Katherine Wallman to Receive 2017 Julius Shiskin Award

Katherine Wallman, recently retired after 24 years as U.S. Chief Statistician at the Office of Management and Budget (OMB), has been selected to receive the 2017 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. Ms. Wallman is recognized for strengthening the independence of U.S. statistical agencies; expanding confidentiality protection; improving the quality and usability of official statistics; increasing collaboration among the statistical agencies; and improving the reliability and comparability of official statistics throughout the world.

Her service as the U.S. Chief Statistician has greatly contributed to the development of all types of statistics, to the effective management of statistical programs, and to improving users understanding of official statistics. In addition to strengthening the independence of U.S. statistical agencies by issuing new Statistical Policy Directives, expanding confidentiality protection with new legislation, and improving the reliability and comparability of official statistics throughout the world, she has defended the budgets of economic and demographic statistics programs, and has championed the training of the future leaders of the federal statistical system. Under her successful leadership, Ms. Wallman directed important cross-agency projects, a major accomplishment given that each of the main U.S. statistical agencies report to their parent cabinet level agencies -- agencies that often had different views on the importance of those projects. Ms. Wallman unified this decentralized system through her forward-looking vision and leadership; her ability to build respect and trust at all levels of the agencies, OMB, and the White House; and her grace, charm, good humor.

Ms. Wallman is the 45th recipient of the Award; she 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.

The independence of U.S. statistical agencies was greatly strengthened under her leadership by the introduction of two new Statistical Policy Directives. Directive No. 1, “Fundamental Responsibilities of Federal Statistical Agencies and Recognized Statistical Units,” which was issued in December 2014, is based on the National Academy of Sciences “Principles and Practices for a Statistical Agency,” and provides OMB’s endorsement of these practices, which include requirements for Departments to allow their statistical agencies to operate independently. Directive No. 4, “Release and Dissemination of Statistical Products Produced by Federal Statistical Agencies,” which was issued in March 2008, is modeled on Statistical Policy Directive No. 3, which covers the release and dissemination of the principle economic indicators. It directs agencies to follow procedures to protect the integrity and independence of other statistical products. Ms. Wallman strongly supported the Directive No. 3, which requires advance public notification of release dates, timely preparation of news releases, and restrictions on pre-release access. The new Policy Directives have enabled statistical agencies to operate independently and to provide the public with assurances that the products of these agencies will be objective and reliable.
As a result of the effort led by Ms. Wallman, the “Confidential Information Protection and Statistical Efficiency Act of 2002” was enacted. The Act, known as CIPSEA, greatly enhanced the confidentiality of the official statistics and allowed limited data sharing of business information. This Act provided all statistical agencies confidentiality provisions similar to those for data collected by the Census Bureau under Title 13 and allowed limited data sharing of business information among the Census Bureau, the Bureau of Labor Statistics (BLS), and the Bureau of Economic Analysis (BEA). After its passage, Ms. Wallman worked with these agencies and the Council of Economic Advisers to enact additional legislation (“Data Synchronization”) that would permit the Census Bureau to share selected business tax information with BLS and BEA and led to further improvements in the quality of economic statistics.

To improve the quality and usability of federal economic statistics, Ms. Wallman led the development and implementation of the North American Industry Classification System (NAICS), which was adopted in 1997. This accomplishment required cooperation among U.S. statistical agencies, as well as with Canada and Mexico. She established an organizational structure to develop the system for the United States and led the successful negotiations with the other countries. NAICS fundamentally changed the way economic activity was classified, recognized the growing importance of services, and provided a framework for measuring the 21st Century economy. It also made U.S. economic statistics close to fully comparable with those of Canada and Mexico to the great benefit of users in the three countries. Ms. Wallman in 2002 also championed development of the North American Product Classification System (NAPCS), a comprehensive market based framework for classifying goods and services. She facilitated efforts of BEA, BLS, and the Census Bureau, as well as the statistical offices of Canada and Mexico, to collect product data in the Economic Census that met the needs of business and academic users, and also met the needs of the Producer Price Index program and the National Accounts. The Census Bureau is planning to implement NAPCS products for all sectors in the 2017 Economic Census.

Ms. Wallman increased agency collaboration through her leadership as chair of the Interagency Council on Statistical Policy (ICSP) and through her direction of the OMB-sponsored Federal Committee on Statistical Methodology (FCSM). The ICSP, recognized in legislation in 1995, consists of the heads of the principal statistical agencies and is OMB’s main vehicle for coordinating cross-cutting statistical work, for exchanging information about agency programs and activities, and for obtaining advice and counsel for OMB on statistical matters. In the past year, topics included data systems modernization, alternative sources for official statistics, supporting the new Commission on Evidence-based Policymaking, training the workforce for the future federal statistical system, the Cybersecurity Enhancement Act, and Federal Statistical Research Data Centers. The ICSP meets monthly and, under her direction, has worked effectively to implement OMB statistical policy decisions and to improve federal statistical programs. The FCSM, founded in 1975, also assists OMB in carrying out its role in setting and coordinating statistical policy. It informs and advises OMB and on the need for and content of methodological and statistical policies, and promotes and supports cooperative research across agencies on issues relevant to federal statistics. It also publishes Statistical Policy Working Papers and proceedings from FCSM seminars and conferences, which provide a forum for statisticians across federal agencies, as well as users of federal statistics, to engage on opportunities and issues affecting the federal statistical system’s ability to meet its mission.

In addition to her many contributions to the U.S. statistical system, Ms. Wallman also demonstrated her leadership and considerable diplomatic skills to update and harmonize the international statistical system as U.S. representative to international statistical organizations. She served as chair of the UN Statistical Commission during 2004 and 2005; as chair of the Conference of European Statisticians, UN Economic Commission for Europe, from 2003 to 2007; and as a vice chair of the Statistics Committee, Organization for Economic Cooperation and Development, from 2009 to 2011. One example of her leadership was the adoption by the Statistical Commission of the “Fundamental Principles of Official Statistics,” which was an important step for many countries in establishing and improving statistical services, and in supporting the
independence of statistical offices. She also helped lead projects ranging from updating the System of National Accounts to updating the System of Environmental-Economic Accounts.

Prior to becoming Chief Statistician, Ms. Wallman served for more than a decade as the first Executive Director of the Council of Professional Associations on Federal Statistics (COPAFS), where she was an early supporter of the Joint Program for Survey Methodology (JPSM) and the Census Bureau’s Research Data Centers. Her continued support of the JPSM enabled the inclusion of short courses in economic statistics, as well as degree programs in statistical and survey methods that are central to the functioning of agencies producing economic statistics. The JPSM probably would not exist without her leadership and effective urging for funding across the agencies.

Ms. Wallman twice received the Presidential Meritorious Executive award, the OMB Robert G. Damus Award, the Population Association of America’s Excellence in Public Service Award, and the American Statistical Association (ASA) Founders Award. She is an elected fellow of the ASA and the American Association for the Advancement of Science. She served as ASA president and is a founding member of the International Association for Official Statistics. She received a B.A. from Wellesley College.

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