

## The Honest Greek.

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He only wanted to help his country. Therefore, the economist Andreas Georgiou went back from the US to Athens in order to lead the statistical authority. Now he is threatened by ten years of incarceration.



Wenn es um  
seine Arbeit geht,  
trägt er selbst-  
verständlich  
Krawatte: Andreas  
Georgiou, 55

The picture shows Andreas Georgiou with a noose around his neck. Underneath it says: "When will they finally judge him?" When Georgiou pulls this out of his papers, he wrestles for composure. "They called me a traitor. I did not protect the interest of our nation, they said. I had ruined Greece through my work."



Hetze im Internet „Wann werden sie ihn endlich richten?“

Georgiou is sitting in his house in a suburb of Washington. His daughter is there and his mother. And still, he seems lonely. A few weeks ago he returned from Greece where for five years he led "Elstat", the national statistical authority. He had taken the job, despite the fact that this meant a break in his career, despite that he was badly paid. "I wanted to help", said Georgiou. Now he has not only left his home country hastily, he must also fear that he lands in jail.

In the case of Georgiou it is painful to see how ready Greece really is to change its system. Many people had been very hopeful almost a year ago when the young Alexis Tsipras was voted in as prime minister. Although Tsipras refused fiercely to yield to budgetary reductions demanded by the international creditors, so that Greece was almost excluded from the Euro-zone. But he also pledged iron will to reform. People trusted him. Because he was not touched by Greece's nepotism and corruption. But the case of Georgiou shows: Under Tsipras, too, little has changed.

Georgiou, 55, exudes a combative correctness. His suit fits him perfectly, in his living room there is a sterile orderliness. He asks whether he should not rather wear a tie for the interview. He would always wear a tie when it concerns his work. It was in the summer of 2010 when Georgiou applied for the chief position of the Greek national statistical authority. At that time he was deputy division chief in the Statistics Department of the International Monetary Fund (IMF). A job that was sheltered from crisis, so well paid that he could afford to buy a house in one of the best areas of Washington. The Greeks offered him 5,000 Euro take home pay a month. For being chief of an agency which at that time had more than 1,000 staff members. "But money was not the issue", says Georgiou. After I had left Greece at the age of 18, I had 31 terrific years in the U.S. Now I wanted to return something to my home country."

The chief of a statistical authority sometimes has more power than a prime minister. On the statistics he publishes depends how a country is being rated in the international markets. Whether government bond prices increase or fall. Whether investors come or go. Whether Brussels decides that the Maastricht criteria for national debt were being met or not. For the chief of the Greek Elstat the

most important moment is twice a year—in April and in October—when he publishes the level of the deficit.

Because so much depends on this work, the EU-countries agreed among themselves on a code of practice which regulates that the statistical authorities have to have unhindered access to all data regarding the economy. And especially—“principle 1”—that the statistical authorities must work independently and must not be influenced from the outside. In Greece this was not so for a long time. “Statistical data were used as a political instrument”, Georgiou explains. Until 2008 the government deficit was regularly understated by about 50%. Sometimes even more. Often, the difference with reality was so outrageous that the EU did not accept the data from Athens. The person in charge of the numbers was not the chief of the statistical authority, but a kind of control committee which voted before the publication of the data. “To vote about data—that contradicts the very nature of statistics”, says Georgiou.



Am Anfang war die Hoffnung: Georgiou 2010 mit dem damaligen Finanzminister George Papakonstantinou



Am Ende blieb nur Streik: 2015 protestieren sogar die Mitarbeiter der Statistikbehörde gegen ihren Chef

He found it humiliating how his home country appeared as a country of tricksters and liars during the outbreak of this crisis. As the president of Elstat, so Georgiou’s thinking went, he had the chance to make Greece a bit more honest. He travelled to Athens, introduced himself to parliament, then he was appointed by the minister for finance. For five years and as good as non-terminable. In his first speech to his staff he said: “We do not just want to correct a few things. We want to be the best.” A murmur went through the hall. Georgiou believed in his words. He hoped for a new beginning. His dream: to found the most modern statistical authority in Europe. “Of course I knew that it would be difficult”, Georgiou says today. “But I thought, two years, then the problems would be solved.”

