Greece Report

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Sustainable Governance in the Context of the COVID-19 Crisis

SGI Sustainable Governance Indicators

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Executive Summary

The Greek government was initially unprepared to face a crisis on the scale of the COVID-19 pandemic, but ultimately reacted to it swiftly and effectively. Although it did not pursue large-scale testing among the population, it was able to effectively enforce two periods of lockdown, with greater success in the first wave of the pandemic (spring 2020) than in the second wave (winter 2020 – 2021). During the first, strict lockdown, businesses and schools at all levels of education were closed down across the country, while public sector personnel worked on a rotating basis or from home.

However, the crisis and the mitigation measures collectively had a strongly negative impact on the country's GDP growth and employment levels. The government responded with a series of economic and social policy measures. These included subsidies for businesses, a suspension of tax payments and social insurance contributions, and welfare allowances for the unemployed and low-income households. Compared to other OECD countries, the number of cases and deaths was initially kept relatively low in Greece; however, numbers increased in the winter of 2020 – 2021 as the government rebalanced the policy mix. The administration relaxed restrictions designed to prevent the spread of COVID-19 in favor of gradually reviving economic activity. Overall, in terms of policy performance, compared to other countries of similar population size in Europe, Greece avoided the worst outcomes.

Government measures were taken in a democratic and transparent manner, and democracy remained resilient. Measures were freely debated in the parliament and the media, and met with initial approval by opposition parties and societal actors. Political communication of the measures was open, detailed and very frequent, thus keeping the general population abreast of new developments regarding the spread of the disease and the government's response. The prime minister and his ministers periodically engaged in debates with opposition politicians and journalists that voiced doubts or criticisms on policy measures. Human rights were respected, while the population trusted the government and mostly abided by policy measures restricting the mobility of individuals and the operation of businesses. Only in late 2020 did the government begin facing increased criticism that it had delayed the imposition of the second lockdown and had not supported the public healthcare system with adequate resources.

However, the government was quickly able to hire new medical personnel, double the number of intensive care units, and meet the increasing demand for medical care with public hospitals that had more or less adequate medical supplies. The crisis-governance system involved members of the government; administrators of the ministries of Health, Finance and Labor and Social Affairs; and experts such as epidemiologists. The government implemented measures only after continuous consultation with experts who essentially took the driver's seat in policy formulation.

Owing to Greece's centralist traditions of state organization, regional and local authorities followed the central government's lead rather than pursuing policy responses of their own. Wherever the number of COVID-19 cases increased, the government responded immediately by "closing down" whole villages or urban neighborhoods. While there was a lack of systematic evaluation of the public administration's policy measures, adequate feedback on the efficiency and effectiveness of policies nevertheless reached decision-makers, namely the Committee of Epidemiologists, the Presidency of the Government and the ministers involved in the pandemic-response process, who are to be credited with Greece's comparatively successful management of the crisis.

Key Challenges

The second and possible third wave of the coronavirus pandemic may provoke adverse economic effects during the first semester of 2021. The Greek economy continues to be highly indebted, is dependent primarily on domestic demand rather than on exports and is still oriented toward nontradable services. To make matters worse, the private sector will require additional government support (subsidies, tax breaks, suspension of tax and social insurance contributions) to recuperate from the COVID-19 crisis. The unexpected crisis dampened economic activity in 2020 at the moment it had started reviving, after the economic crisis of 2010 – 2018 was over. However, the challenge now is that further government intervention in the economy will provoke a deterioration in the public finances, a trend that was at the center of the Greek crisis in the 2010s. Nevertheless, much hope is being placed in the Next Generation European Union Funds (NGEU). In total, the country expects to receive €72 billion in EU support between 2021 and 2027.

Of course much will depend on vaccination rates in Greece and the EU more broadly. No country in the euro zone other than Cyprus depends more than Greece on tourism, which practically ceased to exist in 2020. It is uncertain whether and to what extent it will recover in 2021. The tourist sector accounted for half of the country's economic growth in 2019, more than 10% of the country's GDP (90% in some parts of the southern Aegean) and one-sixth of jobs.

The two periods of business lockdown in 2020 particularly affected small and very small businesses, the backbone of the Greek economy. Facing a loss of revenue for long stretches of time, and unable to borrow funds from banks (which are still laboring under the highest rate of nonperforming loans in the EU), such businesses may go through an uncertain period of transition in 2021 – 2022. At the end of it, the least competitive among them may close down. The challenge for Greek authorities is not to keep afloat businesses that produce small quantities of usually low-quality goods and services for domestic consumption, but rather to devise ways by which such businesses will either be completely revamped and modernized or phased out under a plan of support (active labor-market policies) for business owners and employees. Greece cannot afford to see its unemployment rate, already among the highest in the EU, to soar again, as it did during the economic crisis.

Further challenges may arise not from inside, but from outside Greece's political system. After all, the incumbent New Democracy government enjoys a stable single-party parliamentary majority. According to opinion polls, it is still popular, with the largest opposition party (Syriza) having trailed far behind the governing party by a margin consistently higher than 15% for some time.

However, throughout 2020, Greece faced challenges to its national sovereignty in its relations with Turkey. There have been tensions between Turkey and Greece for half a century, but these reached a new peak in 2020. Initial disputes over drilling rights have been complemented by revisionist claims over the status of Greek islands and islets in the Aegean Sea. This challenge may be mitigated by preliminary talks between the two countries, which were scheduled to start in late January 2021.

Another challenge, linked to the previous one, is the unpredictable flow of migrants and refugees into Greece, along with the reception and management of such population movements. The March 2016 understanding between Turkey and the EU to prevent such inflows in exchange for financial aid has all but collapsed. In early 2020, thousands of migrants and refugees reached the Greek-Turkish land border and repeatedly attempted to push through. On the other hand, Greece has mismanaged the situation of migrants and refugees for many years. Currently, having succeeded in curbing uncontrollable inflows of Iraqi, Afghani, Syrian and other migrants and refugees, Greece needs to respect the human rights and needs of asylum-seekers and the remainder of the people currently living in miserable conditions in reception camps, and develop a plan aiming at the eventual social integration of camp residents.

Finally, the most important challenge for 2021 is to survive the last waves of the coronavirus pandemic. The population must be vaccinated and the loss of human life limited, COVID-19 patients must be treated under humane conditions, and congestion in hospitals and overuse of intensive care units must be avoided. The fact that after many years of political instability and radical policy shifts, Greece today enjoys political stability and a more predictable sociopolitical environment, offers hope that these challenges may be met and be overcome.

Resilience of Policies

I. Economic Preparedness

Economic Preparedness

Economic Policy Preparedness Score: 5

Greece exited the last of the three Economic Adjustment Programs in August 2018, but remained under the supervision of EU authorities with regard to its economic policy. In 2018 and 2019, the country's growth rate stabilized at around 2%, largely driven by consumer spending and rising exports that reflected cost competitiveness gains. However, despite the economic upturn, large accumulated imbalances remained as a legacy of the eight-year economic crisis. The huge public debt and the disappointing net international investment position continued to be major problems. Another problem, which has become less acute over time, was the high share of nonperforming loans (NPLs) still on banks' balance sheets (however, NPLs declined from 49% of all loans in September 2017 to 35% in September 2020; Bank of Greece 2020).

Nonetheless, Greece's efforts to correct budget imbalances and effect deep institutional and structural reforms have started bearing fruit. By reforming its economy and public administration, Greece has ended eight years of financial assistance (2010 – 2018) and has been integrated into the European Semester procedures for economic and social policy coordination. Progress has also been significant with regard to social indicators. In 2019, Greece managed to bring income inequality down to below precrisis levels (SDG 10), thanks to deep social welfare reforms over the preceding years (European Commission 2020). Nevertheless, unemployment remained at very high levels (at an overall rate of 16.3% in 2020, down from 28% in 2013), and the country was struggling to generate sustainable employment for its population and particularly for youth.

The change of government in July 2019 offered a further boost of optimism regarding Greece's future. The parties that had formed the government coalition in power from 2015 to 2019 lost the parliamentary elections of July

2019, producing a policy shift. A new single-party majority government was formed, which launched an economic policy that was more open to foreign investors. The change of policy was reflected in the budget of November 2019, which was more investment-friendly than the corresponding budgets of the immediately previous years.

Indeed, in late 2019 and early 2020, large-scale investment projects, such as commercial and real estate development in the former Athens airport (in Hellenicon, on the coast of Athens), progressed significantly – until, of course, they were halted by the first and the second wave of the coronavirus pandemic in March and October 2020. Still, the new government was able to attract new investors such as Microsoft, which in October 2020 signed an agreement with the government to establish a new data center in Greece.

In 2020, the government lowered property taxes with the aim of alleviating the burden carried by middle-income groups between 2015 and 2019; and also decreased taxes on business revenue in order to stimulate job creation and expansion by domestic private enterprises. However, the onslaught of the coronavirus became visible beginning in late February 2020, when restrictions on inhabitants' daily movements were imposed in Greece ("lockdown"), in order to stem the rising numbers of infected persons.

In the spring and summer of 2020, it became apparent that Greece's usual substantial revenues from tourism would not be forthcoming in 2020, as foreign travel around the world declined rapidly in parallel with the spread of the deadly virus.

The second lockdown, imposed in early November 2020, was the final blow to any fruit that might have been borne by the new economic policy. As a result of this decision, it was projected that the Bank of Greece's July forecast of a 6% GDP decline for 2020 had been too optimistic. Despite the aforementioned policy shifts in late 2019, negative economic growth in Greece would probably surpass the threshold of -10% by the end of 2020 (Bank of Greece 2020).

However, the government's fiscal response to the pandemic has been well organized and has mitigated its impact. At the same time, the EU's Single Supervisory Mechanism (SSM) accommodation has delayed the expected negative impact on banks, which were already vulnerable in the pre-coronavirus era (IMF 2020).

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Bank of Greece (2020), press release of 21 July 2020 on the prospects of the European and Greek economy, available at https://www.bankofgreece.gr/en/news-and-media/press-office/news-list/news?announcement=3494e618-df0c-4744-baf7-28d4f5110783#:~:text=According%20to%20the%20Bank%20of,sharp%20slowdown%20of%20economic%20activity

Bank of Greece (2020) "Evolution of loans and non-performing loans" https://www.bankofgreece.gr/en/statistics/evolution-of-loans-and-non-performing-loans
European Commission (2020), "Commission Staff Working Document, Country Report Greece 2020"|, 26.2.2020, https://ec.europa.eu/info/sites/info/files/2020-european_semester_country-report-greece_en_0.pdf
IMF (2020), "Greece : Second Post-Program Monitoring Discussions." Press Release; Staff Report; Staff Statement; and Statement by the Executive Director for Greece https://www.imf.org/en/Publications/CR/Issues/2020/11/30/Greece-Second-Post-Program-Monitoring-Discussions-Press-Release-Staff-Report-Staff-Statement-49922

Labor Market Preparedness

Labor Market Policy Preparedness
Score: 5

Greece's labor market has not yet overcome the shock of the economic crisis that lasted from 2010 through 2018. The labor market also suffered from the tendency between 2015 and 2019 to stimulate employment in the public sector rather than in the private tradable sector of the Greek economy. Labor policy changed after mid-2019, as the new governing party, which won the elections of June 2019, sought in the second half of that year to stimulate job employment in the private sector by lowering taxes and the social insurance contributions paid by businesses.

