

**ANNUAL REPORT (2001) ON THE GAME THEORY SOCIETY**  
**(March 15, 2002)**

**1. INTRODUCTION**

Compared to the year 2000, in which the First World Congress was held, the year 2001 was a reasonably quiet year for the Game Theory Society. Nevertheless, a lot of activity was taking place behind the scenes. The by-laws of the Society were drawn up and the first Council was established. One of the duties of the Council is to elect the officers of the Society and the first such elections took place at the end of 2001. Furthermore, there was a call for organizers for the Second World Congress, which is scheduled to take place in 2004, and negotiations were started with one of the candidates. In the Netherlands, a Dutch chapter of the Society was established. Several other countries took steps to establish national chapters as well. In addition, we worked towards improving the web site of the Society and towards improving the operating procedures of the Society. See <http://www.gametheorysociety.org> for the web-site. As a noticeable result, online registration for the year 2002 was possible. In the Sections that follow we report in more detail on some of these activities and on the regular activities of the Society.

**2. MEMBERSHIP**

In 2001, the Game Theory Society had 440 paying members. This compares to 482 members in 2000, and 477 members in 1999. Hence, membership declined with about 10% in 2001. This is a small decline and this is natural in the year after the World Congress. Of these 440 members, there were 318 that were also already a member in 2000. Consequently, the GTS has succeeded in attracting 122 new members (28%), while 164 of the 2000-members (34%) choose not to renew their membership. These numbers show that there is considerable turnover and that membership of the Society has not yet stabilized. (In 2000 133 new members were recruited, while 128 1999-members did not renew.)

The main benefit of membership is that members can obtain the leading journals of the field with a considerable discount. Various options for membership are available. The one that is most often taken is to take both journals, IJGT and GEB, where GEB is taken in printed form. The following table gives the details:

Option	Rate	Regular	Students	Total
Member only	\$25	28	0	28
IJGT	\$50	39	2	41
GEBp	\$85	61	1	62
GEBe	\$85	4	0	4
IJGT + GEBp	\$105	245	31	276
IJGT + GEBe	\$105	11	0	11
IJGT + GEBp + GEBe	\$130	18	0	18
<b>TOTAL</b>		<b>406</b>	<b>34</b>	<b>440</b>

**Table 1: Distribution of Membership in 2001.**

We note that students pay a reduced fee. In 2001, the reduction was \$15 and there were 34 student members. This compares with 44 student members in 2000 and 69 student members in 1999. The reduced fee is also available for members from countries with lower per capita incomes. During 2001, there were 26 regular members paying the reduced fee. This number compares with 33 such members in 2000 and 24 in 1999. Hence, all in all 60 members (14%) pay the reduced fee.

	1999	2000	2001
Member only	19	19	28
IJGT	418	420	346
GEBp	386	398	356
GEBe	38	49	33
Reduced	77	77	60

**Table 2: Evolution of Membership categories through time.**

Table 2 compares the 2001-membership with that in 2000 and in 1999. The “member only”

option is available only for persons that are on the editorial board of GEB or IJGT and, following an effort to enlist the members of these editorial boards to the Society, the number of “members only” increased somewhat. All other categories show declining numbers.

Table 3 gives the geographic distribution of the membership. There is no clear pattern but the data show that members come from all parts of the world. The table shows that the number of members declined considerably in Spain during 2001, which probably is an effect of the World Congress taking place there in 2000.

	<b>1999</b>	<b>2000</b>	<b>2001</b>
Argentina	2	3	2
Australia	3	4	3
Austria	7	8	8
Belgium	8	6	6
Bolivia	--	1	1
Brazil	3	5	2
Bulgaria	1	0	0
Canada	12	11	13
China	1	2	0
Denmark	8	7	9
Finland	5	5	4
France	29	19	17
Germany	24	28	26
Hong Kong	3	3	4
Hungary	1	1	1
India	1	3	3
Ireland	1	0	0
Israel	18	18	17
Italy	17	17	16
Japan	20	34	33
Korea	1	1	1
Mexico	2	3	2
New Zealand	3	3	1
Norway	3	2	2
Poland	1	1	1

Portugal	1	1	0
Puerto Rico	1	1	1
Romania	1	1	2
Russia	8	5	4
Singapore	1	1	2
South Africa	0	0	1
South Korea	6	5	4
Spain	41	44	33
Sweden	10	9	7
Switzerland	2	2	1
Taiwan, R.O.C	0	2	1
The Netherlands	25	25	22
Turkey	6	4	2
U.K.	27	27	27
U.S.A.	174	170	163
<b>TOTAL</b>	<b>477</b>	<b>482</b>	<b>440</b>

**Table 3: Geographic distribution of membership.**

Some members of the GTS have a special status. The Society has begun with 180 charter members. As not all of them have subsequently as active (i.e. paying) members, an effort has been made to enlist them all. Game theorists that are serving on the editorial board of one of the Society's Journals constitute another special category of members. In 2001, there were 53 game theorists on the editorial board of GEB, 37 were on the editorial board of IJGT and 15 were on both editorial boards. An effort is made to register all these game theorists as regular (paying) members of the Society.

