

THE ECONOMETRIC SOCIETY  
Minutes of the Executive Committee Meeting  
Philadelphia, PA, January 4, 2018

Present:	Tim Besley	President
	Stephen Morris	First Vice-President
	Orazio Attanasio	Second Vice-President (Teleconference)
	Drew Fudenberg	Past President
	Pinelopi Koujianou-Goldberg	At-Large Member of the Executive Committee
	Rafael Repullo	At-Large Member of the Executive Committee (Teleconference)
	Andrew McLennan	At-Large Member of the Executive Committee
	Whitney Newey	At-Large Member of the Executive Committee
	Joel Sobel	Editor of <i>Econometrica</i>
	Ran Spiegler	Editor of <i>Theoretical Economics</i> (Teleconference)
	Christopher Taber	Editor of <i>Quantitative Economics</i>
	Bernard Salanié	Executive Vice-President
	Enrique Sentana	Presumptive incoming EVP (Teleconference)
Guest:	Mary Beth Bellando-Zaniboni	Publications Manager (taking minutes)

Besley opened the meeting and welcomed all attending.

## General Society Business

### *Fellows Elections*

1. Newey and Salanié reported on the 2017 Election of Fellows. [20 new Fellows](#) were elected on the 2017 ballot, a higher number than in recent years. 374 Fellows voted, resulting in slightly more than 80% participation of active Fellows. This was an improvement from past years where participation had dropped to as low as 70%. A rollover rule was adopted in 2015: [Rules and Procedures 5.2](#), "Any candidate nominated in one of the previous three elections receiving at least 20% of the vote in that year will automatically appear on the ballot. The candidate will be listed as "nominated by X in year Y" if the last nomination (s)he received was from X in year Y". In addition, the Fellows Nominating Committee was encouraged in 2016 and then required in 2017 to nominate at least six women, and at least six members from outside Europe and North America. Both rules were successful in increasing diversity and ensuring the election of a larger number of new Fellows. The final list included four women and no fewer than five members from underrepresented regions: two from Latin America, one from Africa, one from Asia, and one from Australasia.
2. The Fellows Nominating Committee (FNC) consisted of Daron Acemoglu, Liran Einav, Françoise Forges, Fumio Hayashi, Whitney Newey (Chair), Rafael Repullo, and Juuso

Välimäki. It consulted the Chairs of the Regional Standing Committees, who suggested nominations for underrepresented areas and provided feedback on suggestions from the committee. The FNC also nominated a few people from a list compiled of those with 3 or more publications in top five journals in the last 2 ½ years. From the list of suggestions, 26 individuals were nominated, including five women and six individuals from underrepresented areas. Of those nominated by the FNC, 17 were elected (including 5 of the 6 it nominated from underrepresented regions, and 4 of the 5 women). A number of these 17 were rollovers from previous years: the FNC thought that a stronger list of candidates might be elected if it did not exclude past rollovers from its nominations.

3. Koujianou-Goldberg felt that ordering names on the ballot by regions made a big difference and helped build diversity among the elected Fellows. Besley suggested that future committees should also take into consideration those who have provided service to the society as editors or regional officers when considering nominations as Fellows. It was **AGREED** that the Nominating Committee will be instructed to check the list of Society positions and consider adding those not already Fellows to their list, without obligation.
4. Newey asked who was responsible for updating the rolled over candidates' information. Salanié explained that for candidates who were previously nominated by a member, that member is asked to update the nomination form. It was **AGREED** that the EVP should remind the incoming Nominating Committee to check rolled over candidates' forms for changes.

#### *Executive Vice President Appointment*

5. Sentana was excused and exited the teleconference call. Fudenberg opened the discussion on the nomination of Enrique Sentana for Executive Vice President. Salanié signaled to the Executive Committee last summer that his current roles as Department Chair and EVP for the Society were becoming too taxing and he wished to step down a year early from his appointed term. Fudenberg chaired a search committee to find a suitable replacement. He proposed, and the Executive Committee approved, that the compensation of the new EVP be aligned on that of the Editor of *Econometrica*. Enrique Sentana agreed to take over from Salanié on May 1, 2018, pending the results of a special election in January. He will be allocated up to €6,000 per year for secretarial support; and his term will end on January 1, 2023.
6. Salanié reported that the Society's broker, Fidelity will not let a foreign national without a US tax ID be the authorized signatory for the investments. Salanié is investigating other investment firms, specifically Vanguard, that may allow this.
7. The nomination of Enrique Sentana was **APPROVED** by the Executive Committee. It was also **APPROVED** to raise the EVP salary to match the current compensation for the Editor of *Econometrica*; that his term end January 2023; and that he be allocated €6000 per year for secretarial support. Besley welcomed Sentana back to the meeting and congratulated him for his nomination by the Executive Committee to be the next Executive Vice President.

