The Nightmare of Estimating the National Accounts of a War Torn Country

Magnus Ebo Duncan, Director, Economic and Industry Statistics Division, Ghana Statistical Service

Abstract

The Department of Statistics, now Liberia Institute of Statistics & Geo-Information Services (LISGIS) conducted the first National Accounts Annual Survey (NAAS) in 1986. The results were published in December 1987, which was used to rebase the GDP. Series of political upheavals, which started with a coup d'état in 1989, destabilized the whole economy for a number of years.

Liberians have enjoyed peace and stability since the Accra Comprehensive Peace Agreement of August 2003. Free legislative and presidential elections took place in 2005, and the country's economy has picked up since then. Because of the total breakdown of the economic system, GDP figures have been derived from administrative and other related records. Additionally, where there are no data, guesstimates are made.

New sources of data have become available for compiling statistics that properly describes the current structure of the economy. These data sources include the third round of the National Accounts Annual Survey conducted in 2009, and the Core Welfare Indicators Survey (CWIQ) conducted in 2007.

In the effort of rebasing and benchmarking the national accounts from 1987 to 2008, a lot of measurement problems were encountered. The first is lack of human capacity in the statistics office. The poor data collection procedures and the consequent inconsistencies in the completed questionnaires was the second problem encountered.

The third problem is the lack of information on the employment status of the economically active population in the 2008 population and housing census, making it difficult to raise survey data to national figures. Another problem is the lack of production data for the agriculture sector which is mostly informal.

Consumption data from the 2007 CWIQ was therefore used to compute crop production estimates as well as that of some other service activities. This data was complemented by import and export data for computing production estimates through the commodity flow method as well as other administrative data.

The GDP for the country is more than doubled after the completion of the draft estimates.