

Measuring the Economy During the COVID-19 Pandemic: The American Rescue Plan

Erich H. Strassner
Advisory Committee Meeting
May 14, 2021



1. A look at the data

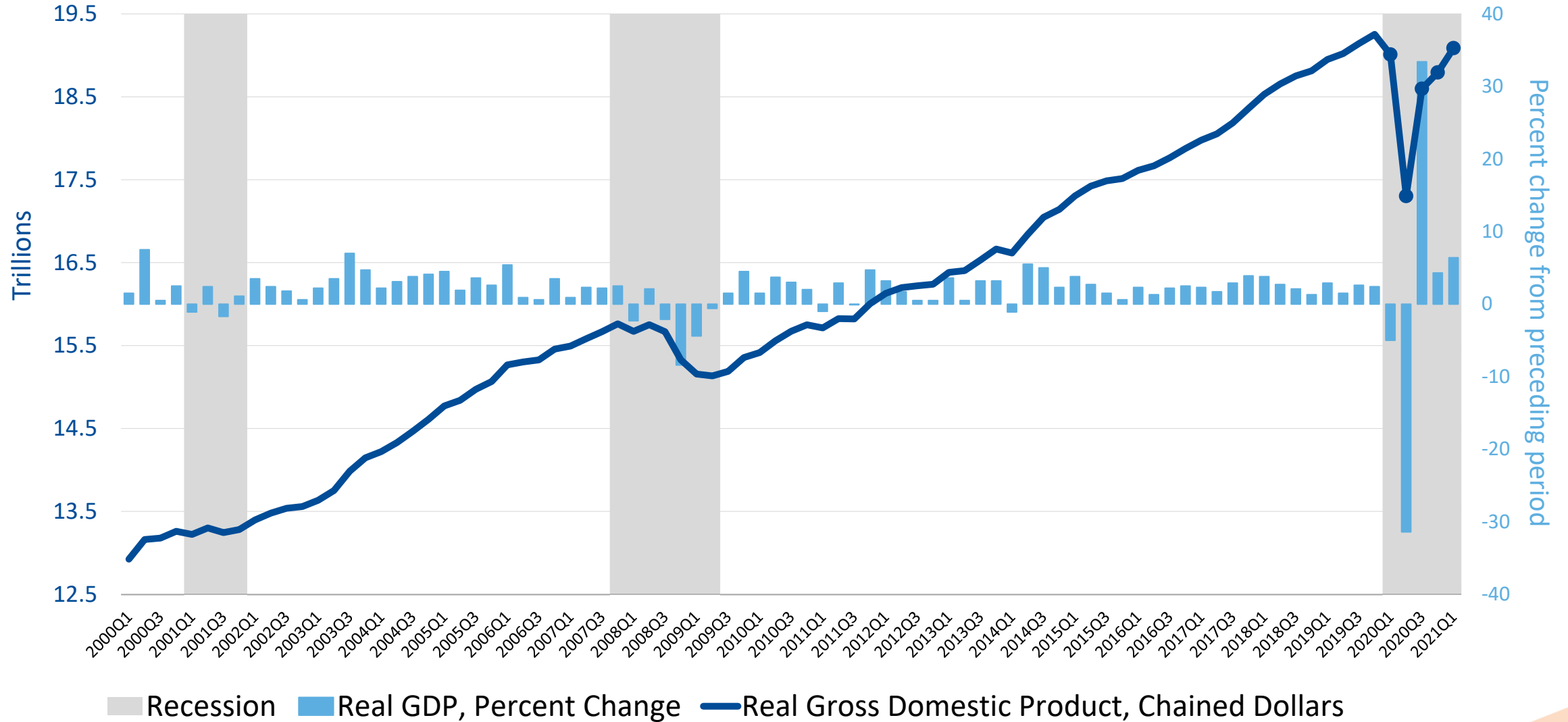
- Economic statistics through the first quarter of 2021

2. The impact of pandemic response programs on the accounts

- Government social benefit programs newly enacted as part of the American Rescue Plan

