

**The Econometric Society Executive Committee Meeting**  
**January 3, 2019**  
**Atlanta, GA**  
**Public Minutes**

Present:	Stephen Morris	President
	Orazio Attanasio	First Vice-President
	Pinelopi Koujianou Goldberg	Second Vice-President
	Tim Besley	Past President
	Enrique Sentana	Executive Vice President
	Daron Acemoglu	At-Large Member
	Dilip Mookherjee (Via Zoom)	At-Large Member
	Whitney Newey	At-Large Member
	Rafael Repullo	At-Large Member
	Joel Sobel	Editor, <i>Econometrica</i>
	Chris Taber	Editor, <i>Quantitative Economics</i>
	Ran Spiegler (Via Zoom)	Editor, <i>Theoretical Economics</i>
	Lyn Hogan	General Manager
Guest:	Guido Imbens (Via Zoom)	Incoming Editor, <i>Econometrica</i>

President Stephen Morris welcomed the Executive Committee (EC), including new At-Large members Daron Acemoglu and Dilip Mookherjee (who joined the meeting via Zoom). Morris also noted that TE editor Ran Spiegler and incoming *Econometrica* editor, Guido Imbens, would join the meeting at 1:00 pm via Zoom for the editorial portion.

### **General Society Business**

#### Matters arising

The issue of whether or not to draft an organizational “Code of Conduct” for the Society was raised. Morris suggested drafting boilerplate language addressing officers only. Repullo suggested looking at the American Economic Association (AEA) and other scientific organizations’ policies and language. Sentana also mentioned that Article V, section 6 of the Econometric Society By-Laws states that “Any Officer of the Society may be removed from office at any time by a two-thirds majority of the Council members then in office”. However, no such procedure is contemplated in the Rules and Procedures.

**ACTION ITEM:** Morris and Sentana would prepare boilerplate language for a “Code of Conduct” applying to officers only and share it with the EC before its next scheduled meeting. They would also propose a new rule that would allow the implementation of Article V, section 6 of the By-Laws.

### Council meeting update:

Morris and Besley provided a brief overview of the Council call that took place on November 26, 2018. Overall, the call was successful. Topics included the new staff situation and move to Cowles, Society finances, the new tiered-pricing agreement for members in high-income countries, the Institutional Pricing Increase for 2019, the multiple changes in the Rules & Procedures, as well as the results of the elections.

Morris noted that he is in favor of Sentana's suggestion to move the Council call to April and follow it or precede it with a brief Executive Committee meeting. Sentana suggested the week of April 22-26, 2019, which is approximately half way between the Winter and Summer meetings of the EC.

**ACTION ITEM:** Move the annual Council call to April and follow or precede it with an Executive Committee meeting. Schedule the next call as soon as possible during the week of April 22-26, 2019.

### Governing rules review, update

Besley re-introduced the issue of reviewing and possibly updating the governing rules, an issue raised at the summer 2018 EC meeting in Cologne. Besley suggested asking George Mailath, an original member of the Governance Committee, to review the governing rules. Repullo asked whether Mailath should review all the election rules or just the changes the 2012 Governance Committee chaired by Oliver Hart brought in. Both Besley and Morris agreed it would make sense to address the election issues in a limited scope rather than asking George Mailath to undertake a full review of the rules but no firm decision was taken.

### Review and approval of new Society logo:

The new draft logo designed by Repullo was presented for approval. It was approved but with a suggestion to have a graphic designer professionally clean it up.

**ACTION ITEM:** Hogan will hire a graphic designer to clean up the logo design and will distribute the final version to the EC by email for review.

### **Elections**

Morris raised the issue of whether the whole electoral cycle could happen sooner and if all elections could happen at the same time. Sentana responded that the voters are different for the various elections and that Council elections need to come before the At-Large Elections.

**ACTION ITEM:** Morris and Sentana will draft an amendment to the R&P to be brought first to the EC and then to the Council for the April meeting with a revised timetable for the whole electoral cycle, with the aim of applying it from 2020 onwards.

### Council elections:

Sentana reported on the Council elections, thanking the nominating committee consisting of Drew Fudenberg (Chair), Tim Besley, Eduardo Engel, Fumio Hayashi, Stephen Morris, Rafael Repullo and Harald Uhlig. He noted that there was just one open seat in Australasia due to Andrew McLennan's term ending. Of the 430 active fellows who could vote, 362 did so (84%). Michael Keane was elected to serve a full term.

Sentana also reported that the application of the Rules & Procedure 3.1 to the membership data as of June 30<sup>th</sup>, 2018 implies the following regional composition of the 22 Council seats not taken by the officers in 2020: Asia 5, Australasia 1, Europe and Other Areas 7, Latin America 1 and North America 8. Therefore, Latin America loses a seat, which goes to Asia. The outcome of this assignment coincides with the assignment that was calculated based on the membership data as of June 30, 2017. However, given that one of the Latin American Council members finishes his term in 2019, the adjustment can take place immediately, unlike what happened last year. Unfortunately, Africa remains unrepresented because it does not reach the required 3% membership threshold yet.

### Fellows elections:

Sentana reported on the Fellows elections, thanking the nominating committee of Pinelopi Koujianou Goldberg (Chair), Daron Acemoglu, Elie Tamer, Ignacio Lobato, Dilip Mookherjee, Per Krusell and Martin Cripps. Sentana provided the following statistics regarding the election: The participation was exactly the same as for the Council elections. Specifically, the ballot was sent to 430 active fellows. 362 eventually voted, which represents 84% of the electoral college. Therefore, any candidate who obtained at least 107 votes was elected, while those with at least 73 votes will become rollover candidates in the next three elections. There were 104 candidates nominated, 26 by the 2018 Fellows Nominating Committee (FNC). Those nominated by the FNC represented all regions of the Society and included 5 women. Six women overall were nominated and 4 were elected. Of the 22 fellows elected, 13 were nominated by the FNC, 9 of whom had never been nominated before. Following are the election results by region: Africa (2); Asia (2); Australasia (1); Europe and Other Areas (6); Latin America (none); North America (11).

