

# BEA Today, Tomorrow, and Beyond

*Vipin Arora, Director*



# A re-introduction to BEA



BEA's roots go back over 200 years and started in international trade



### Dept. of Commerce and Labor

Bureau of Foreign and Domestic Commerce, 1912-1913

Bureau of Statistics  
1903-1912

### Department of the Treasury

Division of Commerce and Navigation,  
Office of the Register  
1820-1866

Bureau of Statistics  
1866-1903

Statistical  
Office  
1856-1874

Bureau of  
Statistics  
1874-1897

Bureau of  
Foreign  
Commerce  
1897-1903

### Dept. of State

### Department of Commerce

Bureau of  
Foreign and  
Domestic  
Commerce  
(BFDC)  
1913-1945

OBE,  
BFDC  
1945-  
1953

Office of  
Business  
Economics  
(OBE)  
1953-1972

Bureau of Economic Analysis  
Granted autonomous bureau status  
August 4, 1975

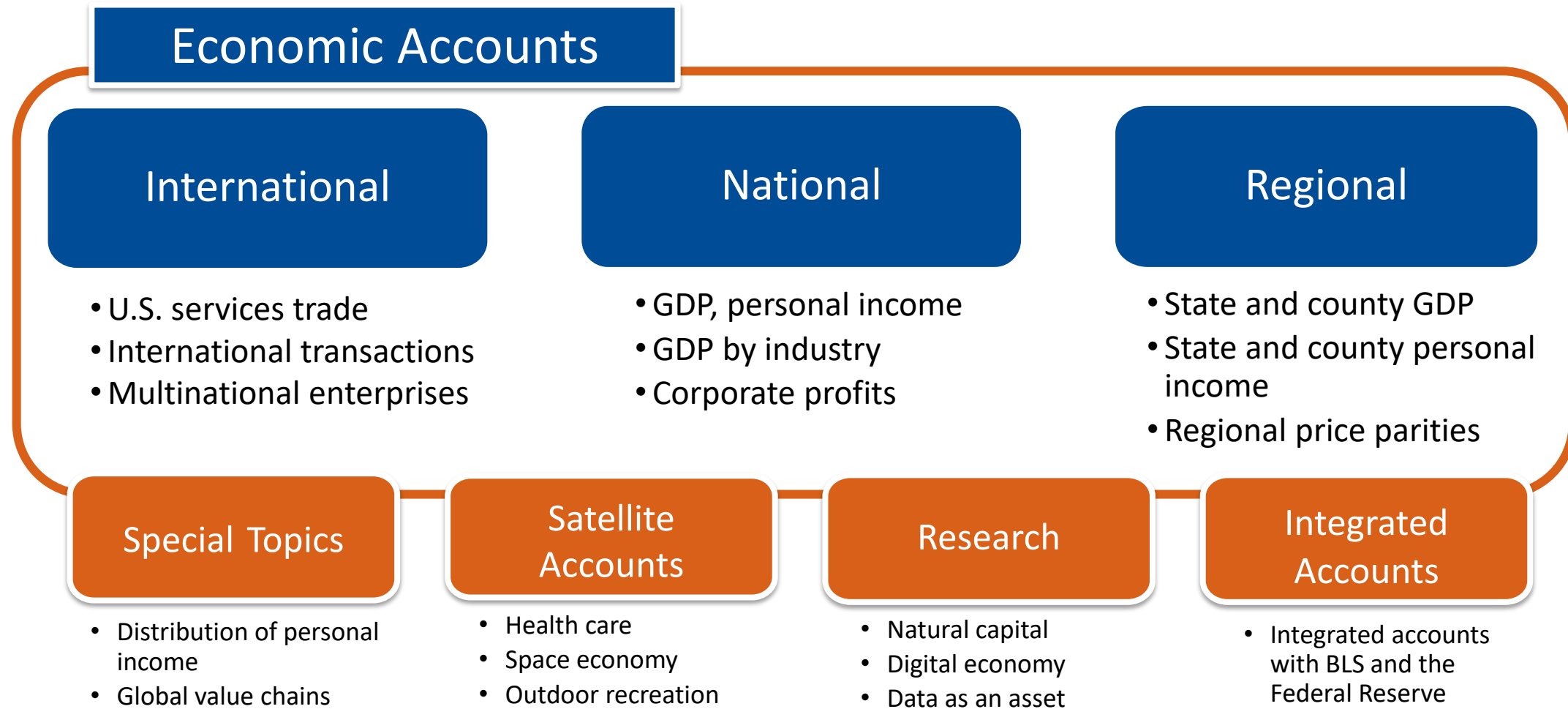


1975 and beyond

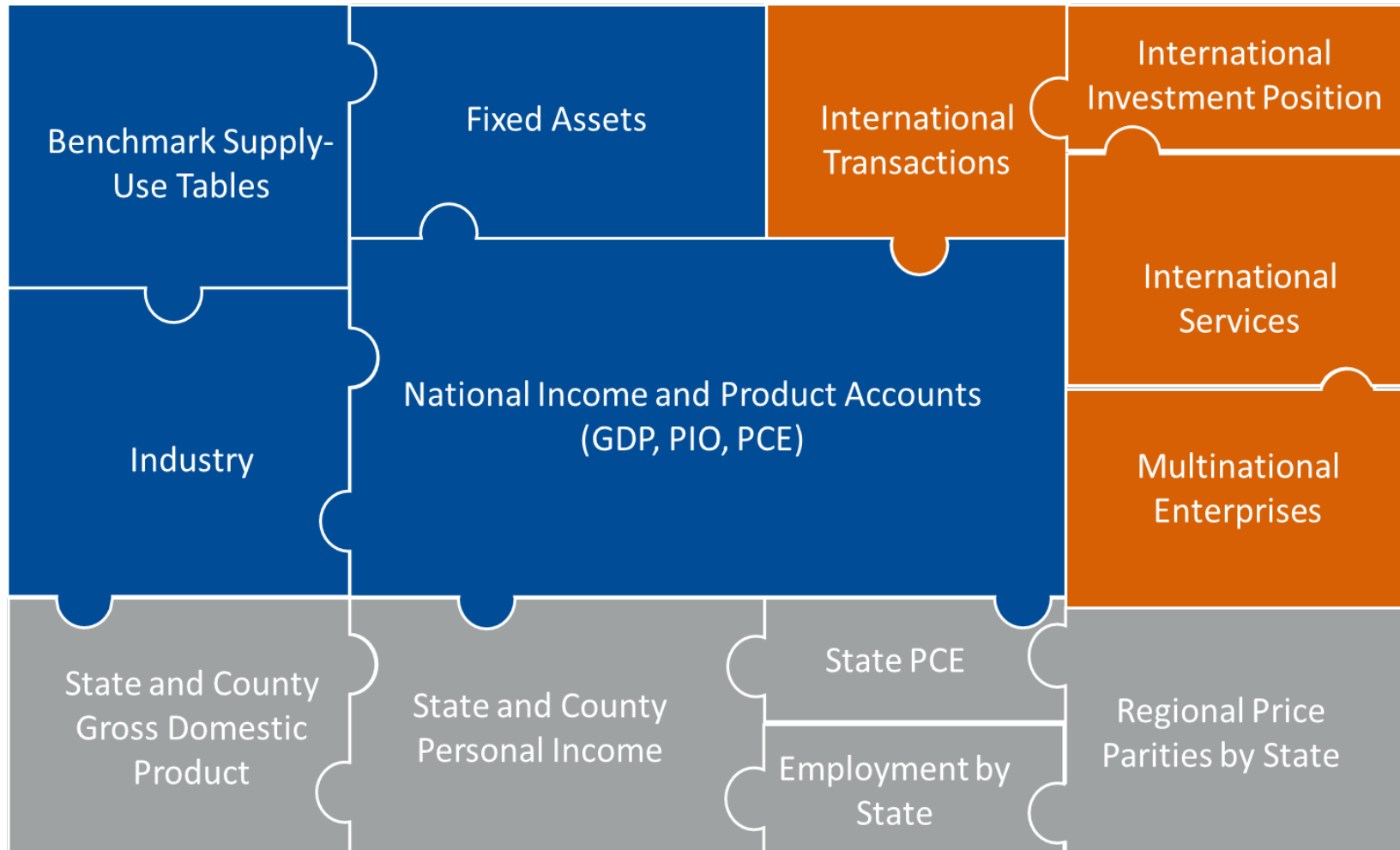
BEA, Social and Economic  
Statistics Administration  
1972-1975

1820 1840 1860 1880 1900 1920 1940 1960 1980 2000 2020

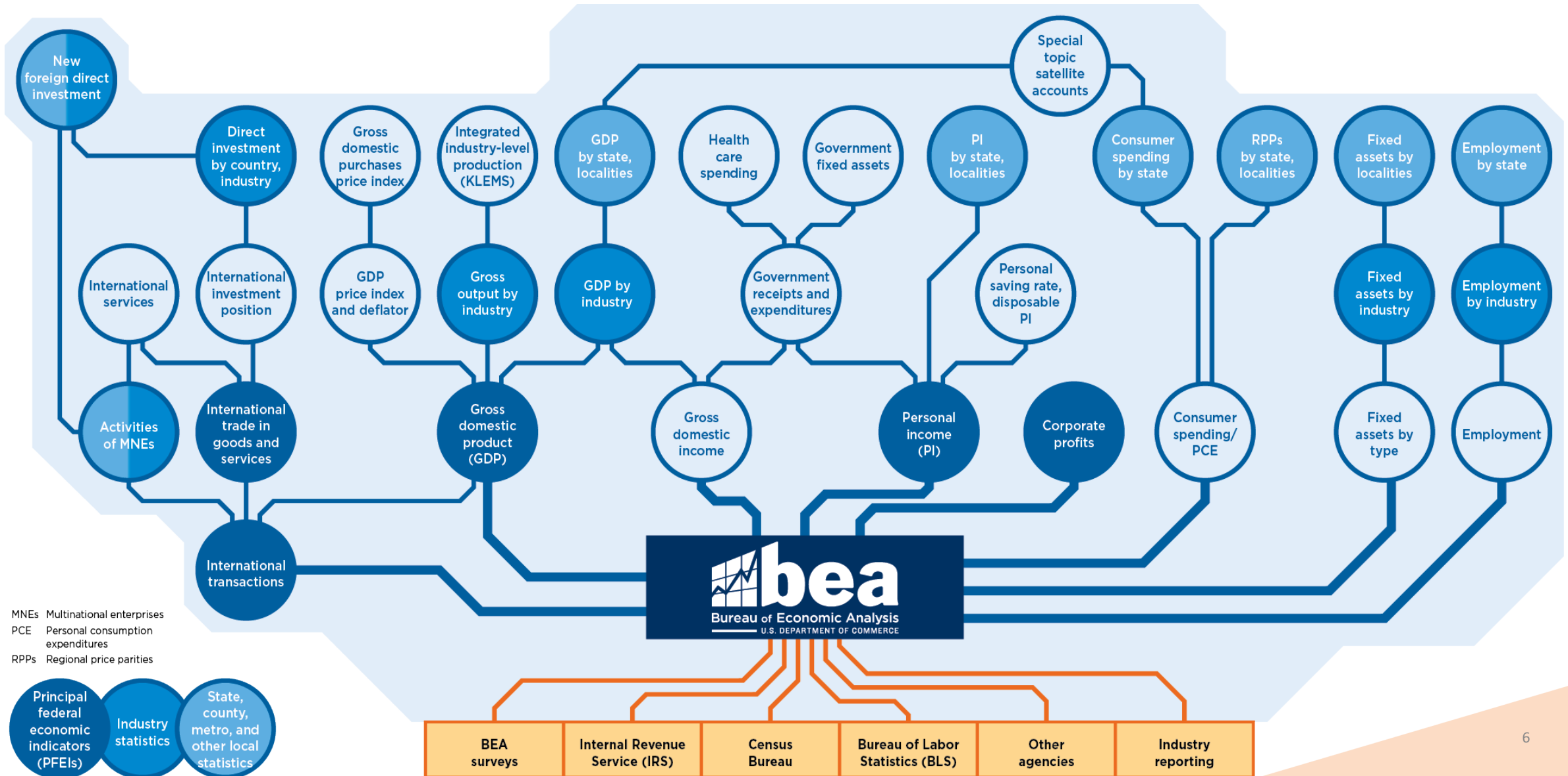
# What we produce centers around our three economic accounts



