

## **Minutes of the Meeting of the Executive Committee in Chicago, IL, April 20, 2007**

The first meeting of the 2007 Executive Committee was called to order at 10:10 A.M. on April 20, 2007 in the London Room of the Hyatt Regency O'Hare, Chicago, IL. Members present were: George Akerlof, Alan Auerbach, Olivier Blanchard, Rebecca Blank, Anne Case, Judith Chevalier, Susan Collins, Avinash Dixit, Lawrence Katz, Alan Krueger, Daniel McFadden, Robert Moffitt, Andrew Postlewaite, Kenneth Rogoff, David Romer, Thomas Sargent and John Siegfried. Martin Feldstein participated via telephone to report for the Nominating Committee. Also attending for part of the meeting were members of the Honors and Awards Committee: James Poterba (chair), Narayana Kocherlakota, David Levine, Charles Manski, Andrew Postlewaite, and Christina Romer. Douglas Bernheim of the Honors and Awards Committee participated via telephone. Al Roth reported for the *Ad Hoc* Committee on the Job Market via telephone. Executive Director William Damon and General Counsel Terry Calvani also attended.

Sargent asked for approval of the minutes of the previous meeting (January 4, 2007) which had been circulated in advance. The minutes were approved without substantive change.

*Report of the Secretary* (Siegfried). Siegfried reviewed the schedule for sites and dates of future meetings: New Orleans, January 4-6, 2008 (Friday, Saturday, and Sunday); San Francisco, January 3-5, 2009 (Saturday, Sunday, and Monday); Atlanta, January 3-5, 2010 (Sunday, Monday, and Tuesday); Denver, January 7-9, 2011 (Friday, Saturday, and Sunday); Chicago, January 6-8, 2012 (Friday, Saturday, and Sunday); San Diego, January 4-6, 2013 (Friday, Saturday, and Sunday); and Philadelphia, January 3-5, 2014 (Friday, Saturday, and Sunday). The Executive Committee meets the day prior to the beginning of the regular meeting each year.

Siegfried indicated that proposals for the 2015 ASSA meetings were expected from hotels in Atlanta, Boston, San Antonio, and Washington, DC.

The 2007 meeting in Chicago attracted 9,008 registrants; the previous Chicago meeting (1998) drew 7,504. Registration in 2006 (Boston) was 8,924, and in 2005 (Philadelphia) 8,424. Registration includes all pre-registrants (including no-shows), plus on-site registrants. Fifty other organizations met with the AEA in 2007, 503 scholarly sessions were organized and 255 "events" (lunches, receptions, committee meetings, breakfasts, workshops, etc.) were scheduled.

At the previous meeting of the Executive Committee the Secretary was asked to identify changes needed in the Bylaws, if any, to permit General Editors' terms matching the academic year. Siegfried explained that this could be accomplished by deleting the words, "and for appointed," from Article III, Section 3 of the Bylaws. It was VOTED to recommend to the membership such a change in the Bylaws.

The Sarbanes-Oxley law requires 401(c)(3) organizations to have a whistleblower policy to govern the receipt, retention, and treatment of complaints regarding potential or actual violations of the Association's Bylaws, and errors, fraud, or deceit with respect to the Association's financial records and controls. It was VOTED to adopt a whistleblower policy that accomplishes these objectives, and to insure that it is disseminated to all employees of the

Association. The Spring 2008 Executive Committee meeting will be either April 11 or April 18, in Chicago.

*Report of Meeting of Editors of the AER and AEJs in Pittsburgh, April 6-7, 2007.* The newly appointed editors of the four *American Economic Journals* met with the Editor of the *AER* and the Secretary-Treasurer of the Association in Pittsburgh on April 5 and 6, 2007.

It was agreed that the editors would assess the field content of the journals as they write Calls for Papers. Some content may be redistributed upon negotiation among editors. It was decided that there may be a different number of Editorial Board members on each journal, that Editorial Board members are not restricted to being in the U.S., and that the use of Editorial Board members is at the discretion of each editor.

It was decided that each *AER* or *AEJ* editor may summarily reject a paper because content is inappropriate for his or her journal, and suggest that the author(s) submit it to another of the Association's journals without consulting the other editors. Unless an author opts *into* file sharing, a submission to another Association journal will be treated independently. Upon submitting a paper to any of the Association's refereed journals, an author will be invited to indicate if the paper has been reviewed by one of the other refereed journals and asked to indicate if he or she wishes the file from the other journal to be shared. Unless they wish to opt into file sharing, authors need not indicate if a submission has been reviewed previously by another Association journal. Current plans are to ask referees, when they submit reports to any of the refereed journals, whether their cover letter may be shared among the journals. Referee reports that are shared with authors are freely available for sharing, but cover letters will be shared only if the referee agrees. Sharing of referee cover letters will be considered further as the process evolves. The referee database will be shared among all five refereed journals in order to avoid overuse of referees and to reveal information about referee quality.

