

## **Responses from Senior Econometricians concerning the formation of a new Society for Econometricians (April-May 2010)**

Prepared by Peter C. B. Phillips, June 26, 2010

Listed below are extracts from letters sent to me in response to a letter I wrote to senior econometricians asking for their views on the formation of a new society for econometricians and related issues. That letter is appended below in Section C.

The responses raised many issues beyond the formation of a new society. Many of these relate to the Econometric Society, to the publication of econometrics articles in *Econometrica*, and to the new Econometric Society journal *Quantitative Economics*. To enhance readability I have therefore organized the responses (including sections of responses) according to their content into the following two categories

- B1: Comments on the needs of the econometrics community and a possible new society for econometricians
- B2: Comments relating to the Econometric Society and its functions.

The responses were thoughtful and many raised interesting new points and useful suggestions which are worth repeating to a larger audience. There was an overwhelming positive response from people in Europe and Asia. A large percentage of the responses were strongly enthusiastic. The negative responses came from people in top North American schools who felt that this is what the Econometric Society does or should be doing. The noncommittal responses were thoughtful and indicated a wish to continue to be part of an ongoing discussion.

### **A: Statistical Summary:**

115 messages were dispatched

89 responses were received

83 responses were supportive (93%)

3 responses were noncommittal (3%)

3 responses were negative (3%)

Regional response rates: Asia (86%); Europe (85%); Australasia (80%); North America (73%)

The quotations below come from all of these sources.

### **B1. Comments on the Needs of the Econometrics Community and a Possible New Society for Econometricians**

1. "I welcome this idea. I think it is important and timely. I would urge being a little clearer about what it understands econometrics to be, which I take as the study and development of methods and techniques which can be used to carry out rigorous empirical work in economics. For example, this may include computer science innovations, as well as ones from more traditional disciplines like stats and maths. I would have thought a broad church view would be most effective, so

- it is flexible through time. Clearly this is a very different definition than that used by the Econometric Society.”
2. “I support the idea wholeheartedly. There has been a widespread need for a society that is both truly international and interdisciplinary. Well done. I fully support and will be happy to contribute to building it up. JoE may have been able to fulfil this need, but its fellowship is not active and there is no executive structure to be strategically involved in the activities you mention. I’m not sure whether it’s best to use this vehicle or start afresh. Societies tend to be associated with journals, because of their symbiotic relation.”
  3. “It is a great idea. You have my full support.”
  4. “It might be good to emphasize the time series part of the society, not in the name but in the goals. I find it extremely disappointing and somewhat disgraceful that the new econometric society QE journal is mainly oriented to microeconometrics (with some macroeconomics) as indicated by the editorial board.”
  5. “I am in favor of anything that helps provide useful services to econometricians. I am a little ambivalent about your plan, as it means a schism in the ES, which will therefore not be too happy with this. However, if there is enough support then I am happy to be involved. I do think, though, that it is the next generation (who are around 40 or so) who should be the leaders of such an enterprise. They should be willing to provide the energy, the ideas and the time.”
  6. “One risk is that people are spread so thin with so many different allegiances and conferences and there can be a tendency for ‘free riding’ and you could devote a lot of effort without seeing much effect in the short run.”
  7. “I feel it is important that the new society should not be American dominated. Europe and Asia should be involved from the start.”
  8. “I wholeheartedly agree with you that the better stimuli worldwide for the community of scholars in econometrics do not come so much from the bigger global official (primarily economics) societies but from the more informal and locally supported initiatives such as SETA, EC-squared and some others, such as the panel data meetings and more national based econometric study groups and camps. However, one of the reasons for this may be their limited scale of operation, their informality, their dependence on genuine enthusiasm of individuals who occasionally take up responsibility for doing organizational work and arranging finance, but do not have to commit themselves for long periods for many such things. Would an official Association form just an extra stimulus and backbone for all such initiatives, or would it first absorb them and next – unwillingly - strangle them, due to diseconomies of larger scale, bureaucracy, required long term planning and coordination, etc.? I’m not so sure about all this.”
  9. “Is there a future for officially established and governed societies, with membership, a constitution and the like, or is this an era floating on more fluid informal organic networks? Could perhaps the “econometric links” website be converted into a “virtual society” that promotes all the activities that you have in mind? So, although I’m of the opinion that there are very many scattered econometric activities of tremendous importance that should receive support and recognition by for instance the Econometric Society (given its official mission) but do not get that, I do not have very strong feelings (yet) that we should

