society's membership and the number of institutional subscribers with those of the American Economic Association. (For the membership category these figures include ordinary, student, free, and life members

TABLE I
 INSTITUTIONAL SUBSCRIBERS AND MEMBERS

Year	Institutions	Members					Total Circulation
		Ordinary	Student	Soft Currency	Free ^a	Life	
<i>1. Institutional subscribers and members at the middle of the year</i>							
1980	2,829	1,978	411	53	45	74	5,390
1985	2,428	2,316	536	28	55	71	5,434
1990	2,482	2,571	388	57	73	69	5,643
1995	2,469	2,624	603	46	77	66	5,885
2000	2,277	2,563	437	—	112	62	5,471
2001	2,222	2,456	363	—	71	62	5,174
2002	2,109	2,419	461	—	103	61	5,153
2003	1,971	2,839	633	—	117	60	5,620
2004	1,995	2,965	784	—	111	60	5,915
2005	1,832	3,996	1,094	—	106	57	7,085
2006	1,776	4,020	1,020	—	110	58	6,984
2007	1,786	4,393	916	—	97	58	7,250
2008	1,691	4,257	759	—	89	56	6,852
2009	1,686	4,268	744	—	81	56	6,835
2010	1,477	4,684	949	—	86	56	7,252
2011	1,350	4,147	746	—	92	56	6,391
2012	1,273	4,524	762	—	93	56	6,708
<i>2. Institutional subscribers and members at the end of the year</i>							
1980	3,063	2,294	491	49	47	74	6,018
1985	2,646	2,589	704	53	61	70	6,123
1990	2,636	3,240	530	60	74	68	6,608
1995	2,569	3,072	805	43	96	66	6,651
2000	2,438	3,091	648	—	77	62	6,316
2001	2,314	3,094	680	—	87	61	6,233
2002	2,221	3,103	758	—	105	60	6,247
2003	2,218	3,360	836	—	112	60	6,586
2004	2,029	3,810	1,097	—	101	58	7,095
2005	1,949	4,282	1,222	—	110	58	7,621
2006	1,931	4,382	1,165	—	93	58	7,629
2007	1,842	4,691	1,019	—	86	56	7,694
2008	1,786	4,742	916	—	89	56	7,589
2009	1,761	4,599	867	—	81	56	7,364
2010	1,639	4,990	1,056	—	92	56	7,833
2011	1,407	4,394	808	—	93	56	6,758

^aIncludes free libraries.

for both the ES and the AEA.) The ES/AEA ratio for members has followed an upward trend that was especially noticeable in the last 10 years, going from 20.9 percent in 2001 to 35.9 percent in 2010. The very significant reduction in Econometric Society members in 2011 explains the fall in this ratio to 31.7

TABLE II
 INSTITUTIONAL SUBSCRIBERS AND MEMBERS BY TYPE OF SUBSCRIPTION (MIDYEAR)

	2011		2012	
	Total	Percent	Total	Percent
Institutions	1,350	100.0	1,273	100.0
Print + Online	846	62.7	738	58.0
Online only	504	37.3	535	42.0
Ordinary members	4,147	100.0	4,524	100.0
Print + Online	1,594	38.4	1,594	35.2
Online only	2,553	61.6	2,930	64.8
Student members	746	100.0	762	100.0
Print + Online	98	13.1	90	11.8
Online only	648	86.9	672	88.2

TABLE III
 INSTITUTIONAL SUBSCRIBERS AND MEMBERS ECONOMETRIC SOCIETY AND AMERICAN
 ECONOMIC ASSOCIATION (END OF YEAR)

Year	Institutions			Members		
	ES	AEA	ES/AEA (%)	ES	AEA	ES/AEA (%)
1975	3,207	7,223	44.4	2,627	19,564	13.4
1980	3,063	7,094	43.2	2,955	19,401	15.2
1985	2,646	5,852	45.2	3,416	20,606	16.0
1990	2,636	5,785	45.6	3,972	21,578	18.4
1995	2,569	5,384	47.7	4,082	21,565	18.9
2000	2,438	4,780	50.8	3,878	19,668	19.7
2001	2,314	4,838	47.8	3,919	18,761	20.9
2002	2,221	4,712	47.1	4,026	18,698	21.5
2003	2,218	4,482	49.5	4,368	19,172	22.8
2004	2,029	4,328	46.9	5,066	18,908	26.8
2005	1,949	4,234	46.0	5,672	18,067	31.4
2006	1,931	3,945	48.9	5,698	17,811	32.0
2007	1,842	3,910	47.1	5,852	17,143	34.1
2008	1,786	3,726	47.9	5,803	17,096	33.9
2009	1,761	3,383	52.1	5,603	16,944	33.1
2010	1,639	3,038	53.9	6,194	17,234	35.9
2011	1,407	2,893	48.6	5,351	16,902	31.7

percent. At the same time, the long-run proportional decline in the number of institutional subscribers has been similar for both organizations, although in 2011 the ES/AEA ratio decreased to 48.6 percent after 2 years above 50 percent.

