

Greece's Quality of Democracy in the Midst of the Financial Crisis: A Report Card

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In the aftermath of the 2007-2009 world financial upheaval, Greece was hit by a severe sovereign debt crisis with devastating economic, social, and political consequences. A few examples would suffice. The country's political system, dominated by the two major parties, New Democracy (ND) and the PanHellenic Socialist Movement (PASOK), was upended. The budget deficit soared from 5% of the Gross Domestic Product (GDP) to a whopping 15% in 2008-2009. Meanwhile, by 2014 the GDP had declined by 26% compared to 2007, and the per capita income fell from €25,500 to €17,000 during the same period---a 24% drop. Pensions were slashed by nearly 40%, and unemployment increased from 10% in 2005-2009 to 25% in 2014-2015.¹ Hundreds of thousands of well-educated Greeks (mainly young) left the country saddled by a debt that stands at €30,000 per capita. An estimated 30,000 Greeks lived below the poverty line in 2014, 20,000 were made homeless, 20% of the shops in historic central Athens were boarded up, and roughly an equal percentage of Greeks lacked the funds to meet daily food expenses. Social exclusion shot up dramatically and the rate of suicides and suicide attempts increased by 36%.

Despite some improvement of the situation in the last 5-6 years---thanks to some reforms, belt tightening, and help in the form of favorable loans from the troika, i.e., the European Union (EU), the European Central Bank (ECB), and the International Monetary Fund (IMF)---the long-term health of the Greek economy remains uncertain, especially in view of the looming termination, in 2032, of the favorable interest rate of 1.0% on the bailout loans the country obtained from the its European partners, known as Μνημονια/Mnimonia (Memoranda).² The nearly unprecedented cataclysm notwithstanding, however, in July 2024, Greece celebrated half a century of interrupted and well-consolidated liberal democratic rule---the longest in the country's turbulent 200-year history as an independent state. And no visible threats can be detected in the

¹ In 2023, the gross external debt stood at \$402 billion Dollars, and the Debt to GDP ratio registered 160%.

² Mnimonio/Memorandum is singular whereas Mninonia/Memoranda is plural.

immediate horizon contemplating to challenge the parliamentary regime, despite its deficiencies.

How did Greek democracy fare in this near meltdown that lasted a decade or more and how did the sovereign debt crisis affect the country's quality of democracy? A good place to begin would be to define what is meant by quality of democracy and how it is assessed. The overwhelming majority of analysts see a liberal regime as a prerequisite to attaining high quality of democracy. For example, Larry Diamond and Leonardo Morlino, two of the most known scholars in this field, aver that only "a broadly legitimized [liberal democracy can] provide its citizens a high degree of freedom, political equality, and popular control over public policy and policy makers through the legitimate and lawful functioning of stable institution."³ In a subsequent publication, Morlino maintains the key elements of the definition and views good quality democracy as one "presenting a stable institutional structure that realizes the liberty and equality of citizens through legitimate and correct functioning of its institutions."⁴

Generally speaking, the quality of democracy is assessed through three interdependent, interrelated, and interconnected dimensions: procedure, substance/content, and responsiveness/results. The first refers to the characteristics, texture, nature, methods, and the working of the ambiance in which the product (governance) takes place. Procedure is assessed through the rule of law, vertical and horizontal accountability, citizen participation, and political competition. Substance is viewed as the quality of the material, its strength, and endurance. Freedom and equality are the two measuring agencies. Finally, the third dimension, result/responsiveness, is judged by the caliber of governance and success in meeting citizen needs, demands, aspirations, and expectations. These aspects have been explored in considerable detail elsewhere.⁵ This essay will attempt to assess the nature, texture, and functioning of Greek democracy during the crisis and identify areas and the degree to which the sovereign debt calamity affected the quality of the country's democracy.

³ Larry Diamond and Leonardo Morlino, Eds, *Assessing the Quality of Democracy* (Baltimore: The Johns Hopkins University Press, 2004), 4.

⁴ Leonardo Morlino, *Changes in Democracy* (Oxford University Press, 2012), 195.

⁵ See my "Accountability and the Quality of Democracy in Greece," *Mediterranean Quarterly* 26, no 4 (2015), 110-131; "Law Making, the Rule of Law, and the Quality of Democracy in Greece," *Journal of Modern Hellenism* 31 (2015), 120-147; "Cultural Attitudes and Legal "No-Man's Land" in Greece," *Political and Military Sociology: An Annual Review* 44 (2016), 3-24; "Civil Liberties and Rights and the Quality of Democracy in Greece," *Journal of Near East and Balkan Studies* 19, no 4 (2017), 225-242; "Participation and Competition, and the Quality of Democracy in Greece," *Mediterranean Quarterly* 28, no 2 (2017), 53-79; and "Assessing the Responsiveness Quality of Democracy in Greece—Survival in Crisis," *American Journal of Contemporary Hellenic Issues* 14 (Summer 2023), 2-29.

