

Center for Strategic and International Studies

TRANSCRIPT

Event

Federal Statistics For Economic Security
“Welcome and Keynote”

DATE

Thursday, November 6, 2025 at 9:00 a.m. ET

FEATURING

Todd McCracken

President and CEO, National Small Business Association

CSIS EXPERTS

John J. Hamre

President and CEO, and Langone Chair in American Leadership, CSIS

Navin Girishankar

President, Economic Security & Technology Department, CSIS

Transcript By

Superior Transcriptions LLC

www.superiortranscriptions.com

John J. Hamre:

My name is John Hamre. I am the president at CSIS. But when you're the president of a think tank, your role is entirely ornamental, you know? (Laughter.) My job here is just simply to welcome all of you and to say thank you for coming and joining us for what I think is going to be a very important conversation. It's a far more important question, you know, than average Americans think, and so I look forward to this. This is going to be really very important.

You know, I came back two days ago from having spent two weeks in Japan. And I – you know, so I'm – my body clock is so screwed up. (Laughter.) I mean, I – and you know, I woke up at 2:00 in the morning having a nightmare, you know, and I'll just share it with you. (Laughter.) I – (laughs) – you know, recently I had a little injury that put me in the hospital, and I was there for a couple of days. But in my – this nightmare, this dream I had, I thought I heard the hospital administrator talking with the chief of nursing. And he said to her, we've got too many sick people in this hospital, you know, and it's not good for our profit margins. Cost is too much. They're here too long. And so I – let me ask you to go around, and I just want you to recalibrate the digital thermometers and take everything down a degree. (Laughter.) And while you're doing that, I want you to go to the – you know, the blood pressure monitors and take them down 15 points, both up and down, you know? I mean, we – you know, we need to get better stats here, and it's not going to matter that much. We need to get – we need to get a bigger turnover here because we're not making enough money, you know? What a nightmare, huh?

But then I thought, well, you know, we've seen this in the real world.

You know, about, I don't know, eight or nine months ago – maybe it was a year ago – China decided that 20 percent unemployment for youth, graduates from universities, is too high a percent, so they just stopped reporting news on that for four or five months until they came up with a new formula. And magically, it was 16 percent, right?

I remember when Cristina Kirchner was the president of Argentina. You know, inflation rate was something like 200 percent. I mean, Jesus, I mean, it's unbelievable. And she said, well, let's just stop reporting, you know, the inflation rate; it'll be better if we don't tell people.

You know, there's a terrible propensity for politics to get in the way of honesty. And if you think about it, everything in our economy depends on an honest, objective assessment of what's going on, you know, and we count on important agencies of the government to give us that. And you know, there have been some challenges here. I mean, President Trump wasn't all that happy with the statistics that came out of the

Bureau of Labor Statistics, so he fired the lady that was running it. OK. But you know, it just – it highlights the point here, right, that you don't have healthier people if you just turn down the – you know, the dial down, the gauge on how you're – you know, you're registering people's blood pressure. You know, you got to have honest data, you know, if we're going to do this.

Now, I'd also say I think we probably need to do some serious looking at how we do our statistical data collection. I mean, I'm a government guy. I was a government guy for 25 years, very proud of it. But I know what it's like. I mean, most of our data is from data calls, right, and we send out things that say, tell us these things. And invariably, we get mediocre responses and so then we turn to statisticians to try to do a correction, you know? That's probably an obsolete model for the world we're living in. We probably need to think about new ways to collect data, you know, that's – but only the government can provide a valid authenticity to its quality. And that's what we're going to explore today. That's what we're going to talk about today.

And I'm really – I'm so glad to see this room full of people that care about this issue. You know, if I were to go up to Capitol Hill and see if I could round up 10 members of Congress that would sit in on this session, I don't know if I'd be able to get it, you know? But we have to start. We have to create the starting point for making the case for strong, valid, objective data collection and analysis, and the role of the government to do that. And I think that's what we're going to talk about today with each other.

So let me say thank you to all of you for coming. I want to say I'm going to turn now to Navin Girishankar. He heads our Economic Security and Technology Program, and it was through his agency that we had the opportunity to have this. And I want to say thank you to the Sloan Foundation for giving us kind of the wampum, you know, to be able to do this.

But I don't think this one conference is going to be the start and the end of this effort. This is going to take a lot more work. And it's going to be everybody here – everybody here in this room – that's going to have to make it work.

So, Navin, let me ask you to come up here and let's get this started for real. Thank you all. (Applause.)

Navin
Girishankar:

Good morning, everybody. And thank you, Dr. Hamre. I don't think anyone can really crystallize a message so colorfully as you have. That dream was quite interesting. (Laughter.)

I'm Navin Girishankar. I head up the Economic Security and Technology Department here at CSIS. I can't – just so great to see so many of you here. We saw some of you last night. This is a fantastic group.