# The power of our economic accounts lies in their comprehensiveness, consistency, and interconnectedness



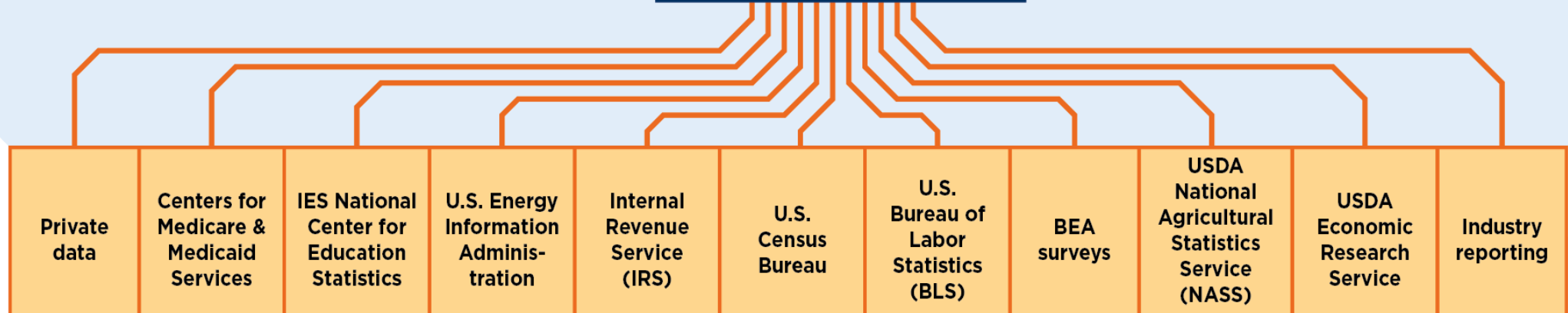
# That interconnectedness is also reflected in our key statistical products



Our data is sourced from many Federal agencies, BEA surveys, business and industry reporting, and more



# BEA outputs approximately 2 Million Data Points

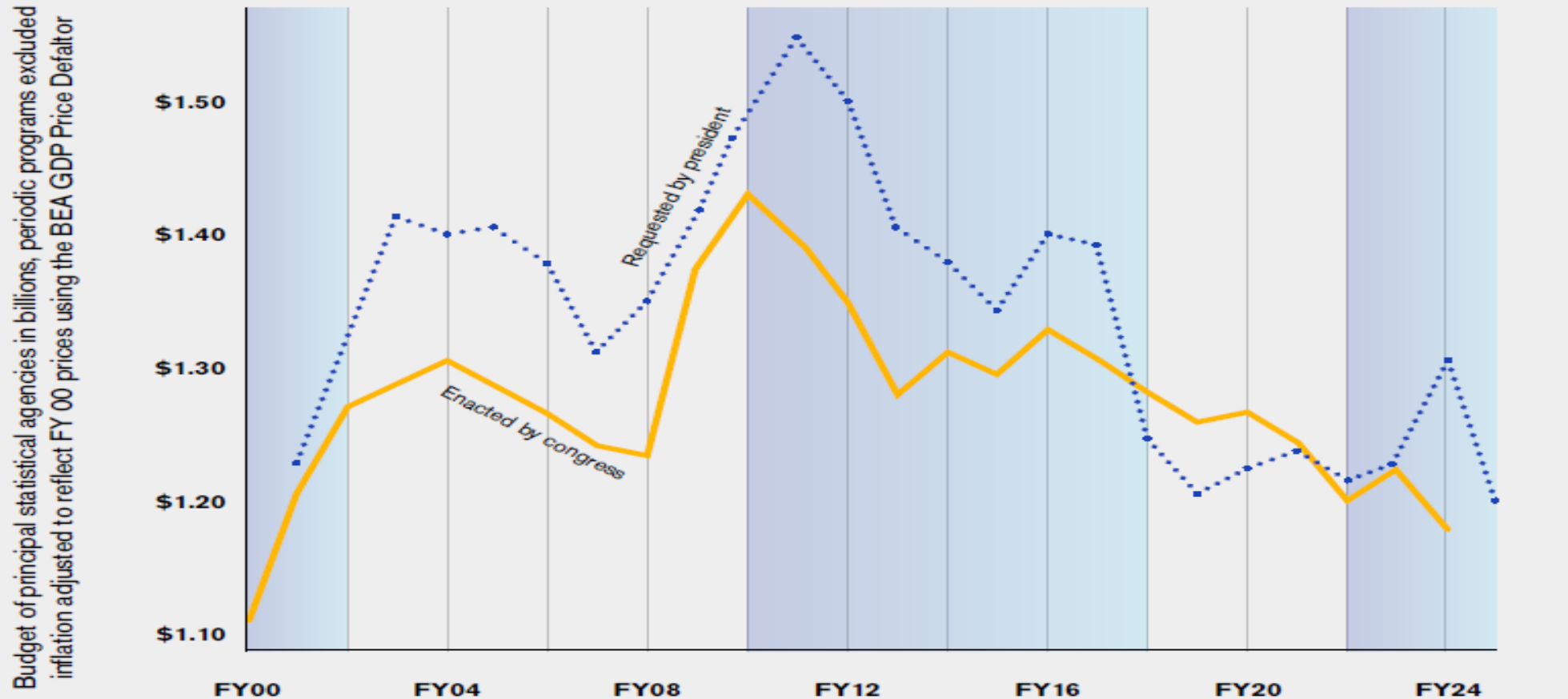


# Budget and staffing—historical context



The federal budget environment for statistics has been challenging—real statistical agency budgets have declined since 2010

**FIGURE 4.** The President’s Requested Budget and Enacted Level for the Combined Budget or Non-cyclical Budget Lines, 9 Federal Statistical Agencies, FY 2000–FY 2024

