



Greece Report

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Sustainable Governance Indicators 2017

Executive Summary

In the period under review, Greece experienced a less volatile political and economic environment, following a ten-month period of political instability from January to October 2015, caused by Syriza's failed attempt to completely reverse the austerity policies of 2010-2014,.

Prolonged negotiations between the coalition government of the radical left party (Syriza) and right-wing Independent Greeks (ANEL), known as the Syriza-ANEL government, and the country's creditors continued. However, the open hostility of some government ministers toward private foreign investment or the representatives of Greece's lenders, or both, did not help improve Greece's economic performance. As a consequence, the country's economy, which had started growing in 2014, stagnated. Capital controls, imposed on the banks in July 2015 when the government announced a referendum, were not lifted in the period under review and are still in place. The Greek banking system has not recovered and may again be in need of recapitalization, as non-performing loans present a threat to this system. Still, during 2015-2016 the government started a process of privatization in the energy sector and the sale of some state-owned property. Notably, the Syriza-ANEL government managed to successfully close the first review of the Third Economic Adjustment Program. It then delayed the second review, however.

The politicization of the government machinery did not decrease in this period of enormous challenges. Large refugee flows from Syria to Greece abated in part due to the EU-Turkey agreement. On the other hand, the Syriza-ANEL government allocated funding for social assistance for the lower social strata. Unemployment declined but remains a lingering problem.

Regarding state management capacity, the government established new management structures, such as a Council for Administrative Reform. After Tsipras's agreeing to the Third Economic Adjustment Program, the Syriza-ANEL government started applying harsh austerity measures. Such measures were not fully implemented, yet the receipt of bailout funds depends on their implementation within a very limited time frame.

A disappointing development during the review period was acute political polarization fueled primarily by the government's awkward attempts to

regulate the media sector in a way that would assert government control in a suffocating fashion. The government has not given up on its drive to control the media and influence the judicial system. Meanwhile, the weak state administration may hamper further reform efforts by the Syriza-ANEL government. Such efforts, however, are necessary if Greece wants to change its model of production, currently based on domestic consumption and the provision of services.

Key Challenges

In the next twelve months, Greece must proceed with the remaining reforms required by the Third Economic Adjustment Program (agreed by the Greek government and the country's lenders in July 2015). The aim of these reforms are threefold: first, to raise government revenue; second, to change the reigning anti-business climate; and third, to stimulate the economic growth promised by the Syriza-ANEL government (growth that, so far, has been impeded to at least some extent by the government itself).

In the period under review the government discouraged private investment, preferring to raise taxes to redress the government's fiscal problems and recruit new public sector employees. This high-risk development strategy, combining a distaste for the free market with a preference for a Keynesian-like expansion of the public sector, in a period in which the market is starved for cash, may lead to highly unpredictable economic developments.

Syriza leaders still press for a major restructuring of Greece's public debt, even before Greece completes the series of reforms required by the aforementioned program. Naturally, Greece's creditors demand the reverse and, in fact, expect Greece to rapidly proceed with reforms.

Primarily because of the current government's meandering economic policy in the first ten months of 2015, the key challenge for Greece's economy will be to overcome its current stagnation. Overcoming the crisis is possible despite the imposed austerity measures, but will depend on the pace with which structural reforms are adopted and implemented (under the supervision of the country's lenders: the European Commission (EC), the European Central Bank (ECB), the European Stability Mechanism (ESM) and the International Monetary Fund (IMF), although the latter is not fully involved in the Third Economic Adjustment Program).

In conclusion, the Greek economy has experienced a delay in its gradual recovering and remains fragile, as Foreign Direct Investment (FDI) is not forthcoming. While the unemployment has slightly declined, the economy has stagnated. In fact, private consumption has fallen, sending an alarming signal to policymakers.

As long as the Greek government delays implementing structural reforms in the market economy and public sector, economic growth will remain anemic, while the lower social strata, which Syriza fought for before coming to power, will see their living standards deteriorate.

In 2017, the most crucial, and most politically sensitive, issue will be the banks ability to reduce their huge stocks of bad loans. Greece needs swift action if its currently paralyzed banking system is to be restored.

In short the most important challenge for Greece and its creditors will be to avoid a sudden economic crisis, resulting from a further decrease in private consumption or a sudden banking crisis, and to restart the engine of the private economy.

Policy Performance

I. Economic Policies

Economy

Economic Policy
Score: 3

Greek economic policy is still bound by the Third Economic Adjustment Program (supported by a €86 billion bailout), based on an July 2015 agreement reached by Greece and its creditors and approved by the Greek parliament in August 2015. It is also an economic policy still constrained by the capital controls imposed in July 2015. Capital controls were put in place to avoid a bank run after the Syriza-ANEL government launched a referendum on one of the drafts of the economic reform proposals, which at the time the government was still negotiating with the EC.

The evaluation of economic policy measures required by the Greek government in the context of the third program is still under way. In fact, the evaluation, necessary for the disbursement of the next tranches of financial aid, has been delayed due to another round of prolonged negotiations between the government and its creditors. In the first half of 2016, negotiations pertained to privatization and reforming the pension system, while in the autumn of 2016, negotiators shifted their attention to reforming labor relations. The government wants to avoid the latter, but creditors want to pursue the issue. The third program's major goals are to save the Greek banking system, which still faces risks because of un-serviced loans to households and businesses, and rising government revenue.

To this effect, Syriza-ANEL government raised indirect and direct taxes, including private income and landed property taxes. While raising taxes has already started to increase government revenue, the key to economic development lies in private investment which is not forthcoming. On the one hand, in August 2016, the government successfully extended the privatization of the port of Piraeus through a new agreement with China Ocean Shipping Company (COSCO), a state-owned Chinese company. COSCO now holds 67%

of the shares of the formerly state-owned Piraeus Port Authority. In the same vein, after a one and one-half year delay, the government also approved the sale of state-owned property at the former Athens airport to private investors. This is a huge project that is expected to create 70,000 jobs and boost Greek economic output by 2%. On the other hand, the same government is still unable or unwilling to proceed with measures of economic liberalization. For instance, in July 2016, after having agreed on the privatization and sale of 66% of the state-owned Hellenic Gas Transmission System Operator (the DESFA company) to the state-owned gas company of Azerbaijan (SOCAR), the government passed legislation that set a limit on gas tariffs, a move that was estimated by SOCAR to reduce DESFA future profits by 40-50%. In November 2016, the Greek government announced that it had failed to reach an agreement with SOCAR, creating another obstacle in reaching the privatization targets dictated by its bailout agreement (€ billion revenue through the sale of state-controlled assets). In the meantime, unemployment remains at a painfully high-level (23.1% in September 2016), prompting further fears of permanent social dislocation for the long-term unemployed.

In view of the above, the prospects of output growth and any increase of fixed capital formation are slim.

Given that the Greek public debt remains at forbiddingly high levels, the EU, the ECB and the IMF may soon need to devise a plan that unavoidably becomes a large-scale debt restructuring and may entail substantive losses for the creditors. In December 2016, Eurozone finance ministers, seeking to get the IMF to participate in Greece's bailout, agreed on a package of short-term measures that could ease the country's debt load by around one-fifth in 2060. A crucial issue is the participation of the IMF in the program. Germany sees the Fund's participation as critical to convince skeptical German lawmakers of the rigor and robustness of the program. At the same time, Germany remains reluctant to grant Greece major debt relief.

Citation:

Information on Gross Fixed Capital Formation and output growth is drawn on the SGI provided by this platform.

Labor Markets

Labor Market
Policy
Score: 3

In the period under review, the crisis continued to expose some of the rigidities in the labor market. Even for a pro-labor government, It has become increasingly difficult, , to manage politically and the crisis's effects on the labor market effects are painful. The unemployment rate has fallen from 27% in 2013 to 23.3% in 2016. However, the rate of long-term unemployment and youth unemployment is so high that, on both of these counts, Greece is at the bottom

of the corresponding ranking orders of OECD countries. About 75% of unemployed have been out of work for more than one year. This is a phenomenon with detrimental effects for economic growth called ‘hysteresis’: people lose their skills and they cannot find jobs, leading to a spiral of increasing poverty and social exclusion. Youth have been hit particularly hard by the economic crisis and almost 50% of 15- to 24-year olds in the labor force are unemployed, more than three times the OECD average.

The primary reason the labor situation has not improved is the government’s reluctance to implement measures which would facilitate job creation in the private sector. There is still resistance, if not aversion, among government ministers toward large-scale, industrial or other private investments, which could create job opportunities.

According to the Greek employment agency OAED, there are currently 1,050,000 people registered as unemployed, and 10%, or 100,000 people, receive 360 euros per month. It is important to note that OAED numbers refer to “unemployed employees” only and not to self-employed or free-lancers who saw their businesses collapse during the economic crisis. Indeed the number of unemployed employees is probably inflated since many employees in the tourist industry do not seek employment in the winter months (around 200,000 do not seek a job). Unemployment allowances are capped at one year over an entire working lifetime. However, there is some progress. In 2016, the government announced subsidized work programs for some 36,000 jobless people.