While the total rate of unemployment fell from 28% in mid-2013 to 16.5% in August 2020 (Eurostat 2021), it remains disappointingly high.

Still, there has been some job growth. In 2018 and 2019, employment increased in all sectors of the economy except agriculture and construction. Nevertheless, the employment rate was 5% lower than in the precrisis years, and Greece continued to show one of the lowest employment rates in the EU.
Wage growth remained moderate in 2019, notwithstanding the sharp increase in the statutory minimum wage (10% in February 2019). The gender-related employment gap continued to be extremely high, with the employment rate among women in late 2019 fully 20 percentage points lower than that among men. Another issue was the declining population, with more than 100,000 people (many of them highly skilled) leaving the country annually in the first half of the 2010s.

Greek governments have introduced several reforms in the labor market, and many initiatives to raise employment have been implemented, such as direct job creation through public works and the provision of hiring subsidies to businesses. However, as a percentage of GDP, Greece spent less than most other EU member states on active labor-market policies, and coverage continues to be low (European Commission 2020). This said, actions to combat undeclared work were starting to bear fruit, which partly explains the fall in unemployment rates.

In 2020, the government tried to keep employment stable by giving subsidies and tax breaks to business affected by the coronavirus crisis and prohibiting layoffs (through government fiat). In general, OECD countries have followed two models in supporting workers and protecting employment during the pandemic: one focusing on income support for those losing their jobs or livelihoods, through expanded unemployment insurance programs and other cash transfers; and the other emphasizing job retention through wage subsidies, layoff restrictions and short-term compensation schemes. It has been argued that Greece’s job retention approach successfully mitigated the danger of large-scale unemployment (Betcherman and Testaverde, Vox.eu, 2020).

Employment in tourist businesses on Greek islands and coasts and in small enterprises in city centers catering to domestic demand (such as food and clothing) have seemed to be the only outlets for the unemployed to find work; but both these categories of job openings took a blow after the start of the pandemic in late February 2020. Large-scale private investment has not yet established a stable foothold in the country, even though the government started lifting barriers to private investment in mid-2019.

In a report published in June 2020, the Bank of Greece confirmed the negative impact of the coronavirus crisis on employment levels, but outlined prospects of improvement in 2020, while stressing of course the enduring problem of brain drain that has affected the better skilled among university graduates (Bank of Greece 2020).

For the labor-market situation to improve, traditional problems must somehow be addressed. Economic activity, though shifting gradually to tradable sectors, is still concentrated in traditional and low-innovation sectors (OECD 2020). The shift should be accelerated. Other problems of the labor market include a comparatively quite low part-time employment rate, a relatively low labor-force participation rate among women, a high youth unemployment rate and persistent long-term unemployment, as more than half of the unemployed have been so for some time.

In brief, there was a shift in labor policies in 2019, and the labor market was just starting to improve after the aforementioned long Greek crisis. However, the labor market was negatively affected in 2020 by the two pandemic waves in the spring and late fall of 2020.

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European Commission (2020), “Commission Staff Working Document, Country Report Greece 2020”|, 26.2.2020, https://ec.europa.eu/info/sites/info/files/2020-european_semester_country-report-greece_en_0.pdf

Bechterman, G. and M. Testaverde (2020), 'How to protect jobs during Covid-19: Lessons from the Greek experience,' 18.11. 2020, VOX, CEPR Policy Portal voxeu.org.
Bank of Greece (2020), June 2020 report, available in English at https://www.bankofgreece.gr/en/news-and-media/press-office/news-list/news?announcement=b1bb8c8a-f988-4ae3-bbc8-33f3956dad2f
OECD (2020) "Economic Surveys: Greece, July 2020 report" at http://www.oecd.org/economy/surveys/Greece-2020-OECD-economic-survey-Overview.pdf

Fiscal Preparedness

Fiscal Policy Preparedness
Score: 6

In 2019, Greece's public finances continued to be in surplus – as in the previous three years – thanks to the substantial fiscal consolidation efforts carried out during the ESM program. However, a comparative lack of public investment has also played a role. Despite fears that the expansionary fiscal measures taken by the previous government in May 2019 – just before the national election – would pose a risk for the achievement of the primary surplus target, the country in fact exceeded the agreed primary surplus target of 3.5% of GDP. The new government (formed in July 2019) took actions to revise spending ceilings downwards and carve out more fiscal flexibility with additional tax revenues, thus helping to achieve the fiscal-surplus target. Moreover, the stronger-than-expected participation by new private debtors in installment schemes and higher VAT revenues resulting partly from an increase in tourist spending contributed to further fiscal consolidation.

The new government also adopted legislation governing the management and implementation of the national component of the public investment budget, with the aim of reversing past underperformance. The budget for 2020 included a package of new growth-friendly measures worth 0.6% of GDP, intended to reduce distortionary taxes. To ensure budget neutrality, the budget also included "fiscally equivalent" measures mainly related at reducing tax evasion. The government hoped that these reforms would stimulate private investment and employment and contribute to higher productivity growth and private consumption in 2020. Nevertheless, the European Commission concluded that "Greece's public finances continue to face important fiscal risks related to pensions and public sector wages" (European Commission 2019: 15).

Greece still suffers from a very high level of public debt, which now exceeds 200% of the country's GDP. Yet Greek fiscal policy has been streamlined over time. The massive public debt looms large over the Greek economy, but the risk of sovereign default is in practice minimal. This is because the repayment of the debt is structured on the basis of low interest rates, due to the favorable debt repayment conditions included in the three Economic Adjustment Programs of 2010, 2012 and 2015. The IMF has reported that Greece's public debt remains sustainable over the medium term. The pandemic-induced rise in debt vulnerability was largely mitigated by a sizable cash buffer and the influx of Next Generation European Union funds, resulting in adequate repayment capacity (IMF 2020)

The start of the pandemic in late February 2020 led to a decline in tax revenue as the gross income of business companies and individuals fell sharply. Accordingly, the government passed legislation to facilitate the postponement of tax payments by affected businesses and landed property owners. It also allowed payments of income tax for income raised in 2019, to be made in eight installments over 2020 – 2021.

The IMF reported that the government's fiscal response to the pandemic has been well organized, and has mitigated the impact of the crisis. However, there remains some uncertainty regarding the extent of its consequences for the banking system, which was already vulnerable in the pre-coronavirus period due to the prevalence of nonperforming loans before (IMF 2020).

In a September 2020 report, the European Commission indicated that progress had been made with regard to Greece's budgetary policy and institutions. In particular, it indicated that the Greek fiscal situation was sustainable overall, and stressed that the Greek government had in 2020 at last finalized a plan to address the issue of private debt insolvency (European Commission 2020). This issue had affected the Greek banking system for years, since the start of economic crisis.

In brief, for the time being and despite the adverse effects of the coronavirus pandemic on Greece's fiscal situation, budgetary policy remains sustainable, while budgetary institutions functioned much better in 2019 and 2020 than during the preceding crisis years.

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The European Commission's report on Greek public finances, issued in September 2020: https://ec.europa.eu/info/sites/info/files/economy-finance/ip134_en.pdf
IMF (2020), Greece: Country Report No 20/308, November 2020 at file:///C:/Users/USER/Documents/Downloads/1GRCEA2020001%20(3).pdf

Research and Innovation

Research and Innovation Policy Preparedness
Score: 5

Research and innovation policy in Greece has become more coherent and better funded over the last 10 years. State and non-state agencies have contributed to an upgrading of research and innovation. Greek teams of researchers based in state universities and not-for-profit institutions in Athens, Thessaloniki, Crete and other Greek cities and areas have been very active in consortia of partners from EU member states applying for research funds through the EU’s Horizon 2020 framework.

According to the European Innovation Scoreboard, Greece displayed the second-best EU performance with regard to improving innovation in the 2011 – 2018 period, increasing its score by 20.2%. However, it remained at 20th place among the 28 EU countries (in 2017, it was in 22nd place), deemed to show only moderate performance in the area of innovation. Individual indicators show notable performance increases in terms of human resources, innovation within small and medium-sized enterprises (SMEs), and cooperation between innovative SMEs and other bodies. The lowest performance indicators related to Greece’s ability to attract foreign students for doctoral studies, its exports of medium and high technology products, and venture capital expenditures (European Innovation Scoreboard 2020).

In the country itself, research centers such as the Biomedical Research Foundation of the Academy of Athens grew in size and scope. A new state-funded facility, the Hellenic Foundation for Research and Innovation, was established in 2016. And the Greek Diaspora Fellowship Program, a Greco-American effort to engage in joint research and teaching projects, funded by the Washington D.C.-based Institute of International Education and the Athens-based Stavros Niarchos Foundation, flourished in 2016 – 2020.

However, the share of public and private funds devoted to research and innovation is rather small in the EU comparative context. The volume of state budget funds channeled to research has increased over time, but the private sector’s contribution to research and innovation is disappointing. Greek private businesses, in particular, do not normally invest in new products and technologies, with the possible exception of a few large Greek pharmaceutical companies and some small computer software companies. Most patents produced by Greeks are not easily commercially exploitable.

Citation:
The Biomedical Research Foundation of the Academy of Athens: http://www.bioacademy.gr/?lang=en
The Hellenic Foundation for Research and Innovation: http://www.elidek.gr/en/homepage/
The Greek Diaspora Fellowship Program: https://www.iie.org/programs/greek-diaspora-fellowship-program
European Innovation Scoreboard 2020: https://ec.europa.eu/growth/industry/policy/innovation/scoreboards_en

II. Welfare State Preparedness

Education System Preparedness

Education Policy Preparedness
Score: 6

In comparison with other OECD countries, Greece performs at an average level with regard to upper-secondary achievement, but is a very low achiever with respect to PISA scores, and a low spender in the area of preprimary education. The vast majority of children of school age are enrolled in compulsory education (grades 1-9) and school dropout rates are relatively low (below 5%). The quality of education in schools and universities is very uneven.

Access to primary and secondary education is almost guaranteed to every child upon reaching school age (six years old), but state schools are often under-resourced and disorganized, while the whole school system is extremely centralized. Regional authorities manage the provision of education, but the Ministry of Education, under the close supervision of the minister, is responsible for making decisions on everything from the drafting of course curricula and textbook content (one officially approved book per course, distributed for free to all pupils) to hiring and appointing educators at schools in even the most remote regions of the country. Over-centralization may have enhanced equity, but has undermined the quality of education. Members of social strata that can afford it often enroll their children in private schools, thus widening the existing gap in educational achievement due to cultural capital disparities.

