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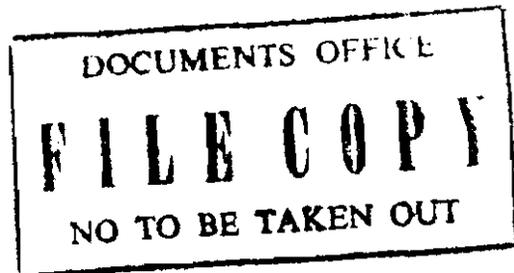
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NOTES ON THE ANNUAL ECONOMIC
SURVEY OF KENYA

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NOTES ON THE ANNUAL ECONOMIC SURVEY OF
KENYA

Introduction

1. The Survey was first published in 1960 when the present Statistics Division of the Ministry of Economic Planning and Development (which has prepared the Surveys since 1961) was part of a wider East African statistical organization. This first Economic Survey was a joint effort of the East African Statistical Department's Kenya Unit and the Economic Research Division of the Kenya Treasury. The objectives of the first survey can perhaps be best summarised by quoting from the Foreword - "It describes the progress of the economy during the past year and gives some indication of possible changes to be expected in the year ahead". To emphasize the close relationship between the Survey and the Budget, the Foreword stated: "it is intended to produce such a survey each year and to lay it in legislative Council with Expenditure Estimates before the presentation of the Budget".

2. Complete responsibility for the preparation and production of the Survey was vested in the Kenya Government's statistical organization after the old East African Statistical Department, which had been partly responsible for the first Survey, was re-organized, resulting in the establishment of an independent statistical organization within the Kenya Government. This responsibility continues to the present day and discharge of it has become an important part of activities of the Statistics Division in the Ministry of Economic Planning and Development.

Objectives and functions of the Economic Survey

3. It is an illustration of the growth and development of the Survey that the 1969 issue is 174 pages long, compared with 46 pages in 1960. Although the essential objectives have remained unchanged, i.e. to review the economy in the previous year and to make a short-term (one year) forecast, these are now presented in much greater detail in order to provide a more complete picture of economic developments in the immediate past. While in its origin the Survey was very much in the nature of a "background to the budget", and this is still a major objective, it has become perhaps even more important than before as a means of providing information to a wide range of organizations and institutions which include Government Ministries, Parliament, national and international aid agencies, the private sector, etc.

4. Two factors have contributed to its present scope and extent. The first of these is the development of comprehensive planning in Kenya. This only goes back to the end of 1964 when the Ministry of Economic Planning and Development was established. The development of the planning function has created the need for regular assessment of progress in plan implementation in the light of criteria usually employed for this purpose and the Economic Survey has become an important means of overall macro-level checking and reporting on implementation of the Development Plan. An attempt is made in the Survey to compare Plan targets with actual achievements for such indicators as G.D.P., investment, employment, as well as performance in individual sectors of the economy. An associated function consists of comment and analysis to underline problems and weaknesses. This aspect of the Economic Survey is regarded in the Ministry of Economic Planning and Development as being of considerable importance.

5. The second factor which has been responsible for the broadening of coverage and increased analysis in depth is the availability of more statistics. To some extent, this has been a consequence of the need to secure data for evaluation of economic and social targets in the Development Plan. The Survey has also become a means of disseminating new statistics quickly, before the detailed reports in which these would normally be published are available. For example, the first publication of the revised G.D.P. series for the economy and of the new quantity index of production in manufacturing was in the 1968 Economic Survey. Publication of basic results of surveys and studies in the Economic Survey can also result in receipt of comment and criticism from a variety of sources. These can be taken into account in the preparation of more detailed reports.

6. The desirability in a document of this nature to give a strong quantitative bias to examination of the economy has in itself provided a strong impetus to the collection and analysis of certain types of statistics which do not require elaborate surveys and can be obtained from a secondary source but which provide, nevertheless, important information on the economy. Although the significance of this factor should not be exaggerated, it can perhaps be said that the need to produce an Economic Survey provides a useful incentive to a statistical organization to involve itself in developing statistical series in which it might perhaps be less interested otherwise. Conversely, the quantitative emphasis in presentation, towards which a statistical organization is likely to be inclined, makes for a more useful document.

7. The Economic Survey has to be prepared within a very tight schedule and is required to be laid before the National Assembly a few days before the Budget. A useful by-product of the need to produce the Survey by a specific date is the discipline it imposes in the organization of work and the production of results.