- therefore strive for an alternative Association, rather than just putting our energy as much as possible into the primary activities as such: supporting a broad spectrum of journals, helping to organize meetings, etc.”
10. “Emphasizing the international dimension (although IEA is already in use as an acronym), and having senior econometricians on board from many countries before launch will be critical, although I am unsure how much advance consultation would be wise with the ES. Having an ‘umbrella’ organization cooperating with EC<sup>2</sup> and SETA would be a good start”
  11. “You have my enthusiastic support on whatever you decide to do. One thing that might be useful is to consider why certain new societies have proven successful. The successes, I believe, are due to 1) conferences which created forums for younger scholars to interact with senior figures, 2) links to strong journals and 3) a fairly large group of senior figures endorsing and participating early on. Also, I think there was a perception by the participants that they wanted to challenge the status quo.”
  12. “I am very much in favour of the the idea of establishing a new international society for econometricians. I would certainly support the sentiments expressed in the mission statement and would be very happy to do whatever I can to support the initiative.”
  13. “I think this would be a very worthwhile endeavor and I'm grateful that you are taking the lead on this. There is a need for more focused meetings at the interface of econometrics and various domains of applications, where the econometrics play center stage without the need for apologies! Have you given some thought to making ET the society's journal?”
  14. “A society that brings people together is generally a sound idea, though what the society wants to achieve (other than another conference) will need to be more specific.
  15. “You have in mind an organization with broad interest, not specific to financial econometrics, panel data, or time series. I often feel a big divide between the cross-section and the time series people, and between interests of theorists and what practitioners need. I also tend to see the same people at conferences, and there are others I hardly know. There are really gaps to fill. How to bridge the gap, I do not have firm ideas but will give it some thought. I don't see myself as a senior person, but I'd happy to get involved, to the extent that I can be of help.”
  16. “I strongly support your idea of establishing a new international society "The International Econometrics Association" (IEA). I am very disappointed that the econometric society new journals do not include one for econometrics.”
  17. “I would like the idea of having an international econometric association. As you have mentioned there are already various groups meetings in Europe, the Far East, and Australia-New Zealand, so it would be a good idea to have a unified organization which can put things together in a more coherent and informative setting.”
  18. “Your idea is interesting and provocative. It is too early after learning about it for me to know whether I support it, but I would be happy to be part of the discussion if that is possible without attending the meeting at SMU.”

19. "My impression is that in recent years, there has been a decrease in enthusiasm for what might be called general interest econometrics conferences (e.g., the North American summer meeting, the ESRC meeting that, until this year, was held in Bristol) and an increase in small, themed conferences (e.g., SETA and EC<sup>2</sup> among many others). Cemmap is a big player in this area ... and it sponsors or co-sponsors a large number of specialty conferences, including SETA and EC<sup>2</sup>. Perhaps the relation of the new society to Cemmap can be a topic for discussion at your meeting or through other means. Maybe the Society for Economic Dynamics raises similar issues on the macro side. I am less concerned about the Econometric Society, which I think has become pretty stodgy."
20. "I think it is a great idea and I would be personally delighted to be involved in moving it forward. My understanding is that you want to build a Society united by the methodology of Econometrics, irrespective of the field of application. With such a goal, I would be 100% your man. One way to build a crucible for the society might be to make it endorsed by some existing institutions. EC<sup>2</sup> and SETA are clearly great ideas and I am sure you have many others."
21. "You have a great idea, and I fully support it. I will not be at the SETA-SMU meeting; so let me jot down a few comments: i) The name: Society or Association? How about "The International Econometrics Society" (TIES). Of course, this conflicts with "The Indian Econometrics Society" which exists.
22. "I would be happy to support this. I think this new IEA could be an umbrella for a number of other econometrics societies, such as the society for spatial econometrics, the Netherlands Econometric Study Group, the Canadian Econometric Study Group, and other groups with specialized interests like bayesian econometrics, time series, the Cowles Theoretical Econometrics workshops and groups, structural econometrics, and so forth."
23. "In my opinion there are two things which would be important: (1) I think, there is a need for a stronger feedback to actual applications, such as practically relevant economic analysis, forecasting and decision-making. This at least in view of problems arising in such applications and of "stories" concerning success or failure (of course we may learn from failures) in using econometric tools. This is of particular importance in view of the present economic crisis. The newly established society should serve as a "transmission line" in this respect. In other fields like engineering, feedback from applications is significantly better. (2) I agree, that econometric theory and methods are of use for other areas too, and on the other hand we can also learn from other fields like signal processing or system and control theory. Here also a transmission line would be needed. In my opinion "data driven modelling" (using inputs from different fields of application) will become a field of its own in the future."
24. "Generally I would support the idea. I think, however, that the mission statement in its current form is a bit problematic. If econometrics loosens its ties to economics and wants to be a discipline also relevant to the sciences, then I do not see what distinguishes econometrics from statistics anymore (except for some cultural differences)."
25. "I feel it is important that the new society should not be American-dominated. Europe and Asia should be involved from the start."

