



# Greece Report

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Sustainable Governance  
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## Executive Summary

During the period under review, Greece's political and economic environment grew less volatile, while domestic and foreign observers recorded signs of timid economic growth. In relation to 2015 – 2016, the government appeared far more willing to introduce and, to a lesser extent, implement reforms, and welcome foreign investment.

These developments were encouraged by a positive international milieu. Business confidence in Europe, as measured by Eurostat, is at its highest point for over a decade.

However, Greece continues to be the only European country that has yet to reach the stage of economic recovery. Nevertheless, there are some reasons for optimism. In spring 2017, the government concluded a €1.2 billion deal with a consortium led by the German company Fraport, which involved 14 of the country's regional airports. This is the biggest privatization venture so far under Greece's international bailouts. Following the conclusion of the deal, in July 2017, Greece successfully sold €3 billion in five-year bonds at a relatively low interest-rate of 4.6%. The bond issue was so oversubscribed that the country could have borrowed €6.5 billion, more than twice the desired amount.

Negotiations between the coalition government, consisting of the radical-left party (Syriza) and the far-right party Independent Greeks (ANEL), on the one hand, and the country's lenders, on the other hand, continued. The second review of the adjustment program was completed – with considerable delay – in June 2017 paving the way for the disbursement of the third tranche of financial assistance (€8.5 billion) that was used to cover Greece's current financing needs and arrears clearing.

The country's economy is expected to grow in 2017 by 1.7% after stagnation in 2016 (-0.2%). 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 still faces risks, as non-performing loans are a major constraint. Yet, between 2016 and 2017, the government continued to privatize the transport sector and sell-off state-owned property. At the same time, it continued to delay the implementation of agreements it had signed with private investors concerning the exploitation of

gold mines in northern Greece and urban development of the east coast of Athens.

The OECD projects GDP growth to rise to 2.3% in 2018 and then moderate to 2% in 2019. So, Greece's economy is projected to grow again, and the recovery is expected to strengthen as investment rebounds and private consumption rises. The labor market is also recovering though high unemployment remains a problem.

The Syriza-ANEL government allocated funding for social assistance and began the implementation of a new social safety net, the Social Income of Solidarity. However, the government raised taxes and social security contributions to an unprecedented degree, which will hit the middle strata and professionals particularly hard, while it made little progress in fighting tax evasion. Economists argue that these measures have negatively influenced investment and job creation.

Finally, in the period under review, the government did not give up on its drive to control the media and influence the judicial system. Meanwhile, the weak state administration hampered further reform efforts. Such efforts, however, are necessary if Greece wants to change its model of production, currently based on domestic consumption and the provision of services to tourists.

## Key Challenges

Late in the summer of 2017, after long delays, Greece was able to conclude the Second Review of the Third Economic Adjustment Program. Over the next 12 months, Greece must first complete the Third Review of the same program. The government must implement a number of reforms that will enable Greece to exit the seven-year long close monitoring of the economy. Notably, in August 2018, when the current Third Economic Adjustment Program officially ends, Greece is expected to seek further financing by drawing funds on international markets. However, the IMF, having approved in principle a largely symbolic cash injection for the country, has repeated its long-standing warning that Greece's debt remains unsustainable.

Thus, the prospects of the Greek economy remain uncertain, as loans on

international markets incur higher interest rates than the rates granted to Greece by its lenders. Meanwhile, the growth of the Greek economy is meager, while large foreign private investments are not forthcoming, as the Syriza-ANEL coalition, being ideologically hostile to foreign capital, has given mixed signals to foreign entrepreneurs. Domestic investment was discouraged as the government suddenly and dramatically raised taxes and social security contributions. Thus, a better balance between taxation and business incentives must be attained.

In view of the above, the most important challenge for Greece will be to avoid a new sudden economic crisis, resulting from further government indecisiveness, a banking crisis or a sudden call for snap elections (a decision which rests exclusively in the hands of the prime minister).

There are many open questions waiting to be addressed before the next general election (which, barring a sudden decision by the prime minister, are expected to take place in mid-2019). Open questions include restoring stability in education, public order and the administration of justice. In other words, sectors in which the Syriza-ANEL coalition government has experimented with rolling back reforms which had been affected before the government was formed (i.e., before January 2015). Since 2015, frequent education reforms have been announced, the government has been unable to impose law and order in the center of several major cities (e.g., Athens and Thessaloniki), and the administration of the judicial system has further declined (very slow and disputable functioning of courts).

However, the two major challenges that lie ahead are the health of the banking system and the future of pensions. Non-performing loans continue to be a major impediment for the financing of the economy and their shrinking will become a major issue in the forthcoming months with a political cost that the current or the next government will need to bear. The Bank of Greece plans to start stress tests for the country's four systemic banks in late February 2018. Under the Third Bailout, pension payments, which had been cut by 40% since the start of the crisis, will be cut by a further 18% from 2019. This will be a necessary measure but also a major political challenge for any government.

Unfortunately, while nominally interested in alleviating the suffering of victims of the economic crisis, the Syriza-ANEL government has resorted to traditional, pre-crisis patronage practices. The government has recruited party supporters to the public sector usually on temporary contracts, as it has been unable to finance large-scale hiring. It has also offered the poorer strata one-off social welfare transfers. In the traditional patronage manner, cash transfers were selectively channeled to favored interest groups, such as employees of

state-owned enterprises and pensioners. It was only in early 2017 that the government at last established a social safety net for the poor. This unbalanced mix of patronage politics and social policy transfers needs to be re-assessed.

Over the next 12 months, policy challenges and debates will center on issues of economic growth, policy stability and redistribution.

Citation:

GDP growth rates of EU Member States, including Greece, are based on Eurostat data, shown at [http://ec.europa.eu/eurostat/statistics-explained/index.php/File:Real\\_GDP\\_growth,\\_2006-2016\\_\(%25\\_change\\_compared\\_with\\_the\\_previous\\_year;\\_%25\\_per\\_annum\)\\_YB17.png](http://ec.europa.eu/eurostat/statistics-explained/index.php/File:Real_GDP_growth,_2006-2016_(%25_change_compared_with_the_previous_year;_%25_per_annum)_YB17.png)

Unemployment rates of EU Member States, including Greece, are based on Eurostat data, shown at [http://ec.europa.eu/eurostat/statistics-explained/index.php/Unemployment\\_statistics](http://ec.europa.eu/eurostat/statistics-explained/index.php/Unemployment_statistics)

# Policy Performance

## I. Economic Policies

### Economy

Economic Policy  
Score: 4

Greek economic policy is still bound by the Third Economic Adjustment Program (supported by a €6 billion bailout), based on a 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, which are still imposed on Greek citizens and businesses, were put in place to avoid a bank run after the Syriza-ANEL government launched a referendum in July 2015 on one of the drafts of the economic reform proposals, which at the time the government was still negotiating with the European Commission.

The country has started to recover since the shocks of 2015. One of the Third Program's major goals is to save the Greek banking system, which still faces risks because of un-serviced loans to households and businesses.

The second review of economic policy measures, included in the Third Program, should have been completed in early 2016, but was finally accomplished with considerable delay in the summer of 2017. In the fall of 2017, the third review of Greece's program started. The review was delayed as Greece's creditors and the Greek government could not agree on major labor market reforms.

In July 2017, Greece returned to the sovereign debt market for the first time in three years, using incentives to win over hesitant investors to a €3 billion bond sale. However, access to the public capital markets continues to be the largest hurdle facing Athens as it attempts to exit the era of bailouts.

Meanwhile, there has been no progress in managing the growing un-serviced bank loans nor has there been any visible progress with regard to out-of-court conflict resolution processes which, if established, would have helped to spur

stalled private investment plans.

During the period under review, the Syriza-ANEL government substantially raised indirect and direct taxes, including private income and property taxes. Such high (and in fact sudden) changes in taxes have contributed to economic stagnation. While raising taxes has already increased government revenue, the key to economic development lies in private investment which is not forthcoming. This is shown in the fact that in 2016 Greece's real GDP growth rate was zero (0.0%), while the average for the period 2006 – 2016 was -2.7%.

Prospects for economic growth are somewhat better than in 2016, although foreign investors still encounter significant bureaucratic obstacles, if not outright reluctance by government officials, when trying to implement their investment plans. In the period under review, as in 2015 – 2016, this situation was reflected in the long delays involved in the progress of major investments such as gold mining (e.g., Eldorado Gold company in Halkidiki) and urban development (e.g., the consortium of companies that bought land that had belonged to Athens Airport in Hellenicon, Attica).

Given that the Greek public debt remains at forbiddingly high levels (180% of the GDP in 2017), the European Union, the European Central Bank and the IMF may soon need to devise a plan for a large-scale debt restructuring that will entail substantial losses for creditors. The German federal parliament elections in autumn 2017 did not bring about a shift in the stance of Greece's major lender: Germany remains reluctant to grant Greece major debt relief.

