January 5, 2021

To Whom It May Concern:

One of the unique features of the *Journal of Financial Economics* is the fact that referees know that their turnaround time is public knowledge. For 25 years, the JFE has been publishing average turnaround time as well as the number of reports that external reviewers produce. If you are very slow, it is a disservice to the profession. However, given the information on turnaround is public, there is a natural incentive to turn papers around in a timely matter.

When you accept a referee assignment, you think twice. If you cannot do the report in a timely fashion, you turn the assignment down – because you know it will negatively impact your average turnaround time if the assignment is accepted. This is exactly the mechanism that we want in our profession.

Professor Bill Schwert has recently posted two papers and one of which has a long appendix to the main paper. The Appendix, in particular, is extremely useful. Recently, I was evaluating a potential editor candidate and my first stop was the JFE referee site. However, this is only a 12-month moving average. I had to use archive.org and pick off historical pages to evaluate the full history. The Appendix provide an aggregated history.

As Editor of the *Journal of Finance*, every year I published the names of referees in my Annual Report. The data published by the *Journal of Financial Economics* is far more useful. The data on turnaround and total number of assignments is important quantitative data that provides information about external service to the profession. The Appendix also include rejection and acceptance rates that are extensively discussed in the main paper.

Sincerely,

Campbell R. Harvey


President, American Finance Association, 2016