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Dear Expert, Please Cook the Books

Governments love to refer to experts-until their advice doesn't suit.

By ROGER PIELKE JR.

Last week the Greek government brought charges against Andreas Georgiou, the head of its independent statistical agency Elstat, and two of his colleagues for allegedly overstating the country's 2009 debt.

The debt calculations were a critical factor in characterizing the magnitude of the nation's financial crisis and the subsequent responses by the European Union and the International Monetary Fund. For his part, Mr. Georgiou complained after the investigation began: "I am being prosecuted for not cooking the books." By contrast, Greek politicians have argued that the statistical agency was working counter to national interests. One politician said that Elstat was "too focused on the numbers and not enough on serving the country and the government."

This situation is but one of a growing number of recent conflicts found where expertise meets politics.



Associated Press

Greece's former statistics agency chief Andreas Georgiou

For instance, last year in L'Aquila, Italy, six scientists and one government member of the Italian National Commission for the Forecast and Prevention of Major Risks were sentenced to six years in prison for misleading the public about the likelihood of an earthquake. At an ill-timed news conference held before the devastating 2009 earthquake that killed 308 people, local residents were told by one of the experts that they should enjoy a glass of red wine instead of worrying about a natural disaster.

Closer to home, in the immediate aftermath of Hurricane Sandy, New Jersey Gov. <u>Chris Christie</u> issued an executive order classifying the storm as a "post-tropical cyclone" rather than a hurricane, pre-empting the scientific evaluation of the National Weather Service, which has yet to make its final determination. Whether Sandy was a hurricane or not makes a big difference in insurance payouts to individual homeowners. If a hurricane, the payouts would be much smaller. In a letter to the Weather Service, New York Sen. Charles Schumer reminded the agency that its scientific judgments could cost his constituents a lot of money.

Each of these very different cases shares a common characteristic. An institution —Elstat in Greece, the Major Risks Commission in Italy and the U.S. National Weather Service—was tasked with rendering expert judgments as an input to policy making. In each case, that input was thwarted in some way.

Ironically, Elstat was created in 2010 to improve the provision of statistical data to Greek politicians. Before that, "the practice was for the finance ministry's general accounts office to collude with the <u>Bank of Greece</u> to come up with deficit and debt figures ignoring surveys carried out by the statistical service," one economist told the Financial Times.

In Italy, the earthquake experts stand accused of colluding with politicians to convey a reassuring message to the public via a "media operation." The message being sent was motivated, at least in part, by the experts' desire to discredit an amateur earthquake forecaster who had heightened public alarm by predicting a big earthquake.

Dozens of U.S. states have defined a tiered "hurricane deductible" for insurance payouts, several of which rely on scientific judgments of the Weather Service, an agency that was not established for such a purpose. Given the political pressure, it seems highly unlikely that Sandy will be classified as a hurricane in the agency's final characterization.

Political challenges to the use of expertise know no national boundaries and can be found across the political spectrum. And those who diagnose the problem and issue calls to cleanly separate science and politics fail to recognize that the challenge actually lies in the better integration of the two.

Improving the ability of experts to provide input to decision making will require leadership. Politicians must unambiguously and publicly clarify what questions they wish to have the experts address, and the experts must commit to limiting their role to answering those questions—including all of the associated ambiguities and uncertainties—and refrain from using their platform to place a thumb on the political scales.

Strengthening advisory institutions offers the promise of improving the quality and use of expert advice. Rather than sending experts to jail, politicians should be making it easier for their advice to clearly be heard.

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