

OPEN LETTER TO MEMBERS OF THE ISI FAMILY AND THE INTERNATIONAL STATISTICAL COMMUNITY

September 12, 2013

Dear Colleagues,

Some of you may have received letters from two former members of the Hellenic Statistical Authority (ELSTAT) recently. The two letters were concerned about: a) the position of the ISI regarding the judicial proceedings in Greece against Mr. Andreas Georgiou, the President of ELSTAT, and b) the organization of an Open Meeting (entitled `Intrusion of the judiciary in the course of the production of official statistics') that was held during the ISI World Statistics Congress in Hong Kong from 25-30 August 2013. The first letter was dated August 23, 2013, and the second one was undated.

Copies of the two letters are appended to this open letter (but the names of the two individuals have been removed). Readers can find additional background on this case at the links provided at the end.

It appears from the first letter (of 23 August 2013) that the two individuals misunderstand or misinterpret the ISI's position with respect to the judicial proceedings involving Mr. Andreas Georgiou. In their letter, they state:

1. "It (the ISI) will deplore the judicial process in train in Greece against Mr. Georgiou"

2. "We note that the world would consider outrageous a possible attempt of the ISI or any Eurostat bureaucrats to devalue the integrity of the Judiciary in Greece"

3. "Professional status does not exempt statisticians from the rule of law."

We agree that it would be outrageous for anyone to attempt to devalue the integrity of the Greek judiciary. In addition, statisticians should not be exempt from the law because of their professional status. However, these considerations should not prevent the ISI from preparing and circulating statements that may be used in legal proceedings to enable more informed decisions to be made by the judiciary. It would be inconsistent with proper judicial proceedings if these individuals make submissions but, as they seem to indicate, others like the ISI should not be allowed to do the same.

With respect to the judicial process in train, our position on the prosecution of Mr. Georgiou has not changed. As we said in our <u>statement</u> last February, "the ISI representatives express their profound disappointment and serious concern over the prosecution of Mr. Andreas Georgiou, President of the Hellenic Statistical Authority (ELSTAT) and two of his ELSTAT Managers. The charges against Mr. Georgiou and two of his Managers of exaggerating the estimates of Greek government deficit and debt for the year 2009 are fanciful and not consistent with the facts."

The comments in the two letters about the Open Meeting, that was held at the WSC in Hong Kong, contain numerous errors of fact. The Open Meeting was called by an ISI member and not by the ISI. The discussion document was prepared by ISI members, not

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by ISI elected officials or committees. The intention was to discuss general issues related to `Intrusion of the judiciary in the course of the production of official statistics.' The letter-writers complain that, unlike Mr. Georgiou, they were not asked to present their position at the Open Meeting. Mr. Georgiou was not asked to make a statement at this meeting, and he did not do so. Furthermore, anyone could have attended and participated in the open meeting. These two individuals chose not to do so, but decided instead to circulate letters without knowing the full facts. The second letter also makes a number of other false statements, including a claim that the ISI intentionally concealed information they had sent us about their scientifically-based positions.

The ISI is fully committed to upholding the values stated in our <u>Declaration of</u> <u>Professional Ethics</u>. We will continue to review the developments in Greek statistics, as we do with developments in other countries, and will make statements on behalf of individuals or the profession whenever appropriate.

Sincerely,

Jae C. Lee ISI President (2011- 2013)

September 12, 2013

Vijay Nair ISI President (2013- 2015)

REFERENCES:

Links to background information:

On Greek Government Deficit and Debt Statistics (JANUARY 2010) <u>EUROSTAT Letter to Parliamentary Investigative Committee (26.3.2012)</u> <u>Letter by the ISI President to the President of the Hellenic Statistical Authority (5.1.2012)</u> <u>EUROSTAT Position on Announcement of Criminal Charges against Head of ELSTAT</u> (23.1.2013) Statement by the ISI on Prosecution of the Head of ELSTAT and Two Managers (28.2.2013)

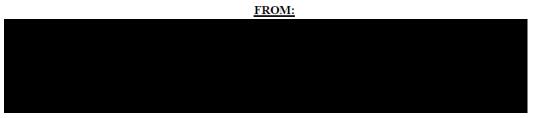
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Message to ISI Delegates

about the 'Ethical' Discussion at the Open Meeting 'Intrusion of the judiciary in the course of the statistical production of official statistics'

Hong Kong, Monday 26 August, 11:15 – 13:00 hours 59th World Statistics Congress of the ISI (International Statistical Institute)



23 August 2013

WHAT A LONG WAY TO GO TO DO A LITTLE BIT OF WHITEWASH!

