

DATE: December 1, 2014  
TO: Executive Committee, American Economic Association  
FROM: Robert Moffitt, Chair  
American Economic Association Committee on Economic Statistics  
RE: Annual Report for 2014

The current members of the American Economic Association Committee on Economic Statistics (AEA Stat) are Robert Moffitt, Johns Hopkins University, Chair; John M. Abowd, Cornell University; Ana Aizcorbe, Virginia Tech; Susanto Basu, Boston College; Mark Bills, University of Rochester; John C. Haltiwanger, University of Maryland; Michael Horrigan, Bureau of Labor Statistics; Randall Kroszner, University of Chicago; Michael Palumbo, Board of Governors of the Federal Reserve System; and Jonathan A. Parker, MIT. Drs. Basu, Bills, Horrigan, and Parker are ending their terms on December 31, 2014, and I would like to take this opportunity to thank them for their service.

At its January 2014 meeting, the AEA Executive Committee, following a proposal by William Nordhaus, redefined the charge for the AEA Stat to become more closely involved with statistical agencies and to work in consultation with the AEA Committee on Government Relations (CGR) to ensure that outreach and educational activities in support of economic statistics are coordinated between the two committees. I have been a past chair of the CGR and became the chair of AEA Stat in January. Dan Newlon, the AEA Washington area representative and staff member for the CGR, became the staff member for AEA Stat as well. John Haltiwanger, an expert in economic statistics, moved from the CGR to the AEA Stat. In addition, CGR members Maureen Cooper and Susan Houseman participated in several AEA Stat conference calls where their expertise was needed. The committee meets via conference call approximately once per month.

This report will first describe the traditional activity of the AEA Stat committee, which is to help set up sessions on economic statistics for the AEA Meetings. It will then describe its educational activities in support of economic statistics in Washington and elsewhere.

There are no Action Items for the Executive Committee this year.

### **Sessions for the January 2015 AEA Meetings**

As it has in the past, the AEA Stat committee issued a call for papers for the 2015 AEA meetings on topics related to economic statistics. The call went out in March 2014 along with the general call for submissions and stated that up to three sessions could be selected, and one could be recommended for inclusion in the May 2015 Papers and Proceedings. The Committee received 7 proposals for sessions and 23 proposals for individual papers, many of which were high in

quality. The Committee selected the following three sessions (complete details are in the AEA January 2015 program):

Session 1: This session will be published in the May 2015 AEA Issue

*Measuring the Multinational Economy*

Organizer: Kim J. Ruhl, New York University

Session 2: *New Methods to Analyze Income Inequality in Household Surveys with Measurement Error*

Organizer: Bruce D. Meyer, University of Chicago

Session 3: *Does Economics Need a New Household Panel?*

Organizer: Charles Brown, University of Michigan

In addition, the Committee recommended that a proposal which was submitted by the Council of Professional Associations on Federal Statistics (COPAFS) on the use of administrative data in economics be considered in the general pool of sessions for the Meetings (see below).

### **Educational and Statistics Support Activities**

The AEA Stat committee also undertakes educational functions, mostly in Washington, through formal and informal activities that provide information about specific economics data sets as well as issues arising that concern economics statistics and statistical agencies in general. It concerns itself with those data sets and statistical agencies that are relevant to the scientific interests of the members of the AEA, and its activities are kept consistent with the charter of the AEA by not taking positions on questions of economic policy or on any partisan matter.

The Committee engaged in the following activities during calendar 2014.

Public Administrative Data Access: AEA Stat is working closely with the Council of Professional Associations on Federal Statistics (COPAFS) on a project to inventory administrative data access processes, procedures and tools now employed by U.S. statistical and program agencies; to determine what administrative data sets are highest priority for economists; and to convene economics researchers and the representatives of agencies collecting high priority administrative data to identify specific actions and to begin working jointly on options for expanded access that satisfy the concerns of each. AEA Stat member John Haltiwanger serves on this project's advisory board. Committee members helped design a questionnaire to survey economists to determine which administrative data sets have the highest priority for economics research. The results of the survey of 6,000 AEA members will be presented at the Boston ASSA meetings in a session on administrative data sponsored by COPAFS

Data on Education and Workforce Skills: In the Federal Register in October, the Census Bureau solicited comments about a proposal to eliminate "low benefit" questions from the American Community Survey (ACS) based on a first-stage content review of the ACS. One of these questions, the Field of Degree (FOD) question, is used by the National Science Foundation to

survey college graduates in science and engineering. The elimination of this question would affect the quality and quantity of these data which in turn would affect economics research on education, business and the participation of women and minorities in science and engineering. AEA Stat urged economists doing research in these areas to send comments to Census about the importance of their research. AEA Stat itself also sent comments to Census applauding Census for developing a methodology for the stewardship of the ACS but suggesting that the FOD question had been undervalued. The CGR and two other AEA Committees, CSWEP and CSMGEP, agreed to send in comments similar to those submitted by AEA Stat. The AEA Stat Committee also worked with the Population Association of America to send comments to Census on their proposed elimination of several marital status questions.