Citation:

Data on GDP growth are available from Eurostat: [http://ec.europa.eu/eurostat/statistics-explained/index.php/File:Real\\_GDP\\_growth,\\_2006-2016\\_\(%25\\_change\\_compared\\_with\\_the\\_previous\\_year;%25\\_per\\_annum\)\\_YB17.png](http://ec.europa.eu/eurostat/statistics-explained/index.php/File:Real_GDP_growth,_2006-2016_(%25_change_compared_with_the_previous_year;%25_per_annum)_YB17.png)

## Labor Markets

Labor Market  
Policy  
Score: 4

In the period under review, unemployment has fallen. Nevertheless, the crisis continued to expose some of the rigidities in the labor market. It has proven to be difficult for a pro-labor government (which has been in power since January 2015) to tackle unemployment within a context of private disinvestment and fiscal crisis.

The unemployment rate fell from 28% in July 2013 to 21% in July 2017 (18% for men, 25% for women in July 2017). As the economy has stagnated, and domestic and foreign investors are still reluctant to invest given Greece's unpredictable institutional environment, whatever progress has been achieved in

tackling unemployment is due to the following reasons: lower wages, a rise in flexible forms of employment, growth in the tourism sector where jobs are available during an almost six-month-long summer season, and an increase in emigration (of both skilled workers and migrants). Some 68,000 of the 150,000 jobs created over the last three years are part-time or rotation jobs.

About 75% of unemployed people have been out of work for more than one year. This phenomenon, which has detrimental effects for economic growth, is called hysteresis: people lose their skills and cannot find new jobs, leading to increasing poverty and social exclusion. Young people have been hit particularly hard by the economic crisis. Yet there has been some progress, as unemployment among 15 to 24 year olds (excluding students and soldiers) fell from 59% in July 2013 to 43% in July 2017. Of course, this is still one of the highest youth unemployment rates among OECD countries.

Unemployment statistics 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 tourism 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 and – what is worse – the take up of unemployment allowance has constantly been very low at 10%. The remaining 90% of unemployed people, who receive no unemployment allowance, depend on support from their kin or rely on a recently introduced social safety net called Social Solidarity Allowance (see the section on social inclusion). However, for several years the Greek government, with the agreement of the European Union, has used money from the European Social Fund (ESF) to offer short-term employment opportunities to unemployed people in municipal services.

The primary reason why the labor situation has failed to improve much is the government’s reluctance to implement measures which would facilitate job creation in the private sector. The government continues to give contradictory messages to investors. Throughout 2017, Prime Minister Tsipras and his finance ministers traveled abroad, including to the United States, in order to attract foreign investors, while other government ministers and the governing party Syriza still resist large-scale, industrial or other private investments, which could create job opportunities.

In the meantime, the primary causes of the continuing closure of businesses are the continuing fallout from 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- to old-age groups have found it difficult to re-integrate into the labor market.

The pre-crisis division between insiders and outsiders has remained acute. 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 contradictory signals given by the government.

Citation:

Information on unemployment, female unemployment, long-term employment and youth unemployment is drawn on the Hellenic Statistical Authority's website, <http://www.statistics.gr/>

## Taxes

Tax Policy  
Score: 4

Regarding the redistributive effects of taxes, Greece fares average compared to other OECD countries. Regarding the complexity of the tax system, there has been some progress, as Greek tax payers mostly use an electronic Ministry of Finance platform to file tax declarations and obtain personalized information on their tax-related obligations. The imposition of capital controls in 2015 led to an increase in the use of credit and debit cards. This in turn led to a strong increase in reported private consumption leaving an electronic trail for tax collectors in a country known for rampant tax evasion.

According to Greece's Third Adjustment Program, raising government revenue should have been affected through a combination of tax increases and privatizations. Boosting budget revenue included measures like ending fuel tax benefits for farmers and ending VAT (sales tax) discounts applied on Greek islands.

Measures to increase taxes are easier announced than implemented. During the tourist season, income raised by small and very small businesses remains undeclared, while throughout the year an unknown share of income for liberal professions also remains undeclared. Thus, engineers, lawyers, medical doctors and dentists as well as craftsmen, plumbers, electricians and computer technicians rarely declare an income above €5,900 per year, which in 2017 was the threshold below which no personal income tax was imposed.

Further, the frequency with which tax laws are amended by the government is astonishing. As long as tax regulations are constantly under revision, the business environment in Greece will remain unstable and progress will not be achieved in improving horizontal or vertical equity.

Moreover, in relation to other OECD countries, Greece receives lower tax revenues from direct taxation. Tax revenue still derives primarily from indirect taxes (57%, which is the highest percentage in Europe), such as taxes on the use of oil products (gasoline, heating oil) and VAT. The VAT rate in restaurants and catering businesses, which are very active in the tourism sector, remain at the prohibitively high level of 24%, while Greek companies have to pay 100% of their estimated annual taxes up front. Such taxation measures and arrears in paying suppliers of goods and services to the public sector (a practice followed by many different governments at least since the start of the economic crisis), have contributed to Greece achieving a primary budget surplus of 0.5% in 2016.

A very serious problem is tax arrears. Independent Authority for Public Revenue data showed that 3.85 million taxpayers and corporations owe the state a total of €8.2 billion, an amount that increases every month and is likely to exceed €100 billion by the end of 2017. The electronic confiscation of bank accounts and assets (700 per day) does not seem to provide a viable solution.

A higher dividend tax will follow in 2018, as the government is bound by Greece's Economic Adjustment Program, which requires the country to keep a budget surplus, in order not to aggravate an already very high public debt (180% of the GDP in 2016, according to October 2017 data). The government also needs to increase tax revenue, because it strives to sustain its electoral clientele. It periodically recruits governing party supporters to the public sector and distributes additional one-off allowances to select groups. For example, in December 2016, Prime Minister Tsipras handed out a whole additional monthly pension to every pensioner whose pension was lower than €50 per month.

Meanwhile, the tax on landed property (ENFIA) negatively effects the real estate market. ENFIA is important for the state budget since it raises €2.5 billion – 3.0 billion per year. However, ENFIA has also contributed to a fall in house prices and led to disinvestment in the housing industry, an important sector in the Greek economy. In the period under review, 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.

Citation:

Comments on the redistributive effects of Greek taxes and the time spent to file tax declarations and pay taxes are based on the comparative data on OECD countries, available on this SGI platform.

## Budgets

Budgetary Policy  
Score: 5

After 2015, a tumultuous year in which government instability and a fruitless national referendum negatively affected public finances, Greece made progress with regard to fiscal sustainability. While the country's public debt remained at prohibitive levels (180% of the GDP in 2017), the primary surplus reached 1.7% in 2017. This surplus level was three times higher than surplus forecasted in the budget for 2017 which the Ministry of Finance had tabled in parliament in October 2016.

This astonishing success resulted from a double move of the government. On the one hand, in 2016 and 2017 tax laws were changed in order to impose historically high taxes on middle- and high-income groups and companies. On the other hand, the post-2015 government continued the practice initiated by past governments following the onset of the economic crisis to grossly delay payments or to largely refrain from paying private suppliers who had already delivered goods and services to Greek ministries and state agencies. Increased taxation and delays in payments by the state led to the near collapse of some private businesses (in the industrial and commercial sectors outside the thriving tourist sector).

Thus, in late 2017 public funds were available, accumulated through the government's double move. At that time, the government was considering two measures which could boost its declining popularity: either to distribute a one-off cash allowance to low-income households or repeat its move of December 2016 and distribute the equivalent of an additional monthly pension to low-income pensioners. Both measures diverged from the policy suggestions of the country's lenders who would have preferred the government to revive the private economy by paying arrears owed to private suppliers who in some cases (e.g., suppliers of school textbooks to state schools) had waited for years to be compensated for goods or services rendered to the Greek state.

In other words, in 2016 to 2017, the new government followed the guidelines of fiscal policy contained in Greece's Third Economic Adjustment Program with regard to raising government revenue, but chose its own way with regard to government expenditure.

Citation:

Information on the Greek state budget and public debt levels is drawn on statistical tables available in this SGI website.

## Research and Innovation

R&I Policy  
Score: 4

In the period under review, Greece continued to rank below the OECD average for public and private expenditure on research. However, despite the economic crisis, remarkable efforts have been made in recent years by both the previous and the current government to preserve and even increase public investment.

Greece lacks large corporate investors in R&D. Links between academia and the private sector are weak reflecting institutional weaknesses and cultural resistance to public-private collaboration. There is little private demand for R&D and innovation, and the corresponding supply from universities and public research institutions is small, as shown by the relatively small number of patents filed by universities.

Over the last six years, universities saw their funding (based on the state budget) decline. Nevertheless, despite economic adversity, there are clear “islands” of excellence at universities in areas such as biology, IT and computer science, economics, engineering, archaeology and history. And the number of international scientific co-publications per million population has increased (from 389 in 2009 to 549 in 2015) showing that the Greek Research & Innovation system is increasingly internationalizing. However, the public R&I system continues to perform below the EU average.