In the meantime, the primary causes of the continuing closures of businesses are the continuing fall-out of the lengthy economic crisis, the depletion of private deposits of households and the unstable prospects of the banking system. Many small and very small enterprises have failed, while former entrepreneurs and dismissed workers find it difficult to find new jobs, as many lack 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 become more acute, as public sector employees, most of whom enjoy job security, have more or less successfully adapted to lower living standards. In contrast, private sector employees are faced with the recurring problem of unemployment. Moreover, as in the previous period under review, there has been a rise in part-time and short-term labor contracts over contracts of indefinite time. In brief, the slight improvement in the overall unemployment rate in the period under review is a sign of progress, which however is endangered by a combination of adverse macroeconomic constraints and government policy choices.

Citation:

Information on unemployment, long-term employment and youth unemployment is drawn on SGI data available on this platform.

Taxes

Tax Policy
Score: 4

In 2015, Greece ranked 14th out of 35 OECD countries in terms of the tax-to-GDP ratio: Greece had a tax-to GDP ratio of 36.8% compared with the OECD average of 34.3%.

In 2015, political instability has hampered tax collection, as the Syriza-ANEL government twice reshuffled the cabinet, including ministers in charge of the state's finances and tax collection. Even so, in contrast to its predecessors, the new government upgraded the fight against tax evasion by establishing a new anti-corruption minister post with a focus on tax evasion.

According to Greece's third adjustment program, raising government revenue should have been effected through a combination of tax increases and privatization, but the Syriza-ANEL government has been, at least discursively, hostile to any privatization. It has thus preferred to increase taxes and broaden the tax base.

This is easier announced than implemented as during the tourist season, income raised in small and very small businesses remains undeclared, while throughout the year an unknown share of income raised in liberal professions also remains undeclared (e.g., engineers, lawyers, medical doctors and dentists as well as craftsmen, plumbers, electricians and computer technicians).

Frequent changes in tax legislation and government indecisiveness during 2015 and 2016 did not help either. Tax revenue still derives primarily from indirect taxes (at 57% is the highest percentage in Europe), such as taxes on the use of oil products (gasoline, heating oil) and VAT. In relation to other OECD countries, Greece receives lower tax revenues from personal income, profits and gains, corporate income and gains and property. In 2015, the VAT on restaurant and coffee shop consumption was raised to 23% (up from 13% in 2013-2014). In June 2016, the VAT was raised again, this time to 24%. In January 2016 the government increased corporate income tax rate to 29% from 26%. Also, Greek companies now have to pay 100% of their estimated annual taxes up front, versus 80% previously. A higher dividend tax follows in 2017.

The fiscal situation was not helped by promises from the Syriza party, winner of the 2015 parliamentary elections, that it would abolish the landed property tax

(ENFIA). Neither this nor similar populist promises, such as increasing wages or salaries, were kept. ENFIA is important for the state budget since it brings revenues of €2.5-3.0 billion per year. It was reported this contributed to a fall in house prices and led to disinvestment in the housing industry, an important sector in the Greek economy.

In the meantime, households and businesses, including those required to pay installments on loans obtained from Greek banks, refrained from fulfilling their financial obligations to the Greek state on time in 2015 and 2016.

As it had been the case before 2015, the government raised both direct and indirect taxes, while it proceeded with cuts in social spending, particularly in pensions. As long as such tax policy issues are constantly under revision, the business environment of Greece will not stabilize and progress will not be achieved in improving horizontal or vertical equity.

With the exception of indirect and real estate taxation, there are no signs of over-taxation in Greece when compared to other OECD countries. However, the personal income tax is unevenly distributed. The IMF has consistently argued that the Greek government should reduce the income tax threshold to 5,000 euros per year since half of the salaried workers in the country are exempt from paying income taxes, compared to the Eurozone average of only 8 percent.

Budgets

Budgetary Policy
Score: 5

After achieving fiscal consolidation in 2013 and 2014, the state finances of Greece were put at risk in 2015 owing to economic uncertainty related to government turnover in January 2015. Fiscal problems grew as state funds were depleted in the course of protracted negotiations (February-August 2015) between Greece and representatives of the EC and the ECB regarding the last tranche of the loan extended to Greece through the second economic adjustment program (2012). The aforementioned strain on public finances also grew as a result of the sudden referendum called by the Syriza-ANEL government in July 2015 on the EC's reform proposals. Further, the imposition of capital controls, just after the referendum was called, did not contribute to streamlining the budget implementation or the timely collection of tax revenues.

In 2015, the Syriza-ANEL government was consumed in negotiations with the country's creditors and essentially only started collecting direct taxes in August. In 2015-2016, the government was late in paying private suppliers for some goods and services, which resulted in the near collapse of some private businesses.

The new draft budget, announced by the Ministry of Finance in early October 2016, forecasts robust growth for 2017 (2.7%). The budget adds more than 1 billion euros in mostly indirect taxes on items from phone calls to alcohol. It also cuts spending by over 1 billion euros. It predicts a primary budget surplus of 0.6% of GDP at the end of 2016, rising to 1.8% of GDP at the end of 2017, and to 3.5% at the end of 2018. Clearly the growth rate predicted is not attainable: the parliament's own budget office has said that the combination of extra taxes and spending cuts will "in the short term" have "a recessionary effect." International organizations seem to agree that the growth rate will probably be closer to 0.6%.

The government insisted that it achieved a 2016 primary surplus of more than double the original forecast, excluding debt servicing, and defended its decision to give an extra €17 million to some 1.6 million low-income pensioners. This announcement took Greece's creditors by surprise.

In other words, the new government, elected in 2015, eventually followed throughout 2015-2016 the road of its predecessors, as far as budgetary policy and fiscal sustainability are concerned.

Citation:

Information on the Greek state budget is drawn on the official site of Greece's Ministry of Finance, available at <http://www.minfin.gr>

Research and Innovation

R&I Policy
Score: 4

Even though Greece is not ranked in the bottom tier of OECD countries with regard to government spending on research and development, successive Greek governments have never considered research and development a priority policy sector. This problem is coupled by the reluctance of private business enterprises, even the largest, to devote funds to R&D. This is a factor of overall economic activity, institutional weaknesses, and cultural resistance to public-private collaboration.

In the period under review, as in the past, most research was conducted at state universities and state research institutions. However, such universities saw their funding (based on the state budget) decline in 2015, and again in 2016, as a result of the Syriza-ANEL government's harsh austerity measures. Despite economic adversity, there are clear "islands" of excellence at these universities in areas such as biology, IT and computer science, economics and various branches of engineering, archaeology and history.

Notably, 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.

Under “Europe 2020,” Greece is committed to an unusually low target for research funding as a percentage of GDP (1.2% as opposed to the EU mean of 3%). Given that in 2014 the Greek government devoted only 0.45% of GDP to R&D, it will be difficult to attain even the aforementioned low target by 2020. In brief, Greek research and innovation policy during the review period has continued to be suboptimal.

A very positive step has been the establishment of the Hellenic Foundation for Research and Innovation, a new public body funded by the Greek state and the European Investment Bank (EIB), with additional funding from the EU National Strategic Reference Framework and the EU Horizon 2020 program. The Foundation will manage the evaluation and financing of research projects, academic positions and investment in scientific equipment in order to strengthen research financing in Greece and to ensure that research jobs can be created for young scientists and doctoral students, who might otherwise leave the country to seek opportunities elsewhere.

Citation:

Data on expenditure on research and development are on tables provided by SGI on this platform.

Global Financial System

Stabilizing
Global Financial
Markets
Score: 3

Greece, a rather small European economy which is still in the midst of a crisis of its own, is not in a position to take initiatives to monitor the global economic environment. In its capacity as an EU member state, Greece has participated in EU-driven efforts to regulate the global economic environment. Greece has also argued in European forums in favor of a more regulated system of financial markets.

II. Social Policies

Education

Education Policy
Score: 4

While the Greek state’s expenditure on pre-primary education continues to be one of the lowest among advanced economies, Greece performs better than other South European countries as far as upper secondary education is concerned. With regards to tertiary education attainment, the country scores

higher than Portugal and even Germany as well as most Eastern and Southeast European countries. In short, Greece puts a relatively high priority on secondary and tertiary education, although the age-long patterns of irrational allocation of education resources and the patronage-based distribution of schools and universities across Greece continue.

Access to education is, however, not equitable as students from middle- and upper-class backgrounds are usually more successful in passing entrance examinations. Moreover, to the extent their parents can afford it, Greek high school students receive private tutoring to help pass necessary pre-university exams. This reflects a cultural contradiction between seeing education as an entirely public sector activity (e.g., university students pay neither tuition fees nor textbook costs) and success being dependent on private tutoring.

Another serious problem is that 27% of 15- to 29-year olds in 2014 were neither employed nor in education or training programs (NEET) – a clear indication of economic and social distress. While the NEET rate in Greece has historically been higher than the OECD average, the difference increased from just 3 to 13 percentage points in just five years (2009-2014).

Spending for education has been affected by the economic crisis. In 2014, primary and secondary teachers' salaries had fallen to just 77% of what teachers with comparable training and experience made in 2005. However, in the 2012 PISA results, Greece receives middling to above-average rankings among OECD countries. Given the spending cuts in education, Greek secondary school students perform better than one would expect.

