

THE ECONOMETRIC SOCIETY 2014 ANNUAL REPORT OF THE PRESIDENT

1. THE SOCIETY

THE ECONOMETRIC SOCIETY IS AN INTERNATIONAL ASSOCIATION that promotes research in economics using quantitative approaches, both theoretical and empirical. In pursuit of these objectives, the Society organizes meetings and publishes three journals, *Econometrica*, *Quantitative Economics*, and *Theoretical Economics*. Regional meetings take place annually and a World Congress meets every five years. The Econometric Society operates as a purely scientific organization, without any political, financial or national allegiance or bias, and is a self-supporting non-profit organization.

2. REGIONAL MEETINGS

During my term I presented a Presidential address at six regional meetings. Each of these meetings had its own character, but collectively they were a massive testimony of the important role the Society plays in promoting independent research, high standards, and the ideals of a scientific approach to economics. The meetings were:

Asian Meeting, Taipei, Taiwan, June 20–22, 2014

Australasian Meeting, Hobart, Tasmania, July 1–4, 2014

African Meeting, Addis Ababa, Ethiopia, July 16–19, 2014

European Meeting, Toulouse, France, August 25–29, 2014

Latin American Meeting, Sao Paulo, Brazil, November 20–22, 2014

North American Winter Meeting, Boston, Massachusetts, January 3–5, 2015

The Society's world-wide membership is organized in regions, whose number and country composition is determined by the Council. In 2014 there were seven regions: Africa, Australasia, Europe and Other Areas, the Far East, Latin America, North America, and South and Southeast Asia.

The African region came into existence in August 2013 following the transition from the former African Econometric Society. I would like to thank Kaddour Hadri, Victor Murinde and especially Yaw Nyarko for their leadership in this transition. The meeting in Addis Ababa was the first ever African meeting of the Econometric Society. Special thanks to Alemayehu Taffesse and his colleagues for putting together an excellent program and running a smooth operation. The presence of the Society in Africa has been further fostered by the Africa Region Training Workshop held in Lusaka in the summer of 2015.

The Far East and the South and South East regions have held joint annual meetings since 2010 and this was also the case of the meeting in Taipei. Thanks to the Program Chairs, Kamhon Kan, Lung-Fei Lee, Shin-Kun Peng and Ping

Wang, for putting together a great program. The activities of the Far East region also included the China meeting held in Xiamen, Fujian, June 25–27, and the Summer School held in Seoul, Korea, August 5–9, both of which have successfully taken place for two consecutive years. Thanks to the Program and Local Arrangements chairs, Yongmiao Hong and Zongwu Cai of the China meeting, and In-Koo Cho and Daekeun Park of the Summer School, for their work. The regional standing committees of the two Asian regions had been discussing a merger of the two regions for some time, with the encouragement of the Executive Committee. Following this merger, which has been proposed by the Asian standing committees in August 2015, the Society reverts to a six-region structure.

The Australasian meeting in Hobart was the first jointly held meeting with the Australian Conference of Economists. It was also the first Econometric Society meeting in Tasmania, and a celebration of the 100 years of economics at the University of Tasmania. I would like to thank Mardi Dungey and her colleagues for their hard work to ensure a great program, a smooth organization, and a remarkable fundraising effort.

As First Vice-President, and then President, I chaired the European Standing Committee in 2013 and 2014. I was very fortunate to work with the European Secretary, Thierry Magnac, and the European Treasurer, Enrique Sentana. The European meetings have been a centerpiece of the activities of the Society since its foundation, and the meeting in Toulouse, in which we celebrated the memory of Jean-Jacques Laffont, was not an exception. Thanks to the Local Arrangements chair, Vincent Réquillart, and the Program chairs, Fabio Canova and Sven Rady, for their work.

The European Winter Meetings have for many years fostered interaction among a small group of young scholars, who presented their work by invitation, and a group of senior academics representing different groups of countries. In 2013, the European Standing Committee decided to widen the scope of the meetings with an open call for submissions without any regional stratification, while retaining the focus on Ph.D. students on the job market, and close interaction between junior and senior researchers. The first European Winter Meeting in this new format took place in Madrid, Spain, December 15–16, 2014. The meeting was a resounding success and set a model for future editions. I am very grateful to Torsten Persson and Rafael Repullo, program and local arrangements chairs respectively, for leading this project to fruition.

