

# The Advisory Board on Ethics Issues Response to Concerns Regarding U.S. Federal Statistics

*8 April, 2025 – The Hague, The Netherlands*

The International Statistical Institute (ISI) is concerned about government interference in the compilation and availability of Federal Statistics in the United States of America (USA). A proposed change in measuring and reporting U.S. Gross Domestic Product (GDP) serves as an important and timely example.

This statement has been guided by the [Declaration on Professional Ethics](#) for statisticians as adopted by the Council of the International Statistical Institute in 2023.

Societies need accurate and trustworthy statistics to inform about their characteristics and support related decisions. The prerequisite for this is efficient, as well as ethically sound, use of data and methods of statistical and data science. However, a supportive political and administrative framework is required in order for statisticians to apply professionally recognised, proper practices. Specifically, statistical production and dissemination need to be free of undue political interference while benefiting from a full respect of existing legal provisions for official statistics.

Professional, recognised independence in the choice of relevant statistical methodology is a critical condition for this. Ensuring the independence of statisticians and statistical institutions, as well as scientific integrity, is the responsibility of many actors in society, including political leaders. When convenient alternatives are given equal consideration to the data and facts produced using reliable statistical methods, citizens are deprived of access to the trustworthy information needed to successfully govern.

To ensure accurate and trustworthy national statistics, professional ethics and principles of good governance, derived from long experience and proven best practices, have been universally established ([United Nations Fundamental Principles of Official Statistics](#)) and partly codified in a legally binding way. In the USA, these are articulated in the National Academies' publication [Principles and Practices for a Federal Statistical Agency](#) and in the [Foundations for Evidence-Based Policymaking Act](#). These principles, whose aim is the truthfulness in and integrity of statistics, are essential.

An important part of the ISI mission is raising awareness and championing professional ethical standards in statistics across the world. As a non-government organization, the ISI is well placed to take actions that may be politically difficult for other organisations. The ISI considers submissions on [ethical issues](#), releases [statements](#) and works with other organisations to raise and maintain ethical standards within the statistics profession for the benefit of informed public debate and policy decision making.

Unreliable or manipulated statistics have the potential to cause great harm to many, nationally and internationally, through uninformed public debates, wrong decisions or misallocations of resources, with consequences for health, social cohesion, or the stability of the economic and financial systems. Similarly, suppressed statistics, which by creating information gaps, at best deprive the public of information needed for the effective management of society and at worst, invite the provision of numbers of suspect quality. Qualitative and quantitative limitations of US statistics will have a damaging effect on the monitoring of the 2030 Agenda on Sustainable Development; the Sustainable Development Goals' (SDG) Indicators Framework needs a global database, based on international cooperation and capacity building in official statistics.

After Argentina began manipulating its inflation statistics in the late 2000s, these indicators lost their usefulness. The International Monetary Fund (IMF) no longer trusted the official numbers and had to substitute for a period of time data sources compiled by competent external professionals. However, such a solution cannot be an adequate substitute in the long term for officially produced statistics that deliver results with the necessary authority and credibility. This applies in particular to macroeconomic statistics, where complex surveys are aggregated using internationally agreed methodologies to produce standardised indicators.

Another example is Greek public finance statistics which were distorted by the government with the aim of manipulating downward the level of reported government debt. As a result, investors in the Greek economy had no trusted compass; persistent misreporting and lack of credibility of Greece's official statistics over many years was an important enabling condition for the buildup of Greece's fiscal problems and eventually its debt crisis. Greek statistical falsifications were even the trigger for the European sovereign debt crisis in 2009/2010.

As these examples illustrate, accurate statistical facts are essential for the effective management of global and national economies. Financial markets and international lenders will make their own adjustments when key economic statistics do not follow international standards, generally using weak, and sometimes unreliable data sources, generally leading to suboptimal outcomes.

## **Government Expenditure Is An Important Part of Economic Activity**

It has been recently suggested by the US Secretary of Commerce that “he would strip out government expenditure from GDP”<sup>1</sup>. The Commerce Department is responsible for the compilation and publication of GDP through its Bureau of Economic Analysis (BEA). The ISI is responding to this proposal because the USA often influences the actions of others and such a step by multiple countries would considerably confuse understanding of what is happening with global economic activity.

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<sup>1</sup> Reuters “US Commerce Secretary wants to remove government spending from GDP”

<https://www.reuters.com/world/us/us-commerce-secretary-wants-remove-government-spending-gdp-2025-03-03/>

GDP is one of the most important measures derived from the international System of National Accounts (SNA). The System was first developed in 1953 under the auspices of the United Nations and has been updated and extended from time to time. Statisticians from the USA have been very prominent in this work. The latest version was approved in March 2025. All countries produce GDP and related numbers using the SNA framework. This has enabled measures of GDP to be compared reliably over time and across countries. The SNA framework is also used in the International Comparison Program to derive Purchasing Power Parities of currencies and the USA is a part of this worldwide programme.

GDP includes government activities because they represent a fundamental part of the economy. Government is an important consumer of labour and material inputs and is a major supplier of services to individuals and to the community as a whole (for example, for defence).