To the Precipice.... and Back

The debt crisis was in the offing for some time, except that various Greek governments chose to ignore and/or opted not to deal with the problem. A key indicator, the Debt to GDP ratio (meaning the level of debt as % of the GDP) stood at about 21-22% in the 1960s, but saw substantial increase from 1981 on when the country entered the EU (then EEU—European Economic Community), and later the Eurozone. By 1993 the ratio had climbed to 102%, but remained roughly unchanged until 2005, despite the huge expenses associated with the Olympics. It is worth noting that this ratio was lower than Italy's (107%), Belgium's (110%), and comparable to the US and other OECD (Organization for Economic Cooperation and Development) countries during the same time frame. However, by 2010 the ratio had grown to nearly 182%. In the years between 2005 and 2010 the ratio experienced the highest growth, as did government expenditures. For instance, according to some estimates, the conservative ND government of Costas Karamanlis (2004-2009) added about 300,000 new civil servants and increased public sector salaries by more than 25%---an extent much higher than could be justified by the nation's economic performance.⁶ Official data indicates that during this period the nation's nominal GDP (i.e., GDP in current prices) went up by 40% while government primary expenditures expanded by 87% against an increase of only 31% in revenues. These figures were grossly out of sync with what was considered acceptable by the EU and the IMF: 3% budget deficit and 60% Debt to GDP ratio.

The governor of the Bank of Greece informed the leaders of the various political parties, especially the two major ones (ND and PASOK), that the debt was getting out of hand, but his warning seemed to have fallen on deaf ears. Publicly the conservative government claimed that the deepening world economic recession would not impact Greece, as steps had been taken to shield it from the swirling storm.⁷ But privately government officials were worried that things were spiraling out of control, and the prime minister called a pro forma meeting to brief the leaders of opposition parties and ask for their cooperation to face the coming hurricane. Without delay and no subterfuge, the overture was rejected.

Cooperation among political parties in Greece has virtually no history. Instead, the standard practice is to oppose just about everything the governing party proposes. Governance is not seen as a continuous process, and the new holders of power build on the successes of its predecessor and seek to correct shortcomings. To the contrary, the

⁶ Data on the size of the Greek bureaucracy has been very sketchy and unreliable. Up until 2010, there was no verifiable statistics as to the exact number of civil servants employed by the state.

⁷ In a recent panel discussion, then Finance Minister, Professor Yiorgos Alogoskoufis, revealed that he regrets making that statement and considers it one of his most unfortunate mistakes.

new government tries to denigrate and delegitimize the work of its predecessors promoting the line that everything is in a state of decomposition in order to have an alibi for its own failures and shortcomings. Unlike their Portuguese, Irish, and Icelandic counterparts who forged a consensus to face their countries' economic woes, the Greek political class never came together to work out a program that would lead the country out of the economic morass. Even when they cooperated to support the second and third financial assistance packages from the troika, known as *μνημονια*/memoranda, they did so to enact and/or implement the measures imposed by the lenders, not as a program they had hammered out themselves. To this day, there is no such consensus, even though the crisis has abated but ominous threats lurk in the horizon.

As the economic clouds darkened and the signs of a meltdown became more menacing, and friction within his cabinet intensified, Karamanlis called for new elections (October 4, 2009), two years ahead of schedule. Ostensibly, looking for a way out, the ND leader ran on an austerity platform, stating that if reelected he would impose severe and unpopular measures, such as budget, wage, and pension cuts, tax hikes, as well as a government hiring freeze. His opponent, George Papandreou, eager to come to power after having suffered two electoral defeats, proposed a different way out of the looming crisis. He took the position that there was no need for austerity, as combating dynamically and effectively the pervasive corruption and widespread tax evasion, as he promised to do, would result in enough revenue to close the deficit gap. PASOK scored a decisive victory, securing almost 44% of the vote to Karamanlis' ND 33.5%. Karamanlis' affable personality, but rather lackluster leadership as prime minister and ND leader had come to an ignominious end.⁸

It soon became apparent that Papandreou had scored a pyric victory, as he had inherited a volatile economic situation worsening by the day, which, by temperament and philosophy, was ill suited to confront. He seemed to have underestimated the breadth and magnitude of the problem and he had no clear view how to proceed. Unlike in previous occasions, when Greek governments devalued the national currency (Drahma) to avoid default, this was no longer an option as the country was now in the Eurozone and monetary policy, including currency devaluation, was no longer exclusively in the hands of individual member states.

As the news of Greece's dire financial situation took center stage and international credit agencies downgraded Greek bonds to junk status, world capital markets could no longer be relied upon to lend money at reasonable rates. In an effort to improve the

⁸ For a balanced analysis of Karamanlis' leadership style and character, see Kevin Featherstone and Dimitris Papadimitriou, *Prime Ministers in Greece—The Paradox of Power* (Oxford: Oxford University Press, 2015), Ch 7.

country's tarnished credibility, and under pressure from EU quarters, the Papandreou government revised the 2009 deficit from 6% to 12.7%, and finally to 15.4% of the GDP. This exacerbated the situation even farther. Papandreou sought help from the IMF, which, as known, can provide only short-term assistance. Having no recourse, the Greek leader was forced to turn (April 23, 2010) to the EU for emergency assistance.

