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Changes in the Quality of Goods, 27 -- New Goods, 30 -- Outlet Substitution, 32 -- Stocks and Flows, 33 -- Index Purpose and Design, 35 -- Data Collection, 36 -- 2 CONCEPTUAL FOUNDATIONS FOR PRICE AND -- COST-OF-LIVING INDEXES 38 -- Setting the Stage: What Are Price Indexes?, 41 -- The Theory of Price Indexes and Its Critics, 43 -- Two Perspectives, 57 -- Conclusions, 73 -- Technical Note: A Mathematical Approach to Price Indexes, 74 -- 3 INDEX DOMAIN 94 -- An Unconditional COLI: Conceptual Issues, 96 -- Measurement Problems, 98 -- Supplemental Indexes and Satellite Accounts, 101 -- Other Domain Issues, 102 -- Conclusion and Recommendation, 105 -- 4 EVOLVING MARKET BASKETS: ADJUSTING INDEXES -- TO ACCOUNT FOR QUALITY CHANGE 106 -- COLI and COGI Views of the Quality Change Problem, 109 -- Evidence from the Boskin Commission Report, 112 -- BLS Approaches to Quality Changes, 114 -- Hedonic Regression Methods, 122 -- Cautions and Recommendations, 140 -- Technical Note 1: Boskin Commission Estimates of -- Quality Change and New Goods Bias, 146 -- Technical Note 2: Mathematical Description of Hedonic Methods, 149 -- 5 NEW GOODS AND NEW OUTLETS 155 -- New Goods, 155 -- New Outlets, 167 -- 6 THE SPECIAL CASE OF MEDICAL SERVICES 178 -- Background, 178 -- Conceptual and Measurement Issues, 181 -- The Domain of Consumer Health Expenditures: -- Employers' Health Insurance Payments, 185 -- Direct Pricing of Health Insurance, 186 -- Recommendations, 188 -- 7 INDEX DESIGN AND INDEX PURPOSE 191 -- Indexing Public Transfer Payments, 192 -- Wage Bargains and Indexed Wages, 207 -- Indexing Private Contracts, 208 -- Inflation-Indexed Treasury Securities, 210 -- Indexing the Federal Income Tax System, 212 -- Measuring Output Changes, 214 -- Inflation Indicators for Macroeconomic Policy, 216 -- Technical Note: The CPI Versus the NIPA Price Index -- as an Inflation Measure, 219 -- 8 WHOSE INDEX? AGGREGATING ACROSS HOUSEHOLDS 222 -- Two Kinds of Heterogeneity, 223 -- Heterogeneity in Prices Paid and in Rates of Inflation, 225 -- The Consequences of Heterogeneity for Index Construction, 226 -- Group Indexes: Why the Current Data Collection System -- Cannot Produce Them, 226 -- A Price Index for the Elderly?, 228 -- The Conceptual Basis for Group Indexes, 229 -- How Might Data for Subgroup Indexes Be Assembled and -- What Would It Cost?, 232 -- Suggested Research and Testing, 235 -- Plutocratic Versus Democratic Weights, 237 -- Summary and Recommendation, 240 -- Technical Note 1: Aggregation and the "Representative Consumer," 241 -- Technical Note 2: Do Inflation Rates Differ by Age -- or Income Group?, 246 -- 9 DATA COLLECTION FOR CPI CONSTRUCTION 252 -- The Current Data Collection Process, 253 -- Alternative Data Collection Approaches, 264 -- Summary and Recommendations, 274 -- Technical Note: Additional Description of CPI Data Inputs, 276 -- APPENDIX: STATISTICAL DEFINITION AND -- ESTIMATION OF PRICE INDEXES 283 -- REFERENCES 293 -- GLOSSARY 307 -- BIOGRAPHICAL SKETCHES OF PANEL MEMBERS AND STAFF 315 -- INDEX 319.

Sommario/riassunto

How well does the consumer price index (CPI) reflect the changes that people actually face in living costs "from apples to computers to health care? Given how it is used, is it desirable to construct the CPI as a cost-of-living index (COLI)? With what level of accuracy is it possible to construct a single index that represents changes in the living costs of the nation (TM)s diverse population? At What Price? examines the foundations for consumer price indexes, comparing the conceptual and practical strengths, weaknesses, and limitations of traditional oefixed basket and COLI approaches. The book delves into a range of complex issues, from how to deal with the changing quality of goods and

services, including difficult-to-define medical services, to how to weight the expenditure patterns of different consumers. It sorts through the key attributes and underlying assumptions that define each index type in order to answer the question: Should a COLI framework be used in constructing the U.S. CPI? In answering this question, the book makes recommendations as to how the Bureau of Labor Statistics can continue to improve the accuracy and relevance of the CPI. With conclusions that could affect the amount of your next pay raise, *At What Price?* is important to everyone, and a must-read for policy makers, researchers, and employers.