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 infrastructure is generally very uneven across university departments and most universities suffer from the fact that academic and administrative staff are underpaid. However, compared to previous periods, the period under review has seen a visible reduction in the number of strikes and sit-ins organized by student groups. This development is related to the ascent to power of the Syriza party, one of the major forces organizing student mobilizations under previous government. The decline in student mobilizations is also related to the disappointment of student activists, since the aforementioned government turnover has not led to any visible changes in social and economic policy, but proved to be the start of a new round of austerity policies. Thus in contrast to the previous periods, during the review period, Greece's largest universities, namely the University of Athens, the Aristotle University of Thessaloniki and the National Technical University of Athens,

functioned in a more predictable fashion, albeit with less resources as the Syriza-ANEL government implemented cuts in public expenditure on education.

Recently introduced reforms by the SYRIZA-ANEL government in tertiary education threaten to halt progress. For example university councils elected under a 2011 law saw their role undermined while new legislation on university lecturers' advancement limited the presence of foreign academics. The Ministry of Education took a number of initiatives that further threatened to reduce the limited autonomy of higher education institutions.

One serious issue in Greek educational policy is the lack of measures to address the continuing divergence between employment trends and education trends. The university system produces disproportionate numbers of graduates in specialties which are not needed either in the public or private sector. Examples are the scores of graduating theologians, experts in theatre studies, architects and civil engineers in a country which has an over-abundance of such professionals. This problem was not addressed in 2015-2016 by the Syriza-ANEL government, which, following the example of its predecessors, continued to turn a blind eye toward the mounting phenomena of unemployment and under-employment of university graduates. In brief, while in the midst of continuing economic crisis, Greek households spend diminishing private resources to facilitate access to higher education for younger household members, while education policy far from contributes to producing a skilled labor force. This contributes to keeping unemployment at unacceptably high levels (close to 25%).

Citation:

Information on the performance of Greece's educational system is based on data provided on this SGI platform, the OECD and the National Documentation Center.

Social Inclusion

Social Inclusion
Policy
Score: 4

Even though Greece is not ranked among the worst-performing OECD countries with regard to poverty and income inequality measured by the Gini coefficient, it does present a disappointing image regarding the social exclusion of its younger generation. The rate of youth unemployment remains more than twice the national unemployment rate. The share of NEET persons in the age group 20-24 is over 25%.

An obvious source of social inclusion problems is the economic crisis which continues seven years after its onset in 2010. A deeper source is the long-term exclusion of youth from the labor market, to which they traditionally remain outsiders. A third source of the problem is the permanent tendency of Greek governments to cater to the social needs of old-age pensioners much more than to the needs of any other category of welfare state beneficiaries.

This policy priority did not change after the government turnover of January 2015, as in this policy sector the government coalition of the radical left and far right followed the path taken by all previous governments.

Essentially, the policy of social inclusion, then and now, entails: distributing ad hoc social assistance benefits to selected categories of the population, hiring the poor and/or the unemployed in the public sector on short, usually five-month long contracts and, above all, counting on the wider Greek family to fill in the gaps of a still inchoate social policy. In short, older family members, particularly if they are already retired, are expected to use their pension or other source of income to live on and to offer food and shelter to relatives who are socially excluded.

If such an arrangement is not possible and a collective household is socially excluded, then it can count on welfare state cash transfers. Since the spring of 2015, the Syriza-ANEL government has fortunately added subsidies to cover the cost of electricity and rent, as well as an allowance for food for the poorest households. In 2016, the government announced the introduction of a new, more comprehensive Social Allowance of Solidarity, which would include the aforementioned separate allowances. In mid-2016, Syriza-ANEL government renewed efforts to introduce a social inclusion net, establishing a pilot project in 30 Greek cities.

Owing to the difficult economic situation, the financing of the new schemes is not solidified, even though in the period under review authorities started to implement the above scheme provisionally in 30 cities. All in all, successive governments have never had a realistic plan to fight poverty and social exclusion, but in the period under review, there was a more intensive effort to prevent the deterioration of existing problems.

Citation:

Data on the poverty rate, the GNI coefficient and the NEET share in the age group 20-24 is provided by the SGI data set.

Health

Health Policy
Score: 3

The first issue usually noted about health care policy in Greece is the issue of cuts in health care spending because of the crisis. Indeed, as OECD data shows, between 2009 and 2013 per capita spending on health care in Greece contracted by a massive 25%. However, the percentage of GDP continues to be above the OECD average. Moreover, increasing health care spending would not by itself resolve policy-related and structural problems in health care provision in Greece.

Greece is one of the lowest spenders for the share of preventive health measures in total health care expenditure. At the same time, compared to other EU member states, Greece shows one of the largest shares of out-of-pocket household expenditure in total health care expenditure. This speaks volumes to three perennial problems of Greek health care policy: first, the lack of long-term planning and programming with regard to preventive health measures; second, the volume of transactions between patients and doctors which goes unrecorded and is not taxed; and third, the differential in health care access based on the purchasing power of households.

In addition to these policy-related problems, public health care in Greece suffers also from structural problems. These problems are, first, the long-term irrational distribution of resources, including funds, supplies and personnel, which results from a chronic application of a clientelistic, rather than rational, logic permeating the relations between the Ministry of Health and regional and local state-run health services; and, second, the fragmented and sprawling character of hospital care. There is a very unequal distribution of the 131 public hospitals across the territory of Greece, resulting from a patronage-based selection process determining where hospitals should be built. Further on, there are eight state medical schools in the country, producing hundreds of doctors every year. At the same time, there is an obvious lack of nurses. Moreover, there is a highly uneven distribution of medical personnel in hospitals, as doctors prefer to work in the hospitals of the two largest cities, Athens and Thessaloniki. Moreover, major budget cutbacks for public hospitals have left some hospitals without enough medicines and medical supplies.

Pharmaceutical spending in Greece has been significantly affected by the crisis. The large reductions in drug spending have come as a result of a series of government measures aimed at reducing the price of pharmaceuticals. However, some cost reductions have shifted to households.

In summary, both the quality and inclusiveness of health care have deteriorated in the period under review, in continuation of negative trends of the previous years. However, there were some positive government initiatives. The Ministry of Health issued instructions to state hospitals to provide medicine, tests and treatment to uninsured patients without charge. Indeed, since June 2014, uninsured people were covered for prescribed pharmaceuticals, emergency department services in public hospitals, as well as for non-emergency hospital care under certain conditions. The Syriza-ANEL government made access easier.

Citation:

Data on per capita spending on health is taken for OECD and is available at <https://www.oecd.org/els/health->

systems/Country-Note-GREECE-OECD-Health-Statistics-2015.pdf

Data on the different types of health expenditure is taken from Eurostat and is available at http://ec.europa.eu/eurostat/statistics-explained/images/1/1c/Healthcare_expenditure_by_financing_agent%2C_2012_%28%25_of_current_health_expenditure%29_YB15.png

Families

Family Policy
Score: 5

Family support policy in Greece is not oriented toward reconciling work and welfare in order to improve the position of women in the labor market. It is a policy limited to distributing cash benefits to families in need and rarely includes non-cash transfers to families. That Greece spends very little on preschool services for the age groups 0- to 2-years old and 3- to 5-years old, attests to the reality that women suffer from a permanent social disadvantage. As soon as a woman bears children, she realizes that there is no family support policy to allow for her integration or re-integration into the labor market. However, if she is a public sector employee, she is treated in a far superior manner to any other employed woman (private sector employee or self-employed). 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.

Moreover, child poverty in Greece is quite extensive, surpassing 19% of children under 18-years old. Greece is facing acute problems with child poverty because traditionally the state paid little attention to this or for that matter any other type of poverty. In March 2015, the new Syriza-ANEL coalition passed a law on the “humanitarian crisis” which offered social assistance to poor households (in-kind and cash). However, the total amount which the government earmarked for this assistance (€200 million) was clearly incommensurate to the size of the problem. Overall, current policies reflect traditional patterns of reluctance or inability to sustain a family support policy.

Citation:

Data on child poverty and preschool services is provided by the SGI data base.

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). The largest share of social protection expenditure is devoted to pensions. In terms of relative poverty of persons who are 65-years old or older,

Greece is ranked roughly in the middle of the list of OECD countries, with 7.1% of old-age Greeks living in relative poverty.

However, the prospects of the Greek pension system are not at all good, as the country has one of the worst old-age dependency ratios among all OECD countries. Further, nearly one-third of what pension funds had was lost since 2009 due to a fall in contributions on the back of surging unemployment.

The aforementioned pay-as-you-go system, according to which the working population contributes to pension funds so that old-age pensioners can obtain their pensions, cannot be sustained for long. Since the start of the economic crisis, pension funds have periodically faced the prospect of bankruptcy, as the number of people who work and contribute to social insurance is shrinking while the number of pensioners is increasing. Expenditure on pensions had reached 17.5% of GDP in 2012 (the highest level in the EU-28).

