

STATISTICS

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Roots of Current Problems

All our work has been handicapped by the lack of usable statistics. The last comprehensive Statistical Abstract was published in 1977 in respect of 1974 (with a few tables only going up to 1972 or 1973), though some of the data can be brought up to date. Much of the data which do exist are unreliable.

2. The offices of the Department of Statistics were heavily looted. They lost desk calculators, typewriters, furniture and some records. All of their four cars were stolen, only the library was untouched. But the explanation of the statistical weaknesses lie much earlier, in the failure to build up the statistical staff and carry out basic surveys.

3. It is true that the number of statisticians with some professional qualification in post is about the same as it was in 1970, namely 18. However, as compared with their predecessors, the personnel are much less experienced and qualified. The posts of Chief Government Statistician and Deputy Chief Government Statistician are both vacant. Few of those in post have received post-graduate education in statistics - under the previous regime nobody was allowed to take up offers of places on courses in 'unfriendly' countries (e.g. the one year statistics course in Dar-es-Salaam), and programmes provided by 'friendly' countries were considered unsuitable.

4. Even if the staff was of the same quality as in 1970, it would face a bigger task now. Whereas some statistics, especially trade, were formerly compiled by the EAC Statistical Department, when this came to an end additional responsibilities fell on the national statistical departments, and Ugandan statisticians in the regional department obtained employment elsewhere.

5. The Department has also suffered very chronic foreign exchange shortages. It had continued after the break-up to get its trade statistics tabulated in Mombasa, but in 1977 it was refused foreign exchange for this. Recently the arrangement was resumed (and tables for 1977 and 1978 are due). Foreign exchange was not available either, for the purchase of books, periodicals, etc. and it was deemed imprudent even to accept them as gifts from 'unfriendly' countries.

6. It became difficult to obtain finance, staff, transport or authorisation for field surveys, and in fact the last comprehensive industrial survey was carried out in 1971, that of food consumption in rural areas in 1968, of agriculture in 1964/65, of household budgets in 1963/65, of distribution in 1966. The only survey of any size in recent years was a pilot population census in 1978.

7. There have been no innovations in the past few years; thus the general development of social indicators has passed Uganda by. It was considered imprudent to follow the example of other countries and carry out fertility surveys.

8. The quarterly employment and earnings surveys of the larger establishments have still continued. But these, like the crop surveys of the Ministry of Agriculture, are of incomplete coverage and variable quality. The latter, for example, are unlikely to have captured at all fully the food output now being grown by former cultivators of coffee and cotton.

9. The trade statistics are derived from invoices of imports cif Mombasa and exports fob the same port. These are adjusted by the same overall average percentage margin for freight across Kenya as in the 1960s. Data on export crops are taken from marketing boards and exclude smuggled output (very possibly more than one quarter of the coffee crop in recent years). For these two reasons, the trade returns are unreliable as a guide to actual values.

10. The monthly Kampala retail price indices (prepared separately for civil servants, artisans and unskilled workers) are weighted by the results of the 1963-65 household budget surveys. The prices used when goods are scarce in the shops are either those last recorded or those 'gazetted' (i.e. controlled). These indices have therefore been seriously understating, though to an unknown extent, the actual price inflation, at least since 1975 but especially in the six months up to last April. Conversely the indices will continue to rise in 1979 although the actual price trend should be downward. They are therefore highly misleading; since they are the only price indices available, there is in fact no way of knowing what is happening to prices in Uganda.

11. In 1970 it was possible to make moderately acceptable estimates for the national income, at least for monetary activities, using the surveys listed in paragraph 6. However, in subsequent years, due to the absence of fresh basic data, national income estimates have consisted essentially of those for the 1960s carried forward by the use of synthetic indicators based on hypotheses. Thus food output is estimated by assuming food consumption per capita has been unchanged since 1964-5. Similarly, the estimates for industrial output are based on the assumption that the structure of inputs has not changed since the 1965 industrial survey. For distribution, gross profit margins are assumed to have remained the same, each year up to the present, as they were in 1966; these are applied to the flows of merchandise (but only of those that are recorded). Agricultural prices are assumed to be those gazetted or paid in marketing (i.e. ignoring magendo). To say that these national income series depend so heavily on such assumptions as to be quite meaningless is no slight on the skills of the estimators; without comprehensive and regular basic data, anyone who wants such figures simply has to guess them in one way or another. One can, however, raise a question-mark about the wisdom not only of making the attempt but even more of publishing the results.

