

SGI Sustainable
Governance
Indicators

2015 Greece Report

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Executive Summary

During the period under review, Greece made progress with regard to fiscal consolidation and structural reforms, including the liberalization of labor relations and formerly closed occupations, and the privatizations of a few state-owned enterprises. In addition, the banking system became much more stable. The quality of democracy, however, did not improve as greatly. The coalition government of the center-right New Democracy (ND) party and the center-left Panhellenic Socialist Movement (PASOK) party, pressed by the Troika (the European Commission, European Central Bank and IMF), adopted policies through decrees, circumventing the parliament. These decrees were issued in the face of strong opposition from the radical left party (Syriza) and the communist party (KKE) as well as parties on the right (both the populist-nationalist Independent Greeks party and the neo-Nazi Golden Dawn party). Moreover, reactions from disaffected interest groups and social movements continued in the form of violent demonstrations and occupations of government buildings.

After the successive elections of May and June 2012, a tripartite coalition government was formed: ND, PASOK and the moderate Democratic Left (Dimokratiki Aristera, DIMAR) party. This tripartite coalition lasted only until June 2013, when the prime minister and leader of ND, Antonis Samaras, ordered the closure of the public broadcaster (ERT), including all state TV and radio stations in Greece. This abrupt move allowed the government to meet the Troika's quota for public employee dismissals, but also provoked the exit of DIMAR from the coalition government. Meanwhile, further austerity measures implemented in 2013 and 2014 led to the rapid loss of popular support for ND and PASOK and the rise of neo-Nazism. This trend was demonstrated in the May 2014 European Parliamentary elections in which the governing ND party trailed behind Syriza, the Golden Dawn party came in third place and PASOK was relegated to fourth.

From 2012 to 2014, policy performance improved in comparison with the immediate post-2010 period, when the adoption of the first bailout package had led to panicked policy decisions meant to alleviate the fiscal crisis of the Greek state. Over time, fiscal consolidation was achieved and 2013 closed with a budget surplus.

The bailout package measures, however, aggravated existing social problems, including extensive poverty and soaring unemployment (which in 2014 decreased by only one percentage point from the 2013 high of 27%). The reasons for these negative effects are obvious. After the economy had regained (2010 – 2011) most of the competitiveness that it had lost in the period preceding the crisis [??? CHECK], it was subjected to further structural reforms. The disruptive effects of these additional reforms too greatly burdened low-income groups and the unemployed.

Spending cuts in education and public health as well as the ensuing fierce opposition of various interest groups (such as doctors working in the health insurance funds and high school teachers), delayed reforms to the welfare state. Nevertheless, government capacities were increased, owing to the Troika, which monitored policy reforms, and the active intervention of the Prime Minister's Office (PMO) in all policy fields, which kept individual ministries in line. There was also improvement in the fight against corruption, as investigations were launched against former employees of the Ministry of Defense and former ministers who had hidden their own assets, while a former Deputy Prime Minister, Akis Tsochatzopoulos, and a former mayor of Thessaloniki, Vassilis Papageorgopoulos, received very long prison sentences for corruption.

Despite the overall better governance performance in the period under review in comparison to the immediate post-crisis period, the structures and functions of state administration and its reform capacities were not dramatically improved. Worryingly, this poor state administration may hamper further reform efforts. Such efforts are vitally necessary if Greece wants to change its model of production, which is currently based on services (e.g., tourism and banking) and agriculture. Greece needs to embark on a new path of economic development. The state ought to intervene less in the economy. Where it does intervene, the focus should be on steering the economy away from its traditional economic model, driven by domestic demand (which is currently too weak) and towards the adoption of an export-oriented economy.

Key Challenges

The first trimester of 2015 will be a period in which political stability may produce adverse economic effects because the Greek parliament will be required to elect a new president. The parliament has 300 seats and at least 180 votes are necessary for electing a new president. According to the Greek constitution, if the parliament fails to elect a new president, national

parliamentary elections must be called and that new parliament will elect the president, this time with an absolute or, ultimately, a relative majority of votes. In December 2014, the coalition government commanded only 155 votes in parliament. It will have to seek the 180 votes necessary to elect the new president. Given that all the opposition parties will oppose any government candidate for the presidency, the government must rely on independent MPs (i.e., former members of ND and PASOK) whose votes are not assured.

This high risk political situation will be coupled with highly unpredictable economic developments. Next year's state budget assumes that the Greek economy will grow by 2.9% and that there will be an equally high primary budget surplus (above 2.9%). If further funds start trickling in from the European Union, it is possible that such optimistic predictions materialize. One example could be tranches of €20.8 billion drawn on EU structural funds and earmarked for Greece for the period 2014 - 2020. Privatizations may also be helpful, even though few privatizations took place from 2012 to 2014. Foreign and domestic investors are wary of the negative economic effects that another parliamentary election may bring (and what Syriza plans, if it comes to power). Syriza is painstakingly trying to shift its policy agenda. Until last year it was adamant about re-nationalizing privatized firms; now it proclaims a more moderate Keynesian economic policy.

The current level of Greece's public debt (175% of GDP in 2014) is not sustainable and the government and country's creditors may have to negotiate debt restructuring or prolong the austerity program, which has already led to deep economic recession and grave distrust of all political institutions. Any debt restructuring will, of course, be accompanied by the imposition of further reforms guaranteeing that no fiscal derailment (as occurred in the latter 2000s) will happen again.

From 2012 to 2014 Greece made great leaps forward. Yet fiscal consolidation and economic progress have been accompanied by acute political conflict between the government and the opposition. Such conflict may be prolonged because the government has to accomplish contradictory obligations over the next 12 to 18 months. On the one hand, the government must seek to relax austerity policies. Given the size of the low- and middle-income groups disaffected by the austerity measures, the two coalition partners, ND and PASOK, will certainly be voted out of office if they fail to deliver some relief. On the other hand, given the success of the incumbent government in achieving fiscal consolidation from 2012 to 2014, it cannot relax austerity policies too much or it may capsize the already rocky Greek economy.

The Greek economy is recovering, but it is still fragile, as foreign direct investment is not forthcoming. Domestic pressures from below (e.g., from various interest groups) to return to pre-2010 public spending patterns, which led the country to near-default, are mounting and unemployment remains high. In summary, unless the government keeps its promise to alleviate the tax burden and unless job openings multiply quickly in 2015, it will not be able to survive the next election. Despite opinion polls favoring the opposition, it is not obvious who would be the successor to ND and PASOK. Voters may be lured by Syriza's promises to gradually restore wages, salaries and pensions to their pre-crisis levels, but they also certainly do not want to go through another period of economic insecurity.

Policy Performance

I. Economic Policies

Economy

Economic
Policy
Score: 4

Greece ran a budget deficit for each year from 2003 to 2012, but achieved in 2013 a surplus. Fiscal consolidation was brought about through austerity measures which included successive cuts in wages, salaries and pensions and increases in income and wealth taxes. The latter were particularly felt by all social groups in 2014 when the government implemented a new integrated tax on landed property (the ENFIA tax). The goal in imposing this tax was to broaden the tax base in a country in which undeclared income had for years been channeled into construction projects or purchased land assets.

However, the combined effects of wage, salary and pension cuts with increased taxes has had an ongoing negative impact on economic growth. A six-year recession has taken its toll on the productive base of the economy. The single exception to this being tourism, which thrived in 2014. Estimates suggest that in 2014, 21 million tourists visited Greece (pop. 11 million). Still, as GDP shrank by about 25% over from 2008 to 2013, public debt showed no improvement and Greece now has the highest unemployment rate in the EU.

The EU's bailout conditionality has been crucial to fiscal re-balancing. More problematic has been the slow and patchy progress of structural reforms, which point to a long-term systemic problem. In implementing bailout conditionality, the EU itself has been somewhat clumsy in this regard, pressing more often for immediate than considered measures. Bureaucratic inertia within Greece as well as resistance to the Troika on the part of professional associations that previously enjoyed closed access regimes have slowed progress, as has the lack of capital. Greek banks passed "stress tests" in the late autumn of 2014, but until then were reluctant to lend money to new business endeavors. Few new shops or businesses have been set up, with the exception of low-cost catering or tourist businesses (cafeterias, small restaurants, tourist shops).

In sum, the fiscal situation has been stabilized, but the economy has been revived only slightly. Unemployment remains at painfully high levels, creating fears of long-time permanent social dislocation for the long-term unemployed. Without targeted and additional funding from the European Union's cohesion funds and foreign direct investment (FDI) in tourism, agriculture, landed property and the state-owned enterprises undergoing privatization, it is unlikely that the economy will grow in the near future.

Citation:

Information on Gross Fixed Capital Formation and Output Growth drawn on the SGI provided by this platform. Rest of data on macroeconomic indicators come from Eurostat. For example, on unemployment see http://epp.eurostat.ec.europa.eu/statistics_explained/index.php/Unemployment_statistics. On Greece's public debt, see <http://epp.eurostat.ec.europa.eu/tgm/table.do?tab=table&language=en&pcode=teina225>. An on Greece's annual GDP growth in 2008-2013 (which negative for every single year in that period), see <http://epp.eurostat.ec.europa.eu/tgm/table.do?tab=table&init=1&plugin=1&language=en&pcode=tec00115>

Labor Markets

Labor Market
Policy
Score: 2

The crisis exposed some of the rigidities in the labor market and it has led to a transition that is difficult to manage politically and is painful in its social effects. The unemployment rate in 2013 (27%) and the youth unemployment rate (58% in the same year) were the worst among all countries surveyed by the SGI, while long-term unemployment was also very high.

Many small and very small enterprises have failed, while former entrepreneurs and dismissed workers find it difficult to find new jobs, as most of them do not possess advanced skills. Unemployed people in the middle- and old-age groups also find it difficult to re-integrate themselves into a job market which, beleaguered by recession, has shrunk continuously since 2008.

The pre-crisis division between insiders and outsiders has been modified in two respects. First, insiders of the public sector, such as "stagiaires" and employees hired on political patronage-driven fixed-term contracts, have been laid off. The ranks of the outsiders have grown also because of the spread of labor contracts which promote flexible labor relations. Businesses offer prospective employees only individual, tailor-made contracts and do not negotiate collective agreements with labor representatives. In the meantime, there has been a rise in part-time and short-term labor contracts over contracts of indefinite time. Thus, increasingly more employees receive a fraction of an already low minimum salary (€80 gross per month since 2012). Employers exploit the widespread fear of unemployment and call in workers to work unpredictable and long hours.