Exception for Census from Continuing Resolution: In September, Congress passed a Continuing Resolution (CR) that extended funding for the government through mid-December at slightly less than FY2014 budget levels. The Census Project asked the AEA to sign on to a letter asking the chair (Maryland) and ranking member (Alabama) of the Senate Appropriation Committee to except Census from the budget freeze because it would jeopardize four major 2020 Census field tests planned for FY2015. The AEA Stat declined to sign the letter but it did alert the chairs of economics departments in Maryland and Alabama to this issue.

BLS Data: BLS budgetary difficulties could jeopardize core economic data. Last Spring, members of the CGR learned that BLS planned to close down the Export Prices Program, one of its core programs and an important source of data for the national income accounts and for research in international trade. The CGR and AEA Stat worked together to alert economists in and outside of the government about this decision so that there was time to send comments to BLS. The Department of Commerce and the Department of Labor reached an agreement that preserved the Export Prices Program, but BLS continues to face tough choices about its data. Dan Newlon helped COPAFS organize Friends of BLS, a new voluntary organization whose members support BLS and its statistical programs. Members of the AEA Stat and CGR met with Erica Groshen, Commissioner of BLS, for her views on how economists might assist BLS in educating members of Congress and others on the importance of BLS datasets.

AEA Stat member John Abowd answered a request from the BLS Workforce Information Council for the views of the AEA on the potential benefits of adding data elements to the current state unemployment insurance wage record reports in order to produce more accurate and localized information on the labor market.

Data from Private Sources: AEA Stat is exploring ways of broadening its agenda from traditional sources of publicly available economic statistics such as statistical agencies and large surveys to new data from private sources (e.g., Nielsen, Gallup, Experion, stock exchanges, Google, etc.). Daniel Goroff, Economics Program Director at the Sloan Foundation, briefed AEA Stat on Sloan projects for preserving and facilitating access to business data from private sources and invited the AEA Stat to submit proposals in this area. AEA Stat is exploring the possibility of partnering with data archives willing and capable of storing and sharing these data on a sustainable basis. So far AEA Stat members have contacted the Private Capital Research Institute, the Inter-University Consortium of Political and Social Research and the National Opinion Research Center to get feedback about possible joint initiatives in this area.

Data Clearinghouse Proposal: Bruce Meyer and Raj Chetty are working with Representative Paul Ryan and his staff on a proposal from Ryan to create a commission of leading economists, statisticians, program administrators, and privacy experts to advise Congress on whether and how to create a Clearinghouse for Program and Survey Data. Meyer asked Newlon for feedback about this proposal and the proposal was discussed by the AEA Stat and the CGR and comments were sent to Meyer. Meyer was urged to get feedback from the statistical agencies and Newlon set up a meeting with Meyer, Mark Doms from DOC, and members of AEA Stat and CGR to discuss the specifics of the proposal. A CGR member set up a follow up meeting with Mark Doms and key members of Paul Ryan's staff.

Data Synchronization: The CGR and AEA Stat continue to give changes in the IRS code that would permit Census, BLS and BEA to synchronize their business data a high priority. CGR and AEA Stat members have met with prominent economists within the government and Congressional staff. Bruce Meyer was asked to solicit Paul Ryan's support for data synchronization but Representative Ryan has thus far declined to express interest.

Environmental Economics Data: The EPA's National Center for Environmental Economics contacted CGR member Maureen Cropper about a proposal to resurrect the Pollution Abatement Costs and Expenditures (PACE) Survey, a survey to measure costs of compliance with pollution regulations and the costs of pollution abatement. The CGR deferred to the AEA Stat on this issue. AEA Stat declined to write a letter specifically in support of PACE renewal but did agree to post an educational document on its website about PACE. Newlon put Cropper in touch with other organizations interested in data on the environment, i.e., COPAFS and the Council on Food and Agricultural Economics (C-FARE).