The majority of high school graduates go on to university education, as there are 24 large state universities, absorbing applicants of vastly different capacities (approximately 45% of Greeks in the 30 – 34 age group hold a university degree). However, many of those who do not enter universities are not in education, employment or training (NEET); compared to other EU member states, Greece has a large number of people in the NEET category.

While there are no officially recognized private universities and thus no higher education gap of the type observed in the United States between private and state universities, there are vast inequalities among state universities in Greece. These include inequalities in resources, in the quality of incoming cohorts and students, and in the quality of teaching staff. Traditionally, well-to-do candidates have a higher probability of passing entrance examinations for schools linked to the liberal professions (medical schools, law schools, engineering schools). These schools also attract high-quality teaching staff and have enough substantive power to elicit additional resources from the all-powerful Ministry of Education, on which they depend for funds, infrastructure and regulations. This is because higher education in Greece is completely free and fully funded by the state. Meanwhile, the less-well-to-do graduates of high schools often enter what were formerly called Technological Education Institutes (TEI), or polytechnics. The previous government (2015 – 2019) merged these overnight into the university system, without any assessment of their teaching personnel, course curricula or infrastructure.

Secondary schools and universities show clear deficits in terms of digital infrastructure and libraries. With a few exceptions, learning platforms are not well developed, and the use of new or experimental learning methods is rare; an orientation toward developing future skills is also unusual. However, the majority of pupils and students have some access to information and communication technology (cell phones, laptops, software), mostly provided privately by their parents. School age children learn basic computer skills in their family environment, through private tutoring sessions or with the help of their peers.

As a consequence of these factors, the education system produces large numbers of high school and university graduates who often lack the skills corresponding to the level of their formal achievement. The consequence is that university graduates, who have also been affected by the long-term Greek economic crisis (2010-2018), often remain unemployed or underemployed, while those who can afford it often leave the country (brain drain). As the EU Education and Training Monitor (2019) confirms, Greece scores lowest among all EU member states with regard to employment rates among recent university graduates.

In other words, the Greek education system does not provide a skilled labor force, and the quality of skills learned at schools and universities is very uneven. However, access to schooling is very widespread. There is thus an overall lack of efficiency and quality in the system, but equity is to a large extent achieved.

Under a new law passed in summer 2020, schoolteachers were required to hold all classes online, ranging from preschool nurseries to university-entrance-exam preparations. Approximately 90,000 tablets and laptops were handed out, paid for by EU funds and private donations. Cisco, a telecoms-equipment company, set up a platform that supported simultaneous access for the country’s 1.4 million pupils and 180,000 teachers. Distance learning consequently took an unexpected leap forward despite Greece’s previous low rankings in the field of digital education, and despite the refusal of many schoolteachers to cooperate (Economist 2020).

Citation:
European Commission (2019), “Education and Training Monitor,” available at https://ec.europa.eu/education/sites/education/files/document-library-docs/volume-1-2019-education-and-training-monitor.pdf
Economist, The (2021) “The lockdown has helped Greece to digitise,” January 9, 2021.

Social Welfare Preparedness

Social Welfare Policy Preparedness
Score: 5

In terms of poverty and social exclusion, Greece, along with Bulgaria and Romania, numbers among the three most poverty-stricken member states of the EU. While the overall share of people in the EU at risk of poverty or social exclusion is 22%, in Greece this figure exceeds 30% (Eurostat 2019: 3); indeed, it has remained so throughout the decade of the 2010s, during which the country experienced a long economic crisis. Even though the crisis officially ended in 2018 with the completion of the Economic Adjustment Programs, the negative social repercussions of the economic crisis will remain with the country over the long term.

Greece is a latecomer with regard to anti-poverty policies. The Greek government implemented a social welfare benefit paid to people living under extreme poverty for the first time in 2017 (European Commission 2017). In 2019, this Social Solidarity Income (KEA) was revamped and renamed as the Minimum Income Guarantee. Given the cost of living in Greek cities today, the level of the benefit (€200 per month for a single-person household) was inadequate. Nor were people receiving unemployment insurance much better protected, as that benefit’s level was only €360 per person per month.

Aside from such cash transfers, European welfare states often make non-cash benefits to citizens in need. However, the distribution of in-kind benefits has been an underdeveloped area of Greek social welfare policies. Some of these benefits in kind are offered not by state agencies but by other organizations. Examples include the Greek Orthodox Church, which offers meals twice a day in Athens for homeless and very poor people, and the Prolepsis Institute of Preventive Medicine, Environmental and Occupational Health, an NGO that regularly provides school meals to children in impoverished areas of the country.

With regard to at-home care facilities, Greece has since 1997 offered support to elderly and disabled people facing problems of mobility. Such support has relied on EU and state budget funds, which municipal authorities used to hire social workers on fixed-term job contracts. These employees make on-site home visits for people in need, providing them with goods and services. In the past, the home care program was periodically underfunded, and in some cases discontinued and revived again on an annual basis. The last renewal of the program and the relevant job contracts took place in October 2020 (Law 4735/2020).

Finally, Greece is one of the EU's worst performers in terms of the NEET population (Eurostat online base data, available in the SGI). About half of all Greeks in the 18 – 24 age group are neither employed nor in education or training. The vocational education and training (VET) system in Greece is traditionally underdeveloped (CEDEFOP 2014), as many families enroll their children in general education programs in high schools and professional schools, or in humanities departments within universities. The Greek labor market demands skills in the services and industry sectors that are very different from those taught in high schools and such university departments. As a consequence, young people cannot enter the labor market, are marginalized or socially excluded, and fall back on support by their own families.

Over time, the country has made progress in reducing income inequality, particularly as the long-term economic crisis of the 2010s gradually became less severe. After reaching a peak in 2014 – 2015, the Gini coefficient declined rapidly in the second half of the 2010s. This positive result was probably due to the country's emergence from crisis, as well as the sustained efforts to provide welfare benefits to the poor and socially excluded after 2017.

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CEDEFOP (2014), "Vocational Education and Training in Greece: short description," Thessaloniki: CEDEFOP
https://www.prolepsis.gr/en/home

Healthcare System Preparedness

Health Policy Preparedness
Score: 6

While Greece has by far the largest number of practicing physicians per 1,000 inhabitants within the OECD (Eurostat data, available on this platform), the country's healthcare system was ailing before the pandemic struck. It was an underfunded system, centrally supervised by the Ministry of Health, but also very fragmented.

The country has a system of public hospitals that are spread out very unevenly in many large and small cities, while primary healthcare remains underdeveloped (European Commission 2017). Health expenditure in 2020 totaled 8% of GDP (EU average: 9.9%; Eurostat 2020). The 283 public and private hospitals attract patients who normally would visit primary healthcare centers; but the latter have been chronically underdeveloped. Legislation to establish a national network of “primary healthcare groups” was passed only in 2017, but this government initiative was suspended two years later, as funding problems emerged, along with an evident lack of interest in serving a primary healthcare role among the country’s medical personnel. As a consequence, Greece has among the OECD’s highest out-of-pocket expenditure among OECD countries (measured as percentage share of current healthcare expenditure; data for 2019, OECD online data, available on the SGI). As a result of the underfunding and underdevelopment of primary healthcare, preventive care is minimally developed in Greece.

However, there has been progress with regard to intensive care. In detail, before the start of the pandemic (February 2020), there were only 565 intensive care beds in Greece, with no cushion for the potential hospitalization of coronavirus cases. By the end of March 2020, this number had risen to 870 (WHO 2020). Contingency and action plans were prepared and successfully implemented. In particular, the role of primary healthcare role has been strengthened during the management of the pandemic through a number of actions (WHO 2020).

Particularly in the early days of the crisis, there was an undersupply of personal protective equipment and supplies. Private pharmaceutical companies and private suppliers proved able to produce and distribute disinfectants and masks in the free market, albeit at widely fluctuating and sometimes exorbitant prices.

In general, the Greek healthcare system only partly ensures that everyone has access to decent-quality disease prevention and treatment. However, the epidemic underlined the need for swift action to address long-lasting systemic deficiencies that have been endemic to the structure of the Greek healthcare system. The rapid and focused response has improved the system’s overall service capacity and potential. Compared to the pre-coronavirus period, improvement have been made in the effectiveness, mobilization and maintenance of essential services.

Citation:
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Eurostat (2020), “Health expenditure statistics,” online publication, April 2020.
WHO (2020), ”Covid-19. Health System Response Monitor” available at https://www.covid19healthsystem.org/countries/greece/livinghit.aspx?Section=2.1%20Physical%20infrastructure&Type=Section

Families

Family Policy
Preparedness
Score: 6

In Greece, parents, and particularly mothers of young children, are often unable to decide freely whether and when they want to enter the labor market. Family policies and measures to reconcile the requirements of work and family are not fully developed. This is a result of a traditional tendency to rely on older family members to provide support to families with young children or adolescents. There are also limited funding sources, as the Greek welfare state has long had an overwhelming bias toward pensions. Few resources thus remain for social policies other than pension policy.

Families that can afford it, employ nannies or babysitters. In such cases, middle- and upper-class parents can seek work or keep their jobs. Otherwise, women employees very frequently drop out of the labor market as soon as they become mothers, with the male member of the household becoming the family's only breadwinner (the labor-force participation among women was only 44% in 2020; World Bank 2020).

Other families rely on a frail social safety net. For instance, after many delays, a guaranteed minimum income (initially dubbed the Social Solidarity Allowance) was introduced in 2017. A child benefit was made more generous in 2018, and a means-tested housing benefit was introduced in 2019, but none of these measures can sustain decent living conditions for a family over a reasonable time period. This is particularly true for single-parent families, families in which one or two parents work part-time, families with low education levels, and families of migrants or refugees. The latter are required to provide proof of legal residence for many years in order to receive benefits, and are thus often barred from receiving various allowances.

Children over two-and-a-half years of age can be enrolled in municipal infant or childcare centers. These are funded by the Ministry of Interior, drawing on funds from the EU's Partnership Agreement for the Development Framework 2014 – 2020. More specifically, these funds stem from the Operational Program Human Resources Development – Education and Lifelong Learning (OPHRD) and the Harmonization of Family and Professional Life 2018 – 2019 act (European Commission 2020), the aim of which is to help EU citizens harmonize their family and professional lives. Nevertheless, state services providing care for children and dependents are not adequate, while policies only partly allow families to combine parenting and employment.