26. "I am very interested by your project and I would like to participate in its development. Naturally it is necessary to be precise about many things such as the relations with the Econometric Society and the statistical societies (ISI for example), if IEA will have a journal, and if there will be regular conferences. This is a very exiting project and I will be happy to help you."
27. "I welcome the idea in principle and agree that it is worth starting a discussion of a possible setup of a new society for econometrics."
28. "I support this initiative. Should I think about it along the lines of ISI? Or the SOFIE that was recently introduced. The question would be what is the main focus, a journal? A series of conferences? A facebook type of community?"
29. "I certainly think your suggestion has great merit and should be supported. I would be happy to help however you feel I would be most productive getting things moving. One point: IEA is also Institute for Economic Affairs; I'll try to think of some other worthy acronyms."
30. "I support the idea of a new international society for econometrics. There are some reasons for it. First, the scope of econometrics is now quite broad and its methodology has deepened over the last few decades. It requires a separate recognition as a research field. Establishing a new international society will help recognizing econometrics as an important research field and will promote its use throughout the world."
31. "As you mention we have seen the emergence of various groups such a labor econometrics, industry econometrics, financial econometrics (basically Sofie) , macroeconomic dynamics etc all of whom run small meetings ( and not so small in some cases). But I would have to say that I feel that most of the people attending these meetings don't see themselves as econometricians. They are more non-theorists and in the case of the first two groups above their interest in econometrics is more that they need to know what packages such as Stata do. Indeed trying to talk to them about something outside what they work on is a waste of time. So I am not sure that any of them would get involved in a society like this. It is not to say that there wouldn't be people interested but I think it would be a lot less than twenty years ago. I get the impression that in places like Holland and Denmark that there is more of an identification with econometrics. It may also be true in somewhere like China simply because of the numbers involved. I guess the point I am making is that while I think of myself as an econometrician who does some other things, and would be interested in promoting such a society, I feel that a lot of the younger people wouldn't be. So it would be important to get some feedback from that group as they would have to run it in a decade."
32. "That all sounds very exciting. I am more than happy to be involved as anything that promotes econometrics and improves connections internationally is a wonderful goal. I look forward to hearing from you about the feedback you receive at SETA."
33. "Thanks for writing to me about this idea. There are certainly useful things regarding outreach and other disciplines that the Econometric Society does not do. I will not be at SETA, but do keep me informed."