However, Greek researchers, the number of which is disproportionately high compared to the levels of public and private expenditure on research, actively participate in international research consortia. For instance, the National Technical University of Athens actively participates in international projects, as does the Heraklion-based Institute for Technology and Research. Individual researchers from Greece frequently participate in international forums.

A very positive step has been the establishment of the Hellenic Foundation for Research and Innovation (HFRI), a new public body funded by the Greek state and the European Investment Bank (EIB). Law 4429/2016, passed in 2016, provided €240 million for the funding of the HFRI for a three-year period, while the relevant open calls for research proposals have been launched.

### Citation:

Data on research spending, number of researchers, intellectual property licences and patent applications are drawn on statistical tables provided by SGI on this platform. Information in English on the Greek HFRI is available from the relevant European Commission’s Research and Innovation Observatory report: <https://rio.jrc.ec.europa.eu/en/country-analysis/Greece/country-report>

Stabilizing  
Global Financial  
Markets  
Score: 3

### Global Financial System

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

Greece performs better than other southern European countries as far as upper secondary education is concerned. With regard to the proportion of the population having completed tertiary education, the country scores much higher than Portugal and Italy, as well as most eastern and southeastern European countries. The latter achievement is probably due to the fact that in tertiary education in Greece there are no tuition fees for undergraduate studies at the 22 state universities and 14 state polytechnics (Technological Educational Institutes, TEI).

However, the age-old pattern of irrational and patronage-based allocation of education resources persists. The economic crisis has further exacerbated the mismatch between the allocation of resources and actual needs. Thus, during the period under review, divergence between employment and education trends worsened. The country clearly needs, among other specialties, more technicians, sales assistants, skilled and semi-skilled tourism workers, and computer scientists. Yet, the university system produces a very large number of graduates in the humanities, including hundreds of theologians, philologists and theater critics every year. There are also large numbers of physicians who cannot find employment in Greek hospitals nor can they find the financial resources to start their own medical practice. The total number of doctors in Greece (specialized and general practitioners) is approximately 69,000. Among OECD member countries, Greece has the highest ratio of doctors to population (Greece has 6.3 doctors per 1,000 inhabitants while the OECD average is 3.3 doctors per 1,000 inhabitants). As a result, hundreds of Greek physicians, who have been trained for free in respectable Greek state medical schools, emigrate to northern and western European countries, where they practice medicine. The same applies to architects and civil engineers, with engineering schools educating large numbers

of students despite an over-abundance of such professionals in Greece.

Access to university education is, however, not equitable as students from middle- and upper-class backgrounds are more likely to successfully pass entrance examinations. Moreover, to the extent their parents can afford it, Greek high school students receive private tutoring to help with high school and the nationwide university entrance examinations. This reflects a cultural contradiction between on the one hand seeing education as an entirely public-sector activity (e.g., university students pay neither tuition fees nor textbook costs, as they obtain textbooks for free) and on the other hand success being dependent on private tutoring.

In fact, the education system is extremely top-heavy, meaning that public resources are channeled to sustaining a large number of state universities and polytechnics, while private resources are used to pay for “cramming schools” which prepare 11th and 12th grade pupils for the nationwide university entrance examinations. It is then no surprise that with regard to expenditure on pre-primary education Greece is ranked among the lowest spenders in the group of OECD countries. The education system is unevenly structured and unevenly resourced, while there is a national fascination only with university entrance examinations. Consequently, all other levels of education are neglected. For example, Greece belongs to the group of lowest performing countries in PISA examinations, which are taken across the world by 15 year olds. In 2016, Greece ranked 43 out of 72 countries in key education categories, lower than in previous years.

The quality of education across Greek universities is very uneven. Some university departments have a long tradition of excellence, such as the 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 governments.

In the period under review, the Ministry of Education introduced a number of measures that further reduced the autonomy of higher education institutions. For instance, the ministry announced the merger of some polytechnics with universities and the establishment of a new university created out of the merger of two polytechnics in Western Attica. None of these measures were based on empirical evidence. They were measures flowing from political expediency. In a

period of financial constraints, when salary, pension and welfare benefit increases cannot be affected by the incumbent government, a solution to the problem of the government's declining popularity is the distribution of non-monetary favors to the population. Examples are the symbolic renaming of polytechnics to universities, their "presidents" to "rectors" and the overnight transformation of professors of polytechnics into university professors.

Finally, in the period under review, the Syriza-ANEL coalition government again changed the law on university education. Major policy shifts included tighter supervision of state university and polytechnic financing by the government, stricter regulation of post-graduate programs that severely limit institutional autonomy and the enlargement of selection committees in university departments that are responsible for hiring or promoting faculty members.

As has happened in the past with legislation passed by previous governments, the new university education law regulates the structure and function of universities through numerous detailed regulations. There is no doubt, then, that Greece's education system is one of the most centralized among OECD countries and that education policy is extremely politicized.

Citation:

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

## Social Inclusion

Social Inclusion  
Policy  
Score: 4

Even though Greece is not ranked among the worst-performing OECD countries with regard to income inequality, the income of the poorest part of the population during the crisis years fell relatively more than for the total population. The Gini coefficient rose by 0.3 percentage points per year, while during the same period inequality in the OECD stayed constant on average.

Greece presents a disappointing image regarding poverty and social exclusion, and specifically with respect to social exclusion among younger people. A high proportion of the population are at risk of poverty or social exclusion (35.7%) and only two other EU countries, Bulgaria and Romania, perform worse than Greece on this dimension. Further, with a youth unemployment rate of 43.3% in August 2017, Greece topped all other EU member states (Greece: 43%, EU-28: 16.7%). Moreover, compared to other OECD countries, Greece was among the worst-performing countries regarding the share of 20 to 24 year olds not in education, employment and training (NEET).

Besides the economic crisis, a deeper problem is the long-term exclusion of young people from the labor market, to which they traditionally remain outsiders. Another 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.

Greece's policy of social inclusion is haphazard and incommensurate to the problem of social exclusion. Relevant measures include 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 contracts, and counting on the family to fill in the gaps of a still inchoate social policy. Older family members, particularly if they are already retired, are expected to use their pension or other source of income to live on, while also offering food and shelter to socially excluded relatives.

If such an arrangement is not possible and a collective household is socially excluded, then the household can count on welfare state cash transfers. Such transfers have been made by previous governments (the New Democracy-PASOK coalition in 2014) and the incumbent Syriza-ANEL government. After considerable delays and under pressure from the country's lenders (who since 2010 had advocated for the introduction of a new, universal social safety net), the Greek government piloted a new social allowance program for very low-income groups in 2014. The program resembled a minimum income guarantee, but its implementation was abolished by the new Syriza-ANEL coalition government after the elections of January 2015. The new government had a different plan to address what it considered a "humanitarian crisis" in Greece, which it attributed to the policies of the European Union and the preceding New Democracy-PASOK coalition government (2011 – 2014). In early 2015, the new government offered subsidies to households to pay for rent, cover the cost of electricity and as food aid. Considerable delays in establishing a new social safety net followed in 2015 to 2016. Finally, since early 2017, the Syriza-ANEL government has implemented a new program consisting of a "social income of solidarity" (KEA) to complement existing subsidies for rent and electricity costs for poorer households which the government had legislated in March 2015. The government claims that over 600,000 Greeks benefited from the KEA income supplement in 2017. This is an improvement over all previous programs, but still, owing to the difficult economic situation, the financing of the new scheme is not solidified.

The inefficient use of EU structural funds is a serious issue. For example, the country has failed to use resources from the Fund for European Aid to the Most Deprived (FEAD) that supports EU countries' actions to provide material assistance to the most deprived. Complementary measures to fight



unemployment (a major cause of rising poverty) like participation in vocational education and training (VET) remain modest.

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. Data on youth unemployment for August 2017 is available at <https://www.statista.com/statistics/266228/youth-unemployment-rate-in-eu-countries/>. And data for percentage share of the population at risk of poverty or social exclusion is provided by Eurostat at [http://ec.europa.eu/eurostat/statistics-explained/index.php/People\\_at\\_risk\\_of\\_poverty\\_or\\_social\\_exclusion](http://ec.europa.eu/eurostat/statistics-explained/index.php/People_at_risk_of_poverty_or_social_exclusion).

Information on the new social solidarity allowance is drawn on personal notes from public speech delivered by the General Secretary of Social Welfare (an official of the Ministry of Labor) on 25.10.2017 in Athens.

## Health

Health Policy  
Score: 4

Owing to the prolonged economic crisis, there have been massive cuts in public and private health care spending. As OECD data shows, since 2009, per capita spending on public health care has been cut by nearly a third – more than € billion between 2009 and 2014. By 2014, public expenditure had fallen to 4.7% of GDP, from a pre-crisis high of 9.9%. This decline in health care spending has been larger for pharmaceuticals and smaller for hospitals. Though shortages of spare parts have meant that scanning machines and other sophisticated diagnostic equipment are increasingly faulty.

