New Trends in Greece in the 1990s: an Essay in Contemporary History

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Even though complete success is impossible, it is worth trying to see the recent past from the perspective of the distant future. This task requires one to identify and describe significant new trends in contemporary history. Those which became apparent in Greece in the 1990s are arguably of special importance.

1989: DAWN OF A NEW ERA

The end of the Cold War

The new trends were in fact becoming apparent in 1989, and give one the sense that an old era was closing and a new one beginning. One of the trends, which had been under way during the previous three years, was the ending of the Cold War. Since 1986 the Soviet leader Mikhail Gorbachev had pursued détente with the United States, while encouraging the peoples of the Soviet bloc to criticise their communist regimes. In the latter endeavour he succeeded, as we now know, far beyond his expectations. The resultant collapse of communist rule in much of the Soviet bloc brought about terminal disillusionment in southern Europe – except among a fringe of diehard communists – with socialism. The decline of the regimes from 1986 onwards coincided with equally severe disillusionment within Greece, for domestic reasons, with the rule of the once professedly socialist party PASOK. This disillusionment led, in turn, to a sharp drop in ideological tension between PASOK and the chief opposition party, the right-wing New Democracy.

These changes enabled the parties to the left of PASOK (which in 1988
formed a new party entitled the Coalition of the Left and of Progress) and New Democracy to form a coalition government after the general election of June 1989, with as one of its aims the burial of the hatreds of the civil war of the 1940s, hatreds which had underlain the extraordinary ideological passions of the first half of the 1980s. This task was attempted in a solemn ceremony in parliament in August, followed by a reconciliation law in September–October. The advocates of these measures claimed justifiably that they were putting behind them the issues of a past era, and clearing the way for the tasks of a new one.

The ending of the Cold War had other consequences for Greece. It spelt the end of communist rule in the rest of the Balkans, and thus the disappearance of the Iron Curtain which had since the 1940s separated the region from Greece. The downfall of communism dissolved the Yugoslav confederation and re-ignited ethnic tensions between its peoples, tensions which affected the countries bordering former Yugoslavia including Greece. As the economies of the communist systems fell apart, vast numbers of their citizens emigrated to seek their livelihood in capitalist countries including Greece.

The ending of the Cold War had further implications for Greece. It strengthened the international position of Turkey by changing and then in 1991 destroying what had hitherto been Turkey’s chief potential enemy, the Soviet Union. At the same time, in 1989, a constraint on the activities of the Turkish armed forces in the Aegean was removed by the EEC’s rejection of Turkey’s application for candidacy for membership. Not being obliged to impress the EEC any longer, Turkey ceased to fulfil the “spirit of Davos” (the scene of a conciliatory meeting between the Greek and Turkish prime ministers in 1988). As the Turkish armed forces were far stronger than those of Greece, and the leaders of those armed forces virtually dictated defence policy to civilian politicians, the consequences of these changes were dangerous for Greece. There followed a long period of heightened Turkish aggression against Greece in the Aegean Sea, while the countries of western Europe were feeling more secure than at any time since the 1920s.
The over-sized and inefficient executive

What was arguably the most important domestic task facing Greek governments became clear in mid-1989: preparation for accelerated integration of the twelve member-countries of the European Economic Community (EEC), of which Greece had been a full member since 1981. The details of this process were agreed to by member governments at a summit meeting in Madrid in June. In Greece, the need to participate in integration seemed obvious to all politicians and most voters outside the Communist Party. This was partly because of the country’s growing dependence on trade with and subsidies from the EEC. It was also because Greece needed friends in its confrontation with Turkey. In a deeper sense, integration with the EEC was a continuation of the pursuit of modernisation in which political, business and intellectual elites had been engaged since the birth of the modern state in the 1820s. They had since then become accustomed to comparing Greek institutions and practices with those of the developed countries of northern Europe and north America. To an extraordinary extent in the next few years, politicians of all parties, like journalists and intellectuals, were preoccupied with Greece’s apparent backwardness. The task of modernisation was identified by all except the Communists with assimilation with the EEC.