In sum, the labor market trends already apparent in previous years, namely the introduction of flexibility in labor relations and a staggering rate of unemployment, continued in 2013 – 2014.

Taxes

Tax Policy
Score: 4

Improving tax revenue administration has been a key emphasis of the Troika overseeing the bailout conditionality for Greece. The dysfunctionalities and scope of corruption within the administration had been sustained for decades – and many have suggested that without the negative impacts of the current debt crisis, it is doubtful that much reform would have been achieved. The bailout memorandums have detailed very specific changes required of Greece, and the Troika reports have identified improvements.

While the tax base has been expanded, because of the imposition of new taxes on wealth (e.g., landed property), a considerable sum of income goes untaxed. During the tourist season, income raised in small and very small businesses remains undeclared. The same holds for income raised in the liberal professions, by practicing engineers, lawyers, medical doctors and dentists as well as craftsmen, plumbers, electricians and computer technicians.

There has been some progress in narrowing the gap between tax-paying salaried individuals and the tax-evading self-employed. The tax administration, which since 2013 has been subjected to mergers of administrative units and transfers of personnel in order to save on government spending, is simply not in a position to collect adequately from non-salaried individuals. Frequent changes in tax legislation have not helped either. Tax revenue still derives primarily from indirect taxes, such as taxes on the use of oil products (gasoline, heating oil) and VAT. The VAT on restaurant and coffee shop bills was brought down from 23% to 13% in 2013 in order to boost consumption and help the tourist sector. In short, although tax revenues have grown during the review period, not much progress has been achieved in improving horizontal or vertical equity.

Budgets

Budgetary
Policy
Score: 5

The Greek government adopted new tax laws, re-organized tax authorities and introduced digital infrastructures to monitor budgetary implementation, which helped the country achieve fiscal consolidation in 2013-2014.

In 2014, vocations requiring a higher education degree were required to abide by stricter tax regulations, which helped increase tax revenue. However, inadequate planning and insufficient resources for the collection of taxes resulted in delays in 2013. In 2014, erroneous tax invoices were sent to taxpayers and were later corrected

through the distribution of amended tax invoices. In 2014, government was also late in paying private suppliers for some goods and services, which resulted in the near collapse of some private businesses.

Although the Greek government claimed in 2013 that further bailouts would in 2014 no longer be necessary, further turmoil and the electoral success in 2014 of the anti-austerity Syriza coalition in European elections raised concerns on the international market. Nevertheless, compared to the first phase of the crisis, in the period under review budgetary policy was better coordinated and more effective.

Citation:

Data on Greece's public finances are drawn on Eurostat's government finance statistics, available at http://epp.eurostat.ec.europa.eu/portal/page/portal/government_finance_statistics/introduction

Research and Innovation

R&I Policy
Score: 3

Even though spending on research and development increased somewhat during the period spanning 2004 to 2012, Greece has never made research and development a priority policy sector. In fact, its levels of R&D funding (public and private) have remained very low by international comparison. This is a factor of overall economic activity, institutional weaknesses, and cultural resistance to public-private collaboration.

Most research is conducted at state universities and state research institutions. There are clear "islands" of excellence at these universities in areas such as biology, IT and computer science, economics, various branches of engineering, archaeology and history. The public provision of research funding on a stable, open and meritocratic basis, tied to national priorities, has proven very problematic and the crisis has created fresh problems. Funding for research institutions is often delayed, if not impeded, by bureaucratic friction and stasis. In October 2014, the government passed a bill in parliament which accorded larger decision-making powers to general managers of research institutions and rendered researchers' labor contracts less secure. The same bill downgraded the national council of research and technology (ESET) from an agency which advised the Minister of Education to an appendage of the General Secretariat of Research and Technology (GGET). This law was rejected by all opposition parties and the associations of researchers and university professors.

Greek researchers who seek EU funding are often disproportionately successful in securing it. For instance, the National Technical University of Athens actively participates in international projects, as does the Heraklion-based Institute for Technology and Research.

At the same time, institutional and cultural barriers have undermined R&D

collaboration between state bodies and the private sector, as has been evident in the very low take-up of EU-funded schemes to support such partnerships.

In sum, Greek research and innovation policy during the review period has definitely proved suboptimal.

Citation:

Data on expenditure on research and development and its evolution over time is drawn on Eurostat; see [http://epp.eurostat.ec.europa.eu/statistics_explained/index.php?title=File:Gross_domestic_expenditure_on_R%26D,_2000-2010_\(%25_share_of_GDP\).png&](http://epp.eurostat.ec.europa.eu/statistics_explained/index.php?title=File:Gross_domestic_expenditure_on_R%26D,_2000-2010_(%25_share_of_GDP).png&)

Global Financial System

Stabilizing
Global
Financial
Markets
Score: 3

IMF data indicate that in 2013, Greece performed very poorly with regard to the share of non-performing loans to banks' capital and to total loans. Hopefully in 2015, revived economic activity may help reduce the high percentage share of non-serviced loans in the total of loans.

Yet Greece, as an EU member state, has participated in EU-driven efforts to regulate the global economic environment. The ongoing eurozone crisis of previous years has driven the introduction of new safety valves and financial stability mechanisms. Obviously, Greece, a relatively small economy by all measures, has not taken a leading position in monitoring the global financial system.

Citation:

Information on non-performing loans drawn on SGI data available on this platform

II. Social Policies

Education

Education
Policy
Score: 4

Greece performs better than Italy, Portugal and Spain as far as upper secondary education is concerned. With regards to tertiary education attainment, the country scores higher than Italy and Portugal as well as most Eastern and Southeast European countries. One-fourth of the Greek adult population has a university-level degree. The rate of attrition after nine years of schooling is not as alarming as in other OECD countries. In short, Greeks on average have good access to education and remain in education.

Access to education is, however, not equitable as students from middle- and upper-class backgrounds are usually more successful in passing entrance examinations. However, students pay neither tuition fees nor textbook costs.

In the 2012 PISA results, Greece receives middling to above-average rankings among the OECD. Greek secondary school pupils perform better than one would have expected, given the spending cuts in education.

The quality of education at Greek universities is very uneven. Some university departments have a long tradition of excellence, such as Athens Law School and most of the engineering departments of the National Technical University of Athens. The distribution of infrastructures is generally very uneven across university departments and most universities suffer from the fact that academic and administrative staff are underpaid. In addition, frequent strikes and sit-ins organized by student groups associated with specific political parties makes for a tumultuous campus life. In 2013-2014, administrative employees went on strike in response to government measures placing certain categories of public employees “on reserve,” which further disrupted already unpredictable scheduling. From September to December of 2013, Greece’s largest universities, namely the University of Athens, the University of Thessaloniki and the National Technical University of Athens, essentially did not function at all, as striking employees barred access to most university buildings.

Education in Greece was diverging from the country’s labor market trends even before the crisis. This tendency has been exacerbated throughout the crisis period, as the skills acquired by those in secondary and tertiary-level education do not match the types of jobs needed in the Greek economy. Notably, even before the crisis, youth unemployment in Greece exceeded 20% among those aged 18 to 24. In the wake of the crisis, this percentage increased dramatically. In 2013, youth unemployment was just above 60%, the highest in the European Union. This divergence between education, economic needs and employment patterns has been the largest problem faced by Greek education policy.

Meanwhile, left-wing student organizations and professors opposed all legislation passed to reform universities in 2012 and also in 2013 and 2014, when reforms were under implementation. Despite such resistance, most professors and students supported policy changes and by the end of 2014, most reforms were eventually implemented by most state universities, albeit often in a watered-down form.

Citation:

Information on the performance of Greece’s educational system is based on data provided on this SGI platform.

Social Inclusion

Social
Inclusion
Policy
Score: 3

After the economic crisis erupted in 2010, the social situation of groups facing social exclusion worsened. The share of those not in education, employment or training (NEET) in the 20-24 age group doubled between 2008 and 2013. By 2012, the share of people at risk of poverty or of social exclusion had reached 35% (EU-28: 25%, Eurostat data). The Gini coefficient, already high in 2010, jumped in 2012.

After the onset of the crisis, the government announced an improvement in child allowances distributed to families in need, and local governments opened shelters and soup kitchens to help the homeless. Given the depth of the crisis, such measures probably proved inadequate. However, in 2014, Greece finally established a minimum income guarantee scheme for those who fall below a certain threshold of income. Still in its pilot phase at the time of this writing (Fall 2014), by November 2014 it had been implemented in only 13 municipalities (one municipality selected for each of Greece's 13 regions). Moreover, the mobilization of NGOs in the field of social assistance as well as charity work by the Greek Orthodox Church have intensified. Finally, the traditional extended Greek family, often including family members over three generations who pool resources, has served as a solution of last resort for the poor and the socially excluded.

In sum, past governments' negligence in anti-poverty measures and social exclusion policymaking have left those most vulnerable in Greek society unprepared to sustain the effects of the economic crisis. Nevertheless, the situation by the end of 2014 was not as dramatic as it was in 2011-2012. The stabilization of the economy in 2012 and 2013 leaves some hope that poverty and social exclusion will not make a turn for the worse in the immediate future.

Citation:

Data on the share of people at risk of poverty or social exclusion are taken from Eurostat. Information on all EU-28 countries for 2012 is available at

http://epp.eurostat.ec.europa.eu/statistics_explained/index.php/People_at_risk_of_poverty_or_social_exclusion

Health

Health Policy
Score: 3

Up until the onset of the crisis, mismanagement and corruption in state-run health insurance funds and public hospitals had led to runaway public expenditure on medical supplies and medicines. It is telling that the expenditure of public health insurance funds on medicines in Greece sprang from 0.9% of the GDP in 2000 to 1.8% in 2010 (EU-27: 0.8% in 2000, 1.1% in 2010).

After the crisis erupted, public spending on health care was subjected to cuts similar

to those effected in other welfare policies. Moreover, the restructuring of Greek public debt in February 2012 negatively affected the finances of health insurance funds, which held parts of that debt. In other words, after 2010, the economic crisis became a severe crisis for health insurance funds.