#### *New Society Office*

8. Salanié reported that New York University decided last August to terminate their relationship with the Society. As a consequence, the Society would lose its office in the Department of Economics at NYU, and NYU would not manage the two staff positions any more. The end date for the two positions and office space was agreed to be November 1, 2017.

9. The Cowles Foundation at Yale University has offered to take over from NYU. The Cowles Foundation has a long history with the Society, having helped launch it originally, as well as contributing and sponsoring Society lectures. It was agreed that the Society would move its offices and staff to Cowles. Cowles will manage our staff administratively and allocate an office for the General Manager. Mary Beth Bellando-Zaniboni is staying on as the Society's Publications Manager; she became an employee of Yale University on November 21, 2017. A search for a replacement for Claire Sashi as General Manager is currently underway at Yale and we hope to have a new General Manager in place early February.
10. It was **AGREED** that Besley would draft a letter of thanks to Sashi for her years with the Society and circulate the draft to the EC for review before sending.
11. The Executive Committee agreed to acknowledge the support of the Cowles Foundation. The Executive Committee **APPROVED** the following text to appear in printed copies of the three Society journals at the bottom of their back covers: "The Society gratefully acknowledges the support of the Cowles Foundation for Research in Economics."

## Financial Business

### *Report of the Investments Committee*

12. Salanié reported the Society has three bank accounts at Chase (the "main" account and two smaller ones used for incidental expenses) and eight accounts at Fidelity: the "main account", the Marschak fund, and one account for each of the six regions. The Executive Committee agreed in January 2016 that since Europe and Australasia have special desiderata on management of exchange risk, the Investment Committee was only in charge of the six other Fidelity accounts and of the Chase accounts. The Executive Vice-President supervises the Australasia and Europe accounts directly. Seven of the Fidelity accounts are now classified as "unrestricted" for accounting purposes. Only the Marschak account is restricted.
13. The Investments Committee is chaired by the EVP. It has two other members. They must be Fellows of the Society; and they have a three-year mandate, renewable once. Yacine Ait-Sahalia joined the committee on January 1, 2017. José Scheinkman will be stepping down on 31 December 2017. Franklin Allen has agreed to take over.
14. As of December 17, our total financial assets increased by 25.8% from the end of last year. The rate of return was 18.4%, which makes this a very good year. Our portfolio allocation is guided by the following benchmark:
  - 20% cash and short-term US government bonds
  - 15% other bonds
  - 30% US equities
  - 30% international equities
  - 5% emerging market equities.

In recent years, changes in valuations have moved our allocation away from other bonds and towards equities (especially US equities). Last year the Investment Committee had recommended that in the first half of 2017, we gradually rebalance the portfolio by about \$120,000 towards bonds in order to bring our portfolio closer to the benchmark. In the end and given the strong performance of our holdings of US and international equity, we only

exchanged \$40,000 of money market funds for bonds in January. As a result, the allocation of our Fidelity accounts is:

- 22.5% cash and short-term US government bonds
- 10.5% other bonds
- 32.1% US equities
- 29.5% international equities
- 5.2% emerging market equities.

The Investments Committee recommends that the Executive Vice-President use the next injection of cash in the Fidelity accounts to bring our holdings of “other bonds” and of US equities close to the benchmark. The main Fidelity account is more diversified than the other accounts, which are invested in Australian dollars (Australasia), international equities and euros (Europe), and money market funds (all regions and the Marschak fund.) The Executive Committee discussed the current report and benchmark and **APPROVED** continuing with the current benchmark. The Executive Committee **APPROVED** the nomination and appointment of Franklin Allen to succeed José Scheinkman, for a 3-year term.