But it was also obvious that Greece in 1989 was woefully unprepared for this process. The economy was stagnating, and public finances were in a chaotic state, with a high budget deficit, hyper-inflation, and a mountainous government debt, which necessitated the humiliating supervision of the Greek Ministry of Finance by the European Commission and the International Monetary Fund for much of the 1990s. PASOK departed from power in 1989 after what was caustically named a “scorched-earth strategy” of buying votes en masse, using money borrowed from the EEC. One method of buying votes was to appoint people in tens of thousands to secure jobs in the public service, without requiring qualifications, before the general election of June 1989. The size of government – in terms of the percentage of GDP which it consumed, and the proportion of the
labour force which it employed – reached unprecedented magnitude, a fact with serious implications because most branches of the public service, as well as most public utilities and state-controlled industries, had been corrupted by partisan manipulation. Attainment of financial stability would clearly require extensive improvements in the efficiency, and drastic reduction in the size, of government. Particular attention would need to be given to eliminating the deficits of state-controlled sectors of the economy, and reform of the tax department so as to raise the necessary revenues. For other reasons, too, the efficiency of government was an issue of peculiar concern in 1989. Most people were exasperated with the inadequacy of a wide range of state services that were essential to an increasingly well-informed and urbanised society. Although an eternal subject of complaint in the media, the incapacity of the state provoked special concern in this and the following few years. One reason is that PASOK governments of 1981–89 had, in their pursuit of egalitarian ideals, set aside considerations of merit not only in appointments but also in promotions. While thus disabling the state administration, PASOK had raised public expectations of it, particularly in the areas of health, education and pensions. The inefficiency, or obstructiveness, of diverse services was also harmful to the economy. Foreign businesses were hampered by red tape and by the appalling telephone system. There was another category of public problems – environmental – which had for some years caused increasing concern, but seemed suddenly more critical and urgent. The government showed little capacity to respond to them. It was not just the ineffectiveness of government services which caused concern, but also their corruption, a problem thrust on public attention by the scandals of the PASOK regime.

What was also worrying about the PASOK regime was the extent of its power. It was the first government in Greek history to be based on a mass party organisation, which had proved formulated effective in penetrating, or overawing, institutions which, it was generally agreed, should in a modern democracy be independent of the government. These included most branches of the public service including the police, the
trade unions, various professional associations, the educational system, voluntary organisations, elected local authorities, to a considerable extent the judiciary and to some extent the armed forces. The extraordinary influence gained, not only by PASOK, but also by other parties, was shown during the ten months of enforced inaction of businesses and trade unions after the inconclusive election of June 1989. This power of the parties seemed to threaten the democratic gains made by the restoration of democracy in 1974. It also seemed to threaten the prospects of more efficient government, given the way in which partisan manipulation had damaged the state administration. It was yet another sign of the distance which Greece had to travel in order to catch up with the democracies of northern Europe and north America.

Yet there were encouraging moves towards devolution of powers, which were already appearing in 1989. The Karamanlis government in 1977, in its reaction against the worst features of the post-civil war regime, had enacted a new charter for the Church which guaranteed its independence. The Church repeatedly demonstrated its independence in the 1980s by attacks on PASOK measures which threatened its rights. The PASOK government had been forced in 1987, by the initiative of an enterprising mayor of Athens belonging to New Democracy, to allow private radio broadcasting. The natural sequel was provision in 1989 for private television. Numerous non-government radio stations sprang into existence in time to influence public discussion before the general election of June 1989. Like the private television channels established in 1990, they immediately became far more popular than their state counterparts. Newspapers were in the 1980s becoming more independent of political parties and governments, and were being acquired by business tycoons, who invested in new technology and ran them more as commercial operations and less as party organs.