The first months of 2017 presented a number of positive developments: the government announced plans to appoint more than 8,000 doctors and nurses, discussions about new legislation on primary health care began, while health care statistics for 2015 indicated a recovery in expenditure. In 2017, the philanthropic Stavros Niarchos Foundation announced a \$238 million grant to enhance and upgrade Greece's public health sector.

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 highlights three perennial problems affecting Greek health care policy: the lack of long-term planning and programming with regard to preventive health measures, the large volume of unrecorded and untaxed transactions between patients and doctors, and 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 also suffers from two key structural problems. First, the long-term irrational distribution of resources, including funds, supplies and personnel, which is defined by a chronic clientelistic logic, rather than rational, that permeates the

Ministry of Health's relationships with regional and local state-run health care services. Second, the fragmented and sprawling character of hospital care. The distribution of the 131 public hospitals across Greece is highly uneven, resulting from a patronage-based selection process that determines where hospitals should be built. Further, there are eight state medical schools in the country, producing hundreds of doctors every year. Yet, at the same time, there is a lack of nurses. Moreover, there is a highly uneven distribution of medical personnel across hospitals, as doctors prefer to work in the hospitals of the two largest cities, Athens and Thessaloniki.

Pharmaceutical spending in Greece has been significantly affected by the crisis (though it had previously reached very high levels in per capita expenditure). The large reductions in drug spending have come as a result of a series of government measures aimed at reducing the price of pharmaceuticals. Some cost reductions have shifted to households, while major budget cuts for public hospitals have left some hospitals without enough medicines and medical supplies. However, pharmaceutical spending (at more than 25% of total health care spending remains among the highest in the OECD).

Nevertheless, there have been some positive government initiatives. The Ministry of Health has issued instructions to state hospitals to provide medicine, tests and treatment to uninsured patients without charge. Indeed, since June 2014, uninsured people have been covered for prescribed pharmaceuticals, emergency department services in public hospitals, as well as for non-emergency hospital care under certain conditions. Moreover, in the period under review, a new law established 75 local public health care units (TOMY). Although there have been many problems in recruiting medical personnel to the TOMY, their establishment was an improvement over the past. If implemented, the new policy measure will shift demand for medical care away from private doctors and public hospitals toward local, primary health structures.

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](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)

The new law establishing the local health care units (TOMY, Law 4486/2017) around Greece was passed in August 2017.

## Families

Family Policy  
Score: 5

Greece has one of the strongest traditions of family ties in Europe. In both urban and rural areas, grandparents often look after preschool children while mothers work, families care for their elderly or disabled at home, parents help around the house and feed the younger generation sometimes even into middle age.

Family policy in Greece is not oriented toward reconciling work and welfare in order to improve the position of women in the labor market. Greece spends very little on preschool services for the age groups 0 to 2 years old and 3 to 5 years old. Consequently, women suffer from a permanent social disadvantage. The Greek state does not have a streamlined policy to reconcile work and family life but heavily depends on the European Union. Around the country, many low-income families benefit from European Social Fund (ESF) projects, which finance many municipal nurseries. During the period under review, ESF-funded municipal nursery places were in high demand, as these places enabled parents to seek work.

The crisis has strengthened age-old cultural patterns. Typically, when a woman has children, she exits the labor market and seeks support from her family in order to raise her children, with some help from her husband. Notably, a new mother employed in the public sector receives much better support than a new mother employed in the private sector or self-employed. Female public employees are guaranteed their jobs following maternity leave. They are also granted maternity leave without fear that, on returning to work, they may be allocated to a subordinate job or suffer a wage cut, as is the case for 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 related to child poverty because traditionally the state paid little attention to poverty as a social problem. The bulk of social attention focused on pensioners, often regardless of their income level. However, in early 2017, after a very long preparation period, the government started distributing a benefit called Social Income of Solidarity. This benefit is targeted at low-income groups and resembles a minimum income guarantee found in other EU welfare systems. So there has been some improvement in recent years.

As a result of the crisis, more and more Greek families are relying on their elderly relatives' pensions. In many cases, relatives cannot afford the expense of a nursing home and decide to take care of their elderly relatives at home. This has led to the mass "emptying" of nursing homes across the country.

Citation:

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

Pension Policy  
Score: 4

## Pensions

The Greek pension system is a pay-as-you-go corporatist system, based on a multitude of occupational pension funds. These funds have recently been merged into a larger, private sector pension scheme, managed by a single state authority (the EFKA). Social spending reached 27% of GDP in 2016 (among the highest level in the EU-28) and the largest share of social protection expenditure is devoted to pensions. In December 2016, the country supported 2.6 million pensioners and more than 1.2 million pensioners lived on less than €500 per month.

The prospects of the Greek pension system are not good, as the country has one of the worst old-age dependency ratios (31) among all OECD countries. Further, nearly one-third of the value of pension funds was lost following 2009 due to surging unemployment and a fall in contributions.

The pay-as-you-go system, according to which the working population contributes to pension funds so that old-age pensioners can obtain their pensions, is unsustainable. 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. Notably, the proportion of people aged 55 to 64 in work in Greece is the lowest of any OECD country, except Turkey.

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 May 2016, the Syriza-ANEL government passed legislation which increased social insurance contributions and reduced the supplementary pensions for retirees. New pension legislation has cut pension payments by up to 30%, while poor policy design led to 18 legislative amendments in the 18 month period following the initial reform (May 2016 – October 2017).

Overall, however, the thrust of the new legislation continued to protect older generations more than the youth. The legislation's positive contribution includes the establishment of a nationwide management system and unification of

previously fragmented private sector pension schemes, but Greece's pension system is not sustainable and needs major reform. However, reform is politically extremely difficult, as one in two households rely on pensions to make ends meet. In accordance to the Third Bailout, Greece has legislated new pension cuts, which are due to take effect in 2019.

Citation:

Data on pensions, share of old people who work and old-age dependency ratio is drawn on the SGI data set, available on this platform. Data on pension expenditure is drawn on Eurostat, available at [http://ec.europa.eu/eurostat/statistics-explained/index.php/Social\\_protection\\_statistics\\_-\\_pension\\_expenditure\\_and\\_pension\\_beneficiaries](http://ec.europa.eu/eurostat/statistics-explained/index.php/Social_protection_statistics_-_pension_expenditure_and_pension_beneficiaries). Information on pension reductions in 2017, after the implementation of the pension law of 2016, is based on press reports available at <http://www.kathimerini.gr/923016/article/oikonomia/ellhnikh-oikonomia/meiwmenes-ews-30-oi-synta3eis-me-ton-nomo-katroykaloy>

## Integration

Integration Policy  
Score: 5

While the integration of past waves of migrants, possibly exceeding one million, had not been accomplished by the beginning of the period under review, the problem of refugees and irregular migrants, crossing the Mediterranean Sea from Turkey to the islands of the Aegean, continued to grow.

The agreement concluded in March 2016 between the European Union and Turkey, which bound Turkey to limit the flow of refugees passing to Greece and on to Europe, was only partially implemented. Turkey complained that it had not received the promised levels of financial aid from the European Union in exchange for its cooperation on this issue. Meanwhile, the European Union clearly distanced itself from the Erdogan regime, particularly after the aborted coup d'état in July 2016 in Turkey.

Refugee camps which had been constructed in 2016 on Greek islands close to Turkey, such as Lesbos, Chios and Samos, quickly overflowed. Financial and other resources devoted to hosting the refugees and personnel rapidly proved inadequate. In the period under review, the number of refugees and irregular migrants entering Greece, after a brief decline, increased again. In the span of one month (October 2017) approximately 3,500 refugees crossed the sea and landed on Greek islands. Port authority officers registered incoming refugees, doctors and nurses of public hospitals offered medical help, and island residents offered food. NGOs continue to provide significant support, as the situation has overwhelmed local Greek authorities. However, this valuable support to desperate people, arriving on Greece's shores in small boats, does not amount to their integration into education and social life.

The integration of migrants into the education system has been functional in primary and secondary education. However, in the period under review, there was social turmoil in cities around Greece due to the participation of refugee children in social activities outside of the classroom. In a few cases, associations of Greek parents reacted negatively to the enrollment of children with migrant backgrounds in the same schools as their own children.

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 in the early 1990s, the rest of the country's migrants – including migrants from Asia and Africa – are systematically excluded from Greek society. With regard to cultural integration, it is telling that still there is no official mosque for Muslims in Athens. However, the current government (despite opposition from the junior coalition partner, ANEL) has proven far more willing to liberalize relevant legislation than its predecessor. Law 4332/2015 grants children of foreign nationals the opportunity to gain Greek citizenship as long as they are born and raised in the country.

To sum up, significant problems in terms of policy efficiency remain and policy setbacks are now obvious. Greece 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. It is a problem that obviously cannot be managed individually by the Greek state and will remain unresolved as long as the aforementioned EU-Turkey agreement is not implemented.