The geographic distribution of ordinary and student members by countries and regions as of June 30 of the current and selected previous years is shown in Table IV. The format of this table was slightly changed in 2008; it now shows individual data on countries with more than 10 members in 2010. Previously some countries were grouped together, so their individual membership data are not available. In comparison with the low 2011 figures (not shown in the table), the membership has grown in all regions except the Far East, with increases that are especially significant in Australasia (41.3 percent), Latin America (28.0 percent), and North America (11.5 percent).

Table V shows the percentage distribution of ordinary and student members by regions as of June 30 of the current and selected previous years. The share of North America in total membership fell below 50 percent in 2005 and is now at 40.5 percent. The share of Europe and Other Areas went slightly above 40 percent in the years 2008–2010, and is now at 37.6 percent.

Finally, Table VI presents the percentage distribution of institutional subscribers by regions as of June 30 of the current and the previous 4 years. The largest share corresponds to Europe and Other Areas, with 35.0 percent in 2012, followed by the Far East, with 30.2 percent, and North America, with 25.7 percent.

2. FELLOWS

Table VII displays the geographic distribution of Fellows as of June 30, 2012. As noted in previous reports, this distribution is very skewed, with 69.1 percent of the Fellows based in North America, 24.5 percent in Europe and Other Areas, and only 6.4 percent in the other four regions.

Table VIII provides information on the nomination and election of Fellows. Since 2006, the election has been conducted with an electronic ballot system. This has led to a very significant increase in the participation rate, which averaged 71.7 percent in the elections of 2006–2011, with a historical maximum of 75.2 percent in 2010, compared to an average of 55.5 percent in the elections of 2000–2005 and a historical minimum of 45.5 percent in 2005.

Since the introduction of electronic voting in 2006, there have been three changes in the ballot for the election of Fellows. First, in 2007 a button was added to check all candidates in the slate of the Nominating Committee (which could be individually unchecked). Second, following a report prepared by Eric Maskin, Roger Myerson, and Torsten Persson, the Executive Committee agreed in 2009 that the ballot should list the candidates by region in reverse order of the number of existing Fellows, quoting the number of Fellows in each region. It should be noted that the second change was added to the first, so with a single click, Fellows could still vote for all the candidates nominated by the Nominating Committee. Third, following a number of criticisms of the single click, the Executive Committee decided in 2011 to solicit the views of the Fellows in an online discussion forum. Since the large majority of the comments

TABLE IV
GEOGRAPHIC DISTRIBUTION OF MEMBERS^a (MIDYEAR)

Region and Country	1980	1985	1990	1995	2000	2005	2010	2012
<i>Australasia</i>	57	60	95	98	90	162	245	284
Australia	52	57	84	88	78	137	218	264
New Zealand	5	3	11	10	12	25	27	20
<i>Europe and Other Areas</i>	665	718	803	1,031	992	2,092	2,323	2,026
Austria	15	21	25	27	24	49	39	38
Belgium	23	21	30	31	32	61	39	41
Cyprus	—	—	—	—	—	—	11	5
Denmark	19	22	27	38	22	47	49	38
Finland	19	26	17	15	13	27	38	34
France ^b	53	36	56	81	73	188	232	195
Germany	92	106	112	135	153	354	442	376
Greece ^c	12	12	6	14	15	18	19	18
Hungary	34	30	30	5	5	13	19	16
Ireland	4	5	5	6	6	15	15	11
Israel	—	16	25	32	37	56	42	49
Italy ^d	16	43	48	57	59	126	147	108
Netherlands	75	68	90	103	86	130	175	136
Norway	24	26	23	29	21	52	53	44
Poland	4	6	20	27	27	22	17	19
Portugal	5	5	11	11	19	32	35	35
Russia ^e	5	2	4	4	5	11	27	31
Spain	34	43	36	88	81	171	220	185
Sweden	27	31	25	45	42	72	65	54
Switzerland	26	27	25	34	25	79	97	107
Turkey	1	1	3	8	9	21	20	28
United Kingdom	135	145	162	210	207	509	471	386
Other Europe	—	8	10	17	19	23	35	52
Other Asia	—	4	2	5	7	6	4	4
Other Africa	—	14	11	9	5	10	12	16
Other Europe, Asia, and Africa	42	—	—	—	—	—	—	—
<i>Far East</i>	105	134	144	228	189	315	580	502
China	—	—	—	—	—	—	91	59
Hong Kong ^f	—	—	—	—	—	—	55	47
Japan	83	114	101	143	130	203	331	311
Korea	—	—	—	—	—	—	50	39
Taiwan	—	—	—	—	—	—	52	44
Other Far East	22	20	43	85	59	112	1	2
<i>North America</i>	1,676	2,059	2,150	1,989	1,498	2,409	2,275	2,180
Canada	159	192	194	200	127	208	249	227
United States	1,517	1,867	1,956	1,789	1,371	2,201	2,026	1,953

