

Why India should ignore global rankings, including the ones where it fares well

Problems with global indices like Ease of Doing Business and the Global Hunger Index, where India didn't even place in the top 100 countries, boil down to methodology.

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Why are we Indians so obsessed with "global indices" and "rankings"? The latest cause of debate and aggravation is, of course, the Global Hunger Index, where <u>India has been placed a lowly 101 among 116 countries</u>. Critics of <u>Narendra Modi</u> are going around feeling vindicated while the government has reacted angrily.

But I think we should be clear about two things:

One, every such index is ultimately just a way of looking at things, cloaked in numbers. It is only as good as its assumptions and methodology.

Two, the government can't have it both ways. It can't go to town over an index when it gets a nice score (for instance, the World Bank's Ease of Doing Business survey, where India rose from 142 in 2015 to 63 in 2020) and trash any other that rates it poorly. Have you ever heard of France or Germany or Ukraine wasting their breath on some ranking?

The <u>Global Hunger Index</u> is based on four parameters: child wasting, child stunting, child mortality and undernourishment. The assumptions and methodologies for computing all four can be challenged, but the biggest bone of contention has been undernourishment, which has one-third weightage in the country score.

The Indian government has derided the undernourishment score because it is based on the Food and Agriculture Organization's (FAO) Prevalence of Undernourishment (PoU) study, which in turn is partly based this year on a four-question telephonic survey. Telephonic surveys are universally accepted as less trustworthy than face-to-face ones, especially when the subject is jobs and income, which is what the questions were about. In India, traditionally, respondents understate income and claim to be more deprived than they are in reality. Every good market researcher knows this. This tendency would have got stronger during the Covid pandemic.

Read more: Global Hunger Index 2021 reflects India's reality where hunger accentuated post Covid: Oxfam India

FAO also assumed that people with phones are "wealthier, more educated and more urban". So it "bias-corrected" the responses. This assumption is problematic in India's case. Almost all of us have phones, including daily-wage labourers who may not have been able to finish school. The "bias correction" may not accurately reflect reality.

Interestingly, Leftist economist and active Modi critic Jean Dreze too has said that the PoU data is "unreliable", the methodology faulty and the conclusions based on "heroic assumptions".

And FAO agrees. Its website states: "The precision of the PoU estimates is generally low."

That is the trouble with all these indices. Consider the annual Doing Business study, in which India has been doing so well in the past few years. **World Bank has discontinued this annual exercise** after an investigation revealed that China may have influenced the 2018 study and managed to boost its ranking.

Read more: Explained | The World Bank controversy that killed the Doing Business Report

Even discounting the China factor, the study methodology had two obvious flaws. It looked at only the biggest city in the countries surveyed, except for nations with a population higher than 100 million. So in India, World Bank covered only Delhi and Mumbai, which quite possibly do not reflect the business climate of all of India.

Moreover, the study considered only business regulations as notified, and not whether and how well they were being implemented. Thus, the Ease of Doing Business index was merely a picture of stated intentions, which might or might not have translated into ground realities. But since our rank was rising, the government decided to celebrate.

Two other indices that have been making news in India every year are the World Press Freedom Index by Reporters Sans Frontieres (RSF) and the Human Freedom Index by the Cato Institute. India has been doing consistently poorly on both, and government critics have been very vocal about the country's falling ratings.

Let's subject the two indices to a simple smell test.

On the 2021 Press Freedom Index, India is ranked 142 among 190 countries. But how much should you trust an index which has Cyprus (26), Burkina Faso (37) and Botswana (38) above the United States (44), where social media platforms have the freedom to suspend the accounts of the country's president?

RSF's own report on Cyprus indicates that a journalist's life is pretty tough there—threats, intimidation, surveillance, cyber-attacks, restrictions on movement and access to information. In

Burkina Faso, RSF finds that a new law "allows the authorities to exercise very close control over reporting and imposes extremely draconian restrictions on the freedom to inform".

In Botswana, according to RSF, private media is dependent on government advertising, leading to self-censorship, and journalists can be sentenced to up to five years in prison for publishing any information about Covid-19 that has not come from the country's director of public health services or the World Health Organization (WHO).

The Press Freedom Index ranks Ecuador ("intimidation and attacks against reporters... and attacks against the premises of TV and radio stations are frequent") 46 places above India.

Kuwait, where even bloggers need to get a licence from the government before publishing, is 37 places higher.

Why do such strange rankings happen? Because of the methodology. "Experts" in each country are given a questionnaire on various aspects of media freedom. Their responses are tabulated and converted to "Score 1". Simultaneously, data is collected on "abuse"—imprisonment, violence, death in the line of duty. This is "Score 2". The higher of the two scores (high is bad, low is good) is the country's score.

There are obvious problems here. One, who are these "experts" and how are they selected? Think of India and our current state of extreme polarisation of opinion. Depending upon which "experts" are chosen, the score could swing radically from one end to the other.

Two, in an authoritarian state, it is likely that the "experts" would not risk giving honest responses to the questionnaire. It would not be difficult for a government to identify who these people are and punish them. Thus, lack of press freedom may actually ensure a high press freedom score because the "experts" are scared to speak the truth.

Three, Score 2—data on abuses. If you are running a dictatorial government and issue some unequivocal warnings, you may not need to imprison or beat up people. Journalists will self-censor. And the data gives you a very low Score 2. So Kuwait has a perfect 0 score, while India has an astonishing 60.73, just below Belarus and Iraq.

For, when a Doordarshan cameraperson covering elections in Maoist-infested territory is **killed**, along with two policemen, by guerillas trying to scare people away from polling booths, India's score is ruined. Which in fact serves the Maoists' twisted purpose.

That was how Achyutananda Sahu lost his life during the Chhattisgarh assembly elections in 2018.

As for the Human Freedom Index, in 2020 it had India at 111 among 162 countries. And Hong Kong was rated the third most free country in the world. This, when Hong Kong has been under an **unprecedented crackdown** by Beijing, with most civil rights suspended.

Do we even need to look at the methodology of this index? What is it worth when the result is this?

But, to come back to my initial question: Why do we Indians pay so much attention to these rankings, which a schoolchild in Hong Kong or Hungary will laugh at? Is it the sign of a colonised mindset? Do we suffer from some deep need for approval and a pat on the back? Why does our government feel compelled to issue statements arguing about a bad rank in some study done by some NGO?

Why can't we, citizens and the government, just ignore and carry on with what we should be doing? Because neither global realpolitik nor the global investor gives a hoot for these indices.