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European Commission (2020), "Early Childhood and School Education Funding," 25 March 2020, available at
https://eacea.ec.europa.eu/national-policies/eurydice/content/early-childhood-and-school-education-funding-33_en

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III. Economic Crisis Response

Economic Response

Economic Recovery Package
Score: 7

The coronavirus pandemic halted the Greek economy's recovery, which had gained strength in 2018 – 2019. In 2020, the general government budget surplus turned to a deficit, and the already very high debt-to-GDP ratio increased. Nevertheless, the measures taken by EU authorities and the Greek government to support businesses and employment have somewhat curbed the negative impact of the pandemic.

According to the Bank of Greece's baseline forecast, economic activity was expected to decline significantly in 2020, with real GDP contracting by 10%. Economic activity is expected to recover at a rate of 4.2% in 2021 and 4.8% in 2022, given that "both domestic and foreign demand are expected to strengthen significantly" (BIS 2020).

EU authorities provided support by including Greek government bonds in the Pandemic Emergency Purchase Program of the European Central Bank (ECB), and by making such bonds eligible as collateral in Eurosystem refinancing operations (BIS 2020). At the onset of the pandemic, the government reacted quickly by putting together a quite generous economic package to keep businesses afloat, while additionally implementing measures supporting household purchasing power. The measures were fiscal, monetary, supervisory and structural.

Seeking to prevent the spread of the coronavirus without provoking a massive downturn in economic activity and an acute rise in unemployment, the government implemented several economic policy measures between February 2020 and January 2021. In detail, the government required businesses in the restaurant, transport (e.g., air transport), tourism, sports and culture (including art, amusement and entertainment) sectors to cease operations. In exchange, the Ministry of Finance offered direct grants to the affected businesses. The aid took the form of "repayable advances," meaning that part of the aid would have to be paid back at a later stage, if certain conditions were fulfilled.
For instance, if businesses receiving the direct grants did not lay off workers

by March 2021, then they would have to repay only 50% of the amount they had received. The total cost of this government aid package was estimated at €5.7 billion (European Commission 2020).

With regard to taxes raised on income incurred in 2019, the government extended payment periods. While normally requiring taxpayers to pay income taxes in three installments, it now allowed payments to be made in eight successive installments between July 2020 and February 2021. For businesses, it implemented successive extensions of deadlines for the payment of VAT liabilities (the latest deferral pushed such VAT payment to the end of June 2021). Regarding businesses directly affected by the COVID-19 outbreak, the government suspended payment of certified tax liabilities and installments. More concretely, tax liabilities for such businesses may be paid in 12 monthly installments (at no interest rate) or 24 monthly installments (at a 2.5% interest rate) starting from 31 May 2021.

Moreover, additional measures offered relief to all businesses and individuals that were severely hit by the pandemic. For instance, employees of private enterprises whose activity was suspended by government fiat in 2020 were entitled to pay reduced rent if they were renting a house or apartment to live in. Businesses renting property were also given the opportunity to pay lower rent.

The government announced that in 2021, it would provide refunds to owners who leased their property to affected businesses and their employees in 2020 if they received reduced rental income.

Policies in support of businesses proved fairly well targeted to the economic sectors most severely hit in 2020, such as the tourism sector and the retail sector. The government’s response was probably successful in the first half of 2020. However, the second lockdown, imposed in early November 2020, triggered serious concern regarding the sustainability of small and very small businesses, which were forced to depend on financial “life support” provided by the government for a second time period within 10 months (Kallitsis 2021).

Geopolitical tensions in Greece’s relations with Turkey were another adverse factor. The announcement that exploratory talks were starting between the two countries in January 2021 was likely to be a stabilizing factor. Greece will also benefit in 2021 from the new EU’s recovery instrument, the Next Generation EU (NGEU) package, which will finance growth initiatives over the 2021 – 2026 period. The combined EU and national response will help mitigate the negative economic consequences of the crisis. In the summer of 2021, Greece is expected to start receiving its first NGEU funds, with a total of €32 billion expected. This amount will help to boost public and private investment. However, in order to finance new businesses and investments and provide firms with much-needed liquidity, the banking sector urgently needs to address the problem of nonperforming loans. There is also the worry that interest rates for the government's bonds will not remain at today's low levels – especially as Greece's public debt continues to rise.

Citation:
BIS (2020), "Speech of Yannis Stournaras, Governor the Bank of Greece: Paving the way for growth and financial stability in Greece and Europe," December 15, 2020, available at https://www.bis.org/review/r201222j.htm
European Commission (2020), "Commission approves modified €5.7 billion Greek repayable advances scheme to support companies affected by coronavirus outbreak."
Kallitsis, K. (2021), "Through a plan or through collapse?," He Kathimerini newspaper, January 17, 2021 (in English).
OECD (2020) Economic Survey: Greece, July 2020, available at http://www.oecd.org/economy/greece-economic-snapshot/

Sustainability of Economic Response

Recovery Package Sustainability
Score: 5

The European Commission estimates that the Greek economy contracted by 10% in 2020 (European Commission 2021). The fallout hit the tourist sector, which contributes significantly to the economy, particularly hard. In 2020, the government implemented several fiscal measures to support unemployed people and wage earners whose contracts had been suspended, while also seeking to protect households and businesses.

However, the full scale of the challenges faced by the private sector – industry, retail and financial – has not yet become apparent. On the positive side, the government has prepared a proposal for use of EU Recovery and Resilience Plan funds that has won considerable praise in Brussels. More specifically, the EU Recovery and Resilience Facility will make €30.5 billion available to Greece during the 2021 – 2026 period, €17.8 billion of which will come in the form of grants. Observers hope that this will help cushion the economic and social impact of the pandemic, while additionally supporting growth and job creation.

However, there is much uncertainty about the future. The recovery of the tourism industry is fully dependent on progress in fighting the virus in Europe and beyond. When the support measures expire, the country may see an increasing number of bankruptcies. Banks' profitability will come under pressure, as the quantity of bad loans will most certainly increase. Still, financing conditions remain favorable in the international markets, and the government continues to hold a large cash buffer (Financial Times 2020).

Initially, as the Greek economy deteriorated in 2020, sustainable development was not a top government priority. However, after taking measures to respond to the negative impact of the pandemic on the economy, the government's policy efforts became more focused. They included plans for new railway infrastructure, which will be useful in curbing the volume of car traffic between cities (e.g., between Athens and Thessaloniki) and inside cities (e.g., the long new Metro line in Athens, construction of which is starting in 2021).

Moreover, Greece's old-fashioned production model may already have started shifting from agriculture and nontradable services to sectors geared to sustainable development. Most Greek startup companies have withstood the negative impact of the pandemic (Kathimerini 2020, Aljazeera 2020). Nor has foreign private investors' interest in Greece abated. In late 2019, the multinational pharmaceutical company Pfizer chose Thessaloniki as the site for one of its six digital laboratories, which will capitalize on technologies such as artificial intelligence and big data analytics to develop new treatments (Kathimerini 2019). In October 2020, Greece and Microsoft signed a memorandum of understanding to build three data centers in the greater Athens area. In November 2020, Volkswagen announced that it had chosen the Greek island of Astypalaia for an experiment with electric vehicles. It will replace the internal combustion vehicles owned by the island's public sector with electric ones for free, and sell electric vehicles to the island's 1,300 inhabitants at cost.

However, the privatization of key state assets and enterprises including Egnatia Odos, EBO, Larko and an expansion of COSCO's concession in Piraeus Port have not made significant progress. Nevertheless, in general, the prospects for sustainable development in Greece may be better in 2021 than originally thought.

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European Commission (2021), "Enhanced Surveillance Report, Greece," February 2021, https://ec.europa.eu/info/sites/info/files/economy-finance/ip145_en.pdf
Financial Times (2020), "Greece debt crisis: Greek debt sale 'bodes well' for busy eurozone issuance," Financial Times, 2 September 2020.
Aljazeera (2020), "Despite COVID-19, Greece makes strides on high tech ambitions," available at https://www.aljazeera.com/economy/2020/12/16/despite-covid-greece-makes-strides-toward-high-tech-ambitions
Kathimerini (2020), "Greek startups riding out of the pandemic," available at https://www.ekathimerini.com/260547/gallery/ekathimerini/community/greek-startups-riding-out-the-pandemic

Labor Market Response

Labor Market
Policy Response
Score: 8

The large majority of the Greek labor force works in small or very small business enterprises (more than 90% work in businesses employing between one and nine persons). As a consequence, coronavirus policy responses targeted small and medium-sized enterprises (SMEs), seeking to prevent them from closing. These responses emanated from two levels, Greece's government and the EU.

In addition to imposing a near-full lockdown in the country on March 22, the Greek government passed legislation channeling funding toward the public healthcare system and sectors of the economy affected by the lockdown. The government allocated €273 million to the Ministry of Health, primarily aiming to hire additional hospital personnel and buy medical supplies, with another €100 million going to other ministries. The latter were instructed to offer economic support to employees, private sector enterprises, the self-employed and freelancers. Those eligible for the support measures included a) about 800,000 enterprises employing more than 1.7 million employees and b) more than 700,000 self-employed people, freelancers and shopkeepers (Ministry of Finance 2020). The government also intervened very early at the beginning of the COVID-19 crisis to prohibit private businesses enterprises from laying off workers, in turn offering the enterprises tax breaks and subsidies to help them pay their bills.

In economic terms, income-support measures for the employed amounted to 2.4% of 2019 GDP, while those targeting jobseekers totaled 0.2% of 2019 GDP (Bulman 2020). The government extended unemployment benefits and provided one-off cash
transfers to workers directly affected by shut-down orders during the second quarter of 2020. These additional measures amounted to 1.4% of 2019 GDP. Moreover, from mid-June to mid-October 2020, the Greek government legislated a temporary short-time work scheme (SYN-ERGASIA or "cooperation") to support employment and the income of employees at companies suffering from reduced turnover (0.5% of 2019 GDP) (Bulman 2020: 14).

In July 2020, the European Commission earmarked a total of €1.14 billion to support SMEs in Greece. Out of this total sum, some €600 million were to be disbursed in the form of grants, the remaining in the form of reimbursable assistance (financial instruments; European Commission 2020).

Overall, labor-market policy measures were well targeted and formulated in a timely manner, but were still being implemented in early 2021. Such measures were passive, but were enriched by additional measures slated to unfold throughout 2021. For example, in September 2020, a new law prevented employers from laying off workers, as at the beginning of the crisis. Moreover, eligibility requirements for unemployment allowance were relaxed. In December 2020, the government also distributed an extra allowance of €400 to all those who were unemployed.

To sum up, Greek labor-policy response was rolling as the coronavirus situation worsened. In August 2020, the unemployment rate stood at 17%, that is, at the same level as in October 2019 (Eurostat 2020). To the extent that the already-high unemployment rate did not increase in the months following the lockdown, one may argue that Greece's labor-market policy response was somewhat successful. However, as described in the 2020 Economic Survey of Greece (OECD, 2020), demand is likely to remain weak for some time, delaying the recovery in employment and adding to the challenge of high unemployment.