#### *Audit Committee*

15. Besley presented the minutes of the Audit Committee’s December teleconference call with the auditors EisnerAmper LLP. He opened the discussion by expressing the need to appoint a secretary to the Audit Committee. Besley reported that the Publications Manager Mary Beth Bellando-Zaniboni was willing to take this role on if asked. The appointment of Bellando-Zaniboni as acting secretary for the Audit Committee was **APPROVED**.
16. Besley then presented the proposed mandate of the Audit Committee. Salanié voiced concern that the proposed mandate was too broad and would require more work than most committee members are willing to provide. Morris suggested that a new mandate be drafted before the August Executive Committee meeting. He suggested a call be set up and include the Audit Committee, auditors, new Executive Vice President, and General Manager to help draft this mandate. It was **AGREED** that Morris will present a proposal for a mandate of the Audit Committee in August at the EC meeting.
17. Besley reported that both Bengt Holmström and Peter Neary’s terms were ending. Besley suggested asking the 2<sup>nd</sup> VP to serve on the committee moving forward, to keep a longer institutional memory in its composition.
18. It was **AGREED** to ask Rob Porter to serve as a Past President on the committee for 1 year (2018) and replace Holmström. It was **AGREED** to ask Peter Neary to serve for an additional year (2018) on the committee. It was **AGREED** to determine a replacement for Peter Neary in 2019 at the August Executive Committee. It was **AGREED** that Tim Besley would stay on an additional term after 2018 to satisfy the requirement that a Past President serve on the committee.

## Editorial Business

### *Editorial Appointments*

19. Taber reported on the current status of the search committee to replace Frank Schorfheide at *QE*. It was **AGREED** that Taber and the search committee would determine a list of potential candidates by January 20 and that a memo would be presented, by teleconference, to the Executive Committee with its recommendations for the future *QE* board by February 1, 2018. The Executive Committee may decide at that time to reduce the composition of the *QE* editorial board back down to three Coeditors and Editor.
20. Taber also raised the question of page allocation and publication backlog in the journals. Currently *Quantitative Economics* reports an eleven-month backlog from time to acceptance to appearance in print. *Econometrica* reported five and half months' time to acceptance to appearance in print, and *Theoretical Economics* time from acceptance to publication at roughly a year. It was **AGREED** that the goal should be six months for accepted papers to appear in print across all three Society journals. The Executive Committee also confirmed that it is at the Editors' discretion when to increase number of papers and pages in each issue for their journals.
21. Spiegler updated the Executive Committee on the replacement search for *TE* Coeditor Dilip Mookherjee. A search committee was **APPROVED**. Spiegler will report on the search committee's conclusions at the Executive Committee in August.
22. Sobel updated the Executive Committee on the current status of the *Econometrica* board. Joel Sobel (Editor), Gianluca Violante (Coeditor) and Fabrizio Zilibotti (Coeditor) will complete their terms on June 30, 2019 and committees must be set up for their replacement. The replacement committee for an Editor of *Econometrica* is chaired by the President for the year when the Editor's term expires and consists as well of two or more additional members appointed by the President. The current Editor is expected to be consulted by the committee.
23. The Executive Committee **APPROVED** a search committee to succeed Sobel. Morris will chair it. Suggestions of candidates will be solicited from the membership by email.
24. It was **AGREED** that Sobel will create a single search committee to replace Violante and Zilibotti and ask the Executive Committee to approve its composition. It was **AGREED** that Sobel will present a report and final list of replacements at the Executive Committee in August.
25. The Executive Committee discussed the timing of the current *Econometrica* search committees. Sobel reported in the past the Editor replacement was determined before the Coeditors', so as to receive input from the incoming Editor. Fudenberg was concerned that if the Coeditor replacements were on hold until after an Editor was picked in August, Coeditors wouldn't be in place until later in the fall. The Executive Committee **AGREED** that the *Econometrica* Editor search committee should attempt to have a list of names by June. A teleconference call will then be scheduled to vote on a recommendation before the August EC meeting. This allows flexibility and may improve timing for the Coeditor nominations.

### *Editorial Software*

26. Salanié updated the Executive Committee on the current status of the editorial software. The three journals published by the Society currently use different editorial software: Editorial Express for *Econometrica* and *QE*, and a version of Open Journals Software (OJS) customized by

its former Editor Martin Osborne for *TE*---call it *TE-OJS*. The Editors determined, and the Executive Committee agreed, that the Society needed a more uniform solution. For the past two years, the staff and editors of the Society journals have been engaged in the search for an editorial software that could (ideally) support our three journals, in the end, the Society contracted with the Public Knowledge Project (PKP) to develop two customizations on OJS 3.1: PDF anonymization and conflict blocking. The customizations were selected from a longer list of customizations Martin Osborne had developed for *TE-OJS* in order to determine whether to proceed with transitioning the editorial software to OJS 3.1.

