



Update on the Situation with the Argentine CPI and Our Statistical Colleagues in Argentina

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Unfortunately, the situation for the individual professional statisticians and private research organizations shows no improvement. They are still subject to legal processes with hefty fines of \$100,000 or more.

There is also anecdotal evidence that individuals and organisations who reveal their names experience possible government retaliation in the form of heavier fines or foreclosure of their offices.

The International Monetary Fund has been pressuring the Argentine Government to redress this situation. The latest situation is described in its following media release from the IMF web site.

“Given the obligations of all member countries to provide accurate data to the International Monetary Fund (IMF), on February 1, 2012, the Executive Board met to consider the Managing Director’s report on proposals for remedial measures that Argentina has to implement to address the quality of the official data reported to the Fund for the Consumer Price Index for Greater Buenos Aires (CPI-GBA) and Gross Domestic Product (GDP).

The Executive Board regretted the absence of progress in aligning the CPI-GBA with international statistical guidelines and took note of the authorities’ intentions to adopt some remedial measures to address the quality of its reported GDP data.

The Executive Board approved a decision that calls on Argentina to implement specific measures, within a period of 180 days, to address the quality of reported CPI-GBA and GDP data, with a view to bringing the quality of the data into compliance with the obligation under the Articles of Agreement. The Managing Director shall, by September 6, 2012, report to the Executive Board on the status of implementation by Argentina of the above-mentioned measures.”

The IMF has closed its Office in Buenos Aires possibly as a consequence of the lack of response from the government to the IMF's demands for the Consumer Price Index to be compiled on a sound methodological basis.

The ISI will do what it can to support those statisticians being penalized for upholding ethical principles. They certainly deserve our support. Although, through their actions, the Argentine government has stopped the publication of alternative measures of the CPI, there is strong public knowledge of what the actual situation is. Almost every report on the Argentine CPI says that it is understated. The IMF’s web site also uses a private source for reporting inflation in Argentina instead of the official figures and has an annotation that “Private analysts estimate that consumer price inflation has been considerably higher than the official estimates of inflation since 2007”. The low credit rating of B (and lower than most South American countries) means it is more expensive for the Argentine Government to borrow money but, unfortunately, this is also at the cost of the Argentine people. Moody’s says the lack of reliability of CPI statistics is holding back an upgrade to their credit rating.

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As part of the ASA Joint Statistical Meetings being held this year in San Diego (28 July – 2 August 2012), there will be an invited paper session specifically about the events in Argentina, "Repression of Statistics and Statisticians by the Argentine Government: Recent Developments, the Human Rights Context, and International Responses." The session is being organised by Bill Seltzer.

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