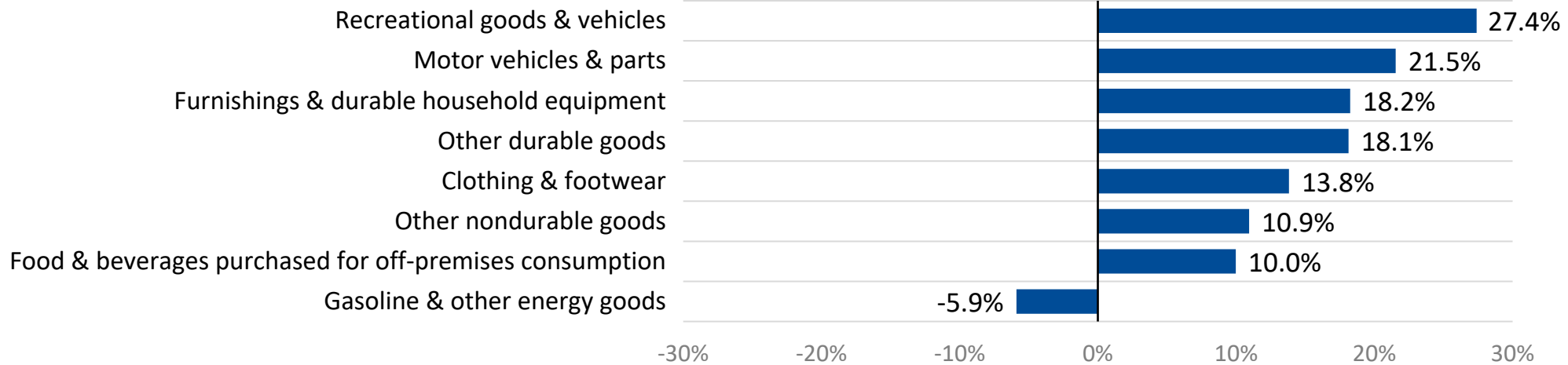
3. Update on innovations in measurement during the pandemic