Citation:

Data is drawn on Greek press reports on the numbers and social situation of arriving refugees. Two sources in Greek:

<http://www.kathimerini.gr/931848/article/epikairothta/ellada/kai-pali-prosfyges-se-parka-kai-plateies>

<http://www.iefimerida.gr/news/372979/mono-ton-oktovrio-eftasan-sta-nisia-3478-prosfyges-kai-metanastes-rekor-afixeon>

### Safe Living

Safe Living  
Conditions  
Score: 5

Despite the crisis, crime rates declined between 2010 and 2014, and have since remained close to the OECD average. However, in 2015 – 2016, all crimes with the exception of homicides increased by between 10% and 26%. Government expenditure on public order and safety (at 2.1% of the GDP) remained among the highest in the EU-28. Confidence in the Greek police remained comparatively low. This is due to the unwillingness or incapability of the police to control several central residential neighborhoods in large cities where there

are daily incidents of petty theft, burglaries and drug use. Police protection for refugees and migrants from attacks by racist groups, including by militants of the neo-Nazi party Golden Dawn, continued to be insufficient.

Distrust in police may be explained by the tendency of the incumbent Syriza-ANEL government to tolerate violent protests. In the period under review, there were frequent violent clashes and riots in central Athens organized by anarchist and extra-parliamentary left-wing groups – usually against the police. In almost all cases, the police, which is closely controlled by the government’s Minister of Public Order, did not intervene to protect state and private property, such as university buildings and private stores, unless policemen themselves were physically attacked. There is a general threat from terrorism and acts of political violence. Dramatic events included the attempted attack on the former prime minister, Lucas Papademos, in May 2017 and the storming of the Spanish Embassy in Athens in October 2017.

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. In 2016, Greece’s development aid budget increased by 10.8% as it increased its contributions to the EU development budget. Yet, at 0.14% of GDP, Greek aid is far below the OECD average (0.32%).

Overall, because of the constraints of the ongoing economic crisis, Greece has not helped curb inequalities in developing countries, but has done more than its share to help people who arrive in Europe from developing countries. Even though the reception (refugee camps, and medical and social care) which Greece offers to incoming refugees is far from ideal, it continues to receive and help desperate people landing on Greek territory.

Citation:

<http://www.oecd.org/dac/financing-sustainable-development/development-finance-data/ODA-2016-detailed-summary.pdf>

### III. Environmental Policies

#### Environment

Environmental  
Policy  
Score: 4

Because of the economic crisis, between 2010 and 2015, industrial production and greenhouse gas emissions in Greece declined. Yet, Greece has not made enough progress in producing and using renewable energy, even though physical conditions (sunshine, winds) should have facilitated a shift to renewable energy sources. Greek state authorities are undecided on this policy shift.

Meanwhile, municipalities are incapable or unwilling to practice material recycling and thus Greece scores low on that dimension. The performance of Greece regarding the share of municipal waste that is recycled is rather low (16% of total municipal waste), and recycling has been increasing only modestly during the past 15 years.

In the period under review, a small Greek oil tanker overturned and spilled oil in the Saronic gulf, on the east coast of Attica. The response of the Greek authorities was slow and inadequate, and the waters and beaches of Athens became heavily polluted. Further, in the summer of 2017, wildfires caused extensive destruction to forests in northeast Attica, very close to Athens.

At the root of Greece's environmental problems lie several causes: the lack of state mechanisms capable of controlling sources of pollution, unchecked urban development, large infrastructure projects and negligent consumer behavior. Environmental and forest management is haphazard, and subject to the vicissitudes of changing political leaderships and interests.

Indeed, in Greece, the development of tourism and agriculture has often proceeded in a haphazard manner, and has always taken priority over environmental concerns. 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.

To sum up, despite the fact that some members of the current government are ecologically aware, the natural environment in Greece continues to be systematically neglected. In the period under review, the situation worsened because of a major oil spill and forest fires. However, 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.

European Environmental Agency, Greece: Country Briefing (<https://www.eea.europa.eu/soer-2015/countries/greece>)

### 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 (the first cost approximately €50 million and the second around €35 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. However, the country's national broadcaster (ERT) nowadays primarily, if 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. In addition, since 2013 – when ERT was replaced by a new public broadcaster (NERIT) for a two-year period – the trade union of ERT's employees (POSPERT) has operated a “self-managed” radio station, called ERT-open. The radio station almost exclusively broadcasts either Syriza views or the views of radical and anarchist groups to the left of Syriza.

Private media are also selective in their reporting and many are sensationalist. 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 social 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](http://aceproject.org/epic-en/me/Epic_view/GR) [accessed on 08.05.2013]

The trade-union managed radio station’s website is <http://www.ertopen.com/>

Voting and  
Registrations  
Rights  
Score: 10

Voting in Greece is mandatory by law. However, it is rarely enforced. In July 2016, the Greek parliament voted to lower the minimum voting age to 17 years. There is no discrimination in the exercise of the right to vote nor any disincentives for voting. Upon being born, Greeks are registered 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. Thus, today, records include names of voters who will never turn out to vote. The result is that turnout in elections 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: 5

Party financing for national elections is regulated by 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.

In the past, state-owned and private banks lent millions of euros to Greek political parties. However, the banks proved unable to force the parties repay their loans, as successive governments protected over-indebted parties. For

example, while the aforementioned 2014 law provided that banks could confiscate assets from political parties up to 90% of the debt owed to them, in July 2017 the Syriza-ANEL coalition government reduced this value to 60% of the total debt owed.

A new state committee, the monitoring mechanism of electoral campaign spending, has been established under an August 2016 decision of the Greek parliament. However, monitoring remains ineffective and the real sources of party financing are not known in full. For example, the new legislation contains a provision reinstating anonymous coupons for financing political parties. Such anonymous coupons can now represent up to 5% of the state financing of a party. This is not in line with the recommendations of 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.

See also European Commission, Compliance Report. The Third Economic Adjustment Programme for Greece  
Second Review, June 2017.

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. In fact, 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 equally severe, if not worse, conditions than the bailout packages of 2010 and 2012. Apparently, the Syriza-ANEL government had counted on people voting "yes" in the referendum or simply did not intend to give citizens a true opportunity to decide.

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: 5

The financial crisis, and the continuing decline in circulation and advertising has strained Greece's media sector. Numerous media outlets have shut down, reduced staff and salaries, scaled down or eliminated news departments, or failed to pay wages. These developments have made media outlets more susceptible to government influence.

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.

However, particularly in the period under review, the ERT TV channels have clearly adopted a pro-government bias across all news programming. With a few exceptions, news presenters toe the government line on almost all issues, while invited commentators often follow a solid government line. This trend is disquieting in view of the government's attempt to control the private TV sector, although this attempt was finally aborted between September and December 2016. Moreover, in the first months of 2017, the Syriza-ANEL coalition government attempted but failed to control DOL, one of the country's oldest and largest press groups, by allowing a former Syriza member of parliament to temporarily take over DOL's management. As a result of the mistreatment of ERT by the pro-austerity parties, and the recent, very intense meddling by the Syriza-ANEL coalition in TV and press groups, Greece ranked 88 out of 180 countries in the 2017 World Press Freedom Index.

Citation:

The law abolishing ERT and establishing the new public broadcaster, NERIT, i.e. law 4173/2013, was voted in July 2013.

The law abolishing NERIT and re-establishing ERT, i.e., law 4324/2015, was voted in April 2015.

The information on Greece's ranking on the World Press Freedom index is available at <https://rsf.org/en/ranking#>

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 exact ownership structure of media outlets is concealed by the holding companies and little-known entities listed in official records, and no exact ownership information is available. Extensive cross-media ownership is common and this has negatively affected media independence. Wealthy businessmen with interests in shipping, telecommunications and other industries dominate the largest private TV, radio and social media channels.

Four of the biggest TV channels (Mega, Antenna, Star, Skai) attract the majority of 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).

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, between 1990 and 2008, circulation dropped by 50%. There are at least three pro-government Athens-based daily newspapers, while a similar number are critical of the government. In the beginning of 2017, the Syriza-ANEL government tried to gain indirect control of a major but heavily indebted press group, the Lambrakis group (DOL), through the attempt of a pro-government Greek-Russian tycoon to buy DOL. Eventually, the highest bidder was another tycoon who is not linked to the government but who already controls Greece's richest soccer team (Olympiacos) and has business interests in shipping and other sectors. In other words, private media enterprises have been changing hands but the overall oligopolistic nature of the media sector has not been altered.

For example, the owners of major Athenian Sunday newspapers (e.g., He Kathimerini, To Ethnos) 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, *Symvoulío 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.

A law passed in July 2010, known as *Diavgeia* (i.e., clarity), required all public authorities to upload to an electronic platform all administrative acts, laws, decrees and circular. Thus, the scope of access to official information was drastically expanded. 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. Since then no significant changes have been observed in this policy area.

## Citation:

The four most important laws regulating access to information are Law 1599/1986, Law 3448/2006, Law 3861/2010 (the “Diavgeia” law), 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. Judges are unable to handle the constant overflow of cases, while 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, but 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. Moreover, in March 2017, Greece was condemned by the European Court of Human Rights in a case in which Greek authorities had failed to protect rights of migrant workers.

