

Minutes of the Meeting of the Executive Committee in Chicago, IL, April 27, 2008

The first meeting of the 2008 Executive Committee was called to order at 10:00 AM on April 27, 2008 in the SeaTac Room of the Hyatt Regency O'Hare, Chicago, IL. Members present were: Katharine Abraham, George Akerlof, Susan Athey, Alan Auerbach, Olivier Blanchard, Anne Case, Susan Collins, Angus Deaton, Avinash Dixit, Esther Duflo, Janice Eberly, Roger Gordon, Lawrence Katz, Robert Moffitt, Andrew Postlewaite, David Romer, Thomas Sargent and John Siegfried. Daniel McFadden participated via telephone to report for the Nominating Committee. Executive Director William Damon also attended.

Dixit asked for approval of the minutes of the previous meeting (January 3, 2008) that had been circulated in advance. The minutes were approved without change.

Report of the Secretary (Siegfried). Siegfried reviewed the schedule for sites and dates of future meetings: 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); Philadelphia, January 3-5, 2014 (Friday, Saturday, and Sunday); and Boston, January 3-5, 2015 (Saturday, Sunday, and Monday). The Executive Committee meets the day prior to the meeting each year. Atlanta, New Orleans, San Antonio, and Washington, DC are interested in hosting the 2016 meetings.

The 2008 meeting in New Orleans attracted 8,109 registrants. Registration in 2007 (Chicago) was 9,008, in 2006 (Boston) 7,832, and 2005 (Philadelphia) 8,424. Registration includes all pre-registrants (including no-shows), plus on-site registrants. Forty-nine other organizations met with the AEA in 2008, 499 scholarly sessions were organized and 243 "events" (breakfasts, lunches, receptions, meetings) were scheduled.

Martin Feldstein and Siegfried proposed that the Association establish an annual Continuing Education programs held after the annual meeting at the same site in order to help mid-career economists maintain the value of their human capital. Several programs would run simultaneously for two days after the annual meeting. Each would contain a dozen hours of lectures by distinguished economists on current content in an economics subfield. The net cost was projected to be \$50 to \$100 thousand. The programs would be recorded and placed on the Association's website. It was VOTED to initiate the Continuing Education program at the 2009 annual meeting of the Association.

Siegfried reported on technology changes. In 2006-07 the staff launched *EconLit for Members*, remodeled the *JOE* website, and established the job market Signaling and Scramble websites. In 2007-08 the staff is improving technical aspects of *EconLit*, and remodeling the AEAweb site; revisions of the journal websites are almost complete. The staff recently completed an *EconLit* e-notification system that allows members to sign up to receive periodic notification of items added to *EconLit* in *JEL* codes they choose, and by July 2008 will launch the Association's virtual field journals, letting members receive a quarterly e-mail message that organizes all articles published by the Association in the prior three months by *JEL* codes they choose. Next on the agenda is a reconstruction of the Association's administrative website into an integrated

system for membership and subscriptions from the current patchwork of programs added as needs arose.

The Spring 2009 Executive Committee meeting will be in April in Chicago.

Report of the Nominating Committee (McFadden). McFadden, who chaired the Committee, reported the following nominations for the indicated offices in 2009: Vice-President—James Heckman, Eric Maskin, James Poterba, and Paul Romer; Executive Committee—Daron Acemoglu, Marianne Bertrand, Vincent Crawford, and Robert Porter. The Nominating Committee and those Executive Committee members present, acting together as an Electoral College, VOTED to nominate Robert Hall as President-elect, and VOTED to name Erwin Diewert, Dale Mortenson, and Charles Plott as Distinguished Fellows of the Association.

Report of the Editor of the American Economic Review (Moffitt). Moffitt solicited ideas to recognize the centennial publication of the *AER* in March 2011. He reported that the *AER* will attempt to replicate some empirical articles this year. Acting on the Editor's recommendation, the Executive Committee VOTED to re-appoint Vincent Crawford to a one-year term as co-editor of the *AER* expiring in June 2009, and to appoint Alessandro Lizzeri to a three-year term as co-editor of the *AER* expiring June 2011. Lizzeri replaces Jeremy Bulow, whose term ended in March 2008. It also was VOTED to appoint Sydney Ludvigson and Petra Todd to three-year terms ending March 2011, and to re-appoint John Leahy, Jonathan Levin, Frank Schorfheide, and Chris Udry to three-year terms ending March 2011 as members of the Board of Editors of the *AER*.

