Joint Conference:
Hellenic Observatory, London School of Economics
& British School at Athens

Changing Conceptions of "Europe" in Modern Greece: Identities, Meanings, and Legitimation

28 & 29 January 2011
British School at Athens, Upper House, entrance from 52 Souedias, 10676, Athens

PROGRAMME

Friday, 28th January 2011

9:00	Registration & Coffee	
9:30	Welcome:	**Professor Catherine Morgan**, Director, British School at Athens
9:45	Introduction:	Imagining 'Europe'. **Professor Kevin Featherstone**, LSE
10:15	Session One:	Greece and Europe – Progress and Civilisation, 1890s-1920s. **Sir Michael Llewellyn-Smith**
11:15	Coffee Break	
11:30	Session Two:	Versions of Europe in the Greek literary imagination (1929-1961). **Professor Roderick Beaton**, King's College London
12:30	Lunch Break	
13:30	Session Three:	'Europe', 'Turkey' and Greek self-identity: The antinomies of 'mutual perceptions'. **Professor Stefanos Pesmazoglou**, Panteion University Athens
14:30	Coffee Break	
14:45	Session Four:	The European Union and the Political Economy of the Greek State. **Professor Georgios Pagoulatos**, Athens University of Economics & Business
15:45	Coffee Break	
16:00	Session Five:	Contesting Greek Exceptionalism: the political economy of the current crisis. **Professor Euclid Tsakalotos**, Athens University Of Economics & Business
17:00	Close	
19:00	Lecture:	British Ambassador's Residence, 2 Loukianou, 10675, Athens **Former Prime Minister Costas Simitis** on 'European challenges in a time of crisis' with a comment by **Professor Kevin Featherstone**
20:30	Reception	
21:00	Private Dinner:	British Ambassador's Residence, 2 Loukianou, 10675, Athens - By Invitation Only -

Saturday, 29th January 2011

10:00	Session Six:	Time and Modernity: Changing Greek Perceptions of Personal Identity in the Context of Europe. **Professor Renee Hirschon**, St. Peter's College, Oxford
11:00	Coffee Break	
11:15	Session Seven:	The vicissitudes of identity in a divided society: The case of the Muslim minority in Western Thrace. **Professor Thalia Dragonas**, Secretary, Ministry of Education, Lifelong Learning and Religious Affairs
12:15	Concluding Session:	Themes and Comparisons
13:00	Close	

CHANGING CONCEPTIONS OF 'EUROPE' IN MODERN GREECE:

AN INTRODUCTION.

KEVIN FEATHERSTONE

LSE

THE DOMESTIC CONSTRUCTION OF 'EUROPE' AS A *RÉFÉRENTIEL* IN MODERN GREECE: QUESTIONS

Where is 'Europe' [an object]? Relational to: *Who* are 'Europeans'? [subject]

- Which 'Europe' is chosen? Concert, Great Powers, EU (MLS).
- Relationship to 'Greekness': the juxtaposition of our glamorous ancestors & the modern Europe we wish to emulate (Skopetea in MLS). The narration of 'Europe' (e.g. in ethno-symbolic terms) . A 'Eurocentric' mindset of Greekness & of the 'Other' ['Turk'] legitimating new nation (Pesmazoglou).
- Inclusion/exclusion of the 'other' (Th. Dragona;); relevance of 'Europe' to minorities.

When is 'Europe'? [temporal comparisons in how constructed; its intensity; cf. alternatives]

Why 'Europe'? [actor purpose]

- The relevance of 'Europe' to the domestic: the content & purpose of identification/rejection; relationship to 'modernity' (& its opponents)(R. Beaton); as a cultural lifestyle (R. Hirschon).

What is 'Europe'? [a constructed & an activated domestic resource]

- legitimation, empowerment of domestic action: e.g. early Greek state & contradictions between imported norms & backward realities (Tsoucalas; Mouzelis). Today: 'modernisation'; a set of evaluation criteria: failings of domestic state.

How is 'Europe'? [capability to act; options arising]

- The power; strategic opportunities; reform instruments, constraints of Europe (Pagoulatos; Tsakolatos).

A PRIORI: MANY 'EUROPES' IN GREECE

Object changes over time due to:

Historical resonance & shifting power balances (IR):

- Images change in relation to Greek irredentism; impact of Great Powers; divisions, fears of Cold War & position of Balkans; affecting Greece's interests on Cyprus, Turkey.

Conflicting cultural & political identities:

- Early diasporic orientations, relevance of Orthodoxy (e.g. Hélène Ahrweiler)
- Legacy of contrasting orientations: e.g. Trikoupis v. Deligiannis; later: Venizelos. Theotakis' "Free Spirit" (1929) confident outwardness (R Beaton).
- Different 'worlds' within Europe. Changing status of neighbours (e.g. Balkans). Object, models of emulation (from nation-building to recent Irish or Swedish economic models).

The consequences of Anti-Americanism.

- Redefining the 'West' & Greece's attachment: Europe as an alternative 'pole' after 1974.

Integration & the deepening of the EU's domestic reach.

- Sectoral variation in impact of EU. Transformation in agriculture.
- Shift/cleavage in support for EU – changing popular image.

Economic penetration & interest: trade, finance, dependence.

