

What is *in the basket* shapes the number

One mechanism of official statistics — how the CPI's basket, weighting, substitution, and quality adjustment work, and why they are documented, not a way to hide inflation.

BEFORE YOU BEGIN

How This Guide Works

This is part of **Incognati Civics**, applying the field-guide format to the official statistics the government publishes — jobs, prices, crime, output, deaths — the numbers themselves and the way they are read, examined the same way regardless of which party the figure happens to help or hurt. Each specimen goes deep on one mechanism, with agency methodology, official records, and nonpartisan scholarship listed in full on the references page.

INCOGNATI CIVICS — OFFICIAL DATA REPORTING

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Index Construction

Sporta Mutatur

Governing precedent / case BLS CPI construction **Status** Recurring in every inflation dispute

OBSERVED SPECIMEN

CONSUMER PRICE INDEX METHODOLOGY

*The CPI tracks the price of a fixed **market basket** of goods and services, weighted by how households actually spend, with periodic updates for substitution and **quality adjustment** (hedonics) so a faster computer at the same price is not counted as pure deflation. Each of these steps is published in detail. They are routinely described as tricks to “understate real inflation,” yet BLS documents the basket, the weights, and the adjustments, and publishes alternate indexes (like the Chained CPI) so the choices are visible and testable.*

THE HOOK

The index differs from a person's own spending, so its construction is read as a scheme to lowball inflation.

THE MECHANISM

The CPI weights a representative basket by expenditure and adjusts for substitution and quality change; the methodology, weights, and alternate indexes are all published by BLS.

Field mark: when the CPI is called rigged, check BLS's own ‘Common Misconceptions’ documentation — the basket, weights, substitution, and hedonic adjustments are published, and alternate indexes let anyone test the choices.

See the full references page for complete citations.

References

every source checkable at the link provided; DOIs given where the source has one

AGENCY REFERENCE · BLS

U.S. Bureau of Labor Statistics, “Common Misconceptions about the Consumer Price Index: Questions and Answers.”

<https://www.bls.gov/cpi/questions-and-answers.htm>

BLS's direct response to claims about substitution, hedonics, and understated inflation.

AGENCY METHODOLOGY · BLS

U.S. Bureau of Labor Statistics, *Handbook of Methods* — “Consumer Price Index” construction.

<https://www.bls.gov/opub/hom/cpi/>

Full documentation of the basket, weighting, substitution, and quality adjustment.

Reading the CPI: A Gut Check

four questions before 'the inflation number is rigged' changes what you trust

- 1 Basket $\neq$ your cart**
The CPI is an average basket; your personal inflation will differ.
 - 2 Substitution is documented**
Adjusting for switching between similar goods is a published method.
 - 3 Hedonics is not a trick**
Quality adjustment separates price change from getting more for the money.
 - 4 Test with alternates**
Chained CPI and other indexes let you check the construction choices.
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INCOGNATI CIVICS

The Series Continues

This is Specimen No. 12 of the Official Data Reporting section within Incognati Civics. The full queue of twelve specimens is listed on the cover. This section joins Elections and Federal Laws within Civics, with local government and institutional communications planned beyond it. The Incognati Atlas catalogs the underlying patterns across all of it.
