unemployment, low productivity of people, backward technology, etc.

But, what purpose does the analysis of poverty serve unless we are able to find ways to mitigate it. We may, therefore, also try to find those measures that help solve an economic problem. In Economics, such measures are known as **policies**.

So, do you realise, then, that no analysis of a problem would be possible without the availability of data on various factors underlying an economic problem? And, that, in such a situation, no policies can be formulated to solve it. If yes, then you have, to a large extent, understood the basic relationship between Economics and Statistics.

3. **What is Statistics?**

At this stage, you are probably ready to know more about Statistics. You might very well want to know what the subject "Statistics" is all about. What are its specific uses in Economics? Does it have any other meaning? Let us see how we can answer these questions to get closer to the subject.

In our daily language the word ‘**Statistics**’ is used in two distinct senses: **singular** and **plural**. In the plural sense, ‘statistics’ means ‘numerical facts systematically collected’ as described by Oxford Dictionary. Thus, the simple meaning of statistics in plural sense is data.

> Do you know that the term **statistics** in singular means the ‘science of collecting, classifying and using statistics’ or a ‘statistical fact’.

By data or statistics, we mean both quantitative and qualitative facts that are used in Economics. For example, a statement in Economics like "the production of rice in India has increased from 39.58 million tonnes in 1974–75 to 58.64 million tonnes in 1984–85", is a quantitative fact. The numerical figures such as ‘39.58 million tonnes’ and ‘58.64 million tonnes’ are **statistics** of the production of rice in India for 1974–75 and 1984–85 respectively.

In addition to the quantitative data, Economics also uses qualitative data. The chief characteristic of such information is that they describe attributes of a single person or a group of persons that is important to record as accurately as possible even though they cannot be measured in quantitative terms. Take, for example, “gender” that distinguishes a person as man/woman or boy/girl. It is often possible (and useful) to state the information about an attribute of a person in terms of degrees (like better/worse; sick/healthy/ more healthy; unskilled/skilled/highly skilled etc.). Such qualitative information or statistics is often used in Economics and other social sciences and collected and stored systematically like quantitative information (on prices, incomes, taxes paid etc.), whether for a single person or a group of persons.

You will study in the subsequent chapters that **statistics** involves **collection** and **organisation** of data. The next step is to present the data in...