- Shift of frames in foreign (im)migration (remittances, Gastarbeiter to porous Schengen, influx of Albanians).
- Gains from trade & threatened domestic model; 'underdog culture' (Diamandouros).
- Need for international loans (C19th-21st).

PERCEIVED EFFECTS OF BEING MORE 'EUROPEAN' IN RECENT TIMES: E.G.

Consolidation of democracy

Administration: more technocratic modes

Economics: more neo-liberal & flexible (EMU; single market; Lisbon; privatisation; bailout)

Civil society: empowerment

Revised notions of 'citizenship'; minorities & multiculturalism
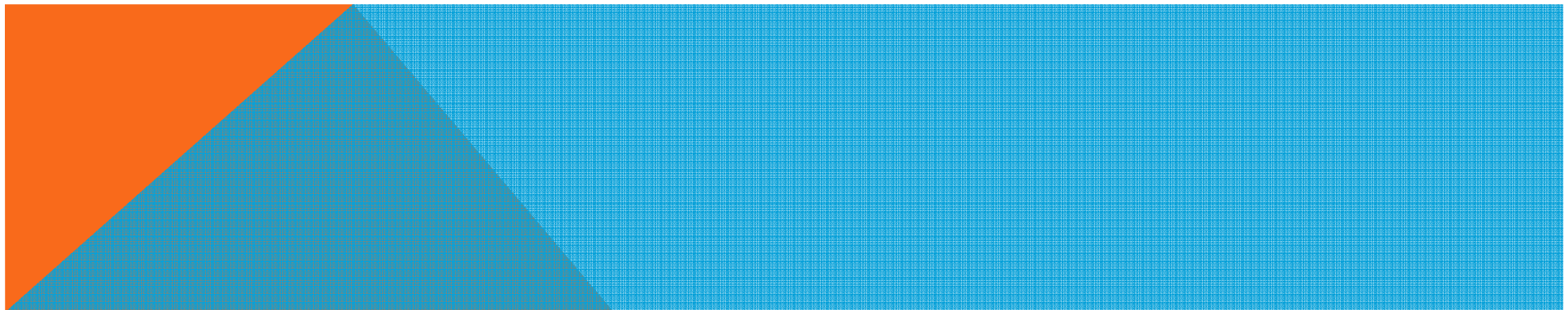
Engagements: multiple socio-political EU networks

Political parties: LAOS; PASOK & social democracy

A cultural mode of behaviour (not traditional)

Exchanges: ERASMUS; high levels of education abroad.

Foreign policy: Cyprus, Turkey accession; Kosovo.

KARAMANLIS POST-1974

Strategic:

Consolidation of democracy.

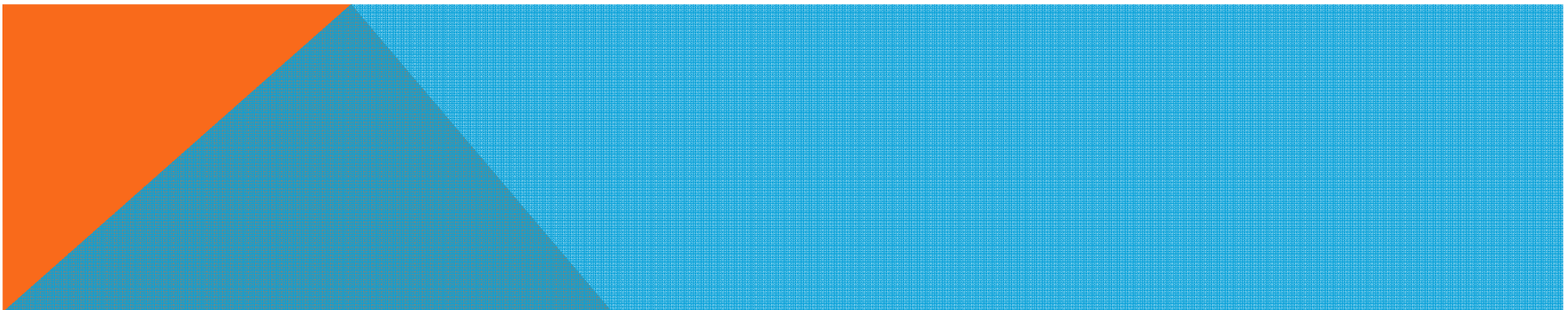Time imperative: accession before Spain, Portugal.

National defence: advantage over Turkey.

Ideational:

Modernise Greece (economic, social; institutional).

Economic aid, investment.

'Europe' used in agendas of democratisation; foreign policy advantage; national programmatic steer of modernisation.

MITSOTAKIS, 1990-93: CATCH-UP, AVOID MARGINALISATION IN DEEPENING EU.

'Η Ελλάδα έχει μείνει πολύ πίσω, ουραγός στην Ευρωπαϊκή κούρσα προς το 1992 και τιν οικονομική και νομισματική ένωση. Είναι ανάγκη να εφαρμοστεί αμέσως μία οικονομική πολιτική για την επόμενη τετραετία, που θα εγκυάται την ανασυγκρότηση, την διαρθρωτική προσαρμογή, την οικονομική ανάπτυξη, τη σύγκληση με την πορεία που διαγράφουν οι Ευρωπαίοι εταίροι μας. Δεν υπάρχει άλλωστε άλλη επιλογή για τον Τόπο. Ή θα προχωρήσουμε με τους άλλους λαούς της Ευρώπης ή θα μπούμε οριστικά στο περιθώριο'.