Discussion ensued about the nominating process. Goldberg said that there needs to be an effort to nominate Latin American candidates, but not only from the Latin American RSC. Besley noted that he is frustrated by how few fellows get elected from some regions and said the new Fellows need to reflect the changes in the profession overall. He also noted how happy he was with the African region having two fellows elected for the first time.

Morris asked whether a non-council member could sit on the FNC. Right now, the answer is no but Morris thinks it is a good idea and the R&P should be updated accordingly.

**ACTION ITEM:** Sentana will draft an amendment to the R&P to be brought first to the EC and then to the Council for the April meeting stating that some fellows not currently in the Council

may be appointed to the Fellows Nominating Committee with the goal of bringing a less senior and more diverse set of candidates to the committees' attention.

### Fellows Nominating Process Committee

Morris introduced discussion on the work of the committee appointed in Cologne to improve the workings of the Fellows nominating process. The committee consisted of then First Vice-President Stephen Morris and At-Large Council members Pinelopi Koujianou Goldberg and Whitney Newey, who had served as chairs of the FNC in the previous two years. Morris reported several proposals resulting from the work of the committee to strengthen the nominating process, which were included in writing in the EC binder. Those proposals were:

- 1) The FNC should consult the RSC for suggestions of nominees from their respective regions. **The EC agreed to this proposal.**
- 2) There was a related discussion on regional affiliation. Morris suggested that the FNC should consult with the RSC affected in case of potential multiple affiliations, although the committee did not want the RSC recommendations to be binding.
- 3) Morris suggested that though the norm has been to nominate 25 to 30 names, his committee suggested nominating more. The EC discussed this proposal.

Morris noted that the committee included precise instructions to add gender to the description of what the FNC should aim for and gender should be added to the R&P regarding the nominating process..

**ACTION ITEM:** Add gender in the R&P description of the FNC nominating process that addresses special considerations when choosing nominees. Also note that the FNC should consult with the RSC affected in case of potential multiple affiliations, although the RSC recommendations will not be binding.

Besley said that the Society should ask RSCs to put together a list of people who have provided substantive service to the Society and make sure service is represented as an important criterion for being elected. He also suggested adding instructions to the FNC to consider service to the Society, specifically co-editors of the Society journals, officers in the RSCs and scientific program organizers of the regional meetings and the World Congress. The EC agreed.

**ACTION ITEM:** It was agreed that Sentana will add all the following to the instructions that go to the FNC chair and that the chair will decide how to implement these decisions. The added points to be included in the instructions are to ask RSCs to put together a list of people who have provided substantive service to the Society and make sure service is represented as an important criterion for being elected. Service specifically refers to co-editors of the Society journals, officers in the RSCs and scientific program organizers of the regional meetings and the World Congress.

### At-Large Elections:

Sentana reported the results of the At-Large elections. Two vacancies appeared. The first one opened due to Penny Koujianou Goldberg's election as Second Vice-President. Daron Acemoglu was elected At-Large to complete Goldberg's term, which would have finished at the end of 2020. Given that Acemoglu's original term on the Council was supposed to finish at the end of 2019, he will not be eligible for renewal. Therefore, his term as At-Large member will cover 2019 and 2020. The second vacancy corresponded to Andrew McLennan's 4-year term finishing. Given that the other three 2019 At-Large members (Acemoglu, Newey and Repullo) only covered two regions of the Society, the fourth member had to come from a third region. Dilip Mookherjee was elected for a standard 4-year term with effect January 1<sup>st</sup>, 2019. As in the case of Acemoglu, his term as an At-Large member means his term on the Council will be correspondingly extended.

Sentana also noted that at the end of 2019 two At-Large members (Newey and Repullo) will finish their terms – Repullo a 4-year term and Newey a 3-year term (Newey finished Morris's term) – and will not be eligible for re-election. According to the Rules and Procedures, however, there should not be two regular vacancies at once. Sentana suggested shortening the term of one of the At-Large members elected in 2019 for 2 years leaving the other for 4 years to get back to fully staggered terms. Morris liked the idea and Repullo said that would bring the Council elections back to the original intent of the Society. Repullo also suggested that the person who receives the two-year term should be eligible for re-election.

**ACTION ITEM:** Inform the Council that the At-Large elections that will take place later in 2019 will correct a previous mistake that left the Council member terms improperly staggered. The solution will be to elect one At-Large member for 2 years and the other for 4 years to get back to staggered terms. Additionally, the person who receives the two-year term should be eligible for re-election. It was also agreed that this would not be a change to the R&P, which will continue to apply going forward.

### RSC elections:

Sentana reported the results of the RSC elections, noting that participation was low, which is likely due to the prevalence of one-year memberships and rapid turnover of members. Following are the results by region: North America - Serena Ng elected; Europe and Other Areas - Gabrielle Demange elected; Latin America - Tomas Rau and Aloisio Araujo elected; Asia - Jessica Pan and Been-Lon Chen elected; Australasia - Rodney Strachan and Peter Bossaerts elected; Africa Yaw Nyarko elected.

### Appointment of RSC Chairs

According to the revised R&P, the President is required to appoint the RSC chairs for the year, although they can be renewed as long as they satisfy the requirements. Morris appointed the following chairs:

- Africa - Habiba Djebbari continues as Chair.

- Asia - Atsushi Kajii continues as Chair until the end of 2019, when his term in the Council finishes.
- Australasia - Michael Keane, newly elected, single Council member for the region, is the new Chair.
- Europe – First Vice-President Orazio Attanasio is the new chair in 2019. It was also noted that even though he is moving to the U.S. during the summer of 2019, he will remain the European Chair through 2020.
- Latin America - Eduardo Engel remains Chair until the end of 2019, when his term in the Council finishes.
- North America - Stephen Morris remains Chair for 2019 but in 2020 Pinelopi Koujianou Goldberg will take over as NA Chair in her role as then First Vice-President.

