

THE ECONOMETRIC SOCIETY ANNUAL REPORTS, 2001

REPORT OF THE PRESIDENT

THE ECONOMETRIC SOCIETY is an international association that promotes research in economics using quantitative approaches, both theoretical and empirical. The Society's world-wide membership is organized in six regions, North America, Latin America, the Far East, Australasia, South and South-East Asia, and Europe. In pursuit of its objectives, the Society publishes a journal, *Econometrica*, and a monograph series, and organizes meetings. Most regions hold annual meetings, and a World Congress meets every five years. The Society's web site, <http://www.econometricsociety.org/>, contains detailed information about its history, structure and operations, as well as instructions on how to join.

1. *ECONOMETRICA*

*Econometrica* publishes high-quality papers in economic theory, econometric theory, and empirical economics. Many studies rank it at the top among economics journals for its impact; for example, see Pantelis Kalaitzidakis, Theofanis P. Mamuneas, and Thanasis Stengos, "European Economics: An Analysis Based on Publications in the Core Journals," *European Economic Review*, 43, 1999, 1150–1168. *Econometrica* is currently edited by Glenn Ellison with the help of four Co-Editors and several Associate Editors. This year, Eddie Dekel, Joel Horowitz, and Andrew Postlewaite continued as Co-Editors, and on July 1 Costas Meghir replaced Richard Blundell who completed his term and did not wish to serve another term. On behalf of the Society, I am happy to thank all these, and all the Associate Editors, for their contribution to the journal's success. Blundell continues to provide valuable service to the Society in other capacities; see below. Dorothy Hodges continues in her invaluable role as Managing Editor, and I am happy to take this opportunity to express the Society's gratitude to her.

The downside of the continued success of the journal is that the backlog of accepted papers has increased from 9 to 14 months. In an attempt to bring the backlog down to an acceptable level, the number of pages published per year was expanded by 5% in 2000, and by 31% in 2001, and will be expanded by at least that much in 2002.

2. MONOGRAPH SERIES

The Econometric Society Monograph Series is published by Cambridge University Press for the Society, and members are eligible to a 40% discount on their purchases of volumes in the series. Peter Hammond and Alberto Holly edited the series since 1995. This year both wished to be released from this responsibility, and I thank both for their able stewardship for many years. The new editors are Matthew Jackson (for economic theory) and Andrew Chesher (for econometrics).

3. MEETINGS

Six regional meetings were held this year: the Winter (New Orleans, January) and Summer (College Park, MD, June) meetings of the North American Region, and the Australasian (Auckland, July), Far Eastern (Kobe, July), Latin American (Buenos Aires,

July), and Europe (Lausanne, August). It was a real pleasure for me to attend all of these, and to observe the large attendances, the high quality of the papers, the enthusiasm of the participants, and the efforts of the organizers. I want to commend in particular the regional and local organizers of the Latin American region, Aloisio Araujo, Alejandro Hernandez, Enrique Kawamura, and their colleagues, for ably overcoming great difficulties of finance and logistics. I also want to thank Kotaro Suzumura, who has stepped down after many years of dedicated service as the chair of the Far Eastern regional committee. All the program committees and local organization committees are listed on the Society's web site.

The Society's first scientific meeting was held in Lausanne in September 1931. Therefore it was a happy coincidence that we were able to meet there and celebrate 70 years of the Society's meetings.

Three invited special lectures are presented at various regional meetings. The Walras-Bowley Lecture is presented at the North American Summer Meetings, and a special committee is appointed to choose the speaker. The committee to select the 2001 Walras-Bowley lecturer was chaired by John Campbell, and Roland Benabou, Peter Cramton, and Lawrence Ausubel were the other members. The speaker was Mathias Dewatripont. The committee to select the Walras-Bowley lecturer for the Summer 2002 meetings in Los Angeles was chaired by Lars-Peter Hansen, and the other members were José Scheinkman, David Levine, and William Zame. They selected Richard Blundell.

The Fisher-Schultz Lecture is presented at the European Summer Meetings, and the speaker is chosen by the program committee. This year's speaker was Gary Chamberlain. The Marschak Lecture is given at one of the other regions in rotation, and the speaker is chosen by the program committee of the region where the lecture is to take place. This year the Far Eastern region hosted the lecture, and the speaker was Michael Woodford. I commend all the committees for their choices and all the speakers for their excellent presentations.