I can imagine some people are asking the question, well, why would a national security think tank be hosting an event on federal statistics? And I think the answer is simple: America can't afford to be shooting in the dark. And you know, when you think about American companies that are currently deciding where to build, how to rewire supply chains, navigate the tariff war, manage supply chain chokepoints and vulnerabilities; small business and community lenders are trying to price credit, set staffing and inventory; states and cities trying to figure out whether to greenlight the latest AI datacenter and what its impact is going to be on their grid, on ratepayers; these things are not new, but they are increasingly challenging. And I think they're increasingly challenging because our economy is changing in a profound way.

We have overlapping technology revolutions afoot. AI gets a lot of attention, but there are other things that are happening at the same time across clean technologies, climate technologies, life sciences, potentially quantum, obviously the chips agenda. We are navigating markets that are increasingly vulnerable to mercantile and malign action by our adversaries. And we are trying to contend with what some would say are decades of various forms of dislocation – economic dislocation for communities across the country. And so, the statistical system that we have built for two centuries, the gold standard, the global benchmark – I would consider it almost an operating system for the economy – is being challenged in new ways and is under strain, not only for what Dr. Hamre referenced but I would say it's probably been under strain for some time.

And so that offers an opportunity, which is why we really wanted to try and bring as many of you as possible together, because it's an opportunity to imagine and begin to figure out a gameplan for the system that the country needs going forward rather than only preserving the system that we inherited, both of which are important. And so, we are super lucky to have a lot of key people in the room today, or they will be in the room over the course of the day.

First and foremost, I got to really thank our USG government officials who are here. You will see Chief Statistician Mark Calabria will be coming in a little while. I'm so excited that he's made time and he's going to be able to be with us. But of course, I want to also mention the leaders of Census, of the Bureau of Labor Statistics, of the Bureau of Economic Affairs – I mean, of Economic Analysis – all of these

colleagues who day in and day out are running the statistical system, oftentimes, you know, under the radar screen without acknowledgment from the public. They are hard at it, they're – even in the midst of the shutdown. I just want to really applaud them, thank them for their service. (Applause.) And we're going to have an opportunity to hear from them, as well, directly. Also, number of important voices from the business community, from the investment community, from labor, from the states. So couldn't get everybody here, but as many as possible.

And the reason is, you know, I was saying yesterday it's kind of the elephant and the blind man; like, everyone's got a piece of it. They understand, OK, I got the leg here or the trunk here. But we need all of us in the room to triangulate our perspectives to get the rich picture of not only what is needed, but also what we can do about it.

Dr. Hamre mentioned and I want to echo, like, many thanks to Danny Goroff at the Sloan Foundation. His leadership, his foresight, his thinking, his thought partnership, and his support have made this possible.

I know there are other colleagues in town: the American Statistical Association, Bipartisan Policy Center, MITRE, the Economic Innovation Group. All of them are part of this agenda and this community. I'm really happy that they're here and participating today. They will be leading some of the roundtables in the afternoon.

The goal of those roundtables is to begin the conversation on what a game plan could be. And one of the things I'm interested in hearing today is, both from government but also the private sector, what would be useful in that gameplan. Because we're going to start the process. Hopefully this becomes an ongoing agenda for us and workstream, and one that will be helpful to the government, to the private sector, to state and local as well.

A word on economic security, and then I'll close it out here. You know, it's unusual, I think, to frame statistics and economic security together because it means different things to different people. I would invite you to consider how we're thinking about it on our team. And some of our colleagues are here today – Phil Luck, director of economics; Leslie Abrahams, the deputy director of Energy Security and Climate Change – and you'll get a chance to talk to them. But we are thinking of economic security as the importance of promoting economic dynamism, the role of markets, while preserving technology advantage, both of which are essential to our long-term growth; the security of our markets and assets – I would include data in there; and our global

influence. And isn't it true that the statistical system that has been built, again, since the founding of the republic really is a centerpiece of all those things? And it is so incumbent on us to ensure that we continue to build, as others have in the generations before.

I was reflecting on the fact – and Andrew Reamer and Chris Borges, who have really made this possible; I need to acknowledge them. Andrew is a great historian. (Applause.) Andrew is a phenomenal historian of U.S. statistics. I didn't realize it. I was like, Andrew, if you haven't written the book, can you write another book about this? And as he was schooling and educating me, I was reflecting on the fact that the great architects of the American economy over the last two centuries also were builders of our statistical system, brick by brick or survey by survey and indicator by indicator.

And so that's kind of the tradition that I know that this group is part of, and so it's something that, you know, I wrote about this and I view it this way. Generation after generation, we invested in not only the integrity of the system – which Dr. Hamre mentioned – but the innovation of the system. And so, it's this balancing act that hopefully we will begin – or, you've already been at it, but at least in this context we'll begin that conversation today. So that's how we think about economic security and why statistics is important for it.