The appearance in the 1980s of hundreds of active and enthusiastic environmental groups, independent of the parties, was a sign that civil society was coming into existence in the liberal conditions and the increasingly well-educated society which followed the transition from
military dictatorship to democracy in 1974. At least one part of the judiciarv, the Council of State, had in the late 1980s started to defy the executive on environmental matters. In 1989 a government failed, for the first time, to win a majority by court action on the executive of the main trade union body, the General Confederation of Greek Workers. The political parties were losing their moral authority, as became fully apparent before the general election of June 1989, when opinion polls showed a much lower level of public enthusiasm for and commitment to the party contest than before the previous election in 1985. As it turned out, this was the beginning of a trend towards apathy and cynicism about political parties, a trend which has continued to strengthen until 2000.

THEMES IN THE HISTORY OF THE 1990s

Entry into EMU

Successive governments had no choice about their chief priority during the 1990s, because it was dictated to them by the European Commission and the IMF: financial stabilisation so as to qualify for further loans. Governments did however have some choice about the degree to which they should take the stabilisation. The choice made both by the New Democracy government of 1990–93 and the PASOK governments since 1993 seemed at first to be hopelessly ambitious. It was to fulfil the criteria set by the Treaty of Maastricht of 1992 for entry into the Economic and Monetary Union (EMU, popularly known as the euro-zone). These criteria were a budget deficit no larger than 3 per cent of GDP and an inflation rate close to the average of the European Union (as the EEC became known from 1992). The goal was accepted by the overwhelming majority of the public, who were no doubt impressed by the several thousand construction projects co-financed by the EU that were under way in Greece by the mid-1990s. Most of the public was also attracted by the promised advantages of EMU membership: lower interest rates, greater attractiveness of the country to
foreign investors, and a currency with greater prestige than the drachma.

Many people, however, displayed strong aversion to the harsh means taken to achieve financial stabilisation: higher taxes and social security contributions, reduced social security benefits, and high interest rates. The harshness of the measures was intensified by the fact that the economy stagnated for three years in 1990–93 (meaning that there was no growth in wealth to accompany the continuing growth in population); while unemployment rose throughout the decade to reach a level of 11.7 per cent in 1999 – the second-highest in the European Union and still visibly rising. The majority of the population felt increasing reason to resent the tyranny of the tax department as it succeeded in increasing public revenue. There existed similar public resentment, for the same reasons, in the other southern countries of the EU: Italy, Portugal, and Spain, which also suffered in order to qualify for EMU membership. The resentment was, however, strongest in Greece, as proved by comparative opinion polls.

It is for this reason that the 1990s were marked by extraordinarily intense protests against successive governments. They were especially strong under the New Democracy government of April 1990 to October 1993, because its party supporters in the trade unions were outweighed by supporters of the left-wing parties. The government also worsened its difficulties by a socially provocative, neo-liberal or Thatcherite, ideology. Consequently it had to face extremely widespread and prolonged strikes and demonstrations. The PASOK governments, from October 1993 to now, benefited from the support of a majority of the trade union movement, which helped and encouraged those governments to attain a greater degree of social consensus in their austerity policies. But they too had to face demonstrations of unprecedented scale from various groups including farmers, who in two successive winters (1995–96 and 1996–97) blocked several arterial highways for weeks on end. The policies of PASOK governments provoked widespread resentment from their old supporters, resentment which led to serious divisions in the party and a large-scale shift in the party’s electoral support from low income groups to higher income groups.
The prospects of success in financial stabilisation became brighter from the mid-1990s onwards. Inflation fell in 1995 below double digits – for the first time since 1972 – and continued to decline thereafter. The size of the budget deficit was declining, although it had not disappeared even by 2000. The present government (January 2001) promises in 2001 the first budget surplus since 1966.