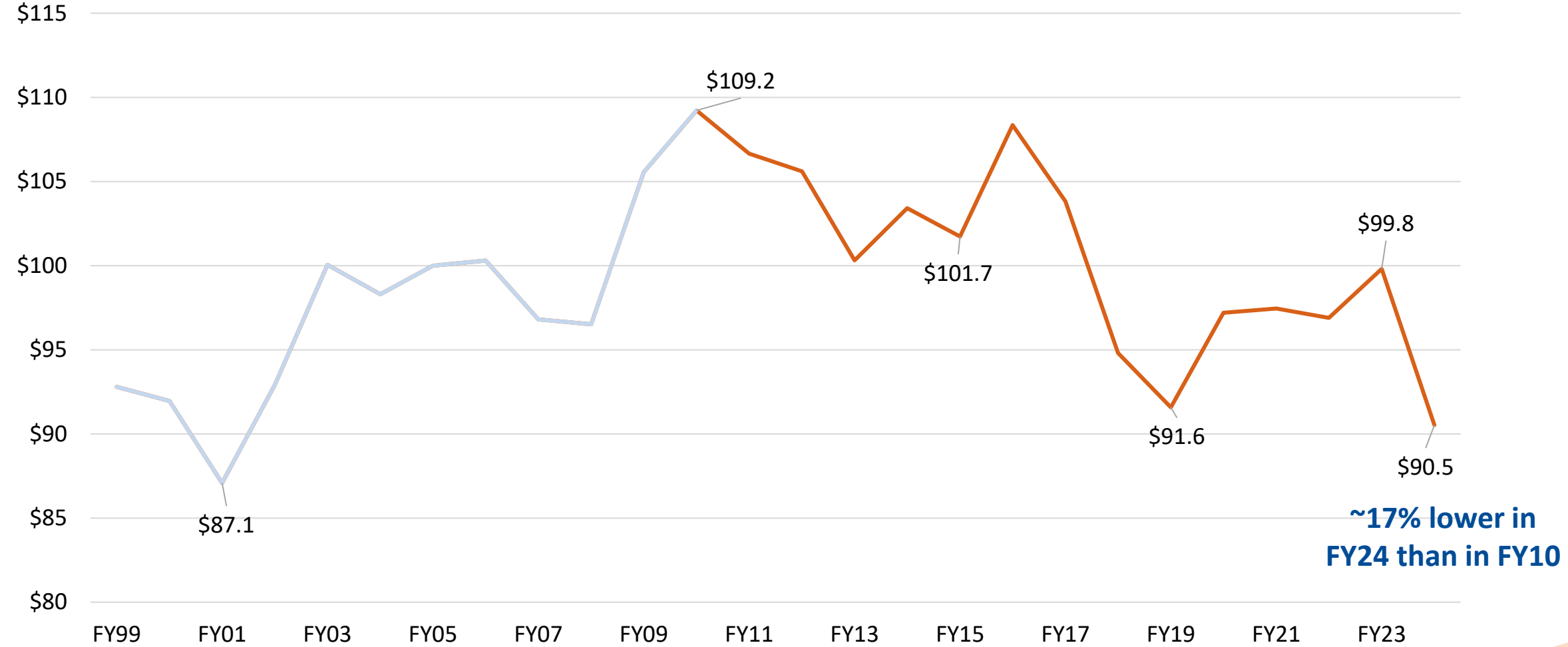


NOTES: BTS, NCSES, ORES, and SOI are omitted because their budgets are not determined through the congressional appropriations process. The Census Bureau budget line for periodic censuses and the NASS line for the Census of Agriculture are both omitted because of their cyclical nature. The shaded regions denote the different presidential administrations that initiated the budget process by releasing the executive budget.  
SOURCE: Pierson et al. (2024)

# BEA's inflation adjusted budget has followed this trend—it is the second lowest in 25 years and fell nearly 10% last year