But the EU was not exactly prepared to deal with such a problem, as there was no mechanism in place to resort to or previous experience to draw from. In early May 2010, the government announced a series of austerity measures, and a few days later the Eurozone countries and the IMF approved a three-year €110 billion emergency loan, at a 5.5% interest rate, conditional on the implementation of the austerity measures announced by the government. This became known as the First Memorandum (Mnimonio) or First Economic Adjustment Program. Despite the widespread protests and riots that broke out, the austerity package was approved by parliament in late June 2010 with 155 votes (out of 300). The entire opposition (with the exception of ND deputy Dora Bakogianni) voted against it. A small number of deputies abstained, as did several deputies of the governing party, signifying the beginning of dissent within the ranks of the ruling PASOK.

As might be expected, the austerity measures were not popular and ended up making matters worse as the economy went into a recession, incomes fell, and the public mood darkened. Greek society was divided between those who did not like the austerity measures, but saw them as a necessary evil and grudgingly tolerated them (Mnimoniakoi), and those who rejected them and expressed their frustration and anger toward the political elites (anti-Mnimoniakoi), often in violent ways.⁹The former centered mostly among PASOK supporters while the latter included the majority all those who had supported opposition parties of the right as well as the left. The most prominent anti-Mnimoniakos at this stage emerged as the new leader of the main opposition party (ND), Antonis Samaras, Papandreou's former college roommate at Amherst. The conservative leader justified his opposition on the grounds the Memorandum lacked balance; it weighted too much on austerity and not enough on development. He sought to present an alternative in two weak, haphazard, and half-baked speeches---known as Zappeion I and Zappeion II---that convinced few.

Despite the harsh austerity, the economic situation worsened. The GDP fell by 7.5% in 2011 and unemployment rose from 7.5% in September 2008 to 19.9% in November 2011. By now, it was clear that the memorandum could not alleviate Greece's sovereign debt predicament and more help was needed. In July 2011, Eurozone leaders agreed to

⁹ Mnimoniakos is singular for male, Mninoniaki is singular for female; Mnimoniakoi is plural for either male or female.

extend Greek loan payments from 7 to 15 years and cut the interest rate from 5% to 3.5%. Portugal and Ireland were also included in this adjustment. In addition, EU leaders approved for Greece another €109 billion Euros in exchange for added austerity measures. Two months later, Eurozone and the IMF struck an agreement in which international banks accepted to reduce arrears owed to them by 50%, known as "haircut." During the negotiations, the parsimonious, hardline German Finance Minister Wolfgang Schäuble floated the idea that Greece should consider leaving the Eurozone (which became known as Grexit), and offered some incentives to help make the painful transition more palatable. The proposal was promptly and unequivocally rejected.¹⁰

Sensing that he could no longer carry the weight alone, as his popularity tumbled and support within his own party was steadily evaporating, in a surprise move, Papandreou proposed a referendum to be held in mid-November 2011. But the top leadership of EU members reacted sharply, forcing Papandreou to resign in what amounted to a revolt within his own party. After much wrangling, he was replaced by a multi-party government headed by a technocrat, the banker Lucas Papadimos. This opened the way for ND to change its position and to support the Second Adjustment Program or Second Mnimonio, which was approved by parliament in February 2012 with the support of ND and PASOK, although both parties suffered significant defections. By and large, the ND deputies that voted against later formed the core of the right-wing, ultra-nationalistic ANEL (Independent Greeks), while their PASOK counterparts eventually joined the left-wing SYRIZA. It is worth noting that Samaras' about face was prompted to a large degree by his own ambitions as well as EU pressure, especially German. Chancellor Angela Merkel requested and obtained his signature on a document promising to support the Second Adjustment Program.

The Padadimos government steered through parliament the second Mnimonio, but it had no popular mandate, and was meant to have a short life. Samaras was anxious to become prime minister and forced two consecutive electoral contests, which were held in May and June 2012 respectively. The Mnimonio--anti-Mnimonio dichotomy was back, except this time the line-up was different. ND, PASOK, and DIMAR (Dimokratiki Aristera), an offshoot of the defunct KKE-Interior) saw austerity as a necessary evil. The anti-Mnimonio line up included a mix of right-wing (ANEL and the neo-fascist Golden Dawn) and left-wing (SYRIZA and the traditional KKE) forces. The anti-Mnimonio side consisted of entities that had had deep and very diverse ideological views; they were united on their opposition to the Mnimonio, and very little else. The June elections were more decisive,

¹⁰ In a recent interview, then Greek Finance Minister Professor Evaggelos Venizelos described the almost surreal conversation where Schäuble presented the proposal to his Greek counterpart at the September 16-17, 2011 EUROGROUP meeting in Wroclaw, Poland. The two ministers, accompanied by one assistant each, met in a corner table of a dimly lit closed bar in the shadow of the EUROGROUP gathering.

allowing the first party (ND) to form a coalition government with PASOK and, for a while, with DIMAR. But the big winner was SYRIZA, a hitherto minor and motley political grouping, which emerged as the loyal opposition. Led by the young and attractive novice with no experience, Alexis Tsipras, hammered the coalition government every step of the way.