**ACTION ITEM:** Morris appointed the above members as chairs of their respective regions for the year 2019.

#### Approval of 2019 Committees (FNC and Council and Officers)

Morris asked the EC for recommendations for both the FNC and the Nominating Committee for Officers and Council. Sentana noted that each committee must have 7 members and the members must be on the Council. In addition, only two members of the 2018 FNC can be renewed. After listening to the suggestions, Morris subsequently invited and confirmed the following Council members:

- FNC Committee: Liran Einav (Chair), Fumio Hayashi, Elie Tamer, Per Krusell, Juuso Valimaki, Ariel Pakes and Harald Uhlig.
- Council and Officers Committee: Tim Besley (Chair), Daron Acemoglu, Orazio Attanasio, Atsushi Kajii, Michael Keane, Stephen Morris, and Jorgen Weibull

**ACTION ITEM:** Morris to appoint committee members to both the FNC and the Nominating Committee for Officers and Council.

#### **Lectures**

##### Report on Marschak lecture

Sentana provided a report on the Marschak lecture following an investigation into its background and history. He noted that funding for the Marschak lecture has a \$4,000 cap per year, including registration fees, accommodation and travel. He also noted that in 2006, the Executive Committee agreed to support with up to \$4,000 per region per year a lecture at those regional meetings outside Europe and North America with no Marschak lecture. Therefore, the central office has effectively committed \$12,000 per year to the financing of another three Marschak-like lectures, in addition to the original Marschak lecture itself. Depending on the financial evolution of the ES, Sentana suggested that the EC might have to reconsider this decision in the future.

Sentana then noted that although there is no cap on travel expenses, he encouraged presidents to plan travel well in advance to secure less expensive flights rather than to wait until the last minute, which often results in a considerable premium.

Sentana also brought up the Marschak fund, noting that it is the only restricted fund the Society currently oversees. He confirmed that the lecture expenses have not been paid out of this fund for several years but out of the general fund instead. Sentana suggested spending the Marschak fund down on the lectures. The EC Agreed.

**ACTION ITEM:** The EC agreed to allow the EVP to progressively spend down the restricted Marschak Fund by funding the Marschak lecture.

Finally, Sentana noted that the selection of the Marschak lecture and the other three Marschak-like lectures is not included in the R&P, but that in the annual letter to the Regions, the President should suggest that regions consult with the central office about choice of speakers to ensure coordination and no overlap across the eligible regions. The EC agreed to update the Rules and Procedures accordingly.

**ACTION ITEM:** Change the R&P to reflect that “The lecturer is appointed one year in advance by the Program Chair(s) of the meeting after consulting with the Executive Vice-President of the Society”.

Sentana noted that the current Marschak lecture schedule conflicts with the lecture series. For instance, the Hotelling lecture overlaps with the Marschak lecture in Australasia in 2021. He also mentioned that in 2018, Latin America was to host a Marschak lecture but did not due to communications errors. To address these issues, Sentana proposed to shift forward by one year the schedule of the Marschak lecture approved by the EC in 2015. Specifically, Sentana recommended hosting the Marschak lecture in 2019 in Latin America where the 2018 lecture was meant to take place, postponing the lecture in Africa to 2021, Australasia in 2022, Asia 2023 and Latin America 2024. The EC agreed to Sentana’s proposals.

**ACTION ITEM:** Have the Marschak lecture in 2019 in Latin America, followed by Africa in 2021, Australasia in 2022, Asia 2023 and Latin America again in 2024. In principle, the same schedule will continue in subsequent periods between World Congresses.

### Cowles Lecture

Sentana initiated a brief discussion regarding the Cowles lecture funding payment stream. Currently Cowles lecture funding flows directly from the Cowles Foundation to the institution hosting the lecture. Sentana proposed to the EC that the Cowles funds should flow directly to the central Society office, then be given to the North American Region to spend as they see fit in non-World congress years, while it would be spent on World Congress related issues every five years. The EC agreed.

**ACTION ITEM:** The Cowles Lecture funds should flow directly to the central Society office and then be given to North America to spend as they see fit in non-World Congress years, while it would be spent on World Congress related issues every five years.

Besley briefly reported that the Toulouse School of Economics (TSE) has agreed to continue funding the Laffont lecture at the European Summer Meetings until 2024. He had approached them to fund a lecture at the World Congress in the same vein as the Cowles Foundation but it was decided that the Laffont lecture will remain a regional event.

## **Financial Business**

### Investments/Investment Committee Update

Sentana provided a brief report on the Society's investments and Investment Committee. He noted that due to paperwork and a more difficult process than anticipated, the transfer of funds took much longer than expected, most especially due to the inability of Vanguard to accept and hold foreign currencies (Euros and Australian dollars). Separate brokerage accounts for the central office and those two regions were required to purchase suitable Exchange Traded Funds (ETF), the closest option to holding hard currency. Sentana noted the final transfer would occur at the beginning of the new year.

Sentana also described the uncovering of Australian dollars in a Pay Pal account that appeared to come from an earlier Australasian meeting. Given that a proper accounting for those funds could not be found, the Australasian RSC and the Executive Vice-President agreed to evenly split the amount between the Society's main fund and the Australasia fund.

Sentana noted that currently the Society has too much cash in its bank accounts and will need to shift part of it to Vanguard investments. He said he had not arranged a meeting of the Investment Committee since they agreed to the selection of the Vanguard funds because he was waiting for the final funds transfer. Sentana noted that the Investment Committee consists of the Executive Vice-President and two Fellows appointed by the Executive Committee for a term of three years that can be renewed once. In January 2017, Yacine Aït Sahalia joined the Investment Committee, replacing Darell Duffie and in January 2018, Franklin Allen replaced José Scheinkman.