In the period under review, little progress was been made in a major trial against militants of the neo-Nazi Golden Dawn party. Several members of Golden Dawn were accused of assassinating a left-wing rap singer in September 2013 but did not stand trial until November 2015. At the time of writing, the trial is still under way.

In the meantime, the living conditions of approximately 60,000 migrants and asylum-seekers, stranded in detention centers on Greek islands, have not improved. Many reception centers are overstretched as more than 200 people continue to arrive every day, 40% of them are children. Camps suffer from inadequate facilities, violence and harassment of women.



In summary, the state protects civil rights, but in practice organizational and infrastructural obstacles stand in the way of comprehensive protection of these rights particularly with regard to migrants and asylum-seekers.

Citation:

Information on the case of forced migrant labor in Greece is available from Amnesty International, at <https://www.amnesty.org/en/latest/news/2017/03/greece-victory-for-strawberry-pickers-trafficked-into-forced-labour-and-shot/>

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. 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, such as 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 by religious dogmas other than Greek Orthodox Christianity. For years successive governments were reluctant to allow 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). In autumn 2015, the government proclaimed three make-shift Islamic places of worship legal, although hundreds of other places continued to function without a legal permit. In autumn 2016, the Greek government made available a public space in Athens for the construction of a mosque and in July 2017 the parliament, with 206 votes in favor and 24 against, approved a bill that set aside €46,000 of public funds for the building. This decision will mean that Athens is no longer the only EU capital without an official center of worship for Muslims. However, there is still no functioning Muslim cemetery in the capital's wider region. Nevertheless, there is progress. In August 2016, the Church of Greece decided to allocate a burial site for Muslims in a public cemetery in Athens (20 hectares of land in Schisto).

Non-discrimination  
Score: 7

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

In the period under review, the 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).

Moreover, Greece recorded the largest improvement in the protection of LGBTI rights between 2015 and 2016, while new legislation passed between 2015 and 2017 grants extensive rights to same-sex couples and recognizes self-proclaimed gender identity for people experiencing gender dysphoria.

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.

Information on protection of LGBTI rights is available from [https://www.ilga-europe.org/sites/default/files/Attachments/side\\_a\\_rainbow\\_europe\\_map\\_2016\\_a3\\_small.pdf](https://www.ilga-europe.org/sites/default/files/Attachments/side_a_rainbow_europe_map_2016_a3_small.pdf)

### Rule of Law

Legal Certainty  
Score: 7

The state administration operates on the basis of a legal framework that is extensive, complex, fragmented and sometimes contradictory. Formalism dominates legislation. Legal regulations are often not consistently applied. Acts passed by parliament often have seemingly extraneous items added, which only confuses things further.

Since the start of the economic crisis, because of the pressing need to achieve fiscal consolidation, the government repeatedly adapted past legislation to changing circumstances. Many changes have been made to areas such as taxation 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. This practice, already used by previous governments, was exacerbated in 2014 by the ND-PASOK coalition government and has been vigorously continued by the Syriza-ANEL government since early 2015. In short, the practice of frequent and further amendments to recently passed legislation and legislative amendments has continued unabated. On average, a new law is voted on by the Greek parliament every week (research by the Athens-based organization “Dianeosis”). Because of such uncoordinated over-regulation, the legal framework in major policy sectors, such as taxation and foreign investments, still bears loopholes and contradictions.

Citation:

The research report of the Athens-based privately owned research organization “Dianeosis” is available (in Greek) at [https://www.dianeosis.org/wp-content/uploads/2016/07/polynomia\\_final2.pdf](https://www.dianeosis.org/wp-content/uploads/2016/07/polynomia_final2.pdf), last accessed on 03.10.2017.

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 radical left/far-right coalition government of Syriza-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, in October 2016, the supreme administrative court (Symvoulío tis Epikrateias) annulled the Syriza-ANEL government's effort to grant a government minister, rather than the appropriate independent regulatory authority, the power to award nationwide TV licenses. In the period under review, the same court proclaimed the Ministry of Finance's inspection and re-appraisal of household and business tax declarations, which had been filed more than five years ago, unconstitutional. In October 2017, the court also declared unconstitutional the government's requirement that a large number of public officials, from higher-ranking judges to low-ranking firefighters, fill out and submit a new, very long and demanding personal asset declaration, including all kinds of property and bank accounts of officials and their family members. In short, courts' independence from government has increased.

Appointment of  
Justices  
Score: 6

Before the onset of the crisis, the appointment of justices was almost exclusively managed 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, the principle of seniority was partly curbed as the new president of the Areios Pagos court was not the court's most senior member. The same occurred in fall 2017 when the same government appointed a new president, selecting a younger justice over older candidates for the presidency. Meanwhile, the previous president, who had been selected by the Syriza-ANEL government in 2015, had retired and in the summer of 2017 joined the office of Prime Minister Tsipras (the Prime Minister's Office) as a legal advisor. Under Syriza-ANEL's rule, the selection and appointment of judges has become more politicized.

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

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.

Instability has plagued anti-corruption mechanisms. In March 2017, the resignation and replacement of Greece's very experienced anti-corruption prosecutor (a new post established in 2011) was a setback for the government's anti-corruption policy. The prosecutor's resignation reflected tensions between the government and the judiciary, and complicated relations between the different prosecuting authorities entrusted with fighting corruption. Meanwhile, between 2016 and 2017, the laxity with which government ministers dealt with issues of corruption among members of the civil service sent the wrong message to past and future offenders.

Yet, in the period under review, the justice system intensified its efforts, not so much to prevent as to punish corruption. In the most important trial, Akis Tsochatzopoulos, the former minister of defense and deputy prime minister of the PASOK governments of the 1990s, was accused of receiving large kickbacks for armament deals. In November 2017, he was sentenced to prison and received a very large fine from an Athens-based second-instance criminal

court. Meanwhile, throughout 2017, Greek authorities were preparing new anti-corruption legislation to abide by policy guidelines set by the European Commission and the Council of Europe.

According to a July 2017 report by the Hellenic Federation of Enterprises (SEV), the state has shown a fragmentary approach, and a lack of determination toward combating corruption and promoting transparency in six kinds of state bodies: ministries, town planning authorities, municipal authorities, courts, custom offices, and economic and trade offices at Greek embassies abroad.

Citation:

<https://www.transparency.org/country/GRC>, accessed on 17.11.2017.

[http://www.sev.org.gr/Uploads/Documents/50462/Special\\_Report\\_25\\_7\\_2017.pdf](http://www.sev.org.gr/Uploads/Documents/50462/Special_Report_25_7_2017.pdf), accessed on 11.12.2017.

# Governance

## I. Executive Capacity

### Strategic Capacity

Strategic  
Planning  
Score: 4

Strategic planning has long proved difficult for the central government in Athens. Government has often suffered from an archipelago-like quality, with conflicting political interests, clientelism and a highly formalistic administrative culture serving to enhance segmentation. Weak horizontal coordination within and among ministries, government agencies and state-owned companies make matters worse.

After the change in government in 2015, fewer experts and academics were included in the Prime Minister's Office (PMO). Prime Minister Tsipras trusted the left-wing party cadres of Syriza with whom he had worked to bring his party to power, and far left-wing academics who had an abstract understanding of government and policy issues in Greece and little, if any, familiarity with the European Union. After the debacle of the July 2015 referendum, Tsipras revised his policies and adopted more austerity policies, more or less in the line with previous governments. This time, Tsipras subscribed to the strategic planning produced by Greece's lenders.

Strategic planning was included, at least for the period 2015 – 2018, in the Third Memorandum of Understanding, signed between Greece and its creditors. Progress was noted on completion of the Second Review. For example, an Independent Authority of Public Revenue was established and the authorities made progress in adopting a General Transport Master Plan, covering all transport modes (road, railways, maritime, air and multi-modal), including logistical aspects.

However, this requisite strategic planning did not hold in policy areas which the memorandum did not cover in a binding manner, such as public order, education, culture and sports policy. In these policy areas, instead of strategic

planning, there is still a lot of experimentation and improvisation on the part of the government.

Citation:

European Commission, Compliance Report. The Third Economic Adjustment Programme for Greece. Second Review, June 2017 ([https://ec.europa.eu/info/sites/info/files/compliance\\_report-to\\_ewg\\_2017\\_06\\_21.pdf](https://ec.europa.eu/info/sites/info/files/compliance_report-to_ewg_2017_06_21.pdf))

Scholarly Advice  
Score: 6

Non-governmental academic experts are consulted as advisers by the government. Most of the ad hoc committees formed by ministers on public policy reform are staffed by academic experts. Qualified academics often serve as experts across 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 personam advisory inputs.

However, in the period under review, the government regularly consulted young academics, based largely on ideological inclination and/or loyalty to Syriza leadership. The fact that they were well-meaning and committed to their advisory tasks did not compensate for their lack of familiarity with management or policymaking either in the public or private sector.

#### 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 and systematic evaluation. In fact, ministers have often been able to insert last-minute amendments into legislation in order to favor selected interest groups, organizations or municipalities.