The Latin American meeting in Sao Paulo was once again jointly held with the Latin American and Caribbean Economic Association (LACEA). The impressive program, its diversity, and the intense scholarly exchange showed the benefits of the collaboration between the Econometric Society and LACEA. Thanks to the program co-chairs, Humberto Moreira and Rafael Costa Lima, for their work. The activities of the Latin American region also include the organization of a regular Latin American Workshop. A Workshop in Econometrics was held in Sao Paulo in 2013, a Workshop on Labor Markets and

Informality was held in Mexico City, September 2014, and a Workshop in Economic Theory will be held in San Luis Potosí, Mexico, in 2015.

The 2014 North American Winter Meeting was held in Philadelphia, Pennsylvania, January 3–5. Unfortunately, due to an accident I could only attend the Executive Committee meeting via conference call. The Society is grateful to Petra Todd for organizing the program. The North American Summer Meeting was held in Minneapolis, Minnesota, June 19–22. Thanks to Tom Holmes and Tim Kehoe for organizing the program. At the initiative of the North American Standing Committee, an event to honor newly elected Fellows from North America was held at the Summer Meeting in Minnesota. In the future similar events will be held in recognition of the achievements of new Fellows throughout the meetings of the Society.

Three named lectures are presented at the regional meetings. The Marschak Lecture is given at one of the regions in rotation, other than Europe and North America. This year the African region hosted the lecture in Addis Ababa and the speaker was Chris Udry. The Walras-Bowley Lecture, presented at the North American Summer Meetings, was given by Rafael Repullo in Minneapolis. The Fisher-Schultz Lecture is presented at the European Meeting, and this year's speaker in Toulouse was Randall Wright. I commend all the speakers for their excellent presentations.

3. REGIONAL STANDING COMMITTEE ELECTIONS

The first elections of voting members of the Regional Standing Committees by members of the Society took place between December 13 and December 23. This was a new development in the Society following the approval in 2012 of the By-Laws that replaced the Society's constitution. The elections followed with minor variations a common set of recommended guidelines agreed by the Executive Committee in Toulouse. The elected voting members were:

Africa:

Elyes Jouini (Université Paris-Dauphine)

Australasia:

Simon Grant (University of Queensland)

Kevin Fox (University of New South Wales)

Europe and Other Areas:

Orazio Attanasio (University College London)

Barbara Rossi (Universitat Pompeu Fabra)

Far East Asia:

Michihiro Kandori (University of Tokyo)

Hitoshi Matsushima (University of Tokyo)

Latin America:

Nicolas Figueroa (Pontificia Universidad Catolica de Chile)

North America:

Bruce Hansen (University of Wisconsin)

Harald Uhlig (University of Chicago)

South and Southeast Asia:

Yi-Chun Chen (National University of Singapore)

I offer my congratulations to the newly elected voting members and my warmest thanks to all the candidates for agreeing to participate in the elections.

4. NEW LECTURE SERIES

At the meeting of the Executive Committee in Toulouse I proposed that the Society establish an annual series of lectures on Economic Theory, Applied Economics, and Econometrics. These lectures will be given by eminent scholars and rotate among the regional congresses. In a World Congress year there will be no lectures. The lectures could be published as Econometric Society Monographs, at the discretion of the editors. Subsequently, I appointed an ad hoc committee consisting of Andrew Chesher, Jeff Ely, and Rafael Repullo (chair) to examine the implementation of this proposal. Based on their recommendations, the Executive Committee agreed at its meeting in January 2015 to initiate the rotation of the Lecture Series among the regions, beginning in 2016 at the Asian, Australasian, and Latin American meetings. The lectures will be named: The Hotelling Lectures in Economic Theory, the Griliches Lectures in Applied Economics, and the Sargan Lectures in Econometrics. The lectures will be scheduled for one or two days prior to the respective regional meeting; and they should be funded by sponsors.

5. JOURNALS

Econometrica is the cornerstone of the contribution of the Society to economic research. It is a leading journal that publishes high-quality papers in economic theory, econometrics, and empirical economics. Daron Acemoglu continued as Editor, with the help of six Co-Editors and fifty-one Associate Editors. I would like to thank Matt Jackson and Philippe Jehiel, who retired on June 30th 2014 as co-editors, for their contribution to the journal's success. They were replaced by Dirk Bergemann and Tzachi Gilboa. Liran Einav, Lars Peter Hansen, Joel Sobel, and Elie Tamer were the remaining Co-Editors. A main task this year was to replace Daron Acemoglu as Editor, and Lars Hansen as Co-Editor, at their retirement from these posts in July 2015. The Society is fortunate that Joel Sobel agreed to serve as the next Editor and Gianluca Violante and Fabrizio Zilibotti as co-editors. I would like to take this

opportunity to thank Daron Acemoglu for his outstanding service as Editor. I would also like to thank Lars Hansen for his singular record of service to the journal and the Society.