Moreover, pension policy does not meet intergenerational equity requirements. Existing arrangements primarily serve the interests of middle- and old-age groups at the expense of younger generations of workers. This is a constant pattern running parallel to the periodic trimming of pensions. Owing to the economic crisis and the successive economic adjustment programs, pension policy has not changed direction, despite promises made by Syriza that upon coming to power it would restore pensions to pre-crisis levels. In the period under review, the Syriza-ANEL government, in power since January 2015, passed legislation which increased social insurance contributions and reduced the supplementary pensions of old-age pensioners. Overall, however the thrust of the new legislation continued similar patterns of protecting the older generations more than the youth.

In short, Greece's pension system is not sustainable and still needs major reform. However, reform is politically extremely difficult. One in two households rely on pensions to make ends meet and about 45% of pensioners receive pensions below what is considered the poverty limit of €65 per month.

Citation:

Data on pensions and old-age dependency ratio is drawn on the SGI data set, available on this platform.

Integration

Integration Policy
Score: 5

While the integration of past waves of irregular migrants, possibly exceeding one million, had not been accomplished in the beginning of the period under review, a new problem of social integration emerged in Greece. This was the inflow and integration of refugees and migrants, crossing the Mediterranean Sea from Turkey to the islands of the Aegean.

During the winter of 2015-2016, the inflow of refugees raised concerns among other EU Member States about integrating unknown, but growing, numbers of refugees into their countries. Eventually, in March 2016 the EU and Turkey concluded an agreement that bound Turkey to manage and limit the flow of refugees passing through Greece on their way to Europe. Turkey would receive substantial financial aid over the span of two years in exchange for its cooperation with the EU on this issue.

In the same context, in early 2016, refugee camps were constructed on Greek islands facing Turkey, such as Lesbos and Chios, but resources devoted to this cause, including funds, space to host the refugees and personnel, quickly proved incommensurate to the size of the refugee issue.

The integration of migrants into the education system has been functional in primary and secondary education, but legal migrants face difficulties entering tertiary education. However, in the period under review, there was social turmoil in cities in northern Greece regarding the enrollment of refugee children into primary schools, a prospect which many Greek families resisted.

As for social integration, this was never a strong point of Greek migration policy. With the exception of Albanians, who probably constitute more than 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. The same holds for refugees. It is telling, for instance, that still there is no official mosque for Muslims in Athens. A positive but small step was taken in November 2015, when the Syriza-ANEL government gave official permits to three ad hoc religious sites for Muslims in Athens and Piraeus.

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 of migrants, but still needs to manage the problem of uncontrollable flows of refugees and migrants. This problem has severely strained Greece's relations with its neighboring countries, lying to the north. It is a problem that obviously cannot be managed individually by the Greek state as this includes the wider EU-Turkey agreement on addressing the refugee issue in a collective and cooperative manner.

Citation:

Information on migration was obtained through informal interviews at the headquarters of ELIAMEP, a think tank based in Athens, which has expertise on migration and refugee issues.

Safe Living

Safe Living
Conditions
Score: 6

As data on homicides and thefts show, Greece, despite suffering from a severe economic crisis, is one of the safest OECD countries. Moreover, preliminary data from 2015 show that several crimes such as residential burglaries, thefts and rapes continue to be low relative to the population, and even decreasing.

However, in the wake of the crisis, many people consider one or two areas in central Athens as “no go zones”, not because of high criminality but because of frequent political events, some of which turn have turned violent. Despite that, efforts to improve safety have been made since 2012.

However, Greeks do not trust the police as much as one would expect in a country where, comparatively speaking, homicides and other violent crimes are rare. Distrust toward the police may be explained by the fact that the police had a major role in constraining anti-austerity protests throughout the period of the economic crisis, i.e., since 2010 and also by the fact that appointments at the top ranks of the Greek police are made through political criteria, namely affiliation with the governing party.

There is a general threat from terrorism and acts of political violence. In the last years there have been a few attacks involving explosives and automatic weapons against Greek institutions, shopping malls, media interests, diplomatic targets and the police - with no reported injuries.

Citation:

Data on homicides and thefts, as well as trust toward police, is drawn on the SGI statistical data available on this platform.

Global Inequalities

Global Social
Policy
Score: 5

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. However, Greece’s aid budget decreased between 2009 and 2013, as a direct consequence of the severe economic crisis. It started to grow again in 2014. In 2015, Greece provided \$282 million in net Official Development Assistance (ODA), which represented 0.14% of Gross National Income (GNI) and an increase of 38.7% in real terms from 2014 - partly due to domestic refugee costs. This in proportional terms was higher than that devoted by Spain, South Korea or most East European countries. As in previous periods, Greece offered

social services to tens of thousands of Syrian, Afghani and Iraqi refugees who landed on the shores of four large Greek islands (Kos, Lesbos, Chios and Samos) as well as smaller Greek islands opposite the coast of Turkey. Port authority officers registered incoming refugees, doctors and nurses of public hospitals offered medical help and island residents offered food. Greek NGOs also stepped in as the situation overwhelmed local Greek authorities. This does not amount to a concerted effort at humanitarian assistance by Greece, but one has to acknowledge Greece's efforts on-the-ground at a time when governments of other EU member states debated whether or not to accept their quota of refugees.

Overall, because of the constraints on the government from the economic crisis, Greece has not helped curb inequalities in developing countries, but has done more than its share to help people from developing countries. Even though the reception a country experiencing economic crisis can offer to incoming refugees is far from ideal, Greece continues to receive and help refugees from developing countries in Africa and the Middle East.

Citation:

Data is drawn on the ODA figures provided by SGI data base on this platform and OECD's DAC.

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. It is telling that in terms of per capita generation of waste, Greece is on par with the UK, France and the Netherlands, namely countries which are much more industrialized than Greece. The performance of Greece regarding the share of municipal waste which is recycled is rather low (16% of total municipal waste). However, between 2009 and 2012, Greece increased efforts to use renewable energy. Although it started at a low level, it managed to increase the share of renewable energy by approximately 40% in that time period. Greece's CO₂ emissions are average and its energy intensity is rather low. At the root of Greece's environmental problems lies unchecked urban development, large infrastructure projects and negligent consumer behavior.

Indeed, in Greece, economic development in tourism and agriculture has often proceeded in a haphazard manner and has always taken priority over

environmental concerns. During the economic crisis, raging since 2010, environmental policy has been neglected even more than in the past. 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 three targets of environmental protection – climate, renewable water sources and forest area biodiversity – have ever been pursued in a systematic fashion. In the period under review, the Syriza-ANEL government continued its effort to stop a major gold mining investment in northern Greece, even though the country's supreme administrative court has annulled the government's decision, ruling that the environmental concerns have been taken care of by the investors.

Forest management is haphazard, too, and subject to the vicissitudes of changing political leaderships and interests. It is also vulnerable to fires, although in the period under review, the extent of forest destruction by fires was not as large as in previous years.

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.

Citation:

Data on Greece's performance regarding renewable energy sources, waste generation and recycling is drawn on the SGI database available on this platform.

Global Environmental Protection

Global
Environmental
Policy
Score: 4

Greece participated in the negotiations and signed the Paris Climate Agreement of December 2015. However, owing to its prolonged economic crisis, Greece has not carried enough international clout to substantially contribute to strengthening 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 that can face voting restrictions: prisoners serving either indefinite or life sentences are disqualified, otherwise the matter is left to the discretion of the sentencing court.

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 that no other parties have the same name.

The legality or fairness of elections is not challenged by parties nor candidates. Despite the acute political conflict with respect to the causes and management of the crisis, the conduct of electoral procedures in Greece is reliable. Indeed, the two parliamentary elections which took place in Greece in January and September 2015 were smoothly organized and, in budgetary terms, cost much less than previous national elections (each of the two elections cost approximately €50 million).

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 for media access. In 2015, the country's national broadcaster (ERT), which had been shuttered by the New Democracy-PASOK coalition government in June 2013 in order to fulfill a bailout-related quota of dismissing state personnel, was re-opened and all its personnel were hired back. ERT nowadays primarily, but not exclusively, communicates the views of the government coalition Syriza-ANEL, as it had done until 2014 with its previous political masters, namely either the PASOK or the ND government.

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. Today, relevant media outlets obviously include new social media, which played a major role in promoting the “no” vote in the July 2015 national referendum. The “no” vote won by 61%. Incidentally, in the same referendum almost all private media had supported the “yes” vote, which indicates that a large share of Greek public opinion falls under the radar of these media outlets.

Since the neo-Nazi party Golden Dawn won parliamentary representation in the 2012 elections and repeated its success by obtaining 7% of the vote in the two parliamentary elections of 2015, most media have not invited the party’s leaders to political debates nor to interviews because the party has expressed very strong anti-parliamentary and racist views.

Citation:

http://aceproject.org/epic-en/me/Epic_view/GR [accessed on 08.05.2013]

Voting and
Registrations
Rights
Score: 10

All Greek citizens of at least 18 years of age have the right to vote, with the exception of some of those serving a prison sentence (depending on court decisions). In July 2016, the Greek Parliament voted to lower the minimum voting age to 17 years old. 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. There is, however, a need to clean these records to remove persons who are deceased or have permanently migrated to other countries. In other word, records include names of voters who will never turn out to vote. Thus, turnout rate, as reported on election day, is calculated on a sum total of voters which is probably higher than the actual number of eligible voters.