34. "I support the initiative. A lot of details need to be worked out obviously. Please keep me informed."
35. "I do not have any specific ideas regarding the society and moving it towards realization. Since we already have the Econometric Society building a strong and clear identity for the new society seems important and may be an issue that many people start to wonder. However, at this point the most important thing undoubtedly is to find out whether there is support enough for the idea and whether there are people who have the will and possibilities to get involved. I am afraid that I cannot make any commitments at this stage, for I have been rather overwhelmed with work during the past few years and the situation will probably not get much easier. If it is all right I would still be happy to hear how the idea proceeds in the future and I support you in this matter."
36. "I think this is a great idea and is timely, given the increasing role of econometrics in most fields in economics/sociology/education, its sister relation with statistics, and its heavy use of state of the art tools in probability, mathematics, and some other disciplines. There are of course many activities that IEA could organize/sponsor including conferences (both general and specialized), special workshops focusing on specific topics, etc. Personally, I am very interested in activities that foster interactions among researchers in different disciplines, both theoretical and empirical. This could be done via conferences and/or via the IEA journal. Conferences/journal articles could be of different nature: (i) Technical (say). The aim is to bring mathematicians/probabilists and theoretical econometricians together so that econometricians could learn the tools they need from and pose questions to mathematicians/probabilists; (ii) Methodological. The aim is to bring econometricians and statisticians/biostatisticians working on similar topics together so that they could get to know each other's work and learn from each other. One example of this is to bring researchers working on evaluation of treatment effects together including econometricians and biostatisticians; (iii) Empirical (say). The aim is to bring econometricians and consumers of econometrics together. Again one topic is program evaluation. This is done in empirical work in many disciplines including economics, sociology, medical research, and education. Econometricians could introduce cutting edge econometrics tools to empirical researchers from different disciplines and generate research ideas from problems arising in empirical work. IEA could organize conferences/workshops with the above focus and/or publish papers with the above focus. Another role that IEA could play is to help both sides on the job market for econometricians given the increased demand for econometricians from countries such as China. Again I think this is an excellent idea. I am very excited about it and looking forward to be part of it."
37. "I believe that we do not need another "journal publishing, conference organising" society (these are Myerson's words defining the Econometric Society when he was its president). I think the success of journals like Econometric Theory, Journal of Econometrics and Journal of Applied Econometrics, and the success of conferences like EC2 and SETA show that journals and conferences need not be connected to a society to be successful. Of course there is no harm in an econometrics society endorsing such journals and conferences. I also believe

- that a new society must be inclusive, and in particular it should make an effort to include those econometricians who choose to go to developing countries rather than become an academic in a developed country. Your suggested mission statement assures me that you have ideals beyond Myerson's definition of the ES. For that reason, and because I trust you, I support it and I would like to be involved in making the idea more concrete."
38. "Your idea of bringing econometricians together more effectively is really good and timely. This is a classical old way of academic discussion. I always prefer smaller selective meetings, which are often more productive. Small conferences are very efficient and attractive to econometricians and statisticians bringing a wider range of academics together, e.g. econometricians and statisticians, is a very effective way of developing and promoting of econometrics. In my opinion, this is an excellent idea."
39. "Yes, I would support this idea. In my view the Econometric Society has become increasingly dominated by the theorists, of whom there are just more than there are of us. This is especially true in the US. It maybe time to consider having our own "real" econometric society. I suppose the two questions that come to mind are the following. First, would the society be affiliated with a journal (ET?). I don't think we need another journal at this time. Second, how would it be paid for? I assume some sort of membership dues. Let me know when there is anything you would like me to do."
40. "I think your idea of establishing an International Econometrics Association is a great one. The current econometricians' affiliation to the Econometric Society does not appear to suit the broad advancement of the discipline well. I have been teaching graduate "Applied Econometrics" class in the last few years. Enrolls in this class include students from economics, marketing, finance, pharmaceutical economics, political science, international relations, etc. Majority of the probably will never attempt to join the Econometric Society. Of course, if your idea is to go off ground, a host of issues mentioned in your email need to be solved. I will not attend the forthcoming SETA meeting. However, if there is anything I can do, please feel free to let me know.
41. "I've postponed my response for a week thinking that I might have some epiphany that would provoke a more meaningful response, but unfortunately, no such luck. So I'm left with some general sense of sympathy for your proposal, a vague regret that I can't feel enough loyalty to the Econometric Society to muster some sort of countervailing outrage against it, and -- most significantly -- a general sense of malaise about econometrics that has gradually left me wondering whether I'm really part of the econometrics community. I seem only rarely to be attending econometrics meetings these days and am much more frequently consorting with statisticians who I find in some ways more congenial. As with any new venture like this, I suppose the real question is there a cadre of relatively young people who would be able to sustain it. If so, then it is certainly worthwhile and I would certainly support it."
42. "I would be very happy to be involved, and I strongly support the idea. Econometricians are under-represented and under-served by the Econometrics Society."