Sentana explained that the benchmark asset allocation consists 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, but it can deviate from it if deemed appropriate.

### Report of the Audit Committee

Morris gave a verbal report of the Audit Committee, which in 2019 consists of Orazio Attanasio (First Vice-President, Chair), Penny Koujianou Goldberg (Second Vice-President), Rob Porter (a Past President) through 2020, and Dilip Mookherjee, who will serve a 3-year term starting 2019. Exceptionally, Stephen Morris (current President) will remain a member for one year only in order to provide continuity, which in the future will be provided by the Second Vice-President.

Morris also noted that this past year's audit process went very well and was conducted in a very timely manner. All involved with the process were happy, and the aim should be to replicate the process in 2019.

Morris said that in 2018 the Audit Committee conducted two main calls: the first to discuss the audit process and the second to discuss the audit report. Morris said the Audit Committee did not adopt specific "terms of audit" but rather created a set of duties of the Committee going forward. A brief additional call took place at the beginning of the year to discuss a new audit timeline. Nevertheless, in 2019 the Audit Committee members will not join the timeline call, which will be similar to the 2018 one.

### ES budget: Assumptions Narrative and 2019 Projected Budget

Sentana opened saying that the Society is operating at zero budget but said this is good news because it is not losing money. Sentana presented a list of budget assumptions for 2019, highlighting the following revenue and expenditure assumptions:

#### **Revenue Assumptions**

- Approximately \$85,000 additional revenue based on the terms of the new Wiley Publishing contract.
- A forecast of 6.1% in additional membership fee revenues through a combination of the new tiered pricing initiative, an overall increase in 2019 membership prices and increased membership renewals.
- Projected increased meeting revenues due to the Society's policy of collecting 10% of any meeting surplus which in 2018 resulted in a small surplus of \$1,430 from the 2016 Algiers meeting booked in 2018, although no other surplus meeting funds have been realized to date. A conservative \$1,500 was included in the projected budget for the 10% surplus. All other regional income is treated as a pass through.
- Other publishing income is expected to increase by \$1,500 overall. Revenues from JStor (\$40,000) and Wiley permissions (\$8,000) are expected to remain relatively flat, however, a re-negotiated contract with Cambridge University Press (if approved by the Executive Committee) will likely post moderate gains estimated at \$1,500. Other Society revenue streams are expected to remain relatively steady including fees collected from the Econ Job market (\$8,500) and mailing list rentals (\$1,500) with no change forecast from 2018 levels.
- Interest income is projected to increase by \$34,000 in 2019 based on the 3-month Treasury Bill rate of 2.3% and current cash and investment balances. Cash and investments as of Dec. 11, 2018 total \$3,716,226 compared to financial assets of \$3,286,171 one year ago and \$2,571,277 two years ago.
- Sentana reported investment assets as of Dec. 11, 2018 totaled \$2,870,025 compared to \$2,908,695 in Dec. 2017 and \$2,388,555 in Dec. 2016, noting a small drop in current investment assets. Given the volatile nature of these investment vehicles and the market overall, no increase or decrease in investment assets for 2019 was projected.
- Sentana projected fundraising revenues would remain flat, noting that in 2017, a fundraising campaign initiated by EC members resulted in \$120,024 in donations

compared to 2018 unsolicited donations of \$500. Without an active effort to solicit donations, the Society cannot expect to repeat the previous level of donations so anticipates donations for 2019.

### **Expense Assumptions**

Sentana discussed both publishing and administrative expenses.

- Sentana noted that editorial honoraria will increase by 3% across the board.
- Additionally, the cost of one monograph editor will be added. due to a previous co-editor a co-editor ending a recurrent salary donation when the existing term ended June 31
- An eighth co-editor of *Econometrica* will be added in 2019 beginning July 1.
- The cost of increasing QE and TE from 3 to 4 is estimated to be approximately \$8,000 per journal but Wiley has agreed to cover the cost for one title only leaving a net increase of \$8,000... Mattson Publishing costs will not increase with the additional number of issues because the total number of pages per year will remain the same but will simply be spread out over additional issues.
- Regarding staff salaries and benefits, full-time staff saw no increase in salary and benefits but the General Manager's *full salary* is included for 2019 versus 9.5 paid months in 2018 due to a March 12, 2018 start date.
- Sentana reported that Other Administrative Expenses (OAE) will increase in 2019. .
- Sentana noted that all regions but North America and Europe are eligible for the Young Economist and lecture grants. These activities will be fully funded in the projected budget at \$40,000 for Young Economist Activities and \$16,000 for fully funding 4 named lectures, a substantial increase over previous years.
- Sentana reported that there will be no net change in Regional Meeting expenses in 2019 because those generated as part of regional meetings should be considered a pass through. Net expenses incurred as a result of the North American meetings have previously been charged to the Society but as North America becomes self-sufficient, these costs should become a pass through to the North American region, with any deficits directly charged to the North American regional fund.
- Regarding the World Congress, expenses will remain stable as the Society continues to budget \$20,000 a year to be amortized against the next World Congress. This is not a World Congress year so no other exceptional expenses are anticipated.
- Sentana reported that anticipated programming updates on the membership database and web site to increase efficiency and accuracy are expected to result in a modest expense increase.

After Sentana finished presenting the assumptions, Repullo noted that the projections assumed 0% returns on investments and suggested that they should at least assume the base interest rate. Hogan noted that a revised projection will adjust that assumption.

Several other clarifying questions were raised. Hogan noted that the publishing figures in the budget are not complete because they do not contain deferred publishing revenues which the accountant does not calculate until February or March of each year. Sentana and Hogan said they will circulate a revised version of the 2019 projected budget that will incorporate those additional figures and address all the other clarifying questions.