'Greece is behind in the European race towards '1992' and Economic and Monetary Union. It is necessary to immediately implement a four year economic policy that will guarantee the reconstruction, the structural adjustment, the economic and social development, [and] convergence with our European partners...There is no other alternative for our country. Either we will follow the rest of the European people, or we will be marginalised... (Mitsotakis 1990: 15 & 18).
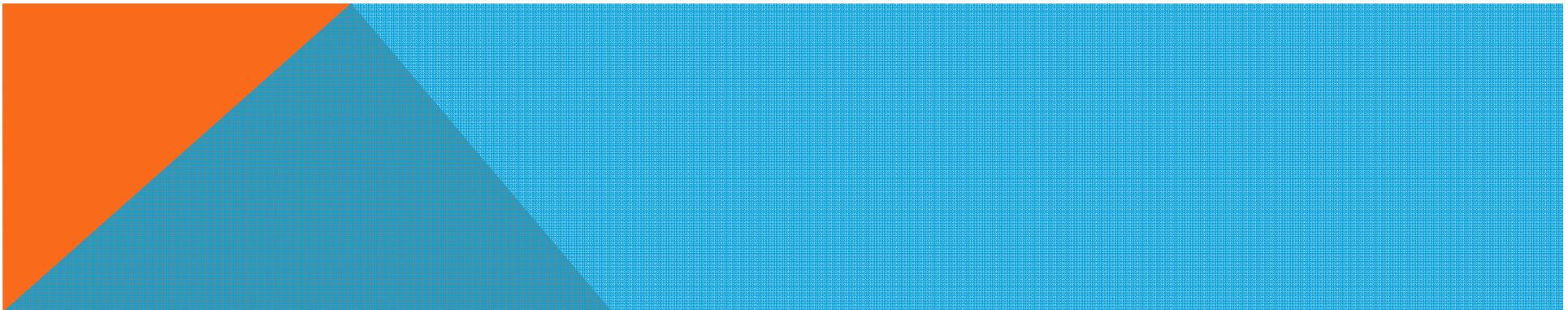
SIMITIS' DISCOURSE ON 'EUROPE'

Strategic:

Again 'time': a lever for catch-up. A big leap.

- History of lost opportunities, internal division.
- 'Modernisers': a strata that aspires; & is frustrated.

New uncertainties: technology; globalisation; demography. Mitigated in EU's core.
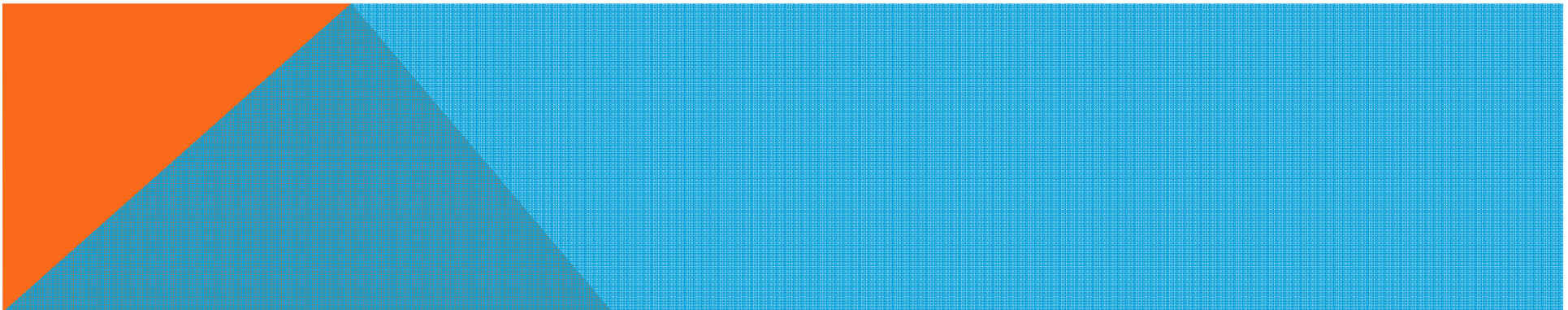
Ideational:

Real convergence means structural reforms.

- Reform leverage.

A new 'social state', a 'powerful society'.

- A social dialogue. [see also R. Prodi]

'Europe' as identity; leverage; (policy) normative.

DISTINCTIVE DISCOURSES

Greek discourse differs from dominant narratives of:

Rapprochement & Cold War (France, Ger.)

Market access: UK; Ireland; Denmark; Sweden; Finland.

Sovereignty, neutrality sensitivities.

Human, civic rights (Turkey; Kosovo).

