

## **American Economic Association**

Office of the Secretary-Treasurer, 2014 Broadway, Suite 305, Nashville, TN 37203, Phone 615-322-2595, Fax 615-343-7590 Committee on Economic Statistics www.aeaweb.org/about-aea/committees/economic-statistics Committee on Government Relations www.aeaweb.org/about-aea/committees/government-relations

March 3, 2021

The Honorable Gina Raimondo Secretary of Commerce 1401 Constitution Ave NW Washington, DC 20230

Dear Secretary Raimondo,

Hearty congratulations on your appointment as Secretary of the U.S. Department of Commerce. We Chairs and members of the American Economic Association's (AEA) Committee on Economic Statistics (AEAStat) and Committee on Government Relations (AEACGR) are pleased to send you our report, *Necessary Improvement in the U.S. Statistical Infrastructure: A Report to the Biden/Harris Administration* (attached, and available online at: https://www.aeaweb.org/content/file?id=13507).

Established in 1885, the AEA is a non-profit, non-partisan, scholarly association dedicated to the discussion and publication of economics research and comprised of over 20,000 economists from academia, business, and government. The AEAStat promotes AEA member access to current, detailed, useful economic statistics provided by the Federal government and other sources. The AEACGR is charged with representing the interests of the economics profession in Washington DC and other locations around the country without taking a position on questions of economic policy or on any partisan matter.

The AEA, and our Committees, specifically, have long had close relationships with agencies of the Commerce Department. Among our current members are: a former Director of Bureau of Economic Analysis; a former Chief Economist of the Census Bureau, 2 former or current members of the Census Bureau Advisory Committee, a member of the Advisory Committee on Data for Evidence Building, and 2 current members of the Federal Economic Statistics Advisory Committee. Thus, we are familiar with and highly respect the work of the Commerce Department and its agencies.

As you know, the Bureau of Economic Analysis (BEA) and the Bureau of the Census (Census) are 2 of the 13 agencies designated as U.S. Federal Statistical Agencies. The Commerce Department also has important influences on a number of economic institutions and processes 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 Department of Commerce:

- "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."
- "Federal statistical agencies need to use lessons learned from statistical collection during the COVID-19 pandemic to propose, and the Executive Branch should examine and approve new ways of making standard statistical measurement protocols nimbler."
- "Appropriations should be made for a National Academies' Committee on National Statistics study of the advantages and disadvantages to the creation of a "Statistics USA" agency that consolidates into one agency, all or parts of the current 13 officially designated statistical agencies of the U.S."
- "The Commerce and Labor Departments should act in concert to ensure that the Bureau of the Census, Bureau of Labor Statistics, and Bureau of Economic Analysis upgrade and modernize standard official economic indicators and increase the timeliness and granularity of economic statistics generated by statistical agencies and/or created in collaboration with private sources." Four specific components of this recommendation target Commerce agencies.

While not included in the attached report, we do also have hopes that you will fill the position of the Commerce Deputy Assistant Secretary for Economics with a qualified, knowledgeable and engaged economist. Mary Bohman and Ron Jarmin are excellent interim DAS for Economics, but a permanent DAS would enhance the ability of the Department and its statistical agencies to take on new initiatives.

We would greatly appreciate the opportunity to discuss the details and subcomponents of these and related recommendations with you and appropriate Commerce Department appointees and/or career staff. And we would like to hear from you and staff about how the American Economic Association can further the Department's mission. Who can we contact to make arrangements for a (virtual) meeting?

Many thanks, and congratulations, again.

## John Haltíwanger

Professor of Economics, University of Maryland, and Chair, AEA Committee on Economic Statistics

## Kenneth Troske

Professor of Economics, University of Kentucky, and Chair, AEA Committee on Government Relations

cc: Mary Bohman, Acting Director, Bureau of Economic Analysis, and Ron Jarmin, Acting Director, Bureau of the Census

CONTACT: Katherine Evans, Director of Government Relations and Washington Area Representative, American Economic Association, <u>kitty.s.evans@aeapubs.org</u>, 301-974-1644