January 5, 2021

To Whom It May Concern:

Professor Schwert’s paper titled “The Remarkable Growth in Financial Economics, 1974-2020” is an extremely valuable contribution to the history of financial economics, to how scientific progress is made within that profession, and to the role of academic journals, especially the Journal of Financial Economics, in the growth of financial economics. From my reading, an enterprising researcher could put together all the information in the paper from public sources.

The online appendix of that paper provides highly valuable information about the citations and number of publications of individual authors, as well as about the turnaround time and acceptance rate of individual referees. The information on authors could again be produced by an enterprising researcher from public sources. Further, Professor Schwert has made public such information before in various settings over at least the last twenty years. The only new information seems to be the acceptance rate of referees. The paper explains in great detail that the data on the acceptance rate has to be interpreted in context as a referee’s recommendations depend on the papers the referee is asked to evaluate.

The Journal of Financial Economics has a long history of transparency. Referees that provide reports to the Journal know that the Journal publishes information about their turnaround time. Referees have a legitimate expectation that the Journal will not disclose their advice on specific papers without their authorization and the Journal has never done so. When an author wants to thank a referee in print, the Journal gives the option to referees to reveal themselves and many do so. However, I do not see how referees could have other expectations. There is no basis for that. As referees, they agree to the terms of the Journal and to contribute to the progress of their field. I am sure that referees and the profession will find such information useful. Schools regularly publish the teacher ratings of individual faculty members. The information in the appendix is a small subset of information for such a report card for referees. Referees in finance are used to seeing their name published. I served for twelve years as editor of the Journal of Finance. In that function, I published the names of all the referees I used every year.

Respectfully,

René M. Stulz