

Accuracy Of Statistics

It has been reported recently that the World Bank in its just finalised report on the economic situation in Bangladesh has raised questions about the accuracy and adequacy of official statistics about growth performance and national income accounts. According to the World Bank, the discrepancies in official statistics about the country's growth performance in major sectors raise important questions about the adequacy of current national accounts statistics as a tool of measuring economic performance. The report further noted that even the new statistical methodology introduced by our official statistical agency, Bangladesh Bureau of Statistics (BBS) only in November, 1983, contains deficiencies in several areas.

For any economy, the importance of accurate statistics can hardly be overemphasized, particularly if the economy, like ours, faces enormous problems. This is because under such circumstances to resolve those problems, the factors responsible for them must be correctly identified. This cannot be done unless correct data are available on relevant socio-economic variables. Therefore, one of the basic pre-requisites for the study of an economy is the existence of correct information on its various aspects.

The lack of proper and adequate statistics can be a real obstacle to the formulation and implementation of the correct set of policies in an economy. How much resources we really have, how much aid we are actually going to get, what is the investment need of the economy to achieve a particular growth rate—these are some of the questions on which we must have accurate information in order to formulate the country's different socio-economic policies. Similarly we must have proper data on issues like total agricultural and industrial productions, the current inflation rate, population growth, etc. to steer the economy in the right direction. As far as our donors are concerned, they also cannot funnel the required amount of assistance into our economy unless they have correct information on our various needs, our own efforts as well as our absorptive capacity.

In any economy, therefore, there is a need for a central statistical organisation, which should be highly professional, developed and efficient. Its task would be to collect, process and supply up-to-date, comprehensive and dependable information on any aspect of the economy, be it social, political or economic. In this regard, the reputation of the Central Statistical Organization (CSO) in the UK, Statistics Canada in Canada is quite well-known. It is really unfortunate that even after being in existence for quite some time before 1971, even after being strengthened in terms of men, money and other facilities during the last fifteen years and even after changes in methodology for data collection, the information provided by our central statistical organization is called in questions by researchers, experts and international agencies. This must be due to the fact that either the methodology it follows is faulty or the data it publishes are manipulated. Under such circumstances, how is it possible to undertake proper policies which would really solve our problems?

In the developed countries, there are many private organizations which not only publish data on different socio-economic and political issues but also make forecasts. They are held in high esteem and the information and forecasting provided by them are treated with much respect. The Economic Intelligence Unit (EIU) in the field of Economics and the Gallup Opinion Poll Agency in Politics are two such organizations. Most of the governments take notes of what these organisations are saying and economic changes are made, cabinets resign and new elections are called on the basis of the information provided by such organisations. All these become possible because of the high credibility of the information provided by these organisations.

Because of the underdevelopment of the economy and a limited market for information, private statistical organisations cannot be expected to develop in an economy like ours. Under such circumstances, the only alternative is to make the governmental statistical organisation more capable, efficient and developed so that they can provide up-to-date, dependable and accurate information on every aspect of the social, economic and political life of our country. If that can be done, then not only the organisation will be looked upon with credibility and respect, but it will also be able to provide us with all the information required to formulate various socio-economic policies capable of solving the problems of our economy.