

## Minutes of the Meeting of the Executive Committee Chicago, IL April 24, 2015

The first meeting of the 2015 Executive Committee was called to order at 10:00 AM on April 24, 2015 in the Lindbergh Room of the Hyatt Regency O'Hare Hotel, Chicago, IL. Members present were: David Autor, Ben Bernanke, Dora Costa, Esther Dufo (by phone), Steven Durlauf, Amy Finkelstein, Claudia Goldin, Guido Imbens, Rachel Kranton, Jonathan Levin, William Nordhaus, Cecilia Rouse, Peter Rousseau, Robert Shiller, and Richard Thaler. Alan Auerbach (chair) and Lawrence Katz participated in part of the meeting and Susan Athey, Judith Chevalier, David Laibson, Jonathan Skinner, and Michael Woodford participated by phone as members of the Honors and Awards Committee. Christopher Sims (chair), Stefano DellaVigna, Erica Groshen, Justine Hastings, and Rosa Matzkin participated in part of the meeting as members of the Nominating Committee. John Haltiwanger participated in part of the meeting (by phone) on behalf of the AEA Committee on Economic Statistics. Anil Kashyap participated in part of the meeting (by phone) on behalf of the Ad Hoc Committee on AEA Journals. Assistant Secretary-Treasurer John Siegfried and General Counsel Terry Calvani also attended.

Thaler thanked past President William Nordhaus for his service to the Association, and welcomed the newly elected members of the 2015 Executive Committee: Robert Shiller, President-elect; Ben Bernanke and Cecilia Rouse, Vice-Presidents; and David Autor and Rachel Kranton. The minutes of the January 2, 2015 meeting of the Executive Committee were then approved.

*Report of the Nominating Committee* (Sims).—Sims, who chaired the Committee (consisting also of James Andreoni, DellaVigna, Groshen, Hastings, N. Gregory Mankiw, Matzkin, and Paul Milgrom), reported nominations for the indicated offices in 2016: Vice-President—Daron Acemoglu, Marianne Bertrand, Susan Collins, and David Laibson;

Executive Committee—John Campbell, Mark Duggan, Hilary Hoynes, and Matthew Jackson. The Nominating Committee and the Executive Committee, acting together as an Electoral College, then VOTED to nominate Alvin Roth as President-elect, and VOTED to recognize Theodore Bergstrom, Gary Chamberlain, Thomas Rothenberg, and Hal Varian as Distinguished Fellows of the Association. The President requested that the Secretary-Treasurer revise the guidelines provided to the Nominating Committee to reflect current practices more closely.

*Report of the Committee on Honors and Awards* (Auerbach).—Auerbach explained that nominations for the Clark Medal were solicited from economics department heads of major research universities. The Honors and Awards Committee (Auerbach [chair], Athey, Chevalier, Katz, Laibson, Skinner, and Woodford) also examined lists of eligible scholars to ensure that no viable candidate was overlooked. After an extensive discussion of the importance and likely lasting effects of the research contributions of candidates, the Honors and Awards Committee and Executive Committee members, acting together as an Electoral College, VOTED to award the 2015 John Bates Clark Medal to Roland Fryer.

*Report of the Audit Committee* (Levin).—The Audit Committee (Levin [chair], Costa, and Kranton) met with the Association's auditors, Frasier, Dean, and Howard by teleconference on March 17, 2015. The Committee concluded there are no material difficulties with the Association's accounting procedures or financial controls. The auditors reported a clean audit to the Committee. Levin described the financial risks of relying on Econlit for 40 percent of the operating revenue, but also reported that untapped revenue sources remain available to compensate for declines in current revenue sources if needed. Acting on the recommendation of the Committee, it was VOTED to accept the audit for 2014.

*Interim Report of the Ad Hoc Committee on AEA Journals* (Kashyap).—Kashyap reported that the Committee had met by conference call and was considering recommendations for expanding and improving the Association’s journal offerings. The Committee had so far concluded that expansions of the journal offerings, if any, should be designed in a manner that does not crowd out the four existing *AEJs*. Kashyap noted that this would likely imply not starting up a set of more field-specific journals or a lower-tier general interest offering. He announced that the Committee would survey the membership for their views of the Association’s publications program before making a final report.