Sentana summarized the budget, saying that the Society will not see a big jump in revenues this year. Hogan noted that without a concerted effort to increase membership and fundraising focused on personal solicitations, the Society is unlikely to find other revenue sources or increase existing resources in 2019.

Acemoglu asked if the Society could reactivate the fundraising push and said that other organizations have aggressive fundraising campaigns. The question arose as to why the Society needs money. Besley noted that the biggest reason is Open Access and the uncertainty that comes with it. Hogan asked to clarify whether the Society should conduct an annual appeal in January or February. Besley noted that he is keen to raise money for the Africa appeal in order to provide free 3-year memberships, which he thinks might cost between \$5,000 and \$10,000 a year. He said that Africa also needs more travel funds for its students. Morris said that the Society could do an annual appeal this year but that it needs to come up with a menu of fundraising options that might include multiple choices for donors. Morris said the EC should revisit this issue in Manchester and review the success of any campaign run this winter.

Besley noted that an additional way to raise funds is to encourage a shift from one-year memberships to three-year memberships, especially capturing those who buy a one-year to submit a paper but then do not re-register again. Besley also noted that regions need to take it upon themselves to fundraise.

**ACTION ITEM:** Conduct an annual appeal this year but come up with a menu of fundraising options that might include multiple choices for donors. Revisit this issue in Manchester and review the success of any campaign run this winter.

#### Cambridge University Press Publishing contract/proposal

Sentana reported on the successful renegotiation of the Monograph Series contract with Cambridge University Publishing (CUP), thanking Hogan for her haggling skills. The existing contract expires Dec. 31, 2019 but CUP preferred to initiate the renegotiation in time for the Executive Committee to approve the terms at the Atlanta meeting. The EC approved the new contract terms.

**ACTION ITEM:** Sentana will notify CUP that the EC has approved the terms of the new contract and await the final version from CUP's legal department. He will also inform the Monograph Editors of those terms, encouraging them to increase the number of volumes in the series.

#### **World Congress**

##### World Congress Committees

Attanasio reported that he has assembled and confirmed both the World Congress Program Committee and the Main Lectures Committee:

Program Chairs: Victor Chernozhukov (MIT), Johannes Hörner (Yale) and Eliana La Ferrara (Bocconi)

Main Lecture Committee: Victor Chernozhukov (MIT), Johannes Hörner (Yale), Eliana La Ferrara (Bocconi) and Emmanuel Farhi (Harvard)

Sentana mentioned that the Local Organizing Committee consists of Massimiliano Marcellino (Chair), Jerome Adda, Maristella Botticini and Marco Ottaviani, who are being advised by the EEA-ESEM Congress Coordinator, Gemma Prunner-Thomas.

#### World Congress Main Lectures

Attanasio noted that the five lectures presented at the World Congress are: the Presidential Address; the Fisher-Schultz Lecture; the Walras-Bowley Lecture; the Frisch Memorial Lecturer, and the Cowles Lecture.

Attanasio reported that he had a first conference call with the Main Lectures Committee in which it was discussed that the time frame for inviting lecturers will be between now and the end of June, 2019. They are looking for a balance of speakers across fields and are focused on the following fields: Economic Theory, Econometrics, Applied, and Macro. Attanasio has delegated a committee member to each topic based on the individual's area of expertise with Johannes Hörner on Theory, Eliana La Ferrara on Applied, Victor Chernozhukov on Econometrics and Emmanuel Farhi on Macro.

The committee members will begin to think about possible names, collate them in a page with some comments, and send them to Attanasio who will circulate the suggestions and discuss.

#### Local Organization Report

Sentana reported that at the beginning of December he had travelled to Bocconi to meet with Massimiliano Marcellino and the rest of the local organizing committee to review progress and inspect the venue. Sentana made sure that, per the EC decision in Cologne, local organizers agreed not to charge separately for the main dinner and instead will have an informal dinner on site at no extra charge to participants. He also mentioned that the local organizers had talked to a local private nursery to secure child care during the congress.

Sentana also reported on accommodation. He explained that the university is normally closed during August and dorms are not totally vacated during the summer because students are allowed to leave their possessions in their rooms. As a result, he urged the organizers to secure outside low-cost housing, possibly reserving rooms at cheaper hotels instead.

Regarding fundraising, the Society provides \$100,000 toward the cost of the World Congress, mostly in the form of travel grants. But given that this figure is considerably smaller than in previous World Congresses, the Society and the local organizers will still need to raise additional funds both in Italy and through the RSCs.

Sentana also noted that organizers asked whether to offer the lecturers business class or economy tickets. Sentana suggested setting a maximum of \$4,000 per speaker for travel and accommodation expenses. Morris agreed to this. Sentana also reported that the Local Organizing Committee would like to set an earlier acceptance deadline for paper submissions, acceptance and subsequent registration, so as to allow authors to make long distance travel arrangements well in advance.

Repullo also suggested getting in touch with the regions and coordinating fundraising with them.

**ACTION ITEM:** Set a maximum of \$4,000 per World Congress speaker for travel and accommodation expenses and work with the Regional Standing Committees to coordinate fundraising. Remind the Local Organizing Committee that the \$100,000 provided by the Society must be spent according to the guidelines of the EC. Also, ask the Scientific Program Committee to let the speakers in the parallel invited sessions know that they are expected to use their own research funds to cover their travel and accommodation costs. Finally, the Program Committee should coordinate with the Local Arrangements Committee in setting earlier submission and acceptance deadlines.