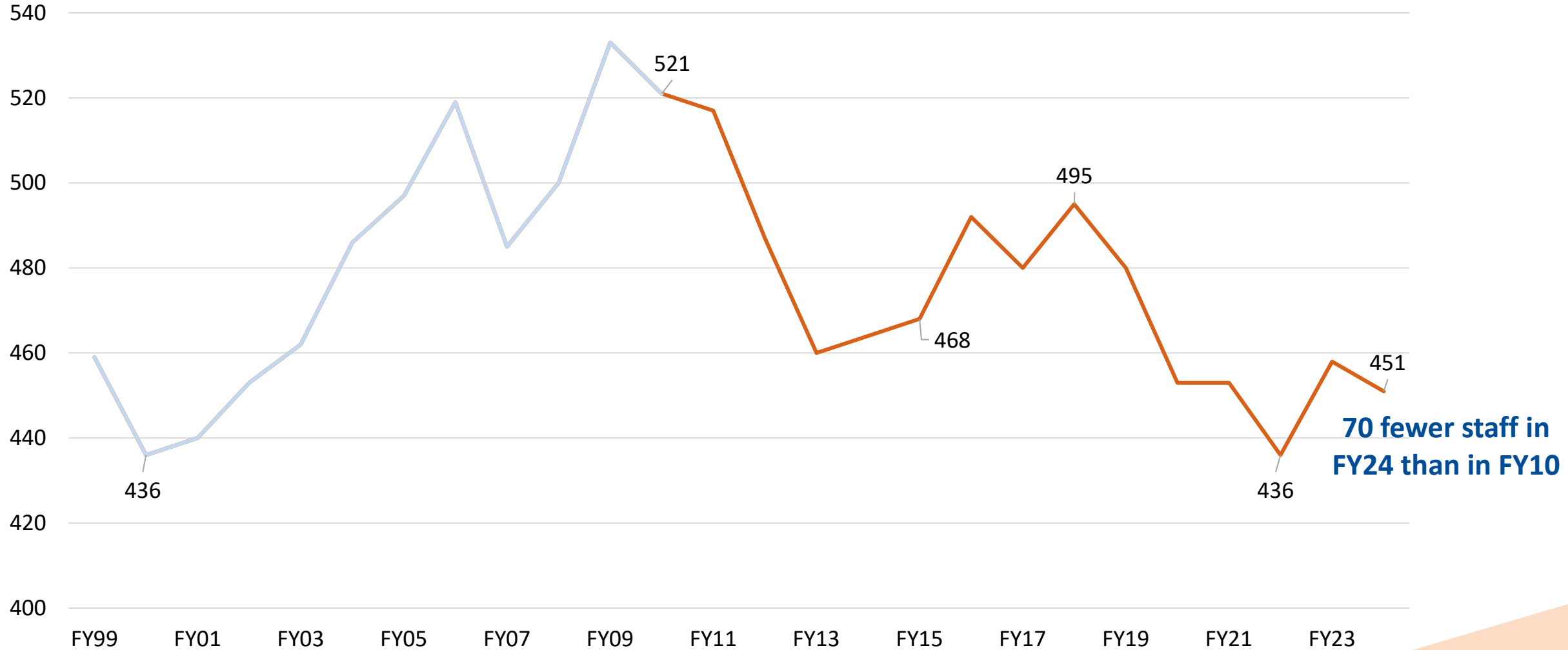
BEA budget  
millions of 2017 dollars



# Our staffing levels have also trended down since 2010



BEA staff on board  
on last day of FY



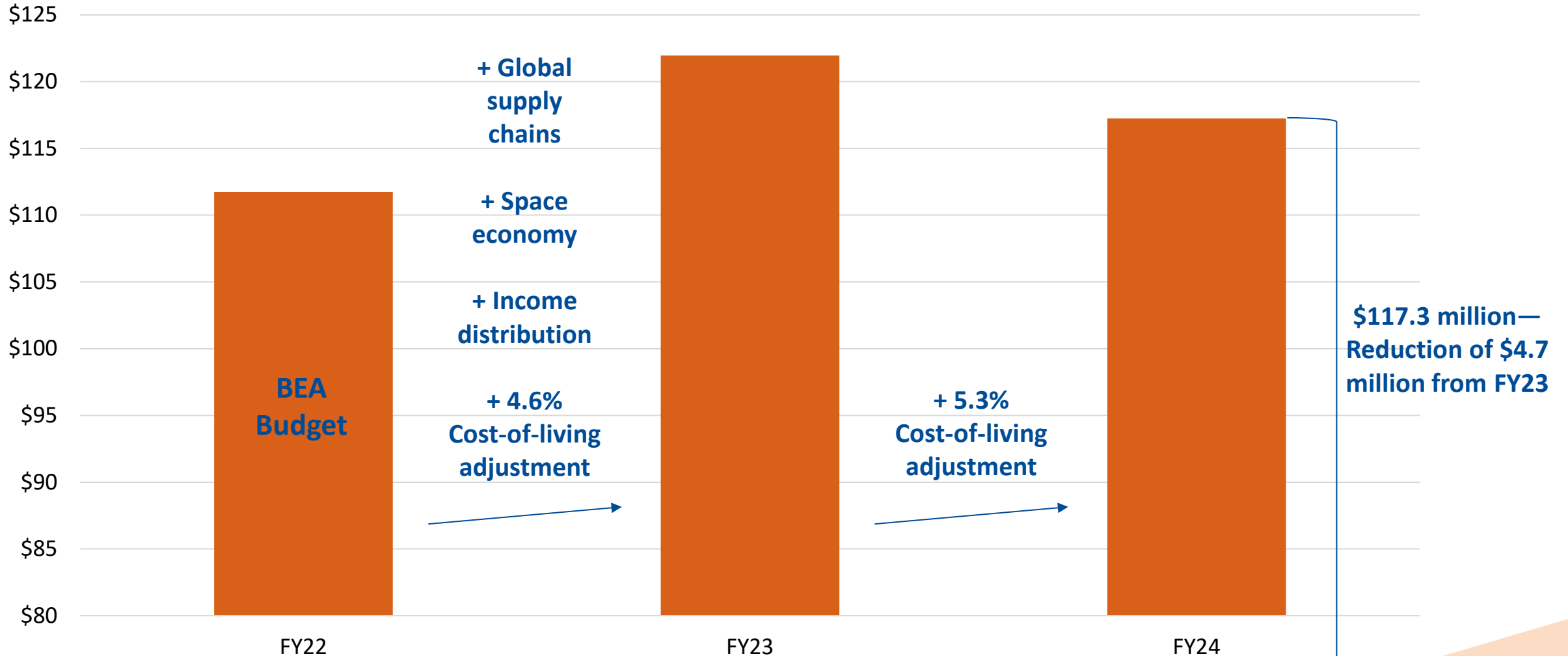
**70 fewer staff in  
FY24 than in FY10**

# Budget and staffing—today and tomorrow



Since 2022 we've added three major initiatives and labor spending has increased over \$10 million due to federal cost-of-living adjustments