12. Essentially the published statistics assume that the structure of the economy is the same as in the 1960s. They ignore not merely all the myriad illegal transactions but also the considerable growth since then of the 'informal' sector, rural and urban.

13. There are also statistical units in the Ministry of Agriculture, the Ministry of Education, the Bank of Uganda and the Coffee Marketing Board, though not many of their personnel are professionally qualified. The Bank does, however, prepare useful financial statistics (which were partially suppressed under the military regime), and estimates the balances of payments.

The Task Ahead

14. Devising and monitoring policies of rehabilitation will be much harder than it need be because of the almost complete lack of usable statistics - e.g. on price movements. The coming job of constructing development strategies will be very difficult if information is not available on the output of the main sectors, on the composition and consumption of investment, on employment and unemployment, on trends in the population and on the distribution of the income both socially and geographically.

Policies and Resources Needed

15. The necessary programme falls into three stages. First, an immediate repair job is needed in the remainder of this year to make existing series as meaningful as possible. The Department plans to extend the indices to cover different groups, especially those in the rural areas. But the first task is to make the existing series usable. Even with such out of date weights, they would be of some value if actual prices were collected. Errors in weights of different items (i.e. differences between actual weights and a more up to date weighting pattern) only cause bias in an index to the extent that they are correlated with price movements. The existing series should be withdrawn for the period 1975 to the present, when many merely notional prices have been used. However, if proper current prices were used, rough month-to-month indices of price movements during the period of rehabilitation would be available. Moreover, the price level now could be compared with that of the early 1970s.

16. In addition, the establishment enquiries could easily be improved. A Cabinet directive would help get more prompt and proper returns - the great majority of establishments covered still lie in the public sector. Current margins for freight to and from Mombasa could be estimated for each commodity group and could be re-calculated. Proper statistics of exports, however, depend upon new price policies and reforms of the marketing boards which are necessary anyway (see the paper on agriculture).
17. The second stage, starting at the end of the year, would be a set of basic surveys similar to the group carried out in the 1960s. An agricultural census is needed not only to throw light on the changing pattern of land use and crop yields, but also to provide a frame for sample enquiries. One is being prepared by the Ministry for 1980, and FAO financial support is expected.¹
18. The Department plans socio-economic surveys, especially of the contribution of the non-monetary sector to GDP, rural construction and rural food balances. This is certainly along the right lines (though the point is what the non-monetary activities are, rather than their contribution to GDP). A population census is planned for December. This needs to be followed in 1980 by an industrial census and a household budget survey. Particular attention needs to be directed in all these surveys, as is planned for the socio-economic survey, to finding out about the new very large 'informal' sectors, which tend to be left out, especially in industrial enquiries.
19. Such a programme would make possible at least rudimentary development planning from 1981, especially if tabulation priorities were carefully defined. It would be useful also to develop social indicators, such as infant mortality, to enable social targets to be set, and to prepare more meaningful classifications of the accounts of government and parastatal bodies, including financial flows.
20. The third stage which could start in late 1981 would be the preparation of index numbers drawing on the basic surveys of the second stage. Further less essential basic surveys, e.g. of distribution, could also be carried out in the early 1980s.
21. Considerable strengthening of the statistical staff is needed for this big and technically demanding task. There are apparently eight professional vacancies and the Department has asked for an expansion of its professional establishment from 26 to 38.
22. The proposed staff would include a large national income section with eight professionals. This seems very dubious for the reasons outlined above. No meaningful national accounts data can be compiled after the execution and tabulation of basic surveys. In any case if they could be computed, they would be of little use for policy in the areas that lie ahead and might be positively misleading. What matters is not the rate of growth of the national income but its nature and composition (a growth rate of say 10% could well be highly damaging if it aggravated the imbalances and distortions in the economy). Thus both statistical development and economic policy needs, point to priority being given to the collection of basic data on output and prices in key sectors, not to compiling national income aggregates.