*Report of the Ad Hoc Committee on Oversight of the Registry for Randomized Control Trials* (Duflo for Katz).—Duflo reviewed progress on the Association’s RCT Registry since inception in June 2013, and noted that the software works well and appears to be user friendly. She reported that 338 trials had been registered as of March 9, 2015, which included both older projects registered ex post and many new ones. She noted that J-PAL had been managing the Registry for the past two years, and that funding had come primarily from a grant to the AEA from the Sloan Foundation, with additional subsidies from the AEA and J-PAL for management and initial development. With the Sloan grant expiring in September 2015, it was VOTED to support the Registry’s ongoing activities and an improved facility for post-registration follow up at a level of \$91,000 annually for two years from expiration of the Sloan grant, and to consider continuing support again at that time. The Ad Hoc Committee proposed that a question be added to the portal for all AEA journal submissions asking whether the submission involved an RCT, and if so, had it been registered with the AEA Registry. A discussion followed in which it was decided to defer such a policy until the journal editors could be consulted and their feedback reviewed at a subsequent meeting of the Executive Committee.

*Report of the Advisory Committee on Editorial Appointments* (Finkelstein).—On behalf of the respective editorial boards, Finkelstein announced the winners of the fifth annual *AEJ* best paper prizes: Enrico Moretti for “Real Wage Inequality” (*AEJ: Applied Economics*, January 2013); Alan J. Auerbach

and Yuriy Gorodnichenko for “Measuring the Output Responses of Fiscal Policy” (*AEJ: Economic Policy*, May 2012); François Gourio for “Credit Risk and Disaster Risk” (*AEJ: Macroeconomics*, July 2013); and Kenneth Hendricks, Alan Sorensen, and Thomas Wiseman for “Observational Learning and Demand for Search Goods” (*AEJ: Microeconomics*, February 2012). Acting on Pinelopi Goldberg’s recommendation, it was then VOTED to appoint Nageeb Ali, Leah Boustan, Matthias Doepke, and Jens Ludwig to initial three-year terms on the Board of Editors of the *American Economic Review*, to reappoint Steven Callander, Veronica Guerrieri, Arvind Krishnamurthy, Hamish Low, Dilip Mookherjee, Fabrizio Perri, and Amir Sufi to second three-year terms on the Board, and to reappoint Leat Yariv to a third and final three-year term on the Board, with all terms ending in March 2018. Acting on Matthew Shapiro’s recommendation, it was VOTED to appoint John Friedman and Kate Ho to initial three-year terms as co-editors of the *AEJ: Economic Policy* ending in May 2018 and June 2018, respectively, and to appoint Magne Mogstad to an initial three-year term on the Board of Editors ending in June 2018.

*Report of the Committee on Economic Statistics* (Haltiwanger).—Haltiwanger explained that the synchronization of business data across the Bureau of the Census, the Bureau of Economic Analysis, and the Bureau of Labor Statistics is a high priority for economists who use federal statistics. He noted that synchronization has been held up in the past by differing laws across the agencies regarding the privacy of tax information, but that there seems to be potential now for movement in Congress to promote improvements. The Executive Committee then VOTED to endorse the following AEA statement on data synchronization:

The Confidential Information Protection and Statistical Efficiency Act (CIPSEA) of 2002 created a uniform standard across all federal statistical agencies assuring the confidentiality of information collected by them for statistical purposes. CIPSEA also authorizes the Bureau of Labor Statistics (BLS), the Bureau of Economic Analysis (BEA), and the US Census Bureau (Census) to synchronize confidential business data for the purposes of improving the Nation’s economic statistical system. However, enabling legislation that would permit the sharing of