Whitewashing is scheduled for delegates to the ISI Congress in its 'open meeting' of 26 August. It will deplore the judicial process in train in Greece against Mr. Georgiou, protesting, as ISI's preconference notes imply, an unwarranted challenge to the integrity of statistical process.

Georgiou was head of the Greek statistical unit, ELSTAT, at the height of the economic crisis. ELSTAT was newly constituted to remove national statistics from political influence. Its Board was collectively charged with the scrutiny and approval of its published official statistics. We,

Were member and Vice-president, respectively, of that Board. Monthly meetings were chaired in a way which denied us and the rest of the members of the ELSTAT Board appraisal of the data, for this reason our legally required assent was withheld. Subsequent research has revealed that many items were included which are not within the parameters of public debt and deficit of national accounting according to European Regulations ESA95.

The pre-conference announcement outlines a debate on whether statisticians should be subject to legal scrutiny. It cites the case of Mr. Georgiou soon to be brought to court in Greece.

Contrary to past statements by ISI, who tried to pressurize the Greek government to intervene in the judicial process, and the pre-conference document, the Greek government did not initiate this legal process. It was set in train by the Judiciary requiring a great number of statisticians and National Accounts experts to give testimonies on oath; on the basis of which testimonies a court has decided that Mr. Georgiou has a case to answer. We note that the world would consider outrageous a possible attempt of the ISI or any Eurostat bureaucrats to devalue the integrity of the Judiciary in Greece, an EU advanced democracy.

Professional status does not exempt statisticians from the rule of law. It is in Mr. Georgiou's own interest to vindicate himself in a court of law, otherwise his reputation remains in question as does that of all those in the pyramid of Euro statistics who seek to vindicate him by mere assertion.

All statisticians accept that figures we put in the public domain are subject to the rigors of testing by our peers. We sought, as Mr. Georgiou's Parliamentary appointed peers, to apply the discipline of scrutiny to the products of ELSTAT. It was our desire to see that these products were credible now that ELSTAT was legally established as an Authority independent of the government. We are on record as stating our objective was this: only by credible statistics can Greece gain credit.

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P.O. Box 24070 · 2490 AB The Hague · The Netherlands – Henri Faasdreef 312 · 2492 JP The Hague-Leidschenveen Tel: +31-70-337-5737 · Fax: +31-70-386-0025 · Website: www.isi-web.org · E-mail: isi@cbs.nl After years when Eurostat had turned a blind eye to minimalizing returns from all the member states, it switched in the panic of a financial crisis urging president Georgiou to maximize those of a scapegoat Greece rendering it today prostrate and helpless in near bankruptcy.

The ISI have not invited us to contribute to their deliberations, and by this omission they display a lack of impartiality and objectivity which can only damage the ISI's reputation. Its credibility in this matter is already in question when its leading figures are themselves prominent in Eurostat bureaucracy; a bureaucracy which in effect is accountable to no-one. At this point we would note that the preconference document on the 'open meeting' of 26 August includes an indirect threat against statisticians who democratically express their scientific concerns about statistics approved by those unaccountable buraucrats.

If Mr. Georgiou is proved innocent, neither he nor they have anything to fear.

But if he does not defend his innocence, his integrity and that of those above him in Eurostat will be irretrievably tarnished.

Delegates should give serious consideration to whether they can risk having their reputation sullied with splashes of whitewash.

Instead, in the interest of impartiality we would urge you boycott this session.

Ex-Member of ELSTAT

Ex-Vice President of ELSTAT

Letter Two: OPEN LETTER TO INFORM THE GREEK , EUROPEAN AND INTERNATIONAL PUBLIC OPINION

former Member and former Vice ELSTAT

The scandalous intervention of the International Statistical Institute (ISI) towards the Greek Government and Justice so as to put to file the prosecution of Andreas Georgiou, President of the Hellenic Statistical Authority.