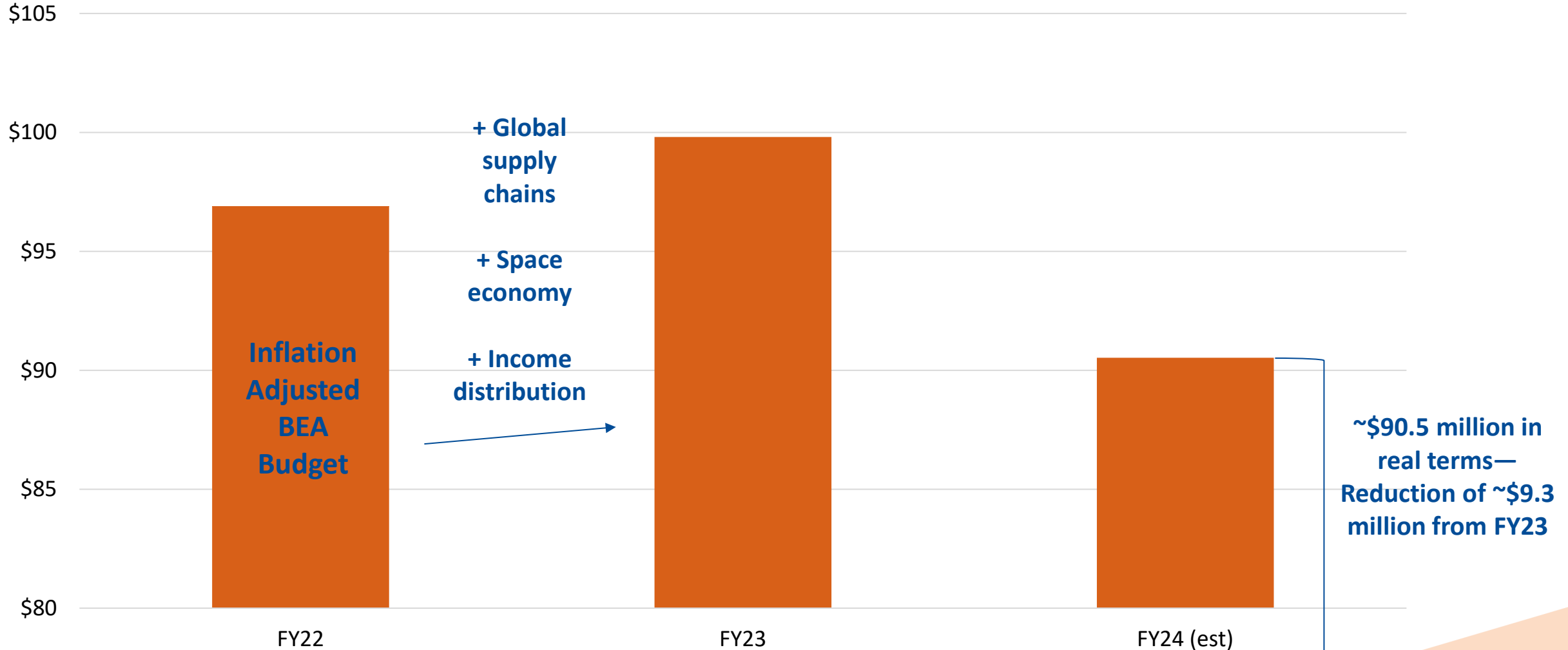
BEA budget  
millions of dollars



# When you adjust for inflation our FY24 budget is smaller than in either FY22 or FY23—and we have three major new initiatives



BEA budget  
millions of 2017 dollars



Nominal data from BEA's appropriated budgets, price data from [NIPA table 3.10.4](#) for compensation of general government employees

We met our very challenging FY24 budget constraint with a comprehensive approach that minimized impact on users and staff

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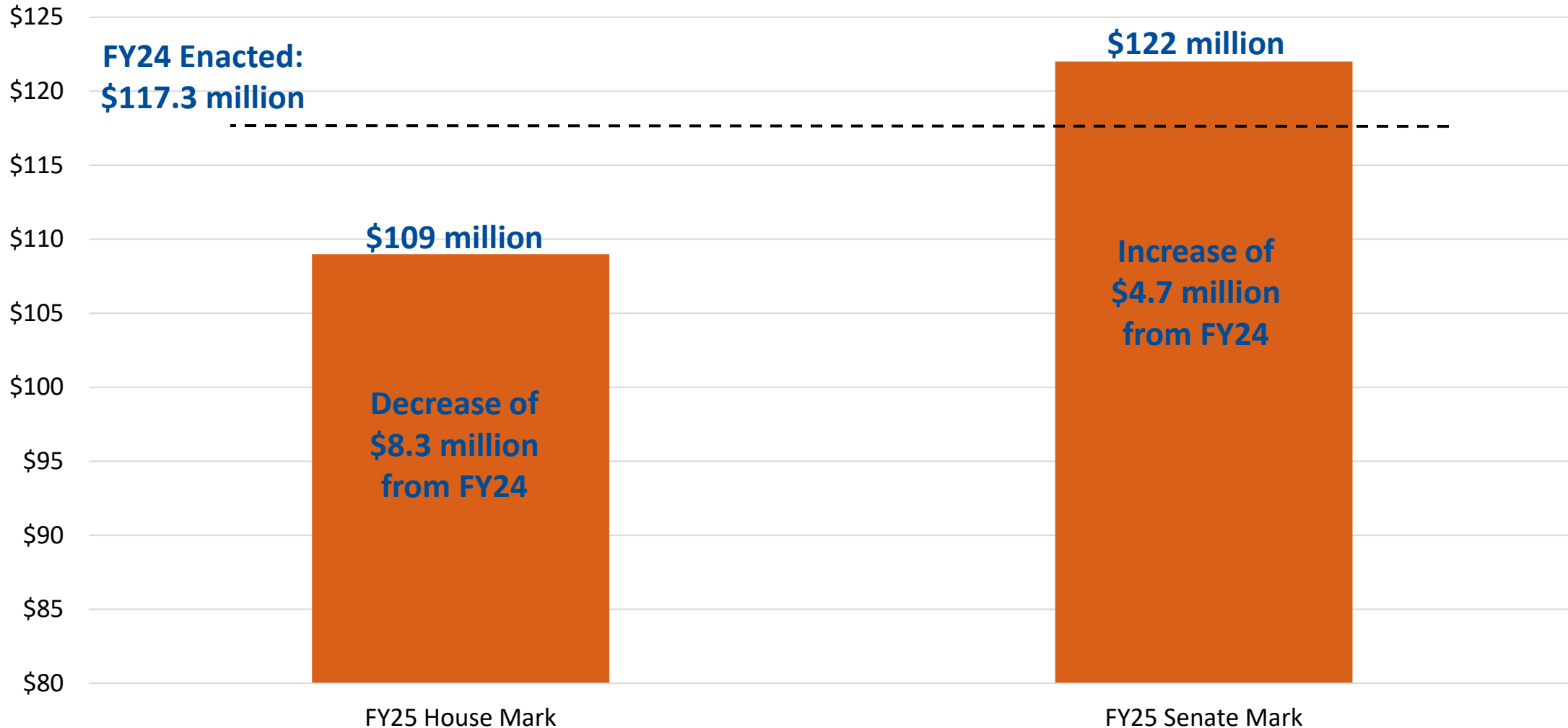