For the first time since the outbreak of the crisis, Greece had a government supported by the two post-1974 major parties and a portion of the left. The Samaras-Venizelos government, as it became known, showed considerable effectiveness implementing the provisions of the Second Adjustment Program. The economy began perking up, revenue showed some improvement, as did the Debt to GDP ratio. But the coalitions' life came to an early end in January 2015, as it lacked the votes to elect a president of the republic.¹¹ Tired and frustrated by austerity, the Greek voters decided to hand power to the anti-Mnimonio forces who promised an immediate and total end of all austerity measures, restoration of salary, pension, and other cuts, and a reversal of all tax hikes imposed since the beginning of the crisis. In characteristic hyperbole and a strong dose of audacity Tsipras declared that he would wipe the slate clean with one law and one paragraph. Lacking a majority, he formed a coalition with the right-wing ANEL led by the temperamental former ND deputy, Panos Kammenos. The eloquent but mercurial finance minister, Professor Yanis Varoufakis, was dispatched to European capitals to tell the EU partners that economics and statistics do not matter.¹² Instead, they should sit down with the new authorities in Athens to reach a political settlement on the country's debt. This was rejected promptly, flatly and unequivocally. What followed was a tumultuous 5–6-month period of wrangling with the EU, vain negotiations, unsuccessful attempts to find financial support from Russia and even far-flung China, and finally capital controls that rolled back whatever gains had been made in the last couple of years.

Facing an impasse and opposition within his motley coalition, Tsipras announced a referendum on whether to sign a new Mnimonio as the European partners were strongly advocating. The referendum was held on July 15, 2015. The voters heeded Tsipras' advice to vote against a new Economic Adjustment Program and an overwhelming 61.31% voted "NO." The result was nothing short of a worst nightmare come true. Facing a precipice, Tsipras ate his words, swallowed his pride, and having no alternative made a complete about face (kolotoumba, as the Greeks say). He formed the same coalition, appointed a

¹¹ The president of the republic is elected by parliament for a five-year renewable term. If the parliament fails to elect a president after three attempts, it is dissolved and new parliamentary elections must be held.

¹² Varoufakis recounted his experience in a detailed and self-serving memoir entitled *Adults in the Room: My Battle with the European and American Establishment* (NY: Farrar, Strauss and Giroux, 2017). See my critique of the Greek version in the *American Journal of Contemporary Hellenic Issues* 10 (Spring 2019). For the English version of the book see my review in *Mediterranean Quarterly* 29:1 (Winter 2018), 120-124.

new more pragmatic and less quarrelsome finance minister (Professor Euclid Tsakalotos), and began negotiations for a new Mnimonio. An agreement was reached in a matter of weeks with much harsher terms.¹³

The Third Economic Adjustment Program was approved overwhelmingly by parliament (222 in favor, 64 against, and 11 abstentions). ND and PASOK acted responsibly and supported the agreement, but SYRIZA suffered heavy losses. The more left-wing elements bolted the party and Tsipras was forced to hold new elections. They were held on September 20 and SYRIZA won, suffering only minor losses. The coalition of convenience was back in power, though no longer trumpeting a rejection of Mnimonia. The Third Adjustment Program was set to expire in August 2018. The new government proceeded with considerable diligence to implement the third Mnimonio. In due course, the free-fall stopped and the Greek economy embarked on a slow but fairly steady road to recovery that continues to this day. To its credit, and much to the chagrin of its coalition partner, the Tsipras government reached an agreement in 2018 with the leaders in Skopje to bring an end the long simmering dispute regarding the name of new country that emerged following the dismemberment of Yugoslav Federation.¹⁴ The two sides settled on Republic of North Macedonia *erga omnes* (for all purposes, or toward all).

Constitutionally mandated parliamentary elections were held in June 2019, in which the governing party (SYRIZA) dropped from 39.85% to 31.53%. The real deluge, however, came in the next electoral round (June 2023), when Tsipras's party ended up with 17.83% of the vote. The precipitous decline continued in the June 2024 elections for the European Parliament in which the party, under a new leader, the controversial and unprepared Stephanos Kasselakis, fell to 14.92%. Recent opinion polls indicate that its popularity has dropped below 10%, and there appears no end to this downward slide. Since 2023, SYRIZA has suffered a number of splits and defections, relentless infighting, and appears to be on a path of steady decline. The causes of SYRIZA's decline are multiple and complex, but exceed the scope of this study.