Real Gross Domestic Product

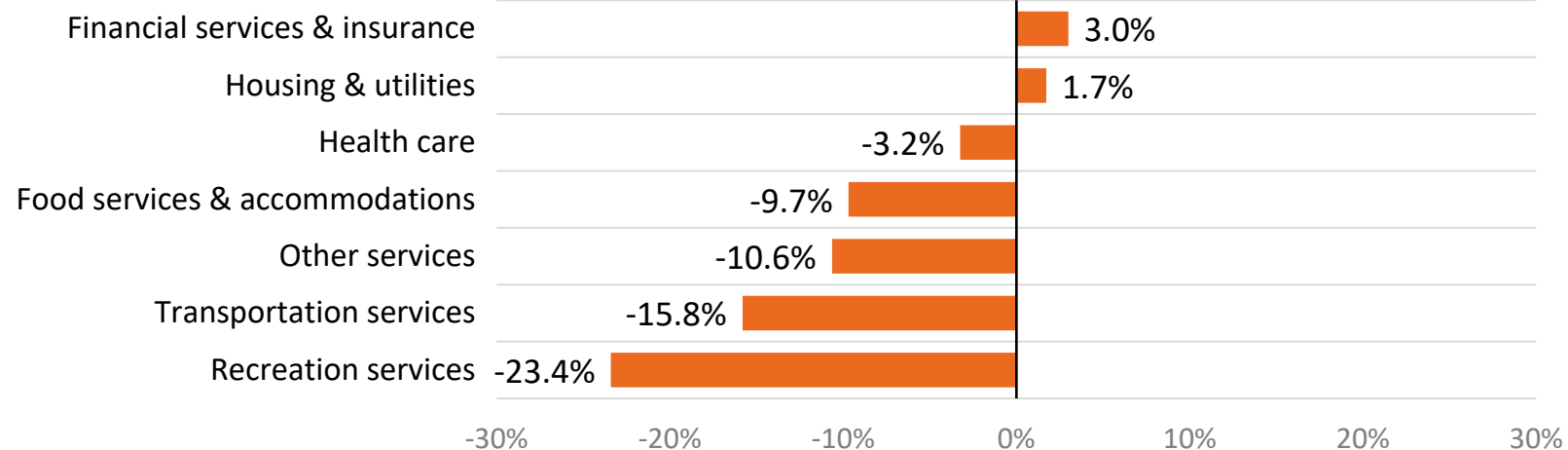


Percent Change in PCE from January 2020 to March 2021

Goods



Services

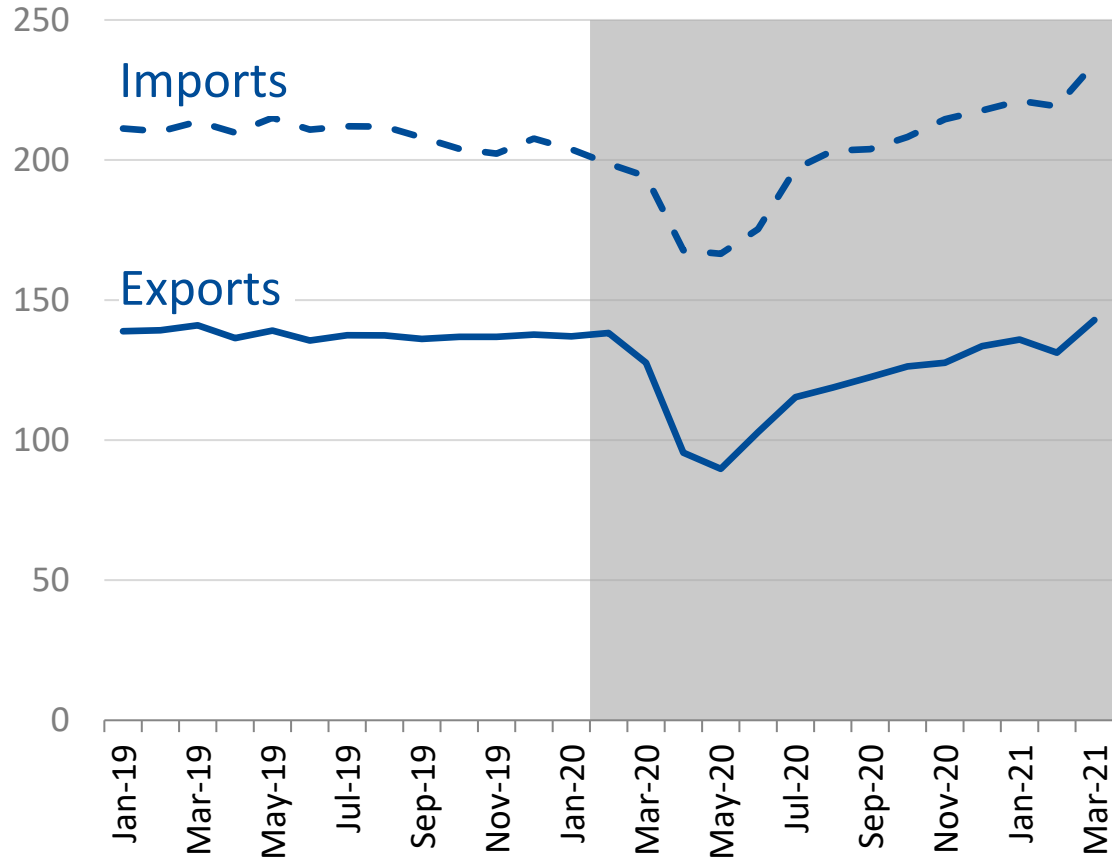


International Trade

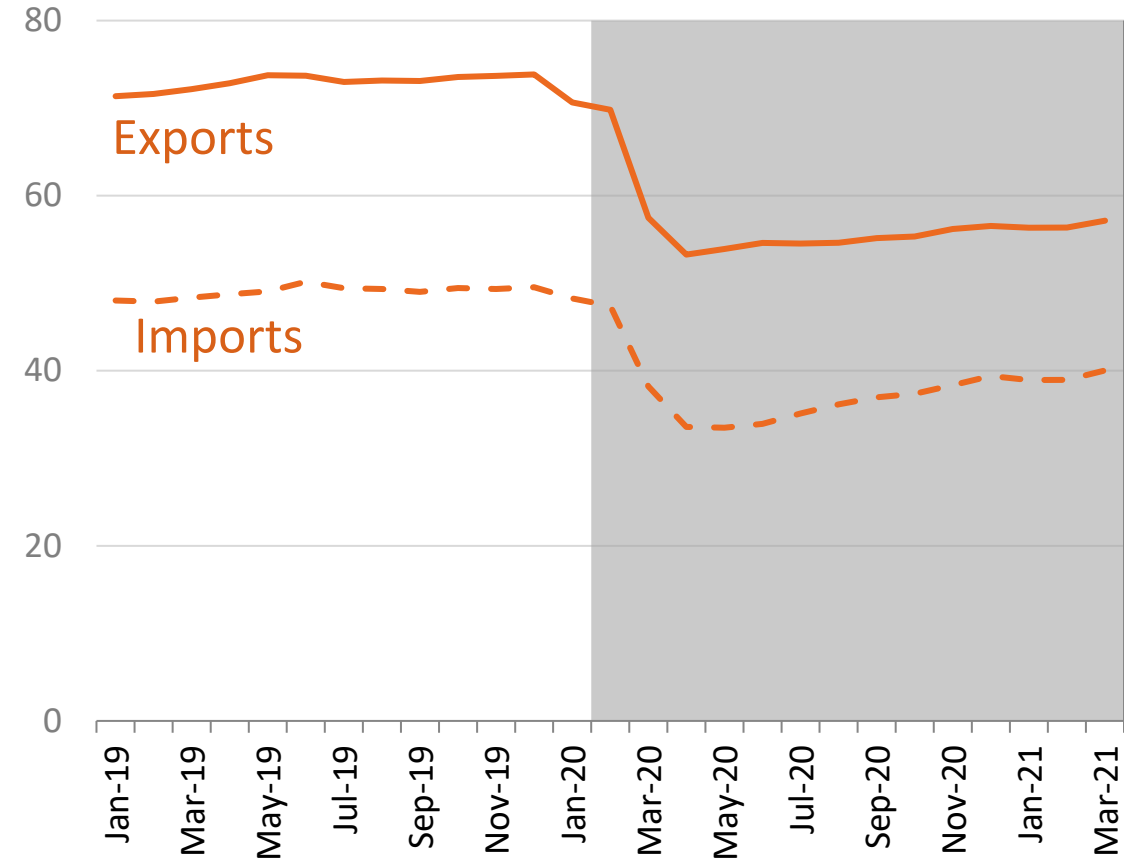
(Billions of current dollars)