Successive governments since 1990 have proclaimed their determination to reduce drastically the size of the state sector of the economy, in conformity with the rest of Europe. They have been strongly and generally criticised for their unimpressive achievements in this respect. Yet progress was made and is continuing. The size of public utilities, in terms of fixed capital and employment, was gradually declining as they were sold, in whole or in part. The total numbers of people employed by the state and by state-owned sectors of the economy were declining as a proportion of the national labour force. State employment was not, admittedly, declining in absolute terms. This is because certain sectors of the public service – schools, local government, and the police – genuinely needed additional staff. It was however only these sectors which were growing, while some other parts of the public service actually experienced staff shortages in the late 1990s. (Of course they might not have been short of staff had they managed to improve their efficiency.)

The quality of new appointees to the public service was improving, and the scope for party patronage was declining, as a result of the progressive implementation of the Peponis Law of 1994, which established an independent administrative authority, the Supreme Council for the Selection of Personnel, to supervise competitive examinations for entry into public employment. One sector of the public service became notably more effective, largely as a result of computerisation: the tax department; and this change accounts largely for the great increase in revenues in recent years.

After Kostas Simitis became prime minister in January 1996, his government made loudly advertised efforts, which still continue, to improve government services to the public. One of Simitis’s achievements – against
NEW TRENDS IN GREECE IN THE 1990s

strong opposition within his government – was the establishment of the ombudsman in 1998. This office received the remarkable total of over 6000 complaints during its first year of operation in 1999, a large proportion of which were resolved by decisions favourable to the complainants. Certain public utilities became distinctly more efficient from the mid-1990s onwards, notably the telephone service. A survey of citizens’ satisfaction with public utilities in the countries of the EU in 2000 actually found higher-than-average levels of satisfaction in Greece with the services responsible for telephones, water, postage, and public transport. Here are signs that the notorious inefficiency and arrogance of officialdom were at last being remedied.

Although there was constant lamentation during the 1990s over the extent of corruption in the public service, it may well be the strength of criticism that was unprecedented rather than the extent of corruption. A long-term survey shows a decline in the number of prosecutions of officials since the 1950s, despite the growing number of officials. The author concludes by suggesting, plausibly, that there is an inverse relationship between levels of corruption and levels of economic development, and a positive relationship between levels of criticism and levels of development. In other words, the higher the level of development, the less the corruption but the more the criticism (Koutsoukis, 1998:150–54). Politicians evidently became more circumspect after the loudly advertised trials of PASOK ministers and public officials in 1989–92. The one exception was Andreas Papandreou, and he finally retired in January 1996. International surveys by the much respected research organisation Transparency International rated Greece in the 1990s as less corrupt than Italy or the eastern European countries.

Revival of economic growth in 1994 enabled progress towards financial stabilisation to continue. The overall growth rate of GDP from 1994 to 2000 has in fact been higher than the EU average, and enabled Greece to make some progress towards the official EU goal of convergence with the EU average in GDP per capita. In 1999 Greece reached a level of 69 per cent of the EU average, which represented a distinct
improvement but was still behind all other EU member countries.

So Greece ceased to be what it had been early in the decade: the invalid of the EU. One reason for the recovery was the vast and growing scale of EU subsidies, which were devoted especially to physical infrastructure but also to a wide variety of other purposes. Perhaps the best-known and most-needed product of EU subsidies is the splendid Athens Metro, which opened during the year 2000. Other constructions to follow soon are the Via Egnatia (the motorway linking Turkey to the Adriatic) and the giant Eleftherios Venizelos airport outside Athens, which is scheduled to receive visitors to the 2004 Olympic Games. Another reason for recovery is that Greek industrialists had succeeded in adapting to EU competition. They were also taking advantage, from about 1993, of the growing investment and market opportunities in the post-communist Balkans. They were helped by an improvement in the climate for investment in Greece from the mid-1990s, as the rate of inflation and the rate of industrial unrest declined to levels not known since the early 1970s. One sign of the improvement of the climate for business was the striking growth of the Athens Stock Exchange, which for the first time became an important source of credit for business. Admittedly, it entered a prolonged slump in September 1999 after an unhealthily speculative boom. But, in view of the profitability of the listed companies, it is expected by expert observers (in January 2001) to recover soon.