Greece: Distinctive, but not unique, stress on:
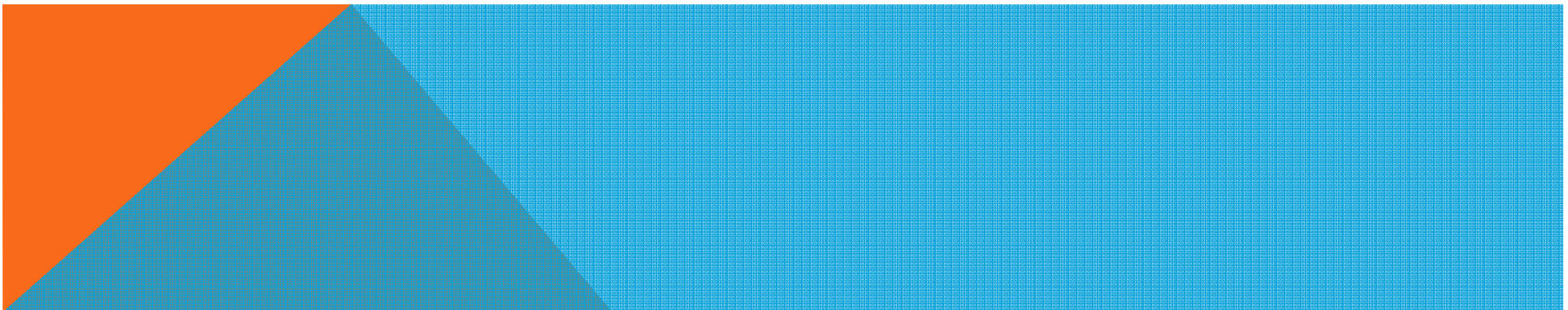
Democratic consolidation

Foreign policy advantage over neighbour

Reform leverage for 'modernisation', liberal reforms.

Identity: with core, not marginalised

Economic aid, support, austerity. A 'cash-cow'.

Different worlds of Europe, different content to 'Europeanisation' - discourses ascribe different meanings, instrumentality.   cf. T G Ash on 'grand narrative' of EU.

INDIGENOUS ROOTS OF 'EUROPE'

'Modernity' & W Europe since birth of the new nation; democratic consolidation, issue of identity: common themes in SE discourse (Diamandouros).

- 'Progress and civilisation' of early C20th; 'modernisation' of Simitis.

EU as a foreign policy tool: mirrors Great Power (collective & individual) interventions in Greece.

But what's new: EU is historically distinctive as a constraint: a vehicle for economic liberalism; reform empowerment; need to remain in 'core'. [but compare with C19th default & int'l loan conditions]
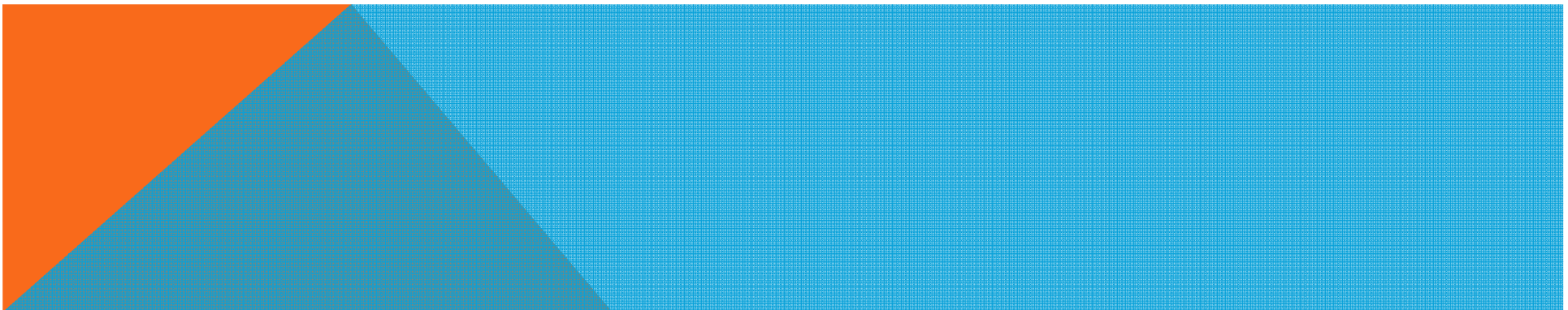
CF. 'EUROPE', BRITAIN & 'ENGLISHNESS'

Both Greece & UK see Europe as 'the other':

- Love, hate, fear, but not 'us': in early C20th British fiction, Nyman (2000) notes sense of external threat (invasion fantasy; H G Wells, Erskine Childers) & of England as *not* Europe, stressing difference (D H Lawrence; J. Conrad), sense of superiority, but also admiration (especially for Mediterranean).
- Greece & UK: share geographic distance - both 'go to Europe'.

But UK not: sense of shared cultural copyright on 'Europe'.

Not: as a test of modernity; strategic imperative to 'catch-up'; not as a reform lever (reverse).
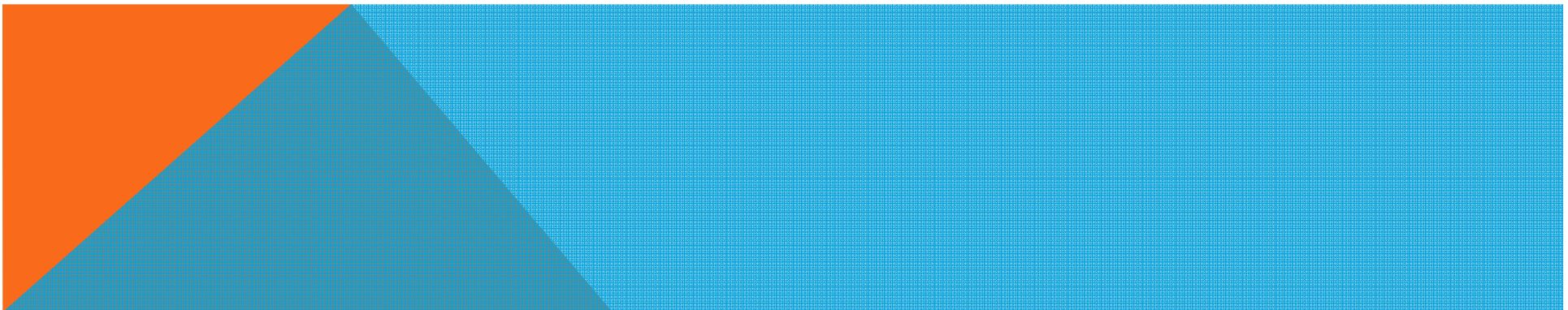
FRAMES OF DISCOURSE