1. We are reducing headcount by attrition and have been under an external hiring freeze since March
  
2. We've focused current staff on core products and have targeted specific focus areas for innovation
  - This means we've had to discontinue certain detailed tables of our economic accounts and are working to streamline releases
  
3. We significantly reduced spending on data purchases and IT modernization

# Narrowing in on BEA's outlook for FY25 reveals substantial uncertainty—there is a \$13 million dollar difference in our FY25 House and Senate marks



millions of dollars





# Inflation adjusted estimates of those marks indicate that BEA's FY25 budget will remain at historically low levels

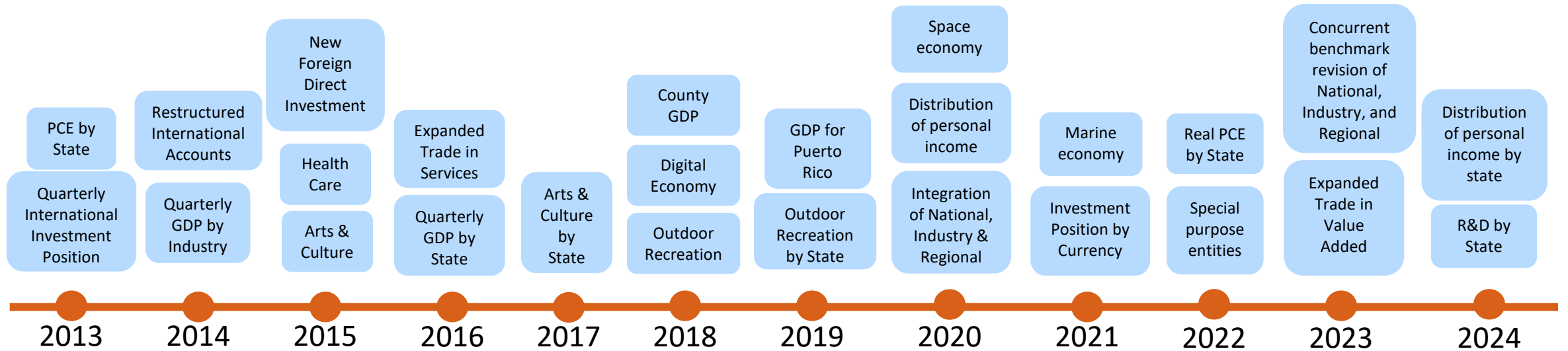


BEA budget  
millions of 2017 dollars



# Recent innovation

Even with our budget and staffing challenges we've consistently introduced new products, improved timeliness, and innovated



# Want to understand the **role of inflation** in the economy? We've got **price indexes**...

## Measures prices for final goods and services that are:

Bought by consumers	Bought by businesses & governments	Produced in U.S.	Imported to U.S.	Exported from U.S.
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**PCE Price Index**  
Personal Consumption Expenditures Price Index and related indexes



### Related indexes that exclude some PCE categories prone to volatile prices:

**Core PCE Price Index**  
PCE Price Index, Excluding Food and Energy

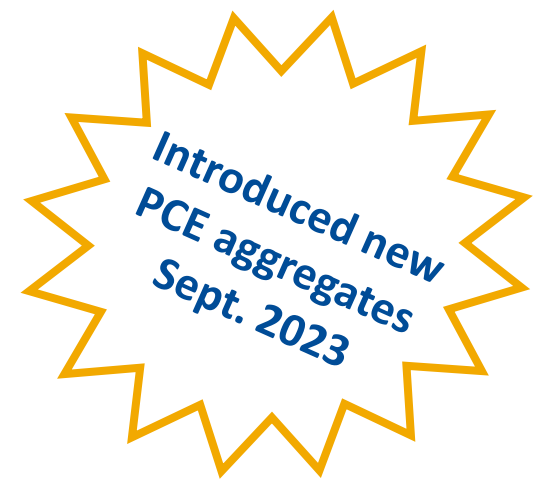
**PCE Excluding Food, Energy, and Housing**