We should start with the user perspective. I know several of you who had – I sought your advice and they said: Start with the users. Understand what they need. Understand how they use statistics. And I think no better person than Todd McCracken, who's the president and CEO of the National Small Business Association. Many of you know him. Small business is an engine of American growth. And I think understanding his perspective is going to be really important as we kick this off.

So, first of all, thank you all. This is exciting. I want to – I feel very motivated about this. It's partly because – inspired by the conversations I've had with many of the people in the room. So, let's keep that going. And, Todd, I know you're going to inspire us as well with your thoughts, so please come on up. Thank you. (Applause.)

Todd McCracken: Well, thank you, Navin, and I really appreciate the opportunity to be here in front of such an august group. You all know much more about the U.S. statistical system than I do for sure, and I'm really happy that CSIS has organized this event. And I hope, as we've already heard, it's the first of many, because we have to broaden the tent of people who realize just how important this topic is. And there's, you know, an

element always in these things of preaching to the converted, but we've got to – we got to make the – make the tent ever bigger.

But, yeah, I'm the president and CEO of the National Small Business Association. We've been around now for almost 90 years trying to advocate for the small business community as best we can, nonpartisan, hopefully proactive basis. And the underpinning of everything we do as an organization, everything that our members try to do as businesses, is underpinned by data, knowledge, information, trying to assess risk, trying to figure out where the next business opportunities are going to be.

But I also think it's really important to understand the small-business community isn't just a user of data; probably even more importantly, they are subject to users of data. (Laughs.) So, the assessments that big companies might use in deciding where to build, who to partner with, they're using important federal data to make those decisions that affect those small companies. Policymakers in D.C. who are trying to decide, you know, who needs a tax cut, what regulation should we pass, how do we reform the lending system is all underpinned by federal data that will have a huge impact on the small-business community. So, it's just crucially important that we – that we convene, we think about these issues.

And you know, the twin challenge, I think, for us all is not just – is twofold. It's both how do we protect and make sure that the data that we have is reliable and honest and as broad-based as possible, while really protecting that integrity but also looking forward to how we can reshape the data that we collect – how we collect it, how we transmit it to society – is as useful as possible.

And you know, we're mostly a public-policy-focused organization, so my perspective on this has been shaped by, you know, big events. So often when we think about the small-business community, you know, we think we – you know, the whole blind man and the elephant thing. Everyone has a different perspective on what it is, why it matters, and different cuts at it.

So – (laughs) – and it really matters, I think, when we're in a crisis. I've lived through a bunch of them representing small business – you know, the financial crisis of 2008-2009; COVID actually also as it was a huge period for small-business policy and how do we keep them alive, what do they need, how do we know what they responding to the things we're doing. And in both those cases, which were really significant events, you know, we didn't have a lot of contemporary data. You know, a lot of it was very backloaded. There's excellent data that we get from

the Census about the business community, but most of the really good stuff was telling us what was happening a couple of years ago. So, updating and making it as contemporaneous as possible I think is – for us is probably the single most important thing we can do alongside protecting the integrity and the honesty of the data that we – that we all rely on so much.

And from a small-business perspective, also, you know, we're in an interesting position because so much data that we collect economically about businesses is sectoral, right? So, we often make policy based on small business, but the data we have is – largely looks at them by the industry they're in, the kinds of businesses they do. And so, I think cracking through that and thinking that through a little bit more as we move forward would be incredibly helpful to small companies and also the bigger companies that do business with them.

But you know, my bigger message here is we really need to make sure that we hold politicians to account who try to politicize statistics and data coming out of the federal government. We've got to have honesty. And that's why we need to broaden this tent to make sure that a broader audience really understands the importance of this.

And it's not just the honesty of the data that we have. I worry a lot about our impulse that our politicians might have to avoid collecting data that might be inconvenient and to set up systems so that we simply aren't asking questions because they don't want to hear the answer. And I think it's crucial that we avoid that. We've got to be asking all the important questions and assessing all the – all the critical data in as truthful and positive way as possible.

So that's my message today. And I just want to thank you all for showing up for this, and getting this ball rolling, and really thinking this through in a broad-based way. I looked at the attendee list, and it is – it's really impressive who you've been able to assemble here to have these discussions and learnings here today. And whatever we can do as a business organization to help and to try to reach out to other – whether it's other business organizations, politicians to try and reinforce the message of this group today, we will do.

So, I'm going to be short. You guys all know this stuff better than I do about how we actually do this. So, I just wanted to come and say thank you for doing this and we stand ready to help. Thanks. Thanks for having me. (Applause.)

Mr. Girishankar: OK. I'm going to be amateur MC here. So next session I'd ask Dr. Leslie Abrahams, my colleague, to come on up. We have a panel. We're going

to pick up where Todd left off and talk to the folks with the user perspective. And so, Dr. Bryan Grady from South Carolina Department of Employment and Workforce, delighted that you're here; David McNellis, who is from KKR, managing director; and Ken Simonson, chief economist at the Associated General Contractors of America. (Applause.)

(END.)