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 Prime Minister's Office (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 clearly demarcated areas of competences and sectoral expertise.

In fact, in the period under review, interministerial coordination was largely carried out by a small informal circle of government ministers and advisers to the prime minister who met daily. This was a practice common to previous governments as well.

GO Gatekeeping  
Score: 8

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. On different policy issues, the prime minister consults a small, informal circle of personal associates and governing party officials, meeting at the headquarters of the PMO almost daily. The small, informal circle includes three ministers without portfolio who assist the prime minister in governing. Owing to the relative increase in Prime Minister Tsipras's credibility with Greece's lenders after he agreed to implement the August 2015 adjustment program, his powers to return items envisaged for the cabinet meeting have increased. In general, it is the Ministry of Finance, along with the PMO, which plays the role of gatekeeper, as Greece's finances are closely inspected by the country's lenders. However, in the period under review, relations between the minister of finance and the prime minister was a matter of much speculation by the media.

Line Ministries  
Score: 6

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 coordination of line ministries was further enhanced, as Greece overcame the hurdle of the Second Review of its Economic Adjustment Program. Greece accomplished this task only in mid-2017, after long delays. The same tendency toward closer coordination of line ministries occurred in the second half of 2017, as the government began negotiations with representatives of Greece's lenders on the Third Review of the Economic Adjustment Program. However, the PMO is not the only authority with which line ministries consult. In fact, as the implementation of the Third Economic Adjustment Program for Greece unfolds, line ministers 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: 5

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. A small, informal circle of advisers and ministers close to the prime minister, at the headquarters of the PMO, are primarily responsible for the formulation and coordination of cabinet proposals. 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 November 2015. The 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 the council's tasks is wider than its title indicates. It is a governmental organ that pursues the reform plans of the incumbent government that are outside the remit of Greece's Third Economic Adjustment Program (e.g., social assistance, education and other policy sectors). Thus, in contrast to its first ten months in power (January – October 2015), the Syriza-ANEL government improved upon its coordination capacity in 2016 – 2017.

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: 4

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 advisers.

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. Governing party cadres are continuously appointed to ministerial and various advisory posts. However, under pressure from Greece's lenders, the government attempted to re-organize senior civil servants. After a new law was passed by the Syriza-ANEL party in February 2016 and amended in 2016, the role of civil servants

in formulating and coordinating policy proposals was supposed to be enhanced. However, in late 2017, the new law was only in the very first stages of implementation. More administrative reforms – in accordance with the Third Review of the Adjustment Program – are to be introduced including a very important one affecting permanent general secretaries and general directors of ministries with a five-year mandate.

Citation:

The new law on higher civil service is law 4369/2016.

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 advisers to ministers. In the period under review, informal coordination was frequent and was organized by close associates of Prime Minister Tsipras, such as ministers without portfolio, working at the PMO. Such ministers were assisted by several close associates of the prime minister, for example the General Secretary of the PMO and other Syriza party cadres who participated in daily briefings in the PMO. The Syriza-ANEL coalition government, after a long initial period during which various party officials around Prime Minister Tsipras experimented with reorganizing policymaking and government structures, has now settled into a more predictable pattern of informal coordination.

#### Evidence-based Instruments

RIA Application  
Score: 3

In 2006, under a different government, the PMO had issued a prime minister's circular, requesting that all ministries start RIA in their policy field, but RIA in a systematic way has never actually been implemented. Today, all legislative drafts submitted to the parliament are accompanied by a document that outlines the rationale of the bill. Moreover, the General Accounting Office estimates the cost of the bill for the state budget. Indeed, some regulatory impact assessment for developing regulation is done at ministerial meetings but ex post evaluation of regulations is not done – with specific reports or documents submitted to the parliament and/or available to the public. However, the policy suggestions of Memorandum, OECD and World Bank reports increasingly influence government decisions, regulations and new legislation.

Quality of RIA  
Process  
Score: 2

Law 4048/2012 established the RIA framework. According to Article 7 “every bill, addition or amendment and every normative decision of major economic or social importance shall be accompanied by an impact assessment.”

However, five years later, RIA analyses are rare and were not undertaken in the period under review.

Citation:

OECD Competition Assessment Reviews: Greece, 2014.

Sustainability  
Check  
Score: 1

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

### Societal Consultation

Negotiating  
Public Support  
Score: 3

In the period under review, social consultation on policy decisions was limited because Greece was governed on the grounds of the detailed policy measures and conditionalities included in the Third Economic Adjustment Program. The program, signed between Greece's lenders and the Greek government in July 2015, contained cuts to pension spending, and increased direct and indirect tax revenue. Such measures were at odds with what the Syriza and ANEL parties, the two partners of the coalition government, had promised voters before forming a coalition government. To compensate voters for the associated income losses, the government handed out one-off welfare benefits to pensioners in December 2016 and to the poorer strata in November 2017, without consulting the country's creditors. On the other hand, the Syriza-ANEL government consulted with individual domestic and foreign businesses that the government hoped would invest in the mass media, real estate and tourism sectors.

### Policy Communication

Coherent  
Communication  
Score: 3

In the period under review, the incumbent government finally concluded the second review of the economic adjustment program with the country's lenders. However, while Greece's economy has stabilized and is no longer declining, strategic communication about the country's prospects remains largely inarticulate and incoherent. The prime minister, the government's spokesperson, the minister of finance and other ministers conveyed positive messages about future economic growth and the "exit of the Memoranda," while at the same time businesses have closed down or left the country, and the flight of skilled labor ("brain drain") continued. Nevertheless, the overall communication strategy has improved, reflecting the fact that Syriza trails far behind the largest opposition party (the center-right New Democracy) in all opinion polls. The government tried to divert attention from budget cuts and higher taxes by highlighting ideological and social issues of secondary importance, and emphasizing differences between "left" and "right" (e.g., minority rights, socioeconomic disparities and referencing the Greek civil

war). This obscured and increased confusion about government plans and policies. However, the government communication strategy remained incoherent and defensive, and in specific policy sectors, such as taxation and education, the same minister or different ministers continued to publicly offer unclear and sometimes contradictory statements.

### Implementation

Government  
Efficiency  
Score: 5

Significant structural reforms have been legislated by successive Greek governments in the last seven 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, reducing the regulatory burden and promoting reform in the public administration.

Policy implementation efforts have been problematic throughout the period under review as in previous periods. 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. The same can be claimed with regard to privatization of state-owned property, though the government seemed more willing to accept foreign investment.

Privatization targets have been repeatedly revised downwards. The country raised €500 million from asset sales in 2016, missing its bailout target by about €2 billion, mainly due to delays in completing the lease of 14 airports to a consortium led by Germany's Fraport. Two of Greece's biggest projects – the former Hellenicon Airport and the Eldorado Gold, together valued at about €1 billion (.8 billion) – have stalled on bureaucratic and legal wranglings, raising questions about the country's ability to attract the investment desperately required for economic recovery.

On the other hand, there were other government decisions, such as pension cuts and performance-based review of civil servants' pay, which were implemented. The implementation of such cases was due to the pressure exerted on the government by Greece's lenders, based on the Third Economic Adjustment Program which linked policy implementation with delivery of loans to Greece.

Ministerial  
Compliance  
Score: 6

In the period under review, foreign assistance funds continued 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, ministers had more incentives, in fact, externally imposed constraints, to implement the government's plans directly linked to Greece's economic recovery. In non-economic policy sectors, however, the situation was different, as Greek

policies in such sectors were not as closely monitored by the country's lenders. Certain ministers, such as the minister of culture or the minister of education, had no incentive to follow the abrupt shift toward austerity which Syriza had made in the summer of 2015, after failing on its pre-electoral promise to undo austerity. Such ministers pursued Syriza's pre-electoral radical left-wing program and in some instances tried various untested ideas or plans of their own, such as proposing radical changes to university entrance examinations and then completely dropping this education policy shift.

Monitoring  
Ministries  
Score: 7

The lax monitoring of line ministries by the PMO characteristic of previous review periods has been addressed. This was due to the fact that the PMO understood that Greece was still dependent on funds flowing into the Greek economy from the country's lenders. Thus, the PMO monitored the implementation activities of most line ministries. A possible exception were certain line ministries, such as the Ministry of Education or the Ministry of Infrastructure and Transport, that are responsible for policy sectors outside the core of conditionalities linked to the Third Economic Adjustment Program.

Monitoring  
Agencies,  
Bureaucracies  
Score: 8

In Greece, most ministries supervise dozens of executive 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. In the period under review, the government realized that any fiscal derailment of supervised state agencies would endanger the progress attained in implementing the Third Economic Adjustment Program, which was under close review by the country's lenders. Thus, there was a tightening of the relevant monitoring performed by ministries' executive agencies. However, in some cases, public administration deficiencies and a lack of reliable data undermined monitoring and evaluation efforts.