(Continues)

TABLE IV—Continued

Region and Country	1980	1985	1990	1995	2000	2005	2010	2012
<i>Latin America</i>	42	53	30	87	105	180	191	279
Argentina	—	—	—	—	—	—	20	26
Brazil	—	—	—	—	—	—	73	107
Chile	—	—	—	—	—	—	31	55
Colombia	—	—	—	—	—	—	13	19
Mexico	—	10	1	16	15	33	33	42
Other Latin America	42	43	29	71	90	147	21	30
<i>South and Southeast Asia</i>	6	51	42	49	31	105	115	111
India	6	30	18	10	14	22	34	37
Philippines	—	—	—	—	—	—	10	7
Singapore	—	—	—	—	—	—	56	49
Other South and Southeast Asia ^f	0	21	24	39	17	83	15	18
Total	2,551	3,075	3,264	3,482	2,905	5,263	5,729	5,382

^aOnly countries with more than 10 members in 2010 are listed individually. Until 2005, some countries were grouped together, so their individual membership data are not available.

^bUntil 2005, the data for France included Luxembourg.

^cUntil 2005, the data for Greece included Cyprus.

^dUntil 2005, the data for Italy included Malta.

^eUntil 2005, the data for Russia corresponded to the Commonwealth of Independent States or the USSR.

^fUntil 2005, Hong Kong was included in South and Southeast Asia.

TABLE V
PERCENTAGE DISTRIBUTION OF MEMBERS (MIDYEAR)

Region	1980	1985	1990	1995	2000	2005	2010	2012
Australasia	2.3	2.0	2.9	2.8	3.1	3.1	4.3	5.3
Europe and Other Areas	24.9	23.4	24.6	29.6	34.1	39.7	40.5	37.6
Far East	4.2	4.4	4.4	6.5	6.5	6.0	10.1	9.3
North America	65.5	67.4	65.9	57.1	51.6	45.8	39.7	40.5
Latin America	2.1	1.3	0.9	2.5	3.6	3.4	3.3	5.2
South and Southeast Asia	1.1	1.6	1.3	1.4	1.1	2.0	2.0	2.1
Total	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0

posted were against the single click, the Executive Committee agreed to eliminate the button that allowed Fellows to vote for all the candidates nominated by the Nominating Committee and to identify these candidates with an “N” before their name in the ballot.

The change introduced in 2007 had a significant effect on the percentage of candidates nominated by the Committee who were elected Fellows, which jumped from 26.7% in 2006 to an average of 74.1% during the years 2007–2010. The corresponding average for the candidates nominated by Fellows dur-

TABLE VI
PERCENTAGE DISTRIBUTION OF INSTITUTIONAL SUBSCRIBERS (MIDYEAR)

Region	2008	2009	2010	2011	2012
Australasia	1.2	1.7	2.0	1.6	1.9
Europe and Other Areas	35.1	36.0	35.0	35.9	35.0
Far East	29.0	29.7	31.0	28.8	30.2
North America	26.0	25.3	25.3	26.6	25.7
Latin America	4.2	4.2	3.1	3.2	3.1
South and Southeast Asia	4.5	3.1	3.6	3.9	4.1
Total	100.0	100.0	100.0	100.0	100.0

TABLE VII
GEOGRAPHIC DISTRIBUTION OF FELLOWS, 2012

<i>Australasia</i>	8	<i>Far East</i>	21
Australia	8	China	3
		Japan	17
<i>Europe and Other Areas</i>	161	Korea	1
Austria	2		
Belgium	8	<i>North America</i>	455
Czech Republic	1	Canada	11
Denmark	1	United States	444
Finland	3		
France	29	<i>Latin America</i>	8
Germany	10	Argentina	3
Hungary	4	Brazil	3
Israel	22	Mexico	2
Italy	5		
Netherlands	6	<i>South and Southeast Asia</i>	5
Norway	1	India	2
Poland	1	Singapore	3
Russia	4		
Spain	7	Total (as of June 30, 2012)	658
Sweden	4		
Switzerland	5		
United Kingdom	48		

ing these four years was 16.0 percent. The second change, which was intended to address geographical imbalances in the Fellowship, had a significant effect in the number of Fellows elected from regions other than Europe and Other Areas and North America, with 6 new Fellows from Latin America, 5 from the Far East, 3 from South and Southeast Asia, and 1 from Australasia elected since 2009. It should also be noted that all these candidates but one had been nominated by the Nominating Committee. As for the removal of the single