The other left-of-center party, the once mighty PASOK, under various formations has made a comeback, but its share of the vote topped a bit less than 13%. The party recently underwent a leadership contest in which six candidates vied for the top post. The incumbent, Nikos Androulakis, easily prevailed in the second round receiving nearly 60% of the vote of those that took part in the process. Yet there were no clearly discernible

¹³ It is worth noting the Governor of the Bank of Greece, Yiannis Stournaras, estimated that the delay and equivocation cost the country's treasury an additional €86 billion debt. EU officials elevated the amount to €100 billion.

¹⁴ This was a humiliating outcome for ultra-nationalist Kammenos and his party, and forced them to leave the coalition. ANEL ceased to exist shortly thereafter. Tsipras was able to lure several deputies from other parties and managed to maintain a slim majority in parliament.

and forcefully articulated policy difference between them. Though vigorous and civilized, the leadership contest did not seem to have gone very far toward developing a set of ideological principles and a coherent platform that would position PASOK to take advantage of SYRIZA's centrifugal trajectory and emerge the locus of a viable center-left alternative. A decent, youthful, and well-meaning man, in the three years at the helm Androulakis is lacking charisma, broad appeal, and personal gravitas. In short, the newly re-confirmed PASOK leader and his associates have a herculean task ahead of them.

Bereft of a narrative, the center-left is badly splintered and unable to present a unified, coherent alternative to the conservative ND, which under the leadership of Prime Minister Kyriakos Mitsotakis is playing in an open field with no viable opponent, despite increasingly visible signs of fatigue and internal dissent. ND feels more threatened by parties to its right than the center-left. But the extreme right, much like the center-left, also lacks unity and a clearly defined roadmap. At the present time, it is more of a protest movement than a serious entity capable of assuming power. However, for the first time since 2009, a single political party has a majority in parliament. But to function well, democracies need a strong government and a vibrant opposition capable and ready to assume power at any moment. Greece is currently badly wanting in this area. However, in democracies impasses or deadlocks tend not to last forever, and it is a matter of time before a force emerges to fill the void. But at this juncture is hard to predict what that force may look like and who will lead it.

Meanwhile, the Greek economy has stabilized and is making fairly good progress. For example, since 2021 the nation's GDP has experienced a healthy growth, inflation dropped to 4.2%, unemployment, although still high, fell below 10%, and the portion of the population below poverty has come down by nearly 10%. Yet, even though the per capita GDP (in current prices) went up from \$17,617 in 2020 to \$20,867 in 2022, it is still below pre-crisis levels. To a large extent, the gains seem to have been erased by increases in the cost of living. For instance, in 2023 food prices soared by 5.8%, and energy by even greater rates. Despite the marginally positive developments though, the Greeks feel that the progress is too little and too slow. Surveys show that almost 50% of the population see the economy as the most pressing problem¹⁵ One could argue that concerns over the economy were also reflected in the losses the governing party suffered in the recent European parliament elections (June 2024). ND's share of the vote dropped from 33.12% in 2019 to 28.1%.

¹⁵ This is based in a survey published by *I Kathimerini*, April 14, 2024, 1 and 21.

What About the Quality,...Ma'am? --A Balance Sheet

In the over a decade-long sovereign debt drama, democracy in Greece, though tarnished, is still in place, and survived fairly intact. But what about the quality? Has it suffered any damages? As seen earlier, the quality of democracy is assessed through three intimately connected dimensions: procedure, substance, and responsiveness. It would be worthwhile to see how Greek democracy fared in each dimension in an atmosphere of acute economic difficulties, keeping in mind that there is, and cannot be, a clear delineation between the various components of the three assessment agencies.

Let us commence with procedure, which is evaluated through the rule of law, vertical and horizontal responsibility, citizen participation, and political competition. The rule of law means that there is a stable, comprehensive, and legitimate body of law that is applied equally and fairly across the board by relevant and well-functioning institutions, such as courts and security agencies. As analyzed in previous research, the rule of law in Greece has been and remains problematic; laws are not carefully crafted, and the majority of them are not fully implemented. Relevant law making, implementation, and enforcement institutions and agencies—such as parliament, court, civil service, and police—were never held in high esteem by the Greek public, and, if anything, their standing seems to have deteriorated during the economic upheaval.