Federal Tax information across BEA, BLS, and Census that is critical for the synchronization of business data has not yet been passed. The barriers to synchronization have resulted in BLS and Census maintaining separate business lists needed for their business surveys and economic statistics. The discrepancies in those lists and the surveys based on them make measurement of key economic indicators difficult and distorted. Removing the barriers to synchronization will improve the measurement of key national indicators on the health of the American economy such as output, productivity, earnings, job growth, and inflation as well as improve the efficiency and effectiveness of the agencies. Synchronization also has the potential to reduce the costs to the taxpayer and reduce paperwork burdens on the private sector by reducing duplication across the agencies. Given the potential for quality improvements, efficiency gains, and reduced burden on the taxpayer, legislation required to enable data synchronization should be acted on immediately. This legislation should be passed within the framework of CIPSEA so that data synchronization is achieved in a manner that is consistent with maintaining the confidentiality and integrity of the data.

*Report on 2016 Annual Meeting* (Shiller).—Shiller announced that there had been an unprecedented 1,748 submissions of individual papers and 455 complete sessions for the 2016 AEA meeting in San Francisco, which exceeded submissions for the 2015 meeting by 34 and 16 percent respectively. He noted that these submissions had been distributed equitably among the 17 member Program Committee and that an exciting program was being formed. He also announced that John Campbell had accepted his invitation to deliver the 2016 Ely Lecture.

*Improving Outreach Activities* (Thaler, Rousseau).—Rousseau provided updates on current efforts to bring journal content and other AEA activities to a broader audience, and especially to younger individuals who might not otherwise consider economics as a career path. These include, in addition to expanding the existing undergraduate and graduate student sections of the website, starting a special (complimentary) membership class for interested high school students and teachers with access to the full range of the Association's journals, a short video describing the breadth of careers in modern economics for a general audience, and

the recent hire of a web-content editor to write nontechnical summaries of selected research appearing in the AEA journals in cooperation with authors. He noted that the Association had arranged for a consultant, a set of participants with diverse interests, and a filmmaker, and that the video was on track for release in August 2015. It was emphasized in an ensuing discussion that the Association should particularly endeavor to reach the most talented high school students and effective teachers through access to the AEA journals and by encouraging attendance at the annual ASSA meetings.

*Survey of JOE Network Users and Planned System Enhancements* (Rousseau).—Rousseau summarized responses to a survey conducted in March 2015 among users of the *JOE Network*. He remarked that the system performed well in its first year and that the feedback obtained will be taken into account in planning improvements for the 2015 job cycle. Most found the system easy to use, but many institutions continue to use dedicated university-wide systems to process reference letters while others continue to receive them by e-mail and other less automated ways. He indicated that raising awareness of *JOE*'s letter delivery services could help bring some of these institutions into the system, and that *JOE Network* was gaining adoption robustly on the extensive margin. Survey respondents identified the turnaround times for approving new letter writers, allowing multiple surrogates for an individual letter writer, and a utility to compile all materials for an applicant into a single PDF as areas for improvement. Rousseau noted that letter writers are vetted only once and that much of the cumulative vetting occurred in the system's first year.

*Website Improvements* (Rousseau).—Rousseau announced that the Association had contracted with Bearded.com for a redesign of the AEA website, and reviewed a set of specifications and wireframes that reflected the current state of the project. He noted that the new design was on track for delivery to the Association's IT team in June 2015, and that a considerable amount of back-end work would be needed to integrate current web functions with the new content management system.

*Website Security Update* (Rousseau).—Rousseau announced that the IT team had performed remediation on vulnerabilities revealed in the full test of the AEA website completed

in Fall 2015, and that the vulnerabilities did not recur in a recent re-test on a representative portion of the site. He noted that the next full security test would occur in July 2015, and that the Association would contract with a different security firm to ensure breadth of testing focus. Rousseau also announced that the Association had taken out a policy with Travelers to insure against cyber-related risks.

*Policy on Retractions of AEA Journal Articles* (Rousseau).—Rousseau announced that the Association, under advice of counsel, had recently modified its copyright transfer agreement to require an author or employer-owner of an accepted paper to “acknowledge the right of the Association and its Editors to correct or retract the work following publication in the event of substantive errors or evidence of scientific misconduct or other fraudulent actions.”