Eligibility for entry into EMU was triumphantly attained in June 2000, to the applause of people right across the political spectrum (except of course the unregenerate Communist Party, which had parted company with the left-wing modernisers in the Coalition Party in 1991, when Gorbachev was losing power). Even the Archbishop of Athens – who was in 2000 militantly defending traditional values against the government-led campaign to catch up with western Europe – congratulated the government on acceptance into EMU, which is scheduled to result in replacement of the drachma by the euro in 2002. This general reaction was due to more than the material benefits which could be expected from EMU membership. Entry into EMU was seen as proof that Greece was...
recognised by western Europe as an advanced and modern nation.

One advantage of this status was shown at the Helsinki meeting of EU governments in December 1999, which admitted Turkey as candidate for ultimate EU membership, but on conditions which in essentials endorsed Greek views about Turkish aggression. Turkey was required to make satisfactory progress towards democratic practices – which would include the withdrawal of the army from politics – and peacefully settle its disputes with Greece over sovereign rights in the Aegean.

**Emancipation of society from government**

The emancipation from government of various sectors of society continued. Although PASOK retained great influence over trade unions through its party organisation, governments of both parties ceased trying to dominate the executive of the General Confederation of Greek Workers (GCGW), by using pliant courts of law to nullify elections of opponents. Moreover, the state withdrew from the process of collective bargaining by a law of 1990 which abolished a long-standing provision for compulsory arbitration. Thenceforth negotiations between the GCGW and its chief counterpart among employers, the Confederation of Greek Industries, were increasingly independent of governments. The GCGW has become a powerful and independent pressure group, with enough independence, for example, to influence government treatment of illegal immigrants.

The court of appeals against the public administration, the Council of State, also displayed new independence from the late 1980s, and frequently defied the government in the 1990s by its rulings on environmental protection. Increased independence was increasingly shown by other sectors of the judiciary as well. For example, in 2000 public prosecutors reported findings to parliamentary committees that were very damaging to certain government ministers, who in response attacked the prosecutors, but were much criticised for doing so. In general, however, governments have been showing increasing respect for the independence
of the judiciary and for the rulings of courts.

Voluntary organisations – usually referred to as non-government organisations or NGOs – became noticeably more active and influential in many fields in the 1990s, for example environmental protection, assistance to immigrants, assistance to disabled children and battered women, protection of human rights and protection of consumers. Those running the organisations were generally skilful in making use of the media, from which they often received favourable publicity. They also made frequent use of courts of law, including the increasingly influential European Court of Human Rights. Until the start of the 1990s the normal attitude of governments to NGOs was antagonistic or domineering. But a change of attitude was apparent by 1996, when the Ministry of the Environment conducted and published a thorough survey of incorporated environmental organisations. From that time onwards, the attitude of government ministers to NGOs was increasingly appreciative and cooperative. A comprehensive government survey in 2000 recorded about 3,500 NGOs in a wide range of fields – evidence of expansion, which the government now welcomed.

From 1994 PASOK governments took major steps, with much public approval, to strengthen elected local authorities. In that year, the government made prefects and their advisory councils democratically elective and so more independent of the national executive. In 1997 a reform was enacted which had the effect of making the municipalities the second-most important tier of government. This is commonly referred to as the “Capodistria Programme”, which more than doubled the number of municipalities by amalgamating several thousand village communes. Since the late 1970s the financial resources and the responsibilities of municipalities had greatly increased, and an increasing proportion of these resources were guaranteed, and therefore placed beyond ministerial discretion. Municipalities received some funding directly from the EU, through which they also made useful contacts with counterparts from other countries. Presumably the PASOK government intended, when embarking on its programme of decentralisation in 1994, to retain control
of local authorities through its party organisation. It was disappointed, because the prefects and mayors showed increasing independence of the parties, and gained popularity by doing so. Many – apparently the great majority – of them showed such independence in the local elections of 1998 (Lrintzis, 2000:12–20). Local authorities are, therefore, another interest group which governments are obliged increasingly to consult when formulating policies.

