

The Motivated Murder of India's Statistical System*

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The attacks by the Modi government on many of India's institutions have been noted, but the destruction of India's statistical system was not adequately recognised or condemned. That is, not until the latest revelations on how the Government is refusing to release the NSSO's employment survey for 2017-18 led to the [resignation of the last two remaining independent Members of the National Statistical Commission](#).

This attack on official statistics is obviously important, because it denies citizens access to reliable data on what is going on in the economy and assess the government's performance. It is sad, because India had managed to build one of the more impressive statistical systems in the developing world, despite having a large informal economy and many forms of economic activity not captured by conventional measures. And it is counterproductive even for the government, because effective policy making requires proper knowledge of existing conditions and problems.

The list of such transgressions is long, and gets longer daily. The messing up of the new series of GDP data became evident when the [much-delayed back series was sought to be manipulated](#) for the pathetic purpose of showing the current government in a better light than the previous one. Various other data are simply withheld or sought to be massaged before official release, from the government's own reports about the [status of the Clean Ganga campaign](#) to the actual results of initiatives like the Swachh Bharat Abhiyaan or the Ujjwala Yojana or the [rural electrification campaign](#). Fiscal data cannot be trusted because the [central government hides its deficits](#) by shifting expenditure off-budget, pretending to sell some PSUs to other PSUs, or simply not paying its dues to programmes for employment or food security. The National Crime Records Bureau has stopped publishing its reports for the last two years. The [RBI is refusing to disclose information on banks](#) that are not complying with regulatory guidelines. Even the data on the supposedly transparent MNREGA website contains [a fudge that hides the extent to which the government is not providing work](#) even when it is formally demanded.

The self-created mess is worst for official data on employment. First the NSSO was made to scrap the quinquennial large labour force survey on the grounds that it would be replaced with Periodic Labour Force Surveys that would provide "real-time data". The report of the 2017-18 survey is ready and was cleared by the National Statistical Commission, but [the government is not releasing it!](#) Similarly, the Labour Bureau's report on the sixth annual employment-unemployment survey, for 2016-17, [has not been publicly released by the government](#), even though it was supposedly cleared by the minister in charge.

We can only speculate about whether this is because these surveys show stagnation or declines in employment in the recent past, as suggested by independent surveys. In an already dismal employment scenario, demonetisation is widely accepted to have wreaked havoc on India's informal economy and livelihoods of the poor. Employment does not appear to have recovered since then. Indeed, the large survey conducted by the Centre for Monitoring the Indian Economy (CMIE) suggests [a steep fall in employment in 2018](#), of as much as 11 million jobs, mostly those of rural

women and overwhelmingly among less educated workers. While these data are still preliminary, the overall picture is gloomy.

But even as they prevent the public release of potentially incriminating statistics, government Ministers claim that there are no reliable official data on employment in the country. Instead, they – and the Prime Minister himself – seek to generate hype about employment creation on the basis of completely misleading and even laughable indicators.

One such desperate attempt was that of using the payroll registrations under the Employment Provident Fund Organisation (EPFO) as indicative of new employment. As the Director of the EPFO clarified himself, this is wrong for several reasons, and does not give an idea of either new employment generation or even the number of formal jobs. It may reflect existing workers getting registered or moving to enterprises that have such registration; many workers have multiple accounts, which have not been merged; workers' names are not removed once they are registered even if they lose those jobs and no longer contribute; those registered are not necessarily in "formal" employment in any meaningful sense of the term. The volatility in EPFO numbers point to their limited use in gauging employment levels, while many who are registered get no other benefits of "formality", even minimum wages.

Despite this, [in his speech to the Lok Sabha in July 2018](#), Prime Minister Modi used this problematic indicator to claim millions of new jobs in the economy during his tenure. He also made some wild guesstimates: assume that all newly registered chartered accountant companies each employ 20 people to get 1 lakh new jobs; assume that 60 per cent of all graduating doctors start their own practices and hire 5 people each to get 240,000 more jobs; assume that three-fourths of the new commercial vehicles sold leads to employment of two people per vehicle to get 11.4 lakh workers; assume that 90 per cent of the autorickshaws sold generate new employment of 3 people for every 2 such vehicles to get 3.4 lakh new jobs! All these various leaps of faith led him to conclude that 10 million jobs were created in one year alone. This is statistics generation on par with the "science" being peddled by some Ministers, of [plastic surgery, in vitro fertilisation and interplanetary aircraft existing in ancient India](#).

In that same speech, Narendra Modi promised to "present before the country all figures regarding employment present in the system, every month." Yet, leave alone official survey data, even the figures for public employment are not being released. Budget documents suggest that [the number of central government employees actually declined by 75,231 during the tenure of the Modi regime](#), and projected hiring targets have not been met in any year.

This suggests one immediate and obvious remedy for the employment crisis. There are huge vacancies in existing posts across central and state governments – it is estimated that there are around 2.4 million vacant posts in the central government and many multiples of that for the state governments combined. Just filling these vacancies would provide much-needed employment and ensure better public services as well. Indeed, this is one of the demands of the planned march to Parliament of students and youth on 7 February. Expanding regular employment in crucial social services would also have major positive multiplier effects, generating much more employment indirectly.

So instead of hiding or trying to wish away the problem, a responsive government could actually do something about it. The point is to make sure a responsive government is in place.

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