*Discussion of Possible Revisions to AEA Bylaws* (Thaler).—Thaler announced that he is considering appointment of an ad hoc committee to review the Association’s current bylaws. The Committee would work in conjunction with the Association’s Legal Counsel and Secretary-Treasurer to ensure that any proposed changes are effective in achieving their intent and are approved through standard procedures. Proposed changes would require approval by a majority of the Executive Committee and then by a majority of AEA members responding to a formal ballot. Topics for consideration, though certainly not limited to these, could include: increasing the term length and possibly the number of Vice Presidents to create more continuity in the AEA leadership; reviewing the order of succession for who would carry out the President’s duties in the event of his or her disability; eliminating the Annual Business Meeting; and reviewing and adding procedures for awarding the Clark Medal.

*Update on Undergraduate Women in Economics RCT Initiative* (Goldin).—Goldin announced that efforts to investigate the disproportionately low numbers of women choosing to pursue undergraduate majors in economics was proceeding well with a grant from the Sloan Foundation, and that letters had been sent to chairs, undergraduate, and graduate directors of 327 academic departments to determine their interest in participating in the “Challenge” where departments would be incentivized to improve these numbers. Goldin reported that

160 of these departments had expressed interest in participating and that appropriate treatment and control groups for a randomized control trial had been formed.

*Report of the Secretary* (Rousseau).—Rousseau reviewed the schedule for sites and dates of future meetings: San Francisco, January 3–5, 2016 (Sunday, Monday, and Tuesday); Chicago, January 6–8, 2017 (Friday, Saturday, and Sunday); Atlanta, January 5–7, 2018 (Friday, Saturday, and Sunday); Philadelphia, January 4–6, 2019 (Friday, Saturday, and Sunday); San Diego, January 3–5, 2020 (Friday, Saturday, and Sunday); Chicago, January 3–5, 2021 (Sunday, Monday, and Tuesday); Boston, January 7–9, 2022 (Friday, Saturday, and Sunday); and New Orleans, January 6–8, 2023 (Friday, Saturday, and Sunday). He noted that contracts were in the process of being signed with San Antonio hotels for 2024. After some discussion, the Secretary-Treasurer was then instructed not to pursue previously authorized negotiations with Las Vegas for 2025 in lieu of the pre-authorized alternates of San Diego and San Francisco.

The 2015 meeting in Boston drew 12,859 registrants, surpassing Philadelphia’s previous record of 12,218 in 2014. The 2013 meeting (San Diego) drew 11,371 registrants. The previous Boston meeting in 2006 drew 8,896 registrants. Fifty-five other societies met with the Association in 2015, 503 scholarly sessions were organized, and 238 “events” (lunches, receptions, committee meetings, breakfasts, workshops, etc.) were scheduled. An enhanced version of the mobile event application, which included more information from the printed program and the ability to comment on individual presentations and events in real-time, received 6,291 downloads from the iPhone, Android, and AEA web platforms, an increase of 16 percent from 2014.

The Association’s seventh Continuing Education Program was held immediately after the 2015 annual meetings. The goal is to help mid-career economists maintain their research skills. Each of the three simultaneous programs included 12 hours of lectures by a team of two economists. Topics for 2015 were health economics (Jonathan Gruber, Adriana Lleras-Muney, and Jonathan Skinner), monetary policy (Gauti B. Eggerston, Jeffrey Fuhrer, Ellen McGrattan, and Ricardo Reis), and time series econometrics (James H. Stock and Mark W. Watson). There

were 232 participants in total, down from 254 in 2014 but more than the 212 participants in 2013. The lectures were taped and are available to members on the AEA website.