TABLE VIII
FELLOWS' VOTING STATISTICS

Year	Total Fellows	Inactive	Eligible to Vote	Returned Ballots	Percent Returning Ballots	Number of Nominees	Number Elected	Percent Ratio Elected to Nominee	Late Ballots Returned But Not Counted
1975	197	26	171	100	58.5	63	21	33.3	n.a.
1980	299	49	251	150	59.8	73	18	24.7	n.a.
1985	354	57	301	164	54.4	60	13	21.7	17
1990	422	47	375	209	55.7	44	23	52.3	5
1995	499	119	380	225	59.2	52	15	28.8	2
2000	546	147	399	217	54.4	59	14	23.7	10
2001	564	170	394	245	62.2	55	10	18.2	0
2002	577	189	388	236	60.8	45	17	37.8	2
2003	590	200	390	217	55.6	53	20	37.7	10
2004	582	145	437	239	54.7	51	15	29.4	8
2005	604	140	464	211	45.5	50	14	28.0	16
2006	601	154	447	325	72.7	55	5	9.1	—
2007	599	166	433	305	70.4	50	16	32.0	—
2008	610	163	447	310	69.4	61	15	24.6	—
2009	617	184	433	311	71.8	56	21	37.5	—
2010	635	179	456	343	75.2	54	16	29.6	—
2011	647	193	454	320	70.5	75	16	21.3	—

click, the data from the 2011 election suggest that it might lead to a reduction in the percentage of candidates nominated by the Committee who are elected.

The number of votes needed to be elected Fellow in 2011 (30 percent of the number of ballots submitted) was 95, and the average number of votes per ballot was 16.9. The number of nominees was 75 and the number of new Fellows elected was 16, which included 10 Fellows from North America, 3 from Europe and Other Areas, 1 from the Far East, 1 from Latin America, and 1 from South and Southeast Asia. In contrast with previous years, the majority of the Fellows elected (9 out of the 16) were not nominated by the Nominating Committee. This could be due to the change in the ballot, but also to the large number of candidates (63) nominated by Fellows.

3. REGIONAL MEETINGS

In 2012, all six regions of the Society are organizing meetings, according to the following timetable:

North American Winter Meeting, Chicago, Illinois, January 6–8, 2012
 North American Summer Meeting, Evanston, Illinois, June 28–July 1, 2012

Australasian Meeting, Melbourne, Australia, July 3–6, 2012
European Summer Meeting, Málaga, Spain, August 27–31, 2012
Latin American Meeting, Lima, Perú, November 1–3, 2012
European Winter Meeting, Konstanz, Germany, November 9–10, 2012
Asian Meeting, Delhi, India, December 20–22, 2012

The North American Winter Meetings have traditionally taken place within the meetings of the Allied Social Sciences Association (ASSA). Since 2003, the European Summer Meeting has run in parallel with the Annual Congress of the European Economic Association (EEA), since 2006, the Latin American Meeting has run in parallel with the Annual Meeting of the Latin American and Caribbean Economic Association (LACEA), and since 2008 there has been a joint Asian Meeting of the Far East and the South and Southeast Asian regions.

4. THE GOVERNANCE OF THE SOCIETY

Following consultation with the Executive Committee, President Bengt Holmström established in October 2011 a Governance Committee to review all aspects of the governance of the Society with the final aim of making a proposal to change the Society's Constitution and to pave the way for the Society's incorporation. The Committee was chaired by Oliver Hart, and the other members were Tim Besley, Hongbin Cai, George Mailath, Rosa Matzkin, Rafael Repullo (secretary), Enrique Sentana, and Hyun Song Shin (observer).

In April 2012, the Committee posted a preliminary report for discussion by the Fellows. The report summarized the current governance arrangements and put forward a number of proposals. The Committee also posted a draft of the By-Laws that would replace the current Constitution upon incorporation. In preparing the By-Laws, the Society has been advised on a pro bono basis by Wayne Whalen and his team at the Chicago office of Skadden, Arps, Slate, Meagher, and Flom LLP. We are very grateful for their generous support and for the top quality of their work.