American Economic Journal Common Issues (Siegfried, Blanchard, Postlewaite, Auerbach, Duflo). Each *AEJ* reported its inventory of accepted articles and those in the revise and re-submit stage. After a discussion of the flow of new manuscripts, and the prospects for attracting high quality articles for issues after the first two, it was decided to leave to each editor the discretion to publish either two or four issues in 2009. In 2010, each *AEJ* will publish four issues. The editors were asked to decide which two *AEJs* would be on a January, April, July, and October cycle, and which two would be on a February, May, August, and November cycle.

Siegfried distributed sample covers of the *AEJs*, and a sample of one of the journals, including the front and back covers, table of contents, and a few actual typeset articles. He said the Association would soon seek proposals to print the new journals. Printing would commence in December 2008. He also announced that a print copy of the inaugural issue of each *AEJ* would be mailed to each member of the Association.

The editors of *Economic Policy* wrote the Association, claiming that *AEJ: Economic Policy* might be confused with *Economic Policy*. After discussing the issue, it was decided to reassure *Economic Policy* that the Association intends to precede the words *Economic Policy* with the words *American Economic Journal* or the letters *AEJ*.

Discussion of a proposed Discussion Forum for the four *American Economic Journals* followed. The Forum would give Association members an opportunity to enter remarks on a journal website (identifying errors, proposing extensions, etc.) pertaining to published *AEJ*

articles. Authors could respond with rejoinders. Links to elaborations hosted on other servers would be permitted. Entries would not be refereed, and thus would not be considered to be publications. Entries would be monitored only for potential libel and copyright violation. The Forum would be accessible to anyone, but only Association members would be allowed to contribute. Entries must be signed with names verified against the Association's membership list. An e-mail alert system would allow members to receive an e-mail whenever a new entry is posted for a specific article. Authors of articles, in particular, might find this feature attractive. After considerable discussion, it was decided to institute the Discussion Forum on an experimental basis.

Report of the Editor of the American Economic Journal: Applied Economics (Duflo). Acting on the Editor's recommendation, it was VOTED to appoint Amitabh Chandra, Gordon Hanson, Dean Karlan, and Gordon Dahl to three-year terms ending in June 2011 as members of the Board of Editors of *AEJ: Applied Economics*.

Report of the Editor of the American Economic Journal: Economic Policy (Auerbach). Acting on the Editor's recommendation, it was VOTED to appoint Robert Feenstra to a three-year term ending in June 2011 on the Board of Editors of *AEJ: Economic Policy*.

Report of the Editor of the American Economic Journal: Microeconomics (Postlewaite). Acting on the Editor's recommendation, it was VOTED to appoint Kyle Bagwell and Igal Hendel to three-year terms ending in June 2011 as members of the Board of Editors of *AEJ: Microeconomics*.

Report of the Editor of the American Economic Journal: Macroeconomics (Blanchard). Blanchard reported that a session organized for the January 2008 annual meeting resulted in three accepted papers for *AEJ: Macroeconomics*. He plans to repeat the procedure in 2009. Acting on the Editor's recommendation, it was VOTED to appoint James Hamilton to a three-year term on the Board of Editors ending in June 2011, and to re-appoint Mark Aguiar, Yongsung Chang, William Easterly, Erik Hurst, David Laibson, Thomas Philippon, Christina D. Romer, and Mark W. Watson to three-year terms on the Board of Editors ending in June 2011.

Report of the Director of Job Openings for Economists (Siegfried). Siegfried reported that the third New Ph.D. Job Market Scramble occurred in April 2008. The words "New Ph.D." were added to the title of the Scramble in 2008 to increase the homogeneity of participating job candidates, which was anticipated to increase participation by employers. As anticipated, in 2008, 361 job candidates registered, down from 535 in 2007; participating employers rose from 75 in 2007 to 103 in 2008.

Ad Hoc Committee on Secretary-Treasurer Succession (Dixit). Without the Secretary-Treasurer or Executive Director present, the Executive Committee considered its options for when the Secretary-Treasurer retires (planned for 2012). It was VOTED to re-appoint Siegfried as Secretary-Treasurer for a final three-year term ending June 2012.

