As long as the state is still seen as the centre of economic activity in Greece, and public sector reforms are seen as anti-patriotic, real and lasting reforms will remain elusive.

Why has Greece been consistently unable to implement a coherent austerity plan? While many commentators attribute this to the corruption of Greece’s political elites, Elpida Prasopoulou looks closely at Greece’s political discourse of the past four decades, and finds that it has been dominated by a populist version of social democracy that has positioned its people as the centre of all state activity, with any resistance to this economic order being seen as unpatriotic. Whether or not the sovereign debt crisis may be a sufficient enough opportunity for these ways of thinking to be overturned remains to be seen.

For most commentators, Greece’s recent inability to implement a coherent austerity programme to contain its deficit has been mainly attributed to the existence of corrupted political elites that have resisted reform. Such an explanation blames these elites for the collapse of the country’s public administration with the excessive adoption of special interest practices and political patronage.

Such accounts may explain some elements of the situation, but they cannot sufficiently explain why the Greek political system cannot respond while the country has been on the verge of unstructured default. Neither, can they convincingly interpret the inability of reform strategies to gain societal support, or why, even now, Greek society rejects reforms that could lead to a more efficient and accountable state apparatus.

A look at the broader context of political discourse in Greece can be helpful in explaining why reforms have been resisted. How has the Greek political system framed the role of the state in Greek society? Why is public sector employment so valued by Greek society? What are the legitimate positions that political parties can take on reform without risking severe societal upheaval? We can address these questions by drawing a detailed picture of how political parties have framed these debates since Greece’s democratic consolidation in 1975.

In recent decades, political discourse in Greece has been dominated by a populist version of social democracy that positioned the people at the centre of all state activity. Among its core elements were the equal participation of all citizens in public sector employment, supplemented by an egalitarian ethos in the allocation of work-related benefits, independently of the actual performance of each employee. In this discourse, the rejection of developmental models based on free market competition was seen as a patriotic act of resistance.

Instead, this ethos championed the presence of state enterprises in all strands of economic activity as the means for a more just and inclusive society. This rhetoric, when combined with the clientelistic practices deeply entrenched in the country’s political culture, resulted to a gradually expanding public sector which served both as the main provider of white collar jobs but also as an instrument for the allocation of social goods, mainly in the form of employment, in underprivileged social strata.

These two, inherently contradictory, functions resulted in a public sector that served as an employment machine with no regards to efficiency, the development of expert knowledge and, ultimately, the viability of state finances. It also led to quite idiosyncratic trends in Greek society; social groups, in order to gain access to public sector employment, started shaping their identities as underprivileged, arguing for their protection from the state. In the same vein, professional groups did not advance their interests by making claims of expertise. Instead, they started forging identities as champions of societal goods, requesting preferential treatment either in the form of...
access to public sector employment, privileged relationships with public sector companies or, in the very least, tax exemptions.

Given the centrality of the state in Greek society, this intricate web of preferential treatment for various social groups became a substitute for welfare provision, with groups fiercely resisting any reform, by consistently framing their resistance around their underprivileged identity in order to gain support from Greek society. As a result, Greek politics have been mainly dominated by discourses and counter-discourses on social justice and equality which unfortunately served as facade for the preservation of the corporatist interests of groups with a firm grasp on party and state mechanisms.

How is reform possible in such a context, and how can it be framed? Over the past three decades, Greek politics has been shaped in ways that limit how politicians can actually debate issues of reform; political parties are unable to formulate a convincing argument in favour of reform without being perceived as unpatriotic and anti-popular. Changes aimed at relaxing state control over the economy and to restructure the public sector are immediately rejected by social groups that position themselves as champions of public goods gaining support from Greek society. This framing that combines patriotism with economic development and social justice constitutes the greatest obstacle to reforms. Reformist governments are presented as unpatriotic and usually succumb under the pressure of societal discontent. Reform has been mainly framed as emergency strategy, usually accompanied by austerity measures, but they always come with a time-limit and the hidden promise that they will either be forgotten, during their implementation, or gradually reversed.

Since 2010, the reforms and austerity measures accompanying the bailout triggered the usual repertoire of counter-discourses. Social and professional groups as diverse as electricity company employees, taxi drivers, doctors, lawyers and pharmacists rejected austerity measures making claims to the protection of social goods from foreign invaders and stressing the underprivileged character of their professions. The government, rapidly losing its legitimacy, adopted a war-time rhetoric stressing the criticality of the situation while hinting at the survival of the country. It was an all too familiar situation with the usual result; the reforms did not go through.

Yet, the sovereign debt crisis has profoundly dislocated the social and economic debate in Greece. Society, slowly but steadily, has become acutely aware that things have reached a truly critical point. And, for the first time after several years, arguments that stress the need for an efficient and accountable state and a competitive economy, are gaining considerable strength. Whether such arguments will rise to the fore in Greece forge a solid background for significant reforms remains to be seen.

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