

The political role of official statistics in the former GDR (East Germany)

by Peter von der Lippe

1. Official statistics of the former GDR as a subject for investigation

a) Object and methodology

Academic publications on the official statistics of the former (East) "German Democratic Republic" (GDR), the so-called 'Central Administration of Statistics' (CAS), after German reunification dealt mainly with 'only' organisational aspects, responsibilities, the internal structure of authorities, the carrying out of inquiries, the control of data flows, and so on¹.

I am convinced, however, that this does not explain the political role of official statistics. In particular, relations between the CAS and the political leadership of the former East Germany along with the CAS' self-image should be considered, and conclusions should be drawn regarding the role of official statistics in a democracy².

This account is based on an investigation entitled 'A reappraisal of the history and consequences of the (former communist party) SED dictatorship in Germany', undertaken by the German Parliament's commission of inquiry in the summer and autumn of 1993³. It showed that official statistics in the former East Germany were almost entirely an instrument of the SED, and that there was no question of their being objective or neutral. The reign of the SED even led to the general public both at home and abroad being deliberately deceived and to a false picture of East Germany emerging in the (former) Federal Republic on the basis of East Germany's official statistics (though not without the ignominious involvement of the West Germans).

The study is based on documents from archives, in particular the CAS archive that came into the hands of the federal statistical office, the FSO, after German unification,⁴ in addition to numerous discussions⁵.

¹ The advantage of this type of approach is that it can hardly be 'unbiased'.

² This paper is in the main based on a revision of my own essay 'Die politische Rolle der amtlichen Statistik in der ehemaligen DDR', in: *Jahrbücher für Nationalökonomie und Statistik*, vol. 215/6 (1996), p. 641ff. It should also be expressly emphasised that the object of my investigation was *not* to make general statements regarding the quality of data published by the CAS.

³ von der Lippe, Peter, *Die gesamtwirtschaftlichen Leistungen der DDR-Wirtschaft in den offiziellen Darstellungen, Die amtliche Statistik der DDR als Instrument der Agitation und Propaganda der SED*, a report commissioned by the German Parliament's commission of inquiry, German Bundestag (ed.), Source Material of the Commission of Inquiry *Aufarbeitung von Geschichte und Folgen der SED-Diktatur in Deutschland*, volume II, part 3, Baden-Baden (Nomos) 1995, p. 1973 - 2193 (hereinafter known as: v.d.Lippe, *Materialien*) also available in paperback edition, Frankfurt/M. (Suhrkamp) 1995.

⁴ I have actually only seen a minute number of these archives. What this means is that the manipulation of statistics set out in this work can only serve as examples. It may also be assumed, however, that the many blatant instances involving the party's control of statistics can no longer be proved and had only been verbally enforced, anyway.

⁵ I discussed these documents with, among others, Prof. Donda in October 1993, who was for many years (from the early-1960s until 1989) leader of the CAS.

b) Standards

It should not be overlooked that - of particular interest to this study - the standards used in East and West Germany were quite different. When measured against the standards of a planned economy, East Germany's statistics were fine. When measured against the standards of a 'Western democracy', however, as they have been repeatedly formulated at international level⁶, they were a glaringly negative model for official statistics. The most noteworthy difference between both forms of standards is that, according to 'Western' (democratic) thinking

- the information given by respondents (*micro data*) is subject to *secrecy* (confidentiality) and may leave its mark on aggregate data (*macro data*) in unidentifiable form only whereas, by contrast,
- statistical findings (*macro data*) are made available to *everyone* and are considered public property, an 'informational infrastructure' that no-one is excluded from using.

In the former East Germany, as in all socialist countries, both principles were completely reversed. Data for *statistical* purposes, for example, was either lauded or criticised by the press⁷. On the other hand, the truthful publication of statistical data was handled very restrictively by the party leadership (in agreement with the CAS).

In a planned economy, statistics are used to rouse the public and to control the implementation of plans. In East Germany they also focused in particular on

- completeness (preference for complete population surveys),
- accuracy (verification of micro data) and
- speedy reporting and efficient processing of data.

The rights of respondents (companies required to report), general information on the public with aggregate data and international cooperation, on the other hand, were of little interest, or were matters exclusively decided upon by the party leadership.

With *these* quality standards, official statistics were first and foremost an extended arm of state authorities that, in the control of information given by respondents, for example, behaved more like the police or prosecution and less like a neutral body or one providing a service for the general public.

c) Judgement and responsibility

One consequence of 'democratic centralisation' or, put more simply, dictatorship, is that responsibility for the improper use of statistics is ultimately difficult to establish, since almost anyone can refer to an 'order from above'. For us this is not of great importance, however, since

1. for the sake of fairness, it should be pointed out that mistakes were made not only on the East German but also on the West German side, and
2. the discoveries made by this examination should not be personalised, but should serve as a 'gauge' for a general, impartial view of the role of official statistics.

⁶ These refer to the code of the principles of professional ethics of the International Statistical Institute (ISI), the principles set out in the UN Handbook of Statistical Organisation and the principles, following the collapse of East Germany, established by the European Conference of Statisticians (ECS).

⁷ Unlike the FSO, the CAS was also responsible for corporate accounting, central data processing and training in statistics in colleges of further education.

d) Conclusions

Discussions of the interrelation between official statistics and the political system, at least in the German Federal Republic and especially in connection with the 1983 census (planned and then prevented by protests), have up to now been much too one-sided and to the detriment of the authorities. I need only recall the strong feelings expressed against a census conducted with data protection. We have a rather exaggerated sensitivity to matters of secrecy of *micro* data, in other words, of individuals' rights. We have no appreciation, however, of the issue of the danger posed to the common good by secrecy or manipulation of *macro* data, when the political powers that be can do this. The admittedly extreme experiences in the former East Germany could help us to rethink our ways and make us aware of the positive critical role of statistics in a democracy.

2. Political instruments of power and official statistics in the former GDR

We will firstly describe the working conditions of statisticians and the instruments used by the party to exert influence on the CAS. Sections 3 and 4 will deal with the consequences that arose from intensifying conflicts with other political interests in the GDR (cf. Diagram 1).

a) Basis: ideological self-image and the Cold War

The ideological self-image of official statistics was a disciplinary factor that should not be underestimated. In the interests of partiality,⁸ Donda wrote to Günter *Mittag* (hereinafter known as G.M.)⁹, after the latter had criticised the public relations work of the CAS, that the view had been reached that it was necessary 'to make better use of statistics as a weapon for rousing the public and propaganda to inform and rally party organisations and all workers when implementing these plans'¹⁰. Objectivity and neutrality were not only discarded but frowned upon as relics of a false bourgeois consciousness. The rare and highly strictly controlled international forays by East German statisticians were denounced as being too 'technically orientated' and the 'great opportunities of portraying the successes ... of East Germany ... (were) insufficiently exploited'.