Since 2010, pharmaceutical companies and suppliers of necessary goods and services to public hospitals have delayed making deliveries to such organizations. Additionally, the job motivation of doctors serving in public hospitals suffered from wage cuts imposed across the public sector. All this injured the capacity of the public health care system to meet demand for health care services. Some of this demand was met in various Greek cities by makeshift “social clinics” providing services to patients free of charge. Such clinics were staffed by volunteer medical doctors and nurses and hosted by municipal authorities.

Every large and small town in Greece has at least one public hospital. The number of doctors in the country is also quite high (in 2011 there were 4.4 doctors per 1,000 residents, in contrast to 3.8 for every 1,000 residents in Germany). However, ministry-level mismanagement of health services combined with the reluctance of doctors to serve in hospitals located away from Greece’s largest cities have resulted in highly uneven distribution of medical personnel. Moreover, major budget cutbacks for public hospitals have left some hospitals without enough medicines and medical supplies. In sum, the quality and inclusiveness of health care probably deteriorated in 2012-2014, but cost efficiency improved substantially; at the same time, gaps and inefficiencies in public health care in the period under study may negatively affect these health indicators in the future..

Citation:

The runaway costs of pharmaceuticals in 2000-2010 are documented in a study by Greece’s Center for Economic Programming and Research (KEPE), a think tank of the Ministry of Finance, published in February 2013. Data is taken from Table 3.3.1 in KEPE’s publication, available at http://kepe-server.kepe.gr/pdf/Outlook/teyxos_20gr.pdf

Data on the density of doctors per country is taken from the World Health Organization (WHO) and is available at <http://apps.who.int/gho/data/node.main.A1444>

Families

Family Policy
Score: 5

Family policy is associated with the position of women in the labor market – a position which puts women at a disadvantage. The law says that private employers should grant women maternity leave and hire them back nine months after giving birth. The situation is completely different for women employed in the public sector. Female public employees are guaranteed their jobs following maternity leave. They are also granted maternity leave without fear that upon returning to their job they may be allocated to a subordinate job post or suffer wage or salary cuts, as is the case of women employed in the private sector.

Because of the crisis, since 2011 there have been cuts in government social expenditure which have taken their toll on allowances for maternity leave. Nowadays, for the last six out of the nine months of maternity leave, women in the private sector must survive on the minimum wage (€80 gross per month).

Moreover, family allowances in Greece are small: they amount to €40-€50 per child per month. As Eurostat data shows, the risk of poverty or social exclusion for children under 18 has increased from 28.7% in 2010 to 35.4% in 2012. In 2011, government expenditure on child and family benefits amounted to only 1.8% (EU-27: 2.2%). State-owned child care facilities managed by municipalities remain underfunded.

Some improvement has nonetheless been achieved in family and child policy even as the economic crisis was evolving. First, the logic in the distribution of child allowances has changed. In the past, the bulk of family-related allowances were channeled to families with three or more children, regardless of family income level. A new law passed in 2013 provided a yearly allowance of €500 per child (income-tested allowance) to families with three or more children.

However, in the meantime, the entire logic of family and child policy had changed. Based on a law passed in 2012, a new policy imposed income-tested thresholds for families receiving child allowances. The new policy has expanded the pool of potential recipients of child allowances, as it does not exclusively favor families with three or more children, but instead families with children in need.

Second, since August 2013, programs designed to fight unemployment have prioritized jobless households, unemployed, long-term unemployed and young people. An example is the government's "short-term public work programs." In view of the above, current policies reflect an improvement over pre-crisis policies and the lack of policies when the crisis first erupted.

Citation:

The new child allowance was instituted in 2012 by Law 4093/2012. The special allowance for families with three or more children was reformed in 2013 by Law 4141/2013. Information provided by Manos Matsaganis, Athens University of Economics and Business.(18.05.2013). Additional statistical data provided by the European Commission in the website http://europa.eu/epic/countries/greece/index_en.htm

Pensions

Pension
Policy
Score: 4

The Greek pension system is a pay-as-you-go corporatist system, based on a multitude of occupational pension funds (there were approximately 60 pension funds in 2013). In April 2013, it was announced that by the end of 2014, the Greek government planned to merge all pension funds and arrive at a system of only four funds for salaried employees (including the private and the public sector), self-

employed (including so-called liberal professions requiring specialized education such as lawyers, doctors and accountants), farmers and persons employed in commercial shipping (ship crews). To date, this reform plan has not been implemented.

Greek pension policy does not successfully prevent poverty among the elderly because the majority of pensioners receive only the minimum pension. According to the World Bank, 14.5% of Greek senior citizens are relatively poor. Greece therefore ranks among the five European countries with the worst ratios of poverty for senior citizens. Women are included among the poorest of pensioners if they rely on a very low-level non-contributory pension.

Pension policy also does not meet intergenerational equity requirements. In response to rising pension spending which threatened to derail fiscal policy, successive governments from 1990 through 2010 attempted but failed to reform the pension system. Unions in favor of existing arrangements that primarily served the interests of middle- and old-age groups at the expense of younger generations of workers successfully mobilized to block such reform attempts.

Greece's pension system is financially unsustainable. Reasons for this include high replacement rates, early retirement opportunities (in particular for married women with under-age children and public sector workers) and low insurance contributions. It is telling that in 2011, fewer than 40% of Greeks aged 55 to 64 were still working. The Greek dependency ratio is among the worst in Europe, on a par with Sweden, Germany and Italy, which all have better organized welfare states.

As Eurostat data shows, expenditure on pensions jumped from 13.5% of GDP in 2009 to 17.5% in 2012 (the highest level in the EU-28). The continuous decline of Greece's GDP during a recession stretching over five years (2008-2012) accounts in part for this increase. However, it can also be explained by the increased outflow of middle- and old-age employees who – driven by the fear that the longer they stay in employment, the greater the chance that their pension rights are reformed for the worse – have retired as soon as permitted.

After the crisis broke out, pension reform involved lowering replacement levels, raising contributions, preventing early retirement and merging dozens of small social insurance funds into a few larger ones.

When fiscal consolidation was achieved in 2013, it was hoped that the system would become sustainable. However, a decline in social security contributions, which resulted from growing unemployment combined with lowered salaries and wages from 2010 to 2014, means that the system, if it has stabilized, has done so at a low level with diminished social security contributions and benefits.

Citation:

Eurostat data on government expenditure on pensions is available at

<http://epp.eurostat.ec.europa.eu/tgm/table.do?tab=table&init=1&language=en&pcode=tps00103&plugin=0>

Integration

Integration
Policy
Score: 6

The integration of over one million irregular migrants in a society of 11 million is a very difficult task. A law was passed in 2010 that focused primarily on preconditions for the naturalization of migrants, but also somewhat improved the prospects of integration. The law went largely unimplemented. Overall, since the onset of the economic crisis, and in large part a result of long-term recession and soaring unemployment figures, migrants in Greece face considerable difficulty integrating into the labor market. In the beginning of 2013, a supreme court (Symvoulío tis Epikrateias) decision froze the provisions of the 2010 law which, if applied, would have allowed second-generation migrants to become naturalized under certain requirements (high school education, length of stay in Greece). The court's decision reflected a xenophobic attitude in the sense that it was based on a very old-fashioned, if not racist, understanding of how national identity is formed. Yet in April 2014, a new Migration Code was passed. This law codified previous legislation on matters of entry, residency and social integration of irregular migrants (non-EU nationals) in Greece. It simplified the process for obtaining different types of residency permits and opened opportunities for regularizing the status of irregular migrants and stabilizing the residency permits of second-generation migrants. Importantly, the law ratified all relevant EU Directives on the migration of students, trainees, academics and high-skilled workers.

The integration of migrants into the education system is functional in primary and secondary education, but legal migrants face difficulties entering tertiary education. Entrance examinations to the universities are open to Greek citizens or migrants holding permanent residence permits. Among the latter, the sons and daughters of legal migrants who had settled down and created a family in Greece are included, as long as they have graduated from high school.

As for social integration, this was never a strong point of Greek migration policy. With the exception of Albanians, Bulgarians and Romanians, who probably constitute half of all migrants in Greece and first came to the country after the fall of state socialism in Southeast Europe, the rest of the country's migrants – including migrants from Asia and Africa – are systematically excluded from Greek society. It is telling, for instance, that Muslim migrants in Athens, where the majority of the migrant population lives, still cannot fully exercise their religious rights, as a license to build a mosque in Athens was issued by the Greek government only in early 2013 and construction of the mosque has, at the time of this writing (end of 2014) yet to begin.

Moreover, racism demonstrated on the part of state authorities impedes the integration of migrants. In 2013 and 2014, prosecuting authorities investigated cases of policemen who had mistreated migrants or had been accomplices in racist activities carried out by anti-migrant groups, such as the neo-Nazi political party Golden Dawn. Indeed, since the crisis erupted, there has been an increase in xenophobia and racism, fueled by the tensions of the economic crisis. Violent acts against migrants and minorities have increased and the police have demonstrated neglect of and/or sympathy for far-right agendas.

Finally, some progress in the fight against racism took place in September 2014 when a new anti-racism bill was adopted by parliament. The passage of this law was timely, if not delayed, given the the rising influence of Golden Dawn since the onset of the economic crisis and the assassination in September 2013 of a young, left-wing musician by a Golden Dawn militant. The law, which provided for criminal sanctions against anyone inciting actions to hatred, discrimination and violence and higher sanctions against public officials engaging in racist or discriminatory behavior, modified previous legislation and set anti-racist policy in line with the Framework Decision 913/2008 of the Council of the European Union.

To sum up, while significant problems in terms of policy efficiency remain and policy setbacks are entirely possible, Greece has made some progress by adopting new policies on integration. Only time will show whether the two new laws, passed in 2014, will actually help alleviate the pressures faced by irregular migrants and prevent racist or discriminatory treatment.

Citation:

Information on migration was obtained from ELIAMEP's researcher Michaela Maroufouf. Information on the integration of migrants in Greece is available (in English) at

<http://www.eliamep.gr/en/%CE%B5%CE%BA%CE%B8%CE%AD%CF%83%CE%B5%CE%B9%CF%82-%CE%B3%CE%B9%CE%B1-%CF%84%CE%B7-%CE%BC%CE%B5%CF%84%CE%B1%CE%BD%CE%AC%CF%83%CF%84%CE%B5%CF%85%CF%83%CE%B7-%CF%83%CF%84%CE%B7%CE%BD-%CE%B5%CE%BB%CE%BB/>

and also at http://ec.europa.eu/ewsi/en/info_sh eet.cfm?ID_CSHEET=50. Accessed on 02.06.2013.