Citation:

<http://aceproject.org/epic-en/countries/CDCountry?country=GR> [accessed on 11.05.2013]

Party Financing
Score: 6

Until 2014, party financing for national elections was regulated by Law 3023/2002, while the financing of competing electoral lists for local government elections is regulated by Law 3202/2003. A new law (4304/2014), which adheres to guidelines established by the Council of Europe, constrains the size of budget outlays to parties, increases transparency regarding donations to parties and bars the practice of parties’ obtaining bank loans against future revenue which the parties expect to receive from the state. Every year, the interior minister issues a ministerial ordinance which distributes funds to parties which have received at least 1.5% of the total vote in the most recent elections.

The new law is an improvement over past legislation and it has started to be implemented. A new state committee, the monitoring mechanism of electoral campaign spending, has been established under an August 2016 decision of the Greek parliament. In other words, in the period under review, there was visible progress with regard to implementing legislation, but monitoring is still rather ineffective as far as the actual sources of party financing are concerned. There is discussion about drafting a new bill, on the same issue, under pressure exerted on Greece by the Council of Europe.

Citation:

A brief article on the new law in English is available at <http://www.ekathimerini.com/162022/article/ekathimerini/news/bill-introduces-new-rules-for-funding-of-greek-political-parties>. Accessed on 03.11.2015.

Popular Decision-Making
Score: 2

In 2015, Greeks had an opportunity to vote on an issue of importance, but this was not an effective opportunity for popular decision-making, as the resolve to launch the referendum destabilized the economy and negatively affected the relations between Greece and its euro zone partners. On 5 July 2015, a referendum was held on the European Commission's second-to-last proposal of reforms for Greece. Prime Minister Tsipras rejected that list of reforms, launched the referendum and won it, with 61% of Greek voters agreeing with him and voted "no." A week later, however, Tsipras accepted a bailout package of €86 billion, under at least equally severe conditions dictated by the country's creditors, after capital controls had been imposed in Greece, the government had skipped a June 2015 payment it owed the IMF and the economy had become starved for cash. In other words, while Greek citizens were formally offered the opportunity to vote on a major issue in a binding manner, in practice the government granting that opportunity had either miscalculated the situation or simply did not intend to give citizens such an opportunity.

Citation:

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

Access to Information

Media Freedom
Score: 6

After closing down the national public broadcaster, ERT, in June 2013, the coalition government of New Democracy and PASOK (in power between November 2011 and December 2014), passed legislation in May 2014 to establish a new national public broadcaster (this time named NERIT). The reestablishment of ERT and the re-hiring of all its employees (who had been dismissed in June 2013) was a major item in the pre-electoral agenda of the Syriza party. In April 2015, the Syriza government passed a law abolishing

NERIT and reinstating ERT. It can be argued that this rectified the previous situation. ERT started operating again in June 2015.

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. Such incidents were repeated in the following years, but clearly did not form a pattern.

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.

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.

During June to September 2016, the Syriza-ANEL tried to regulate the media field by passing a law that would allow only four nationwide TV channels to function in the country as a whole. The four new licenses would be for sale and would be granted to the highest bidder. The number of licenses and the bidding process were to be supervised not by the competent independent authority, the National Council of Radio and Television (ESR), but by a government minister. While the media field clearly needed to be regulated after two and a half decades of regulatory instability and uncertainty, critics rightly understood this governmental endeavor as a challenge to established media owners, if not a challenge to media pluralism. In fact, this government initiative was partly annulled in October 2016 by Greece's Supreme Administrative Court (StE)

Electronic media is also flourishing in the form of websites and blogs. There are an unknown number of anti-establishment electronic media. Some of them have become critical of Syriza and ANEL after their coalition government failed to follow up on their pre-electoral promises. The influence of anti-establishment media, some of which are to the left of Syriza, while others are

closer to the far right, is difficult to assess, although one suspects it is quite large.

The print media landscape is also pluralistic. There are 59 national newspapers and around 500 regional/local ones. However, in 1990-2008 circulation 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 actually do indeed report a wide range of opinions. The government voices its opinions through the state-owned TV broadcaster (ERT) and friendly newspapers and radio stations. The opposition has a voice in the media, as political party leaders participate daily in state and private TV and radio programs. Regardless of their political profile, however, some marginal newspapers and even “He Avgi”, an official party newspaper (Syriza), do not refrain from publishing news and reports which, at times, border on smear campaigns against political opponents.

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.

Access to
Government.
Information
Score: 8

Citizens’ free and easy access to official information has been regulated since 1986. Two laws passed in 2006 and 2010 provide for the creation of an electronic 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. First, there are administrative courts, including the Supreme Administrative Court (StE, Symvoulio tis Epikrateias). Second, there is the ombuds office, established in 1997. Unfortunately, owing to work overload, administrative courts can take a long time to decide on a case, but the ombuds office 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, even though ministries themselves tend to be quite unresponsive to citizen requests.

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 the EU's Council of Ministers. A new codification of all relevant legislation took place in March 2015, without practically changing any regulations.

Citation:

The four most important laws regulating access to information are Law 1599/1986, Law 3448/2006, Law 3861/2010, and Law 4305/2014. Presidential Decree 28/2015 codified all previous legislation on access to information and was issued in March 2015.

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. Notably, despite intense political conflict since the start of the economic crisis (2010), Greek democracy has continued to function and the courts have administered justice, albeit with very significant delays, because judges are unable to handle the constant overflow of cases. 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.

In the period under review there was visible progress with respect to dealing with the attacks by Golden Dawn members. For instance, in November 2015 the long-awaited criminal trial against accused assassins of a left-wing singer finally started. The trial is still under way, as the Greek justice system can take a painfully long time to issue a court decision. Moreover, a newly designated Deputy Minister on Migration and his staff monitored the living conditions of refugees and asylum-seekers by regularly visiting the relevant camps on the Greek islands of the Aegean Sea, which received roughly 60,000 refugees and asylum-seekers in the period under review.

In summary, the state protects civil rights, but in practice organizational and infrastructural obstacles stand in the way of comprehensive protection of these rights, which disproportionately harms religious and ethnic minorities and asylum-seekers.

Political Liberties
Score: 9

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 almost ceased as two anti-austerity parties, the radical left Syriza party and the right-wing nationalist ANEL party, formed a coalition government; as a result, their supporters stopped taking to the streets. However, in the period under review, the realization that the Syriza-ANEL government followed in the steps of previous governments on economic and social policy led to protests, e.g., protests by old-age pensioners, which at various times were suppressed by police forces. In other areas – the right to worship, for example – liberties are affected by the constitutionally imposed impediments on proselytism and the establishment of places of worship. For example, the Muslim community of Athens still does not have an officially recognized place of worship (i.e., a state recognized mosque). At last, in autumn 2016, the Greek government made available the space designated for the construction of such a mosque.

Non-discrimination
Score: 6

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 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.” After the murder of a left-wing rap singer by neo-Nazi militants in September 2013, the Golden Dawn party became more restraint, as prosecuting authorities launched criminal investigations against the party's leadership and scores of its militants. In the period under review, the outcry against racism and the rise to power of a left-wing party, Syriza, contributed to the decline of discrimination. In fact, the opposite of racist discrimination, namely tolerance, solidarity and support of foreigners, was observed in the summer and the fall of 2015, when Greece received a vast inflow of refugees from Syria, Iraq and Afghanistan (210,000 refugees arrived in and passed through Greece in the month of October alone).

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

Rule of Law

Legal Certainty
Score: 7

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, not knowing what applies and under what conditions makes it difficult to apply legislation. Acts passed by parliament often have seemingly extraneous items added, which only confuses things further.

Because of the pressing need to achieve fiscal consolidation in 2010-2015, the government repeatedly adapted past legislation to changing circumstances. Many changes have been made to areas such as taxation legislation which, though necessary, have not fostered an institutional environment conducive to attracting foreign investment. 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. The same practice was reproduced after January 2015 and continued under the Syriza-ANEL government in the period under review.

Whatever progress was made in 2010-2015 with regard to legal certainty was probably owed to Greece's lenders who have provided financial assistance under strict conditionality. Even though, in the period under review, the Syriza-ANEL government and the parties of the opposition (ND and PASOK) converged on the reforms contained in Greece's Third Economic Adjustment Programme, the legal framework in major policy sectors, such as taxation and foreign investments, still bears loopholes and contradictions.

Judicial Review
Score: 8

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. The heads of such courts are selected by the cabinet (the Council of Ministers) from a list supplied by the highest courts themselves. In the past, such higher judges were clearly supporters of the government of the day.

Successive governments, including the incumbent coalition government of Syriza and ANEL, have not resisted the temptation to handpick their favored candidates for the president posts of the highest courts.

Judges 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 judgments, 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. However, in the period under review, the courts showed remarkable independence from the incumbent government. For example, courts annulled unconstitutional salary cuts for Greek armed forces personnel (May 2016) and also annulled the government's effort to grant a government minister, rather than the appropriate independent regulatory authority, the power to award nationwide TV licenses (October 2016).