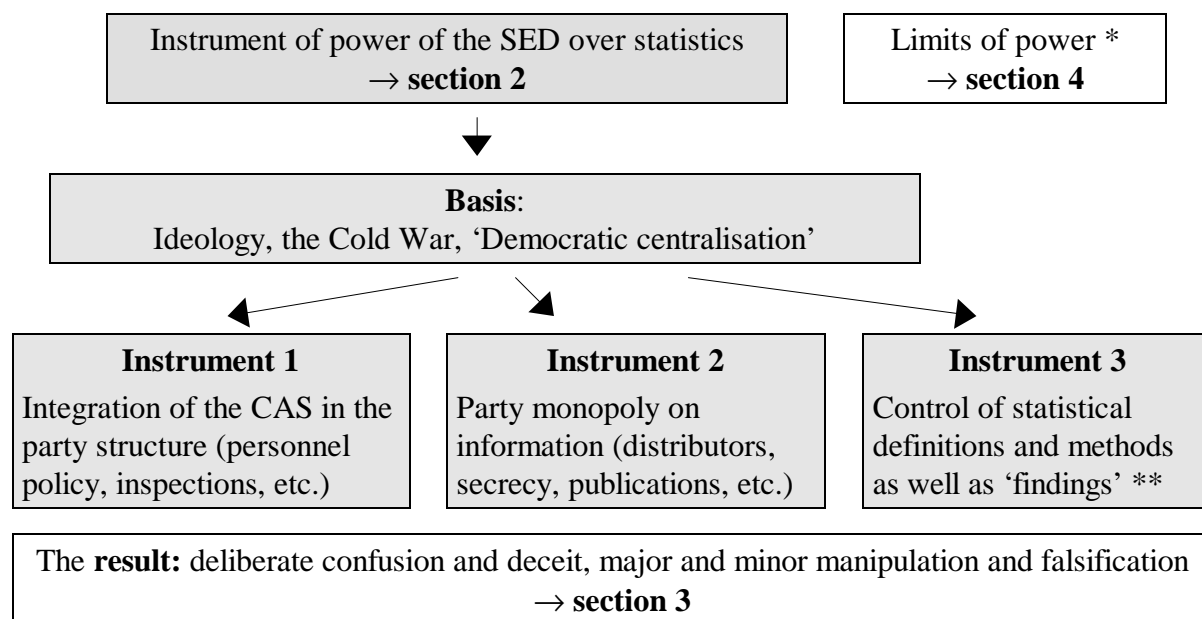
It should be made clear that the CAS continually saw itself as an instrument of the party during the Cold War. It was only after German reunification that many became aware of how much at risk East Germany actually was. Once communism fell, the system of official statistics as an instrument of propaganda could no longer be sustained.

On the rare occasions when there was contact between East and West, which was scrupulously observed by the party, it was invariably clear to the East that they were dealing with the 'class enemy', while their interlocutors from the West were usually seen as politically candid, unassuming and almost naive.

⁸ In addition to this, countless quotations from essays and textbooks on statistics could be cited. There can be little doubt that statistics were considered not only as an instrument of the political leadership, but also as one of propaganda, committed only to the political interests of the leadership.

⁹ Dr. Günter *Mittag* was a member of the Central Committee of the SED from 1962 to 1989 and the Politburo from 1966 to 1989. He was the Central Committee secretary for economics from 1962 to 1973 and from 1976 to 1989 and was generally regarded as the most influential official in all economic issues.

¹⁰ Letter from Donda to Mittag of 25 September 1967.

Diagram 1

* This refers in particular to the 'provision of figures' to the UN and similar authorities that increasingly irritated East Germany and caused it ever greater embarrassment.

** Control right the way down to the arrangement of concrete figures - 'findings' ('revision' of results) for publication or submission to international organisations (see section 3).

For East Germany, dealing with statistics always had a similar quality to the work of the intelligence services. For them, statistics were represented by the motto:

'Any military operation takes deception as its basic quality ... Be extremely subtle, so subtle that no one can find any trace; be extremely mysterious, so mysterious that no one can hear any information.'

as the Chinese strategist Sun Tzu put it over 2000 years ago in his famous *Art of War*¹¹. The last principle mentioned ('be subtle') is also known as the art of making oneself 'invisible'¹². This is the basis for acquiring an understanding of the practice of secrecy in East Germany. Sun Tzu believed that one should pretend to ones opponent to be weaker than in reality. Unfortunately, East Germany found itself increasingly in just the opposite situation, however, having to conceal how weak it actually was.

b) Integration in the power set-up of the party: inspectors under inspection

The CAS was officially an organ of the East German council of ministers. In actual fact, it was spoon-fed down to the finest detail by Günter Mittag, the leading member of the Politburo on economic affairs and Secretary of the Central Committee of the SED. The CAS received instructions from the Central Committee on an almost daily basis regarding studies and queries on reports in the Western press, for example, or on speeches by top officials, and so on. It is interesting to see how reports commissioned by the CAS were in return appraised and criticised by the Central Committee or, more specifically, in Dr. Mittag's office itself. It was

¹¹ In addition, Sun Tzu said that 'if you know both the enemy and yourself, you will fight a hundred battles without danger of defeat; ... if you know neither the enemy nor yourself, you will certainly be defeated in every battle'. East Germany found itself in the second rather than the first position, however, not least due to its tendency towards secretiveness and its manipulation of statistics.

¹² This, incidentally, is a leitmotiv in the business practices of Chinese expatriates, cf. S. Seagrave, *Lords of the Rim*, London 1997 (first pub. 1995).

not uncommon for them to be methodically criticised and referred back with instructions for resubmission. In all this collusion, the CAS gave the impression more of being a private research institute for G.M. than for a government office. Exclusive information was frequently given to G.M. (without including other top officials).

Another important instrument was the personnel policy and the control or political patronage in the office's decision-making regarding all external contact¹³ (the media, foreign countries, etc.). Attitudes, movement, travel, contact with the press, and so on, were possible only with the party's consent. The party also decided on the slightest details in its dealings with the public. While studying the files of the CAS, I was often surprised by the extent of the immaturity of even senior officials. There are numerous questions about how to react when making contact with foreign authorities. The party, almost as a rule, prohibited any cooperation¹⁴. Such questions were decided exclusively on the basis of political usefulness.

Even during domestic appearances by statisticians, e.g. before the press, the party continually suspected them of being immature, incompetent or even politically unreliable and treated them accordingly. Statisticians were required to comment on their figures in a 'constructive' and 'forward-orientated' (literally *vorwärtsweisend*) manner, as the contemporary 'technical term' put it, even when that was not what the figures suggested.¹⁵ Their documents were drawn up word for word by the Central Committee with a predetermined picture to be given with words and figures, which had to tally with the assessments that the Secretariat of the Central Committee had already submitted.

Where there was divergence between the CAS and such figures, it was the statistics that had to be adjusted to those of the party, and not the other way round. Statisticians led only by political opportunism had often made relevant proposals themselves. For example, the party gave the rate of growth of national income in the first half-year of 1988 as 4%, while the statisticians calculated it as 4.5% and Donda proposed publishing it as 4%, not because of any methodical doubt over the 4.5%, but since 'according to our calculations this pace of economic growth cannot be sustained in the second half-year'. If it was necessary to prevent misinterpretation and the improper use of official figures, a commentary and further analysis were required, as was the practice in other instances. But the figures were not changed. The figures themselves were never decisive, only their political effect. Another example of this:

'In 1988 some important targets of the law on the national economic plan for industry were not achieved ... We consider it necessary to pinpoint the main reasons for the non-achievement of performance and efficiency targets, as we can expect reactions on the part of our class enemies, which could be misused as speculation against East Germany.'¹⁶

The creation of secondary and controlling devices was also an instrument of power. Originally included in the principles of accounting and statistics were, *inter alia*, the prohibition of double data collection, which was highlighted as a particular achievement of the socialist statistical system. In actual fact, technical centralisation was continually breached and not only the party,

¹³ Two cases of dismissal of branch managers were to be found in the files of the CAS, one after 15 and the other 25 years of service in official statistics in East Germany, and both owing to contact with the West. These dismissals were for reasons such as staying in touch by post with a sister-in-law who had fled the Democratic Republic. On top of this, pleas for dismissal on *personal* grounds were rejected, and the reason for the dismissal was left as 'unsuitability' with the corresponding consequences as far as pension provisions were concerned.