A discussion of submission fees and referee payments concluded that the present policies of the *AER* would be adopted by the *AEJs*. It was recognized that submission fees help to discourage inappropriate submissions. A discussion of referee payments questioned whether the payments speed refereeing. It was recognized that referee payments are a token of appreciation to referees, and serve more as a "thank you" than as meaningful compensation.

The *AER* uses a policy of summary rejections (without formal refereeing). About 20 percent of submissions to the *AER* are returned to authors without a full review, and the submission fee is refunded. Those 20 percent of papers that are summarily rejected have virtually no chance of being published in the journal. Another 20 percent of submissions have little chance of success, but a small possibility. For those, some *AER* co-editors use an expedited review, making a decision after hearing from only one referee. *AER* experience suggests that authors do not like summary rejections, even though it expedites a decision. Each of the new journals will use summary rejections, but only experience will reveal the appropriate proportion of submissions to handle that way. The editors adopted a policy of no appeals from rejection decisions.

It was agreed that short turnaround time is an important goal, and the journals may request reports from referees in six to eight weeks. The risk of asking for reports too quickly is that referees decline to serve. Each editor and/or co-editor will set his or her own policy.

The *AER* is currently refereed double-blind. There is an argument that author(s) names should remain on a paper when it goes to referees because in some cases referees know the author's identity, either because they have seen the manuscript in working paper form or have located it via Google. The result is that some papers are double-blind refereed and others are single-blind refereed, and the editor would benefit from knowing whether or not the referee does, in fact, know the identity of the author, because the editor might interpret the referee's report differently. In contrast, double-blind refereeing is widely perceived to be fairer. It was decided that the *AEJs* would conform to *AER* policy of double-blind refereeing.

The *AER* conflict policy is to not allow a co-editor to handle the paper of a colleague, a current or recent co-author, or a current or former student. It was agreed among the *AEJ* editors to adopt a similar policy with respect to colleagues and current students at the same institution. Each of the *AEJs* will require both the editor and co-editor to agree to publish a paper authored by a former student or recent or current co-author of one of the editors.

It was agreed to adopt the *AER* policy requiring the deposit of data and programs used to analyze data for any paper published with empirical results. For papers using proprietary data, the programs used and a description of how to obtain the data must be deposited.

It was decided that there would be only one section (type) of papers in the *AEJs*. There followed an extensive discussion of the desirability of allowing unrefereed signed comments and extensions on each *AEJ*'s website. A final decision on this issue was postponed.

Finally, the size, style and cover for the new *AEJs* was discussed. It was decided to retain a professional designer to produce sample covers that both link to the *AER* and also distinguish the new journals from each other, and from the *AER*, and to print articles in a single column format (as it is difficult for a reader's eye to follow a lengthy line), thus probably reducing the width of the journal. Decisions will be made when the designer produces options. The table of contents of each of the *AEJs* will appear in the *AER* and in each of the other *AEJs*

*Report of the Nominating Committee* (Feldstein). Feldstein, who chaired the Committee, reported the following nominations for the indicated offices in 2008: Vice-President—Katherine Abraham, Charles Manski, Maurice Obstfeld, and Edward Prescott; Executive Committee—Susan Athey, Janice Eberly, Kyle Bagwell, and Narayana Kocherlakota. The Nominating Committee and those Executive Committee members present, acting together as an Electoral College, VOTED to nominate Angus Deaton as President-elect, and VOTED to name Orley Ashenfelter, Lloyd Shapley, and Oliver Williamson as Distinguished Fellows of the Association.

*Report of the Honors and Awards Committee* (Poterba). Poterba reported that the Honors and Awards Committee (Poterba [chair], Bernheim, Kocherlakota, Levine, Manski, Postlewaite, and C. Romer] solicited nominations for the Clark Medal from chairs of all Ph.D. granting economics departments, from the Association's Executive Committee, from past winners of the Medal, and from Deans of Business Schools. It also considered carryover nominations from its

deliberations two years prior. After reducing the number of candidates to twelve, the Committee investigated each candidate carefully and wrote a report summarizing the candidates' accomplishments. At this point the list of candidates was reduced to five, and a deeper analysis of the contributions of those five to economic research was conducted. The candidates were then ranked and presented to the Electoral College. After further discussion, those Honors and Awards Committee and Executive Committee members present, acting together as an Electoral College, VOTED to award the Association's 2007 John Bates Clark Medal to Susan Athey. The Honors and Awards Committee reported that Timothy Besley and John Sutton have been designated Foreign Honorary Members of the Association.