With respect to long-run headquarters oversight, it was concluded that more Executive Committee oversight of the Association's information technology would be beneficial. Increased

monitoring of the Association's websites and journals' information technology needs was recommended. Accordingly, it was VOTED to create a standing Operations Committee, with a broad charge to oversee operations, communications, and publications. For continuity, members would hold terms of several years. As usual, the President would make appointments to the committee. It was suggested that both information technology enthusiasts and skeptics be included on the committee.

There followed a discussion about appropriate procedures to follow in deciding if the Association's headquarters should remain in Nashville after Siegfried retires, and how to choose a successor Secretary-Treasurer. It was noted that the Nashville office works well. It was decided to ask Siegfried to draft a statement for the Executive Committee of the duties, responsibilities, and current issues facing the Secretary and Treasurer, and then to investigate whether there are tenured faculty members with administrative experience at Vanderbilt who would be interested in serving as the Association's Secretary-Treasurer on a part-time basis. If such persons exist, the Secretary-Treasurer is to solicit from them a statement about how they perceive the responsibilities of the Secretary and Treasurer, and their vision for the headquarters office. If the Executive Committee is satisfied with at least one of these statements, a decision would be made to retain the office in Nashville, where there are several staff members with considerable experience and accumulated human capital specific to the Association, and an open search for Secretary-Treasurer would commence with that restriction. Otherwise, an open search for Secretary-Treasurer would commence without the restriction.

Report on Washington Representation (Siegfried). Although the Association does not engage in advocacy of particular economic policies or partisan positions, there may occur matters of legitimate general interest to the economics profession—maintaining or improving support for economic research and its infrastructure—that it should promote. Accordingly, at the previous meeting, the Secretary-Treasurer was asked to explore opportunities and costs of increasing the Association's representation in Washington to promote economics research and its infrastructure. He described three representation models: retain a professional government relations organization; directly employ a full-time professional government relations representation; or hire a full- or part-time economist to represent the interests of the economics profession.

Increased Washington representation would require active Executive Committee participation to delineate the Association's legitimate relevant professional interests. Any Association representative must understand what is and is not a legitimate professional interest. For example, efforts by some disciplinary associations to increase their discipline's visibility are less essential to economists, who are visible to the public as members of the FED's Board of Governors, the President's Council of Economic Advisers, advisors to presidential candidates, and columnists for widely read newspapers and magazines, as well as recipients of a Nobel Prize. To establish the goals of representation, the Association might establish a Science Policy or Public Affairs Committee to meet regularly with representatives and establish science policy goals.

A 501(c)(3) organization like the Association may "lobby" if the activity is "insubstantial." Essentially, insubstantial means \$225,000 plus five percent of annual expenditures exceeding \$1.5 million. Currently, this would be about \$480,000 per year.

Allowing a safety margin, and accounting for contributions to the Consortium of Social Science Associations implies a limitation for the Association of about \$400,000 for 2008.

After a discussion of the advantages and disadvantages of expanding the Association's efforts to promote economic research and infrastructure, it was decided to ask Abraham, Collins, Deaton, and Moffitt to draft a charge for a Science Policy or Public Affairs Committee that might guide such an effort, and report at the next meeting.

Ad Hoc Committee on Standing Sessions in the Papers & Proceedings (Dixit). The Committee (Dixit (chair), Case, Kenneth Rogoff, and Cecilia Rouse) considered which annual meeting sessions organized by parties other than the president-elect should be published in the annual *Papers & Proceedings*. As of 2008, the *P & P* contained 29 published sessions, including five designated ones: the Ely Lecture, two organized by the Committee on the Status of Women in the Economics Profession, one organized by the Committee on Economic Education, and one organized by the National Economic Association. The Association's Committees on Economic Statistics, and on the Status of Minority Groups in the Economics Profession each requested a standing session.

The question poses a tradeoff between interests of the organizations historically holding standing published sessions, those newly seeking published sessions, the president-elect's capacity to recruit a Program Committee by allocating published sessions to those who assist, the opportunity of future presidents-elect to organize programs reflecting their interests, and Association members who contribute sessions for the annual meeting, only a small proportion of which are included in the *P & P*.