## **Regional Business**

### Summer School on Dynamic Structural Econometrics

Newey presented a proposal from John Rust for the Econometric Society to endorse and advertise a summer school under the name “Econometric Society Summer School on Dynamic Structural Econometrics”. The school is intended to rotate internationally. In 2018 the event had been held in Copenhagen and the plan was to organize another one in Chicago in the summer of 2019. The specific topic rotates as well, but always within the broad area of Structural Econometrics and Computational Economics. Newey noted that this is an opportunity for the Society to get involved in this project and that he trusts Rust to do a great job. Newey said that it would be helpful for the school to be associated with the Society. He also mentioned that no funding from the Society had been requested by Rust. Newey raised the question of whether the Society should request that students attending the schools become members. Besley commented that it would be a good way to lock in graduate students and suggested a reduced \$10 online-only student membership fee. He also wondered what the Society gets out of sponsoring schools otherwise. Goldberg noted that the summer schools should be one of the benefits of being a member of the Society. The EC approved the proposal by Rust.

**ACTION ITEM:** Notify John Rust that the school has been approved without funding and add the Econometric Society Summer Schools in Dynamic Structural Econometrics to the list of Society sponsored schools.

### Vietnam symposium proposal

Besley presented a proposal from the Asian Regional Standing Committee Chair Atsushi Kajii asking the Society to lend its name to a series of lectures that would take place in Vietnam in the form of a symposium. Atsushi noted in his proposal that the Asian RSC would organize the

event because it sees a role for the Society to promote international academic activities in Vietnam. In the proposal, Kajii noted that because the very small number of Society members in Vietnam makes it difficult for them to organize a large meeting or even a school in that country.

The EC agreed to allow Kajii to go ahead with the symposium but placed conditions on it, including that it must be open to attendees outside of Vietnam and that the central office of the Society would not be able to offer money or travel grants in support of the symposium.

**ACTION ITEM:** Notify Atsushi Kajii that the Asia RSC may use the Society's name in conjunction with its new Vietnam Symposium provided that they satisfy the following conditions: the symposium must be open to attendees outside of Vietnam and the central office of the Society will not be able to offer money or travel grants in support of the symposium. Once those conditions have been met, add the symposium to the list of Society schools.

#### ES regional schools & workshops criteria and process

Morris started the discussion by saying that once the EC has approved summer schools, it needs to monitor them. Repullo said that at its meeting in Philadelphia the EC had set the rules for assessing schools and now it needs to follow up because the number of schools can only grow.

Morris said that he would like to set up a committee to evaluate each summer school at the 3-year mark. The committee should also review and update the rules as needed.

**ACTION ITEM:** Set up a committee to evaluate the summer schools at the 3-year mark and then review and update the rules accordingly.

The Memorandum of Understanding reached between the Society, the Asia RSC and the organizers of the China meetings allows China to run its own meetings through 2021. Morris said that the issue needs to be revisited in 2020, a year without regional meetings because of the World Congress.

**ACTION ITEM:** Discuss China meetings within the Asian RSC activities during 2020.

#### **Editorial Business**

##### 4th issue QE & TE

Spiegler, Taber and Sentana presented the proposal for adding a 4<sup>th</sup> issue of QE and TE. Sentana noted that the issue was discussed at the 2018 EC summer meeting in Cologne, where it was decided that there would be a fourth issue of each publication in 2019. However, it was not decided whether the increase would be permanent. Sentana noted that the publisher, Wiley, agreed to cover the cost of producing the extra issue of TE and that the net cost of adding the extra issue of QE would be about \$8,000 annually. The additional costs are primarily related to distribution because the total number of pages remains the same— they are just spread out across four issues rather than three. The EC agreed that those fourth issues should be permanent.

**ACTION ITEM:** The 4<sup>th</sup> issues of QE and TE become permanent. Sentana will inform Wiley so that they can plan and advertise accordingly.

Search Committee, Econometrica micro theory co-editor

Sobel described the process for choosing a new co-editor of Econometrica, who will start on July 1<sup>st</sup>, 2019. Sobel noted that the search committee included himself, Simon Board, Eddie Dekel, Guido Imbens, and Matt Jackson. The committee began with a list of roughly 70 names and narrowed it down first to 12 people, and eventually to five.

**ACTION ITEM:** Sobel will offer the co-editor position to the committee's choice.

Permanent increase in the number of Econometrica co-editors

Sobel reminded the Executive Committee that the additional co-editor discussed in the previous point was approved as a temporary addition at the 2018 summer EC meeting in Cologne. However, a decision must be made as to whether this co-editor position would become either permanent, or would simply be regarded as a one-year increase.

The EC discussed first if the permanent co-editor would be needed and second, if eliminating typesetting for online supplements was the appropriate way to pay for a new co-editor position.

The EC agreed that the Society is open to adding a permanent eighth co-editor to Econometrica if a search committee finds a convincing candidate to replace Ulrich Mueller's co-editor position. Following the EC meeting, the final search committee was confirmed consisting of Joseph Altonji, Richard Blundell, David Card, Guido Imbens and Joel Sobel.

**ACTION ITEM:** The EC agreed that the Society is open to adding a permanent eighth co-editor to Econometrica if a search committee finds a convincing candidate to replace Ulrich Mueller's co-editor position. Several potential names to comprise a search committee were discussed. Following the EC meeting, the final search committee was confirmed consisting of Joseph Altonji, Richard Blundell, David Card, Guido Imbens and Joel Sobel.

The discussion then turned to the usefulness and format of supplemental appendices and whether or not the appendices could be reduced or eliminated altogether and if reduced or eliminated, whether this should be used to pay for an additional Econometrica co-editor.

At the conclusion of the conversation Morris suggested putting the typesetting issue on hold.

**ACTION ITEM:** The EC agreed to continue to typeset supplemental appendices for the time being, and asked Sentana to investigate whether they are covered under the existing copyright arrangements.

### Certified Random Ordering Proposal for Publication

Goldberg, having just come from the concurrent Executive Committee meeting of the AEA, reported that it had approved the possibility of using Certified Random Ordering in its publications. The AEA also agreed to create a web site that will conduct the certified randomization. Given that at the summer 2018 Cologne meeting the EC had agreed that the Society should seriously consider the policy the AEA adopts on this issue, Morris said that the EC should authorize the editors at the Society to follow the AEA lead. Nevertheless, Morris said a committee must be set up to propose a practical implementation of the process.

