Federal statistics are essential U.S. infrastructure

A New Effort to Assess the Health of the Principal Federal Statistical Agencies & Chief Statistician’s Office in OMB

Jonathan Auerbach, Claire McKay Bowen, Connie Citro, Steve Pierson, Nancy Potok, Zach Seeskin, funded by the Alfred P. Sloan Foundation

proactive monitoring to identify needs and vulnerabilities before they are major problems
Outline

Motivation
Methods
Framing
Findings
Recommendations
Future Work

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Motivation  Challenges and Threats

- undue political interference (meddling in operations, gutting staff)
- shrinking budgets (declining purchasing power)
- growing challenges (declining response rates, unfunded mandates)
- demand for more timely, granular, and frequent data
Just as our transportation infrastructure supports the US economy, governance, and society...

... so too do the federal statistical agencies.

Federal Statistical Agencies are the backbone of US data infrastructure
Motivation

We Examine the US Statistical System

Federal Statistical System

ICSP

BEA
BLS
NCSES
ERS
NASS
NCES
ORES
BTS
SOI
BJS
Census
3 Units
13 SOs
Chief Statistician

~100 Statistical Programs

The Nation’s Data At Risk
Inaugural Report
July 2024
ASA & GMU
Methods **Data and Outreach**

- conducted listening sessions with 13 principal agencies, US Chief Statistician
- surveyed the principal statistical agencies
- collected information from agency websites, OMB, OPM and Data Watch
- held a workshop in November 2023. Participants included 12 agencies, 11 agency heads, Chief Statistician and staff.
- received guidance from a Scientific Advisory Board of federal statistics experts
- 11 report reviewers
First two inspired by the Evidence Act

1. Does the agency consistently produce relevant, timely, credible, accurate, and objective statistics?

2. Is the agency trustworthy and accountable?
3. Does the agency have sufficient support in three key areas:

- professional autonomy
- parent-agency support
- budget and staffing
Framing

We Were Guided by Six Questions

FIGURE 3. Yeses and Nos of Parent Agency Support

Yes:
- Support to ensure the agency can be agile, trusted, effective, and efficient, and meet the scientific standards for a federal statistical agency
- Guidance, with Congress, on what topics to be covered

No:
- Influence on how the agency produces its information or that otherwise undermines the agency's professional autonomy

A statistical agency must be responsive to its parent agency for its information needs and should constantly work to earn the trust of the parent agency.
4. What are the challenges and threats the agency faces and their magnitude and potential consequences?

5. Is the agency agile? What is its record with innovation and with opportunities to respond to future data needs?

6. Is the agency responsive to user needs and transparent about its data products and decisions that affect users?
Federal statistical agencies have many strengths—timely production of key economic and social indicators; innovative data to respond to Covid-19

BUT agencies face increasing challenges to innovate (e.g., granular data on infrastructure & AI impacts on work, education, society)

Chief statistician’s office in OMB under-resourced for its necessary functions to lead a decentralized statistical system
Findings  Two Examples of Innovation
Most, if not all, statistical agencies have a significant weakness in at least one of three critical supports:

- Weak legislative protection for “professional autonomy” — makes agencies vulnerable to political meddling as has happened in other countries
- Lack of strong support from cabinet department or independent agency (“parent agency”)
- Insufficient resources (budget and staffing levels - often woefully so)
Findings Federal Statistics Are At Risk

NASS: National Agricultural Statistics Service; GDP deflator used to adjust for inflation; total nondefense discretionary domestic budget increased by 16% in real terms over same period.
Findings  Federal Statistics Are At Risk

- Long-running series for key economic and social indicators prone to become outdated in content and methods—e.g., Current Population Survey (CPS) unemployment rate, consumer spending....
  - Agencies lack resources for testing, improvement, concurrent series

- Essential programs cut without full consideration of user needs—e.g.,
  - CPS sample size cut; Commercial Energy Consumption Survey delayed; School Survey on Crime and Safety cancelled; County estimates for crops and livestock cancelled....
Environmental headwinds drive up survey costs, degrade quality, and make “blended data” solutions hard to achieve

