

# "Technical Co-operation, Information Sharing and Knowledge Transfer in Statistics"

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## 1. The Observed Failure in Data Quality

Technical Co-operation in statistics comprises the exchange and development of know-how and technical expertise in order to build capacities to produce and use statistics. The potential scope of TC activities is wide, ranging from informal contacts in academic discussions and international working groups to the specific transfer of skills. TC should create a harmonious and responsive partnership between all agents striving to achieve some important commonly shared goals of development. Good policies depend on good statistics. The latter need to be sensitive in turn to the demands of policymakers who will then sponsor the further extension and development of data through outside support and internal resources. TC in statistics is necessary because most developing countries have failed to produce and disseminate good statistics. Many low-income countries do not produce statistics necessary for effective policy action and their official data are unreliable and lacking proper coverage. Overall, the user community is dissatisfied with the quality of official statistics. Statisticians have to be persuaded to promote and develop their product and make their data more timely, accessible and usable. This "failure" is relative and related to standards of expectation and some vaguely defined notions or standards of conventional levels of achievement. They relate to what data users feel represents the minimum information they need to conduct their activities in a rational manner. Such "Data Standards" are normally linked to prescribed conceptual models and the effectiveness of their supporting statistical frameworks. Thus, what is at stake here is the evident mismatch between the demand and supply of good (policy relevant) data.

## 2. The Demand for Information

In recent years, as the information society has developed, the demand for the 'objective' quantification of phenomenon has expanded dramatically. Countries, national institutions, corporate enterprises, etc., find they cannot operate effectively, obtain resources, allocate funds, find markets, set objectives, monitor performance, and evaluate achievements without independent data checks that justify (or otherwise) their own subjective qualitative judgements. This demand for statistics is constantly shifting as new items are added to the information needs agenda. The world is becoming an increasingly complex place and nowhere more so than in the area of information technology and data management to serve decision-makers speedily and effectively.

## 3. The Supply of Statistics

But, just as the demands for information services are expanding rapidly, severe domestic budget constraints have forced statistical agencies to cut back. Many developing countries have thus turned to bilateral and multilateral sources to fill resource gaps in the area of official data production. The emphasis of national statistical programs of developing countries has altered and the resource structures of these offices have been affected. Some routine work has been diverted from traditional lines of activity. Sadly, this has often meant shifting budgets away from major "ground base" data collection exercises, e.g., in agriculture, housing, living standards studies, etc. Historically, the issue of weak and

incomplete data has been handled predominantly as an essentially *ad hoc* "data fixing." Such instant solutions to specific problems are usually of little value because they leave no enduring institutional legacy and cannot be easily replicated. It prevents many organizations from addressing key policy issues and development questions effectively.

#### 4. Capacity Strengthening and Statistical Support for Developing Policy

Governments frequently complain about the inadequacy of the official data they have to help guide their decisions. But the root cause of many official statistical problems often lies with the respective national government themselves and is embedded in their own strategies and priorities. Increasingly, the authorities, pressed by other critical demands for policy action, are demonstrating an unwillingness to devote the necessary resources to maintain an adequate statistical system. Consequently, programs have been cut, salaries allowed to fall, and career development unfulfilled. Staff in NSOs have become demoralized and disillusioned and this becomes a factor in reduced institutional capacity. There is a significant divergence between what is currently being offered in "skills building" and training -- much of which is still largely of a traditional census/survey based nature -- and what new knowledge is needed to manage new statistical operations such as the presentation and dissemination of results, co-ordinating sources, quality assurance, etc. Increasing the effectiveness of statistics depends on new skills that can create, maintain and develop information. The apparent lack of interest in statistics passes almost unnoticed by the public because so many governments make little use of official data and see no reason to give any priority to this service. It is recognized that the transfer of expert knowledge on its own for a unique and exclusive task is not the most important concern. The best technical assistant sometimes is not the best technical assistance. Technical co-operation can not be a one off operation because it is often a non-replicable solution. What is vital is the ability and willingness of institutions to absorb and communicate information, to comprehend a problem, and share the means of access to information. Countries need to find their own answers to these questions but the task is difficult because knowledge is changing and new methodologies are constantly developing.

#### 5. New Approached to TC Needs Assessment

Statistical concerns can be dealt with through the setting up of regional and local (inter-country) expert-working groups, much along the lines of the existing "city groups" to exchange views on best techniques. The cross-country comparisons these discussions encourage then permit a strengthening of procedures and lead to improvements in the design of surveys and corresponding collection methods. Furthermore, as the processes involved in getting the General Data Dissemination System (GDSS) regularly up and running on the Fund's electronic Data Dissemination Bulletin Board (DDBB) are put in place, information about statistical gaps and needs will become more readily identifiable. This will allow more rational assessments, across countries, within a well-defined subject framework. What the new IMF process will do, effectively, is to post, for all to see, the strengths and weaknesses of a country's statistical system in key financial, economic and social policy dimensions.

#### 6. Coordinating International Efforts to Create Capacity

The problem is that very few developing countries, especially low income countries, have the basic resources or capacity to participate in the discussions these expert groups organize on the respective critical statistical questions for which they are responsible. Bilateral and multilateral should encourage national resources to be redirected to support new activities and ensure data priorities linked to policy questions are brought more to the fore.