

A bigger number can mean *less* money

One mechanism of official statistics — why comparing dollar figures across years without adjusting for inflation quietly rewrites the story.

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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Nominal vs. Real (Inflation-Adjusted)

Nummus Mutatur

Governing precedent / case BLS/BEA real vs. nominal series Status Recurring in any cross-year dollar comparison

OBSERVED SPECIMEN

WAGES, SPENDING, BUDGETS, BOX-OFFICE RECORDS

*A wage, a budget, or a “record” box-office gross stated in raw dollars looks larger every decade simply because each dollar buys less. Agencies publish figures both ways: **nominal** (current dollars) and **real** (adjusted to a base year). “Wages are at an all-time high” and “wages have barely moved” can both be true of the same series — one in nominal dollars, the other in real. Comparing raw dollars across years, without saying so, makes growth appear where there may be none, or hides it where it exists.*

THE HOOK

THE MECHANISM

Two dollar figures years apart are set side by side as if a dollar meant the same thing in both years.

Real values divide nominal dollars by a price index (CPI or a GDP deflator) to express everything in constant purchasing power, so changes reflect quantity, not just prices.

Field mark: when a dollar figure spans years, ask whether it is in current (nominal) or constant (real) dollars — a ‘record’ in raw dollars may be an inflation artifact.

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, “CPI Inflation Calculator” and real earnings series.

https://www.bls.gov/data/inflation_calculator.htm

BLS's tool and series for converting nominal dollars to constant purchasing power.

AGENCY METHODOLOGY · BEA

U.S. Bureau of Economic Analysis, “A Guide to the National Income and Product Accounts” — real vs. current-dollar measures.

<https://www.bea.gov/resources/methodologies>

BEA's documentation of chained (real) versus current-dollar GDP and income.

Reading a Dollar Figure: A Gut Check

four questions before a bigger number convinces you there is more money

1 Spot the years

Any comparison across years needs an inflation adjustment to be meaningful.

2 Ask nominal or real

‘Current dollars’ is nominal; ‘constant’ or ‘chained’ dollars is real.

3 Distrust raw ‘records’

All-time-high dollar figures are often just the dollar shrinking.

4 Match the base year

Real figures only compare if they share the same base year for prices.

INCOGNATI CIVICS

The Series Continues

This is Specimen No. 3 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.