Citation:
Bulman, Tim (2020) Rejuvenating Greece's Labour Market to Generate More and Higher Quality Jobs, OECD Working Papers 1622, October available at http://www.oecd.org/officialdocuments/publicdisplaydocumentpdf/?cote=ECO/WKP(2020)30&docLanguage=En
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Eurostat (2020), "News Release – October 2020 Euro Area Unemployment Rate," December 2, 2020, available at https://ec.europa.eu/eurostat/documents/portlet_file_entry/2995521/3-02122020-AP-EN.pdf/3b4ec2e2-f14c-2652-80bd-2f5e7c0605c2#:~:text=The%20EU%20unemployment%20rate%20was,office%20of%20the%20European%20Union.
Ministry of Finance (2020), "Stability Programme 2020," Athens, May 2020, available at https://www.enterprisegreece.gov.gr/assets/content/files/c37/a4055/f456/3-5-2020%20%20%202020_Stability%20Programme.pdf

Fiscal Response

Fiscal Policy Response
Score: 7

Greece's budgetary response included an immediate fiscal stimulus, tax and contribution deferrals, and other liquidity support. By November 2020, these measures had amounted to 5.4% of the 2019 GDP (Bruegel 2020). In detail, the measures included the following: temporary economic support to wage earners, the self-employed, individual businesses and certain liberal professions affected by the coronavirus crisis; payment of repayable advances to companies with decreased turnover; payment of social security contributions for employees whose labor contacts had been suspended; tax deferrals; an interest subsidy for loans to small and medium-sized enterprises; higher national healthcare expenditures; a suspension of debt settlements on past social security contributions; discounts for the timely payment of tax obligations; support for the agricultural sector; and a cash collateral of €2.0 billion to support bank lending to private companies (European Commission 2020a: 10-11).

The overall size of the abovementioned measures was expected to total about 9.4% of GDP in 2020 and 6.5% of GDP in 2021 (European Commission 2021: 11). According to the Commission, the Greek government's support measures (as a percentage of GDP) were slightly larger than European Union average as a share of GDP.

The government has also announced that despite delays in public investments, funding for critical infrastructure will go ahead in 2021. Examples include the start of the construction of a new Athens Metro line and the completion of the infrastructure and signaling system for the Athens-Thessaloniki high-speed railway.

While deferrals may be balanced in the sense that they will increase government revenue at a later point in time, the fiscal stimulus cannot be compensated for in the future. Lending to private companies may allow them to survive and later grow again, so that they can pay taxes and insurance contributions. However, in the meantime, Greek banks, already burdened by nonperforming loans, will see their liabilities increase. Tax revenue on income and profits incurred in 2020 will decline in 2021, as GDP fell by at least 10% in 2020. If the EU's autumn 2020 forecast that the Greek economy will grow by 3.5% in 2021 proves correct (European Commission 2020b: 172), then revenue from taxes will also increase, to the extent that tax evasion is further curbed. Of course, one has to remember that in 2020 Greece still had the largest public debt in the EU at 187.4% of GDP (Eurostat 2020). The government envisages a general budget deficit of 9.9% of GDP for 2020. This translates to a primary deficit of 7.2% of GDP using the enhanced-surveillance methodology. For 2021, the general government deficit is projected to be 6.7%, with the enhanced-surveillance primary deficit at 3.9% (EIU 2020).

Meanwhile, in July 2020, the Council of the State (Greece's highest administrative court) issued a ruling limiting retroactive payments to pensioners associated with pension cuts under the economic crisis, only a short period of just 11 months (June 2015 – May 2016), rather than for the whole period of the Greek crisis. Obviously, the Council realized that ruling otherwise would have added a tremendous new fiscal burden on the government at a period already rendered difficult by the coronavirus crisis. However, the risk of fiscal derailment remains, as on 15 January 2021, the same court was to convene on a new case of retroactive payments to pensioners.

Overall, with the aid of EU funds, all above arrangements are sustainable, and the budgetary processes have been transparent. However, there are constraints on the government's exit strategy. Any rebound in real GDP and improvement in the public finances will depend heavily on the vaccination rate in Greece and in EU in general, as well as the massive boost to investment financed by the EU's Recovery and Resilience Facility.

Citation:
Bruegel (2020), "The fiscal response to the economic fallout from the coronavirus," November 24, available at https://www.bruegel.org/publications/datasets/covid-national-dataset/
Economist Intelligence Unit (2020) "Greek government adopts bleaker deficit and debt projections," November 26, available at http://country.eiu.com/article.aspx?articleid=1580428741
European Commission (2021), "Enhanced Surveillance Report, Greece," February 2021, https://ec.europa.eu/info/sites/info/files/economy-finance/ip145_en.pdf.
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Eurostat (2020),"Government debt up to 95.1% of GDP in euro area," Newsrelease, October 22, 2020, available at https://ec.europa.eu/eurostat/documents/2995521/11442886/2-22102020-BP-EN.pdf/a21ffbf8-09c9-b520-8fa9-6e804146bf0f#:~:text=The%20highest%20ratios%20of%20government,%25)%20and%20Luxembourg%20(23.8%25).

Research and Innovation Response

Research and Innovation Policy Response
Score: 6

While Greece does not have the infrastructure or the funds to develop large-scale medical research, Greek medical researchers are very active participants in international research consortia. In Greek state institutions, there has been ongoing research on COVID-19, for example, at the Hellenic Pasteur Institute in Athens and the University of Athens.

In April 2020, the Ministry of Development (General Secretariat for Research and Technology) started a flagship research action called the "Epidemiological study of SARS-CoV-2 in Greece" (GGET 2020). In January 2021, the first Greek rapid antigen test for Covid-19 was announced (GGET 2021).

Privately funded pharmaceutical research has also been expanded. For example, in 2019, and again in December 2020, the pharmaceutical company Pfizer launched software hubs in Thessaloniki.

Overall, the government has invested in research and coordinated public and private efforts to combat the coronavirus pandemic. These strategic policy efforts have primarily concerned medical research rather than social innovation.

Citation:
GGET (2020), "Flagship Research Action: Epidemiological study of SARS-CoV-2 in Greece," available at http://www.gsrt.gr/central.aspx?sId=124I458I1163I323I509672&olID=672&neID=589&neTa=1_122365&ncID=0&neHC=0&tbid=0&lrID=2&oldUIID=aI672I0I124I458I1163I0I2&actionID=load
GGET (2021), The first Greek rapid test for the Covid-19, January 11, 2021, available at http://www.gsrt.gr/central.aspx?sId=124I458I1163I323I509672&olID=672&neID=589&neTa=1_122549&ncID=0&neHC=0&tbid=0&lrID=2&oldUIID=aI672I0I124I458I1163I0I2&actionID=load

IV. Welfare State Response

Education System Response

Education
Response
Score: 8

After 26 February 2020, the day on which the first coronavirus case was reported in Greece, the government rushed to prepare the education system on two fronts. The first goal was to alert teachers and pupils of the disease's risks and – if need be – close down the education system in order to avoid further spread of the disease; the second was to switch the in-person education system over to meetings on digital platforms. The schools were indeed closed down very quickly (March 11).

It took longer for the Ministry of Education to adapt teaching to the new distance-learning requirements. Supported by their union, educators in state schools resisted or were reluctant to accept the changes. By early April 2020, however, digital classes were being held at the primary and secondary level, while such classes had started earlier at the tertiary level. Schools opened again for a short while in early summer, after the first wave of the pandemic subsided, but universities did not. In the second week of September, primary and secondary schools opened, but by mid-November 2020, they were closed again (Reuters 2020). They did not reopen until 11 January 2021 (only primary education). Throughout 2020, the main priority was to open preschool care units so as to allow young parents to return to their jobs.

Under a new law introduced in summer 2020, distance learning became mandatory, and a new curriculum was rolled out online. The law stipulated that schoolteachers could be required to hold all classes online, from the preschool level to courses preparing pupils for university-entrance exams. Cisco, a telecoms-equipment company, set up a Webex platform that supported simultaneous access for the country's 1.4 million pupils and 180,000 teachers.

Despite such stop-and-go activity, the government was overall able to ensure more or less equal (albeit periodically interrupted) access to acceptable quality education. Naturally, one has to factor in that before the coronavirus crisis struck, neither the Ministry of Education, the heads of school units, teachers nor pupils were prepared to switch overnight to engaging in distance learning using digital tools.

Initially, the new nationwide computer information system on which classes were held was slow, and broke down at times. Moreover, some pupils had more reliable access to digital schooling than others. Socioeconomically disadvantaged households or households in remote areas of Greece were often forced to use mobile phones for their children to attend classes. The Ministry of Education announced in mid-November 2020 that it would supply pupils in need with a total of 90,000 laptop computers to facilitate their access to digital schooling. However, implementation of this measure has been relatively slow. By the end of the year, around 50,000 had been distributed.

Overall, given the notorious bureaucracy that has held many education reforms back in Greece, education policy interventions in the wake of the pandemic were more successful than one would have predicted at the start of this crisis.

Citation:
Economist, The (2021) "The lockdown has helped Greece to digitise," January 9 available at: https://www.economist.com/europe/2021/01/09/the-lockdown-has-helped-greece-to-digitise
Reuters (2020), "Greece Tightens Covid-19 Lockdown, Shuts Down Primary Schools," November 14, availalble at https://www.reuters.com/article/health-coronavirus-greece-schools/greece-tightens-covid-19-lockdown-shuts-primary-schools-idUSL8N2HZ4YW

Social Welfare Response

Social Welfare
Policy Response
Score: 6

Social inclusion was negatively affected by government measures to fight the spread of COVID-19. At the start of the pandemic in Greece, in mid-March 2020, the Greek government imposed a lockdown that entailed cancellations of public events, closures of all schools, restrictions on gatherings and requirements to stay at home. These measures were relaxed in the early summer, but as the number of coronavirus cases surged in September – October 2020, the measures were reinstated in early November 2020. Low-income old-age pensioners, people living in single-person households, disabled persons and other disadvantaged groups were disproportionately harmed by these measures, as their movements were restricted, while public healthcare and social-care services catered primarily to victims of COVID-19.

Social inclusion policies in Greece have never been adequately developed, as the bulk of the country's social spending goes to pensions. The typically minimal welfare state benefits designed to foster social inclusion include a minimum income guarantee (formerly known as social solidarity income), a housing allowance, a housing benefit, free access by uninsured people to the

National Health System (the "ESY") and a social solidarity allowance for uninsured elders (European Commission 2020).

After the start of the pandemic, the government adopted several new measures to avoid exacerbating unequal opportunities and social exclusion. In April 2020, it expanded the availability of centers serving homeless people and other disadvantaged groups, while in May 2020 it supplied individuals already receiving the guaranteed minimum income with an ad-hoc additional allowance ranging between €100 and €300. It also hired additional personnel to perform social care and other welfare services to meet the increased demand for social services during the pandemic (Greek government 2020).

