turbulent monetary conditions of the 1980s in context with developments in the earlier, well-documented period.

The book divides naturally into two parts. Part 1 deals with the formation and implementation of initial policies and the emergence of adjustment problems during the 1960s. It covers the ‘Bretton Woods’ period 1945–72. A somewhat larger and more valuable Part 2 covers adjustment in the industrialized world, the debt crisis in developing countries and the change in policies associated with the rise of ‘political monetarism’ in the late 1970s.

Part 2 documents the pragmatic response of the IMF to the first oil shock of 1973–74 when the temporary oil facility allowed members to draw on IMF funds to help to finance sudden oil-related deficits. This was superseded in 1976 by a policy of adjustment rather than accommodation since world economic conditions were considered more favourable. Under this adjustment policy, deficit countries such as the UK (in 1976) were obliged to deflate and the stand-by funds duly offered Britain were conditional on these tighter policies being adopted. Dr de Vries documents many other examples of such adjustment or stabilization programmes in which fairly conservative IMF policies were tailored to the perceived circumstances of the deficit country. On the whole, the author considers these programmes to have been well formulated and, at least in the short term, successful but typically does not give adequate emphasis to the political implications of IMF conditionality. Dr de Vries does, however, consider conditionality to have helped to induce developing countries to avoid IMF programmes by borrowing from western commercial banks, particularly in the 1970s when real interest rates were historically low. These debtor countries were subsequently committed to huge debt service charges when real interest rates rose as monetary policies were tightened in the 1980s and this produced the current developing countries debt crisis.

This leads to a discussion of an unresolved dilemma for the IMF: short-term policies to cure deficits and indebtedness typically involve some form of deflation and can be enforced by invoking conditionality. The converse is difficult to achieve: the expansion of surplus countries is unenforceable. The book explains that slow growth, primarily in the surplus countries, has depressed demand for raw materials and commodities, adversely affecting the developing world. The imposition of prudent IMF stabilization policies in this unfavourable climate leads the author to note that ‘the Fund came in for the most caustic criticism of its forty year history [in 1985].’

The book covers many other aspects of IMF activity including recent concern over exchange rate instability and argues that developments in economic theory have, on occasions, lagged behind instigation of practical policies by the IMF (Dr de Vries cites use of a ‘monetary approach’ in Mexico as early as 1955).

The overall depth and breadth of knowledge summarized in the text is impressive and makes interesting and informative reading. Although I believe that the achievements and conduct of the IMF are viewed by the author somewhat favourably, the book is highly recommended background reading, especially for researchers intending statistical or econometric analysis of international economics, particularly in the field of developing countries. A data appendix provides summary information by country from 1979 to 1986.

D. N. Manning
Department of Economics
University College of Swansea


The author’s aim in writing the book is to show the naive data analyst how to use statistical methods by focusing his attention and experience on a wide variety of practical problems. However, do not be misled by the title of this book. The book is a collection of real data and some statistical treatments on them with varying degree of detail. The book is not sufficiently
comprehensive to be used as a reference book for the practising statistician. As it is, the book does not serve as a handbook in data analysis.

The book contains five parts. The first three parts present the topics in the context of analysing detailed practical problems.

Part I—‘Simple comparisons’—deals with the $t$ test for independent and paired data, and ANOVA. For these parametric techniques the related nonparametric procedures are also discussed. Analysis sequence flowcharts are also given. Part II—‘Linear relationships’—gives an introduction to simple, polynomial and multivariate linear regression, and in Part III—‘Comparison of relationships’—two or more than two linear relationships are discussed. Part IV—‘Supporting topics’—is a survey, reviewing introductory statistics for those who have not already had exposure to statistical theory. Part V—‘Tables’—contains 20 tables mostly arranged in terms of the upper tail probabilities ($P$ values).

The first four parts are divided into 20 chapters paged within each chapter. Some chapters are very brief. I would have preferred Chapter 14, which covers transformations, to be omitted since it is too brief. Thus all the references to this chapter (e.g. pp. 2.13–2.18) throughout the book should be omitted. Certain important topics have not been adequately covered or discussed. Particular omissions which might be seen as important include: analysis of residuals, remedies for violations of regression assumptions, the treatment of outliers, autoregressive error structures for time series data (example 10.1) and the Durbin–Watson test, and the effect of sample size on the meaning of the $P$ value which is an issue (Lindley and Scott, 1984) since some of the data sets are small. These topics are closely intertwined, however, and the model building chapters are incomplete without the residual analysis.

In addition, there are a few mistakes or ambiguities. These could cause real problems for a student approaching the subject for the first time. These topics include the following.

(a) The computation of Lilliefors statistic for data sets having some observations with equal values (e.g. Table 15.6) is incorrect. This error is caused by miscalculating the sample probabilities. Although this correction has no impact on the results, I found it rather tedious to compute this statistic and prefer to use the readily available acceptance graphs, e.g. Iman (1982), for this test.

(b) The test for equality of variances assumes normality which must be tested first. All the given flowcharts must be corrected to reflect this fact.

(c) Some of the given nonparametric procedures are for the case when there are no ties in the data and thus could be misleading. Clearly, a unified approach, e.g. Meddis (1984), could condense the presentation of nonparametric procedures.

(d) The chi-square test for contingency tables is performed on data sets which do not have sufficient expected counts. This contradicts the advice elsewhere in the book.

These problems could have unfortunate consequences if the handbook were being used as a cook book. These should be corrected in any later edition of the book. Some unimportant typographical errors slipped through the net.

The book has many virtues to combat the disappointments which this review has highlighted. The author avoids simple, artificial, dreamt-up kinds of example in favour of real data sets. This is to be applauded, although some of them are classical and treated better by others. The book is well stocked with detailed descriptions of how to carry out the analysis of a data set. This allows users to repeat the calculations on their own data. The hallmark of the book is that there is a definite emphasis on conditions to perform statistical testing and the usage of the $P$ values. Without being too enthusiastic I am happy with this book. It is easy reading and provides interesting introductory material which is suitable for students with a wide range of backgrounds particularly with students who have limited mathematical backgrounds. The book is aimed at the statistically naive market and its intended purchasers are practitioners who have done at least a first course in statistics.
References


H. Arsham
University of Baltimore