

## Taking Account...

### **BEA hosts IARIW conference in Boston**

Economists, statistical officials, and other experts from around the world gathered in Boston in early August to share new research on measuring national economic activity, individuals' well-being, and the distribution of income and wealth across households.

The Bureau of Economic Analysis (BEA) co-hosted the 32<sup>nd</sup> general conference of the International Association for Research in Income and Wealth (IARIW). It was the first time the conference, which ran August 5–11, was held in the United States. More than 320 people registered for the conference.

Sponsors of the event included the Commerce Department's Census Bureau, the Alfred P. Sloan Foundation, and The Glaser Progress Foundation.

The goal of the event was to discuss ideas and research that might spur the development of new ways to measure economic activity. The recession of 2007–2009 rekindled concerns about the adequacy of existing measures in capturing changes in the U.S. economy as well as the global economy. The recession also put a fresh spotlight on the creation of new economic measures that aim to provide early warnings on imbalances in housing and financial markets.

Federal Reserve Chairman Ben Bernanke, who delivered opening remarks at the IARIW

conference, encouraged attendees to press forward on their research and to explore new methods to measure economic activity. "As we think about new directions for economic measurement, we might start by reminding ourselves of the purpose of economics," Bernanke said in his speech. "Textbooks describe economics as the study of the allocation of scarce resources. That definition may indeed be the 'what,' but it certainly is not the 'why.' The ultimate purpose of economics, of course, is to understand and promote the enhancement of well-being. Economic measurement, accordingly, must encompass measures of well being and its determinants."

Roughly 185 papers were presented at the conference, examining such topics as the impact of the recent recession on the well-being of households, inequality and growth in developing countries, the role of the housing market in the economy, and the measurement of productive activities by households.

The IARIW conference was held concurrently with an event hosted by the Conference on Research in Income and Wealth (CRIW). Session topics included expanding measures of economic sustainability and welfare, reconciling administrative and survey data on the distribution of income and wealth, and integrating distributional information on consumer spending and saving into the accounts.

A special IARIW session focused on the tradeoff between timeliness and accuracy in the production of economic indicators. Stanford University's Robert Hall, head of the National Bureau of Economic Research's Business Cycle Dating Committee, moderated the session. Werner Bier from the European Central Bank talked about Europe's experience, while BEA economists Brent Moulton and Dennis Fixler offered the U.S. view.

Another special session, called "Big Data and Official Statistics," featured Google's chief economist Hal Varian, Massachusetts Institute of Technology's Roberto Rigobon, Susan Woodward of Sand Hill Economics, Michael Horrigan from the Bureau of Labor Statistics, and others.

### **BEA Web site feature: U.S. economy at a glance**

BEA's "U.S. Economy at a Glance" Web page offers capsule views of closely watched economic data released by the Bureau. For each of the major economic series, the page offers charts, a highlights page, a detailed news release, and links to previous news releases as well as links to additional information from the agency's national, international, regional, and industry economic accounts. The information provides a comprehensive, up-to-date picture of the U.S. economy. The page is accessible at [www.bea.gov](http://www.bea.gov).