**PCE Services, Excluding Energy and Housing**

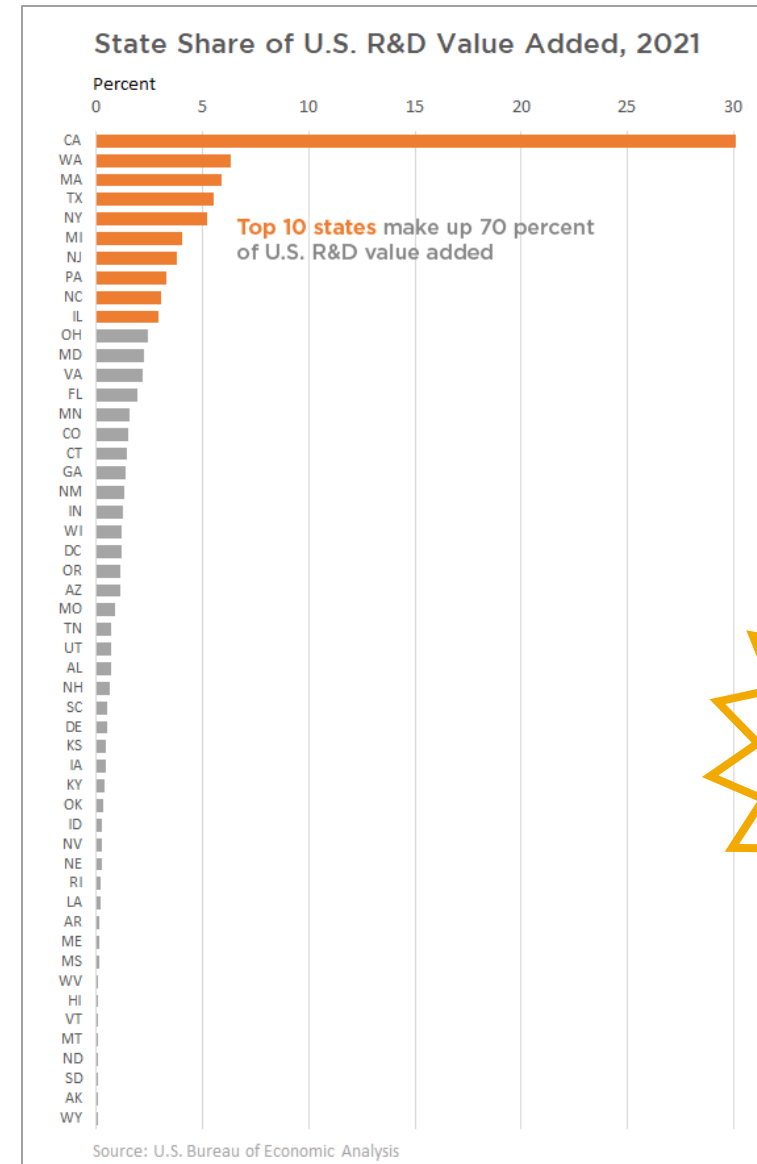
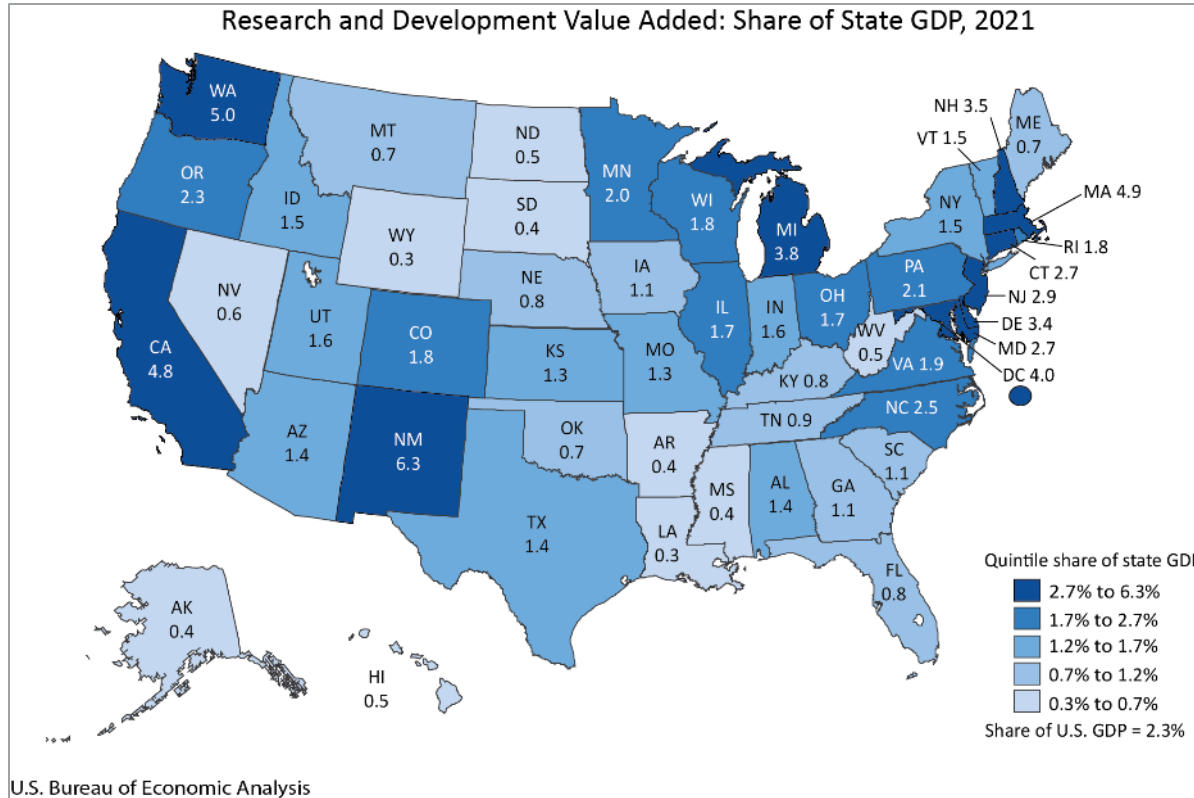
**Gross Domestic Purchases Price Index**



**GDP Price Deflator**  
Gross Domestic Product Implicit Price Deflator



# Exploring the effects of R&D? We've got regional R&D numbers...



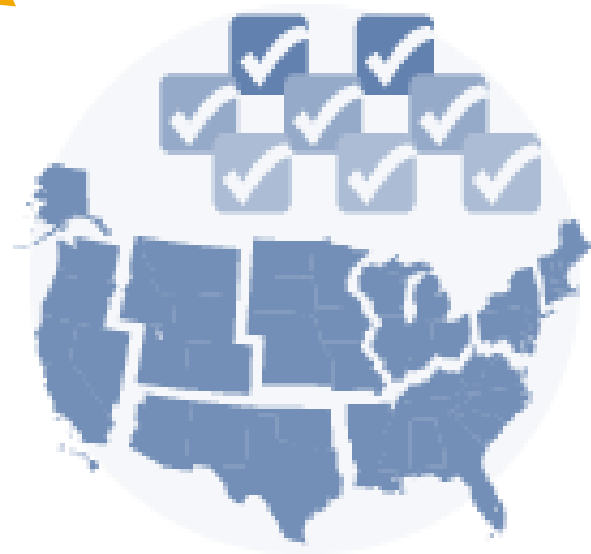
## State R&D Satellite Account

Shows state-by-state details on R&D value added, employment, and compensation

**Updated  
May 2024**

# Analyzing how the “economic pie” is divided up among American households? We’ve got **distribution of personal income & saving...**

Including  
distribution by  
state &  
distribution of  
saving



## Distribution of personal income for Virginia, 2022

Quintile	Range, per-household equivalized income
0-20% share	< \$48,806
20%-40% share	\$48,806 - \$69,627
40%-60% share	\$69,627 - \$97,606
60%-80% share	\$97,606 - \$145,230
80%-100% share	≥ \$145,230

# Given this overall state of play, we need stakeholder advice on how to prioritize to keep the innovation coming