¹⁴ This should also be considered to get a correct view of what happened when a representative of the DIW was invited, as described in the appendix.

¹⁵ For some examples of such 'forward-orientated' wording, cf. section 3d, Table 1.

¹⁶ Letter from Donda of 14 December 1988.

but also the ministries carried out separate inquiries, against which they could, to a certain extent, check the data of the CAS.

c) Monopoly on information, distributors, secrecy and two variants

The SED managed to control the public dissemination of statistical data completely at its own discretion. The instrument it used was the so-called ‘distributor’¹⁷, who made it possible to transmit specific statistical information either fully or partly, dressed up or not, to the authorities required, or to deprive them of such information. In the West it has not been uncommon

- to consider the cover-up or dressing-up of statistics as less critical than the falsification of statistics and
- to knowingly think of secretiveness as where a little may have been published, but that the little in the way of data that was published was correct within the framework of the underlying definitions and methods.

It turned out that both were completely flawed and that the following hypothesis of the German Institute for Economic Research (DIW)¹⁸ was wrong

‘..it says something for the correctness of statisticians, however, that documents, models and forecasts on economic policy decision-making in East Germany were chiefly drawn up with the use of published material. Consequently, the use of official statistics seems justifiable.’¹⁹

This argument did not hold water since, as we now know, the party²⁰ at least was in possession of and used figures other than those that were published.

Data secrecy had always been a ‘disease’ of East German statistics. The state archives in Potsdam contain many letters from the early-1950s, not only from West Germans or ‘ordinary’ East German citizens, but also from East German state bodies or prominent representatives of official statistics abroad (e.g. Gini in Italy) requesting the transfer of data, which was rejected almost without exception.

Within the CAS there were different levels of secrecy, ranging from NFD (= for official use only) to GVS (= information classified as secret) and the general political climate also gave rise to a great readiness among the people to consider statistics in general as a state secret. It could be said almost as a rule of thumb that, the more aggregate, complex and analytical the compilation of figures, the higher its degree of secrecy.

It may be difficult in the West to imagine the effect of this secrecy and ‘vigilance’ towards the enemy, but it contributed considerably to uncertainty and fear and created a bad image of statisticians.

The party’s control over the distributor became increasingly rigid over the years. The CAS had to submit a proposal to the distributor, which then had to be approved. Different variants were submitted for the more explosive reports (for internal purposes and for public relations work),

¹⁷ He laid down in detail who should obtain what statistical information (tables and analyses).

¹⁸ In fairness, however, it should be added that this was the thinking of not only the DIW but also of broad sections of Western economic research.

¹⁹ The German Institute for Economic Research (ed.): *Handbuch DDR-Wirtschaft* (updated edition), Reinbek, near Hamburg 1977, p. 102; similar observations can also be found in the volume produced by the DIW in *Materialien zum Bericht zur Lage der Nation im geteilten Deutschland 1987*.

²⁰ This does not apply in every case to the state leadership.

which allowed varying degrees of insight into the matter. It can be shown that it was not uncommon not only for the public but also for state bodies to learn of only 'half-truths', if not misinformation. This shows the concerns already mentioned and often expressed in the West regarding the reputability of published data to be unfounded.

d) Party control of definitions and methods, limits of power

The party's spectacular intrusion in statistics naturally included the laying down of statistical methods and findings. After reunification it became known that there were regulations regarding how particular findings of inquiries were to be defined so that the corresponding counts would lead to the big or small figures required by the party. The best known instances of this include the wide-ranging terms for 'prefabricated buildings'²¹, 'industrial robots', 'microprocessor techniques' or 'CAD/CAM systems' as well as considerable intervention in the definition of industrial goods manufacture and a corresponding measurement of productivity after the formation of combines in the late-1960s²².

Much of this has become well known and is well documented elsewhere. However, the circumstances should be pointed out where

1. such intervention by the party seems to have gone back further than was previously assumed. (They were by no means just a product of the policy enforced by G.M. for raising the profile of East Germany in the high-tech sector in the 1980s.)²³
2. the extent of overestimates of East Germany made in this way were actually considerably higher than previously suspected in the West. For example, in 1982, the number of 'industrial robots' according to the common international definition as against East Germany's was 1:17. In other words, the misinformation established quite *consciously* in this manner was *considerable*.

It was no coincidence that the party intervened in indicators of the social situation of the population (house-building) and the international standing of East Germany as a modern industrialised country. The more East Germany strove for its reputation and the more discernible it became that its great technological leap forward had not succeeded, the greater the dilemma it found itself in (cf. section 4):

- on the one hand, it wished to be described in the statistics of international organisations 'as a developed socialist industrialised state',
- on the other, it also wanted to play it close to its chest.

The 'provision of figures' was increasingly a thorn in the side of the political leadership. It is also interesting to note that East Germany became increasingly isolated within COMECON regarding such matters as the definition of 'industrial robots' and it must have felt especially let down by the Soviet Union.

Questions of definition were often 'resolved' by the Central Committee alone (or by G.M. himself). At any rate they were decided there. Often, however, relevant proposals and reactions were made by statisticians.²⁴

²¹ Another well known instance is the celebration in October 1988 of the opening of the three millionth prefabricated building since 1971, when it was actually only the 1.9 millionth.

²² They were so considerable that Donda even promised that disciplinary measures would be taken.

²³ For example, it can be shown that in October 1968 the CAS had been commissioned to determine a Central Committee-approved 'level of mechanisation' and to present data in such a way that bad investments would be less recognisable. What stands out when reading such instructions from the party to the CAS is that the primary concern was with what the statistics should show in terms of *findings*, while the *means* of arriving at these findings were of secondary importance.

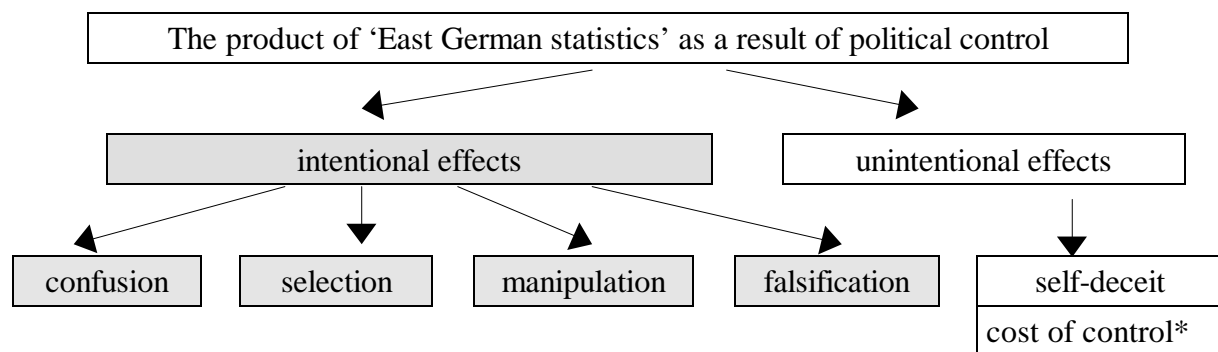
3. The result: confusion, manipulation and falsification

a) Overview

In this section it will be shown how, following party instructions and proposals made by statisticians, the capitalist ‘class enemy’ was consciously deceived with confusing terms and methodical tricks. This went as far as ‘revising’ figures that had been correctly determined for publication upwards or downwards by certain figures, so that we can rightly speak of ‘falsification’. It is also interesting to note the blatant efforts made to hush this up.