**ACTION ITEM:** The EC was agreeable in principle to following the AEA decision to conduct certified randomization but the editorial boards were asked to address implementation. (They subsequently came back opposed.)

### Appoint Editorial Board Committee(s) for Editors Replacements

Morris, Taber and Spiegler addressed the fact that two co-editors' positions will open up in July 2020 and therefore committees need to be set up now to begin the search for replacements. Peter Arcidiacono at QE and Thomas Mariotti at TE will need to be replaced when their terms end. Several names of potential committee members were discussed and after the EC meeting, the following individuals agreed to join the respective editorial search committees.

**QE:** Taber, Costas Meghir, Petra Todd, and Rob Porter

**TE:** Spiegler, Dirk Bergemann, Andrea Prat, Andrew Postlewaite, and Martin Osborne.

**ACTION ITEM:** Assemble and confirm editorial search committees to replace the QE and TE co-editors whose terms expire in 2020.

### QE/TE Best Paper Awards based on the Frisch Medal model

Besley started by saying that a prior issue is whether the Society continues the best paper QE and TE awards or eliminates them. He argued in favor of keeping them and presented the following proposal: The award, which shall be made to a single paper, will alternate for QE and TE on a yearly basis. It will be awarded to a paper published in each journal in the past two years. The President will appoint a committee of three people in January of the relevant year in consultation with the current editor. At least one member of the committee, who will serve as chair, will be a past co-editor or editor of the corresponding journal, and the remaining members should be Fellows of the Society. The current editor and co-editors can nominate papers for consideration but the committee will not be limited to these nominations in making its choice. The committee reserves the right not to award the prize if it feels that there is no paper of sufficient standing to merit recognition. The award will be presented at a meeting of the Society in the most appropriate region given the location of the winners.

The EC approved the new process for the awards and asked that the President to appoint the members of the award committee(s). A transitional arrangement for the first two years is as follows: The QE prize will cover 2018 only and be awarded in 2019, while the TE prize next year will cover 2018 and 2019 and be awarded in 2020. From then onwards, the two journals will alternate covering the preceding two years.

Post meeting, the following schedule was set to award and present the best paper.

Committee to be set by President by January 15<sup>th</sup> (after EC winter meeting)

Committee to pick award winner by April 30<sup>th</sup>

May 1<sup>st</sup> EVP office and President alerted of winner

Editor of Journal contacts winner (EVP, President, Editorial Office cc'd): May 1<sup>st</sup>

EVP office to coordinate presentation, announcement and award

**ACTION ITEM:** The new process for awarding the QE and TE Best Paper awards has been established and approved. The Society President must appoint a committee or committee(s) to oversee the award process. The editors of QE and TE will coordinate a transitional arrangement for the first two years so that no published paper is recent years is excluded.

#### Cambridge Elements Series and Econometric Society Lecture Series

Sentana presented a CUP proposal for publishing the lecture series, saying that CUP is interested in publishing the Hotelling, Griliches and Sargan lecture series in digital format under the name "Econometric Society Lecture Series". The idea would be to quickly publish the lectures online on Cambridge Core (part of the CUP online platform), making them available to both libraries and print-on-demand for individual readers. The Society would receive a 10% royalty. The lecturer would be required to provide a final version of the lecture either at the time the lecture is delivered or at most two weeks later, and the lecture would be published online within 12 weeks.

Sentana mentioned in passing that when they were created, the lecture series were meant to be delivered in three 2-hour slots while in recent years, they have consisted of two 1.5 hour sessions. Morris said that the Society should first make sure that the original format is enforced, and then determine if it wants to publish them.

**ACTION ITEM:** To inform the organizers of the regional meetings and the speakers that the lectures are expected to take place over three 1.5-2 hour sessions. The Rules and Procedures should reflect this format.

**ACTION ITEM:** Sentana should talk with the lecture series committee and the monograph editors to determine whether the CUP proposal is feasible and desirable. He will then possibly present a concrete proposal in Manchester.

#### Require ES Membership for each draft submitted of Econometrica article

Sobel asked for a clarification of the rule that requires authors submitting papers be members. He has observed that some authors pay for a one-year membership fee to meet the above stated

requirement when they submit for the first time, but then they go through multiple revisions over the course of several years without renewing their membership. Sobel would like the rule clarified to say: An author must be a member of the Econometric Society at the time of the initial submission and subsequent resubmissions of a paper. The EC agreed to the clarification.

**ACTION ITEM:** The EC clarifies the membership requirement for paper submission to say: To submit either an original manuscript or a revision to one of the Society journals, the corresponding author must be a member of the Society. The Rules and Procedures should be updated accordingly.

#### Publish comments on FS and WB lectures

Sobel and Imbens presented a proposal to solicit invited comments on some papers published in *Econometrica* and to use the Fischer-Schultz and Walras-Bowley lectures as test cases. Sobel and Imbens noted that it is beneficial for a published paper to receive comments and it will discipline the authors knowing that comments on their papers will be published. The EC agreed to go ahead with the experiment.

**ACTION ITEM:** Publish comments on FS and WB lectures; the EC agreed to leave this to the discretion of the editors.

#### Publishing Paul Romer's Nobel Lecture Open Access in *Econometrica*

Sobel introduced an issue not on the agenda by announcing that Nobel Laureate Paul Romer asked to publish his Nobel lecture in *Econometrica* on condition that the article would be open access. Sobel said that as far as he knows, this would be the first Nobel lecture published in *Econometrica*. Sobel also mentioned that Wiley had said that the paper could not strictly speaking be open access because the Society does not currently allow for open access publications in *Econometrica*. Nevertheless, Wiley suggested making the paper freely available for 99 years, which seemed perfectly adequate.