Re-joining the Balkans

In the early 1990s, the Ministry of Foreign Affairs was so accustomed to a low level of contact with other Balkan countries that it was unprepared to respond to the sudden disappearance of the Iron Curtain. In this neglect, the ministry represented Greek society as a whole. For example, a politician who was about to become Minister of Foreign Affairs, Mihaili Papakonstantinou, pointed out in a letter to a newspaper in June 1992 that the languages of neighbouring countries were hardly being taught at all in Greece (Vima, 7 June 1992: A22).

For fear of contact between the Muslims of Thrace and their counterparts in Bulgaria, the government for some time continued to restrict the number of border crossing-points. The attitude of the public to Albania was at first dominated by bewildered resentment of a flood of illegal immigrants, anger at the mistreatment of the ethnic Greeks in Albania, and – on the part of some in Greece – atavistic territorial claims on “Northern Epirus” or southern Albania. The reaction of many people to the declaration of independent statehood in 1991 by the former Yugoslav republic of Macedonia verged on hysteria. Unfortunately, public pressure was strong enough to force the hand of successive governments, with the result that for 18 months (February 1994 to September 1995) Andreas Papandreou’s government enforced a pointless economic embargo on this feeble state, which it could have been turning into a friendly satellite.

During 1995, the official attitude to the Balkan neighbours became more constructive. Agreement was reached with what was now becoming
known as the Former Yugoslav Republic of Macedonia (FYROM), which abandoned the symbol of the ancient Macedonian monarchy on its flag and deleted words in its constitution which might imply claims on Greek territory. (These terms could have been attained without fuss three years earlier.) Since then, interchange of people and goods has greatly increased and official relations have been friendly, even though no final agreement has been reached on the name of the new state. The discrimination and isolation formerly experienced by those in northern Greece who speak Slav Macedonian has declined or disappeared.

Also in 1995, the Greek police cooperated with their Albanian counterparts in checking the activities of Greek extremists who had been operating in Albania using Greek territory, and the Greek government reached greater understanding with the Albanian government over the treatment of ethnic Greeks, many of whom had in any case migrated into Greece. Interchange of goods and people with Bulgaria also increased substantially. For the first time since 1945, the army abandoned control over movement of people in the frontier zone bordering the three Balkan neighbours.

In cultivating relations with Balkan countries, the government was following the lead taken since about 1993 or earlier by private entrepreneurs, who in increasing numbers found markets and investments in them. By 1996, trade with the rest of the Balkans was running at twice the level of 1992, and was steadily increasing as the economies of several Balkan countries started to recover from the collapse of communism. By 2000 about 3,500 Greek companies had invested in total nearly $3.4 billions in Balkan countries (Kathimerini, 10 November 2000, English internet edition), and were positioned to take advantage of the economic growth which can reasonably be expected as the Balkan governments establish secure conditions for business and learn how to manage capitalist economies. Greece has taken a prominent role in conferences, some between heads of government and others at lower official levels, to discuss various means of improving Balkan cooperation, especially in regard to trade, telecommunications, and military security. Conferences have
been held between special-interest groups from Balkan countries: jurists, filmmakers, human rights and environmental activists. The establishment of at least two new departments of Balkan studies at Greek universities (in addition to the long-established Institute for Balkan Studies at the University of Salonika), and the promised establishment of a department of Turkish studies at the University of Athens, indicate growing interest in the culture of neighbouring countries.

Greek governments, and official and unofficial organisations, have found themselves qualified to take a leading role in initiatives for Balkan cooperation because their country possesses those blessings to which the other Balkan countries aspire: a mature parliamentary democracy, a long-established and comparatively well-regulated capitalist economy, and membership of the European Union and NATO. Although in terms of material welfare the Greek people are (by conventional criteria) still well below those of northern Europe, they are far ahead of the other Balkan peoples. In terms of economic and military strength, Greece is actually stronger than the rest of the Balkans combined. Thus it was able to contribute substantial funds to the Balkan Stability Pact programme, established on American and EU initiative after the end of the NATO war against the new Yugoslavia in June 1999. Greece can be expected to benefit greatly from the ending of the United Nations embargo against the new Yugoslavia since the downfall of President Slobodan Milosevic in October 2000. Because most of the Greek people were known to be strongly opposed to the NATO bombing of Serbia in March–May 1999, the Greek government was well placed thereafter to mediate between Yugoslavia and the western powers.