Overall, regarding social inclusion, the government response was not minimal, but could have been more generous. However, given that eligibility for most social protection benefits is assessed based on the previous year's income tax declaration, a considerable increase in the number of people eligible to receive social protection benefits (and a consequent increase in expenditure) is expected in 2021 (EPSN 2020).

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EPSN (2020) "Support measures to mitigate the effects of the second wave of COVID-19 in Greece," Flash Report 66 available at https://ec.europa.eu/social/main.jsp?langId=en&catId=89&newsId=9880&furtherNews=yes
Greek government (2020), "Social benefits and services – Covid 19," (in Greek), available at https://covid19.gov.gr/category/oikonomia-ergasia/koinonikes-paroxes/

Healthcare System Response

Health Policy Response
Score: 8

During the first wave of the pandemic, lasting roughly between February and May 2020, the Greek health system responded quickly as the government supported the system with additional funds, intensive care beds, and new medical and nursing personnel. At the onset of the epidemic, the Greek health system had a limited capacity for the hospitalization of patients with highly infectious diseases. In February 2020, there were a total of 565 public intensive care unit (ICU) beds. By the beginning of November 2020, the National Health System had 1,006 ICU beds at its disposal (825 of which were in public hospitals, joined by 32 beds in military hospitals and 149 beds in private hospitals). The government had committed to reaching 1,200 beds by the end of the year, a figure very close to the European average (WHO 2020).

The health system avoided being overwhelmed by COVID-19 patients requiring hospitalization because the government introduced an early mandatory national lockdown. The population abided by the rules due to the fear of becoming sick, but also because the government monitored compliance. The policy restricted movement, and imposed heavy economic penalties imposed on violators. Thus, despite the fact that testing was not extensively used by Greek authorities (Worldometer, COVID-19 Corona Virus Pandemic), the country showed low coronavirus mortality rates at least in the first half of 2020.

The relaxation of these measures during the summer season (the tourist season in Greece) and the slow response of the government and the healthcare system in autumn 2020 brought about reverse results. The second wave of the pandemic spread in an uneven fashion, hitting the second largest Greek city (Thessaloniki) and a few other cities in the north of the country, where local authorities were negligent or citizens were careless with regard to social distancing, wearing face masks and complying with other pandemic requirements. The number of COVID-19 patients increased sharply in October – December 2020, and the associated mortality rate also soared, to the point that for several weeks there approximately 100 deaths per day. However, compared to other OECD countries, Greece experienced a relatively low mortality rate overall (WHO and Eurostat data, as of 9 November 2020). The situation improved at the beginning of 2021, but for several months the healthcare system remained pushed to its limits.

In sum, the combination of the above-described government measures, some restraint shown by the general population, and commitment – if not heroism – exhibited by medical personnel allowed the healthcare system to respond swiftly and for the most part adequately and appropriately to the crisis.

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WHO (2020) "Covid 19 Health System Response Monitor: Greece" available at https://www.covid19healthsystem.org/countries/greece/livinghit.aspx?Section=2.1%20Physical%20infrastructure&Type=Section
WHO and Eurostat data on Covid-19 related deaths per 100,000 population, available on this SGI website.
Worldometer, Covid-19 Corona Virus Pandemic figures on testing, available on this SGI website.

Family Policy Response

Family Support Policies
Score: 6

Family support policies in Greece are relatively underdeveloped. As Greek households often include more than two generations, with grandparents living with or near their children, work and family requirements are fulfilled by assigning household tasks such as childcare and housekeeping chores to old and young female members of the family. It is telling that in 2020, the labor-market participation rate for women in Greece was just 44%.

Reliance on family support has meant that family-related policies have largely been limited to a child benefit and a parental leave period. Families with children up to 18 years of age are entitled to a means-tested child benefit as long as they have been permanent residents of Greece for five years prior to claiming the benefit. Both parents are entitled to parental leave to raise a child (European Commission 2020). However, this right to parental leave is implemented mostly in the public sector, while private sector employees are less prone to ask for such a leave, for obvious reasons.

After the onset of the pandemic, schools in Greece were closed and children of school age stayed at home. They were obliged to attend classes held via digital platforms. In order to meet the increased family needs generated by this policy, the Greek government adopted an additional family support measure in early March 2020. This was a “special purpose leave,” meaning a leave of several days per month if both parents were employed (Greek government 2020). Working parents could benefit from the leave on a rotating basis. Employers in the public and private sector were obliged to grant the leave without lowering the salary of the person taking it. The measure was helpful, but given the still high unemployment levels in the country (16.3% in December 2020; Eurostat data 2020), only a portion of Greek families were able to benefit.

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World Bank (2020), “Participation, female, labor force, female Greece,” available at https://data.worldbank.org/indicator/SL.TLF.TOTL.FE.ZS?locations=GR

European Commission (2020), “Greece-family benefits,” available at https://ec.europa.eu/social/main.jsp?catId=1112&langId=en&intPageId=4560

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International Solidarity

International Cooperation
Score: 7

In the 2019 – 2020 period, Greece was trying to overcome the long economic crisis it had experienced from 2010 to 2018. Instead of providing funds in the form of bilateral aid to poorer countries, Greece pays for in-donor refugee costs. In the period under review, it was very difficult for Greece to provide financial support in the areas of vaccine development and delivery of medical equipment. Nevertheless, Greece continues to admit, host and treat sick migrants and refugees who reach the shores of the Aegean Sea islands or cross the Greek-Turkish border at the Evros river. The Greek government has also offered free medical treatment to refugees and migrants who are hosted or reside permanently on the mainland. Moreover, during the course of 2020, Greece participated in all EU decision-making organs dealing with the fight against the pandemic and has abided by all relevant EU decisions. It contributed funds to multilateral aid agencies that provided support to developing nations, and has expressed its support for the coronavirus response mounted globally by UN agencies, multilateral development banks and civil society.

:

OECD (2020) DAC Member Profile: Greece available at: https://www.oecd.org/greece/greece.htm

Resilience of Democracy

Media Freedom

Media Freedom
Score: 8

Greece's constitution includes provisions granting free-speech rights and press freedom. These are generally protected. There is a broad array of privately owned print, TV, radio and online news outlets both at the national and the local level. There are some limitations on hate speech (racist comments, etc.)

In general, private media are free from influence in their coverage. State media, such as the ERT television and radio company, are controlled by the government. The independence of state media varies by government. Today, control over the state media is far less strict than it has been in the past. There has been progress in terms of media freedom since the government change of July 2019. Between 2014 and 2020, Greece's rank in the World Press Freedom Index was upgraded from 99th place to 65th place out of 180 countries (Reporters without Borders 2020).

However, the currently serving government did take three media-related measures for which it faced criticism. Opposition parties and media accused it of attempting to ensure pro-government reporting.

First, almost immediately after the New Democracy's victory in July 2019, the public broadcaster ERT and state news agency ANA-MPA were placed by presidential decree under the direct supervision of new Prime Minister Kyriakos Mitsotakis.

Second, in March 2020, the government "suspended payments for six television companies of the annual fees they pay for nationwide licenses to broadcast" (Fotiadis 2019).

Third, in that same month, the government channeled payments totaling approximately €19.4 million from the state budget to numerous private media, including newspapers, websites, TV and radio channels. The purpose of the payments was to run publicity material about the government's anti-coronavirus measures; however, the government drew fire from the opposition by keeping the list of private media benefiting from the payments secret.

Facing growing pressure, it ultimately disclosed the recipients publicly only in early July 2020. It turned out that the list also included media friendly to the opposition, while excluding several newspapers that had repeatedly made slanderous personal allegations against top-level New Democracy party officials in the 2015 – 2019 period.

Despite these ambiguous moves to influence the media, the record of the post-2019 New Democracy government cannot be compared to that of its predecessor, the government coalition of 2015 – 2019. The latter openly exerted political pressure against unfriendly private media, selectively targeted journalists deemed critical of government ministers and even attempted to change TV license regulations to benefit government interests.

Citation:
Reporters without Borders (2020), “Greece,” available at https://rsf.org/en/greece, last accessed on 05.01.2021.
Fotiadis, A. (2019), “Greek Government’s Support of Media Comes at the Expense of Transparency,” Balkan Insight, available at https://balkaninsight.com/2020/04/14/greek-govt-support-for-media-comes-at-expense-of-transparency/, last accessed on 05.01.2021

Civil Rights and Political Liberties

Civil Rights and Political Liberties
Score: 9

Freedom of assembly is guaranteed by the Greek constitution. Protests over the past decade have sometimes grown violent.

In 2019 the New Democracy government passed legislation scrapping academic sanctuary, a law introduced in the post-1974 era to protect academic freedom for faculty and students. The new government (but not the main opposition party) alleged that the sanctuary policy was being used as a cover for lawless behavior in many Greek universities.

At the start of the pandemic in Greece (late February 2020), the incumbent government moved quickly to curtail the right of assembly, including street protests, sports events and church services. Eventually all movements but those necessary were severely restricted, and shops, schools and universities were closed twice in 2020. The first such lockdown lasted from mid-March to mid-May 2020, while the second started in early November 2020, was made stricter in the first week of January 2021 and was still ongoing at the time of writing.

The government openly relied on an officially appointed committee of experts (pathologists and epidemiologists), who advised government ministers on a daily basis. During the first lockdown period, government ministers and experts sat side by side and provided the general population with relevant information through press conferences broadcast live nationwide every evening at 6 pm. During the second lockdown period, such press conferences became less frequent. The press conferences pertained to the spread of the disease and also to restrictions to political liberties and civil rights.

The government restored the curtailed rights at the start of the summer of 2020, a period coinciding with the beginning of Greece's long tourist season. The government's decision was motivated by the need to stimulate the economy, which had only just emerged from the long Greek crisis that began in 2010. However, the curtailment of rights was resumed at the start of the second lockdown period.

Several political parties (e.g., Syriza and the communist KKE party) and political groups defied the coronavirus-related government ban on gatherings and went ahead with marches (for instance, to commemorate the 1973 suppression of a student uprising). Some demonstrations descended into clashes between protesters and police. Unions of judges and lawyers issued statements deeming the government's decision to ban demonstrations to be unconstitutional, and calling for it to be "immediately revoked" (Al Jazeera 2020). In January 2021
thousands of students and teachers held peaceful demonstrations in Athens and Thessaloniki against proposed education reforms, defying a weeklong ban on protests of more than 100 people imposed as part of the coronavirus measures (Associated Press 2021)
However, restrictions on political liberties and civil rights were overall commensurate to the risks provoked by the coronavirus pandemic and were well received by the general population

Citation:
Al Jazeera (2020) "Protesters to defy gov't ban on Athens Polytechnic uprising march," 16 November available at: https://www.aljazeera.com/news/2020/11/16/greek-protests-coronavirus.
Associated Press (2021) "Greek Students, Teachers Defy Weeklong Ban on Protests," 28 January available at: https://www.voanews.com/europe/greek-students-teachers-defy-weeklong-ban-protests.