### 3. COUNCIL AND VOTING FOR OFFICERS

In 2001, the Council of the Society was established. The initial Council members are:

Pierpaolo Battigalli	Universita' Bocconi, Italy
Ken Binmore	University College London, U.K.
David Blackwell	University of California at Berkeley, U.S.A.
Vince Crawford	University of California, San Diego, U.S.A.

Pradeep Dubey	S.U.N.Y. at Stony Brook, U.S.A.
Francoise Forges	Université de Cergy-Pontoise, France
Joe Halpern	Cornell University, U.S.A.
Sergiu Hart	Hebrew University of Jerusalem, Israel
Josef Hofbauer	University of Vienna, Austria
David Kreps	Stanford University, U.S.A.
Michael Maschler	Hebrew University of Jerusalem, Israel
Andreu Mas-Colell	Universitat Pompeu Fabra, Spain
Eric Maskin	Institute for Advanced Study, Princeton, U.S.A.
Richard McKelvey	California Institute of Technology, U.S.A.
Nimrod Megiddo	IBM, U.S.A.
Jean Francois Mertens	Universite Catholique de Louvain, Belgium
Roger Myerson	Northwestern University, U.S.A.
Abraham Neyman	Hebrew University of Jerusalem, Israel
Masahiro Okuno-Fujiwara	University of Tokio, Japan
Leon Petrosjan	St. Petersburg University, Russia
Rob Porter	Northwestern University, U.S.A.
Joachim Rosenmuller	University of Bielefeld, Germany
Alvin E. Roth	Harvard Business School, U.S.A.
Ariel Rubinstein	Tel Aviv University, Israel
Dubi Samet	Tel Aviv University, Israel
David Schmeidler	Tel Aviv University, Israel
Yoav Shoham	Stanford University, U.S.A.
Martin Shubik	Yale University, U.S.A.
Brian Skyrms	University of California Irvine, U.S.A.
Marilda Sotomayor	Universidade de Sao Paolo, Brazil
Sylvain Sorin	Ecole Polytechnique, France
William Thomson	University of Rochester, U.S.A.
Stef Tijs	Tilburg, University, the Netherlands
Federico Valenciano	Universidad del Pais Vasco, Spain
Bob Wilson	Stanford Business School, U.S.A.
Peyton Young	The Johns Hopkins University, U.S.A.

**Table 4: The initial Council of the Society**

According to the bylaws of the Society, one of the duties of the Council is to vote for the Officers of the Society. This is to happen in odd numbered years, and the first such elections took place in 2001. At the end of 2001, the Council members were approached with the request to vote. The candidates proposed were the current officers, i.e.

President: Bob Aumann

Executive vice President: Ehud Kalai

Vice President for Communications: Adam Brandenburger

Secretary/Treasurer: Eric van Damme.

The by-laws of the Society state that, if only one name is proposed for a position, Council members will vote their approval or disapproval for each nomination, with the candidate for that position being elected if the number of approvals constitutes a majority of the Council (including members that did not vote), with ties being broken by the President.

In the first round of the election, of the 36 ballots sent out, only 12 were received before the specified deadline. Consequently, no officers were elected and the President decided to organize a new round of voting, with the deadline being March 1, 2002. During the month of February, it was found out that the low response rate had probably been caused by many council members not having received the voting ballot. This mistake was corrected, and in the second round all four candidates obtained a majority of the votes from the Council. All candidates that were proposed were approved by at least 21 members of the Council, with some candidates receiving 23 votes.<sup>1</sup>

#### 4. **ADMINISTRATIVE MATTERS**

In the beginning of the year, there was miscommunication with Academic Press about payments. As of 2001, Academic Press only sends journal issues to GTS-members *after* payment has been received from the GTS-Society. The GTS-office, however, waited with payment until an invoice had been received. As a consequence, it took sometimes long before members received the first issue of the journal. This problem has been solved by now. Several members

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<sup>1</sup> Only votes that were received before the deadline were counted. Several votes of approval only arrived after the deadline had passed.

also would like to have better access to the electronic version of GEB. It is not found attractive that, if one subscribes to the electronic version of GEB in year  $t$ , the volumes from that year will no longer be accessible after December 31 of that year.

The International Journal of Game Theory did not appear in time. In fact, the first 2001 issue of that journal only appeared in October, and the second came out only in January 2002. It has been promised that these problems will be once-only and the editor, Sylvain Sorin is working hard to have the journal back on schedule.

Some people complained that the amount that was withdrawn was different from the one that was announced on the web site. We have explained that this was because of exchanging from dollars into Euros and have added remarks to that extent on the web site.