1 The survey would be instead of a Coffee Census (already approved). It would be an improvement on the one for 1964/65 if, inter alia, the geographical classifications were made appropriate. See Belshaw, D.G.R., 1975, Crop Production Data in Uganda: a Statistical Evaluation of International Agricultural Census Methodology, University of East Anglia, School of Development Studies, Discussion Paper No. 7, pp. 78.

23. In fact, surely the first step is to fill the post of Chief Government Statistician with a highly experienced expert capable of devising a statistical structure appropriate to Uganda's needs (not automatically applying standards and definitions developed elsewhere). This is indeed a challenging opportunity for the right person.

24. His (or her) programme of statistical development, which might of course be different from that outlined above, should be the basis of the staff expansion plan. In any case, there seems little point in expanding the establishment by 12 when eight posts are still unfilled. A step of this kind can easily lead to premature appointments of large numbers of people in senior posts on an acting basis, difficult to displace when candidates suitable for substantive appointment appear. The existing staff could handle the first stage of statistical reform, outlined in para 16, especially if attempts to construct national income estimates are abandoned. A reinforcement of perhaps six would however be needed in 1980, to carry out the second stage.

25. The Department is hoping to recruit Ugandans at present overseas and to take on recent graduates of Makerere for the more junior posts. However, the career it offers may not be sufficiently attractive for such a large expansion. (Apparently the majority of Makerere graduates with appropriate qualifications are more interested in careers in the Customs Department).

26. The new Ministry of Animal Resources also plans to create a statistical unit of its own. Since the supply of people with suitable qualifications willing to take up statistical careers is so small, this step seems unwise, especially at the present time, when the Statistics Department itself is expanding. It is in any case usually difficult to create small units with sufficient expertise to carry out a department's statistical requirements properly, let alone to play an adequate role in a national programme of statistical development. Surely the needs of this Ministry can better be met by the statistical unit of the Ministry of Agriculture, which would avoid duplication, e.g. of field staff.

27. The Department's proposals contain a suggestion for establishing an agro-economic survey unit, jointly with the Ministry of Agriculture, to carry out sample enquiries into farming systems and the structure of inputs, after the Census of Agriculture. Details on this are not available.

28. The Department badly needs replacement of its stolen vehicles, and indeed the programme outlined above would require a much larger fleet, especially for field surveys.

The External Contribution

29. It is not for me to say whether it is possible to find a Ugandan statistical expert capable of meeting the exacting requirements outlined above for the top post in the Department, and in addition - if one does exist - whether or on what terms he/she would take this post. The need is, however, urgent. Unless a good candidate is already in sight the post should be filled by someone on a technical assistance contract of two or (preferably) three years.

30. This is a key post now - how it is filled will affect the structure and quality of Uganda's statistics for decades. As for all such major appointments, it would be advisable to obtain an independent evaluation of any candidate offered by a technical assistance agency. The best possible Ugandan Deputy should be appointed with a view to his taking over after this period.

31. The Department feels the need for considerable technical assistance in statistics of trade, and in organising every aspect of the population census which is now very imminent.

32. The Department also rightly attaches importance to obtaining training for professional staff in these fields and others. The surveys proposed above (paragraph 17) would provide good practical training for junior staff under supervision but courses in other countries are also needed. Not the least advantage of this would be to acquaint

personnel with the practices in statistical offices abroad, from which they have been cut off in recent years.

33. It is doubtful however whether it will be necessary, as the Department plans, to give training priority over carrying out basic field surveys. That dilemma could be avoided if technical assistance is obtained for, say, four medium and senior level jobs too, to help develop routine statistical work; to assist with the big tasks of planning, executing, tabulating and analysing field surveys; and to release their counterparts for short-term overseas training. Additional short period reinforcement will in any case be needed during 1979 in the form of specialist help for the census, and in 1980 for the surveys prepared.