Cycles of 'Europe' over Greek history: outwardness / inwardness shifts to be explained.

A discourse of vulnerability: cultural legacy, but modern laggard; aversion to fringe status; regional security fear; policy-taker; economic dependence (Troika).

Juxtaposed with a positive, voluntaristic dimension: Greek normative assimilation; the domestic reform utility of Europe.

Discourse vulnerable to excessive swings of a sense of achievement & failure? Discourse feeds on itself, bi-furcating self-image, sense of purpose, of progress.

[comparisons?? Bifurcation: Ireland; Leverage: Italy]
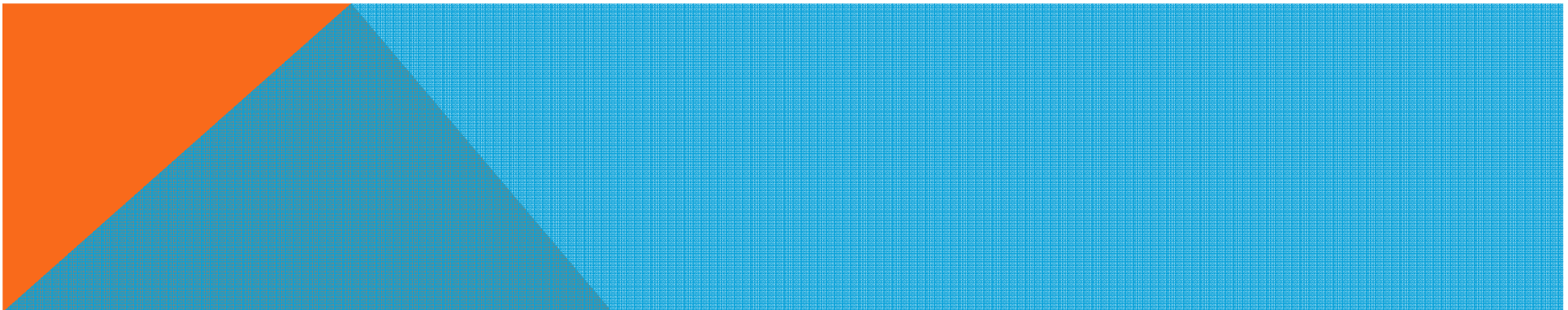
OUR PURSUIT OF 'EUROPE' IN GREECE:

Foreign relations: MLS; S. Pesmazoglou.

Cultural identity: R. Beaton; R. Hirschon; Th. Dragonas.

Politics, state & market: G. Pagoulatos.

Economic crisis: E. Tsakalotos.

Common foci: identification; meaning; legitimation. [Timing; impact; resilience]

GREECE AND EUROPE: PROGRESS AND CIVILISATION, 1890s-1920s

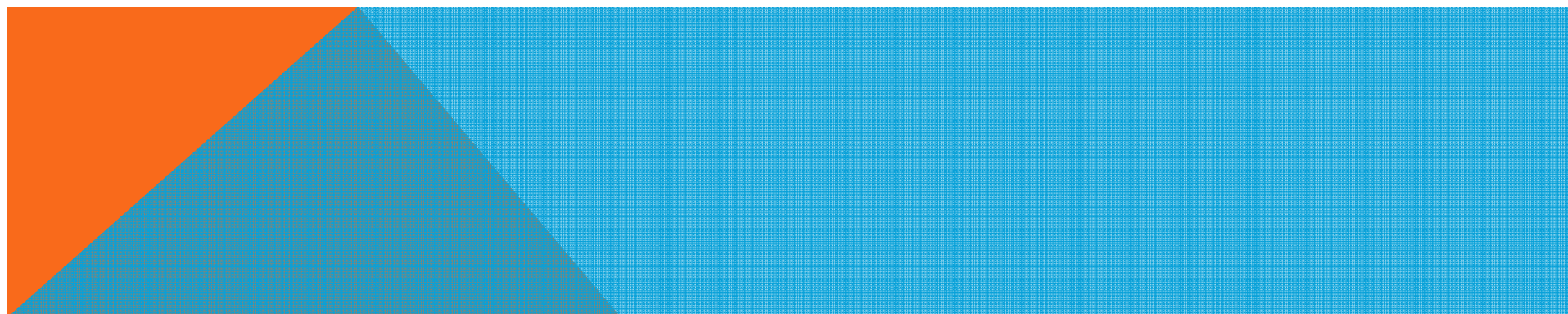I don't think we need to spend time worrying over a definition of Europe. For my purposes today Europe is a cultural and political idea, not primarily a geographical expression; though geography is relevant in considering which countries partake in the meanings attached to the term 'Europe' in the period I deal with.