**Towards a multicultural society**

One form of reintegration with the Balkans was involuntary: the mixture of peoples caused by uncontrollable mass immigration. In the 1980s thousands of immigrants began to arrive from Poland and then from the Soviet Union, the latter consisting of nearly 90,000 ethnic Greeks. The
flow of immigrants turned into an uncontrollable flood in 1991 with the opening up of the Albanian border. There has in addition been a considerable influx of people from the Middle East, Asia and different parts of northern Africa. Voluntary associations such as the Greek branch of Médecins sans Frontières estimated the total number of immigrants in 1999 as 800,000 or nearly 8 per cent of the national population, the majority being from Albania, though a portion of those from Albania were ethnic Greeks. After three years of strenuous official attempts to legalise this multitude of immigrants, the majority still have no official status. According to official figures, 6.5 per cent of children in primary and secondary schools in 2000 had immigrant parents, and one-third of these children were ethnic Greeks (whose parents were presumably more likely to send them to schools in Greece).

Given the scale and uncontrolled character of this influx, it is not surprising that the levels of public resentment against immigrants should be high – in fact the highest among EU countries, according to cross-country surveys. The universal belief in Greece that immigrants are responsible for a collapse of security and order helps to account for the resentment, even though the belief is not supported by the proportion of immigrants among the total number of people arrested and jailed by police. But it is also significant that about as many people in Greece say that they do not resent the presence of foreigners as those who say that they do (Ta Nea, 28 January 1998:1). This division of opinion can be explained by the immense value of cheap immigrant labour to an economy in which small-scale, low-cost family businesses are exceptionally numerous. Indeed, government ministers admit that immigrant labour is now vital to agriculture. Immigrant women even provide wives to Greek farmers, as Greek women have voted with their feet on the traditional hardships of rural life. Another strong source of support for immigrants consists of human rights and charitable organisations. Human rights organisations have embarrassed the government by appealing to the European Court of Human Rights and the United Nations High Commission on Refugees.
NEW TRENDS IN GREECE IN THE 1990s

A large proportion of immigrants are well educated. In fact their educational level is as high as that of the native population. This fact helps to explain why they have become well organised and articulate, as shown by the fact that since 1997 there have occurred four annual multicultural festivals in Athens, in each of which scores of immigrant groups have participated.

So Greece has suddenly ceased to be an ethnically or culturally homogeneous society. Current indications are that the majority of the public are likely to become in time considerably more tolerant of – or at least resigned to – this change.

Turkey: a turning point?

Greece and Turkey continued for most of the 1990s to disagree heatedly over air space and territorial waters around Aegean islands, and the Greek militarisation of eastern Aegean islands. Tension over the partition of Cyprus also continued, and reached a new level in 1996 with the killing of five civilians along the demarcation line, followed by the Greek-Cypriot purchase of anti-aircraft missiles from Russia. Yet another and still more alarming cause for dispute arose in January 1996, with the Turkish claim to the islets known in Greek as Ta Imia close to the Turkish coast, followed by challenges, made by Turkish military figures, against the sovereignty of other Aegean islands. In early 1999, relations between Greece and Turkey still seemed about as bad as they ever had been since the Turkish invasion of Cyprus in July–August 1974.