There was at least one case of genuine falsification²⁵, which was the provision of foreign trade data to international organisations. An example of this (from October 1987) can also be seen in the documentation for this paper²⁶. This involved routine proposals on those figures relating to East Germany’s foreign trade, in particular with the NSW²⁷, COMECON²⁸ and the UN, that were to be submitted. These proposals had to be submitted to the Central Committee of the SED for approval and to be agreed upon with a number of top politicians.

Diagram 2



* i.e. the enormous cost of cover-up, secrecy and prevention of the disadvantages of misinformation at home

Falsification is of course a particularly blatant offence in statistics, but a number of basic and less serious practices that at first sight may seem rather ‘harmless’ (an assessment I do not share) should also be dealt with.

Finally, it is also interesting to note that the political harnessing of statistics can also lead to misjudgements and embarrassing self-deceit, regardless of the fact that such a system, even without outside pressure, due to the enormous cost of control alone, cannot survive on a permanent basis. It also has many other drawbacks of a somewhat more subtle nature.

²⁴ There are countless examples of the first variant. There are also some of the second, however. For example, in two letters to G.M. of 18 October 1985, Donda seems to have personally argued for a *broad* definition when defining CAD/CAM (and against objections from other state authorities, cf. v.d.Lippe, *Materialien*, p. 2002).

²⁵ Another case appears to have been the report on environmental pollution in East Germany, where, according to H.F. Buck, on instructions from the board of the council of ministers ‘falsified data on sulphur dioxide emissions’ were published and continually ‘admitted only as much as the West believed to be true’ (in a commission of inquiry paper in a hearing of 5 February 1993, cf. *Materialien*, Volume II/1)

²⁶ In the printed version of the report (v.d.Lippe, *Materialien*) considerably more occurrences of this kind are revealed (p. 2149- 2173).

²⁷ Non socialist economic territory.

²⁸ Council for mutual economic assistance.

b) Creating confusion

East Germany managed to use certain terms in order to create deliberate misunderstandings and ambiguities among foreign users of their statistics. The two best known examples of this are:

- The term *Non socialist economic territory* (NSW), which was often misunderstood as ‘capitalist industrialised country’ (excluding developing countries) or hard currency countries²⁹.
- The so-called ‘*Exchange mark*’ (Valutamark - VM)³⁰ continually caused Western observers great difficulty, since its equivalent value in ‘East German Marks’ or in a hard currency was usually unknown; the conversion factor would fluctuate and was kept secret.

The exploitation of predictable and rather obvious misinterpretations in the West in foreign trade statistics (it is significant that Donda should have spoken of ‘intentional’ ambiguities in this field³¹), was rather skilful and clever and achieved its desired effect³².

c) Selective publication

Evidence could be provided of prohibition of publication of the following: data on emigration, journeys abroad and suicides, along with the quantitative expansion of the high-school leaving certificate, or Abitur grade, in secondary schools at the behest of Margot Honecker. Following instructions from Mittag, from 1975, imports and exports were no longer separated in figures on foreign trade, but only the *total* foreign trade balance (imports plus exports) was disclosed. This meant that it was impossible to recognise the *balance* of trade, as the professed aim was to conceal it.

Furthermore, on account of the so-called ‘central stipulation’, records of foreign trade to third countries were restricted in 1975³³, and it appears that, for a brief time, the contribution of economic areas (sectors) to total corporate output was not published (e.g. in the 1983 StJB). Another taboo area was employment in the so-called x-field, i.e. the People’s Army, the police, uranium ore-mining, arms factories, national security service, etc.

d) Manipulation of words and numbers

A number of probably very widespread practices used by East German statisticians in their publications will be taken up briefly below. Though not as spectacular as falsifications, for example, more often than not they managed to fulfil their political aim.

1. ‘Forward-orientated’ texts in ‘public relations work’

As already mentioned, written commentary on statistics was very important for the SED. It meant that they could have the last word, and the appropriate CAS proposals were continually

²⁹ For Western observers, but not for East German citizens, it may have seemed unusual that trade with the Soviet Union could count as trade with the NSW when it was carried out in roubles;

³⁰ The VM will be discussed in greater detail in part f) of this section.

³¹ cf. the text of the communication relating to a visit from Dr. Cornelsen, printed in the appendix.

³² I have only ever described statistical practices in East Germany where I could support them with documentary evidence and inspection of files has only ever been very fragmentary. Foreign trade is probably only one example of cover-up. Confusion has been documented in literature in many other areas. For example, misleading price statistics or budgetary figures seem to have been given.

³³ Overall this amounted to a reduction of over 50%.

checked in detail by the Central Committee. Nowadays, the relevant examples (cf. Table 1) will seem somewhat amusing, but considerations such as

- publish or not publish?
- report absolute figures or only rates of increase?
- provide commentary or not? If so, how should it be worded?

at the time played a *very* important role.

Such manoeuvres may seem harmless, but on closer inspection, they are not. The overriding aim of statistics is to paint an accurate picture of the overall situation. This is done in various ways. Figures are only one means of achieving this aim, albeit the typical means of statistics in a narrow sense. The textual commentary of methods and findings is also part of it, however³⁴.

Nowadays, it is not so easy to understand why leading representatives of the West German research unit on East Germany believed a valid description of the state of the East German economy could not be inferred from the ‘New Germany’ (newspaper), but could well be inferred by using the statistics published by the CAS, since ultimately both (the newspaper and the official statistics) stemmed from the same source.

Table 1: Some examples of ‘forward-orientated’ wording

| Reality | Written proposal |
|--|--|
| Non-fulfilment of large sections of the plan | ‘to be published, although in some cases we can expect reactions from the class enemy’ |
| Drop in prime costs: plan 2.3% actual only 1% | it has ‘become apparent that further provisions for reducing costs must be found’ |
| Output in the chemical industry, plan: +11.9%, actual +2.6 % | ‘Measures have been implemented ... to increase performance’ |
| ‘The contribution of science and technology ... has diminished since 1986’ | ‘Returns from ... peak technical and scientific output ... can be further increased’ |

2. Explanations intentionally omitted

An example of shady practice is when methods and terms are deliberately left unexplained or when an alteration required in the absence of an answer is indicated with a footnote in the overall account ‘of all the CAS’ source documents’ but not in the tables for public relations work³⁵.

3. Choosing the base year

By choosing an inappropriate base year for measurements and indices one can be sure of achieving certain effects. For example, Donda once recommended choosing the base year 1949 instead of 1950, since ‘the growth rates ... (were) considerably higher’. Erich Honecker seems to have gone along with this recommendation on the 40th anniversary of East Germany in his ceremonial address, as can be seen by reading one of his speeches.

³⁴ It is probably even more decisive for forming an opinion, since most people find it easier to take in texts than bare figures. For this reason, one-sided textual commentaries are also a form of manipulation of statistics that should be taken seriously.

³⁵ The point here was that a table, unlike before, did not include data on a certain combines, because the combine had apparently given the wrong information.

4. Altering the choice of goods

The following is a very popular method of data manipulation without changing the figures, in other words without direct ‘falsification’:

- in CAS draft reports of output figures for G.M. only those goods were listed where output had risen in terms of volume. Goods whose output had dropped were clearly indicated but were not mentioned in the publications³⁶,
- a similar practice in the area of price statistics involved routinely changing the choice of goods in absolute published prices, so that only those goods appeared in the list where the price had dropped or at least remained the same.

This last tactic is comprehensible even to outsiders by comparing the East German statistics yearbooks (StJB). For example, the 1988 StJB, unlike the 1987 one, no longer contained the following goods, whose price had apparently risen:

Men’s casual suits, cardigans, pullovers, dress shirts, small typewriters, stereo-audio systems.