But this touches on accountability as well, both vertical and horizontal. Vertical is generally connected to free and fair elections, while horizontal connotes one institution keeping a check on the others. In the first, Greece gets high marks, for despite the crisis, elections were held, and were free and fair; more than ten legislative, local, EU, and referenda took place since the advent of the crisis. Horizontal accountability, however, was and remains more problematic. A glaring example here is the nation's parliament. Since its inception, the Greek legislative body has never been much into law drafting. Instead, it was and remains a law approving institution, and rarely turns down or substantially amends bills introduced by the executive. This situation became more pronounced since the advent of the economic crisis, as much of the necessary laws (particularly those relating to implementation) were enacted through acts of the cabinet (*πραξεις νομοθετικού περιεχομένου*), which the 1975 Constitution allows in situations of emergency, without setting clear parameters as to what constitutes an emergency. Likewise, Greek courts, with few exceptions, have shown little appetite or backbone to challenge the constitutionality of laws and emergency legislation. But, again, this is not a novel practice in the annals of the Greek polity.

Political competition and citizen participation, have been and remain fairly robust. For instance, the last electoral contest (June 2023) eight different political parties cleared the 3.0% threshold and won representation in parliament. There never has been a time since 1974 that fewer than three political parties had no presence in the nation's legislative body. Citizen participation is also high, but is it generally restricted to voting, protests, and strikes; civil society has been and remains fairly weak. In the initial stages of the crisis, protests became commonplace, and often violent. The so-called Movement of the Indignant became rather extensive, especially in the first 2-4 years, and took various forms of non-compliance, such as people refusing to pay road and bridge tolls, and vandalizing state and even private property. However, it is worth mentioning that voting turnout has progressively declined, reaching an all-time low in the last elections for EU parliament (June 2024), when 60% of the eligible voters abstained.¹⁶ This is a complex and worrisome phenomenon, and not unique to Greece, but beyond the scope of this article.

Substance is judged by freedom and equality. Individual, and especially press freedom, became more restrictive during the crisis to the point that prompted democracy assessing organizations, like *Freedom House* and the *Economist Intelligence Unit Index*, to downgrade the country's quality of democracy from Full to Flawed. But the *Economist* saw enough progress in 2022-23 and in its latest report pushed Greece back up to the highest category: Full Democracy. Equality also suffered during the crisis. More women than men lost their jobs, and female wages fell more than those of their male counterparts. This situation has changed very little. Greece is in last place among the 38 OECD member states as far as gender differences relating to employment and compensation are concerned. The July 2024, unemployment statistics, for instance, indicated that of the 848,602 people registered as unemployed, 68.61% were women while the portion of men was less than half (31.4%).¹⁷In general, however, Greece has a good record in this area, despite the crisis, and this is reflected in the Gini Index of Inequality where the country appears more egalitarian and scores better than the US and other wealthy democracies. Equality was strengthened further when in February 2024, after heated debate, the Greek parliament enacted legislation legalizing same sex marriage., becoming the first Christian Orthodox-majority country to do so.¹⁸ Polls showed that nearly half (49%) of the public was against same-sex marriage, 35% showed support, and 16% expressed no opinion. almost evenly split on the issue.

¹⁶ It should be noted that dwindling voting turnout is not unique to Greece; many, most, democracies experience similar phenomena.

¹⁷ *Ta Nea*, August 27, 2024.

¹⁸ Since 2015, The Republic of Cyprus is the only other Orthodox-majority country to legalize civil cohabitation, but not marriage.

Finally, the third dimension of the quality of democracy, responsiveness, centers on the success of government to meet and satisfy citizen needs, demands, and expectations—a subject that has been analyzed in considerable detail in a publication specifically devoted to this complex, intricate, and often very controversial topic. If judged by the draconian salary and pension cuts, steep tax increases, high unemployment, and the plethora of unpleasant social consequences during the sovereign debt melancholy, one would have to say without equivocation that the responsiveness quality of Greek democracy took a nosedive. But in view of the magnitude of the crisis, the situation could have been a lot worse. Successive cabinets took whatever steps they could, within the confines of the extremely tight financial situation and the strict conditions imposed by the lenders, to ameliorate the plight of those at the bottom of the socio-economic pyramid. It is worth noting that the Inequality Index changed little during the crisis and Greece remained a more egalitarian society than many other democracies around the world, including the US.

But this is not to suggest that governments from 1974 on acted responsibly. In fact, they behaved more responsively than responsibly. To a very large degree, this was conditioned by the political situation following the Civil War (1946-1949). From the early 1950s till the junta's demise in 1974, the conservative right monopolized power, marginalized the center, and persecuted the left. A substantial part of the population was stigmatized, left out, and denied social benefits. When the situation changed in 1974, hitherto excluded groups now demanded what they felt had been denied. Under the circumstances, post-junta governments put more emphasis on wealth and benefit distribution rather than development. Spending outpaced revenue, and to make up the shortfall center-right as well as center-left cabinets resorted to borrowing.

The ability of governments to push back against growing popular demands was limited by sheer political survival and the very nature of the party system where those out of government oppose any attempts by those in power to hold the line on spending or introduce uncomfortable but needed reforms. For example, the entire opposition and key social, economic, and professional groups took to the streets and thwarted Prime Minister Kostas Simitis' intentions (early 2000s) to revamp and rationalize the chaotic, wasteful, and unsustainable social security system. Most serious analysts believe that the malfunctioning social security system was at the very heart of the sovereign debt crisis. Under the circumstances, then, it was easier and politically more expedient for governments of all ideological persuasions to be responsive rather than responsible. The crisis forced them to act more responsibly, but the majority of the public accustomed to hefty salary and wage increases would have little of that.