The period falls into two distinct halves: that which ends in 1922-3, where the prevailing Greek ideology is that of the Great Idea; and that of the later 1920s and the interwar period, where Greek policies are cautious, non-expansionary, and ideas of Balkan and wider European federations are advanced but fail.

A number of overlapping concepts are in play in the second half of the 19th century in relation to Europe. They include progress, civilisation and modernisation. The Great Powers of Europe are major players, engaging with Greece both separately and together in various combinations.

I hope that in this talk to disentangle some of these concepts for the period from the 1890s to the 1920s, and in doing so to throw some light on the attraction for Greece of the 'European idea' or ideas.

From the time of the war of independence, Europe plays a crucial role in Greek conceptions of the nature of the new state and its institutions, and in political calculations of how to institute and develop the free state. This double aspect of Europe – the ideal and the practical - has been present ever since. Europe is on the one hand a source of enlightened values, institutions, constitutions, all of them things that are of value to Greece in state building; and on the other a source of diplomatic, political, economic and financial support in the achievement of Greece's secular ends. In the first basket the values come from a common European stock deriving ultimately from Locke and other enlightenment thinkers. In the second basket the support, or interference, comes from individual states, which though they are sometimes indiscriminatingly

called 'Europe' are joined together, if at all, only in temporary groupings, called 'the Concert of Europe', or 'The Protecting Powers', or simply 'the Great Powers' or 'the Powers'.

The connection between Greece and these European powers was explored by Elli Skopetea in *To Protypo Vasileio, The Model Kingdom.*[1] He conveys very well the feeling of Greeks that they were under observation by the Europeans, and expected to live up to a standard. Greeks internalised this feeling. This is why the Greek press monitored obsessively – and still monitors - the European press and reported every last word of praise or blame. The Greek end of this relationship was composed of a mixture of respect for power and 'civilisation' and resentment of Europe's neglect of Greek interests. In Skopetea's account the Greeks had two standards of comparison for themselves: their glorious ancestors, who were their credentials – their ticket of admission to the European train - and the modern Europeans whom they wished to emulate.

Ambivalence about Europe and Europeans – Makriyannis's 'hateful foreigners' - extended to the heterochthon Greeks, those from outside the Kingdom. The Greeks must behave themselves so as to win respect of the civilised nations and show themselves different from the barbarian Turks. At the same time the Greeks are superior, since it was they who passed on to Europe the legacy of Greece, while the enlightened west incurred a debt which it does not repay.
For the poet Tertsetis, Europe is the trustee of this ancient legacy, and the young people of Greece must compete in virtue with the civilised nations of Europe.[2]

When Greeks in the later 19th century write or speak of 'Europe', whom do they mean? It is a flexible concept. Sometimes they mean the Great Powers of Europe. Sometimes when talking of the civilised world they mean something wider and

[1] Skopetea, Elli, *To "Protypo Vasileio" kai I Megali Idea: Opseis tou ethnikou provlimatos stin Ellada (1830-1880) [The "Model Kingdom" and the Great Idea: aspects of the national problem in Greece (1830-1880)],* Athens, 1988
[2] Delivoria, Yanna, 'The notion of nation: the emergence of a national ideal in the narratives of 'inside' and 'outside' Greeks in the nineteenth century', in Beaton, Roderick & Ricks, David eds., *The Making of Modern Greece: Ntionalism, Romanticism, & the Uses of the Past (1797-1896),* Ashgate, 2009

vaguer, which would include for example Denmark, homeland of King George 1 and of some of those who adorned Athens with its architectural masterpieces, and Switzerland, a main source of philhellenism and of codified law. Rarely do they mean the neighbouring countries of the Balkan peninsula, Serbia, Montenegro, Bulgaria, Romania, nor those old European nations swallowed up by the Russian and Hapsburg empires.

Taking Crete as an example, I want to show how the idea of Europe encompassed the actions and values of the Great Powers. Because of the intercommunal troubles in Crete, the island was occupied by the Powers in 1897: Britain, France, Russia, Italy, and also Germany and Austria, though the latter two soon dropped out of the consortium. The interallied occupation soon generated a novel form of governance, in the form of a High Commissioner, Prince George, with a mandate from the Powers, with a Council of advisers (including the thirty five year old Eleftherios Venizelos, until he fell out with the Prince), and with a constitution which gave the Prince virtually absolute powers. It could not last and it broke down with Venizelos's 'revolution' at Therisso. Here is Venizelos on the dynamics of the struggle for Cretan *enosis* :

"...despite the theoretical recognition by International Law of the equality of different states, the Great Powers have long adopted the right of intervention in the internal affairs of the weaker states. However much this touches the pride of the latter, it is impossible to deny that through the systematicisation of such intervention there is coming about a change in International Law which serves the interests of civilisation (*politismos*) and tends towards the organisation of the European family, on a system analogous to that of the American (con)federation (*sympoliteia*)."[3]

Earlier he said that there could be no Chinese walls between states in the present family of civilised states.