Task Funding  
Score: 3

After the onset of the economic crisis in 2010, it was revealed that subnational authorities, working on a "soft-budget" mentality, had contributed to the fiscal derailment of the Greek state through lax control of their own expenditure and hiring of excessive personnel in municipal agencies. Since then, such practices have been curtailed, while the government has imposed strict control over local government expenditure to the point of depriving subnational authorities of necessary resources. For the central government, functioning within the constraints of the Third Economic Adjustment Program, achieving a large budget surplus was and still is a major priority. At the same time, it is not possible to roll back the long-term process of transferring competences to subnational authorities which had started before the crisis. Thus, it is not uncommon to encounter unfunded mandates.

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, subnational self-governments have few financial means at their disposal. Since the crisis began, successive governments narrowed the scope of fiscal discretion of subnational self-governments because the state's finances have been on the brink of collapse and the country has relied on external support from Greece's lenders. However, in legal and administrative terms, the responsibilities of subnational governments has not been reduced. Between 2015 and 2016, at least three municipalities, two in the Greater Athens area and one in Crete, officially declared bankruptcy and the government rescued them financially.

Citation:

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

National  
Standards  
Score: 3

In the period under review, 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: 6

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 Task Force, which since 2015 has been replaced by the European Union's Structural Reform Support Service (SRSS). Loan conditionality has obliged the country to respond to an external agenda.

During the period under review, the Greek government passed legislation on public administration, as the government wants to steer Greece out of the seven-year long economic adjustment program that is monitored by the country's lenders. For example, in the spring and summer of 2017, the government pressed for changes in the organization of ministries and in autumn 2017 was able to subject Greek civil servants to a first performance-based review. The government has increased the speed with which the domestic adaptation to external pressures for reform occurred, in the view of the fact that 2017 was the prior-to-last year in which the Third Economic Adjustment Program was supposed to be implemented. In August 2018, Greece is scheduled to exit this program and from then on it is uncertain whether the country will continue adapting domestic government structures to external demands and supranational developments.

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.

### Organizational Reform

Self-monitoring  
Score: 6

In the period under review, the monitoring of institutional governance arrangements were improved. For example, after long delays, new arrangements in state-funded pension schemes were put in place. Many different, previously autonomous, pension funds were merged and their management was centralized under a new national social insurance organization (EFKA). A performance-based evaluation of civil servants was also carried out for the first time in Greece. The monitoring of such arrangements was done from the top, namely either the office of the head of the government or the office of the minister responsible for a new institutional arrangement. However, though other mechanisms for monitoring government were available, such as competent parliamentary committees and interministerial committees, these were mostly marginalized by the incumbent government, as has been the case with previous governments.

Institutional  
Reform  
Score: 6

The Syriza-ANEL government tried to enhance its strategic capacity in several ways. Prime Minister Tsipras has appointed three ministers without portfolio to assist him in carrying out his tasks and plan reforms. In addition, Tsipras has assigned some sensitive strategic tasks to Deputy Prime Minister Yannis Dragasakis and his team, such as plans for restructuring the Greek public debt. Meanwhile, the Council of Administrative Reform continued its operation to oversee reforms in various policy sectors. The Hellenic Fiscal Council, an independent agency (an obligation under the Second Memorandum), started operation in the period under review, monitoring state finances.

## II. Executive Accountability

### Citizens' Participatory Competence

Policy  
Knowledge  
Score: 5

Citizens do not really obtain enough information on government policymaking, as the media is strongly partisan or leans toward infotainment, while individual members of parliament rarely discuss substantive policy

issues with voters in the electoral districts which they represent.

In Greece, there is a tradition of appealing to government ministers or members of parliament in order to obtain favors, such as facilitating the hiring of a family member in the public sector. After 2010, owing to the depletion of state funds this tradition was somewhat curbed, but the tendency to forge patronage relations has not been adequately tackled. Political parties continue to staff ministerial cabinets, boards of directors of public entities and the lower echelons of public bureaucracy with their supporters where possible. Voters, on the other hand, welcome this practice.

Most citizens are not well informed about government policies. Those who are, however, voice policy opinions in several ways. For example, citizens can participate in the open electronic consultation on new government measures, which each ministry must announce and manage 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 interest areas.

In the period under review, despite some improvements in unemployment and economic growth, the economic crisis continued. However, income tax rates and social security contributions were raised to historically high levels. In this context, political participation in decision-making did not improve, although citizens 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”:.”>. 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 advisers 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 independently 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 (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.

Obtaining  
Documents  
Score: 10

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

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.

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.

Typically, 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. However, in the period under review, parliamentary committees summoned many different experts, including technocrats, activists and academics.

Citation:

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

Task Area  
Congruence  
Score: 7

After the last reshuffle of the Syriza-ANEL coalition government in November 2016, the number of ministries increased. Prime Minister Tsipras created several additional new ministries, such as the so-called Ministry of Digital Policy and the Ministry of Migration Policy. This raised the total number of ministries to 18. By contrast, the number of parliamentary committees remained the same: six “standing committees.”

Today, this discrepancy (18 ministries to six 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: 6

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. As in the case of selecting high-ranking judges, the government selects and appoints of the audit office's president and vice-presidents.

There were some reforms to the audit office in the period under review. In early 2017, precautionary control of state finances was abolished and the office can now conduct "focused" audits into certain agencies or categories of expenses.

The audit office has shown that in its bureaucratic and legalistic approach it can largely detach itself from the executive. For example, in June 2017 the audit office declared the freezing of civil servants' pensions unconstitutional, which had been part of the incumbent government's plan to consolidate the state's finances.

Citation:

Information on the Greek audit office in English is available at [www.elsyn.gr/elsyn/root\\_jsp](http://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. For example, in the period under review, the ombuds office actively and persistently intervened to protect the rights of migrants and refugees, and redress the unfair treatment of a pensioner by the pension fund of private sector employees (IKA).

Citation:

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

## Media

Media Reporting  
Score: 5

The 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. Meanwhile, wealthy owners have tried to consolidate and extend their power through the media, and the incumbent government has tightened its control over state-owned 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 more sentimental and partisan (pro- or anti-government) than objective.

On the other hand, the circulation of dailies has declined considerably from a low level, though they are quite influential in shaping the daily agenda and in framing debates. Sunday newspapers have a larger circulation and feature articles based on investigative journalism. Most people inform themselves through TV programs or various news websites. Nearly 67% of the population accessed the internet regularly in 2015. However, only a few websites publish informed contributions. News printed on the front page of a few, "yellow" Athenian dailies reveal a tendency to commit defamation or slander.

There is a deepening divide between pro-government and anti-government media. In short, one may find interesting in-depth information by browsing Greek websites, but overall in the period under review there was further decline in the unsatisfactory performance of Greek media.

## Parties and Interest Associations

Intra-party  
Democracy  
Score: 7

Large parties, such as New Democracy and Syriza, continue to suffer from intense factionalism and heavy-handed control of lists of candidates and agendas of issues by the party leadership. New Democracy under its new leader has made some efforts to encourage supporters to participate in defining the party agenda. Nevertheless, major decisions are still made by the leader and a close group of advisers. These phenomena are extremely pronounced in

small parties, such as the traditional Communist Party (KKE) and the nationalist far-right 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.

Nevertheless, in the period under review, the leadership of New Democracy and Syriza summoned their parliamentary groups and other party organs, such as the Central Committee, to discuss the party's line on major issues. Moreover, the parties of the center and the center-left, namely PASOK and Potami, along with smaller parties, decided to merge in November 2017. Thus, they were to an extent able to partly revive intra-party life. To sum up, there has been improvement with respect to the inclusiveness and openness of the major parties.

Association  
Competence  
(Business)  
Score: 6

Interest associations make some relevant policy proposals in a few policy areas, such as macroeconomic policy, incomes and pensions and labor relations. Probably the most efficient interest association in this respect is the association of Greek industrialists (SEV).

The General Confederation of Workers of Greece (GSEE) counts on its think tank, the Labor Institute (INE), for information and advice on policy matters. The think tank of 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 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.

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](http://www.iobe.gr/index.asp?a_id=122) (English version of the website).

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

Association  
Competence  
(Others)  
Score: 6

Greek civil society is relatively underdeveloped. However, the receding welfare state encouraged civil society engagement and mobilized citizens. The number of volunteers increased, new organizations were formed, and older organizations became more active in providing social services to impoverished Greeks and migrants. Also, new movements and organizations with politicized agendas appeared.

Most non-economic interest associations do not have the resources to become involved in policy formulation and the Greek state does not usually invite them to do so – though there has been some improvement. There are however exceptions regarding religious matters and migration matters.

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. Greece's constitution grants the Greek Orthodox Church a privileged position among all churches and dogmas, and the Greek Orthodox Church enjoys a tailor-made taxation regime which allows it to sustain a large amount of property.

Finally, there is a vast array of small and medium-sized NGOs which are active in providing social protection and legal assistance to refugees and migrants. NGOs are located in major cities and on the Greek islands of the Aegean where refugees and migrants continue to land. In the period under review, their role was enhanced with regard to implementing migration policy, as central and local authorities proved unable or unwilling to manage the inflow of migrants and refugee.

Citation:

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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