The final report was posted on the Society's website in July 2012. The proposed changes aim to enhance the global nature of the Society by increasing the geographical representation in the composition of the Council and raising its role in the governance of the Society. Although the voting power of the Fellows would remain unchanged, the report proposes that Society members directly elect some members of the Regional Standing Committees, who could, in turn, be elected to the Council. As stated in the Constitution, any change in the Society's governance arrangements must be approved by the Council and ratified by a two-thirds majority of the voting Fellows.

5. A FINAL NOTE

This is my last Report of the Secretary. On July 1, 2012, I was replaced by Hyun Song Shin, who was nominated by the Executive Committee to the post

of Executive Vice-President and was elected by the Fellows in November 2011. I believe that the Society will be in excellent hands with him.

I am very grateful to Eric Maskin and the other members of the committee (Guy Laroque, John Moore, and Hugo Sonnenschein) who nominated me in July 2004 for the newly created position of Executive Vice-President. I still remember my telephone conversation with Eric (from our summer locations at Martha's Vineyard, Massachusetts, and Málaga, Spain) in which he asked me whether I would be willing to serve. I was extremely honored by the proposal, but I was not sure that I was up to the challenge. Still, I decided to trust their judgement and promised to do my best to fulfill their high expectations.

In preparation for taking up the position, in September 2004 I visited my long-serving predecessors, Bob and Julie Gordon, at the Society's office at Northwestern University, as well as Dorothy Hodges, the even longer-serving Managing Editor of *Econometrica*. I also had the opportunity to talk extensively with Hugo Sonnenschein, who gave me invaluable advice about what I should (and should not) do as Executive Vice-President. I am very grateful to him for his continuous mentoring and support during all these years.

I would like to thank the Presidents of the Econometric Society under whom I have served: Richard Blundell, Lars Peter Hansen, Torsten Persson, Roger Myerson, John Moore, Bengt Holmström, and Jean-Charles Rochet. It has been an incredible privilege to work with them. I should also mention Past Presidents Eric Maskin, Ariel Rubinstein, and Tom Sargent, who helped me a lot at the beginning of my mandate, and Vice-Presidents Jim Heckman and Manuel Arellano, with whom I have had an intense collaboration during the last year.

It has also been a privilege to interact with the members of the Executive Committee, the Council, and the Regional Standing Committees, as well as with the Editors of *Econometrica* (Eddie Dekel, Stephen Morris, and Daron Acemoglu), *Quantitative Economics* (Orazio Attanasio), *Theoretical Economics* (Martin Osborne), and the Monograph Series (Andrew Chesher, Matt Jackson, Rosa Matzkin, and George Mailath). What an amazing group of scholars!

My thanks goes as well to the Department of Economics of New York University for providing a home for the central office of the Society (and since 2011 also for the office of *Econometrica*), and to Claire Sashi, the Society's General Manager, for her excellent work and dedication.

During these six and a half years I have attended many Society meetings. Some of them coincided with meetings of the Executive Committee: Vienna, Austria in 2006; Budapest, Hungary in 2007; Milan, Italy in 2008; Barcelona, Spain in 2009; Shanghai, China in 2010; Denver, Colorado and Oslo, Norway in 2011; and Chicago, Illinois and Málaga, Spain in 2012. I also went to many others to learn about and help the regional activities of the Society: Boston, Massachusetts, Minneapolis, Minnesota, Beijing, China, Mexico City, Mexico, and Chennai, India in 2006; Chicago, Illinois, Taipei, Taiwan, and Bogotá, Colom-

bia in 2007; New Orleans, Louisiana, Wellington, New Zealand, Singapore, and Rio de Janeiro, Brasil in 2008; San Francisco, California, Tokyo, Japan, and Buenos Aires, Argentina in 2009; Atlanta, Georgia in 2010; and Seoul, Korea and Santiago de Chile, Chile in 2011.

Many things have happened during these years in the life of the Society, most notably the introduction of electronic voting for Officers, Council, and Fellows, the launching (after lengthy discussions) of two new journals, *Quantitative Economics* and *Theoretical Economics*, the increase in membership in regions outside Europe and North America, and the very successful World Congress in Shanghai, China. On the other hand, the trend decline in the number of institutional subscribers, which has accelerated in the last 2 years, is an important source of concern. The Society will have to increasingly rely on the support of its members and, therefore, think creatively about additional services that could be provided to them. Two important matters are still pending: the proposal of the African Econometric Society to become the African Region of the Society, and the proposal to change the Constitution and incorporate the Society. I hope that both proposals will be approved and implemented soon.

RAFAEL REPULLO