Appointment of
Justices
Score: 7

Before the onset of the crisis, the appointment of justices was to a large extent controlled by the government. 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 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. Between 2011 and 2014, the government applied the seniority principle in selecting justices to serve at the highest echelons of the justice system. In 2015, under Syriza- ANEL coalition government, the principle of seniority was partly curbed as the new president of the Supreme Court was not the court's most senior member. Under Syriza-ANEL rule, the selection and appointment of judges has probably become more politicized. On 30 June 2015 the person appointed for this post by the government was a well-known, high ranking judge who, functioning as a leader of the trade union of judges, had publicly denounced the austerity policies of New Democracy and PASOK. On the other hand, in June 2016, the government hand picked a judge whose initiatives betrayed a tendency to converge with Syriza-ANEL priorities for the post of Greece's top-ranking prosecutor (prosecutor of the Areios Pagos).

Citation:

Law 2841/2010 stipulates that the appointment of presidents and vice-presidents of the highest courts

requires the non-binding opinion of the high-ranking parliamentary committee titled Conference of the Presidents of the Greek parliament.

Corruption
Prevention
Score: 5

Public officeholders are not efficiently prevented from exploiting their offices for private gain, but things changed in the period under review. In 2011, Greece's Corruption Perception Index (CPI) score was far lower than that of all other EU member states, except for Bulgaria. In 2012, Greece's score fell below that of Bulgaria, but in 2014 Greece again caught up with Bulgaria and both countries were ranked at the 69th rank among 175 countries (Denmark was ranked first, as the least corrupt country, followed by other Scandinavian countries).

After Syriza's rise to power in January 2015, the earlier lack of resolve among political and administrative elites to control corruption was reversed. However, the Syriza-ANEL coalition was undecided on how to steer anti-corruption policy. In January 2015, a new post of Minister for Anti-Corruption was established; in September the post was abolished and a post of Deputy Minister for Anti-Corruption was created and subsumed under the supervision of the Minister of Justice. A new General Secretariat on Anti-Corruption was created under the aforementioned Minister, but remains understaffed.

Still, in the period under review, the justice system intensified its efforts, not so much to prevent, as to punish corruption. In June 2016 in Thessaloniki a top prosecutor started investigated cases of fraud by civil servants. And, in October 2016, a court in Xanthi (a city in northern Greece) imposed a life sentence to a former general manager of a municipal company for having stolen/embezzled? 1.4 million euros. In short, there has been some visible progress in anti-corruption.

Citation:

<https://www.transparency.org/cpi2014/results>. Accessed on 05.11.2015. Law 4254/2014 (section IE), passed in April 2014, contains very strict penalties for public officials receiving bribes and also protects whistleblowers who help prosecuting authorities to fight corruption in the public sector. Law 4320/2015, passed in March 2015, re-organizes anti-corruption authorities, by assigning the relevant tasks to a new General Secretariat and a Minister of Anti-corruption.

Governance

I. Executive Capacity

Strategic Capacity

Strategic
Planning
Score: 3

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. Weak horizontal coordination within and among ministries, government agencies and state-owned companies make matters worse.

Until 2015, strategic planning relied on the Prime Minister's Office (PMO), the Ministry of Finance and of course the long-term policy guidelines included in the first and the second Memoranda of Understanding, signed between previous Greek governments and Greece's creditors. The departments at the PMO and the Ministry of Finance used to be staffed by academics who were affiliated with the incumbent government and worked on fixed-term contracts. From 2012 to early 2015, the PMO included a group of lawyers and economists.

After the government turnover of 2015, fewer such experts and academics were included in the PMO. Particularly in the first eight months of 2015, until Prime Minister Tsipras agreed on the Third Economic Adjustment Program, the government had assigned the tasks of policy planning, implementation and monitoring to Syriza party cadres who had neither previous government experience nor were familiar with the EU institutional setting and processes on which Greece continues to heavily depend. Afterwards and during the period under review, the situation improved, as strategic planning was actually included, at least for the period 2015-2018, in the Third Memorandum of Understanding, signed between Greece and its creditors.

In other words, government cadres try to follow the sequence of policy measures and to attain the policy targets determined in the aforementioned memorandum. This requisite strategic planning does not hold in policy sectors which the memorandum does not cover in a binding manner. Examples are the public order, education, culture and sports policy – sectors where, instead of strategic planning, there is a lot of experimentation and improvisation on the part of the government.

Scholarly Advice
Score: 6

Non-governmental academic experts are consulted as adviser 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. In the period under review, increased numbers of academics, lawyers and other experts, who during 2010-2014, had sided with Syriza as an opposition party against the coalition government of PASOK and ND, assumed posts of policy adviser or heads of new units (e.g., the Anti-Corruption Secretariat). Some even became government ministers.

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. As with previous governments, in the period under review, under the Syriza-ANEL government, draft legislation has rarely been subjected to substantive review and evaluation. In fact, ministers have often been able to insert last-minute amendments to legislation and thereby foster clientelism.

Under Syriza-ANEL there have been several offices and/or committees that have been entrusted with steering the individual ministers and government initiatives in sectoral policy. As was the case before 2015, a primary role is played by the PMO. A second relevant organ, which collects, registers and circulates documents is the General Secretariat of Coordination of Governmental Tasks, which is also very close to the prime minister. A third such organ is the Office of the Vice-President of the Government, which

oversees policy in some crucial sectors such as public debt management. It is unclear if these organs, all of which are monitored more or less by the PMO, have the relevant sectoral policy expertise. For instance, there is clearly more expertise on economic policy in the competent ministries, and particularly in the Ministry of Finance, than in the PMO or in any of the aforementioned government councils or offices. On the other hand, after a first period of experimentation with policy structures in early 2015, the Syriza-ANEL government seems now to have clearer ideas about who should be assigned the task of evaluating sectoral policies and how the process should be carried out.

GO Gatekeeping
Score: 7

The Prime Minister's Office (PMO) can return all items on policy grounds, but the Syriza-ANEL government has created a rather complex set of posts of adviser and consulting organs surrounding the prime minister. The prime minister has the final word regarding what will be discussed in cabinet meetings. Owing to the relative increase of Prime Minister Tsipras's credibility in his relationship with Greece's lenders after he accepted to implement the August 2015 adjustment program, chances are that his powers to return items envisaged for the cabinet meeting have increased. It is still true, however, that it is the Ministry of Finance, along with the PMO, which may play the role of gatekeeper, as Greece's finances are closely inspected by the country's lenders.

Line Ministries
Score: 6

Before the economic crisis, the PMO was not capable of imposing much restraint on 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*. Since the onset of the crisis in 2010, the PMO has gradually acquired more power and resources to supervise line ministries, the policies of which were streamlined to fit the fiscal consolidation effort of Greece.

However, during the period under review, the PMO's consultation with line ministries has been rather haphazard, while coordination with individual ministers was practiced on a trial-and-error basis. In fact, as the implementation of the Third Economic Adjustment Program for Greece unfolds, line ministers actually often turn to the Ministry of Finance for technical and drafting issues, in case legislation under development in individual ministries runs into financial constraints imposed by its international lenders.

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 PMO before issues are presented to the cabinet. Ministerial committees often perform a more symbolic function. A possible exception is the Council of Administrative Reform, which was established by the Syriza-ANEL government in the beginning of the period under review. The new council is composed of six major government ministers, including the Minister of Finance and the Minister of Economy and Development, and is presided over by the prime minister. The scope of this council is not as narrow as its title indicates, but rather wider. It is a governmental organ founded in November 2015 to pursue any reform plans of the incumbent government which have been left out of the remit of Greece's Third Economic Adjustment Program. Thus, in contrast to its first ten months in power (January - October 2015), the Syriza-ANEL government has tried to improve upon its coordination capacity.

Citation:

Information on the new Council is available at the official site of the Ministry of Administrative Reconstruction: <http://www.minadmin.gov.gr/?p=12496>

Ministerial
Bureaucracy
Score: 3

Greek bureaucracy is over-politicized and under-resourced. Political party cadres rather than civil servants coordinate policy proposals. Civil servants in line ministries often lack modern scientific and management skills. Policy proposals are usually assigned to ministerial adviser, 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 adviser. 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 interministerial communication to their adviser.

Since Syriza's rise to power in January 2015, in coalition with the ANEL party, the politicization of Greek bureaucracy has been further exacerbated. This pattern continued during the period under review, i.e. after November 2015. New appointments of governing party cadres to ministerial cabinets and various advisory posts in ministries, have been continuously taking place since then.

Informal
Coordination
Score: 7

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 adviser to ministers. In the period under review, informal coordination was frequent and was organized by close associates of Prime Minister Tsipras, minister of the state, Nicos Pappas, and minister of the state for government coordination, Alekos Flambouraris, at the headquarters of the PMO. They were assisted by several close associates of the prime minister, such as the General Secretary of the PMO (and former leader of Syriza's youth organization) Dimitris Tzanakopoulos, and other Syriza party cadres who participated in daily briefings in the PMO. It is probable that Syriza, after its first ten months in power, during which various party officials around Prime Minister Tsipras experimented with policy making and government structures, has now settled down for a more predictable type of informal coordination.