We still receive relatively many complaints from people that do not receive all issues of the journals to which they subscribe.

We set up a system to enable on-line registration that is operating as of 2002.

The GTS office was superbly run by Petra Ligtenberg.

## 5. FINANCES

During 2001, the financial situation of the Game Theory Society has further improved; for the second year in its existence, the Society was able to write black numbers. Whereas the year 2000 was with a small positive balance of Dfl.10.691,05<sup>2</sup> (approximately \$4100), the year 2001 was closed with a positive surplus of Dfl. 22.139,48 (approximately \$8750), which shows that after the initialization period, the finances of the Society are now under control.(As reported in the annual report over 2000, the year 1999 was ended with a negative balance of Dfl. 6814,96 (approximately \$2725).)

The major reason for the improved financial situation is a better management of the exchange rate risk and a much lesser fluctuation of the Euro against the Dollar in 2001 than was the case during 1999 and 2000. The major reason why we ended 1999 in the red was the sharp and unforeseen depreciation of the Euro against the Dollar (from 1.17 to about parity) during 1999. This would not be a problem if the accounts of the Society were in dollars; however, they are not, they are in Euros. In 1999, members paid at the beginning of the year when the dollar was relatively low, and the Society paid the publishers towards the end of the year, when the dollar had appreciated against the Euro. Similarly, also during 2000 the \$ sharply appreciated the € with € being worth approximately \$1.03 on 1/1/2000, but only \$0.83 sometime during the year 2000. Because of better coordination between the timing of income and expenditures we avoided making a loss during 2000. It is somewhat of a disadvantage that the accounts of the Society, which are administrated by Tilburg University, are in Euros. On the other hand, the university does not charge us for this financial administration, which is a major benefit. As of 2001, the timing of payments is more in line with the timing of receipts, so that exchange rate risk will be less of a problem.

The following table provides the details of the account on December 31, 2001 (in Dutch guilders):

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<sup>2</sup> 1€= Dfl 2.20371. Actually, the balance was smaller as the contribution to cover the administrative support of CentER (Tilburg University) still had to be paid. The net balance, therefore, was only Dfl. 4425,05.

<b>Transfer on account from 2000</b>	Dfl. 10.691,05	
<b><i>Income</i></b>		
Membership dues paid 2001	Dfl. 92.183,62	
Balance		Dfl. 102.874,67
<b><i>Total expenses</i></b>		Dfl. 80.735,19
<b>Closing balance</b>		<b>Dfl. 22.139,48</b>

**Table 5: Overview of Financial Situation**

## 6. MEMBERSHIP FEES 2002

Table 6 gives the membership rates<sup>3</sup> that will apply in 2002 and it shows how these fees have evolved over time:

Option	Rates 1999	Rates 2000	Rates 2001	Rates 2002
Member only	\$15	\$20	\$25	\$25
IJGT	\$35	\$50	\$50	\$50
GEBp	\$60	\$75	\$85	\$87
GEBe	\$60	\$75	\$85	\$87
IJGT + GEBp	\$75	\$90	\$105	\$107
IJGT + GEBe	\$75	\$90	\$105	\$107
IJGT + GEBp + GEBe	\$100	\$115	\$130	\$132

**Table 6: Membership Fees**

<sup>3</sup> These are the rates that apply for payment by credit card; checks are more expensive to handle and there is a surcharge for these.

Table 6 shows that we have been able to contain cost in 2002. In previous years, the Society has been confronted with considerable increases in the prices that Academic Press charged for subscriptions to GEB. In the year 2002, the GEB price was only increased by \$2 and we have passed this on to our members. Ever since 1999, Springer Verlag, the publisher of the IJGT, has decided to maintain its original price.

## 7. SUGGESTIONS FOR IMPROVEMENT

The members of the Society are invited to come up with suggestions for improvement. The following are some items that have already been suggested:

- i) Improve the visibility of the Society,
- ii) Make it attractive for all active game theorists to join the Game Theory Society,
- iii) Negotiate improved access conditions to the electronic version of GEB,
- iv) More mailings to members, possibly setting up a listing service,
- v) More announcements on the Society's web-page, with there being good coordination between mailings and web page,

Regarding the issue of making membership more attractive, it has been suggested that the Society may consider to offer some extra web listing benefits to members. For example, it could create a list of Recent Working Papers in Game Theory, with links to authors web pages for full papers, that will be available only to members of the Society. In general, it is becoming more common for people to send around advertisements of their own papers, with apologies. The Society could provide centralized related services that will reduce the junk email symptom, while allowing people to find a place for extra information. In this respect, the Society could cooperate with those that have been providing listing services for papers in game theory in the past.

The members of the Society are invited to comment on these suggestions; mail to [gts@kub.nl](mailto:gts@kub.nl).

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Secretary and Treasurer,  
Game Theory Society.