Then they suddenly improved, after the earthquakes in Turkey and Greece in August–September 1999. Public feeling between the two countries was transformed by the sight on television of Greek and Turkish rescue teams working side by side in the rubble in both countries. Here is further evidence of the power of the TV image. But what was at least as significant was the eagerness of the two governments to take advantage of the new climate of opinion. The Greek government, led since January 1996 by Kostas Simitis, had avoided the demagogic nationalism of his
predecessor Andreas Papandreou and tried to improve relations with neighbouring countries, presumably in the hope of enabling the country eventually to reduce its defence expenditure, which was extraordinarily high (by the standards of EU and NATO countries) in relation to GDP. With a normal defence burden, Greece could probably have spent more desperately needed money on its social services and economic infrastructure, besides joining Economic and Monetary Union at the same time as other EU countries. The Turkish government needed to improve relations with Greece, because it was preparing to apply once more to be admitted as a candidate for membership of the EU, a goal which was seen as more desirable than ever by dominant sections of opinion in Turkey including the armed forces. Simitis’s support for Turkish candidacy at the Helsinki summit conference in December 1999 was a shrewd departure from previous policy. No longer could Greece be blamed for obstructing Turkish membership. If there was any further delay, blame would be likely to stick instead to the Turkish military for obstructing progress towards the conditions for membership required by the EU.

In the fifteen months since the earthquakes, the new climate of relations between Greece and Turkey has continued, although marred by at least two squalls. While showing no disposition to abandon any of their former claims, the Turkish military leaders have also shown a desire to maintain good relations with Greece and with the EU – a point apparently overlooked by nationalist critics of Simitis in Greece. Nine agreements have been signed between the two countries on relatively non-controversial but valuable matters including the promotion of trade and tourism, the control of immigration and the suppression of terrorism. Trade, investment, and tourist traffic between the two countries have greatly increased. Turkish violations of Greek airspace have greatly declined. When the EU expands eastwards – as it is expected to do in a few years with the admission of eleven eastern European countries – Turkey’s need for EU membership and therefore for Greek friendship is likely to increase. In time it might even be possible for Greece to reduce its defence budget.
CONCLUSIONS

This brief survey indicates that Greece has made impressive progress in the 1990s towards convergence with the better features of western liberal democracies. Governments have learnt to show greater respect for the law, and greater readiness to consult with other interest groups. Partly in consequence, political power has become more decentralised and civil society has become stronger. People in Greece have become more interested in neighbouring countries, and more accustomed to living with immigrants of different cultures. Relations with neighbouring countries have improved, for reasons which give ground for hope that the improvement will continue. The economy has become more competitive with those of western Europe. In various ways, the national government and public utilities have become more efficient.

At the same time, adhesion to the most valuable of national traditions remains strong. According to international surveys, Greece has stronger family values and a lower crime rate than any of the other fourteen EU countries, and is the only western country (that is, one that has not experienced a communist regime) in which religiosity has increased in the last twenty years. This trend might be explained by the partial recovery of the Church from the discredit which it suffered from association with the post-civil war regime before 1974. The Church seems likely to benefit, also, from a current change of generations at the top, and in particular from the succession of the popular Christodoulos in May 1998 to the position of Archbishop of Athens.

If one concluded that the dominant mood in Greece is optimistic, one would however be wrong. Most people in Greece are habituated by EU surveys to compare their situation with that of other EU countries, not with that of their neighbours. Successive surveys of EU countries in recent years found that Greece and Portugal had the highest proportions of people who believed that their circumstances had deteriorated in recent years, and reporting themselves to be dissatisfied with life. They also showed that economic inequality (specifically the ratio of the highest
twenty per cent in income to the lowest twenty per cent) was greatest in
Greece and Portugal, which were also the poorest countries in GDP per
capita. Taking all the surveys together, one gets the impression that con-
ditions were worst in Greece, which had the lowest GDP per capita, the
highest proportion of people reporting that they had difficulty in mak-
ing ends meet, and the longest working hours. There is serious and ob-
viously justifiable dissatisfaction with social services – especially edu-
cation, health and social insurance. The dissatisfaction seems to be due
more to rising public expectations than to declining standards.
Nevertheless, appeasing it seems to be the most difficult challenge now
facing the government.

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Vima (national daily and Sunday newspaper, in Greek).