

Is the evidence for austerity based on an Excel spreadsheet error?

In 2010, Carmen Reinhart and Kenneth Rogoff's famous published a paper titled "[Growth in a Time of Debt](#)", which was subsequently used to push countries to trim their deficits. In 2013, Herndon, Ash, and Pollin published a [critique of the Reinhart and Rogoff paper](#) and stated that they found "coding errors, selective exclusion of available data, and unconventional weighting of summary statistics lead to serious errors that inaccurately represent the relationship between public debt and GDP growth among 20 advanced economies in the post-war period."

Read one of the three news reports assigned by the training leader and answer the questions below. You will be asked to summarize the issue discussed here and report your summary and answers to the question to the rest of the group.

<https://www.washingtonpost.com/news/wonk/wp/2013/04/16/is-the-best-evidence-for-austerity-based-on-an-excel-spreadsheet-error/>

<http://www.economist.com/news/finance-and-economics/21576362-seminal-analysis-relationship-between-debt-and-growth-comes-under>

<http://www.theatlantic.com/business/archive/2013/04/forget-excel-this-was-reinhart-and-rogooffs-biggest-mistake/275088/>

1. If the data from the Reinhard and Rogoff paper were shared openly, would that have helped Herndon, Ash, and Pollin? Explain how and why.
2. Would sharing their data openly have alleviated the controversy around the Reinhart and Rogoff paper? Explain why or why not.
3. What issues in general can be resolved by having an open data policy?