Instead, the 1988 StJB included the following new goods³⁷:

Men’s short socks, adults’ track suits, plastic bins, matches.

It should be mentioned in passing that perhaps few advocates of ‘chain indices’ are aware of the fact that, even with such a seemingly advantageous method, the choice of goods and the remaining bases of price surveys (for example, the choice of businesses responding) could be changed at will. Obviously, this does not occur in order to ‘fudge’ price increases, but in the interests of the particular current basket of goods. Unfortunately, only very few people realise that this can damage comparability or even pave the way for manipulation³⁸.

5. Base-adjusting

If a growth rate should be higher than it actually is over the previous year’s, obviously it is arithmetically possible to simply reduce the previous year’s figures. In East Germany, this was known as ‘base-adjusting’ (literally *Basisbereinigung*)³⁹. The term can also be found in the files, together with formulations such as the following:

- to ‘ensure the scheduled growth rate’,
- the ‘scheduled’ base-adjusting is no longer possible, as the previous month’s figures are already in Geneva, and
- the provision of figures could be delayed for one or more months and ‘the adjustment between the monthly indices that is appropriate’ where a drop is only temporary could then be checked.

³⁶ In one document, the reference ‘not published owing to a fall in output’ is even explicitly quoted.

³⁷ Not listed in the 1987 StJB.

³⁸ It is also highly peculiar that, at Eurostat, the greatest efforts are made purely in the interests of price comparisons to attain countries’ lists of goods in international comparisons and not only that there is seen to be nothing dubious about the formation of chain indices with continually changing goods baskets, but that this is seen as progress.

³⁹ Another form of manipulation is ‘plan-reduction’ (literally *Planpräzisierung*), i.e. the reduction of plan values so that with the same actual figures achievement of higher targets is attained.

e) Falsification of figures for international organisations

We shall confine ourselves to the description of one case of falsification. ‘In the interests of showing an export surplus’, as we shall see⁴⁰, a number of changes were made to the half-yearly results (first half-year of 1987: exports + 2.2 billion VM⁴¹ and imports + 1.1 billion VM), which overall turned an import surplus of 250 million VM into an export surplus of 850 million VM. Accordingly ‘revisions’ of the same amount were proposed for the first three quarters, which would have transformed an import surplus to the value of 579 million VM into an export surplus of 521 million VM.

As such this is not too dramatic, as there was a whole series of such occurrences⁴² that led to the UN and COMECON being informed. What makes this case interesting, however, is the fact that G.M. apparently intervened because he would not accept a balance of + 521 million VM, demanding one of + 910 million instead. This balance would then be disclosed and submitted to international organisations. Furthermore, it is quite amusing to see how easily the required balance of + 910 million VM was ‘produced’ by the CAS: only on page 2 of the original draft were imports reduced from 18428 to 17893.⁴³

It could be perfectly well imagined that these ‘revisions’ were not malicious falsifications, since the CAS may not have been informed of all East German foreign trade with the West as, for example, they had no data on the military sector or only obtained certain data later on⁴⁴. If that were the case, then certain statements in the files would sound at the least slightly unusual:

- ‘Judging from the previous years’ experiences, the modest rise possible in the actual data is a prerequisite for being able to publish credible findings in the future’, or
- ‘It will be ensured that the revisions to be made ... cannot be checked by the organs of COMECON and the UN’,
- in order to attain ‘a justifiable rise in exports’ or
- ‘In the interests of providing evidence of an export surplus and in accordance with the development of data to be reported...’
- ‘No inconsistencies should arise regarding any data published in press reports owing to this practice’ and
- ‘In the proposal ... it was assumed that ... this finding could be understood using data on the exports or imports of partner states. For this reason ... I do not think it is possible to work with an even higher level of revision’, or there is talk of
- a ‘reduction’ (instead of revision), which was necessary to ‘guarantee the data required on growth and the balance of trade’.

⁴⁰ on the first page of the document enclosed with this paper.

⁴¹ For the exchange mark as a unit of currency in East German foreign trade, roughly the following conversion rate applied: 2.776 VM = 1 US \$. The abovementioned ‘revisions’ therefore amounted to a balance of + 306 million \$, instead of - 90 million \$, which was not insignificant, as with this revision, East Germany’s exports to the West increased by about 20% over this period.

⁴² They are set out in detail in the printed version of the expert’s report, together with numerous calculations showing the problems that the revisions of an earlier period led to in later times. Situations arose in which the ‘revised’ growth rate of exports in the NSW was smaller than if earlier revisions had not been made.

⁴³ Incidentally, a calculation error occurred here: 2044 - 910 = 2954, and not, as seen on that page, 3054 (it was later corrected when being typed up, however).

⁴⁴ Another example is the special business of Shalck-Golodkowski.

What the above statements may actually mean will only become clear when a closer look is taken at some of the figures that are compiled in Table 2.

Differences in the wording of the documents reproduced here should also be noted⁴⁵. The CAS's original document (of 16 October 1987, balance of trade + 521) says:

'For an export surplus to be reported as at 30 September, it is proposed...'

while the amended version (of 30 October 1987 with the balance of + 910 requested by G.M.):

'On central instructions, an export surplus of + 910 million VM will be scheduled for 30 September'.

Table 2: East German foreign trade with the NSW in millions of VM

a) *Yearly results*

| Year | actual figures | | | reported figures | | |
|------|----------------|---------|---------|------------------|---------|---------|
| | Exports | Imports | Balance | Exports | Imports | Balance |
| 1987 | 23633 | 25583 | - 1950 | 28033 | 26683 | + 1350 |
| 1988 | 23700 | 27100 | - 3400 | 27300 | 27100 | + 200 |

b) *Quarterly results 1987*

| Quarter | actual figures | | | reported figures | | |
|---------------------|----------------|---------|---------|------------------|---------|---------|
| | Exports | Imports | Balance | Exports | Imports | Balance |
| 1 ^a | 5166 | 4637 | + 529 | 7035 | 6506 | + 529 |
| 1 ^b | | | | 6666 | 6137 | + 529 |
| 1 to 2 ^c | 10602 | 10826 | - 224 | 13202 | 12426 | + 776 |
| 1 to 2 ^d | 11065 | 11315 | - 250 | 13265 | 12415 | + 850 |
| 1 to 3 ^e | 16603 | 17182 | - 579 | 18803 | 18282 | + 521 |
| 1 to 3 ^f | | | | 18803 | 17893 | + 910 |
| 1 to 4 ^g | 23950 | 25250 | - 1300 | 28000 | 26850 | + 1150 |
| 1 to 4 ^h | 23633 | 25583 | - 1950 | 28033 | 26683 | + 1350 |

a CAS proposal of 20/21 April 1987, increase in both exports and imports of 1869 million VM

b CAS proposal of 24 April 1987, increase in both exports and imports of 1500 million VM

c Proposal of 29/30 June 1987

d amended version of the proposal, communication of 15 July 1987; figures also confirmed in a communication of 14 December 1987, where the balance of + 850 (instead of +776) seems to have been reported. These are the figures to which the abovementioned authority referred.

e CAS proposal of 16 October 1987 (only a *proposal* for reporting the figures)

f amended version of 30 October 1987, *after* Güstav Mittag intervened on 30 December 1987 (910 is the balance actually reported)

g the whole year of 1987, CAS proposal of 17 December 1987

h amended version of the proposal, communication of 20 January 1988 (the balance actually reported)

It can be clearly seen from Table 2 that G.M. arranged for a balance of + 910 to be reported. The reason for this 'recommendation' seems to have been to reveal:

1. an increase in exports in the NSW
2. a foreign trade surplus over the NSW and also

⁴⁵ cf. document appendix to this paper.