Quantitative Economics is the Society's field journal with a focus on quantitative methods and empirical research. Rosa Matzkin continued as Editor, with Co-Editors Karl Schmedders, Frank Schorfheide, and Petra Todd, and thirty-one Associate Editors. The number of submissions at the end of June 2014 had increased by 11% and during the following 12 months the increase in submissions reached a staggering 37%. The transfer of papers from *Econometrica* to *QE* has become an established route.

Theoretical Economics is the Society's field journal in economic theory. George Mailath continued as Editor, with Co-Editors Faruk Gul, Johannes Hörner, Giuseppe Moscarini, and Nicola Persico, and forty Associate Editors. Thanks to Faruk Gul and Nicola Persico whose terms ended in July 2015. Dilip Mookherjee and Ran Spiegler are the two new Co-Editors.

The Econometric Society is indebted to our Editors, Co-Editors, and Associate Editors for their dedication and energy. Mary Beth Bellando-Zaniboni continues in her invaluable role as Publications Manager, and I am happy to take this opportunity to express the Society's gratitude to her. I would also like to especially thank the journal Editors, Daron Acemoglu, George Mailath, and Rosa Matzkin, for their important contributions to the deliberations and activities of the Society's Executive Committee.

6. WEB SITE

At its January 2014 meeting in Philadelphia the Executive Committee agreed that the Society would take over its website and membership management from Wiley-Blackwell. I appointed a committee consisting of Daron Acemoglu, George Mailath, Bernard Salanié, Claire Sashi, and Hyun Song Shin, to manage the arrangements. The committee selected New York firm DesignBrooklyn to create the new website. The first version came online on August 24, 2014; the site has been continually improved since then in response to comments from members. I am grateful to the committee for an expeditious process that addressed a long-felt need. I would especially like to thank Claire for the hard work she put into the new web site. The Society now has an efficient and portable tool that incorporates the management of the membership with all the attendant benefits for regional elections, conference membership management, and payment processing.

7. COMMITTEES

The Econometric Society has two nominating committees: for Fellows and for Officers and Council. I would like to acknowledge the members of the committees that I appointed in 2014 and thank them for their important work for the Society.

Nominating Committee for Fellows: Larry Samuelson, Chair; Orazio Atanasio; Ernst Fehr; Jon Levin; Andrew McLennan; Whitney Newey; Marilda Sotomayor.

Nominating Committee for Officers and Council: James Heckman, Chair; Manuel Arellano; Robert Porter; Hongbin Cai; Jacques Crémer; Jordi Gali; Hidehiko Ichimura.

8. ELECTION OF NEW FELLOWS

In 2014, 50 candidates were nominated by the Fellows and the Nominating Committee for Fellows. Of these nominees, 14 were elected by the Fellows, including 10 from North America, 3 from Europe and other areas, and 1 from the Far East. Of 455 Active Fellows, 320 voted in the election. The fraction of nominees elected, close to 30 percent, was similar to previous years, but the numbers of nominees, the number of candidates elected, and the participation rate all fell by comparison with recent years. I informed the Council of this outcome at a conference call briefing in December 2014. A discussion followed around ways of increasing nominations and the number of Fellows elected, and in particular on the importance of identifying young scholars earlier. These matters were taken up at the January meeting of the Executive Committee in Boston to formulate Nominating Committee policy and other actions.

9. CLOSING REMARKS

It has been a great privilege to serve as President. I would like to express my gratitude to past and future Presidents Bengt Holmstrom, Jean-Charles Rochet, Jim Heckman, Rob Porter, Eddie Dekel, and Drew Fudenberg; to the other members of the Executive Committee; to Thierry Magnac and Enrique Sentana in the European Region; and to Claire Sashi, the Society's General Manager. I have had the privilege of working with two Executive Vice-Presidents, first Hyun Song Shin, and from April 2014 Bernard Salanié. I am deeply indebted to Hyun and Bernard for their high quality involvement and continued support.

Manuel Arellano
PRESIDENT IN 2014