Evidence-based Instruments

RIA Application
Score: 2

The PMO issued a prime minister's circular in July 2006, requesting that all ministries start RIA in their policy field, but RIA has never actually been implemented. Today legislation submitted to the parliament are accompanied by a document which, instead of outlining a RIA, simply outlines the rationale of the bill, which is already included in the competent minister's report to the parliament for the same bill. Thus, no progress has been made in this field in the period under review.

Quality of RIA
Process
Score: 2
Sustainability
Check
Score: 1

RIA analyses do not really exist nor were they embarked upon in the period under review.

Sustainability checks do not exist; this has been the case under the preceding and the incumbent government.

Societal Consultation

Negotiating
Public Support
Score: 3

After the second consecutive electoral victory of Syriza (in January and September 2015), the government started implementing a set of policies, based on the Third Economic Adjustment Program signed in August 2015. The program, which contained large-scale spending cuts in salaries and pensions, as well similar cuts in public health and education, was at odds with what Syriza had promised to its supporters among civil servants, professionals and employees associated with or working for welfare services. In this context, in the period under review, the groups which were negatively affected by the U-turn in government policy were only nominally consulted. On the other hand, the Syriza-ANEL government consulted with representatives of industrialists, merchants and the liberal professions who wanted to voice their views on private investment. The government did the same with Greek businessmen who wanted to invest in the media sector and to participate in the

government's failed attempt to shrink the range of private TV channels permitted to operate in Greece.

Policy Communication

Coherent
Communication
Score: 3

While Greece's economic recovery is not really in sight, the fact that in the period under review the incumbent government finally agreed on the first review of the economic adjustment program with the country's lenders, prompted government ministers, in particular the Minister of Finance, the Minister of Economy and Development and the government's spokesperson, to make optimistic statements about the Greek economy and reforms in 2016-2017. Such statements were not part of a well thought-out strategic communication plan. They rather reflected Syriza's reaction to the fact that for a large part of the period under review it trailed far behind the major party of the opposition in several opinion polls. Such government reaction was also owed to the fact that anti-government protests by different interest groups gained momentum in the same time period. Protests were fueled in most cases by the flagrant discrepancy between Syriza's pre-electoral plans and promises before it came to power and its actual government policies once it rose to power. In other cases, the disaffection of citizens, if not their gradual alienation from the government, stemmed from the fact that in specific policy sectors, such as taxation and education, the same minister or different ministers would publicly offer unclear information and incoherent statements, often contradicting each other.

Implementation

Government
Efficiency
Score: 5

Significant structural reforms have been legislated by successive Greek governments in the last six years, but their mix and implementation were, and continue to be, uneven. Greece has implemented important labor market reforms, but progress has been less on reducing oligopoly power, the regulatory burden and weaknesses in the public administration due to administrative capacity constraints, little ownership of past reform programs and the blocking influence of vested interests.

Policy implementation efforts have been problematic throughout the period under review and even more so since the government turnover of January 2015. 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 in a previously restricted profession (e.g., starting a commercial transport business using trucks, opening a pharmacy).

However, in major policy sectors, such as pension reform, in which the government found itself pressed by Greece's lenders, it proceeded to pass the relevant legislation and started implementing it. The same can be claimed to some extent with regard to privatization of state-owned property (e.g., the sale of the vast, state-owned Hellenicon area in Athens, where the old Athens airport used to be). There was also some progress as far as the reception and registration of refugees is concerned. In the period under review, many of the relevant competences were taken away from the regional public administration and local government services and were handed over to the better-organized Greek armed forces. Overall, during the period under review, the ministries and state agencies made some progress regarding policy implementation.

Citation:

OECD Economic Surveys, Greece, March 2016

(<https://www.oecd.org/eo/surveys/GRC%202016%20Overview%20EN.pdf>)

Ministerial
Compliance
Score: 6

After its second electoral victory, in September 2015, Syriza and its coalition partner, ANEL, set out to implement, with some delays, the reforms included in the Third Economic Adjustment Program. The period during which individual ministers could voice divergent views in order to appease the disappointed Syriza voters or to follow their own policy plans was probably over. Foreign assistance funds were to be channeled to Greece under strict conditionalities. Incentives for ministers to implement policies were probably the negative sanctions, such as their replacement by Prime Minister Tsipras, which they would face if they further burdened the already problematic fiscal situation of the Greek state. Thus, it is probably true that any minister whose competences included policy measures affecting fiscal policy were ready to toe the line, following Prime Minister Tsipras's shift away from anti-austerity policies. This held true for most ministers. Thus over time one can claim that ministers had more incentives, in fact, externally imposed constraints, to implement the government's (new) plans. A few other ministers, however, such as the Minister of Culture or even the Minister of Education, had no incentive to follow the radical shift toward austerity which Syriza made in the summer and the autumn of 2016. These ministers pursued Syriza's pre-electoral government program or, more often than not, tried various untested ideas or plans of their own.

Monitoring
Ministries
Score: 6

After the government turnover of January 2015, monitoring was first relaxed because the PMO, under Syriza's leader and Prime Minister Alexis Tsipras, was completely absorbed by the futile effort to change the course of Greece's bailout program, overturning the austerity program imposed since 2012. After

the failure of Syriza's effort to block previous agreements between Greece and its lenders, the PMO turned inwards and slowly started to monitor the implementation activities of line ministries. Such monitoring was initially unpredictable, given that the prime minister had publicly stated that neither he nor his ministries believe in the policies which they are required to implement. However, in the period under review, the PMO, understanding that Greece is still, if not also increasingly, dependent on funds flowing into the Greek economy from the country's lenders, gradually intensified its monitoring of implementation activities of line ministries.

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. 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 the period under review, after two consecutive elections in 2015, government stability has helped improve monitoring of bureaucracies and agencies. Moreover, after the realization on the part of the Syriza-ANEL government that, if left unattended, activities of bureaucracies and agencies could derail the finances of the Greek state once more, there is a tightening of the relevant monitoring and supervisory role played by ministries.

Task Funding
Score: 3

After the formation of the Syriza-ANEL government in January 2015, the realization that the state's coffers were being rapidly emptied, as Greece had not received any loan installment since August 2014, led to the compulsory transfer of funds from subnational authorities (regional governments, municipal authorities) to the central government. The Syriza-ANEL government resorted to this measure because for most of 2015 it was under pressure to find money in order to pay the salaries and pensions of public employees, while government revenue was not forthcoming. In the period under review, task funding took place primarily in the pension system. A few times, individual pension funds ran the risk of finding their coffers completely empty. In such cases, the government intervened and shifted resources to the pension funds under peril.

Constitutional
Discretion
Score: 2

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, a prospect that came too close to becoming a reality in the summer of 2015. Moreover, in the period under review, a few municipalities in the region of Attica (the Greater Athens Area), e.g. the Salamis municipality and the Acharnes municipality, declared official bankruptcy and the government rescued them financially while imposing further restrictions on their implementation autonomy.

Citation:

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

National
Standards
Score: 3

In the period under review, after the end of the meandering policies of the Syriza-ANEL government in the first ten months of 2015, there was some improvement in the implementation of national standards. It was realized by the incumbent government that non-implementation of such standards could put the state's finances in danger, particularly since subnational self-governments are heavily dependent on the central government for their finances.

Adaptability

Domestic
Adaptability
Score: 5

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

Government instability in 2015 took a heavy toll on domestic government structures which continued to operate under pressure from the country's lenders to adapt to international standards, but in fact, the government delayed doing so. During the period under review, the Greek government passed legislation to change the grade scale and the wage grid of civil servants and the composition of the higher-ranking group of administrative officials, but it did very little to subject Greek civil servants to any kind of assessment or evaluation. In parallel, the government took steps to strengthen the coordination of government activities, through strengthening the PMO and establishing a Council of Administrative Reform, but such moves were rather the result of deliberation among the prime minister's closest associates rather than an effort to adapt to international standards of government organization.

International
Coordination
Score: 4

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. Still, credit must be given to Greece's Prime Minister Alexis Tsipras, whose repeated criticisms, also in the period under review, against austerity policies and his easy electoral victories in Greece have incited worldwide discussions about the efficiency and fairness of providing public goods through orthodox economic policies.

Organizational Reform

Self-monitoring
Score: 5

Since 2010, the external monitoring of Greece's bailout loans has pressured Greece to overcome its operational weaknesses within government. Since Syriza took control of government in January 2015, monitoring has been only very selectively and sporadically implemented as the country went through a period of reform inertia, government instability, renegotiation of its bailout package and subsequent implementation of its Third Economic Adjustment Program.

In the period under review, though some new mechanisms for monitoring government were available, such as competent parliamentary committees and interministerial committees, they were mostly marginalized by the incumbent government, as has been the case with previous governments.

Institutional
Reform
Score: 6

Under pressure from the Troika, the government tried to improve its strategic capacity by establishing the Government Council of Reform in 2012. This Council was marginalized after the government turnover of 2015. This continued during the period under review because Syriza ministers associated reforms exclusively with neo-liberalism and viewed with suspicion almost all government organs which they found in place. However, in an about face, the Syriza-ANEL government tried to enhance its strategic capacity in several ways. It assigned some sensitive tasks to Deputy Prime Minister Yannis Dragasakis and his team, such as plans for restructuring the Greek public debt. And, it founded a new institution, the Council of Administrative Reform, to oversee reforms in various policy sectors.