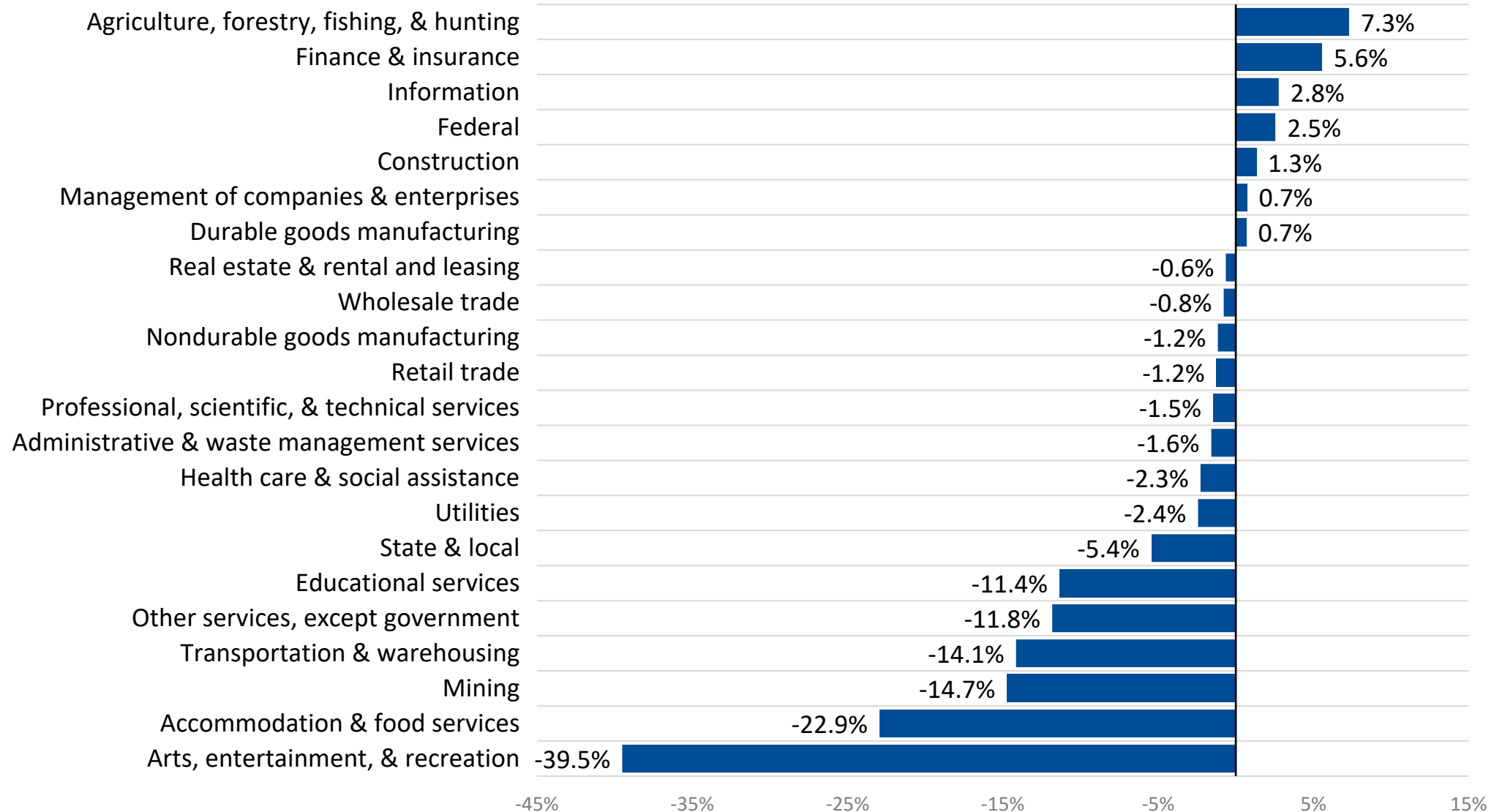
Goods



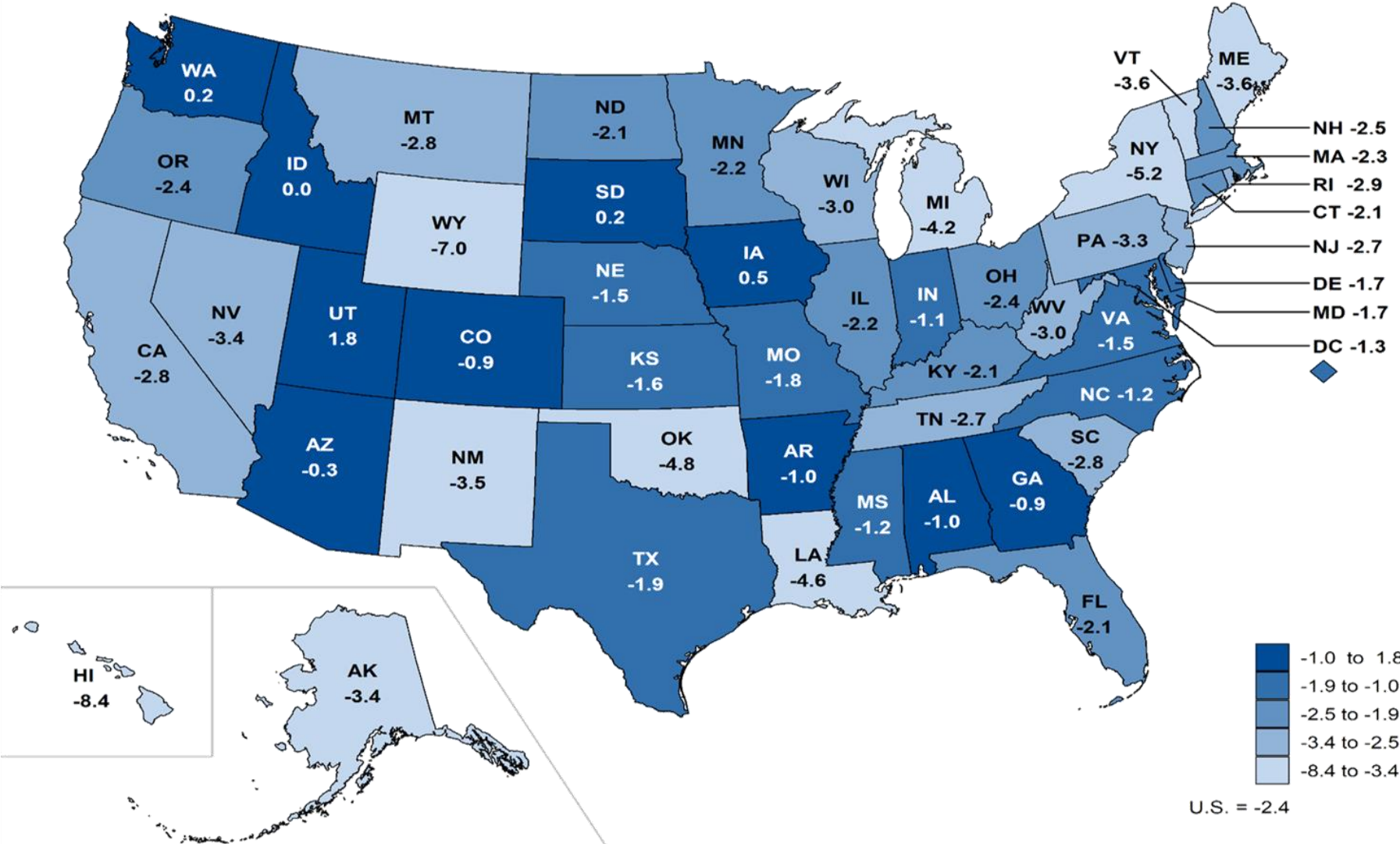
Services



Percent Change in Real GDP