43. "I think this is a good idea - there are various societies that econometricians can and do belong to, but now that the profession is so large an overall body could well serve a purpose. I would be happy to help (though I'm unable to attend this year's SETA meeting)."
44. "I have given thought to your message. I agree that small focused conferences are often much more useful than the large meetings. Yet these conference already regularly take place, without the need for an organization of international scope. Hence, I am having difficulty seeing what need a new association would fill. I also am concerned that formation of a new association would be seen as a signal of abandonment of the Econometric Society. I continue to believe in the ideas that motivated creation of the Econometric Society in the 1930s and I would not like to see it shrink into an organization of economic theorists. For these reasons, I am for now not inclined to want to participate in this endeavor. Nevertheless, thanks for thinking of me and for asking."
45. "Thanks a lot for sharing your thoughts with me. I think it is a great idea to have an independent society that is devoted to the advancement of econometrics. For the society to be visible and achieve the goals you outlined below, it seems important to have regular meetings in different regions of the world and to have a journal or other forms of publication that hopefully becomes a leading outlet for econometric research. If I can be of any help, I would like very much to get involved in the process."
46. "Many thanks for your message and initiative of a new international society for econometricians. I think it is a wonderful idea for the creation of such a society. If I can be of any help, I would like to be involved in moving the idea forward."
47. "This is a truly excellent idea, and one that is long overdue. The Econometric Society most definitely does not cater for the interests of econometricians, which may explain why, in recent years, econometrics has fragmented into financial econometrics, time series econometrics, and so on. Although the vast majority of papers published in *Econometrica* are theoretical economics, the most highly cited papers in the journal are unquestionably theoretical and applied econometrics. My only (very minor) reservation about the acronym IEA is that it is also the abbreviation of the International Economic Association ([http://www.iea-world.com/page/index\\_about.html](http://www.iea-world.com/page/index_about.html)), and many others, although I appreciate there is bound to be some commonality in abbreviated names. I wonder if it might be useful to include "finance" with "economics, statistics, and mathematics", especially as econometrics is essential for research in finance. You will be guaranteed a groundswell of support, and the proposal is guaranteed to be a success. I regret that I will not be able to attend the meeting in Singapore, but you have my total support in terms of your proposed venture. Please let me know if I can assist in any way.
48. "I understand that the motivation for this initiative is that (1) needs of econometricians are not properly met by the Econometric Society and (2) the term "Econometrics" has over time more and more become synonymous with the set of quantitative techniques that are in use in the social (and other) sciences. For time series, related to this are developments such as modern macro moving to what is essentially a setting of data irrelevance, which implies that a large fraction of



- applications will be outside of economics. I think that the time for this idea has come. I am quite enthusiastic and hope that this can go forward. The embedding of the EC<sup>2</sup> and SETA conferences that you mentioned into the new Association should be highly desirable. It is not quite clear to me what the future role of the Econometric Society will be in this scenario. If there is anything I could do to assist in the realization of this initiative, then I would be happy and honored to do so.”
49. “I am puzzled by the motivation for the new society, and wonder for example, how and why it would differ from the Econometric Society. My general sense is that we already have lots of conferences, lots of journals, and plenty of opportunities for interaction with colleague in Economics and Social/Natural Sciences more broadly.”
50. “Personally, I think it is an exciting idea to have a new society. As you note in your mail, you probably left out details of your idea on purpose, and down the road I believe more details will be discussed (for example, I would believe a strong presence of microeconometrics -- whether we like it or not, an issue I am neutral about -- is crucial for the success of such a society). I would be honored to be a part of such discussions, though I would like to see how details would emerge before how much I would be able to commit myself (I am not an efficient worker, so I have to be a bit careful about the use of my time!) to the new society in the event it indeed gets installed. But once again, I am would be very happy to be a part of the discussion.”
51. “Just a quick reply, with the hope that you will receive it on time, to let you know that I support your project and would be ready to be involved in it. My concern, however, is that I have devoted less time to theoretical econometric research in the past ten years or so – although I continue to carry-out research work – and I wonder if I will be able to contribute efficiently towards the realization of the project. I hope nevertheless that my positive reaction is useful to you.”
52. “I’m all for the promotion of econometric methods and practice and I’m happy to support organizations which do that job. My interests are in those aspects of the subject that distinguish it from statistical science and applied statistics as it is practiced in many areas of natural science and indeed, sadly, in some areas of social science. I prefer to emphasize structural econometrics and the contingent nature of econometric inference about structural features which must rest on a core of unverifiable restrictions. I would be happy to be associated with a venture which promotes good econometric work both in theory and applications. I’m sorry I couldn’t get to this year’s SETA meeting. I hope it went well.”