The Association's Conflict of Interest Policy requires that the Minutes of the Executive Committee record the names of persons who have an actual or potential financial or positional conflict of interest, the nature of the interest, actions taken to decide whether a conflict exists, and the final decision as to whether there is an actual conflict of interest. The Association's Budget and Finance Committee reviews potential conflicts of interest to determine whether an actual conflict exists. In 2015 Mark Aguiar identified a potential conflict of interest as a member of the Advisory Board for the Carnegie-Rochester-NYU Conference on Public Policy, and as a visiting scholar at the Federal Reserve Banks of New York and Philadelphia. John Asker identified a potential conflict of interest as a consultant to the Federal Communications Commission. Autor identified a potential conflict of interest as a trustee for the Urban Institute, as a member of the Executive Committee of the Society of Labor Economics, and as co-director of the NBER Disability Research Center sponsored by the Social Security Administration. Costa identified a potential conflict of interest as Director of the NBER Cohort Studies Working Group. Finkelstein identified a potential conflict of interest as co-director of the NBER Public Economics Program, as an advisor to the Congressional Budget Office (CBO), and as a participant at the TIAA-CREF Institute. Matthew Gentzkow identified a potential conflict of interest as associate editor of the *RAND Journal of Economics*. Goldin identified a potential conflict as Director of the NBER's Development of the American Economy Program. Gordon Hanson identified a potential conflict of interest as co-editor of the *Review of Economics and Statistics*. Levin reported a potential conflict of interest as a member of the Council of the Econometric Society, as an associate editor of *Econometrica*, and a Program Director for the NBER's Industrial Organization Program. Nordhaus identified a potential conflict of interest as Chair of the Board of Directors and a Director of the Federal Reserve Bank of Boston, an advisor to the Bureau of Economic Analysis, and an advisor to Yale University on issues of bundling journals. Robert Porter

identified a potential conflict of interest as President of the Econometric Society. Debraj Ray identified a potential conflict of interest as a member of the editorial boards of three other economics journals. Richard Rogerson identified a potential conflict of interest as associate editor of the *Review of Economic Dynamics*. Rousseau reported a potential conflict as a member of the editorial boards of *Explorations in Economic History* and the *Journal of Economic Education*, and as an Associate Editor for the *Journal of Productivity Analysis*, and for *Economics*, and as Chair of the AEA Budget and Finance Committee. Larry Samuelson reported a potential conflict of interest as a member of the Executive Committee of the Econometric Society. Matthew Shapiro reported a potential conflict of interest as a member of the Academic Advisory Panel of the Federal Reserve Bank of Chicago. Shiller reported a potential conflict of interest involving Princeton University Press book contracts, a consulting arrangement with Barclays Bank PLC, a member of the Competitive Markets Advisory Council of CME Group, a *New York Times* columnist, and through Standard and Poor's publication of the Case-Shiller Index. After reviewing the potential conflicts and mechanisms to avoid actual conflicts (e.g., Rousseau does not participate in Budget and Finance Committee decisions on economists' raises), the Budget and Finance Committee concluded that there were no actual conflicts.

*Report of the Treasurer (Rousseau).*—Rousseau reported that the audited financial statements for 2014 show an operating surplus of \$378 thousand, down from \$887 thousand in 2013. Including investment income and capital gains, there was an overall 2014 surplus of \$3.2 million. He presented a revised budget for 2015 based on information received between November 2014 and April 2015, predicting an operating surplus of \$280 thousand; a surplus of \$256 thousand had been predicted in January.

The combined 2014 operating surplus and portfolio gain increased the January 1, 2015 ratio of accumulated net unrestricted assets to 2015 expected expenditures to 3.3. The Association's target ratio is 1.5 to 2.5, established by the Executive Committee in 2009. The Association's net unrestricted assets on December 31, 2014 were \$33.4 million, up \$3.2 million from the year prior. Total assets on

December 31, 2014 were \$37 million, of which \$34.4 million consisted of cash and financial investments, \$2.3 million were accounts receivable, and \$0.6 million were prepaid expenses, furniture, and equipment. Liabilities were \$3.6 million, of which \$2.1 million consisted of pre-paid membership dues and subscriptions, \$1 million was deferred annual meeting revenue, and \$0.6 million was accounts payable. The Association also held \$0.2 million of temporarily restricted assets.

At Rousseau's request and following approval by the Budget and Finance Committee, it was VOTED to authorize Regina Montgomery, the Association's Administrative Director, as co-signer for the Association's financial accounts with the Vanguard Group, Inc. and PIMCO.

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

Respectfully submitted,  
PETER L. ROUSSEAU, *Secretary*