3. an increasing export surplus over the course of the year.

Consideration of all these restrictions is a very interesting problem mathematically speaking. Number 1 meant that export figures often had to be revised upwards, although it would need to be ensured that an increase over the previous year's *revised* figures would need to be revealed. Without simultaneous upward revision of the import values, however, some foreign trade surpluses (objective No 2) would probably have been implausible. Consequently, revisions of exports would have to be made even bigger, and imports even smaller, since the deficit in foreign trade with the NSW was growing more and more. Objective No 3 led to the following restriction: if the balance had been + 521 and not + 910, the West could think that East Germany had ended the third quarter of 1987 with a balance of $- 329 = (521 - 850)$; in other words, the balance would have to be greater than 850 at least⁴⁶.

In the East German statistics yearbook of 1990, the foreign trade figures of previous years were reported. This revealed that the state of East German foreign trade in relation to Western industrialised countries was precarious as far back as 1986, whereas in actual fact, until the fall of East Germany, seemingly great export achievements had been reported (and were even believed by the West)⁴⁷. It can even be assumed that senior officials themselves had been deceived.

f) Inadvertent consequences, some rather more subtle aspects

1. The absence of a critical public

Statistical offices in the West are usually not only obliged by law to plan and conduct their inquiries while being careful that the methods they use are appropriate, but also to try and gain acceptance among respondents. In addition, they must lay themselves open to criticism, even regarding their methods. By contrast, the CAS was completely free from such obligations. Both 'personal relations work' and openness towards criticism (if there was any) of data collected, methods and analyses were a matter for the party alone. Official statistics in East Germany had no reason to 'fear' criticism from this end. This is a factor that may, at least subliminally, also be relevant to the events set out below.

2. Self-deceit

It says a lot that the CAS was genuinely convinced that East Germany fared better in international comparisons than was actually the case. For example, calculations were submitted to the Central Committee alleging that East Germany had outstripped the United Kingdom in terms of per capita national income (not per worker) and Italy in terms of labour productivity *and* prosperity.

Moreover, in 1985, the CAS submitted a calculation in an internal paper to the Central Committee alleging that labour productivity in East Germany was higher than in Japan in 1970, 1975, 1980 and 1983, a country whose labour productivity was placed at the low level of the former Soviet Union.

Such blatantly false estimates are only really possible after years of living behind an impenetrable wall, avoiding all communication with a critical public or foreign countries, as the Devil avoids holy water.

⁴⁶ The question of why G.M. arranged for the 'recommended' 910, and not, for example, 890 or 960, to be given, remains unanswered.

⁴⁷ It is interesting to note here such 'revisions' of imports of oil and exports of oil products, since in the West far-reaching conclusions had been drawn on the basis of such (seemingly manipulated) data (cf. v.d.Lippe, *Materialien*, p. 2017, 2022).

3. Deceiving with correct figures

Finally, another aspect that borders on statistics should be addressed. To give just one example, it is quite fitting that East Germany, in the late-1980s, should have had more economists, researchers, and so on, than the Federal Republic (though this is also a matter of definition). While this was not untrue, it was a falsification, as there is plenty of evidence to suggest that these people were not very effective.

4. Incorrect data as a basis for statistics

There is ample evidence that major errors emerged when collecting data in East Germany since, in a command economy, there is a great tendency to create false data. If the data are already incorrect when being collected, however, then an authority that collects *this* data quite correctly and seriously can also create a false image and be an instrument of misinformation, even with a clear conscience.

g) Errors, falsifications and lies in statistics

This raises the question of the difference between the *errors* that have been discussed and *falsification*. The deciding factor is the purpose being pursued. Errors are an issue, a very central issue, in fact, in statistics, but falsification is not. Errors are usually unavoidable, morally harmless and do not bring statistics into question; the same cannot be said for falsification.

If you take into account the intention of the aim pursued by this definition, you are entering difficult terrain. A legitimate task of economic statistics can be seen, that of gaining 'selective knowledge' that can be used to support arguments. If this was dispensed with, statistics would be deprived of a large share of their 'practical' use. In this regard, statisticians behave like lawyers. A lawyer's job is not to describe the legal position, but to find and present legal arguments to support his case.

In my opinion, the rubicon will be crossed once this view is adopted in *official* statistics. To use the same metaphor, their task should be to describe the legal position.

It is well known that lay people are quick to call any form of statistics *lies* which, in a broader sense, means falsification, including as it does, for example, the improper and naive and not only malicious tampering of statistics, but even the voluntary 'self-deceit' of those who believe the figures, as in the case of the CAS (or even in the case of the West German DIW).

Another question is whether lies understood even in this way on the part of users of statistics are more forgivable than on the part of producers, since more specialised knowledge is expected from the latter. But what constitutes specialised knowledge or knowledge of methods, when even the subject or the methods are not undisputed?⁴⁸

Apart from deliberate falsification, there were many other, milder forms of shady statistics which, in my opinion, were wrongly dismissed as trivial offences. Here, too, with knowledge of the true picture, attempts were made to create a false image among the public with the authority of official statistics. It is unacceptable to *knowingly* use, for example, non-publication, misleading terms, ambiguous definitions and inadequately explained methods and definitions in order to deceive the 'class enemy'. For these are the simplest and least transparent ways to falsify statistics. Unlike blatant instances of falsification, such offences require no costly cover-up and there is no need to worry whether the figures are consistent

⁴⁸ One may also wonder whether 'extreme value-adjusting' (literally *Extremwertbereinigung*) or other practices verge on manipulation.

with other figures or over the course of time. There is also little or no cause for having any scruples. Nevertheless, such behaviour is also reprehensible, since it ruins the reliability of official statistics. It is very important to have official statistics and to be able to rely on them.

4. The West and statistics in East Germany

The role of the West is double-sided. On the one hand, it was both a user of statistics and partly even an interlocutor with statisticians in the East, and it seems that it did not especially distinguish itself in this role. On the other, the West had set up a network for international cooperation that was positively shaped by its spirit of democracy and transparency. It was in this role of pacesetter for international cooperation that the West made a decisive contribution to the collapse of a statistical system such as East Germany's.

a) Analyses of the deceived West German 'class enemy'

A fair 'reconstruction' of the East German chapter in the history of official statistics in Germany in my opinion also requires an examination of the West German side. Here, the problem is not so much that from today's standpoint much has revealed itself to be political naivety and misjudgement (one is always wiser with hindsight). The problem is rather that those responsible have so far not (or at least not very noticeably) owned up to their mistakes. Immediately after the collapse of East Germany, they even quite openly presented accounts of the extraordinary degeneracy of the East German economy, while only a few months earlier, they themselves had declared it to be in reasonably good health.

The letter quoted in the appendix from Dr. Cornelsen⁴⁹, at that time leader of the East German working group in the German Institute for Economic Research (DIW), to Prof. Donda (of 23 December 1985) and his reaction in the form of a letter (of 2 January 1986) to the Central Committee of the SED shows clearly the (self-inflicted) dilemma faced by Western analysts. There is no disputing the fact, in my opinion, that studies by the DIW supported by East German statistics were often erroneous⁵⁰. This was not completely irrelevant, considering that these studies decisively shaped the official picture that the former Federal Republic had of the East German economy. Moreover, in the late-1960s and early-1970s, there were factional disputes among West German researchers on East Germany, with the DIW movement that advocated an unbiased observation of East German economic development using statistical comparisons coming out on top, though not without opposition.