by Industry from 2019 Q4 – 2020 Q4

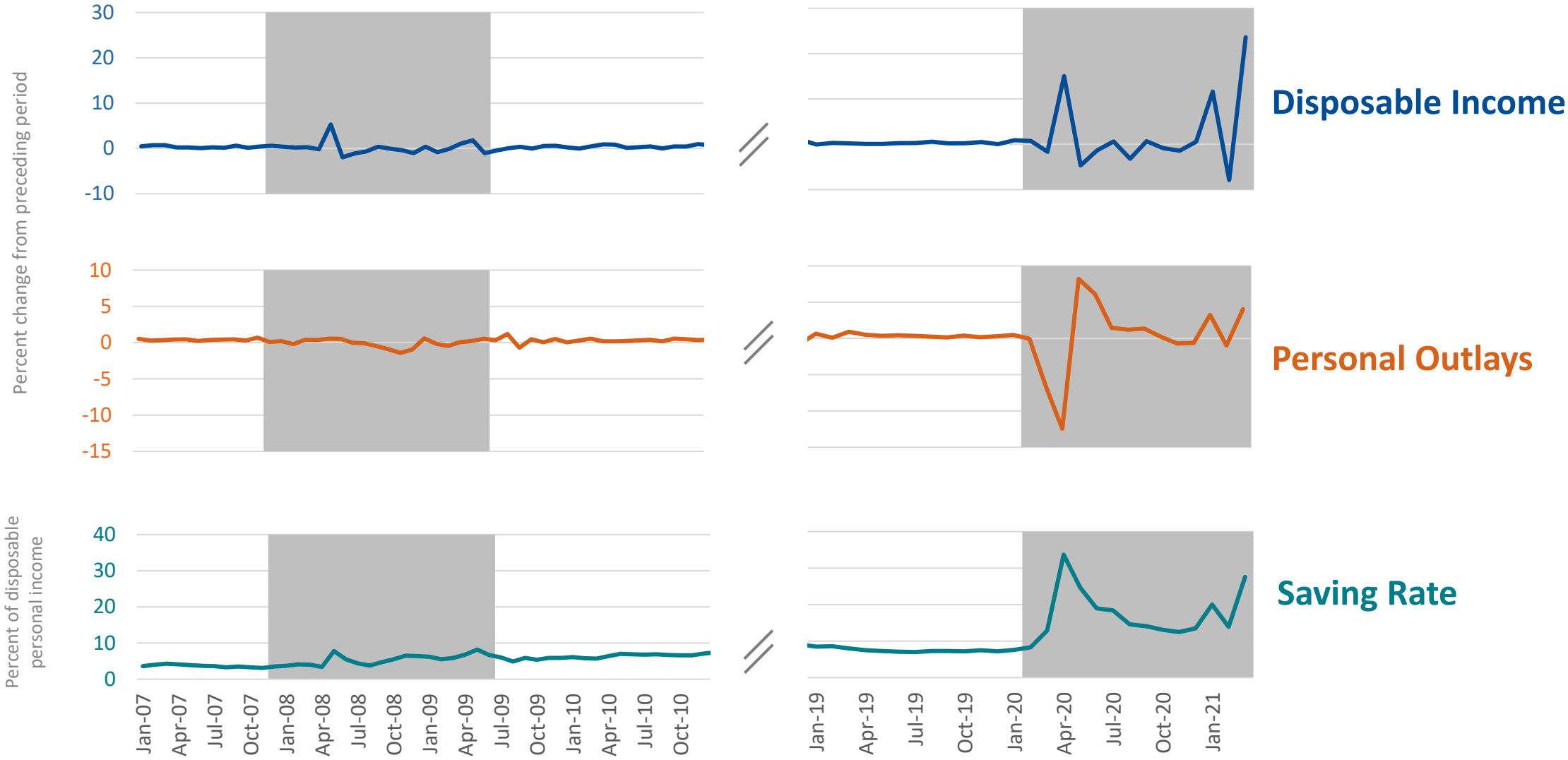


Percent Change in Real GDP by State from 2019 Q4 – 2020 Q4