**ACTION ITEM:** Publishing Paul Romer's Nobel Lecture Open Access in *Econometrica*; the EC agreed to leave this to the discretion of the editors.

#### Publishing a Special Issue of *QE*

*QE* editor Chris Taber introduced another issue not on the original agenda: a request by Fatih Guvenen, Luigi Pistaferri and Giovanni Violante to edit a special issue of *QE* on the topic of "Global Inequality Dynamics", following a conference that will take place in Stanford in the summer of 2019. Taber said that in principle Guvenen, Pistaferri and Violante would be guest editors in charge of the refereeing and acceptance process. Nevertheless, he insisted that although this would be different from the usual process, the quality of refereeing would be as high as that for the usual *QE* issues.

The EC decided to approve the special issue of QE provided that it would be published as one of the four annual issues. Morris pointed out that the special issue should be treated an experiment, not as a precedent.

**ACTION ITEM:** To approve a special issue of QE on Global Inequality Dynamics provided that it would be published as one of the four annual issues. This special issue will be treated as an experiment, not a precedent, and it should be evaluated and discussed again in future meetings of the EC.

### Plan S and Open Access

Besley explained that Science Europe, a consortium of the national research funding agencies from most European countries, has put forward an ambitious proposal called Plan S". This plan requires scientists and researchers who benefit from state-funded research to publish their work in journals that offer Golden Access by 2020. Golden Access means that papers accepted for publication should be freely accessible through open repositories right away without any embargo period, unlike Green Open Access, in which a delay of several quarters is allowed. The notion underlying Plan S is that if governments pay for the scientific research, its findings should be readily accessible to all. In addition, the refereeing process, which is arguably the most important editorial cost, is routinely provided free of charge by researchers whose remuneration is also often paid in full or in part by public funds. In principle, open access would not necessarily be problematic for the Society provided that submission and publication fees could be introduced in Econometrica. But the promoters of Plan S would also like to regulate the level of those fees.

Sentana explained that the current copyright arrangements at Econometrica do not satisfy some of the Plan S proposals even though they give authors the option to freely post the published version of their papers on their own web pages. Specifically, one of the proposals requires published papers to be freely available on public repositories, which violates the existing contract with Wiley. Nevertheless, Sentana mentioned that Wiley would like the Society to allow those authors who require either Golden or Green Open Access to be able to pay for it, a possibility that is not currently contemplated.

Sentana also said that the Society will soon need to address the fact that some authors of accepted papers are required by their funding organizations to opt for Open Access, which Econometrica currently does not allow for. He mentioned that Wiley had suggested an open access fee of \$3,000, but without specifying how this fee would be split between the publishing company and the Society.

Morris said that the Society needs to set up a committee to address these issues. He and Besley conferred on the terms of reference for addressing Open Access, determining they would cover short-term and long-term issues. They suggested that the committee examine how the Society should respond to open access initiatives from funding agencies before the next executive committee meeting. In particular, the committee could propose (i) how to respond to authors' requests to post accepted papers in public repositories; (ii) what short term changes compatible with the existing Wiley contract to make in anticipation of major changes in funding (iii) how to

re-negotiate the current contract with Wiley to deal with open access issues; and (iv) propose long term funding model for the Society looking beyond the current Wiley contract.

**ACTION ITEM:** Morris will invite the following individuals to be part of an Open Access Committee: Besley (chair), Penny Koujianou Goldberg, George Mailath and Enrique Sentana. The committee will examine how the Society should respond to open access initiatives from funding agencies before the next executive committee meeting. In particular, the committee could propose (i) how to respond to authors' requests to post accepted papers in public repositories; (ii) what short term changes compatible with the existing Wiley contract to make in anticipation of major changes in funding (iii) how to re-negotiate the current contract with Wiley to deal with open access issues; and (iv) propose long term funding model for the Society looking beyond the current Wiley contract.

## **Other**

### Women in the ES study, update

Sobel, Goldberg and Attanasio were asked to provide an update on the work of their Gender Study Committee which the EC created in Cologne, and consists of them and former EVP Bernard Salanié. Goldberg was out of the room at the time of the report attending the AEA EC meeting, so Attanasio provided the following information:

- A thorough study of gender issues across all the Econometric Society activities would not be possible due to data limitations, so the committee suggests looking directly at gender bias in the election of fellows.
- The committee reviewed a proposal from a team led by David Card in August and then commissioned a second proposal from a team led by Joseph Altonji. The Gender Committee members are considering the possibility of publishing both studies side-by-side.
- The data the teams would like to have access to includes the names of all those nominated; their full nominating statements and the number of votes each candidate received.

A subsequent discussion ensued regarding the convenience of having two research teams working on the same topic. As in Cologne, the confidential nature of the data requested was also subject to considerable debate. No firm decision was taken.

**ACTION ITEM:** Attanasio, Koujianou Goldberg, Salanie and Sobel will continue their work and report back to the Executive Committee at the Manchester meeting.

### European Job Market

Attanasio provided an update on the new European job market, noting that it had been a great success. He said that the European Economic Association (EEA), the Royal Economic Society (RES) and the Spanish Economic Association (SEA) have agreed to jointly sponsor it.

### North American update

Morris provided a general update on the North American situation. He also noted that the President's address used to be given at the North American summer meetings before it was moved to the Winter meetings, and wondered whether that decision should be reversed.

**ACTION ITEM:** Review the attendance at the 2019 President's address on Thursday evening, and if attendance were poor, discuss petitioning for a better time next year. Otherwise, leave it as is.

### **Meeting Close**

Sentana reported that General Manager Lyn Hogan and he had managed to send the material for the Atlanta EC meeting to the Council two and a half weeks ahead. This is an improvement over the two-week advanced period they had achieved in Cologne, but still short of the three weeks stated in the Rules and Procedures. For that reason, he requested that any reports that EC members prepare for the Manchester meeting be sent in a timely manner.

Morris closed the meeting by thanking all its participants.