The most relevant pieces of legislation are laws no. 3386/2005, 3838/2010, 4251/2014 and 4285/2014.

Safe Living

Safe Living
Conditions
Score: 6

As UN data on homicides for 2012 show, Greece, despite suffering from a severe economic crisis, is not a dangerous country to live in. However, in the wake of the crisis, many people consider some areas in central Athens as “no go zones.” It is telling that while in 2008, 12% of respondents in nationwide surveys of living conditions reported vandalism and criminality as major problems, by 2012 this figure increased to 20%.

Efforts to improve safety have improved since 2012. The Ministry of Public Order placed policemen on the streets at visible points and intersections. However, Greeks do not feel safe. According to data from a study conducted in 2011 by the Greek Statistical Authority (ELSTAT), Greeks report noise (25% of respondents), environmental pollution (also 25%) and vandalism and criminality (20%) as the greatest risks with regard to housing.

Citation:

Data on homicides are drawn on the UN Office on Drugs and Crime. Data on risks Greeks perceive are drawn on research conducted in the context of EU-SILK program by the Greek Statistical Authority and is available at

http://www.statistics.gr/portal/page/portal/ESYE/BUCKET/A0802/PressReleases/A0802_SFA10_DT_AN_00_2011_08_F_GR.pdf

Data on the share of nationwide survey respondents reporting vandalism and criminality is drawn on the Greek Statistical Authority (ELSTAT), available at http://www.statistics.gr/portal/page/portal/ESYE/BUCKET/A0802/PressReleases/A0802_SFA10_DT_AN_00_2012_08_F_GR.pdf

Global Inequalities

Global Social
Policy
Score: 4

Until the onset of the economic crisis, Greece used to be active in assisting less developed countries, but later focused on managing its own national social policy problems. Still, under the crisis, Greece participated in all of the European Union's decision-making efforts related to global social policy. In fact, Greece has continued to provide humanitarian assistance to developing areas of the world: in 2012, Greece contributed \$33 million to humanitarian assistance.

Citation:

Data on the contribution of different countries to humanitarian aid are reported in chapter 2 of the "Global Humanitarian Assistance (GHA) Report 2013" available at <http://www.globalhumanitarianassistance.org/wp-content/uploads/2013/07/GHA-Report-2013.pdf>

III. Environmental Policies

Environment

Environmental
Policy
Score: 4

Compared to other OECD Nations, Greece is one of the relatively large producers of energy. With regard to waste management and renewable energy sources, Greece ranks average.

Moreover, while compared to the rest of OECD nations Greece's CO₂ emissions are average and its energy intensity rather low. Its ecological footprint is surprisingly

large for a country that is nowadays clearly de-industrialized and has never been an industrial power. Unchecked urban development, large infrastructural works and negligent consumer behavior have probably had a negative impact on the country's natural environment.

Indeed, in Greece, economic development in tourism and agriculture has often proceeded in a haphazard manner and always took priority over environmental concerns. Environmental NGOs were only nominally consulted by the Ministry of Environment, Town Planning and Public Works (YPEXODE). In fact, public works and town planning have always been afforded priority over environmental protection. The result has been that none of the four targets of environmental protection – climate, renewable water sources, forest area biodiversity – have ever been pursued in a systematic fashion.

Forest management is haphazard, too, and subject to the vicissitudes of changing political leaderships and interests. It is also vulnerable to fires, some of which are started deliberately for planning reasons. Moreover, Greece has struggled to develop a land registry or inventory of land ownership to determine responsibility and control. Again, the crisis has negatively affected Greece's ability to manage any aspect of environmental policy.

To sum up, regarding environmental sustainability and given its conducive geographical morphology (long coastline) and helpful weather conditions (sunshine, winds blowing in the Aegean sea), Greece certainly has the potential for improvement.

Global Environmental Protection

Global
Environmental
Policy
Score: 4

While environmental studies are undertaken in Greece, the country has never developed enough expertise on environmental protection. The Greek Ministry of Foreign Affairs participates in international meetings and conferences that address environmental protection issues by sending diplomats tasked with such matters, but one cannot say that the Greek government has substantially contributed to efforts to strengthen global environmental protection regimes.

Quality of Democracy

Electoral Processes

Candidacy
Procedures
Score: 10

There is no discrimination in registration procedures and no potential candidates or parties are prevented from participating in elections. Exceptions include, for example, active military officers, who cannot run for office. Prison convicts are the only citizens deprived of voting rights for the duration of their prison sentence.

Before elections, parties and candidates are required to submit a petition to the highest civil and criminal court (Areios Pagos) which monitors formalities such as checking to make sure no other parties have the same name.

Elections are conducted smoothly and their legality or fairness are not challenged by parties or candidates. In short, despite the acute political conflict with respect to the causes and management of the crisis, the conduct of electoral procedures in Greece is reliable.

Citation:

Regulations for registering a candidate are listed in article 55 of the Constitution, while incompatibilities are listed in articles 56, 57 and 58. For the relevant provisions of the Constitution, translated into English, see <http://www.venice.coe.int/VOTA/en/s tart.html> [accessed on 11.05.2013].

Media Access
Score: 9

Incumbent political parties represented either in the national parliament or the European Parliament have equal opportunities of access to the media.

Most media outlets provide a fair and balanced coverage of the range of different political positions. However, private media are more selective in their reporting and many are sensationalist and distortive.

Moreover, since the neo-Nazi party Golden Dawn won parliamentary representation in the 2012 elections (winning 18 out of 300 seats in the Greek parliament), most media have not invited this party's cadres to political debates or to interviews because it has consistently expressed strong anti-parliamentary and racist views.

<p>Voting and Registrations Rights Score: 10</p>	<p>Citation: http://aceproject.org/epic-en/me/Ep ic_view/GR [accessed on 08.05.2013]</p> <p>All Greek citizens of at least 18 years of age have the right to vote, with the exception of those serving a prison sentence. There is no discrimination in the exercise of the right to vote nor any disincentives for voting. Upon being born, Greeks are registered by their parents in the municipality where their family resides. These records serve as lists of citizens eligible to vote.</p> <p>Citation: http://aceproject.org/epic-en/count ries/CDCountry?country=GR [accessed on 11.05.2013]</p>
<p>Party Financing Score: 5</p>	<p>Party financing for national elections is regulated by Law 3023/2002, while the financing of competing electoral lists for local government elections is regulated by Law 3202/2003. Every year, the minister of the interior issues a ministerial ordinance which distributes funds to parties represented in parliament and the European Parliament based on their share of the total vote in the last elections. For instance, in 2013, parties received a total of approximately €1 million. This was an increase over the previous year, 2012, in which the total funds distributed to parties amounted to a little over €6 million.</p> <p>However, expenses to run an electoral campaign are far above what lawmakers have deemed reasonable. Moreover, the monitoring mechanism is inadequate as it involves a parliamentary committee consisting of MPs who monitor MPs' electoral campaign expenses. While parties publish information on their finances annually, neither all contributions made to the party coffers nor all sources of revenue are disclosed. In other words, monitoring is ineffective.</p> <p>Citation: http://et.diavgeia.gov.gr/f/min-int erior/ada/%CE%92%CE%95%CE%94%CE%A3% CE%9D-353. Accessed on 05.06.2013.</p>
<p>Popular Decision-Making Score: 2</p>	<p>The constitution provides for the possibility of holding a referendum, but such a decision must be taken by the parliament, after a proposal submitted by the Cabinet of Ministers. Referendums are held only on the national level.</p> <p>In 2011 – 2013, the idea of holding a referendum was discredited because in October 2011 Prime Minister Papandreou surprised everyone, including Greece's EU partners, by announcing that his government would hold a national referendum on the economic austerity measures associated with the bailout. This prospect created global insecurity about the fate of the euro and Papandreou was obliged to completely abandon the idea.</p> <p>Citation:</p>

The conduct of referendums in Greece is regulated by article 44 of the Constitution and Law 4023/2011.

Access to Information

Media Freedom
Score: 7

National and regional channels, which were staffed on political patronage criteria, belonged to a public corporation, ERT, that the government abruptly closed down on June 11, 2013, citing mismanagement, lack of transparency and misuse of public funds.

It took about a year before a new public broadcaster, named NERIT, replaced the old one (May 2014). The transition period lasted too long for the following reasons: after ERT's closure, the buildings of ERT were occupied by former employees who resisted the government's decision; ERT's dismissed employees resorted to courts to annul the government's decree abolishing ERT (but they eventually lost the relevant court cases); and the government had not prepared ERT's reorganization, as far as funding, internal structure and functions were concerned.

Since the onset of the economic crisis, state TV and radio programs have mostly reflected the political views of journalists rather than a solid government line. After 2010 there were a few cases in which journalists were mistreated during protest marches. This prompted the organization Reporters without Borders to rank Greece at 86th out of 179 countries surveyed in the Freedom of the Press Index 2013, placing Greece under dozens of developing countries, including war-torn or authoritarian-ruled countries.

Greece has a vast range of press, TV and radio outlets that span the political spectrum from extreme right to extreme left which precludes the government from restricting the diffusion of information, commentary and analysis in Greek media.

Citation:

The law establishing the new public broadcaster, NERIT, law 4173/2013, was voted in July 2013.

Media Pluralism
Score: 5

There are a large number of electronic and print media organizations, but the structure of ownership remains oligopolistic with strong cross-ownership across media formats. In a country of 11 million inhabitants, there are more than 120 analog private TV stations with a national, regional or local license. There are also approximately 950 regional/local radio stations. Since the closing down of the national broadcaster (ERT) by government fiat in June 2013, ERT's four national and 13 regional state-owned TV channels, which used to cater to a small audience, have been abolished. The new public broadcaster (NERIT), which effectively started operating only in May 2104,

has three TV channels and three radio channels. NERIT broadcasts a decent program but its appeal has been compromised by the fierce political battle between government and opposition over the abolition of its predecessor (ERT). In fact, to this day, the main party of the opposition, Syriza (Synaspismós Rizospastikís Aristerás or Coalition of the Radical Left) refuses to recognize the new public broadcaster and its party cadres never accept invitations by NERIT to participate in panel discussions or talk shows.

