

Southern African Journal of Policy and Development

Volume 1 Number 1 April 2014

Article 9

Review of Morten Jerven, Poor Numbers: How We Are Misled by African Development Statistics and What to Do about It

Marja Hinfelaar Southern African Institute for Policy and Research

Caesar Cheelo Southern African Institute for Policy and Research

Follow this and additional works at: https://scholarship.law.cornell.edu/sajpd Part of the African Studies Commons, Econometrics Commons, and the Growth and **Development Commons**

Recommended Citation

Hinfelaar, Marja and Cheelo, Caesar (2014) "Review of Morten Jerven, Poor Numbers: How We Are Misled by African Development Statistics and What to Do about It," Southern African Journal of Policy and Development: Vol. 1: No. 1, Article 9. Available at: https://scholarship.law.cornell.edu/sajpd/vol1/iss1/9

This Book Review is brought to you for free and open access by Scholarship@Cornell Law: A Digital Repository. It has been accepted for inclusion in Southern African Journal of Policy and Development by an authorized editor of Scholarship@Cornell Law: A Digital Repository. For more information, please contact jmp8@cornell.edu.

Southern African Journal of Policy and Development Vol.1, No. 1, 2014

Book Review

Review of Morten Jerven, *Poor Numbers. How we are Misled by African Development Statistics and What to Do about it* (Ithaca and London: Cornell University Press, 2013), 187 pp.

In 2007, while doing fieldwork in Zambia, Jerven was struck by the 'derelict state of the Central Statistical Office in Lusaka, with limited human resources, (3!), old computers, a dearth of publication', which made him wonder 'how good are these numbers?' (p. xi). Finding similar situations in other African countries, Jerven explores the consequences of poor statistics, especially in the light that many policies are dependent on these inaccurate numbers, with the potential of misleading scholars and policymakers. Jerven is especially puzzled by the fact that statistical offices were neglected in the decades of structural adjustment, when IMF and World Bank 'embarked on growth-oriented reforms without ensuring that there were reasonable baseline estimates that could plausibly establish whether the economies were growing or stagnating' (p. 5).

Jerven focuses on gross domestic product or gross national income statistics as his main object of study, giving an insightful historical account of the genesis of these terms in the wake of the United Nations System of National Accounts set up in 1939. His book provides compelling evidence that while 'there is always some variation between [national income] estimates, depending on which source of data was used and what method was chosen to express the data in international currency... the range of variation (and therefore uncertainty about the information) deriving from African economies is much larger' (p.20). A comparison with Latin American countries clearly demonstrates that the same data sources are more reliable on the Latin American countries than on the African countries.

The book then assesses the level, direction and causes of errors and points to what kind of reforms are needed to improve this situation. One striking example of the consequence of the poor state of numbers and a Western oriented definition of GDP (one which for example excludes the informal sector) has been the gross underestimation of Africa's growth and income rates. For example, when Ghana rebased its baseline for GDP calculations from 1993 to 2006, GDP doubled and it consequently moved from a lower income country to a middle-income country. His call is to give numbers (i.e. statistics and statistical offices) a more central place in future development policies.

Jerven's book has just been published and has already raised quite a lot of dust. Reading through the commentaries, we can discern two groups of readers. To a nonspecialist reader this book is an eye-opener about the state of statistics, particularly measures of economic growth in Africa. A second group of readers, specialists in the field of statistics, are aware of the well-documented shortcomings and might feel this book adds little to the debate. Some clearly feel irritated by what they perceive to be a 'Western' generalist and alarmist perspective and argue that little attention has been paid to recent initiatives in this field. Ultimately, it is clear that the book ignites for some or reignites for others an important debate about how to improve the scholarly and policy-making use of statistics in Africa.

Marja Hinfelaar and Caesar Cheelo

(Southern African Institute for Policy and Research)