

The statistic information in the state of inflational economy

Statistic information, produced in Bulgaria, has come in for criticism during the last several years. In some cases the criticism is well-founded, but in others it is unscientific because other aims are pursued. The purpose of this report is the analysis of nature and different sources of errors in the statistic information about Gross Domestic Product and international transactions in the specific for the national economy conditions.

In economic statistics the imperfection and incompleteness of description that influence directly the measuring procedures is called an error.

The attention in this report is directed to the sources and the nature of errors, as to find their exact size is a very difficult, labour-consuming and expensive task. The analysis take into account the fact that during the recent years economic statistics has been developing in the state of inflational economy. That environment and its factors are preconditions for errors in the statistic information.

The average error in the assesment of Gross National Product is +/-3% according to English economists and +/-7.5% according to American economists.

The autor assumes that there are two sources of errors in the specific for our economy conditions. Those are: deliberate errors and unjuxtaposition of prices.

It is presumed that deliberate error is comparatively constant or in proportion to real GDP therefore it doesn't influence the assessment of dynamics of GDP.

Unjuxtaposition of prices arises in two main cases:

- a) in conditions of intensive inflational processes;
- b) in cases when rates of growth and recession take turns. That results from the different estimation of separate components of GDP.

The indicator for the dynamics of real earnings can be used as an indirect source of information.

Statistics of international transactions is a typical example of too many errors. Their main sources are:

- a) an impossibility to be traced out all transactions between native and foreign residents;
- b) most of the readings are based on indirect calculations;
- c) motives and possibilities for deliberate errors;
- d) different time of reading of the two sides of one international transaction.

Deliberate errors find expression in reporting lower or higher values of import and export or of capital and financial transactions. Inflation also helps the accumulation of errors.

Here the analysis uses the disparity between debit and credit recordings in the balance of payment. The results are in the next three directions:

- a) the percentage of errors toward gross transactions with goods is between 0.1% and 1.4% (the research examines several countries, including Bulgaria, for the period 1993-1996);
- b) statistics of export create a great number of errors in international transactions;
- c) the analysis of international transactions has to include a longer period of time. Only then the data can be interpreted categorically, without taking into account statistic errors.

The conclusion is that knowing the origin, the nature and the behaviour of the predominant part of errors, with which statistic information is overburdened, especially in the state of inflational economy, we can make a correct and practically useful interpretation of phenomena and processes in the economy.

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