After discussing the benefits and costs to each constituency, it was VOTED to expand the *P & P* contents to 34 sessions. Among the 34 would be seven standing allocations, reviewed every five years: the Ely Lecture, two each to the Association's Committees on the Status of Minority Groups in the Economics Profession and on the Status of Women in the Economics Profession, and one each to the Association's Committees on Economic Education and on Economic Statistics. Twenty-three sessions would be organized by the president-elect or by delegation to the Program Committee, and four would be contributed papers chosen by the president-elect. Space for the additional five sessions in the *Papers & Proceedings* volume is to come from the reassignment of committee and editorial reports from the published volume to a Proceedings section on the Association's website, and a modest expansion of the *Papers & Proceedings* volume by the equivalent of two sessions.

Report of the Audit Committee (Collins). The Audit Committee (Collins [Chair], D. Romer, and Eberly) met with the Association's auditors, Frasier, Dean, and Howard on March 12, 2008. It concluded there are no material difficulties with the Association's accounting procedures or financial controls. It suggested that because of growing interest in the level of accumulated reserves of not-for-profit institutions, it is prudent to review regularly the Association's target for the ratio of accumulated net unrestricted assets to annual expenditures of 2.0 adopted by the Executive Committee in 1999. Acting on the recommendation of the Committee, it was VOTED to accept the audit for 2007, and to re-appoint Frasier, Dean and Howard as auditor for the Association for 2008-2010.

2009 Program (Deaton). Deaton thanked his Program Committee and reported that the Committee screened 274 proposed complete sessions and 729 individual papers submitted for the 2009 meetings. They accepted 99 (36 percent) complete sessions and 91 (12 percent) individual papers; about 27 percent of all submitted papers found their way onto the program. Five contributed sessions will be published in the *Papers & Proceedings*. David Card will give the 2009 Ely Lecture in San Francisco.

Honors and Awards Committee: Clark Medal Eligibility (Dixit for Poterba). The Clark Medal was established in 1947 to be awarded biennially “to that American economist under the age of 40 who is adjudged to have made [the most] significant contribution to economic thought and knowledge.” The Honors & Awards Committee asked the Executive Committee whether both naturalized U.S. citizens and permanent residents are in the eligible pool of Clark Medal recipients, whether economists who are not a U.S. citizen or permanent resident of the United States, but who have done all or most of their professional work in the United States are eligible for the award, and whether U.S. citizens who have done all of their professional work outside the United States are eligible for the award. The American Heritage Dictionary of the English Language defines “American” as “of, relating to, or characteristic of the United States of America, its people, culture, government, or history.”

The discussion was expanded to include geographic eligibility of Distinguished Fellows and Association officers. Association bylaws say Distinguished Fellows should be chosen from among economists of distinction in the United States and Canada, but there is no similar guideline for officers. Eventually, it was VOTED that U.S. citizens, regardless of their residency, and permanent residents of the U.S. holding an appointment in the U.S. are eligible for the Clark Medal and as nominees as officers.

Report of the Treasurer (Siegfried). Siegfried reported that the audited financial statements for 2007 show an operating surplus of \$648 thousand for 2007. Including investment income and capital gains, there was an overall 2007 surplus of \$2.2 million. He presented a revised budget for 2008, predicting an operating surplus of \$312 thousand; \$481 thousand had been predicted in January.

The combined operating surplus and portfolio gain during 2007 increased the December 2007 ratio of the Association’s accumulated net unrestricted assets to 2008 budgeted expenditures (including the 2008 ASSA meeting gross expenditures) to 2.3, exceeding the Executive Committee’s target of 2.0. In view of launch costs for the *American Economic Journals* in 2009, it is reasonable for this ratio to exceed 2.0 in 2008.

The Association’s net unrestricted assets on December 31, 2007 were \$18.4 million, up from \$16.2 million on December 31, 2006. Total assets on December 31, 2007 were \$21.8 million, of which \$20.4 million consisted of cash and financial investments and \$1.3 million were accounts receivable. Liabilities were \$3.3 million, of which \$2.2 million consisted of pre-paid membership dues and subscriptions.

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

Respectfully submitted,

JOHN J. SIEGFRIED, Secretary

June 12, 2008