American Economic Association Committee on Economic Statistics

https://www.aeaweb.org/about-aea/committees/economic-statistics

Statement of Support for Maintaining Statistical and Scientific Integrity of the USDA's Economic Research Service

The American Economic Association's (AEA) Committee on Economic Statistics strongly supports the critical Federal data sources that inform and strengthen our nation's world-leading economic, educational, democratic and civic institutions and successes, including the USDA's Economic Research Service (ERS). ERS data and research findings are valued by AEA members who use them in formulating and conducting their own applied research and business decision making.

 We are concerned for several reasons that the relocation of ERS researchers to a site outside of the Washington, DC metropolitan area would compromise the statistical integrity of ERS products and its contributions as one of 13 Principal Statistical Agencies of the U.S.

Our AEA Statement on Principles of Economic Measurement (https://www.aeaweb.org/content/file?id=6847) asserts that "Economic measurement is complicated and consequential. Statistical agencies require adequate resources to ensure the quality of economic statistics; to invest in new ways to measure our changing economy; and to protect the privacy and confidentiality of households and businesses, whose answers to government surveys and provision of administrative information are the basis of economic statistics." Relocating the ERS will require substantial resources and will likely result in the loss of a substantial number of professional researchers. If replacements are hard to find outside of the Washington DC employment area, and funds appropriated for research are devoted instead to relocation, neither staff nor financial resources may be adequate for ERS' on-going, high-quality economic measurement responsibilities.

In addition, the National Academy of Sciences' Committee on National Statistics' (CNSTAT) 6th Edition of *Principles and Practices for a Federal Statistical Agency* states that that "coordination and collaboration with other statistical agencies [is]critical for the effective, principled operation of a statistical agency." Such coordination and collaboration require face-to-face contact and hands-on teamwork -- interactions that would be difficult and expensive to accomplish if ERS is located outside of the DC area where the other 12 Principal Statistical Agencies are located.

We are also concerned that the realignment of ERS from the scientific mission area of USDA (the Under Secretary for Research, Education and Economics) to the Chief Economist within the USDA Secretary's Office, conflicts with AEA's statement as well as with Title III of the Foundations for Evidence Based Policymaking Act of 2018, both of which suggest that to be credible, trustworthy, and unhindered in its mission, a statistical agency must maintain a position of independence from undue external influences, avoiding even the appearance that its collection, analysis, or dissemination processes might be manipulated for political or partisan purposes. The current separation of ERS from the Secretary's Office and the protection afforded it by the Office of the Under Secretary for Research and Education, are important in assuring the agency's independence. The planned realignment would diminish that assurance.