

PREFACE

NATIONAL income and accounting statistics are now regularly prepared by statistical departments of government or other agencies in a number of territories in Africa. Largely a post-war development in Central, East and West Africa, these estimates of national income aggregates have already acquired considerable prestige as a measure for evaluating the total performance of the economy.

Not unexpectedly, the growing supply of such quantitative data has stimulated demands for the production of more reliable, up-to-date and comprehensive statistics. There has also been a shift in emphasis from the calculation of national income totals to the development of a system of national economic accounts, which will portray in an articulated manner the inter-relationships of the aggregate estimates and their related totals. Such a system of economic accounts is widely regarded as indispensable in research for the formulation of general economic and budgetary policy, and for providing a statistical basis for 'development planning'.

The demands for an accounting system useful for analysis and planning, not infrequently most clamant in countries which are seriously deficient in primary economic data, pose serious difficulties in sub-Saharan Africa. There are not merely large *lacunae* in the available stock of data, but their quantity and quality differ greatly in the different territories. There are also wide differences in the distribution of productive effort and the occupational structure of the more and less developed African economies. The statistical methods and procedures followed in the computation of the national income and its components have, therefore, varied greatly, despite the theoretical adherence of most statisticians (outside the French-speaking territories) to the principles enunciated in the United Nations System of Accounts and the O.E.E.C. Standardized System.

In these conditions, the potential returns from close contact between research workers in this field are likely to be high. It was, therefore, a happy decision on the part of the International Association for Research in Income and Wealth to hold one of its Regional Conferences in Africa to enable statisticians and economists in Africa, together with the participation of a small

group of scholars from outside the Continent, to exchange views on the conceptual and practical problems of national income accounting. This Conference took place in Addis Ababa, Ethiopia, from the 4th to the 10th January, 1961, largely as a result of the persistence and indefatigability of Miss Phyllis Deane, the Secretary of the International Association, and the collaboration and assistance of the Economic Commission for Africa.

The papers presented at the Conference provide an opportunity both in the formal sessions and outside the Conference Hall for a critical stock-taking of the national income work being done in Africa, as well as the uses of national income estimates for policy purposes. The nature of the papers and discussions were largely influenced by the immediate experience and interest of a number of participants in the methods, which they had developed in the different African territories. The Conference discussions were thus heavily weighted on the descriptive rather than theoretical aspects of national accounting.

Nevertheless, the problems relating to the concepts, definitions and classifications of national accounting, or the meaning and significance of the quantitative counterpart of these concepts in countries at an early stage of development, were not entirely ignored. There was a lively discussion on the extent to which the production boundary should be widened to include estimates of production for own consumption and investment, although the full implications were not always recognized. There was wider agreement in regard to the uses and limitations of national accounts, and some unanimity that the United Nations System of National Accounts and Supporting Tables should be modified for use in Africa.

This volume presents most of the papers presented at the Conference. Although uneven in quality, it was felt that their publication would provide the reader with a more accurate picture of the range and nature of the problems discussed. Papers excluded are those, which were not available in a form suitable for publication, or which had been published elsewhere.

When the Conference ended there were naturally differences of view, and also some uncertainty of the fundamental theoretical concepts. The conceptual problems involved in transplanting sophisticated accounting techniques devised for highly developed industrial countries to a Continent still largely characterized

by simple economic relations, require further thought. Nevertheless, the Conference achieved much in reaching a greater understanding among the participants of their concepts and statistical operations. This volume can, I think, be regarded as providing essential stepping stones for a further advance in national income accounting in Africa.

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