On the other hand, the large number of private TV channels does not indicate a diversified ownership structure. Four of them (Mega, Antenna, Star, Skai) attract the majority of TV viewers, as they offer popular shows, including Turkish and Brazilian soap operas, and infotainment. Their owners also hold majority shares in national daily newspapers (He Kathimerini, Ta Nea, Ethnos). There is extensive cross-ownership not only among electronic and print media, but also within the field of TV and radio channels.

The print media landscape is more pluralistic. There are 59 national newspapers and around 500 regional/local ones. However, over time, in the last two decades (1990 – 2008) circulation has dropped by 50%. The owners of the Sunday newspapers (To Vima, He Kathimerini) also have shares in the major private TV channels. Some other large Sunday newspapers offer sensationalist coverage (Real News, Proto Thema). There are also regional daily newspapers in large cities.

While Greece lacks an effective anti-monopoly policy for the media business, the media do report a wide range of opinions. The opposition has a voice in the media, as political party cadres participate daily in state and private TV and radio programs, and two national newspapers (Efimerida ton Syntakton, Eleftherotypia) reflect opinions very close to the radical left party Syriza. The latter also runs its own daily, He Avgi. The traditional pro-Soviet communist party (KKE) has its own daily newspaper, while smaller leftwing groups run their own weekly newspapers and websites. There are also low-circulation weekly newspapers voicing hardline, extreme-right political views.

Citation:

Information and analysis on media cross-ownership and newspaper circulation in 1990-2008 is drawn on Nikos Leandros, "Media Concentration and Systemic Failures in Greece", *International Journal of Communication*, vol 4, 2010, pp. 886-905. Information on the numbers of print and electronic media businesses and media ownership in Greece is available at Evangelia Psychogiopoulou, Dia Anagnostou and Anna Kandyla, "Does Media Policy Promote Media Freedom and Independence? The Case of Greece", case study report included in ELIAMEP's MEDIADEM research program, available at <http://www.mediadem.eliamep.gr/wp-content/uploads/2012/01/Greece.pdf>. Accessed on 08.06.2013.

Score: 9

system allowing access to any public document. There are a few reasonable access restrictions pertaining to matters of national security and defense.

There are effective mechanisms of appeal and oversight enabling citizens to access information. Firstly, there are administrative courts, including the highest administrative court (Symvoulío tis Epikrateias). Secondly, there is the Greek ombudsman, which was established in 1997. Unfortunately, owing to work overload, administrative courts can take a long time to decide on a case, but the office of ombudsman represents a well-managed mechanism of appeal and oversight. The ombudsman can demand that any public service respond to a citizen's right to information.

In October 2014 the Greek government passed a new law which further expanded access to public documents and adapted Greek legislation to the Directive no. 2013/37/EE of EU's Council of Ministers.

Citation:

The two most important laws regulating access to information are Law 1599/1986 and Law 3861/2010. The most recent relevant law, passed in October 2014, is Law 4305/2014.

Civil Rights and Political Liberties

Civil Rights
Score: 6

Civil rights are protected by and included in the constitution (passed in 1975 and amended in 1986, 2001 and 2008) and the criminal code. Judges are tenured and cannot be removed nor transferred by incoming governments. Courts guarantee the protection of life, freedom and property and protect all individuals against illegitimate arrest, exile, terror, torture or unjustifiable intervention into personal life. Greek citizens enjoy equal access to the law and are treated equally by the law.

However, the courts are unable to handle a constant overflow of cases and, in practice, provide protection with extensive delays. Lack of digital infrastructure and modern management methods aggravate the situation. There are rare cases of officials failing to uphold the law as far as human rights protection are concerned. Such cases, which have occurred in detention centers for migrants and in prisons, have acquired wide publicity, and have taken a long time to be processed by the courts system. Independent control mechanisms, such as free media, NGOs and social movements, are very sensitive to such violations. Prosecuting authorities have also become more sensitive to these issues, as attested by the wide-ranging investigations against party cadres of the neo-Nazi party Golden Dawn which started in September 2013 and are still going on. In sum, the state protects civil rights, but in practice organizational and infrastructural obstacles stand in the way of

Political Liberties
Score: 9

comprehensive protection of these rights, which disproportionately harms religious and ethnic minorities and asylum seekers.

Political liberties are well protected by the constitution, including the right to vote, to think and speak freely, to assemble and demonstrate, to organize in collectives such as unions and associations and to submit petitions requiring a timely response by the competent authorities. In the period under review, protests against the austerity measures accompanying the bailout of Greece by the Troika were recurrent and the exercise of political liberties was completely unrestrained. The staging of political demonstrations at times took place on a weekly, if not daily, basis. Protests involved sit-ins and occupations of public buildings, such as state universities and central headquarters of ministries. The police intervened only when protesters threatened to storm the Greek parliament or the Prime Minister's Office.

In other areas - the right to worship, for example - are affected by the impediments on proselytism and the establishment of places of worship, for some.

Non-discrimination
Score: 5

Protection against discrimination on the basis of race has been regulated since 1979, while protection against gender discrimination is regulated by the New Family Law passed in 1983. The European Union's legislative acts also provide protection from gender discrimination.

However, legislation against discrimination has rarely been implemented. In the period under review the Greek state was unable to contain, let alone roll back, the outbursts of racial violence which periodically spread through neighborhoods of Athens with a high concentration of migrants from South Asia and Sub-Saharan Africa.

In February 2013 Nils Muižnieks, the Council of Europe Commissioner for Human Rights, stated that "between October 2011 and December 2012 more than 200 racist attacks were recorded in Greece by the racist violence recording network headed by UNHCR and the National Commission for Human Rights." Under pressure, in May 2013 the Ministry of Justice submitted a new anti-discrimination law to public deliberation, but the Prime Minister's Office (PMO) had reservations whether new legislation was necessary. Eventually four different parties submitted to parliament a draft bill on anti-discrimination and the issue was still pending in June 2013.

Citation:

Family relations are regulated through law 1329/1982, while anti-discrimination legislation is found in law 927/1079 (amended in 2001 to facilitate the intervention of prosecuting authorities against trespassers). European Union law, naturally also applicable in Greece, regulates gender discrimination. See, for instance, the Gender Directive, officially known as Council Directive 2004/113/EC of 13 December 2004.

For a summary of Muižnieks' conclusions, as presented to the Council of Europe, see the document "Racist violence a real threat to democracy in Greece" available at <http://www.coe.int/t/commissioner/N>

ews/2013/130201Greece_en.asp [accessed on 07.05.2013].

Rule of Law

Legal Certainty
Score: 7

After the onset of the economic crisis in the winter of 2009-2010, the government repeatedly adapted past legislation to changing circumstances because the conditions accompanying Greece's bailout required reforms in many policy sectors. Many changes have been made to areas such as taxation legislation which, though necessary, have not fostered an institutional environment conducive to attracting foreign investments.

Moreover, because of the need to effect reforms rapidly, the government resorted to governing by decree after passing legislation which left ample room for discretion. This is deplorable and attests to the nervousness and time pressure under which the government tries to abide by the conditions of the loan agreements granted to Greece in 2010 and 2012, in order to service its soaring public debt.

On the other hand, paradoxically, in certain respects (e.g., regarding privatizations) legal certainty may have been enhanced in Greece as a result of the austerity policy that has been implemented since May 2010. Since then, in the context of Greece's bailout, legal certainty has been monitored by the EC-ECB-IMF Troika in income, fiscal, labor market, pension and public employment policy sectors.

There are, of course, other policy sectors, such as education, research and technology, environmental protection, and the conduct of professional sports championships (football and basketball), where legal uncertainty rises from the difficult compromises made among government coalition partners and from a lingering culture of unpredictability and ad hoc, if not whimsical, policy planning. The worst case of legal uncertainty was and remains taxation policy.

The state administration operates on the basis of a legal formalism and a complexity of legislation that is extensive, numerous and sometimes contradictory. In other words, while legal certainty may be provided through established rules and regulations, knowing what applies and under what conditions makes it difficult to apply legislation. Acts passed by parliament have often had seemingly extraneous items added, which only confuses things further.

In recent times, the politics of coalition government has fostered further uncertainty. Between November 2011 and May 2012, a caretaker government based on the trust of three parties was in power, and in June 2012 was replaced by a tripartite

government. The latter consisted of the center-right party (New Democracy), the Pan-Hellenic Socialist Party (PASOK) and the pro-European left party Democratic Left (Dimokratiki Aristera, DIMAR). Legal certainty was somewhat negatively affected because the policy preferences of these coalition partners were not always predictable. In fact, in June 2013, DIMAR split from the coalition government over the issue of the sudden closing down of the public broadcaster (ERT). This departure may have left the coalition government in a more fragile state (commanding only 155 votes out of a total of 300 members of parliaments). Yet, the fact that the remaining coalition partners (ND and PASOK) have converged on most policy issues may be a sound basis on which to expect that - in contrast to the past - Greek public policy will feature fewer loopholes and contradictions.

Judicial Review
Score: 7

Courts are independent of the government and the legislature. Members of the judiciary are promoted through the internal hierarchy of the judiciary. There is an exception, namely the appointment of the presidents and vice-presidents of the highest civil law and criminal law court (Areios Pagos) and administrative law court (Symvoulío tis Epikrateias), for which a different process is followed.

Justices are recruited through independent entrance examinations and are then trained in a post-graduate level educational institution. The court system is self-managed. In a formal sense, courts in Greece are able to monitor whether government and administration act in conformity with the law.

Whether courts do so efficiently is another matter, because they cannot ensure legal compliance. They act with delays and pass contradictory judgment, owing to the plethora of laws and the opaque character of regulations. One example of a law-infested policy sector is town planning, where courts have not managed to control the government and administration in a sustained manner.

In 2011 – 2013 justices showed an unprecedented level of judicial activism. Prompted by citizens challenging government policies, they issued court decisions on the constitutionality of migration laws, pension laws and public employment laws passed by the government in the context of Greece's fulfillment of the conditions set by the country's creditors. In the period under review, justices made their presence felt as never before.