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%. In the elections of September 2015 turnout fell even further (down to 56.6%). 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 toward 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. Owing to the depletion of state funds in 2010-2014 this tradition was somewhat curbed, but the tendency to forge patronage based on citizen-government relations was renewed after the elections of January 2015, when Syriza and ANEL formed a coalition government which was open to such clientelistic appeals by party supporters. The parties wanted to staff ministerial cabinets, boards of directors of public entities, if not also the lower echelons of public bureaucracy, with their supporters.

In the past, most parties made unrealistic pledges to voters about alleviating austerity policy measures, thus obfuscating civic policy knowledge. The same tendency was observed in the electoral campaign for the parliamentary elections of January 2015. Less unrealistic pledges were made prior to the elections of September 2015, when the governing coalition of Syriza-ANEL had approved an economic adjustment program for Greece which was similar, if not more demanding, than the corresponding programs agreed between governments of PASOK or ND and the country's lenders during 2010-2014.

A small number of individuals voice policy opinions to politicians either through writing letters on policy issues to the press or by participating in the open electronic consultation on new government measures which each ministry announces and sustains before drafting a bill. On the other hand, there

is a strong tradition of organized interest groups voicing opinions on policy matters relevant to their material interests. After the futile referendum of July 2015, which the Syriza-ANEL government launched to increase its political legitimacy and popular support vis-à-vis Greece's lenders, the austerity policy adopted by the same government made citizens realize that, in conditions of very low economic performance and chronic indebtedness, i.e., the conditions of the Greek economy, very few policy choices are available. Salary and pension cuts and welfare spending cuts, implemented by the Syriza-ANEL government in the period under review, are of course not welcome by citizens but are probably viewed as a necessary step for further fiscal consolidation and for restarting the economy – if, of course, the government radically changes its usual reluctance toward private investments.

Thus, in the period under review, having learned the hard way how a modern, dependent and frail market system works, Greek citizens did not upgrade, nor were they ever let to upgrade, their political participation in decision-making, but acquired a more precise view of Greece's constraints and options.

Citation:

The Ministry of Interior reports turnout in elections. The relevant percentage figures are available at the Ministry's [http://ekloges.ypes.gr/current/v/public/index.html#“cls”:"main",“params”:](http://ekloges.ypes.gr/current/v/public/index.html#“cls”:). Accessed on 03.11.2015.

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 adviser who are paid out of the parliament's budget. However, many members of parliament hire family members or friends who, in effect, do administrative and secretarial rather than research work. This practice was continued in the period under review. 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 other institutions. The first is the Office of the Budget, a policy-oriented committee of university professors with economic expertise who work independent of the government. They have published policy reports on the prospects of the Greek economy which diverge from official government predictions. There is also the more academically-oriented Foundation of the Parliament, focusing on historical issues and constitutional matters. In the period under review, both institutions were vehicles for the expression of a pluralism of opinions.

Parliamentary committees are also quite active in organizing hearings and in discussing a variety of issues. However, the parliament lacks a research unit

Obtaining
Documents
Score: 10

(like for example the Congress Research Service or the Research Service of the House of Commons Library) that could provide members of parliament with expert opinion.

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, but even in such cases a competent committee can inspect some classified documents in closed-door sessions. In sum, members of parliament are usually very demanding regarding information and they press authorities to obtain it.

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/Vouli-ton-Ellinon/Kanonismos-tis-Vouli-s/article-133/>. Accessed on 04.06.2013.

Summoning
Ministers
Score: 9

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. Owing to the ongoing crisis, ministers were frequently summoned and engaged in acute debates with the opposition in parliament. As expected in a polarized party system, sometimes debates created a spectacle rather than a setting to exchange rational arguments.

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/Vouli-ton-Ellinon/Kanonismos-tis-Vouli-s/article-41a/>. Accessed on 05.06.2013.

Summoning
Experts
Score: 9

Regular committees 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 (e.g. the consensus on the obvious unsustainability of the pension system and on the destructive impact of party-led politicization on Greek universities). Recurring disagreements in parliamentary committees reflect the long-term polarization

in the Greek party system and the wider mistrust and limited social capital available in Greece, a pattern continued in the period under review. In fact, the association of well-known economists, constitutional lawyers and other experts with a government that, barring very few exceptions, has proven totally unable or unwilling to deliver on its pre-electoral promises, after it came to power in January 2015, may have increased the suspicion of parliamentarians and the wider public toward experts who have used their academic status to win a ministerial post or become government celebrities.

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 were 17 ministries in Greece until the end of 2014, but owing to the rise to power of Syriza in January 2015, the organization of government was altered. There were 14 ministries in the first Syriza government but, in November 2016, when Prime Minister Tsipras reshuffled his cabinet, he created several additional new ministries, such as the so-called Ministry of Digital Policy and the Ministry of Migration Policy. At the time of writing, this raised the number of Ministries to 18. By contrast, there are just six regular parliamentary committees (called Standing Committees). This discrepancy (18 ministries to 6 committees) creates a task mismatch, but parliamentary scrutiny is 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 owed to 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 legislation), this has not considerably 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/Katigories>. 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 enjoy the same tenure as typical judges and follow a career path comparable to that of other judges.

The audit office submits to the parliament an annual financial statement and the state's balance sheet. The submission of some of these financial statements has been delayed.

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.

The audit office has shown that in its bureaucratic and legalistic approach it can largely detach itself from the executive. The audit office had questioned the legality of measures of past governments of ND or PASOK. And in October 2015, it found clauses of the third bailout package, signed by the Syriza-ANEL government, pertaining to cuts in public pensions unconstitutional.

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 ombudsman 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 offense committed by administrative employees and officials in the course of discharging their duties. After the previous ombudsman was relieved of her duties in November 2015, a period of inaction followed. Currently a new ombudsman has been appointed, with the support of both government and opposition, and this institution has started functioning again.

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 media have been badly hit by Greece's economic crisis. Facing declining circulation figures and advertising revenues, some outlets have imposed cuts or closed altogether.

Reporters Without Borders has noted conflicts of interest in the senior management of some media outlets, saying wealthy owners and state officials have tried to consolidate and extend their power through the media.

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, first favoring the government, then the opposition.

Political debates in the media tend to be rather general, along partisan lines, focusing on the government budget and trying to speculate on political developments. Substantive in-depth information is rare and the presentation of issues is sentimental and partisan (pro- or anti-government) than objective.

On the other hand, the circulation of dailies is comparatively low, though they are quite influential in shaping the daily agenda and in framing debates. 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. On only a few websites, may one follow debates provoked by an informed contributor. In short, one may find interesting in-depth information by browsing Greek websites, but overall in the period under review there was no change in the aforementioned rather unsatisfactory performance of Greek media.

Citation:

The public broadcaster, ERT, was re-established by the Syriza-ANEL government through law 4324/2015, passed in April 2015 and implemented two months later.

Parties and Interest Associations

Intra-party
Democracy
Score: 7

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.

After 2012, Syriza had been able to revive political party life, in the sense that its own party members and voters participated actively in meetings of local party cells and social movements (i.e., those which are closely associated with

Syriza). However, after the Syriza-ANEL's U-turn in economic and social policy, dictated by Greece's Third Economic Adjustment Program, Syriza's vibrant intra-party life declined. In the period under review, Syriza's party organs functioned at a slow pace and were often rendered irrelevant by the Syriza-ANEL government's changes of tactics and strategy. The second ever party congress of Syriza, which took place in October 2016, provided a forum for government ministers and party cadres to lament the government policies which they followed, under pressure from the country's lenders and international organizations. It was however a very large political party event with representatives of local party cells of Syriza coming from all parts of Greece. Among the other parties, New Democracy organized an open election for its new leader in January 2016 and was able to partly revive its intra-party life. The election of the new party leader was not disputed by anyone, and a young politician, Kyriakos Mitsotakis, won the presidency of the party.

To sum up, in the period under review, there has been improvement with respect to the inclusiveness and openness of the major parties.

Association
Competence
(Business)
Score: 5

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.

In 2015, it was difficult for interest associations, other than the pro-Syriza associations of public employees, to catch the attention of the Syriza-ANEL government. This was owed, first, to the fact that the government was extremely, if not exclusively, preoccupied with trying to alter austerity policy by renegotiating with Greece's creditors and, second, to the propensity of government ministers to periodically and openly express anti-business sentiments, thus keeping business representatives at bay. However, recently there was some progress. In the period under review, the government tried to mend holes in relations between government and businesses, as it realized it needs the tolerance, if not the support, of business owners in order to revive the Greek economy.

Association
Competence
(Others)
Score: 5

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

Greek civil society is relatively underdeveloped. 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. There was no change in these patterns in the period under review, except of course for the anti-government mobilization by former Syriza supporters who felt deceived by the government's U-turn regarding austerity policies in the summer of 2015.

There was also spontaneous and intensive grassroots mobilization of informal teams and social solidarity networks of Greeks in the winter of 2015-2016, as they strove to help Syrian, Iraqi, and Afghani refugees arriving on the Greek islands of the Aegean Sea. But this, of course, if anything, reveals the lack of relevant policy formulation and administrative capacity to handle such situations.

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/pubd_ocs/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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