Already in the first few weeks of his time of employment he encountered resistance. By that time, the deficit of the budget had been drastically corrected. To 13.6% of the gross domestic product. According to the Maastricht criteria, only three percent of new indebtedness is allowed. Georgiou

evaluated the data again and he arrived at a still higher number. His predecessors had not figured into the calculations the losses of the state owned companies. Incomes of ministries were being counted double, returns on investment securities were being valued too highly. According to the accounting of Georgiou, the deficit was actually 1.8% higher. About 4.2 billion Euro.

### **Embittered Feuds**

About these 1.8% a vehement dispute has raged ever since. On the one hand, the EU authorities have rated Georgiou's work consistently as correct. "During my time in the post, of the ten semiannual reports not one was contested", he said. But among the politicians and top managers who formerly controlled the statistical authority, the former IMF-man from Washington made bitter enemies. They claimed that Georgiou manipulated the deficit. Because of his data, Athens had been forced to sign the hated memorandum. Without him, today's measures of thrift, austerity measures, reduction of wages, and dismissals would not have occurred to the extent experienced today. The Athens Bar Association complained in writing to the Supreme Court, after that the Prosecutor pressed charges for damages to the Greek state. This means five to ten years of incarceration.



Die Hoffnung auf den Neuanfang trotz Auch der linke Wahlsieger Alexis Tsipras machte den Überbringer der schlechten Zahlen zum Sündenbock

Until today the accusation has not been dropped. The legal case has been going on since 2011. Not one of the four prime ministers who were in office since the beginning of the financial crisis in Athens supports Georgiou. Not the Socialist Papandreou, not the interim prime minister Papademos, not the conservative Samaras. When Tsipras was about to be elected, Georgiou also hoped for a new beginning. But even during his campaign, Tsipras pronounced: He would clarify, why Elstat had "inflated" the data so much and thus had maneuvered Greece into the "eye of the hurricane". The

speaker of the parliament of his leftist party alliance Syriza said: “If Mr. Georgiou had only a hint of honor in his body, then he would step down.”

Georgiou was a welcome scapegoat for everyone. “There were rumors that I was an agent of the creditors, controlled by Brussels and Berlin.” More and more, he was threatened, at times he was under police protection, when he at night sat longer in his office in Piraeus, or in the morning when he left his house to go to work. In 2014 Georgiou, unnerved, wrote a press release: He did not understand why he would be accused, while those who had for years falsified the data, were left alone. Then one of his predecessors, Nikos Stroblos, sued him on charges of character defamation and he asked for 75,000 euro in damages. That procedure has not been closed, either. In some months Georgiou’s costs for lawyers were higher than his salary. In the name of economization, that salary was reduced from 5,000 to a little over 2,000 Euro. “A bit over 60%, much more than usual in the public sector, says Georgiou. “They tried everything in order to get rid of me.” Why he never gave up? “Giving up is not my way.”

That Georgiou, up to today, has been blamed for the Greek misery proves how little the country has come to terms with its past. Instead of undertaking reforms, the Tsipras government, too, is trying to embellish facts. Always, the other is at fault. At the negotiations about new financial support in April 2015 in Brussels, Tsipras and his then minister of finance Yanis Varoufakis took the floor like accusers. If Greece finally were to rise again, the money givers—the EU countries, the IMF, and the European Central Bank—would have to give up their demands for savings. Tsipras even had his course of confrontation confirmed by referendum by the people. But in the end the new package of 86 billion Euro was tied to severe savings measures. In addition, the parliament in Athens had to agree to strengthen the independence of Elstat.

Up to his last day of work, however, Georgiou did not see any changes. He would not comment on the style of government of Alexis Tsipras. “That is not the task of a statistician”, he says. Actually, Georgiou does not want to settle accounts with anyone. He just wants to save his honor. That’s why he sits in his house in Washington and waits for his next court appointments in Athens. “I will confront all accusations, because I have strictly followed the rules in my work.”

Meanwhile, the search for a successor for his job is going on. But, so far, the right candidate has not been found.

The correspondent for the USA , **Andreas Albes**, has previously reported for *Stern* from Athens. He knows many Greeks who returned to their homeland from foreign countries in order to help. All had hoped for a new spirit of starting over and they are disappointed today. Co-operation: Nikolia Apostolou, Bastian Berbner.