Appointment of
Justices
Score: 8

Before the onset of the crisis, the appointment of justices was to a large extent controlled by the government. After the Pan-Hellenic Socialist Party (PASOK) came to power in October 2009, the government made the process of appointing higher ranking justices more transparent. Today, candidates for the presidency of the highest civil law and criminal law court (Areios Pagos) and administrative law court (Symvoulío tis Epikrateias) as well as the audit office are nominated by justices themselves. Then the lists of candidates are

Corruption
Prevention
Score: 5

submitted to a higher-ranking organ of the parliament, the Conference of the Presidents of the Greek parliament. This is an all-party institution which submits an opinion to the Cabinet of Ministers, the institution which appoints justices at the highest posts of the courts mentioned above. In 2011 – 2013 the government applied the seniority principle in selecting justices to serve at the highest echelons of the justice system.

Public officeholders are not efficiently prevented from exploiting their offices for private gain, but things have been changing since 2011. In 2011 Greece's Corruption Perception Index (CPI) score was far lower than that of all other EU member states, except for Bulgaria, and in 2012 Greece's score fell below that of Bulgaria. There is extensive anti-corruption legislation but the implementation gap in enforcing it is a recurring problem. The implementation gap is visible in three outstanding areas: party financing and parliamentary integrity; corruption of civil servants; and tax evasion. All three issues are related to the fact that Greece was at the brink of default in 2010 and even today has not completely avoided this danger.

In 2011 – 2013, the government reacted to pressures from the country's creditors and from Greek society by: pressing the prosecuting authorities to furnish evidence on politicians whose names appeared on lists of those allegedly engaged in money laundering; promising the immediate dismissal of civil servants who had been condemned by Civil Service Disciplinary Councils for having violated integrity legislation; and also preparing a new tax law aiming not only to increase property and income tax, but also to reduce tax evasion among the self-employed and liberal professions.

Some progress has been made on all these fronts. For instance, a former vice president of the Greek socialist governments of the 1980s and the 1990s, Akis Tsouchatzopoulos, was arrested in April 2012 and a year later was brought to trial on charges of corruption. In the meantime, persons belonging to high income groups, such as businessmen and celebrities who have evaded taxes, have been called in by tax authorities to pay fines.

The visible but relatively small progress in fighting corruption is associated with multiple factors: the plethora of legislative acts on corruption and the remaining loopholes in the relevant legislation; the lack of expertise and resources available to institutions entrusted with the fight against corruption and the problematic coordination between these institutions; and at least until 2011, the lack of resolve among political and administrative elites to control corruption.

Citation:

<http://www.transparency.org/research/cpi/overview>. Accessed on 12.06.2012.

Governance

I. Executive Capacity

Strategic Capacity

Strategic
Planning
Score: 4

Strategic planning has long proved difficult for the central government in Athens. Government has often suffered from an “archipelago”-like quality, with conflicting political interests, clientelism, and a highly formalistic administrative culture serving to enhance segmentation.

Traditionally, strategic planning has relied on small groups inadequately integrated into the governmental process. The units at the Prime Minister’s Office (PMO) and the Ministry of Finance are usually staffed by academics who are affiliated with the incumbent government and work on fixed-term contracts. Since 2012, the PMO has included a group of lawyers and party cadres who are close associates of the prime minister and leader of the governing center-right party New Democracy (ND). At the PMO there is a Directorate of Strategic Planning, whereas at the Ministry of Finance there is a Council of Economic Advisors. In 2013-2014, the PMO followed closely the progress made by each ministry regarding milestones such as the passage of specific reform measures that had been dictated to the Greek government in exchange for continued bailout installments.

The Troika insisted on reform to enhance central direction and oversight. In 2012, a Government Council on Reform was created in order to pursue long-term goals related to public sector reform, but it has not assumed programming and planning functions. These are still in the hands of the minister of public administration. This Council has convened several times in 2013-2014, but its function is primarily to provide the prime minister and the minister of public administration with a sounding board and above all with a wider legitimating basis for new bills of law drafted to effect reforms in the public sector.

To sum up, strategic planning is limited to the time horizon of the bailout

packages and does not look beyond 2016. Long-term planning suffers as a result, but the PMO and individual ministries have benefited from learning to work with the Troika. The higher echelons of the Greek government and public administration have become more sensitive to the need for systematic planning.

Scholarly Advice
Score: 6

Non-governmental academic experts are consulted as advisors to the government, prime minister and ministers. Most of the ad hoc committees formed by ministers on public policy reform are staffed by academic experts.

The interpenetration of politics (and more specifically policymaking) and academia can be explained by the fact that expertise and substantive research are found more commonly in universities than within government or in businesses or other institutions. It also underscores just how unattractive a career in civil service is to those university graduates with tertiary-level degrees. Qualified academics often serve as experts in all sectors of the economy and administration, where they also act as administrative elites, which simply do not exist in Greece's highly politicized civil service. Moreover, the size and quality of policy think tanks varies significantly and often offers little alternative to ad persona advisory inputs.

Interministerial Coordination

GO Expertise
Score: 6

The center of government has traditionally struggled to coordinate and evaluate government legislation. Few prime ministers have had effective staffing to help perform such functions. Draft legislation has rarely been subject to substantive reviews and evaluation. In fact, ministers have often been able to insert last-minute amendments to legislation and thereby foster clientelism.

The two relevant offices at the center of government – the Prime Minister's Office (PMO) and the General Secretariat of the Government (GSG), which is a separate unit supervised by the prime minister and tasked more narrowly with preparing cabinet meetings and reviewing draft bills, have lacked the staff and resources to act as efficient coordinators and evaluators. The PMO staff has often assigned non-governmental tasks. Currently, however, PMO advisors are assigned with the supervision of crucial policy sectors, such as economic policy and the evolution of negotiations with the Troika of the EC, ECB and IMF. The GSG has normally played a limited role in coordination and evaluation, largely failing to do so effectively. It has not, for example, kept or circulated minutes of relevant cabinet meetings.

Bailout conditionality has compelled the government to pay closer attention to such matters. In 2013 and 2014, Prime Minister Samaras (New Democracy)

and Deputy Prime Minister Evangelos Venizelos cooperated closely with the latter ensuring that ministers complied with the government's decisions. This represented an improvement over the very fragmented, if not inchoate manner with which previous prime ministers used to coordinate cabinet ministers in the past.

GO Gatekeeping
Score: 7

The Prime Minister's Office (PMO) can return all items on policy grounds, but it has limited resources when it comes to reviewing legislation. In fact, it is the Ministry of Finance, along with the PMO, which may play the role of gatekeeper, as Greece's finances are closely inspected every three months by Troika representatives. During the period under review, both domestic and foreign gatekeepers held sway in Greece.

Line Ministries
Score: 7

Before the economic crisis, the PMO was not capable of restraining individual ministries from pursuing their own policy agendas, particularly if a minister was a member of one of the high-ranking governing party cadres. In other words, the prime minister was a sort of "primus inter pares."

During the period under review the PMO, probably at the insistence of Troika, upgraded its resources by hiring competent staff and adopting more efficient methods of monitoring policy proposals from line ministries. The PMO's staff kept records on the progress made by line ministries in preparing policy proposals that were in line with the Memorandums of Understanding signed between Greece and its creditors.

Citation:

Kevin Featherstone and Dimitris Papadimitriou (2013), "The Emperor Has No Clothes! Power and Resources within the Greek Core Executive", *Governance*, Vol. 26, Issue 3, pp. 523-545.

Cabinet
Committees
Score: 4

There are cabinet committees tasked with overseeing specific policy sectors. However, these committees meet only when a major policy decision has to be made and are not subject to systematic organization. Substantive policy work is done at the line ministries and by the Prime Minister's Office before issues are presented to the cabinet. Ministerial committees often perform a more symbolic function.

Ministerial
Bureaucracy
Score: 4

Greek bureaucracy is over-politicized and under-resourced. Policy proposals are rarely prepared by civil servants in line ministries, as they often lack modern scientific and management skills. Policy proposals are usually assigned to ministerial advisors, who are short-term political appointees and can be non-academic experts, academics and governing party cadres. Top civil servants contribute to policy proposals by suggesting what is legally permissible and technically feasible, although even on those issues ministers often tend to trust their own legal and technical advisors. The remaining civil servants at lower levels of the bureaucratic hierarchy rarely, if ever, know of, let alone contribute to policy proposals.

Moreover, there is little horizontal coordination among civil servants working in different ministries. Ministers assign the task of horizontal inter-ministerial communication to their advisors.

Informal
Coordination
Score: 6

Most coordination mechanisms are informal and complement the more meager formal coordination mechanisms such as the infrequently convened cabinet and ministerial committees. Most informal mechanisms are ad hoc meetings among ministers convened at the Prime Minister's Office (PMO). Such meetings are followed up by person-to-person contacts between staff members of the PMO and advisors to ministers.

Evidence-based Instruments

RIA Application
Score: 2

RIA has been nominally adopted but in practice policy proposals are not accompanied by RIA. The Prime Minister's Office issued a prime minister's circular in July 2006, requesting that all ministries start RIA in their policy field, but in practice little progress has been achieved since then.

Quality of RIA
Process
Score: 1

RIA analyses do not really exist.

Sustainability
Check
Score: 1

Sustainability checks do not exist.

Societal Consultation

Negotiating
Public Support
Score: 2

Since the onset of the crisis – and despite increasing public pressure on government – consultation with societal actors has actually deteriorated. Under pressure from the Troika, the Greek government has since 2010 sought to manage economic problems through austerity measures, which unions have fiercely opposed. At the same time both large and small interest groups have fought to maintain their collective rights and privileges. In 2013-2014, the divide between the government's plans and the claims of affected interest groups remained very deep.

Policy Communication

Coherent
Communication
Score: 3

Greece's improved fiscal status – manifest in the budget surplus for 2013 and 2014 – prompted the government to prematurely communicate optimism in the summer of 2014 that the country had successfully turned the corner in overcoming the economic crisis.

However, by October 2014 it became clear that international capital markets were still a danger for the Greek economy, as the spreads on Greek state bonds were forbiddingly high. Greece needed and will continue to need an extension of credit from the Troika.

With the exception of the aforementioned overoptimistic message, individual ministries did not contradict each other in their public communication, as they worked under the close oversight of the PMO and Ministry of Finance, which has improved in recent years. The contradiction lied elsewhere: despite the obviously frail state of the economy, the sensationalist press, the extreme right (i.e., the Golden Dawn party) and segments of the left continued to communicate to the public the unrealistic prospect of reversing most, if not all, post-2010 policies after a change of government.