**B2. Comments related to the Econometric Society and its functions, including *Econometrica* and the new journal *Quantitative Economics***

53. "There is decreasing sympathy of the Econometric Society for econometricians, as evidenced by editors of *Econometrica*, presidents of the society etc. Don't get me started on high brow econometric theorists who are not elected fellows despite terrific cvs!"
54. "Some leading applied economists who are fellows of ES are openly disdainful of econometrics, particularly econometric theory and have written textbooks that promote this disrespect."
55. "By contrast there are strong applied groups in areas like labor, IO, development, finance that make heavy use of high brow econometrics in their work and who relate very closely with econometric theorists. These groups will benefit from institutionalized support mechanisms that come with a society (fellowships, awards, etc). Well established journals like JoE, ET, JAE, EJ might serve as official journals of the society – this dimension is already in place. "
56. "There is a need for a newsletter and member news to welcome new econometricians and support the community with information about happenings. In brief – to do the things people would like the Econometric Society to do but which it does not do in spite of its name."
57. "... the Econometric Society really has nothing specifically for econometricians. Having been on the program committee of the winter meeting, I am discouraged by how few contributed papers get through to the program. No wonder there are specialized groups like SoFie and the International Panel Data Society that hold their own conferences".
58. "... I am very disappointed that the econometric society new journals do not include one for econometrics".
59. "I have strongly disagreed with the orientation of the new journal QE of the Econometric Society. Through both the choice of Associate Editors and the "aims and scope" it is shockingly biased in favor of microeconometrics. Words like "time series" or "finance" are not even mentioned."
60. "Econometricians do not get a good deal in meetings of the ES compared to say 20 or 30 years ago."
61. "I agree that we need our own econometrics association, and that it will be widely welcomed by econometricians as we understand that word, but need to plan carefully so we do not overly antagonize the Econometric Society."
62. "I suppose one would have to be careful to position the society carefully -- in relation to the Econometric Society in particular -- so that it complements it and does not appear to take away from it."
63. "I read between the lines that you might not think the Econometric Society is doing a good enough job of serving econometricians, and it may be too diffuse and not well enough focused on econometrics per se to have motivated you on this effort. I do support efforts to "level the playing field" and especially in terms of journals. I have spoken with many people who feel an increasing sense of arbitrariness with decisions at *Econometrica*."

64. "I think it helps a great deal if a society is allied with one or more journals as well. Presumably, the Econometric Society will not be too keen on the creation of IEA, but I could be wrong. I think a logical first step if you get enough support for forming IEA is to approach the ES to see how they feel about it and whether they would be willing to partner, and *Econometrica* could be one of the journals associated with the IEA. *Journal of Econometrics*, *Econometric Theory*, *Econometric Reviews*, *Empirical Economics*, *Journal of Applied Econometrics*, etc would be natural journals to be brought under the umbrella of the IEA as partners."
65. "Thanks for this letter. This is food for thought and I will get back to you on it . One quick question to better understand this proposal: how would you envisage relationships of the new society with the Econometric Society? I understand this is between the lines of your letter, but it would pay to bring it up front."
66. "I see a strong need for a new society for econometricians. The Econometric Society doesn't represent well the interests of most econometricians and it has offended econometrics by offering two new journals (one in economic theory and one in applied economics, both of which are very well served already) without paying any attention to econometrics. The ES produced a document on the new journals that was directly offensive to the econometrics community saying that no field econometrics journal measured up to the economic theory field journal *JET*. Most econometricians don't get the chance to publish in *Econometrica*, so this statement insulted most of the econometrics community. Put another way, the ES insulted a good part of their own community and, worse still, did so without realizing it and without producing any evidence."
67. "It is true that econometricians do not get a good deal in meetings of the ES, compared to say 20 or 30 years ago. I was expecting that the ES and the EEA would stop having meetings together, because there was a lot of discontent last august at the meetings in Barcelona. This would have been a good moment to do this because the world meetings provide a natural divide, but it has not happened."
68. "I share many of the concerns expressed in your letter. I feel that econometric(ian)s has (have) become increasingly disenfranchised within the Econometric Society. Two cases in point are: (a) the running of the EEA meetings alongside ESEM which has had a deleterious effect on overall intellectual econometrics content of the two meetings; (b) the new QE journal which does not seem to have taken into account or tried to co-ordinate with other serious journals in econometrics such as *ET* and *JAE* or *EctJ* of *RES*. I understand that people on the committee discussing the new journals tried to get some dialogue going with other journals but this suggestion was turned down. With regards to (a) I believe the increasing success of ESGs reflects dissatisfaction with these larger jamborees which to my mind do not contribute much to intellectual discourse."
69. "The Econometric Society houses both economic theorists and econometricians in the same place. Although it is good for econometricians to know economic theory to broaden their perspectives, economic theorists and econometricians are an unbecoming couple. Having a conference for both economic theorists and econometrics sometimes seems to be inefficient and unnecessary. If we have

