Brent Moulton to Receive 2015 Julius Shiskin Award

Brent Moulton, Associate Director for National Economic Accounts of the Bureau of Economic Analysis (BEA), has been selected to receive the 2015 Julius Shiskin Memorial Award for Economic Statistics. The award recognizes unusually original and important contributions in the development of economic statistics or in the use of statistics in interpreting the economy. Dr. Moulton is recognized for his leadership in implementing major innovations into the U.S. national accounts, international standards for national accounts, and expanded integration of U.S. statistical programs. He is also recognized for his work at the Bureau of Labor Statistics (BLS) in developing innovations that improved the reliability of the Consumer Price Index (CPI). Dr. Moulton is the 43rd recipient of the Award; he will be honored at events hosted by the three sponsors of the award: the Washington Statistical Society, the National Association for Business Economics, and the Business and Economics Section of the American Statistical Association.

At BEA, Dr. Moulton was responsible for the incorporation of innovations into the U.S. national accounts that have kept them up-to-date to the changing U.S. economy. In these and other areas, policymakers, business economists, and academics have applauded Dr. Moulton for providing significantly more accurate and relevant information for monetary policy, tax policy and projections, fiscal policy, and business planning. The innovations incorporated into the accounts included the following:

- Treating research and development (R&D) as an investment rather than as an expense, recognizing its increasingly important contribution to economic growth and productivity. This change added 3% to the official measure of U.S. GDP.
- Expanding BEA’s efforts to extend the incorporation of “intangibles” into the national accounts by recognizing artistic originals as capital assets.
- New methods for measuring the implicit services provided by the banking and insurance industries, providing more comprehensive measurement of output for these industries.
- Quality-adjusted price measures for communications equipment and other high-tech equipment to better capture the rapid improvements in their performance and quality.

Dr. Moulton is recognized for his leadership in the developing improved international standards for national accounts. He was one of the initiators of the 2008 update of the System of National Accounts (SNA), the handbook for GDP measurement prepared by the United Nations, the International Monetary Fund, the Organization for Economic Cooperation and Development, the World Bank, and the European Union. His paper published in 2004 in the *Review of Income and Wealth* made the case for the need to update the SNA, pointing to the many recent developments not captured by the 1993 standards, including the increasing importance of knowledge capital, such as R&D, and the recognition of capital services as an input into production. He played an important role developing the revised standards as a founding member of the Advisory Expert Group, a group of prominent national accountants, who advised the editors of the new SNA on important methodological questions. Dr. Moulton served with other country experts on the Advisory Expert Group and helped persuade the countries and organizations to incorporate controversial yet critically important improvements in economic statistics into the 2008 SNA. Within this Group, Dr. Moulton’s success reflected not only his knowledge of the accounts but also his ability to compromise while maintaining high quality standards and international comparability.

Dr. Moulton also contributed to the development of economic statistics programs by his leadership of
further integration of BEA programs and programs of other U.S. statistical organizations, thereby enhancing their usefulness to their users. One of the programs that benefited from his leadership was a collaboration with the Federal Reserve Board to promote the integration of the *Financial Accounts of the United States* and thereby bringing more consistency with the SNA to both sets of accounts. This integration provided data users a better link between the real and the financial economy. Another program was collaboration with the BLS that improved the consistency between the BLS productivity statistics and the National Income and Product Accounts and provided data users with better information on the sources of U.S. economic growth. In a similar way, Dr. Moulton worked with the Census Bureau to integrate new data from the Quarterly Services Survey into BEA’s estimates of quarterly consumer spending, extending survey data coverage by over 15 percent. As was the case with his contributions to improving the SNA, his ability to make improvements in both BEA programs as well as the programs of other agencies reflects his efforts to be a flexible and cooperative partner.

Dr. Moulton also made major contributions the development of economic statistics during his service at BLS where he developed innovations that improved the reliability of the CPI. As Chief of the Price and Index Number Research Division, he directed research that led to a 1993 article on estimating basic components of the CPI, identified and presented evidence of a bias in the estimation methods then used for the CPI, and proposed an alternative method that was later adopted to alleviate the bias. This was an era when considerable attention was being devoted to potential upward biases in the CPI, which if true, had important fiscal policy implications because many government transfer payment provisions and income tax thresholds were indexed to the CPI. His research contributed to the public discussion surrounding the publication of the report of the Boskin Commission by presenting an even-handed discussion of the strengths and weaknesses in the CPI. The importance of this work is evidenced by the fact that he was invited to write an article entitled “Bias in the Consumer Price Index: What is the Evidence?” that appeared in one of the journals of the American Economic Association, the *Journal of Economic Perspectives*, in 1996. In addition Dr. Moulton’s research during his time at the BLS also is reflected in various international manuals on price statistics.

Finally, early in his career, Dr. Moulton research on methods for estimating and drawing inferences in models that combine disaggregated and aggregated data led to a series of original articles published in leading academic journals. He remains known in academic circles for identifying “best practices” in estimating standard errors for models estimated using data that are grouped in clusters, a problem which arises in a range of applications.

Dr. Moulton received the BLS Distinguished Service Award in 1997, the Department of Commerce Gold Medals in 2001 and 2007, and the Presidential Rank Award in 2011. He received a M.S. and B.A. in economics at Brigham Young University and a PhD in economics from the University of Chicago.

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