

Wealden Business group

Book Review 20 November 2019

“Factfulness” by Hans Rosling

Report by Bill Ferguson

Educated audiences all over the world consistently overestimate poverty in the world (the majority of the world live in middle income countries), underestimate life expectancy (the global average is 72) and underestimate healthcare provision (the number of children vaccinated is 80%) and generally think the world is worse than the data indicates.

Rosling’s book, Factfulness, published posthumously in collaboration with his son and daughter in law, aims to show us that the world is getting better, and to explain why so many of us think the opposite.

At the start of the book there are 13 multiple choice questions on the state of the world. With a 1 in 3 chance of guessing at random he expects chimps to score 4/13. Most people get fewer than this.

The basic argument of the author is a simple one: using and understanding data can help build a clearer picture of the world and correct widely held false impressions on a range of hugely important topics. The message is that almost everyone, even specialists, are outdated in their views and despite the media’s pessimism most key metrics have improved in the world over my lifetime.

He and his daughter found a way of representing data graphically in what they called “a moving bubble chart”. The bubbles are coloured to show different nations and we can see how they move over time. And in particular the general trend for all countries to move away from extreme poverty.

Show video <https://youtu.be/jbkSRLYSojo> 4 min video The Joy of Stats

Income is the key to understanding many of the trends shown by the data. Rosling rejects the outdated terminology that splits the world into developed and undeveloped nations. Instead he advocates four levels of wealth, based on average earnings, which gives a much better picture of reality.

He introduces us to Dollar Street where we can get an insight into the daily lives and

aspirations of people in the four levels of wealth. (www.dollarstreet.org)

As populations move away from extreme poverty, they become healthier and better educated and we see a fall in birthrate. In the 1960's there was concern about a rapidly growing population, but childbirth rates slowed as more people escaped poverty with the average global birth rate now being a little over two per mother. Over the past 20y the number of people living in extreme poverty has halved". 75% of the world population live in middle-income countries, 9% live in poverty.

MIND THE GAP

If you compare the top and bottom groups there might appear to be a gap, it is probably an illusion. Most people are in the middle: where the gap is supposed to be. Beware comparisons of averages: the spread is more revealing and beware phrases like "the increasing gap".

Example: 14/11/19 R5L "Labour pledge to reduce the gap between men's and women's earnings"

I googled "gender pay gap UK" and found the April 2018 provisional figures for the gender pay gap with the warning: "Because the Office of National Statistics data does not, and cannot, take account of job demands the headline figures for the gender pay gap should not be treated as an indicator of whether women are receiving equal pay for equal work." <http://www.equalpayportal.co.uk/statistics/>

NEGATIVITY

MORI poll of 30 countries revealed that 60-80% of respondents thought the world was getting worse. But as the data shows it is mostly getting better. Why the disparity? 3 reasons - nostalgia isn't what it was: beware rosy pasts; journalists prefer bad news and that's what they give us; we focus more on what is wrong than what is right.

"Something can be bad and better at the same time". 4.2 million dead babies is appalling but it is getting lower every year.

"Expect bad news and put it in perspective"

EXTRAPOLATION

Don't assume that all graphs have straight lines: many are S-shaped, humped and may be unpredictable.

*The book urges caution in interpreting data, with several examples from Rosling's own career where the wrong assumptions led to disaster.

FEAR

Risk = danger x exposure

Media plays on fear of violence, captivity and contamination.

Natural disasters affect Level 1 communities most. Overall death toll now is 6% of what it was 100 years ago.

Some things are frightening but rarely happen - terror attacks, plane crashes.

Some things are dangerous and often ignored - deaths from diarrhoea

SIZE

Another example from R4: Politician "this policy would cost £17 bn of the taxpayers money".

Sounds a lot, until you realise it isn't the taxpayers' money once the Treasury get their hands on it. How much do they get from us in a year? About £800 bn. So, we are talking about 2%, of the money the government take from us in a year. Does that still sound scary?

Use the 80/20 rule to get to grips with lists of data. 87% of energy comes from coal, oil and gas. Where does 80% of your spending budget go?

Divide CO2 emission per country by its population before comparing.

GENERALISATION

What is normal to us on Level 4 may be different at other levels. Lift doors don't all have sensors. Buying bricks is secure and inflation proof.

CULTURES CHANGE

Change is gradual but persistent. Keep up with data.

Unmarried mothers were shunned in grandparent's days, now they get applause!

EXPERTS

Surgeons like to operate; they are not so interested in prevention. Beware

CONFIRMATION BIAS. Is Cuba the healthiest of the poor, or the poorest of the healthy.

Don't rely on data alone (how full are the car parks).

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BLAME

When something goes wrong it is rarely the fault of an individual. Usually there is an explanation to do with the system. Why can asylum seekers not buy flights to England?

KEY POINTS

While some technical publications may distinguish between four levels of wealth, our popular media still presents a rich world/poor world dichotomy and never mentions the progress that has been made on fighting extreme poverty.

Future growth markets will be Asia and Africa; not home. Invest in Ghana, Nigeria and Kenya.

The news is not a useful way to learn about the world. Treat it as gossip.

This book has changed the way I evaluate what I hear on the radio or see on TV, I am constantly on the lookout for "lonely figures" and "gaps".

This book is already out of date. Hopefully www.gapminder.org will keep us updated.