conferences just for econometricians, it would be easier to invite people in statistics and mathematics and share our ideas.”

70. “The governance culture of the Econometric Society seems to be cryptic and exclusive. I believe very well known scholars are involved in the governance, but most econometricians do not know who makes what decisions there as members of the Society. Furthermore, the Econometric Society seems to be mainly for researchers in the US and parts of Europe. Econometricians elsewhere seem to be disconnected from the Society. The new international society for econometricians can be more open to econometricians in other regions and, by becoming so, promote econometric research better throughout the world.”
71. “I have to say I am not really sure about the idea. I think we would all agree that the Econometric Society has failed to deliver a society that lives up to its name and has been increasingly taken over by theorists.”
72. “My impressions are similar to yours. It seems that, at least in Europe, many econometricians have been rather unhappy with the meetings of the Econometric Society and the policy of *Econometrica*. This seems to be common especially among senior econometricians. Given this, I am supportive of the idea of exploring whether a new international society for econometricians could successfully be realized.”
73. “Your idea is interesting but it raises important problems. The main one is probably that such a project would inevitably appear as a "schism" with respect to The Econometric Society. Therefore, this project will be attractive if the reasons of this schism and the objectives of the new society are made very clear. As far as I am concerned it is true that I do not feel well integrated in The Econometric Society. I even stopped progressively attending the regional and World meetings. However there are several reasons to this situation and they are difficult to disentangle. First, there is certainly an "Econometrics effect" in the sense that the place of Econometrics within the Society is not clear. Second, there is a "Europe effect" since the weight of Europe, compared to the one of the US or of Asia is decreasing. Third, there is an "Application effect", because, in my view, The Econometric Society missed the development of important applied domains like Financial Econometrics (hence the creation of SoFiE for instance). The last point is particularly important and stresses the fact that you would have to define precisely what you mean by "Econometrics". Is it only Econometric Theory, or does that contain Applied Econometrics? If yes what would be the policy of the new society with respect to the various applied fields? Please keep me informed of the evolution of your project.”
74. “Nothing at the ES has changed for the better and things have become much worse. This is just one of the reasons I no longer attend ES conferences. When you have a cancer, sometimes the only option is to cut it out. The ES will not even notice that the econometricians have left until it is much too late.”
75. “Here are a few comments re my views.
  1. The Econometric Society does not do a good job in allowing the membership to be involved in decision making (to say the least).
  2. The two main functions of most academic societies are meetings and publications.