- Survey response rates declining here and abroad
- Costly to strive to maintain response rates
- Other data sources could help (e.g., administrative data, commercial data), but barriers (legal, regulatory, cost) often stand in the way

Increasing threats to privacy and confidentiality; agencies pulling more data into limited access research centers, limiting equitable data access
Findings  Declining Response Rates

- **Current Population Survey** produces monthly unemployment rate.
- **CPS Annual Social and Economic Supplement** produces yearly poverty rate, median household income.
- **Consumer Expenditure Survey** produces market basket weights for the CPI.
Chief statistician’s office lacks sufficient resources to fully carry out its myriad responsibilities—only 12 staff plus detailees

Office is remarkably productive given small size, but lacks capacity to

- Conduct meaningful strategic planning
- Expedite and coordinate needed innovation in cross-cutting topic areas—e.g., education, health, labor force, economic well-being
- Handle full plate of standards and regulations on a timely basis
Findings  Federal Statistics Are At Risk

- Statistical agencies obtain input from advisory committees, user conferences, and other means.

- But not investing enough to inform decisions on data programs and innovation priorities by understanding the needs/views of data users, parent agencies, policymakers, and the public (they are data “stewards”).

- The Evidence Act requires proactive engagement to obtain broad feedback on the utility of agencies’ data.
For each principal statistical agency reviewed, four parts

- Support ratings: weak, challenging, mixed, good, strong
- Key agency information
- Strengths, Weaknesses, Challenges, Opportunities
- Agency-specific recommendations
# Agency Support Strength Ratings

<table>
<thead>
<tr>
<th>Agency*</th>
<th>Resources</th>
<th>Staffing applicable only to BJS, NCES &amp; NCSES)</th>
<th>Professional Autonomy</th>
<th>Parent-Agency Support</th>
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<tr>
<td>BEA</td>
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<td>—</td>
<td>Challenging</td>
<td>Good</td>
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<tr>
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<td>Challenging</td>
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<tr>
<td>Census</td>
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Directed at Congress, parent agencies, statistical agencies, and OMB to:

1. Protect and enhance professional autonomy;

2. Provide adequate budget and staffing support for baseline work and innovation;

3. Conduct more effective communications between statistical agencies and Congress/parent agencies;

4. Develop proactive outreach to data users; and

5. Strengthen the Chief Statistician’s ability to lead.
Enact legislation to:

1. Accord professional autonomy to each agency
2. Expand data sharing authority beyond Evidence Act
3. Provide adequate multi-year funding
4. Extend privacy and confidentiality violation penalties to the public
5. Congress should meet at least annually with agency leadership
Recommendations

Parent Agencies

6. Proactively promote and support professional autonomy to each agency

7. Provide shared services expeditiously to support IT and hiring

8. Request and provide adequate multi-year funding and resources

9. Hold regular meetings with statistical agency leadership
10. Interact proactively with parent agency and Congress to prioritize information needs

11. Reach out more productively to data users and other stakeholders to incorporate valuable feedback on information needs and quality

12. Provide more and better information on methods and methodological decisions to users and stakeholders, particularly on controversial decisions
13. Finalize the “Trust Regulation” and other regulations as required by the Evidence Act (OMB leadership)

14. Develop a strategic plan and vision for the Federal Statistical System and implement it (Chief Statistician and ICSP)

15. Provide the Chief Statistician’s office sufficient resources to provide substantive leadership and carry out statutory duties (OMB Leadership)
Future Work Plans and Considerations

- Conduct deeper dive into the 13 federal statistical agencies and the chief statistician’s office
- Expand effort to other 16 members of ICSP
- Consider efficiency of the federal statistical system as a whole
- Examine the role of state, local, and tribal governments
- Add the perspective of parent agencies and data users
- Conduct international comparisons
Future Work  Call for Input

- What did we miss, get wrong, or correctly assess?
- What should we prioritize for year 2?
- How do we further the report’s impact?
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Questions

Please insert your questions using the Zoom Q&A feature.

Contact: spierson@amstat.org

Feedback: bit.ly/NationsDataAtRiskFeedback