Judicial Review

Judicial Review
Score: 9

During the coronavirus crisis, trials were suspended during the two lockdown periods (spring 2020, late autumn and winter 2020-2021). However, some exceptions to this measure were granted so as to avoid further bottlenecks in the country's already overburdened justice system. Courts remained independent and proceeded with judicial review of government and administration actions whenever necessary.

In December 2020, the chief Athens prosecutor launched a probe into Greece's National Public Health Organization (EODY), after Greek publications (To Vima and Demokratia) reported that a parallel system for recording coronavirus cases had been set up, misleading scientists about the real number of cases (Euractiv 2020). The head of the Prosecutor's Office of First Instance requested a preliminary examination in order to investigate the validity of complaints that the number of people testing positive for the coronavirus had been inaccurately recorded.

:

Euractiv (2020) "Prosecutor probe into 'Greek statistics' on COVID-19" available at: https://www.euractiv.com/section/politics/short_news/prosecutor-probe-into-greek-statistics-on-covid-19/

Informal Democratic Rules

Informal Democratic Rules
Score: 8

Greece's political system has long been marked by acute political party polarization (Andreadis and Stavrakakis 2019). However, by the mid-2010s, the main contenders for political power – that is, the center-right New Democracy (ND) party and the radical left Syriza party – had seen convergence in their policies in major sectors such as the economy and foreign affairs.

The two parties (ND in a single-party government, Syriza in the opposition) largely avoided serious policy conflict with regard to the coronavirus response as well. Syriza largely supported the New Democracy government's decisions to quickly impose restrictions on citizens' movements; close schools, shops and other businesses; distribute subsidies and tax breaks to ailing businesses and allowances to low-income earners; and channel additional funds to the public healthcare system.

The opposition demanded higher increases in public spending on public healthcare and higher subsidy and allowance levels, but did not fuel polarization during the first phase of lockdown (spring 2020). It changed its stance during the second phase (late autumn 2020), as the number of COVID-19 deaths rose. At this point, the opposition accused the government of being unable to keep a steady course in fighting the spread of COVID-19, and of incompetence in policy implementation.

Yet compared to the fierce party-political battles over economic policy in the early years of the Greek crisis (2010 – 2018), opposition to government measures in 2020 did not become a source of concern. As of early January 2021, party polarization was proving considerably less of an obstacle to coronavirus policymaking and implementation than it had been during the economic crisis.

:

Andreadis, I. and Y. Stavrakakis (2019), "Dynamics of Polarization in the Greek Case," The Annals of the American Academy of Political and Social Science, 681 (1), 157-172.

Resilience of Governance

I. Executive Preparedness

Crisis Management System

Crisis
Management
System
Score: 5

Greece reacted quickly and effectively to the coronavirus pandemic in 2020, owing to fast action by the prime minister, major government ministers and public healthcare system personnel. However, the crisis-management system was not well prepared for the outbreak of pandemic. The Greek public administration has comparatively low administrative capacities, and planning ahead and programming are not distinctive features of the Greek administration (Thjis and Hammerschmid 2018). Moreover, evidence-based policymaking does not usually characterize the Greek system (Ladi 2020).

Indeed, before 2020, there was no updated pandemic plan, drills had not been held regularly, and there were no reserve stocks of personal protective equipment. Yet, on the last day of February 2020, as soon as the first case of coronavirus was “imported” from neighboring Italy, the Greek government reacted swiftly and successfully (The New York Times 2020). As a result, by two months later (end of April 2020), there had been just 138 deaths coronavirus-related deaths in a population of about 10.7 million.

In the meantime, the government had established a team of experts to guide government policymaking, mobilized central and regional civil-protection authorities, and provided the National Health System (ESY) with additional resources. The private sector was quick to produce and distribute protective material such as face masks and antiseptics on the market. Above all, the Greek government imposed a national lockdown very early in March 2020, a decision that mitigated the overall lack of preparedness. The Greek government was subsequently lauded as being among the countries (like Iceland, New Zealand and Singapore) showing an effective response to the early stages of the pandemic (Fouda et al 2020).

Citation:
European Commission (2018), "Public Administration Characteristics and Performance in EU 28: An Introduction," written by N. Thjis and G. Hammerschmid, Brussels: The European Commission.
Fouda, Ayman, et al. (2020) "The COVID-19 pandemic in Greece, Iceland, New Zealand, and Singapore: Health policies and lessons learned." Health policy and technology 9.4, 510-524.
Ladi, S. (2020), "Government Policy-Making," in K. Featherstone and D. A. Sotiropoulos, eds., The Oxford Handbook of Modern Greek Politics, Oxford: Oxford University Press, 441-455.
The New York Times (2020), "Greece Has 'Defied the Odds' in the Pandemic," April 28, 2020, available at https://www.nytimes.com/2020/04/28/world/europe/coronavirus-greece-europe.html, last accessed on 06.01.2020.

II. Executive Response

Effective Policy Formulation

Effective Policy Formulation
Score: 9

In late February 2020, as soon as the pandemic broke out in nearby Italy and other EU countries, the government sought medical advice and put together a committee of 26 medical experts, virologists and epidemiologists. Regarding the economic and social impact of the crisis, the government relied on its own ministers of finance, development, and labor and social affairs, as well as their policy and scientific advisers.

The circle of medical experts was very open to new members, and debates took place among its members. In October 2020 the government set up a complementary 21-member committee, the National Committee on Vaccinations, consisting of medical experts. Its task was to formulate and steer the implementation of a national plan to vaccinate the population as soon as vaccines against COVID-19 were made available.

Greece's success in the first wave of the pandemic has been attributed as much to the prioritization of science over politics as to the managerial approach pursued by the Prime Minister's Office.

Policy Feedback and Adaptation

Policy Feedback and Adaptation
Score: 8

Until the late summer of 2020, the government was very good in assessing the coronavirus situation. It alternated between strict measures intended to prevent the spread of the disease and more relaxed measures designed to allow the revival of economic activity in a more or less measured manner.

Though no impact assessment of the government's response was made public, a number of action plans were systematically followed. For example, on 28

April 2020, the government released an action plan "for the gradual easing of COVID-19 restrictive measures." The plan included the creation of a permanent observatory for the collection and analysis of health, economic and societal information relevant to the fight against the virus; the development and implementation of a Composite Risk Index based on the country's risk profile; and the activation of a red-flag intervention mechanism enabling quick decisions on new measures based on the level of risk. Much effort was made to promote the digitalization of the state and distance learning. Progress toward these objectives was closely monitored by the Prime Minister's Office. At least through the summer of 2020, the government showed the ability to respond effectively and efficiently to the pandemic's changing circumstances, even earning international praise for its actions.

In autumn 2020, conditions worsened, as the government did not adapt to the rise in coronavirus cases and victims as quickly as it had done in the spring of 2020. There is no doubt that tourism played a role in the rapid increase (though some regions in nontouristic areas of the mainland were also hit hard). Government officials attributed the resurgence mostly to lax observance of hygiene protocols by Greeks – particularly members of the younger generations who flooded bars and beaches during the summer.

As a result, the number of deaths rose significantly, soaring during last week of November and in early December 2020 (rising to about 100 deaths per day). The reimposition of a strict lockdown contributed to a decline in the number of deaths in late December 2020 and early January 2021 (Coronatracker 2021).

However, in mid-January 2021, the government again took a risk, against the advice of some medical experts, by allowing shops to open and school children to go back to primary school (while high schools and universities remained closed). Overall, the government adapted quickly and correctly to changing circumstances, although after mid-2020 it erred toward the relaxation of restrictions more than was necessary.

Citation:
Coronatracker (2021), "Greece," available at https://www.coronatracker.com/country/greece/

Public Consultation

Public Consultation Score: 7

The government periodically consults with societal actors, such as top labor-union representatives, associations of businessmen, professional associations and the Church of Greece. Consultation usually takes place at a late stage of policy development, after the government has formulated policy guidelines, if not specific policy measures. Consultation rarely continues throughout the remainder of the policy cycle, let alone during policy implementation

(Zambarloukou 2006). Traditionally, prime ministers meet with the main "social partners" (business and labor-union representatives) during their visit to the Thessaloniki International Fair every September.

During the coronavirus crisis, the Ministry of Labor and Social Affairs officially consulted with social partners on 10 March 2021, and the prime minister also convened a meeting with social partners on 11 May 2021. These meetings were attended by all relevant societal actors, with no exclusions. The purpose of these consultations was to inform the social partners of the government's response to the pandemic and have them assess the government's measures.

On 24 April 2020, the Athens Bar Association issued a press release contending that – despite the pandemic – the Ministry of Justice had decided to reopen the district courts and courts of first instance without consulting with the Athens Bar Association and without prior approval from the competent public healthcare authorities. On these grounds, the association announced a strike of lawyers in Athens beginning on 28 April 2020 (European Agency for Fundamental Rights 2020).

In short, public policymaking in Greece does not typically involve a frequent and detailed exchange of views and information between the government and societal actors.

Citation:
European Agency for Fundamental Rights (2020) Coronavirus pandemic in the EU –
Fundamental Rights Implications: Greece Report, May available at: https://fra.europa.eu/sites/default/files/fra_uploads/el_report_on_coronavirus_pandemic-_may_2020.pdf
Zambarloukou, Stella (2020) "Interest Politics," in Featherstone K. & Sotiropoulos D. A. (eds), The Oxford Handbook on Modern Greek Politics, Oxford Handbooks, Oxford University Press, 384-99.

Crisis Communication

Crisis Communication
Score: 8

The government proactively and frequently communicates with the public through the government's spokesperson, who has the status of a government minister, as well as the alternate government spokesperson. The government also issues press communiques through the Presidency of Government (i.e., the Prime Minister's Office) and the ministers' offices.

During the coronavirus pandemic, political communication became more frequent and more systematic. After the start of the crisis in March and April 2020, the government kept the public up to date on the spread of the coronavirus and related policy measures on a daily basis. The head of the committee of epidemiologists and the alternate minister of civil protection participated in a nationally broadcast press conference every evening at 6 pm. After the first wave of the pandemic subsided, the daily press conference was turned into a weekly event. These conferences were long enough to allow many reporters to ask questions in public, and enabled government representatives to provide information about new and ongoing measures, explain the rationale behind them (including detailed results of the ongoing international medical research into COVID-19), and anticipate implementation time-frames.

Prime Minister Kyriakos Mitsotakis also delivered several televised addresses in March, April and October 2020, with the goals of explaining new measures taken to curb the spread of the virus and asking for citizens' cooperation.