27. At the August 2017 EC meeting, Salanié and Sashi met with the three journal editors. It was decided that the transition would begin with *QE*, as it had a smaller database and the lower number of submissions would minimize the impact of any bugs in the workflow. A timeline for the actual transition would be determined once the full set of planned customizations was tested on a working demo of OJS 3.1. In October 2017, the final release of OJS 3.1. was installed and the *TE* data set was transferred to the Society's demo site in order to test the customizations and configure the interface to mimic the *TE-OJS* workflow as closely as possible. Two demos were conducted for Sashi and Bellando-Zaniboni, with a third one planned to test the two customizations. It was intended to have the demo site fully tested and configured for the journal editors' review in time for the January 2018 EC meeting to decide whether or not to proceed.
28. After repeated attempts to schedule the third demo, we received no contact from PKP until December 14, at which point they reported delays with staff turnover and promised a follow up by the next day. Despite several more attempts to contact PKP, no reply was received before the Executive Committee meeting. Since progress on OJS 3.1 has been halted, the Society has renewed its agreement with Editorial Express for 2018 for *Econometrica* and *QE*; and *TE* continues to utilize *TE-OJS*. Salanié has asked PKP to evaluate their ability to recommit to this project. The Executive Committee asked Salanié if there were any other options at this stage other than PKP. Salanié reported that there may be an option to use a programmer suggested by Martin Osborne. It was **AGREED** that Salanié would approach the programmer suggested by Martin Osborne and explore other available options. It was also **AGREED** to end our relationship with PKP given their lack of responsiveness.
29. Since the Executive Committee meeting PKP has responded with an offer of the demo and evaluation of their product. The Executive Committee has **AGREED** that Salanié and Bellando-Zaniboni to view the demo and report back if this demo changes their recommendation of continuing with PKP.

## Regional Business

### *Update on Econometric Society Schools*

30. Fudenberg reported on the current status of the Econometric Society Schools. The Executive Committee approved two new schools, both in Asia. The Summer School in Econometrics and Statistics will take place in China, alternatively in Xiamen and in Dongbei; Yongmiao Hong (Cornell and Xiamen) is the main organizer. The Delhi Winter School will take place at the Delhi School of Economics; it will be organized by Sudhir Shah. As the Society may consider additional proposals in coming years, a set of guidelines was presented to the Executive Committee for a vote. The proposed guidelines are:

1. To use the name of the Econometric Society, a school needs the approval of the Executive Committee. When granted, this approval will be for a period of not more than three years. It may be renewed following submission of a report on past summer schools and a fresh application.
2. The Executive Committee will appoint a committee to review all applications, consult with the Regional Standing Committee in the region where the school is to be held, and decide whether to recommend approval to the Executive Committee.
3. These schools or conferences should be accessible to members from all of our regions and should make *an* effort to encourage participation from all regions. For that reason, all instruction and presentations should be in English.
4. The proposal should specify the expected level of the student participants, and the mechanism for recruiting and selecting them.
5. The organizers of these events will be expected to coordinate with the relevant Regional Standing Committee to avoid schedule conflicts, and to send brief annual reports both to that Regional Standing Committee and to the Executive Committee.
6. The Executive Committee will not provide funding; but the regions may choose to use some of their resources to e.g. subsidize travel costs for students and younger faculty.

Fudenberg reported that since Asia will now have three schools, the Chair of the Asia RSC was consulted on these guidelines. The Chair expressed concern about item 6. The Executive Committee **AGREED** that it is best to leave the question of funding to the RSC in each region. Besley suggested inviting a member of the Asia RSC to an upcoming Executive Committee meeting to evaluate how the meetings are run.

McLennan asked if it would be possible to require participants in the Schools to be members of the Society. Repullo reported that membership is required to attend the European Winter Meeting. Newey suggested that the schools gauge participation first and then move to a requirement of membership if at all feasible.

The Executive Committee **APPROVED** the School Guidelines. The Executive Committee **APPROVED** to advertise for the Schools on the website but **AGREED** not to add the guidelines for the schools to the Rules and Procedures.

## Committees

### *Women in the Econometric Society*

31. Petra Todd was asked by the Executive Committee to explore the possibilities of using records on submissions to *Econometrica* to examine whether there is any evidence of gender discrimination in the paper handling process. Salanié presented her report. Todd obtained a database containing 17,249 records on the submissions to *Econometrica* from 1995 to 2017. The database did not include much information on the submitters, so Todd hired a research assistant to gather further information.
32. As this was a trial data collection, they gathered information only on 302 individuals, starting with records from 2017 and 2016 (going backwards in time). It was a very time-consuming process; the submitters came from all over the world and sometimes did not have curriculum vitae posted on the Internet. In this subset of data, almost all submissions ended in summary rejection by the editor without referees, or a rejection after one round of the referee process. In fact, only one of the papers was returned for revision. Thus, the key outcome analyzed was whether the submitter of the paper receives a summary reject or whether the paper was sent out for refereeing.