With the offensive and outrageous topic on 'Invasion of Justice in the process of statistical production of official statistics ' began in the 59th International Congress of the ISI in Hong Kong (26 - August 29, 2013).

The planned deception of the scientists—Congress participants with lies and slanders against Greece and its scientists requires the COMPLAINT of the President of the Republic, the Prime Minister and the Hellenic Parliament so that the unprincipled and unfounded defense of Georgiou and of those who carried out the statistical alchemy of the calculation of the public debt and deficit with a goal the permanent occupation of our country by foreign powers sucking the wealth of Greece and of our fellow citizens and compatriots finally STOPS.

We condemn the ISI:

For absolute partiality,

For bias in judgment,

For the unscientific support of Georgiou by simple affirmation rather than based on scientifically based positions,

For unethical continuous intervention in the political goings on in our country,

For the intentional concealment of our scientifically based positions which we had sent to ISI when we found out that they had sent letters to the Prime Minister of our country and the President of the Hellenic Parliament pressing for the closing of the criminal case against Georgiou.

We note that we have signaled to them that:

· Heads of Statistical Offices such as ELSTAT do not have immunity, but are subject to the law, as are all employees.

• Mr. Georgiou and those accused with him have an interest in defending their innocence before the law, otherwise their name will remain dirty forever, as dirty will also remain the name of all those at the pinnacle of European statistics and Eurostat trying to get him acquitted by simple assertion.

• After many years when Eurostat turned a " blind eye " to the hiding of debts and deficits of all European member states using creative accounting, in their panic with the economic crisis the bureaucrats of Eurostat used Georgiou to wrongly inflate the debt and deficit for the guinea pig called Greece and lead our country to the Procrustean bed.

• The fact that we were not asked, as Mr. Georgiou, by ISI to present our positions has tainted the name of the institute because it demonstrated ISI's bias and lack of objectivity. But the name of ISI is already under serious question by the fact that the Permanent Representative of Eurostat to ELSTAT, Mr. Hallgrimur Snorrason, is also Vice President of ISI, and its pressing letters to the Greek government are almost a copy of the misleading and the filled with inaccuracies letters to all directions, as well as the interviews, of the Director-General of Eurostat, Mr. Rantermacher, who is absolutely jointly responsible for the wrong overestimation of the public debt and deficit of our country.

• Mr. H. Snorrason did not act impartially during 2010-2011, when the seven - member board of ELSTAT had full legal status. In contrast, his unprofessional attitude culminated in his planning and scheming to help Mr. Georgiou and Mr. Radermacher to abolish the Board of ELSTAT and thus put an end to the independence of the Hellenic Statistical Authority, turning it into One - Person Authority, a unique phenomenon at least in Europe.

• If Mr. Georgiou and those who support him are sure of his innocence, they need not fear so much the law, and we invite them to come before us to justify scientifically their positions, rather than collect signatures from irrelevant international persons so as to support the statistical crime against our country, and threaten to penalize statistics scientists who democratically express their scientific view of the statistics adopted by the Director General of EUROSTAT who is not accountable to anyone ever. If Messrs. Georgiou and Radermacher refuse this invitation - challenge, we can draw our own inferences about their role in creating the nightmarish crisis our country is going through, and in this case an "Invasion of justice" seems to be more necessary than ever!

Finally, it should be noted that Mr. Georgiou, who is already facing criminal charges for false statements to the detriment of our country coupled with the aggravating provisions of the Act regarding defrauders of the state, at this time is being summoned in

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front of the Judicial Authorities on another two accusations, namely : (a) encouraging the staff of ELSTAT to commit the crime of perjury, and (b) attempt to cause unlawful violence against the staff EL.STAT.¹ Does ISI « " believes that this is yet an additional ' invasion of judicial power '?

former- Member of the Hellenic Statistical Authority

former - Vice President of ELSTAT

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 $^{^{1}}$ (note: this is a reference to court proceedings for asking ELSTAT staff to sign a statistical confidentiality statement so as to conform to Principle 5 of the CoP)