There followed a discussion of the procedures for selecting the Clark Medalist. It was noted that current procedures permit members of the Executive Committee to nominate "candidates" at the meeting of the Electoral College. It was decided that "candidates" in this context mean either those on the short list presented to the Electoral College by the Honors and Awards Committee, or others designated by a member of the Executive Committee to the Honors and Awards Committee sufficiently in advance so that a thorough investigation of the individual's research accomplishments could be conducted prior to the meeting.

*Report of the Editor of the American Economic Review (Moffitt).* Acting on the Editor's recommendation, the Executive Committee VOTED to appoint Pinelopi Goldberg as co-editor of the AER for a three-year term that expires June 30, 2010. Goldberg replaces Judith Chevalier, whose term ends June 30, 2007. It also was VOTED to appoint Judith Chevalier to a one-year term ending June 30, 2008, to appoint Christian Hellwig to a three-year term ending March 31, 2010, and to reappoint Stephen Coate to a second three-year term ending March 31, 2010 as members of the Board of Editors of the AER.

*Report of the Editor of the American Economic Journal: Macroeconomics (Blanchard).* Acting on the Editor's recommendation, the Executive Committee VOTED to appoint Steven Davis to a three-year term starting May 1, 2007 and ending December 31, 2010 as co-editor of the *AEJ: Macroeconomics*. It also was VOTED to appoint Mark Aguiar, Yongsung Chang, William Easterly, Erik Hurst, David Laibson, Thomas Philippon, Christina Romer, and Mark Watson to one-year terms ending June 30, 2008, Nicholas Bloom, John Campbell, Jordi Gali, Chad Jones, Jonathan Parker, Chris Pissarides, David Romer, and Ivan Werning to two-year terms ending June 30, 2009, and Pierre Cahuc, John Cochrane, Martin Eichenbaum, Anil Kashyap, Maurice Obstfeld, Valerie Ramey, Thomas Sargent, and Michael Woodford to three-year terms ending June 30, 2010, as members of the Board of Editors of *AEJ: Macroeconomics*.

*Report of the Editor of the American Economic Journal: Microeconomics (Postlewaite).* Acting on the Editor's recommendation, the Executive Committee VOTED to appoint Susan Athey to a three-year term starting May 1, 2007 and ending December 31, 2010 as co-editor of the *AEJ: Microeconomics*. It also was VOTED to appoint Dirk Bergemann, Darrell Duffie, Liran Einav, Hanming Fang, Faruk Gul, Kenneth Hendricks, Hugo Hopenhayn, Johannes Horner, Leslie Marx, Marc Melitz, Wojciech Olszewski, Ariel Pakes, Thomas Palfrey, Wolfgang Pesendorfer, Debraj Ray, Philip Reny, Bernard Salanie, Michael Whinston, and Asher Wolinsky to three-year terms ending June 30, 2010 as members of the Board of Editors of *AEJ: Microeconomics*.

Report of the Editor of the *American Economic Journal: Economic Policy* (Auerbach). Acting on the Editor's recommendation, the Executive Committee VOTED to appoint Hilary Hoynes to a three-year term starting May 1, 2007 and ending December 31, 2010 as co-editor of the *AEJ: Economic Policy*. It also was VOTED to appoint James Banks, Rebecca Blank, Severin Borenstein, Julie Cullen, Mihir Desai, Mark Duggan, Amy Finkelstein, Kristin Forbes, Austan Goolsbee, Michael Greenstone, Jonathan Gruber, Louis Kaplow, Michael Keen, Wojciech Kopczuk, Jeffrey Liebman, Brigitte Madrian, Thomas Nechyba, John Quigley, Gerard Roland, and Jonathan Skinner to three-year terms ending June 30, 2010 as members of the Board of Editors of *AEJ: Economic Policy*.

*Report of the Editor of the American Economic Journal: Applied Economics* (Siegfried for Duflo). Acting on the Editor's recommendation, the Executive Committee VOTED to appoint Thomas Lemieux to a three-year term starting May 1, 2007 and ending December 31, 2010 as co-editor of the *AEJ: Applied Economics*. It was also VOTED to appoint Jerome Adda, Joshua Angrist, David Autor, Marianne Bertrand, John Bound, David Card, Andrew Foster, Brian Jacob, Chinhui Juhn, Jeffrey Kling, Michael Kremer, David Lee, Alan Manning, Edward Miguel, Sendhil Mullainathan, Rohini Pande, Luigi Pistaferri, Imran Rasul, Antoinette Schoar, and Duncan Thomas to three-year terms ending June 30, 2010 as members of the Board of Editors of *AEJ: Applied Economics*.