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[3] Venizelos in Kiryx, Chania, 11 Aug 1909, quoted in Svolopoulos, K, *O Eleftherios Venizelos kai I politiki krisis eis tin autonomon Kritin 1901-1906 [E Venizelos and the political crisis in autonomous Crete 1901-1906],* Ikaros, 2nd edn, 2005, p 47.

On this account Great Power intervention served the cause of civilisation.

Europe represented progress and civilisation (even, one may say, if European powers beat each other to pulp, as Germany did France in the 1870-1). Greece aspired to join the family of civilised European states. Within the broad European spectrum, Greeks distinguished between the Powers according to their own political preferences and the demands of the moment. Venizelos for instance for the most part chose England and France as his preferred models, French for law and political thought, and the finer aspects of civilisation, England for experience in parliamentary democracy. This choice only became crystallised during the 1st World War, where for proponents of liberal values Germany became identified with barbarism. But the streams of European culture flowing into Greece came from many different European sources.

The state had to demonstrate its credentials to the Europeans, and to its own internal Greek audience. The comparisons, as Skopetea argued, were both with the ancient Greeks and with the modern Europeans. The Olympic Games of 1896 were a good example of the process. These were intended to be a sign of both the privileged relationship of Greece to the ancient world, and the way Greece respected – and projected - her ancient legacy, and also of the growing civility and Europeanness of Greek society and institutions. They were an aspect of modernity but closely related to antiquity and dependent on it for most of their allure. In taking to sports ahead of her Balkan neighbours Greece was borrowing a feature of the industrialised west. In her own terms, she was joining the 'civilised world' in this pursuit. Athens would not have been chosen if Greece had not been developing rapidly as a European nation state, with accommodation, transport, infrastructure and the appurtenances of civilisation. At the opening ceremony Constantine the Crown Prince put this unambiguously: through these Games Greece was 'binding herself more closely to the rest of the civilised world'. And who represented the civilised world? A handful of European countries, and the United States of America.

The best expression of these Greek ambitions was the splendid *lefkoma* published by the newspaper Acropolis on the occasion of the Games.[4] It was designed to show, in the words of the historian and future Prime Minister Spyridon Lambros, that 'the Greece of 1896 has far outdistanced the Greece of 1862'. The great and good of Greek politics and society and literature praised the contribution of the Games to Greece's reputation as a civilised nation and her ability to carry through a major project. Some of the greatest Greek writers were willingly harnessed to this nationalist project, including Papadiamantis and Palamas, with results which have been interestingly analysed by David Ricks.[5]

The main intellectual propagandist of Greece's contribution to the Olympic Games was Dimitrios Vikelas, who was one of the early proponents of the importance of tourism to the Greek economy. As a prominent member of the London Greek community, and then the Parisian, before settling in Greece, Vikelas was well placed to mediate between 'Europe' and Greece. Here is what he said:

'Through more frequent contact with foreigners, there will come about a more rapid and complete integration in the general community of Europe. I am not looking merely to the wallets of the travellers. I expect a moral benefit from the increasing association with civilisation from outside.'[6] The Crown Prince picked up this theme with the observation that the foreign athletes would 'carry home with them excellent memories of our country. We are in a position to show them real progress in all the branches of human activity...That is why the celebration of the Olympic Games at Athens will have an undoubted moral utility for us.'[7]

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[4] Acropolis, *I Ellada kata tous Olympiakous Agones tou 1896: panellinion eikonographimenon lefkoma [Greece at the 1896 Olympic Games: Panhellenic Illustrated Album],* Athens: Estia, 1896
[5] Ricks, David, 'In Partibus Infidelium: Alexandros Papadiamantis and orthodox disenchantment with the Greek state', in Beaton & Ricks, *op cit,* pp 249-57
[6] Vikelas, Dimitrios, 'Oi Diethneis Olympiakoi Agones' ['The International Olympic Games'], pp138-9, in *Apanta [Complete Works],* vol 5, ed Alkis Angelou, Athens: Estia, 1997
[7] Crown Prince's speech quoted in Llewellyn Smith, Michael, *Olympics in Athens 1896: the Invention of the Modern Olympic Games,* London: Profile Books, 2004, pp 117, 247-8

Viewed in these terms, hosting the Games was not just one event among others, it was a moral duty for the Greeks, imposed by the quest for progress in a world where Europe, inspired by ancient Greece, was seen as the modern source of progress and civilisation.

As well as being the fount of progress and civilisation, the Powers were the key to achieving Greece's foreign policy objectives. Venizelos saw this more clearly, and drew the consequences more quickly, than others. He differed also from his peers in drawing wider conclusions. He wrote, with reference to Crete: "I am convinced that the good will of the Powers in a necessary condition not only of the solution of the Cretan question through the lifting of the military occupation but also of the solution of all our national questions."[8] There you have Venizelos's later foreign policy in embryo – which means the main thrust of Greece's foreign policy until 1922, because there was no other coherent stream of policy, only a kind of hopeful and introverted neutralism.

