Ron Jarmin and Marshall Reinsdorf receive 2021 Shiskin Award

Marshall Reinsdorf, who began his career at the Bureau of Labor Statistics and later served as Chief of National Economic Accounts Research Group at the Bureau of Economic Analysis, and **Ron Jarmin**, Acting Director and Deputy Director of the U.S. Bureau of the Census, have been selected as co-recipients of the 2021 Julius Shiskin Memorial Award for Economic Statistics. The award recognizes unusually original and important contributions to the development of economic statistics or to their use in interpreting the economy.

Marshall Reinsdorf is recognized for his conduct of fundamental research on sources of bias in the consumer price index (CPI) that has influenced standards for price index measures internationally and for improving the accuracy and conceptual basis for the measurement of banking services and pensions in the U.S. national accounts.

Ron Jarmin is recognized for his leadership role at the U.S. Bureau of the Census in overseeing the 2020 Decennial Census and the central role he has played in building important new data products from administrative data and developing a compelling vision for the future of economic measurement within the Federal statistical system.

Jarmin and Reinsdorf become the 49th and 50th recipients of the Award. The award is sponsored by the Business and Statistics Section of the American Statistical Association, the National Association for Business Economics, and the Washington Statistical Society.

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Ron Jarmin has spent his entire professional career at the U.S. Bureau of the Census. He was hired as a staff economist at the Center for Economic Studies (CES) in the early 1990s. His research on firm dynamics (especially on the role of young businesses) is internationally well-known.

Ron was named Director of Research at CES in 2004 and then Chief Economist (and head of CES) in 2008. During his time at CES, Ron played a leadership role in the Census Bureau's development of novel micro databases and new data products. He is one of the primary developers of the Longitudinal Business Database (LBD), which tracks all U.S. businesses longitudinally. The LBD is used very actively by staff at Census as well as by researchers in the Federal Statistics Research Data Centers, where it is the most requested of all the available databases. The LBD is also the source for the unique and novel public domain statistics on business startups, job creation and job destruction that are part of the Business Dynamic Statistics (BDS), a data product that Ron played a key role in developing. The development of the LBD and BDS are early realizations of the vision that Ron has advocated for greater use of administrative data in U.S. statistical products.

Following his time at CES, Ron was named the Assistant Director of the newly created Research and Methodology (R&M) Directorate at Census in 2010. The R&M directorate was formed to bring together the innovative research centers throughout the Census Bureau. In this new role at R&M, Ron began to develop his vision of how the U.S. statistical agencies should proceed in the 21st Century.

Over the last several years, he has advocated a future in which statistical agencies gather much of the core economic data on households and businesses from administrative sources and private "big data" sources that are increasingly tracking transactions and activities. Viewed from this perspective, surveys eventually will be designed to capture the information that cannot be measured using alternative data. If realized, his vision would reduce the burden on households and businesses and, with much basic information coming from elsewhere, permit richer contextual information to be collected through surveys. In 2016, Ron was named Associate Director of Economic Programs and oversaw the modernization of the 2017 Economic Census, transitioning it to an online-only internet-based response. Recognition of his vision and his leadership led to his being named Census Bureau Deputy Director in 2017.

In his capacity as Deputy Director of the Census Bureau Ron has played a leadership role in overseeing the 2020 Decennial Census. The Decennial Census is a massive and challenging undertaking even in normal times. In 2020, the Decennial Census operations faced restructuring operations with little advanced notice given the global pandemic from COVID-19. In addition, the 2020 Decennial Census faced numerous unprecedented challenges from political interference. Ron displayed wisdom, integrity, and courage in his leadership of the U.S. Bureau of the Census during these challenging times.

Marshall Reinsdorf began his career in economic statistics at the Bureau of Labor Statistics (BLS) as a research economist assigned to work on price index issues. Marshall's first paper on the topic was a study showing that the consumer price index (CPI) has a systematic "outlet bias" because it measures prices from a fixed sample of retail outlets while consumers are constantly shifting their spending toward lower priced outlets. Marshall supported his theoretical analysis with empirical work that compared individual CPI price indexes for, e.g., apples, with price movements averaged over retail outlets. He found that elementary CPI price indexes increased substantially faster rate than the matched average price series, supporting his hypothesis that the CPI's failure to pick up consumer substitution to less expensive outlets imparted an upward bias to the index.

The magnitudes of bias that Marshall found in his analysis of elementary CPI indexes seemed too large to be solely attributable to outlet substitution, and he suggested in follow on work that the formula used for the elementary indexes might be an additional source of bias. Marshall examined his hypothesis of "formula bias" in the CPI indexes in subsequent work with other researchers at BLS, work that led to dramatic changes in procedures used to calculate the CPI for the United States in 1998. The

international *CPI manual* discussed the issue of formula bias in its 2003 edition and recommended that countries adopt a formula in the class BLS had adopted for its elementary indexes in 1998.

The elementary index problem arises in part because statistical agencies generally lack quantity information for individual varieties of items that can be used as weights. In a paper issued in 1999, Marshall analyzed the use of scanner data for including detailed weighting information in elementary indexes, one of the first studies showing how monthly price indexes could be calculated using quantity data. Although it was experimental research at the time, BLS and other statistical agencies are now moving toward greater use of "big data" from supermarket scanners or similar sources.

One of Marshall's major projects at the Bureau of Economic Analysis (BEA) was improving the measurement of the financial services provided by commercial banks. Conceptual methods to address the matter were discussed in the 1993 System of National Accounts but implementing the suggested approach long had posed practical challenges. Marshall, who worked at the Federal Deposit Insurance Corporation before coming to BEA, had the institutional knowledge to develop a practical methodology for measurement of banking output that gave a more accurate measure of financial services in GDP. Another major project led by Marshall was the adoption of an accrual approach to measuring saving in defined-benefit pension plans, an approach that had important implications for income and saving in national accounts and for net worth in the Financial Accounts of the United States issued by the Federal Reserve Board.

Marshall has written significant papers on many topics, including productivity, globalization, hedonic price indexes, and the digital economy. He is valued in the profession as someone who can summarize and evaluate economic measurement research for its practical significance. Marshall is indeed one of the world's leaders in this skill, and his advice has influenced innumerable decisions by statistical agencies across the globe.