Looking Into the Crystal Ball

The last 10-15 years have been a trying and excruciating experience for Greece and the Greek people. The country's fairly robust party system was upended, large segments of the population endured painful financial, psychological, and other difficulties, careers were ruined, and the weak but growing safety net (as the national health system) suffered significant setbacks. Freedom of press was curtailed, at least for a while, inequality saw a small but visible increase, and political participation took a downward turn. Yet, despite the vicissitudes, trials, and tribulations, Greece's five-decades old liberal democracy survived a near-death experience fairly intact, and its quality showed considerable resilience. It seems that the Greeks blamed the crisis on the political leadership, and sent many of them home, and deepened their distrust toward many of the country's institutions (such as parties, parliament, and bureaucracy), but did not turn their back on democracy itself.

While there appear no major social or other groups capable of supplanting democracy in the immediate horizon, nevertheless, some troubling issues potentially can threaten to undermine its long-term quality, and even survival. As mentioned earlier, the favorable loan terms are due to expire in 2032. If not renewed and international market interest rates go up, this could make it hard for future governments to service the loan and thus plunge the country once again into another spiral of sovereign debt predicament. Less than robust performance of the Greek economy in the future can accentuate the problem even further. Opinion polls reflect this uneasiness. In an early January 2024 survey conducted by ALCO, 56% of the respondents believed that the overall situation in the country will remain bad or get worse. The level of pessimism seems to have increased even further as reflected by a more recent poll (September 2, 2024) conducted by MRB in which 63.3% of the respondents are not happy with the state of affairs in their country.¹⁹

Indirectly, but closely connected, is the country's shrinking and aging population, which became even more acute with the flight of perhaps 650,000 (mostly young and well educated) who migrated to various EU countries, Australia, and the US in search for employment.²⁰The average age of those who migrated is 30.6 years; not many of them

¹⁹ A similar poll conducted by Metron Analysis on November 27, 2017 found that 72% of the Greeks felt that the economy and the country were headed in the wrong direction.

²⁰ Greece's population problem is complex, critical, and not easy to tackle. Here are some relevant but less than encouraging data. In 2000, half of the population was 39 years or older. Today that number stands at 46. Similarly, 50% of the population is over 60 years old, whereas in 2000 the portion stood at 16%. Only 3% of the population was over 80 in 2000, but today the percentage has doubled. Life expectancy at birth in 2022 was 78.8 years for men and 86.5 for women. It is projected that by 2070 the average for male will reach 84.2 and 90.4 for female. It is also projected that by 2020 the country's population will have shrunk

are likely to return. The population problem would have been even more severe if it was not for the influx in the 1990s of Albanians and other former Eastern bloc citizens, as well as Egyptians, Indians, Bangladeshis, and Pakistanis who streamed to wealthier Greece willing to do construction, farming, and other blue-collar and service sector jobs.²¹ Shortage of qualified labor, particularly in agriculture, would hurt the economy. Moreover, an aging population will put additional pressure on the country's feeble and overburdened social security system, which would force governments to take unpopular measures, such as tax hikes or benefit cuts, or commit more state resources to cover the shortfall. It should be noted, however, that many industrialized and/or wealthy countries face a similar problem, even China. Recent surveys indicate that the Greek public is becoming increasingly more aware of the problem as reflected in a public opinion poll in which 36.7% of the respondents saw low birth rate as the second most pressing problem facing the country. Climatic change ranked third (20.5%).²²

Desertification of the countryside is another long-term concern facing Greece, and involves two issues. Working the land appears not to be attractive or profitable and young people flee to metropolitan areas to make their home away from the countryside and in settings where they can pursue careers in non-farming sectors. As a result, rural areas are depopulated. Once lush green fields are left unplowed and yesteryear's thriving villages have become ghost towns with no schools or shops, and only a handful of elderly people left behind. But there is another component to this issue: desertification of the land due to a shortage of fresh water, and deep well drilling, which drops the ground fresh water table low enough to allow salty water to enter and fill the void. Irrigating fields with high salinity water contaminates the soil and renders it useless for cultivation. Climatic change compounds the problem. Greece imports ever-increasing amounts of grain, meat, and other essentials. Societies that cannot feed themselves are by definition insecure, vulnerable, and dependent for their food supplies on sources beyond their borders that tend to be unpredictable, difficult to manage or control.

by 25% as opposed to 4% for the EU average. In 2023, the Greek total fertility rate registered 1.263 children per woman, which represents a 0.63% decline since 2020. This is far below the 2.1 children per woman required for a population to reproduce/maintain itself. About 150,00 children were born in 1980, and only 80,000 in 2022. The number of births dropped to 71,455 in 2023, which amounts to a 6.1% decline from the previous year. Finally, there are indications that the work force will age even more. It is forecasted that by 2070, 78.2% of those between the ages of 56-64 will be actively participating in the labor force and 24.3% of their 65-74 counterparts. By contrast, the 2022 figures stood at 57.4% and 9.3% respectively. *I Kathimerini*, October 3, 2024.