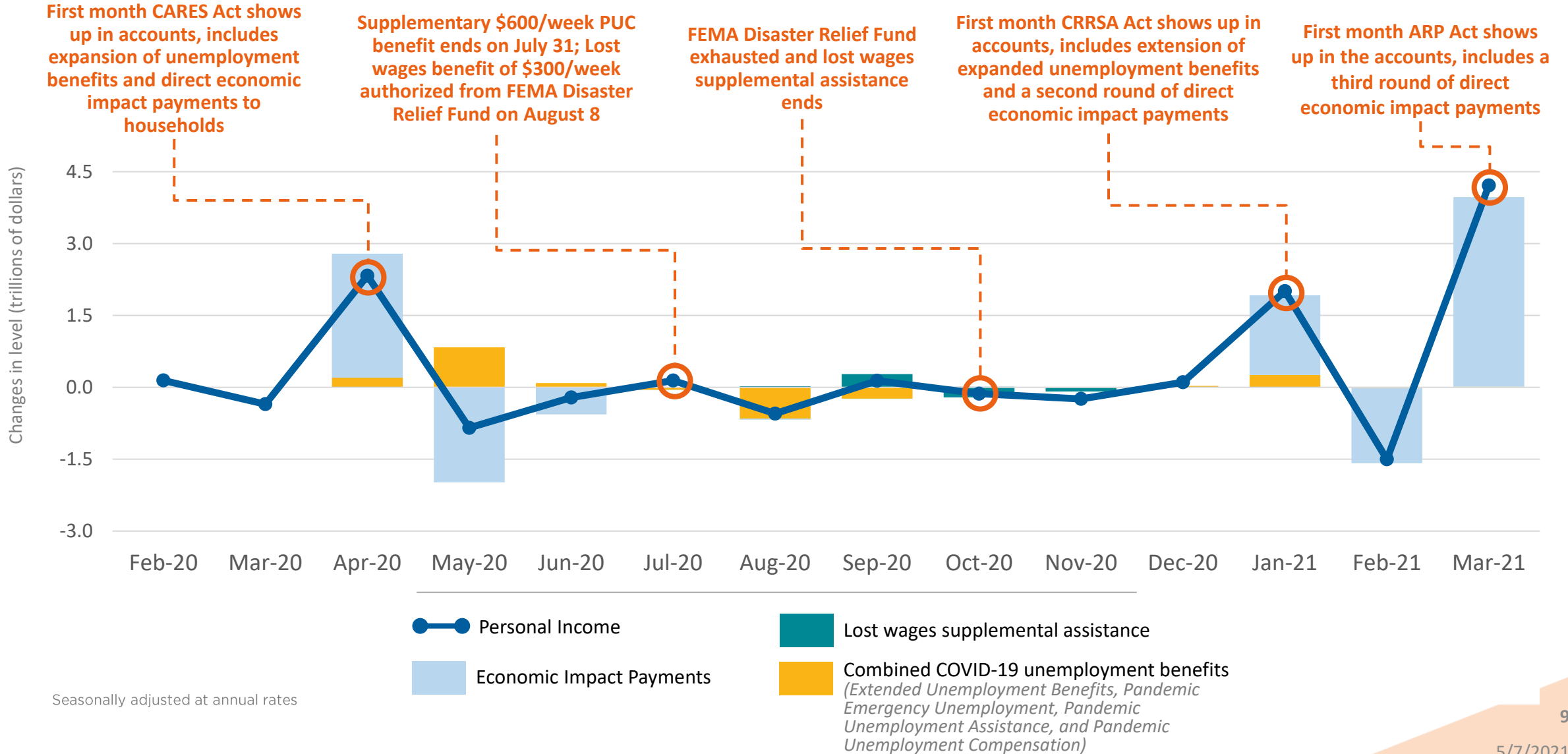
Real (inflation-adjusted) estimates seasonally adjusted at annual rates

