

## Erwin Diewert Selected for 2005 Julius Shiskin Award

W. Erwin Diewert, Professor of Economics at the University of British Columbia, was selected as the recipient of the 2005 Julius Shiskin Memorial Award for Economic Statistics. He is being recognized for path-breaking economic theoretical innovations, notably in index number theory, adapted to improve national economic statistics around the world. He becomes the 31<sup>st</sup> person to be honored in the 26 years of this unique award for innovation in economic statistics research and applications. Because the Shiskin Program has multiple sponsors, Professor Diewert will receive awards from the National Association of Business Economists in Chicago in September and from the Washington Statistical Society in Washington, D.C. in October. He will also be recognized by the Business and Economics Section of the American Statistical Association at their annual meeting in Minneapolis in August.

Professor Diewert is a leading economic and statistical theorist who is dedicated to improving economic statistics throughout the world. He recognizes that sound macroeconomic and financial policies depend on sound statistics. To that end, he has provided the theoretical underpinnings and practical applications that have improved index numbers used around the world to measure inflation and economic growth. He has contributed original theoretical work in a wide range of fields, from measurement of capital services to analyses of productivity to applications of duality theory and flexible functional forms.

Professor Diewert established a class of index-number formulas, called “superlative,” that are consistent with an economic model including the critical feature of realistic elasticities of substitution between commodities. He elaborated the properties of the indexes and explained how they would improve economic statistics. The endorsement of the indexes by the U.N. international guideline, the System of National Accounts, and the adoption by the United States, Canadian, and Australian statistical agencies of chained superlative Fisher indexes for GDP measurement are direct outcomes of that work. Professor Diewert has likewise developed, and adapted for implementation, other theoretically-improved measurement methods in direct support of statistical agencies in the United States, Canada, Australia, the United Kingdom, France, Germany, Sweden, and New Zealand, and of the United Nations, the World Bank, and the European Central Bank, among others.

Professor Diewert is the principal author of the recent *Consumer Price Index Manual: Theory and Practice*, published by the International Labor Organization with others, and the *Producer Price Index Manual: Theory and Practice*, published by the International Monetary Fund with others. True to Professor Diewert’s standards, those manuals make available in plain language and, for the first time, both the theoretical bases and estimation procedures for those statistics. They even break new ground and are already raising the standard of price measurement throughout the world.