Contents and Layout of the Survey

8. These reflect, of course, the objectives and functions outlined in the last few paragraphs. By way of illustration, a complete list of the chapters and sub-sections in each chapter of the 1969 Economic Survey is attached as an appendix to this note. An attempt is made in presentation to maintain as clear-cut a sectoral distinction as possible. A comparison of the table of contents in the first and latest surveys shows the progress in this direction and it is likely that further refinements in this respect will be made as more information becomes available. The contents also reflect the relative importance of economic activities. For example, a few years ago there was little or no mention of tourism which now has a full chapter devoted to it. While most of the chapters and sections would probably be found in similar documents prepared in other countries, one or two are peculiar to the circumstances of the present phase in the economy of Kenya, such as land registration.

9. Omissions and shortcomings are perhaps partly an indication of the absence of regularly available data. This is, for example, the case with commerce which does not receive specific and separate treatment. The results of occasional general surveys of distribution are available but there has been a lack of annual data. Attempts are now being made to rectify this.

Production of the Survey

10. While it can perhaps be said that no special surveys are undertaken merely in order to produce the Economic Survey, requirements of data for it are an important factor in the determination of the nature, content and timing of information collected by the Statistics Division. Many aspects of work in the Division are influenced, to some extent, by the need to produce the Survey. However, to discuss the methods used in the collection of data would involve considerations which go far beyond the needs of the Annual Economic Survey and, therefore, no attempt to do that is made in this note.

11. The Survey is written by Statistics Division staff as part of their normal duties. No special section deals with it although individual officers may be specifically delegated for short periods to perform tasks related to the Survey in addition to their normal duties. But, by and large, the organization of the Division, in terms of sectoral responsibilities, is reflected in the allocation of duties for the preparation of the Survey. Planning, coordination and editing rest with the Chief Statistician. Other agencies and departments may be consulted, primarily to secure additional information or views. The Central Bank particularly makes an important contribution to the chapter on "Money and Banking".

12. While no special surveys are undertaken in order to produce the Economic Survey, inevitably, a good deal of informal contact is essential with officers in other government departments and statutory organizations particularly if the Survey is to include discussion of particular problems which may not be easily apparent except to those directly involved. Usually, because of the pressure of time, such contact is most fruitful if a direct approach can be made to the persons concerned. It is, therefore, useful to know whom to approach without having to spend valuable time on formalities.

13. Finally, a critical role rests with the printer. The Economic Survey has to be produced within at the most six weeks from delivery of copy to receipt of the finished article if it is to incorporate important up-to-date statistical information and, at the same time, to be ready for laying before Parliament a few days ahead of the budget. The high degree of cooperation on this requires from the Government Printer has always been forthcoming.

APPENDIX

Contents of the Kenya Economic Survey, 1969

CHAPTER 1 - THE GENERAL ECONOMY

- (i) The World Economy
- (ii) The Growth of the Economy
- (iii) Capital Formation
- (iv) Balance of Payments

CHAPTER 2 - MONEY AND BANKING

CHAPTER 3 - EXTERNAL TRADE

- (i) The Balance and Terms of Trade
- (ii) Imports
- (iii) Exports
- (iv) Trade with Africa
- (v) East African Community

CHAPTER 4 - AGRICULTURE AND FORESTRY

- (i) Marketed Production
- (ii) Agricultural Development Services
- (iii) Crop Production
- (iv) Livestock Production
- (v) Land Settlement
- (vi) Land Registration in the
Small Farm Areas
- (vii) Forestry

CHAPTER 5 - INDUSTRIAL PRODUCTION

- (i) Manufacturing
- (ii) Electricity
- (iii) Mining and Quarrying
- (iv) Building and Construction

CHAPTER 6 - TOURISM

CHAPTER 7 - TRANSPORT AND COMMUNICATIONS

- (i) Railways and Harbours
- (ii) Shipping
- (iii) Road Transport
- (iv) Civil Aviation
- (v) Posts and Telecommunications

CHAPTER 8 - EMPLOYMENT, EARNINGS AND CONSUMER PRICES

- (i) Employment
- (ii) Earnings
- (iii) Consumer Prices

CHAPTER 9 - PUBLIC FINANCE IN THE ECONOMY

CHAPTER 10 - EDUCATION AND OTHER SOCIAL SERVICES

- (i) Education
- (ii) Health and Family Planning
- (iii) Housing
- (iv) The National Social Security Fund

CHAPTER 11 - THE OUTLOOK FOR 1970