In the light of these preliminary remarks, I find it regrettable and even alarming that

1. such an approach firmly committed to the use of statistics could misjudge the situation in East Germany far more than other movements relying more on verbal arguments,
2. representatives of analyses that preferred to use statistical arguments did not judge the official statistics of East Germany with the necessary distance.

on 1:

⁴⁹ It is commented on in detail in the full version of my study (in the Commission's *Materialien*), cf. v.d.Lippe, *Materialien* p. 2015 to 2918. In order to prevent any misunderstanding, it should be emphasised that this practice has no overall effect on the DIW's image and that the DIW's works on East Germany published at that time were highly regarded.

⁵⁰ This is set out in detail in v.d.Lippe, *Materialien*, p. 2044 - 2077 (Chapter 4), and I have also set out a number of official statements by the West German government regarding the East German economy supported by work by the DIW in a book contribution: cf. P. v. d. Lippe, *Materialien zum Bericht zur Lage der Nation im geteilten Deutschland 1987 als statistische Grundlage für die Staatsverträge mit der ehemaligen DDR*, in: G. Gutmann u. U. Wagner (ed.), *Ökonomische Erfolge und Mißerfolge der deutschen Vereinigung, Eine Zwischenbilanz*, Stuttgart, Jena, New York 1994.

It is now quite easy to see that an attempt by the West to gain an unbiased view of East Germany using 'in-built' East German statistics, with a high degree of understanding of their problems and with a more technocratic outlook was not suitable in order to be able to see through the dressed-up self-portrayal of East Germany⁵¹. In addition, the lack of data was all too often seen as a problem, when in actual fact the problem was more an inability to gain an appropriate view of the structural differences when interpreting economic statistical data.

There will always be errors owing to an insufficient control of the comparison of international statistics, and comparison with a *socialist* country should no longer be an issue. The problem is not so much the errors themselves as, like I said, the way one deals with ones errors with hindsight.

on 2:

It is not without irony that an institute describes its 'line' as follows: 'We fundamentally believe that the figures officially published by East Germany are reliable.'⁵² Not only was this line blatantly untrue⁵³, it could also have been misused by the CAS in its purely political public relations work, which is actually what happened:

In this regard, the following sentence by Donda seems to me especially noteworthy: 'Therefore, a plausible explanation will be given for the deliberately ambiguous or incomplete data on East German foreign trade that we may fall back on, if necessary.'⁵⁴

Even more audaciously, Günter Mittag turned the truth on its head. In his apologia, Um jeden Preis (literally 'at any price') he refers to a newspaper article by Dr. Cornelsen from October 1989: 'And so a West German expert refutes the myth of the deliberate falsification of figures.'⁵⁵

Let's not forget that the man writing was the same man who 'recommended' revising East Germany's foreign trade figures to + 910 million VM.

b) Transparency and cooperation in the Western world as a barrier to party influence

East German involvement in international organisations (which was very important to it) gradually became an increasingly significant barrier to the power of the SED over statistics. In retrospect and for citizens of a democracy, it is hard to comprehend *how much* the party leadership and official statistics took a hammering from requests to provide international organisations with statistical data.

The price East Germany had to pay for preserving its international reputation was very high and only gradually did it become clear. Among other things, this involved the cover-up and manipulation of statistics as a method for safeguarding the power of the SED becoming increasingly difficult⁵⁶. Another concern was the safeguarding of the storage of data in the

⁵¹ Overall, it must have been partly responsible for a not insignificant overestimate of East Germany's performance, which was not without consequences for West Germany, either.

⁵² cf. the letter described in the appendix.

⁵³ As already noted, it should not be overlooked that this was the view in many other instruments in the West, and not only in the DIW.

⁵⁴ cf. text in the documents enclosed with this paper.

⁵⁵ G. Mittag, *Um jeden Preis*, Berlin, Weimar 1991, p. 342.

⁵⁶ This can be seen very clearly from concerns about the provision of figures, for example, that Dr. Beil (then foreign trade minister) expressed in a letter to Donda (of 11 November 1988): 'The widening of published statistics to figures on foreign trade is risky, for reasons that you are well aware of. For this reason, I request you ensure that your staff double check to what extent data from the new statistics can be submitted that Western institutes and press organisations could construe contradictions from with the data already published.' cf. also v.d.Lippe, *Materialien*, p. 2034.

State which, with technological developments, became a problem. Reports on hackers, for example, were followed with great interest.

It is no exaggeration to say that the system of official statistics in East Germany described so far was defeated first and foremost from abroad. And it deserves to be stated once and for all that transparency in matters of statistics can also be an instrument of democratisation.

5. An attempt to draw conclusions

a) Democratic principles in statistics

Now, seven years after the reunification of government in Germany, the significance of dealing with official statistics in East Germany can only be to draw conclusions that will also prove useful in the future.

In 1987, a working group of former leading officials of the CAS wrote an approximately 300 page-long history of the CAS up to 1980⁵⁷, achieving the feat of reporting on as good as *none* of the facts addressed here. Only three pages are devoted to more technical aspects of CAS publications⁵⁸. As already explained early on, this shows clearly that there are two worlds in matters of statistics, each with its own quality standards.

As with everything in life, it is the spirit from which something arises that determines the outcome. How statisticians understand their role in a democracy is therefore very important. Democratic standards are the basis for everything (cf. Diagram 3) and they can easily be developed in the light of the bad experiences of the counter-model. The example of statistics in East Germany underlines how important it is to consider the core of democratic principles and to continually ensure that statistics is established democratically.

b) The democratic constitution of statistics

What has been reported on in this paper has been less the result of the misbehaviour of individual statisticians⁵⁹ than the consequences of a system concerned with those official statistics that suited its own purposes. There can be no good statistician without also having a good (legal and political) constitution of statistics.

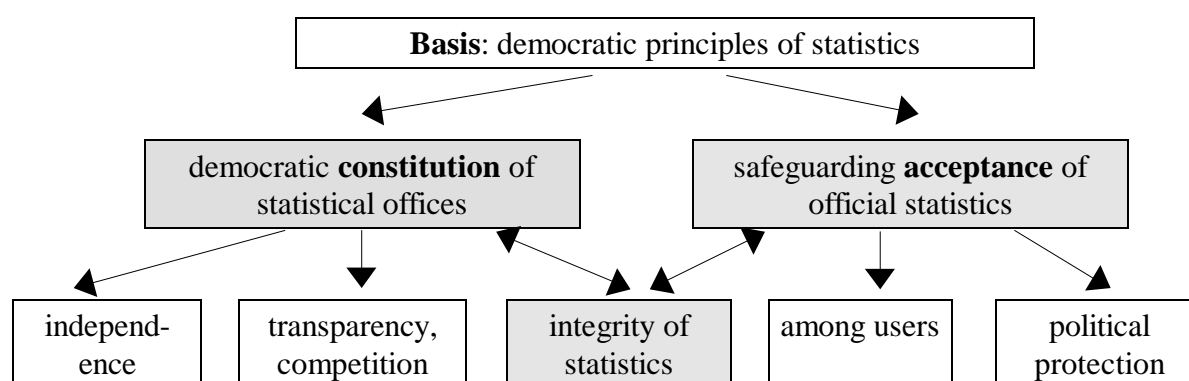
It is tempting to lay down those findings that official statistics should provide and to suppress findings that are not convenient. The more East Germany went downhill, the more dubious the objects of the data collected and their terminological definition⁶⁰ and the more data was dressed up with words and figures. The negative example of East German statistics also shows the dangers of all forms of monopolisation of information and all attempts to subordinate statistics to political goals.

⁵⁷ An internal unpublished paper of the CAS.

⁵⁸ Nothing is learned about secrecy, methodical problems, or spoon-feeding by the party when it came into contact with the West, etc. Instead, we get a tiresome account of resolutions, that the system of reporting needed to be perfected in the face of planning problems and requests for information that had become more complex, that a new stage had been reached, and so on.

