

American Economic Association

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February 17, 2021

The Honorable Janet L. Yellen Secretary, U.S. Department of the Treasury 1500 Pennsylvania Avenue NW Washington, DC 20220

Dear Janet,

Hearty congratulations on your appointment as Secretary of the U.S. Treasury Department. We Chairs and members of the American Economic Association's (AEA) Committee on Economic Statistics and Committee on Government Relations are delighted that the Past President of AEA will be at the helm of this critical Cabinet Department.

Enclosed, please find our November 2020 report on Necessary Improvements in the U.S. Statistical Infrastructure. As you know, the Treasury Department is home to the IRS Statistics of Income Division, one of 13 agencies officially designated as a U.S. Federal Statistical Agency

(https://www.whitehouse.gov/omb/information-and-regulatory-affairs/statistical-programs-standards/), and also has influence upon a number of economic processes and trends that collectively define the state of the U.S. economy. With that in mind, we note the following recommendations from our report that are among those with direct relevance to the Treasury Department:

- "The Executive Branch, with legislative support from Congress, must act to prevent politicization of federal statistics." This recommendation is fully supportive of President Biden's January 27, 2021
 Memorandum on Restoring Trust in Government Through Scientific Integrity and Evidence-Based Policymaking
- "The Executive Branch should support the recommendations of the U.S. Commission on Evidence-Based Policymaking to help assure the widest possible access to federal statistics and administrative data under high standards of privacy and confidentiality."
- "The federal government should actively facilitate the involvement of the private sector in federal statistics, for the benefit of both public and private sectors."
- "The Treasury Department must support, and the Congress must revise, Title 26, the Internal Revenue Code, to codify data sharing among BEA, Census, and BLS as routine practice. The consequential reconciliation of currently differing BLS and Census Bureau business registers will substantially improve

the accuracy and comparability of major, economic statistics used for business and public policy decision-making."

We would greatly appreciate the opportunity to discuss these and related recommendations with you and appropriate Treasury appointees and/or career staff. Who can we contact to make arrangements for a meeting?

Many thanks, and congratulations, again.

John Haltíwanger

Chair, AEA Committee on Economic Statistics

Kenneth Troske

Chair, AEA Committee on Government Relations

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