During the first lockdown, the Greek government allocated €20 million to media outlets for them to carry "stay at home" public health messages. Opposition parties and NGOs criticized the government for the lack of transparency in this spending, and called for public release of the names of the media outlets that had received these funds, along with the sums allocated to each. After much public debate, the list with the relevant amounts was released, and several commentators argued that the funds were disbursed in an uneven way, favoring government-friendly media outlets (especially websites and newspapers) (IPI 2020).

Overall, the government did very well in managing communication beginning with day one of the crisis, building social trust and persuading citizens to embrace the imposed measures.

However, as the number of COVID-19 victims temporarily rose in November and December 2020, that trust eroded somewhat.

Citation:
IPI/International Press Institute (2020) "The Covid-19 crisis highlights Greece's media problem," April 6, 2020, available at: https://ipi.media/the-covid-19-crisis-highlights-greeces-media-problem/.

Implementation of Response Measures

Implementation of Response Measures
Score: 8

Compared to other EU member states, the Greek state normally lacks the administrative capacity necessary to implement government decisions fully (European Commission 2018: 3). One major problem in the past has been that political officials have been reluctant to follow up policies adopted once realizing that implementation would incur substantial political costs in terms of votes and the size of their personal clientele.

The outbreak of COVID-19 altered this situation, as it was clear that case and victim numbers would rise if policies adopted were not implemented. Ministers, monitored by a reorganized core government (Law 4622/2019), were pressed to follow up government decisions. External support by the Committee of Medical Experts, combined with the mobilization of doctors and nurses in public hospitals across the country, provided implementing authorities with organizational competences and policy instruments (e.g., statistical tools to monitor infection rates). In other words, trained staff outside the central services of ministries offered the expertise and the experience necessary to implement the measures. While contact tracing was not pursued in a systematic way, medical authorities and the police consistently monitored and enforced the lockdown constraints imposed by the government in early March and early November 2020. However, during the summer of 2020 and the Christmas holiday season of 2020, checks and penalties imposed by authorities were somewhat relaxed. Public pressure to ease restrictions increased, as a plethora of small and very small Greek businesses cater to local populations, and rely on domestic demand to stay in business.

In short, with regard to coronavirus-related policies, implementation was mostly swift, effective and impartial.

Citation:
European Commission (2018), "Public administration characteristics and performance in EU28: Introduction," Written by Nick Thijs and Gerhard Hammerschmid (Eds.), April 2018, Brussels.

National Coordination

National Coordination
Score: 9

In 2020, the central government was largely able to shape and implement a nationwide effort to curb the negative consequences of the coronavirus pandemic. Regional and local authorities implemented the government's decisions.

In Greece, local and regional authorities, albeit nominally autonomous from central authorities, have always been dependent on the national government for guidance, funds and technical assistance with regard to policy implementation. Essentially, Greece is a centralist state (Hlepas 2020; OECD 2020).

Coordination was driven from the peak of the executive. For example, the Ministry of Health made all necessary health-related decisions, which were then implemented by the country's seven regional health authorities (YPE) and all public hospitals. The Ministry of Finance, in close collaboration with the prime minister, made all necessary decisions on economic policy measures designed to soften the pandemic's severe impact on businesses and households.

However, a pandemic by definition has a strong territorial dimension. Greece was no exception. The regional and local impact of the crisis has been highly asymmetric; some regions have been harder hit than others, and in economic terms, the impact of the crisis differed substantially across regions (metropolitan areas and those more dependent on tourism suffered more) (OECD 2020). As a result, and largely responding to demands by the local population or the local church, some regional and local authorities were stricter in the implementation of national decisions, while others were far more relaxed (e.g., Thessaloniki)

Citation:
Hlepas, N.K (2020),"Local government and regional administration" in K. Featherstone and D. A. Sotiropoulos (Eds.), The Oxford Handbook of Modern Greek Politics, Oxford: Oxford University Press, pp. 187-202.
OECD (2020) Regional Policy for Greece post-2020, Paris: OECD.

International Coordination

International Coordination
Score: 7

As a full member state of the European Union (since 1981), Greece contributes somewhat to shaping and implementing the public health, economic and social measures designed to fight the coronavirus pandemic at an EU-wide scale. Greece is active in interministerial coordination groups at the EU level, with Greek ministers regularly participating in the EU Council of Ministers bodies that correspond to their portfolios (e.g., ECOFIN, health, etc.).

Greece participates in but rarely initiates the shaping of EU-level strategic frameworks. An exception to this pattern was Greece's initiative in early January 2021 proposing the adoption of an EU-wide "COVID vaccine passport" (The Guardian 2021). This would be an official EU document certifying that a person has been vaccinated against COVID-19. Other member states and the head of the World Health Organization (WHO) were skeptical. Prime Minister Mitsotakis pressed the point with his fellow EU leaders, arguing that adoption of such a measure would function as an incentive for Europeans to become vaccinated in larger numbers. It would promote the mobility of business travelers and workers across Europe in 2021, and would also boost tourism, he said.

In sum, the Greek government does not usually contribute to international coordination, but did so in 2020 to a larger extent than in the past.

Citation:
The Guardian (2021), "Greece presses case for Covid vaccine passports but other EU states wary," January

14, 2021, available at https://www.theguardian.com/world/2021/jan/14/greece-presses-case-for-covid-vaccine-passports-but-other-eu-states-wary

Learning and Adaptation

Learning and Adaptation
Score: 6

The Greek public administration has not established regular feedback mechanisms such as standard policy evaluation mechanisms. Policy evaluation is typically generated by reactions to media reporting, pressure brought by affected societal actors on individual government ministers, and information on implementation gaps passed from lower to higher levels of the public bureaucracies. Since the onset of the Greek economic crisis in 2010 – 2011, the Presidency of Government and the Ministry of Finance have had competent staff and monitoring tools available to evaluate crisis-management systems. However, such staff and tools are not necessarily available at other ministries or tiers of government.

In this regard, the health crisis offered incentive for reform. In March 2020, the government announced that General Secretary for Civil Protection Nikos Hardalias would be promoted to deputy minister, giving him the authority to coordinate government activity in handling the pandemic. Hardalias' portfolio thus included wide-ranging responsibilities and jurisdiction, and allowed him to answer directly to Prime Minister Mitsotakis (Naftemporiki 2020). This move improved the government's ability to evaluate the preparedness and capacity of its crisis-management system.

In 2020, the government relied on makeshift evaluation mechanisms to assess the efficiency and effectiveness of its crisis management. Mechanisms included feedback by advisory staff close to the prime minister (e.g., economic advisers); regular visits by civil-protection authorities who crisscrossed the country to manage emerging problems (e.g., imposing local lockdowns on villages and towns severely affected by the pandemic); and frequent meetings of expert committees, such as the Committee of Medical Experts, which operated continuously beginning in early March 2020.

In short, some tailor-made reforms and staff were mobilized to improve the crisis-management system, but it is too early to tell if the lessons learned in the coronavirus crisis will become a permanent feature of the Greek landscape.

Citation:
Naftemporiki (2020) "Govt creates dep. minister of civil defense amid Covid-19 outbreak" available at https://www.naftemporiki.gr/story/1573376/govt-creates-dep-minister-of-civil-defense-amid-covid-19-outbreak-police-evacuate-squat-within-athens-polytechnic

III. Resilience of Executive Accountability

Open Government

Open
Government
Score: 9

Thanks to the steering of government coronavirus policy by experts, the whole range of data and information normally exchanged among medical professionals in scientific fora was made available to citizens. Well-chosen representatives of the medical profession, including a committee of epidemiologists, offered the public information and data in a comprehensible manner. The government made its crisis-management policies plain through periodic televised messages by the prime minister, press conferences held by ministers, and public advertisements placed in electronic media and the press. On a daily basis, the information provided to the public included up-to-date infection rates, the local distribution of infections, information on specific outbreaks and information on the indicators the government was using to develop its risk assessment. The media and the opposition seized any opportunity to spot gaps in information and underline inconsistencies in government measures.

Legislative Oversight

Legislative
Oversight
Score: 10

The Greek parliament was able to monitor the actions of government throughout the coronavirus crisis. The minister of health, the minister of finance, and the minister of labor and social affairs often responded to inquiries on government policy submitted tabled by the opposition parties. They engaged members of parliament in debates in parliamentary committees and in the parliament’s plenum. The government’s response to the coronavirus crisis was the subject of specifically arranged plenum debates between the prime minister and opposition party leaders. Such all-parliament debates took place on 7 September 2020, 12 November 2020 and 15 January 2021. Overall, legislators were able to monitor the actions of the government fully and effectively during the crisis.

Independent Supervisory Bodies

Auditing
Score: 9

The Audit Office (the so-called Elegktiko Synedrio) has sufficient resources to monitor financial risks associated with the government’s policy response to the coronavirus crisis or other crises. However, it mainly consists of judges, who primarily focus on the legality of government measures and procedural issues.

Other independent authorities are entrusted with the task of monitoring financial risks. The most important one is the Bank of Greece and its governor (who is accountable to the European Central Bank rather than to the government). The governor regularly issues reports on financial risks and fiscal performance. Another authority is the Hellenic Fiscal Council, an independent agency that reports to the European Union. It evaluates the formation and implementation of the government budget. The council continued its operations during the period under review (it was established by the Second Memorandum of Understanding between Greece and its creditors in 2012), monitoring the state's state finances. Though serving mainly an advisory function, its role is important.

Finally, another useful independent authority is the Office of the State Budget of the Greek Parliament. It consists of economists appointed by and accountable to the parliament, and has the capacity to assess the government's fiscal performance management. However, it does not have decision-making or advisory authority. This office publishes trimonthly reports on the Greek economy and fiscal policy, as well as an annual commentary on the draft of the state budget, in November (Office of the State Budget 2020). All of its reports are read and commented on by politicians and the press.

:

Office of the State Budget (2020), "Opinion on the report accompanying the state budget for 2021," November 23, 2020, Greek parliament, available at http://www.pbo.gr/el-gr/

Data Protection
Score: 10

The Greek independent authority entrusted with personal data protection (the APPD authority) is staffed by high-quality legal experts, including former judges, and operates on the basis of legislation compliant with the EU's legal framework. The authority is equipped with the resources and processes necessary to protect personal data and monitor privacy issues. The authority continued to fulfill its tasks throughout the coronavirus crisis, during which data protection was not curtailed at all.

The APPD has issued guidelines on data-protection issues arising from telework, as well as on personal data processing related to coronavirus-management measures. It also issued a preliminary opinion regarding the live streaming of secondary-school classes (European Union Agency for Fundamental Rights 2020: 21). That opinion was important, given that teacher unions and the main opposition party had raised the issue of personal data protection in the distance-learning context.

:

European Union Agency for Fundamental Rights (2020). "Coronavirus pandemic in the EU – Fundamental Rights Implications: Greece," Report May available at: https://fra.europa.eu/sites/default/files/fra_uploads/el_report_on_coronavirus_pandemic-_may_2020.pdf

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