3. I don't think we need any more journals in econometrics right now. I would be much happier if the Journal of Econometrics was with a non-profit publisher, but that is not the case. Unless a new journal was to replace the JoE, which would be quite difficult I think given the number of people involved with JoE, it is not clear to me that there is enough room for another high quality journal. It seems like the Econometrics Journal is trying to do this, but its not clear that it is getting a large supply of quality papers, at least so far.
4. I also don't think we need any more meetings right now. However, the meetings that exist could be better. The Econometric Society Jan meetings are not very good for econometricians due to a lack of sessions. One possibility for a new society would be to join the Allied Social Sciences group and sponsor additional econometrics sessions at these meetings. The NA Econometric Society summer meetings are much better. There are good sessions with younger econometricians, but the meetings would be better with more senior people present. Its not clear to me how a new society could help with this other than by putting on meetings that substituted for the ES meetings. A successful attempt to do the latter would yield better meetings but a weaker presence within the Econometric Society.
5. As you say in your email, there are a number of meetings and study groups around the world that already focus on econometrics. The new society could serve as an umbrella organization for such meetings. I am sure there are advantages to this, but there are also advantages of being decentralized. I'm not sure which would outweigh the other. It might depend on how well organized the current organizers currently are.
6. Publications in *Econometrica* are an important part of the promotions process for econometricians, especially at the higher ranked universities. *Econometrica* is the only general interest journal that publishes econometric methods (except for *REStud*, but the latter does not publish very much econometrics and oddly enough is not particularly hospitable to pure theory). Without publications in a top general interest journal, promotions of econometricians could be compromised. So, it is very important that a new society does not have the effect of weakening econometricians' place with *Econometrica*. (With the Econometric Society, I would not say that econometricians' place is very strong to start with, so there is less to worry about in this respect.)
7. Similarly, from a substantive perspective, if a new society had the effect of breaking off econometrics, especially theoretical econometrics, from the rest of quantitative economics, it would not be a good thing.
8. Some of the comments above have a US flavor to them. Econometricians outside of the US might have different views.
- In sum, I am not convinced that a new society is the best avenue, but I have an open mind on the topic.
76. "The econometric society does not represent econometrics anymore. I think that your proposal - to quote a well-known document - works as an explanation for "when in the course of human events it becomes necessary for one people to dissolve the political bands which have connected them with another and to assume among the powers of the earth, the separate and equal station to which the

Laws of Nature and of Nature's God entitle them, a decent respect to the opinions of mankind requires that they should declare the causes which impel them to the separation.”

### **C. Letter from Peter Phillips to Econometricians, April 2010**

For some years now I have been aware that many people in our econometrics communities around the world feel the need for a new international society that will serve their needs as econometricians and provide a fellowship among them that promotes a common sense of purpose within the discipline and recognizes its importance in a wide scheme of applications that stretches beyond economics across the social and natural sciences. In partial response to this need, local groups of econometricians have for some time been gathering together and forming study groups and small conferences that meet regularly. On a larger regional scale, both in Europe with EC<sup>2</sup> and in Asia with SETA, much larger numbers of econometricians have been gathering together successfully to share knowledge and pursue common interests in a focused manner that is not so easy to achieve in the large economics conferences.

My purpose in writing is to explore with you and a small group of senior econometricians the idea of establishing a new international society for econometricians to satisfy this growing need. The goal of the society would be to support the econometrics community and its many activities, to assist in bringing people together with like interests, and to promote the subject within and beyond the profession of economics. A possible name for the society might be “The International Econometrics Association” (IEA). A mission statement might be something along the following lines:

“The International Econometrics Association is an international society dedicated to the support of the econometrics community, to the advancement of econometrics in its relation to economics, statistics, and mathematics, and to the promotion of econometrics more broadly within the social and natural sciences”.

It is important that there be a groundswell of support for this idea if it is to get off the ground and be a success. In particular, I think that there needs to be leadership and a common sense of purpose and commitment amongst a group of senior econometrics if the idea is to be successfully transported into reality. This exploratory letter is intended to assess the degree of support for the idea among a small senior group.

I would therefore warmly welcome your response to the idea in general, an indication of whether you would like to be involved in moving the idea forward, and any specific ideas that you may have regarding the society and moving it towards realization. Since this is an exploratory letter, I have not provided any detailed information. There are, of course, a host of matters concerned with structure, governance, activities and publications that can be considered if and when the idea begins to move forward.

To assess support for the idea more widely, I am thinking of holding an open meeting to discuss the idea and any related issues at the forthcoming SETA conference to be held at SMU over April 28-29. We will have an open agenda at that meeting but if you feel there are matters that should be specifically raised please do let me know.

Following the SETA meeting, if there is a strong show of support for the idea, I will move forward to discuss the matter with you further if you are interested.

My warmest personal regards,

Peter C. B. Phillips