BEA Deflators for Information and Communications Technology Goods and Services

Historical Analyses and Future Plans

Ana Aizcorbe and David Wasshausen

Abstract

This paper examines BEA's deflators for information and communications technology (ICT) goods and services, including historical and current analyses, evolving methodologies and future plans for these prices. Traditionally, BEA has taken an active role in pursuing accurate, quality adjusted price indexes for high technology goods and services. For example, in the late 1980's, BEA collaborated with IBM and the Bureau of Labor Statistics (BLS) to develop hedonic, quality adjusted price indexes for computers and peripheral equipment.

BEA is committed to reprising some of these efforts and is currently conducting price research on a number of difficult-to-measure ICT goods and services, including medical equipment, packaged and custom software, desktop computers, laptops and tablets. BEA continues to be committed to working with the BLS as well as other economic statistics providers like the Federal Reserve Board. In this paper we plan to share preliminary insights learned from this research as well as examining preliminary impacts of incorporating these experimental prices.

Aizcorbe and Wasshausen: Bureau of Economic Analysis, U.S. Department of Commerce