

Director's Message

Given the importance of nonmarket production, the Bureau of Economic Analysis (BEA) has periodically published “satellite accounts” that estimate the value of production by households. In this issue, we update these estimates, providing estimates of gross domestic product (GDP) that incorporate two different types of home production activities: the production of nonmarket services and the return to consumer durable goods. These updated data shed light on the effects of recent business cycles and declining labor participation.

A *BEA Briefing* notes that BEA this month released revised, fully integrated historical input-output and GDP by industry accounts spanning 1947–1996. The release completes BEA’s goal of developing a fully integrated and consistent time series of statistics encompassing the industry economic accounts and the national income and product accounts (NIPAs). The benefits of fully integrated accounts are numerous. For example, they allow data users to better track time series trends in a NIPA final expenditure category at more detailed commodity levels. They can also be used to better understand structural change in the U.S. economy at the industry level, including business-cycle dynamics and changes due to globalization.

Elsewhere, the *Taking Account* notes recent research at BEA that uses a regression-based approach to assign pre-2008 research and development (R&D) expenditures by firms to more than one industry, an issue of great interest to people examining the role of R&D in the economy.

In addition, our “GDP and the Economy” article takes a look at the advance estimates for the fourth quarter of 2015.



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