Implementation

Government
Efficiency
Score: 4

Institutional structures for policy implementation and follow-up are traditionally weak in Greece and have only begun to change since the onset of the crisis in the winter of 2009-2010. External intervention at the hands of Troika representatives who have periodically visited Athens to ensure that loan agreement requirements have been met. This has involved the placement of EC, ECB and IMF officers at various levels within Greek ministries who are tasked with monitoring the development and implementation of policy reforms as stipulated in the loan agreements between Greece and its creditors. The EU created its own task force of officials (including EC officials) who reside in Athens and are able to provide Greek authorities guidance and assistance in implementing the reforms. All of this has led to substantial improvements in policy implementation in Greece in the last few years, although shortcomings persist.

Policy implementation efforts have not always been successful. From time to time, administrative incapacity coupled with resistance on the part of affected interest groups (e.g., the liberal professions) and economic recession (which has clipped opportunities to raise capital), have delayed the implementation of important policies. Examples of a lingering implementation gap include the problems still encountered by young entrepreneurs and professionals when it comes to establishing and operating a new business or entering a market niche in previously restricted professions (e.g., starting a commercial transport business using trucks, opening a pharmacy).

Nonetheless, Greece achieved fiscal consolidation in 2013-2014. Other tasks traditionally managed with efficiency – such as the conduct of nationwide university entrance examinations – were also accomplished during the crisis

period. The government was also largely successful in collecting the new landed property tax included in electricity bills, issued by the state-managed monopoly corporation, DEI (the Public Power Corporation). The new tax was thus collected from home owners who paid it along with their electricity bill. However, political tensions created over this tax and DEI's reaction to it have led the government to shift gears by collecting the same revenue amount by integrating this tax into other property taxes. The new means of collecting this Integrated Tax on Landed Property (ENFIA) is to issue a separate tax claim for each property owner and have him or her pay the ENFIA tax in six installments.

Overall, during the period under review, the ministries and state agencies in charge of policy implementation have taken steps forward, but a lot remains to be done.

Ministerial
Compliance
Score: 6

During the elections of June 2012, parties were legally required to submit party lists instead of preference lists to voters. This rendered members of parliament dependent on their party's leader if they are to be ranked at the top of party lists. The same holds true for members of parliament who later become ministers. The organization of government has also changed in the sense that the prime minister himself and the PMO as well as almost all ministers now feel the Troika's pressure to implement the measures included in the austerity package Greece adopted in exchange for their bailout. Thus, ministerial compliance has probably improved, as ministers depend on the prime minister for their political survival, and the fear of Greece's default has also compelled them to follow the party line set by the prime minister, particularly with regard to economic and social policy.

Monitoring
Ministries
Score: 6

Government ministers have in the past often resisted implementing all policy measures for fear of popular criticism. The PMO did not monitor them well either. The efficiency of the PMO's monitoring of line ministries has improved since June 2012, when Prime Minister Samaras, the head of the center-right New Democracy party, formed a tripartite government in which the vast majority of ministers come from his own party and also assigned the task of monitoring ministries to his close associates. On-site monitoring was obviously also performed by the Troika during its frequent visits.

Monitoring
Agencies,
Bureaucracies
Score: 8

In Greece, most ministries supervise dozens of state agencies. For instance, the Ministry of Transport supervises the state-owned public transport companies in Athens and Thessaloniki, the Ministry of Health supervises all public hospitals and the Ministry of Finance supervises numerous state-owned enterprises. Before the crisis, supervision was lax – a tendency which resulted in very high debts incurred by state agencies such as those identified above. The cost of servicing such debts was assumed by the state budget. In the long run, this pattern, along with other governance deficiencies, led to Greece's deep, ongoing fiscal crisis.

After Greece's first bailout in 2010, the supervision of state agencies tightened considerably. In fact, the Ministry of Finance acquired substantive powers to oversee the management of state agencies even in cases where the latter still nominally belonged to the jurisdiction of other line ministries. In 2011 – 2013, progress became visible as far as the monitoring of state agencies was concerned, as Greece was able to drastically reduce its primary budget deficit.

Task Funding
Score: 3

During the period under review, the government, anxious to effect fiscal consolidation, was extremely frugal with regard to task funding. Moreover, municipal authorities were no longer allowed to obtain easy credit from state-owned banks. As a result, subnational governments began scaling back social and cultural services.

Constitutional
Discretion
Score: 3

While the autonomy of subnational self-governments is nominally guaranteed by the constitution – which requires that the government provides them with all legislative, regulatory and financial means to accomplish their tasks – in practice, particularly in the period under review, subnational self-governments had very few means at their disposal. The government narrowed the scope of discretion of subnational self-governments because the state's finances were on the brink of collapse.

Citation:

Article 102 of the constitution provides for the autonomy of subnational governments.

National
Standards
Score: 2

Before the crisis, an uneven allocation of staff, infrastructure and funds rendered the standards for public services unpredictable. The only thing that was reasonably predictable was that public services, such as public health and education, were substandard in mountainous regions and remote islands. For example, hospitals, welfare services and schools were understaffed in these areas. In 2011 – 2013 owing to the crisis, the situation became worse as supplies like drugs were depleted, while cuts in government spending led to uncertainty about the time, scope and quality of public service delivery at the subnational level.

Adaptability

Domestic
Adaptability
Score: 6

No other country surveyed by the SGI has been subject to such intense or extensive scrutiny as has Greece under the Troika and the EU Taskforce. Loan conditionality has obliged the country to respond to an external agenda.

Under pressure from the Troika, Greece has since 2010 started streamlining and recapitalizing its banking system. By 2014, four of Greece's systemically important banks successfully passed all relevant stress tests. During the period under review, Greece demonstrated some success in cutting down the size of

central services provided by ministries, though mergers among directorates were sluggish. Greece also improved the coordination of anti-corruption policies, filling in 2013 a new top government post, the National Coordination of Anti-Corruption Policies. Finally, Greece strengthened the administrative capacity of the Prime Minister's Office, which is ultimately responsible for implementing the program shaped by the European Commission, the ECB and the IMF to finance the country's bailout.

International
Coordination
Score: 3

Greece, through its membership in the euro zone and through EU summits and meetings of ministers, has participated in international efforts to foster the provision of public goods. For instance, Greece has been vocal at international forums in pressuring for a global response to migration issues, emphasizing that migration from the developing world into Europe is not solely a Greek problem arising from its geographical position between Europe and Asia. However, given its own severe economic crisis, Greece has been unable to develop institutional capacities beyond its role as an EU member state in fostering the provision of public goods nor has it been able to devote resources to ensure that its own policies are in line with international policies.

Organizational Reform

Self-monitoring
Score: 5

Again, the external monitoring of Greece's bailout loans has pressured Greece to overcome its operational weaknesses within government.

A report, produced by the OECD in 2011 at the request of the Ministry of Public Administration (now renamed as the Ministry of Administrative Reform), offered an overview of government organization and public administration, and presented reform proposals. Since 2012, many of these proposals have been implemented and resulted in a new organizational chart for central services provided by ministries as of 2014.

There are also two institutions internal to the political system that can provide monitoring mechanisms. The first is the parliament's Special Permanent Committee on Institutions and Transparency, which is, however, primarily preoccupied with cases of corruption. The second is the Government Council on Reform, a new government organ established in 2012 and composed of government ministers. This latter body convenes (infrequently) to approve reform plans already made by the PMO. This council monitors institutions of governing, but does not have the resources to proceed with the planning and programming of future changes in institutional arrangements in governing. In brief, though some new mechanisms for monitoring governing have been introduced, the government has not made full use of these mechanisms.

Institutional
Reform

Under pressure from the Troika, the government tried to improve its strategic capacity by establishing the Government Council of Reform in 2012. This was

Score: 6

a cabinet committee entrusted with the task of enhancing reform capacity. However, the committee has not yet been endowed with adequate administrative support to perform its role and has only played a role auxiliary to the Prime Minister's Office.

II. Executive Accountability

Citizens' Participatory Competence

Policy
Knowledge
Score: 5

Before the economic crisis, voter turnout in Greek parliamentary elections was very high and steadily exceeded 70% of all those registered to vote, but in the most recent parliamentary elections of June 2012, turnout dropped to 62.5%. This was symptomatic of the political estrangement felt by Greek voters who blamed Greece's political elites for the ills the country has faced since 2010. Moreover, even before the crisis, citizens did not really obtain enough information on government policymaking, as the media leaned towards infotainment, while individual members of parliament rarely discussed substantive policy issues with their voters in the electoral districts which they represented.

In Greece there is a tradition of appealing to government ministers or members of parliament in order to obtain favors such as accelerating the award of a pension or facilitating the hiring of a family member in the public sector. However, since 2010 this practice has probably been curbed, as the government succeeded in achieving fiscal consolidation at all costs in 2013-2014.

Some, but not many, individuals voice policy opinions to politicians either through writing letters on policy issues to the press or through participating in the open electronic consultation on new government measures which each ministry announces and sustains before drafting a bill of law. On the other hand, there is a strong tradition of organized interest groups voicing opinions on policy matters relevant to their material interests.

Since the onset of the crisis, citizens have acquired a more precise view of the reforms agreed on between the Greek government and the country's creditors. Yet they have not been able to fully follow developments. The Memorandums of Understanding signed by the Greek government and the Troika – which have included government measures to be taken in economic, tax, income, pension and labor relation areas – were extensive, detailed and complicated. Citizens have had only rare glimpses at the precise content of policy measures,

which are filtered through the distorting lens of polarized party conflicts between the pro-Memorandum and anti-Memorandum political parties.

Citation:

The Ministry of Interior reports turnout in elections. The relevant percentage figures are available at the Ministry's website [http://ekloges.ypes.gr/v2012b/public/#"cls": "main", "params":](http://ekloges.ypes.gr/v2012b/public/#). Accessed on 03.06.2013.

Legislative Actors' Resources

Parliamentary
Resources
Score: 7

Members of the Greek parliament are granted full access to the well-resourced library of the parliament. They are also entitled to hire two scientific advisors who are paid out of the parliament's budget. However some members of parliament hire family members or friends who, in effect, do administrative and secretarial rather than research work.