²¹ In 2023, for instance, 80.67% of Greeks lived in urban centers—an 8% increase since 2000. By contrast, the US equivalent stood at (57%), Italy's (71.97%), and Portugal 's (77.91%).

²² *I Kathimerini*, April 14, 2024, 21.

There is also the rise of anti-democratic, anti-foreigner, almost nativist, political forces that see democracy as too weak to protect and safeguard the interests of the local population against “uninvited intruders.” Donald Trump in the US and Marine La Pen in France are but a few of the many examples that have sprung up in places like Germany, Austria, Holland, and elsewhere. Such individuals and the forces they lead have a Manichean, apocalyptic view of the world, present a distorted narrative laced with falsehoods and unsubstantiated claims, dispute election results that do not go their way, employ shrill and divisive rhetoric often replete with inaccuracies and platitudes, use degrading, vituperative, and vitriolic language against opponents and those who dare disagree, engage in demonization and character assassination, and single out and aim their wrath against certain social and/or ethnic groups, blaming them for all the ills of society.²³ The use of violence is also condoned, if not encouraged. History is replete with examples of such racist, narrow-minded, and xenophobic charlatans whose methods and ultra-nationalistic rhetoric ruptured and weakened the social and moral fabric and cohesion of societies, attacked and marginalized key institutions, and eventually undermined democracy and led their countries to uncharted and frequently catastrophic paths. The now outlawed Golden Dawn and its successor, Spartiates (Spartans), and to some extent, Elliniki Lysi (Greek Solution) and the newcomer, Niki (Victory), are of this ilk. They have appeared in the Greek scene, mostly during the crisis, and have managed to win representation in the nation’s parliament.

Finally, there is the EU and its inability or unwillingness to complete the project of European unification. There is very little doubt that the EU has stalled and has yet to take the necessary steps to seek a role in world affairs commensurate to its economic might. To this date, there is neither a unified foreign or security policy nor a structure in place to forge and implement one. Impromptu, spasmodic responses, rather than long-term planning, seem to have become the *modus operandi*. The EU saved Greece in its hour of need by providing the funds to keep the country afloat, but Athens and other capitals of member states---particularly smaller and weaker ones--cannot count on the EU to do the same in the future, should the need arise. Likewise, authorities in Athens cannot rely on Brussels to act as a bulwark against the revisionist rhetoric, and often times bullying tactics, emanating from a fellow NATO partner sitting on the other side of the Aegean:

²³ For example, the Republican candidate for president, Donald Trump, has suggested repeatedly that the United States will cease to exist if he loses the November 5, 2024 elections. He misses no opportunity to claim that he will deport all illegal aliens and even use the military against US citizens. On other occasions he has told people attending his rallies that those who vote for his opponent, Kamala Harris, will be voting for “the enemy,” and hurls personal insults against her. Commenting on the recent and highly catastrophic Hurricane Helene, right-wing House of Representatives member, Marjorie Taylor Greene (Republican of Georgia), a conspiracy theory fan and a diehard Trump loyalist, strongly implied that “they” (Democrats?) “can control the weather,” and asserted that “It is ridiculous for anyone to lie and say it can’t be done.”

Turkey.²⁴ None of these concerns pose an imminent threat to Greek democracy, but have the potential to gradually undermine its quality. Governments in Athens would do well to be watchful and take the appropriate steps, within the parameters of legitimate and democratic governance, to minimize and contain possible dangers before it is too late.

As a child and teenager, this writer experienced firsthand the cachectic democracy, and the exclusivist and restrictive atmosphere of the 1950s and early 1960s, and as a young adult followed from afar with apprehension the brutality and incompetence of the anachronistic colonels' dictatorship, and later the flowering, wilting, and lately the return to relative health of democracy in his native land. Now in his golden years, enriched by the opportunity to have interacted with scores of students from all walks of life and backgrounds, and having had the good fortune to visit more than 100 countries throughout the world, from the pleasant isolation of the dynamic but prohibitively expensive California's Silicon Valley, and some of the time from always sunny, humid, and hurricane-prone Florida, he has come to the firmest and unshakable conclusion: beyond the slightest scintilla of doubt, despite whatever failures and shortcomings, "democracy is the worst form of government, except of all others," and by far.

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²⁴ Partisan rhetoric notwithstanding, it is encouraging to see that perhaps for the first time in its nearly 200-year long history the nation's political system has come to a consensus as far as handling relations with Turkey is concerned.