⁵⁹ It should not be forgotten that probably only a handful of people were aware of the documents presented and commented on here. Thousands of people worked for many years in the apparatus of the CAS without knowing about what is set out here.

⁶⁰ For example, what is to be made of attributes such as 'share of peak output', 'targeted use of recent acquisitions', etc.?

Diagram 3

The only effective protection from these dangers is the independence of statistical offices and the transparency and international nature of statistical practices. The negative example of the grip held by G.M. over the CAS should give reason to think about giving statistical offices more autonomy. The neutrality of official statistics will above all be served by staying out of (political) disputes⁶¹. Independence and neutrality of statistics are strong values that should be recognised by all, in particular the political leadership of the state.

Neither lawyers nor politicians have allowed the nature of national statistics and the principles of professional ethics that the official statistics of a democratic state must meet to have a special role as an element of democratic order. The constitution of statistics has been interpreted as a technical detail or a substantive decision of no relevance to the system. In reality, however, such questions are much more significant and, in view of the existing or foreseeable challenges facing official statistics, this also means that official statistics should carry out more, and more aggressive, public relations work. Experiences with East German statistics could provide the key to this.

c) Openness, transparency and competition

Information and communication are productive forces. Their force only unfolds, however, when the information is correct and communication open.

If statistics, on the other hand, are regarded as contact with state secrets, then objective scientific curiosity about statistical data, which is necessary if they are to be made at all useful, cannot be developed. Secretiveness in East Germany seems to have even been detrimental to the State itself⁶². The cost of control that had to be sustained was formidable and at the same time futile; in the long run, East Germany's backwardness and the discontentment of its people could not be kept secret. In the end, East German statistics were practically a mirror image of the East German economy.

Under conditions such as those that existed in East Germany with an autocratic party, statistics cannot be an instrument of knowledge. If they cannot be open about their findings or be

⁶¹ Therefore, it says a great deal for a system where the collection of data is largely a matter for official (state) statistics and that competing private institutes are largely entrusted with the far more contestable analysis of this data.

⁶² This includes not only the well-known 'self-deceit', but also mistrust of the people regarding statistics and the remaining state apparatus and the formidable cost that had to be sustained for the control, secrecy and 'revisions'. People felt deceived and patronised, not only when they viewed the published statistical data but also when they received an unfavourable reply from the CAS to their polite request to receive statistical data.

accepted as objective by the representatives of the broadest of interests, they can never fulfil their function⁶³

International cooperation in official statistics, transparency and critical discussions of methods and findings are to be valued highly. Without them, the professional integrity of statisticians and acceptance among respondents and users cannot be preserved. It is significant that in East Germany attempts were made to prevent these precise things in order to create the form of 'statistics' that suited the dictatorship.

While working with the official statistics of East Germany, the impression that struck me the most was how much transparency and international cooperation in matters of statistics could be an instrument in democratisation.

There should also be a healthy mix of official statistical bodies and competing private statistical evaluations. In retrospect, it is a blessing that it was a private economic research institute that was responsible in the Federal Republic for the downright embarrassing misjudgement of the former East Germany, and not official statistics.

d) Acceptance

Without the integrity of statistics referred to above, the acceptance and image of statistics cannot be improved. Whether or not this succeeds is less a matter for the provider of statistics than the user. However, for statisticians it is a permanent task and challenge to strive for this. Statisticians are also responsible for the efficient use of statistics. Only in this way can acceptance be achieved in the long run, and only in this way can the value of statistics be extended to all.

The experience of East German statistics could perhaps heighten awareness that the openness and neutrality of statistics, the use of statistics by *everyone* and an independent statistical authority is just as much an element of democracy as freedom of speech. This should encourage statisticians to be more assertive, to insist on the participation of respondents, to act against the improper use of statistics, and also to call for the state to exercise restraint when it comes to cutting back on resources, burdening official statistics with additional responsibilities without due compensation or demanding methodically dubious calculations from them.

The strive for acceptance and the professional integrity of statisticians is a good thing, but it is not enough. It is important to take the offensive and to find allies in politics who will give the statisticians the support they need.

e) Political protection of official statistics

Preserving democratic principles calls for on-going protection of statistics by politicians. It is relatively easy to emotionalise the general public against official statistics. It is often enough just to be one of 'those affected' to qualify as an 'expert' on statistics, when these statistics are actually merely burdensome. Three issues in particular arise regarding emotionalisation:

- concern about data protection
- difficulties associated with questioning (especially among firms in the event of complex economic statistical surveys), and

⁶³ Not only did the cost and failure of prevention account for the cost of East Germany's statistical policy; there was also the inability to make positive use of information as a productive resource. Obviously, this is difficult to assess. No-one knows what road East Germany would have gone down if the public at large had been provided with more, and more reliable, statistics.

- fear of the ‘proliferation’ of an oversized (Euro-) bureaucracy.

In the former West Germany, an emotionally charged and legally dominated discussion occurred relating to the 1983 census in which, in my opinion, a number of *political* aspects of official statistics were all too briefly included and in which the main concern involved legislating on statistics and putting it in shackles, just as if it were a danger for the free citizen.

The only issue to be considered was ‘statistical data protection’, where data protection referred to the protection of the individual from the state, as if statistics were an instrument of an authoritarian state. Hardly anyone saw that they were actually an instrument of free citizens. The danger of the improper use of personal data was seen, but not the danger that a state, through the monopolisation and politicisation of statistics, could build a wall to guard its knowledge from the citizens.

Many did not even see the danger of a loss of direction from useless statistics. This also applies to the current discussion in which other issues come to the fore, including the aforementioned difficulties among respondents and the belief that cutbacks in statistics lead to a leaner and better state. Dealing with the official statistics of the former East Germany could prove useful in recognising that it is wrong to believe that statistics are always an instrument of a fat authoritarian state and therefore cannot cost anything.

Guide to the documents photocopied on the following pages

The following eight pages contain a number of documents mentioned in the text, i.e.:

- 1, 2 These are the first two pages of the original proposal by the CAS for the submission of data on foreign trade for the first three quarters of 1987, (CAS communication of 16 October 1987, document **D 15.9**). Page 2 is of particular interest, as it reappears later in two amended forms on pages 4 and 5.
- 3 On this page is a note hand-written as a memo based on instructions from Günter Mittag (of 30 October 1987, document **D 15.10**). The text reads:

Comrade H. Neumann instructed me on 30 October 1987 to inform the leader of the CAS, Comrade Prof. Donda, of the following: the export surplus reported in the leader's communication of 16 October 1987 regarding data on foreign trade for COMECON and the UN of 30 September 1987 of 521 million VM was not confirmed by Comrade General Mittag. In accordance with a decision by Comrade General Mittag, an export surplus of 910 million VM is to be reported.'
- 4 This is the manually revised draft of 16 October 1987 (page 2); the revisions take into account Günter Mittag's intervention (document **D 15.11**)⁶⁴.
- 5 This is the final page 2 of the revised draft on the submission of data on foreign trade for the first three quarters of 1987 (document **D 15.11** of 30 October 1987; the figures on foreign trade were submitted to international organisations in this form).
- 6 Communication from Dr. Cornelsen to Donda of 23 December 1985 (together with the next two pages: document **D 19.1**).
- 7,8 Communication from Donda to Ehrensperger (Central Committee of the SED) in response to the communication from Dr. Cornelsen.

⁶⁴ The hand-written supplements obviously did not come from G.M. in person, as W Krämer regrettably alleges in his book (cf. footnote 30).