Simple models show no evidence that gender is a statistically significant determinant of the probability that a submitter's paper got sent for refereeing, or of the number of days the paper is in process before being rejected, conditional on the other covariates included in the model. Todd concluded at this point, there is no evidence of gender bias in the handling of papers. She recommended further analysis on a larger sample.

33. The Executive Committee discussed the broader question of allowing access to editorial data without compromising confidentiality. Sobel suggested asking editorial software developers if in the future some of this information could simply be collected at time of submission for future analysis. Besley thought that it may be necessary to contract with authors, disclosing the possibility of the release of submission data for analysis and asking submitters to agree.
34. Besley recommended posting a Request for Proposal on the ES website for authors interested in further analyzing data and proposed access to our data. The Executive Committee **AGREED** that a committee be formed to determine the next steps with this project. The committee will consist of: Orazio Attanasio (chair), Penny Koujianou-Goldberg and Joel Sobel. Attanasio will reach out to Todd and discuss her experience to date with the project. It was **APPROVED** that the committee would draft a Request for Proposal from researchers interested in contracting with the Society for further studies using *Econometrica* data, and potential publication on the topic. It was **AGREED** that the deadline for proposal submissions be June and the committee would present proposals and report to the Executive Committee at the August meeting.



### *Membership Pricing*

In August 2017, the Executive Committee established a Pricing Committee consisting of Drew Fudenberg (Chair), Penelopi Koujianou-Goldberg, Andrew McLennan, Whitney Newey, and Bernard Salanié. It was felt necessary to evaluate membership pricing to raise more revenue in a way that does not discourage demand. A proposal to increase fees to Fellows was first explored. Fellows tend to have higher salaries; the willingness to receive the honor indicates a deeper commitment to the Society; and they are involved in the Society's governance, signaling interest in its welfare. However, there was resistance in the Council and Executive Committee to targeting only the Fellows. The discussion then turned to tiered pricing. Salanié presented a memo on a proposed tiered pricing scheme for individual members.

The summary of decisions is as follows:

Proposition 1: was **APPROVED** by the Executive Committee. Membership fees will be listed in all regions as dollars starting 2019.

Proposition 2: it was **APPROVED** by the Executive Committee to have four tiers (low-income, low-middle income, middle income, and high-income) using World Bank Classifications for income.

Proposition 3: it was **AGREED** by the Executive Committee to have three proposed income brackets for high income.

Proposition 4: it was **AGREED** to have three tiers in high-income for online only membership fees.

It was **AGREED** that Sentana will provide detailed recommendations for pricing in conjunction with the Treasurer's Report at the August EC meeting with a view to agreeing on prices at that meeting. These recommendations will be backed with estimates of the revenue implications of different prices.

### **Miscellaneous**

#### *Guidelines for the Society Email List*

35. Salanié opened discussion by introducing a proposed guideline for the use of the Society's members' email list. The following guidelines were **APPROVED**:

1. There is a presumption that we should use the e-mail channel sparingly. Otherwise, there is a risk of overload and of the content being ignored.
2. Exceptionally, we will allow Fellows or members to use the e-mail channel to advertise events provided that

- i. the event is research-related and not linked to any commercial end
- ii. it takes place during or in conjunction with an existing Econometric Society event. Such requests should normally be cleared with the Executive Vice-President. However, the President(s) and/or the Executive Committee should be consulted if there is any risk of controversy. The wording of the e-mail should make clear that the activity is not explicitly endorsed by the Econometric Society.

*Presidential Address at Regional Meetings*

36. The Executive Committee discussed the possibility of changing the language concerning the President Address in the Rules and Procedure (2.1, #6) from the current: "Present a Presidential Address at the European, the North American, and one or more of the other regional meetings during the year, and coordinate the representation of the Past President or one of the Vice-Presidents at the meetings that he/she is not attending." To: "Present a Presidential Address at a minimum of three regional meetings during the year, and coordinate the representation of the Past President or one of the Vice-Presidents at the meetings that he/she is not attending." It was **AGREED** to put this to a Council vote at the next major revision of the Rules and Procedures.

*Randomization of Author Ordering*

37. Sobel was approached by Debraj Ray and Arthur Robson with a "certified random ordering proposal" that is currently examined by the AEA. This scheme would introduce a uniform randomization of the name ordering; when adopted, it would be advertised by a symbol ® between the names of the authors instead of an "and". Raj and Robson have a forthcoming paper at the AER on the topic. The Executive Committee **AGREED** to ask the Society's three journal Editors to consider this proposal. They will report their views at the August meeting and a decision will be taken.

Respectfully submitted,

Bernard Salanié, Secretary