Current Dollar DPI, Personal Outlays, and Saving – Comparison to Previous Recession

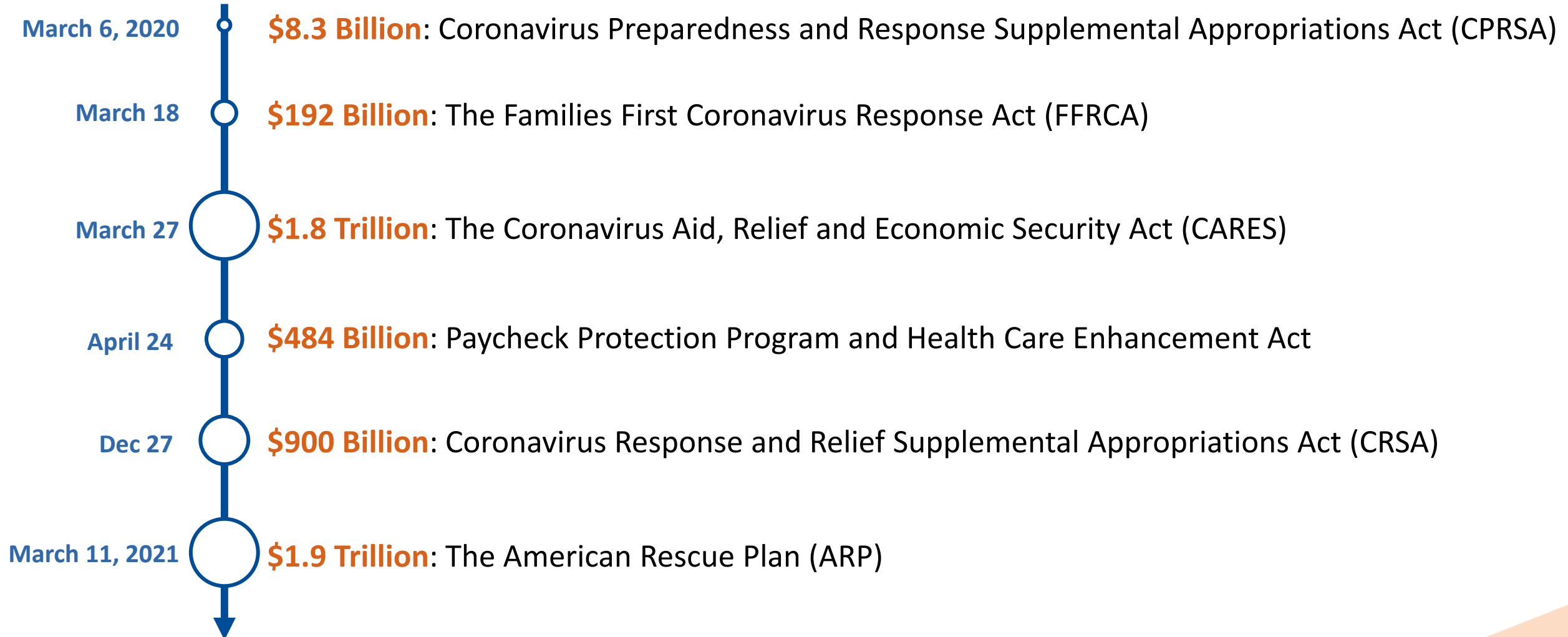


Estimates are seasonally adjusted at monthly rates

Changes in Personal Income and Selected COVID-19 Legislative Impacts



Pandemic Response: New Recovery Laws



Federal Government Purchases:

Consumption & Investment

- Vaccine distribution
- Increased funding for COVID-19 R&D, testing, contact tracing, and medical supply manufacturing
- PPP administration fees

Transfers to People & Non-Profits:

Social Benefits

- Economic impact payments
- Increased and expanded unemployment benefits
- Expanded earned income tax credit, child tax credit, and dependent care credit
- Expanded SNAP and ACA benefits
- Increased funding to educational institutions

Transfers to Businesses:

Subsidies

- Restaurant Revitalization Fund
- Paycheck Protection Program and other payroll support programs for targeted industries (e.g., airlines)
- Increased funding to Economic Injury Disaster Loan program
- Support for agriculture

Transfers to State and Local Governments:

Grants to S&L

- Increased funding for general economic relief
- Funding for K-12 education

- Ongoing communication with Census and BLS to understand quality and coverage of routine source data
- Program areas continue to use novel measurement techniques:
 - Identifying and vetting alternative data from public and private sources
 - Assessing trade association and other reports on business activity
- Forthcoming paper on the performance of the payment card estimates during the pandemic period
- Monitoring and evaluating government responses to ensure accurate treatment in the accounts

bea Bureau of Economic Analysis
U.S. DEPARTMENT OF COMMERCE

Home | Federal Recovery Programs and BEA Statistics

Federal Recovery Programs and BEA Statistics

COVID-19 and Recovery

This Bureau of Economic Analysis webpage will consolidate information about the COVID-19 virus and federal stimulus programs as they relate to BEA's economic data. Any technical information important to a particular news release will also be published with the news release.

Data

The Effects of Selected Federal Pandemic Response Programs on:

| Personal Income | Frequency | PDF Tables | Other Formats |
|-----------------|-----------|----------------------|------------------|
| Monthly | Monthly | March 2021 PDF | XLSX Format XLSX |
| Quarterly | Quarterly | 1st Quarter 2021 PDF | XLSX Format XLSX |

| State Personal Income | Frequency | PDF Tables | Other Formats |
|-----------------------|-----------|----------------------|------------------|
| Quarterly | Quarterly | 4th Quarter 2020 PDF | XLSX Format XLSX |
| Annually | Annually | Year 2020 PDF | XLSX Format XLSX |

| Federal Government Receipts, Expenditures, and Saving | Frequency | PDF Tables | Other Formats |
|---|-----------|----------------------|------------------|
| Quarterly | Quarterly | 1st Quarter 2021 PDF | XLSX Format XLSX |

| Paycheck Protection Program Subsidies by Industry in the National Accounts | Frequency | PDF Tables | Other Formats |
|--|-----------|----------------------|------------------|
| Quarterly | Quarterly | 4th Quarter 2020 PDF | XLSX Format XLSX |

Paper, Blogs, Articles

BEA Working Paper Series, WP2020-14
Consumer Prices During a Stay-In-Place Policy: Theoretical

Author | Rach...

BEA Working Paper Series, WP2020-13
Work Context and Industrial Composition Determine the Epidemiological Responses in a Multi-Group SIR Model

Authors | Christopher J. Blackburn, National Economic Accounts Research Group, U.S. Bureau of Economic Analysis

FAQs

- How did BEA adjust March 2020 wages and salaries to account for the effects of COVID-19?
- How does the Paycheck Protection Program of 2020 impact the national income and product accounts (NIPAs)?
- How does BEA measure public education services during the closings of schools and college campuses in response to the COVID-19 pandemic?
- How are the effects of 2020 CARES Act on BEA's estimates of personal interest payments?
- How does the 2020 CARES Act affect BEA's estimates of personal interest payments?
- What is the impact of COVID-19 on the State Personal Income statistics for 2020 Q1?
- What is the impact of COVID-19 on statistics on trade in services?

Notes & Technical Information

Use of RIMS II Multipliers—COVID-19

Technical Note

Gross Domestic Product, First Quarter 2021 (Advance Estimate)
 April 29, 2021

Payment Card Estimates

COVID-19 and Recovery: Estimates From Payment Card Transactions

BEA has been researching the use of card transaction data as an early barometer of spending in the United States. Since the emergence of COVID-19, dramatic and fast-moving changes to the U.S. economy have increased the public and policymakers' need for more frequent and timely economic data. In response, BEA is presenting these estimates using daily payment card data to measure the effects of the pandemic on spending, updated approximately every two weeks.

Note that these payment card transactions are not necessarily representative of total spending in an industry and the data have other limitations, described below. The estimates are based on data from BEA's Payment Card Transaction Survey (PCTS).

Daily Spending by Industry