This year's North American summer meeting was the first to make full use of *Conference Maker*<sup>TM</sup>. This is web-based software designed by John Rust specifically for the Econometric Society to simplify the job of creating programs for international conferences. It allows paperless submission of abstracts or papers, coordinates decision-making by the program committee and chair(s), and the subsequent process of forming sessions, searching for discussants and session chairs, posting/updating the conference program to an automatically generated web page, and sending mass e-mails to arbitrarily selected subgroups of users (i.e. to all rejectees, all accepted authors, all session chairs, etc.). Further improvements to handle financial matters, and to link successive years' conferences, so authors of previously submitted papers do not have to provide contact details again, are under way. Information about the program is on the Society's web site. It is hoped that other regional meetings will use this facility, and thereby streamline the organization of the Society's meetings.

#### 4. COMMITTEES

The President begins his term of office by appointing several committees—which then do all the work! I am very grateful to the chairs and members of all of these committees for their time, and the conscientiousness with which they performed their tasks.

Elhanan Helpman, as the Past President, chaired the Council Nominating Committee. The current President, First Vice-President (Guy Laroque), Second Vice-President (Eric Maskin), Treasurer (Robert Gordon), and Secretary (Julie Gordon) are ex-officio members of this committee. The other members were Salvador Barbera, James Heckman,

Michihiro Kandori, Paul Klemperer, Roger Myerson, and Jose Scheinkman. The committee produced a list of 6 candidates from the North American region and 4 from the European region. The results of the election are listed on the back cover. Following last year's Council elections, Richard Blundell and David Kreps were elected as "at-large" member of the Executive Committee, to join Andreu Mas-Colell.

The Officers' Nominating Committee consists of four past presidents, and the current President, First Vice-President, and Second Vice-President as ex-officio members. This year's committee was ably chaired by Jean Tirole, and Daniel McFadden, James Mirrlees, and Hugo Sonnenschein were the other members. Ariel Rubinstein was elected as the incoming Second Vice-President.

Bo Honore chaired the Fellows' Nominating Committee, and the other members were Aloisio Araujo, Vincent Crawford, Mark Gertler, Fumio Hayashi, and Patrick Rey. The outcome of the resulting elections is announced in this issue.

The Frisch Medal is awarded every two years to the best applied (theoretical or empirical) paper published in *Econometrica* during the previous five years. The selection committee this year consisted of Ariel Pakes (chair), Douglas Bernheim, and Richard Blundell. Their choice was the paper "Explaining Investment Dynamics in U.S. Manufacturing: A Generalized (S,s) Approach," by Ricardo J. Caballero and Eduardo M. R. A. Engel, *Econometrica*, 67(4), July 1999, 783-826.

#### 5. EXECUTIVE COMMITTEE

Following requests by some members at the Members' Meeting at the World Congress in Seattle in 2000, the Executive Committee discussed the possibility of extending the franchise for the election of the Second Vice-President to the full membership. This would require a change in the Society's Constitution, which requires an elaborate procedure. At its meeting in Lausanne in August 2001, the Executive Committee voted 4 to 2, with one abstention, in favor of the proposal. The next step in the procedure is a vote of the Council, and a majority of the full Council is required. This vote was held in November. Of the 35 members, 30 voted, with 14 in favor, 15 against, and 1 abstaining. Thus the motion failed at this stage. Passage would have required 18 votes in favor; if this had been obtained, the proposal would have been put to the whole Fellowship, where a two-thirds majority of those voting would have been required for passage.

In consultation with the officers of the region, the name of the India and South-East Asia region was changed to South and South-East Asia.

The Marschak Lecture will be hosted by the South and South-East Asia region in 2002, and by the Latin American region in 2003.

Guy Laroque continued to chair the subcommittee to choose the location for the 2005 World Congress. Some preliminary proposals have been received, further details are being solicited, and a decision is expected to be made at the Executive Committee meeting in Venice in August 2002.

Other decisions taken by the Executive Committee on matters of editorial succession, etc., are reported in the appropriate sections. Matters concerning membership and finances are discussed in the Secretary's and the Treasurer's reports in the January issue.

#### 6. ADMINISTRATION

Finally, it has been a delight for me to work with Robert Gordon, the Society's Treasurer, and Julie Gordon, the Secretary and Executive Director. For more than

25 years, they have been the Society's continuity and memory. Their dedicated work, and their supervision of the excellent staff and helpers in the Society's Evanston office, are to a considerable extent responsible for the strength and stability that the Society enjoys today.

*Avinash Dixit*  
January, 2002