Nevertheless, each party represented in parliament has its own scientific support group that is funded by the state budget.

Nowadays updated academic advice is available also through two recently founded institutions. The first is the Office of the Budget, a policy-oriented committee of university professors with economic expertise who work under the auspices of the parliament. They are independent of any influence of the Ministry of Finance and periodically publish academic reports on the Greek economy and the finances of the state. The second is the Foundation of the Parliament, which is headed by a former law school professor. This is a more scientific-oriented foundation focusing on institutions and constitutional matters.

Obtaining
Documents
Score: 10

Members of parliament may request the supply of government documents and frequently exercise this right. Documents are normally delivered in full, within one month, from the competent ministry to the parliament. Restrictions apply to documents containing sensitive information on diplomatic, military or national security issues.

Citation:

The supply of government documents to the parliament is regulated by article 133 of the Standing Orders of the Parliament. Information on this regulation is available at <http://www.hellenicparliament.gr/Vo uli-ton-Ellinon/Kanonismos-tis-Voul is/article-133/>. Accessed on 04.06.2013.

Summoning
Ministers
Score: 9

The rights of committees are plentiful and are often exercised. Ministers are regularly summoned to committees but they are obliged to appear in front of a committee only if two-fifths of the committee members require them to do so. There are a few restrictions with regard to information given to the committees by the Minister of Defense and the Minister of Foreign Affairs. The former may restrict his or her comments only to armaments supplies, while the latter

is not obliged to give information on any ongoing negotiations or talks in which Greece still participates.

Citation:

The summoning of ministers is regulated by article 41A of the Standing Orders of the Greek parliament. Information on this procedure is available (in Greek) at <http://www.hellenicparliament.gr/Vo uli-ton-Ellinon/Kanonismos-tis-Voul is/article-41a/>. Accessed on 05.06.2013.

Summoning
Experts
Score: 9

The rights of regular committees are not at all limited. They summon experts from ministries, universities, NGOs and professional associations. Examples include high-ranking EC officials who have briefed the European Affairs Committee and university professors who have briefed the Committee on Cultural and Educational Affairs on university reforms.

However, government and the opposition tend to disagree on everything, even if there is consensus among experts that policy choices are very limited. This pattern reflects the long-term polarization in the Greek party system which, since the elections of 2012, has become very acute due to the clash between the coalition government of the center-right New Democracy and center-left PASOK and the opposition of the radical left Syriza party.

Citation:

Summoning experts to regular committees is regulated by article 38 of the Standing Orders of the Greek parliament.

Task Area
Congruence
Score: 7

There are of 17 ministries in Greece today, whereas there are just six regular parliamentary committees (called “Standing Committees”). This creates a task mismatch as there are more ministries than committees, but tasks are jointly carried out. For instance, there is a Standing Committee on Cultural and Educational Affairs and a Standing Committee on National Defense and Foreign Affairs.

The problem with monitoring ministries is connected to the sparse information channeled from ministries to parliamentary committees; and the sometimes decorative participation of members of parliament in committee meetings. Even though competences have been transferred from the plenary of the Greek parliament to the regular committees (which examine new bills of law), this has not improved the quality of legislation and parliamentary control.

Citation:

Information on the number, competences and tasks of regular committees of the Greek parliament in English is available at <http://www.hellenicparliament.gr/en /Koinovouleftikes-Epitropes/Katigor ies>. Accessed on 07.06.2013.

Audit Office
Score: 5

The audit office is an institution independent of the government and the parliament. It is both a court that intervenes to resolve disputes related to the

implementation of administrative law (e.g., civil service pensions) and a high-ranking administrative institution supervising expenses incurred by ministries and public entities.

The staff of the audit office is composed of judges who follow a career path comparable to that of judges of the Greek court system. At the end of the year, the audit office submits to the parliament an annual financial statement and the state's balance sheet.

The audit office's president and vice presidents are selected by a high-ranking parliamentary body consisting of the president and the vice presidents of the Greek parliament, but it is the government which makes their final appointment, as in the case of the high-ranking judges in the rest of courts. After being appointed, audit court judges are not accountable to the government or the parliament and in fact enjoy the same tenure and independence as their counterparts in the rest of courts.

Citation:

Information on the Greek audit office in English is available at www.elsyn.gr/elsyn/root_jsp. Accessed on 07.06.2013.

Ombuds Office
Score: 9

The ombuds office is one of the most well-organized public services in the country. The Greek ombudsman is selected and appointed by a group of high-ranking parliamentarians from the Greek parliament, and is obliged to report to the parliament by submitting an annual report.

The ombuds receives and processes complaints from citizens who are frequently caught in the web of the sprawling Greek bureaucracy. Depending on the complaint at hand, the ombuds office can intervene with the central, regional and local bureaucracy. The staff of the ombuds office can pressure the government to change existing legislation and can also inform the prosecutor's office of any criminal offences committed by administrative employees and officials in the course of discharging their duties.

Citation:

Information in English on the Greek "ombuds office" is available at <http://www.synigoros.gr/?i=stp.en>. Accessed on 07.06.2013.

Media

Media Reporting
Score: 5

The most popular TV and radio channels are privately owned and provide infotainment rather than in-depth information. Such channels may offer in-depth information only in cases in which the economic interests of private media owners are affected by a prospective government decision. Media

owners often change sides, now favoring the government, then the opposition.

The state-owned TV and radio channels – which cater to a small audience and cannot really compete with private channels – offer somewhat more sophisticated information and analysis. However, the sudden shutting down of the national broadcaster (ERT) by the government in June 2014 led to a gap in public broadcasting. A transitional, understaffed, public broadcaster functioned until May 2014 when a new public broadcaster (NERI) fully replaced the old one. Syriza's party cadres reject all invitations by NERIT and demand the re-opening of ERT. In NERIT, the quality of information and analysis depends on the professionalism of producers and journalists.

On the other hand, the circulation of dailies is comparatively low. Sunday newspapers have a larger circulation and Sunday newspapers feature articles based on investigative journalism. Most people inform themselves through TV programs or various news websites. In a few websites, one may follow debates provoked by an informed contributor. Such debates often revolve around the causes and consequences of the economic crisis and the management of the crisis. In short, one may find interesting in-depth information by browsing Greek websites.

Parties and Interest Associations

Intra-party
Democracy
Score: 6

Large parties such as New Democracy and Syriza, as well as PASOK, continue to suffer from intense factionalism and heavy-handed control of lists of candidates and agendas of issues by the party leadership. These phenomena are extremely pronounced in small parties, such as the traditional communist party (KKE) and the nationalist right-wing party of Independent Greeks (ANEL), where a small circle around the party leader has the final word over who is going to be included in the party lists.

However, since 2012, Syriza has been able to revive political party life, in the sense that its own party members and voters participate actively in meetings of local party cells and social movements (i.e., those which are closely associated with Syriza). This is a partial reversal of long-term political apathy. It is not observed in most other parties.

To sum up, in the period under review and particularly so at the regional and local levels, there has been some improvement as far as the inclusiveness and openness of one of the major parties is concerned.

Association
Competence
(Business)
Score: 4

Interest associations make few relevant policy proposals in a few policy areas, such as macroeconomic policy, incomes and pensions, and labor relations. Leading businesses do not have their own associations, but some leading

private banks produce policy papers and reports through their economic research departments.

The think tank of the association of Greek industrialists (SEV) is the Institute of Economic and Industrial Research (IOBE). Depending on the policy issue, this think tank may retain some autonomy from the leadership of SEV and promote the policy views of its own staff. The rest of the interest associations, such as the national association of merchants (ESEE) and the association of artisans, craftsmen and owners of small enterprises (GSEVE), have relatively less well-resourced and smaller think tanks.

During the period under review, policy formulation was confined to the results of negotiations between the government and the Troika. There was little space and time for interest associations to formulate policy proposals, even though they continued producing interesting policy papers.

Citation:

The opinions expressed by INE, a think tank associated with labor unions, are available at its website <http://www.inegsee.gr/> (no foreign language version of this website's contents). For opinions mostly reflecting the views of Greek industrialists, see the website of the think tank IOBE at http://www.iobe.gr/index.asp?a_id=122 (English version of the website).

K Featherstone & D Papadimitriou, *The Limits of Europeanization: Reform Capacity and Policy Conflict in Modern Greece*; London, Routledge, 2008

Association
Competence
(Others)
Score: 5

Greek civil society is relatively underdeveloped. A survey of the European Foundation for Working and Living Conditions, conducted in 2011, is telling enough: while on the average in the EU-27, more than 20% of citizens participated in voluntary activities, Greece (along with Portugal, Spain, Malta, Bulgaria and Romania), showed a much lower participation rate of between 10% and 15%. According to the Eurobarometer 2011 study, only 14% of Greeks participated regularly or occasionally in a voluntary activity. In this context, "voluntary activities" means unpaid work such as charity or communal work. Non-economic interest associations do not have the resources to become involved in policy formulation and the Greek state does not invite them to do so.

Among all social non-economic interest associations, environmental associations are most developed in Greece. The World Wildlife Fund claims that there are more 300 environmental groups in Greece, but their impact remains small, because policymakers prioritize other policy targets over enhancing environmental protection.

On the other hand, the Greek Orthodox Church plays a preponderant role in formulating ecclesiastical matters and (to some extent) matters of education. For instance, religion is a compulsory subject in all grades of primary school

and high school. The Greek Orthodox Church enjoys a tailor-made taxation regime which allows it to sustain a large amount of property.

Citation:

Data from the survey of the European Foundation for Working and Living Conditions are available in the press release <http://www.eurofound.europa.eu/pubdocs/2011/021/en/1/EF11021EN.pdf>. Accessed on 04.06.2013. Data from the Eurobarometer survey are available in Figure QA15, page 7, available at http://www.europarl.europa.eu/pdf/eurobarometre/2011/juillet/04_07/rapport_%20eb75_2_%20benevolat_en.pdf. Accessed on 04.06.2013.

Data on Greek environmental associations are available at WWF's Greek language website http://politics.wwf.gr/index.php?option=com_content&task=view&id=476&Itemid=384. Accessed on 04.06.2013.

The provisions of the Constitution of Greece on the Greek Orthodox Church can be found in article 3 of the Constitution.

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