*2008 Program* (Dixit). Dixit reported that his Committee screened 249 proposed complete sessions and 731 individual papers submitted for the 2008 meetings. They accepted 102 (41 percent) complete sessions and 119 (16 percent) individual papers; 31 percent of all submitted papers were accepted. Two contributed sessions will be published in the *Papers & Proceedings*. Nicholas Stern will give the 2008 Ely Lecture in New Orleans. His topic will be climate change.

*Report of the Audit Committee* (Chevalier). The Audit Committee (Chevalier [Chair], Collins, and D. Romer) met with the Association's external auditors, Fraser, Dean, and Howard, by teleconference on April 11, 2007. The Audit Committee concluded that there are no material difficulties with the Association's accounting or financial control procedures. Acting on the recommendation of the Audit Committee it was VOTED to accept the audit for 2006.

*Ad Hoc Committee on Mentoring Workshops* (Case). With the financial support of a National Science Foundation grant, the Committee on the Status of Women in the Economics Profession has conducted mentoring workshops aimed at young women economists. The national workshops have involved random selection of applicants into treatment and control groups so as to create a database for evaluating the effectiveness of the workshops and subsequent networks that emerge from them. The NSF grant expires in 2010. Acting on the recommendation of the *Ad Hoc* Committee, (Anne Case [chair], Janet Currie, Stephanie Ludvigson and Ellen McGrattan) it was VOTED to commit the Association to supporting two national and two regional workshops for mentoring young female economists over the period 2011 to 2014. The expected cost of conducting and evaluating the workshops is about \$220,000.

*Ad Hoc Committee on Vice-president Term Lengths* (McFadden). Reporting for the Committee (Dan McFadden [chair], Peter Diamond, Dale Jorgenson, and Anne Krueger), McFadden proposed a change in the Association's Bylaws so that the two Vice-presidents

continue to serve on the Executive Committee for two additional years after their one-year term as Vice-president ends. The Committee said that lengthening the terms of the Vice-presidents on the Executive Committee would increase the level of experience on the Executive Committee and add diversity. It recognized that the proposed change would increase the size of the Executive Committee and possibly lengthen meetings, and increase travel costs. A lengthy discussion revealed additional disadvantages of lengthening the terms of the Vice-presidents, including changing the balance of the Electoral College between the Executive Committee and the Nominating, and Honors and Awards Committees, and leaving no distinction between the Vice-presidents and the elected members of the Executive Committee. Eventually it was VOTED not to propose a change in the Bylaws relative to the term lengths of the Vice-presidents.

*Ad Hoc Committee on the Job Market* (Al Roth by teleconference). The Committee started a job market “scramble” in March each year to help place remaining job candidates into still vacant positions, and a “signaling” procedure each November, through which candidates can indicate special interest in two listed positions. Roth reported the second year of the scramble worked more smoothly than the first, as candidates and employers gained experience. He also reported on the first year of signaling. In 2006, 969 job candidates sent signals, including about 500 new economists awarded Ph.D.s by U.S. universities. Most sent two signals; a few sent only one. The signals appear to have been useful to job candidates who used them to attract attention from potential employers who might otherwise have not interviewed them. The Committee plans to continue the signaling service in 2007 with minor refinements.

*Report of the Treasurer* (Siegfried). Siegfried reported that the audited financial statements for 2006 show an operating surplus of \$1,041 thousand for 2006 in contrast to \$1,240 thousand for 2005, and \$573 thousand for 2004. Including investment income and capital gains, there was an overall 2006 surplus of \$2.8 million.

Siegfried presented a revised budget for 2007, predicting an operating surplus of \$330 thousand; \$464 thousand had been predicted in January. Most of the revision was due to a \$93 thousand reduction of expected membership dues and institutional subscriptions based on the revised count of members and subscribers in March 2007.

The combined operating surplus and portfolio gain increased the December 2006 ratio of the Association’s accumulated net unrestricted assets to annual expenditures (including the ASSA meeting gross) to 2.2, exceeding the target of 2.0 established by the Executive Committee in 1999. In view of expected one-time launch costs of several million dollars for the Association’s new journals in 2007 and 2008, it is prudent for this ratio to exceed 2.0 temporarily. The Association’s net unrestricted assets as of December 31, 2006 were \$15.9 million, up from \$13.1 million on December 31, 2005. Net unrestricted assets reflect “net worth.” Total assets on December 31, 2006 were \$19.7 million, of which \$18.6 million consisted of cash and financial investments and \$1.0 million were accounts receivable. Liabilities were \$3.7 million, of which \$2.9 million consisted of pre-paid membership dues and subscriptions.

There being no further business to conduct, it was VOTED to adjourn at 4:30 P.M.

Respectfully submitted,

JOHN J. SIEGFRIED, Secretary