

December 1, 2007

TO: American Economic Association Executive Committee  
FROM: American Economic Association Committee on Economic Statistics  
SUBJECT: Annual Report on Committee's Activities

The current members of the Committee on Economic Statistics are Katharine Abraham, University of Maryland (chair); Robert Feenstra, University of California, Davis; Dennis Fixler, Bureau of Economic Analysis; Barbara Fraumeni, University of Southern Maine; David Johnson, Census Bureau; Dale Jorgenson, Harvard University; Charles Schultze, Brookings Institution; Matthew Shapiro, University of Michigan; and Jack Triplett, Brookings Institution. The Committee met by phone four times during 2007, in January, March, May and October.

In January 2007, the Executive Committee gave the Committee on Economic Statistics standing authority to organize up to three sessions each year for inclusion on the program of the annual meeting of the Association. The Committee has organized three sessions for the January 2008 meeting, one titled "Innovation, Intangibles and R&D," a second titled "Reconciliation of Seemingly Inconsistent Data Series," and the third titled "The Output of Banking and Finance." Each includes a mix of academic and statistical agency participants. Topics being considered for sessions at the January 2009 meeting are health accounting, matching survey data to administrative records in the production of statistical information, and the development of consistent industry production accounts. The committee wishes to cast its net widely to identify papers suitable for inclusion in the sessions it organizes and, for January 2010 and beyond, plans to develop a process for soliciting proposals for papers in topic areas of potential interest.

The Committee also has undertaken the task of commissioning reviews of needs for data in particular subject matter areas. One such report on needs for data in public economics has been completed by a group chaired by Joel Slemrod. The Committee arranged for this report to be discussed during the Summer Institute meeting of the National Bureau of Economic Research Public Economics program. A second group co-chaired by Robert Feenstra and Robert Lipsey currently is working on a report on needs for data for research on international trade.

To ensure that papers presented at the sessions on economic measurement organized by the Committee and the reports on data needs it commissions are readily accessible to interested readers, the Committee is developing a Committee website where these items will be posted.

Over the course of the year, the Committee has had a number of discussions about legislation to allow federal statistical agencies to share business information among themselves for statistical purposes. The Confidential Information Protection and Statistical Efficiency Act (CIPSEA) passed in 2002 made such sharing possible in principle, but amendments to the Internal Revenue Service code still are needed to make statistical data sharing a reality. Being able to share confidential business information with one another could significantly improve the economic data produced by the Census Bureau, Bureau of Economic Analysis and Bureau of Labor Statistics, as well as potentially increasing the efficiency of these agencies' operations. Individual members of the Committee have met twice with Council of Economic Advisors (CEA) Chair Edward Lazear and other CEA staff members on this issue, and the Committee continues to explore options for educating Administration officials and the Congress about the benefits of passing legislation to make the sharing of business information for statistical purposes possible.