The Great Powers of Europe, referred to sometimes as the Great Powers, and sometimes simply as Europe, thus represent both civilisation and coercion. If their power and influence, both peaceable and coercive, could be harnessed to the Greek chariot carrying Greek interests, that would foreshadow the solution of Greece's foreign policy problems. The question was how to harness them. One answer, growing directly out of 19th century debates, was to show that Greece was a serious power in the east, reform the finances, reform the armed forces, i.e. come closer to the Great Powers themselves and borrow from them, and thus come closer to 'Europe'. And that is what Greece set out to do, and did, in Venizelos's first administrations, between 1910 and 1914.

This idea of coming closer is seen as a connection between unequal and sovereign nation states. It does not contain the idea of incorporation or membership of a club, despite Venizelos's passing reference to a *sympoliteia* or

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[8] Venizelos speech before the Cretan Assembly, October 1906, quoted in Svolopoulos, op cit, p 47, fn 4

confederation. Choices had to be made between the Powers, by Greece and her Balkan neighbours, according to political and cultural and technological preferences. But even when Europe was divided by the Great War, Greece's choice under Venizelos to go with the Entente could be seen as a 'European' choice, because the Entente's prevailing values, of democracy and parliamentarianism, could be seen as Europe's true values, German militarism being an aberration. And no doubt some of Venizelos's Royalist opponents would have seen things in similar terms of values, but upside down: for example Metaxas. [9]

The policy for which Venizelos needed this Great Power support was the policy of the *Megali Idea*. The agonising question posed towards the end of the 19th century was why that policy had been so unsuccessful. Venizelos thought he had the answer, in the romanticism of the Idea and the lack of systematic work on the part of Greece and Crete to solve internal problems, develop the economy, and thus create a platform for a successful foreign policy.

But was there any idea of Europe as something more than the main source of civilisation, money, kings, military technology, and military intervention whether for humanitarian or less idealistic purposes (usually the purposes were mixed)? The quotation above by Venizelos about the organisation of the European family in a *sympoliteia* is suggestive. Throughout Venizelos's career he was always attracted to ideas of cooperation between states, whether the League of Nations, of which Greece was a founding member, or the series of treaties of friendship with neighbours of 1928-30. But at this early stage, before the Great War, such ideas were idealistic abstractions. They did not belong within the domain of practical politics.

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[9] Metaxas, *Diary,* vol 4, p 360, Govosti edn, entry of 1 Sept 1914 (letter to his wife) is typical: 'In any case I am still convinced that Germany will be victorious in the great struggle. In these present trials, the great virtues of the German race will appear: *Entsagung* and *Ergebung*, their perseverance and religion. Now those imponderables which cannot be calculated in numbers will play their role. You will see. And they must triumph, because otherwise humanity will decline.' See also Joachim G Joachim, *Ioannis Metaxas,* Mannheim: Bibliopolis, 2000, pp 184-5.

Practical politics was to harness Greece to those Great Powers that could be most helpful in securing Greece's nationalist ends and the achievement of the Great Idea. We see this first in the rapidity with which Venizelos moved to invite military missions to Greece before securing the treaty with Bulgaria which enabled the Balkan War: the French military mission, the British naval mission, and the Italian gendarmerie mission.

These 'European' missions were part of the answer to Greece's search for expertise and technology, as factors of modernisation. But the three Powers were seen as separate entities, members of a European 'family', but autonomous states to be balanced and played off against each other, certainly not part of an incipient federal or confederal system. The appeal to the superior technology and 'progress' of Europe could not disguise that uncomfortable choices had to be made between patrons; and naturally led to frictions between foreign advisers and Greek staffs and politicians, e.g. over naval procurement. The European powers were in sharp competition.

The Great War changed everything. Existential choices were posed for all the countries of the European periphery, Spain no less than Greece, Serbia and Bulgaria (and of course Turkey). Venizelos's choice was couched in the language of European values, democracy, parliamentary institutions, as opposed to German militarism. It is difficult to know how much weight to give this value-laden approach in comparison with the strategic argument that Britain as the supreme maritime power would not be beaten. Perhaps all one can say is that it was convenient that strategic arguments coincided with values. With the end of the war and the reshaping of Europe through the peace conference, the small countries of the European periphery had to adjust to new balances between themselves, a new political geography, new international organisations, and above all a changed relationship with the former Great Powers.

For Greece the shocking events of 1922-23 were, as often has been said, a watershed. From that time on the Great Idea was dead. Greece was deprived of a

master narrative of foreign policy, and had to look for a new one. The demands of economic reconstruction and refugee settlement were paramount. Greece needed security and that meant resolving outstanding issues with neighbours, and looking for a more distanced relationship with the Great Powers including Britain, in the desire to maintain as much freedom of action for Greece as possible in a threatening international climate.

The new post war international institutions attracted Venizelos out of practical necessity (refugee settlement demanded close involvement with the League of Nations; and there was always a pressing need for economic support) and out of a hope that they might contribute to collective security. In this he was typical. Greek foreign policy tends to look to regional, European, or wider groupings favourably in principle. But his approach to security in south East Europe was extremely pragmatic. Greece needed the treaties with her neighbours so as to free her hands for reconstruction.

What did all this mean in practice? For Greece it meant a search for security primarily by a chain of agreements and adjustments with neighbours: hence the friendship treaties of the late 1920s and 1930 with Italy, Yugoslavia and Turkey. But alongside this went, as part of the inter war spirit, a new interest in collective security and in regional arrangements. The main such was the discussion of a Balkan Federation in the four Balkan Conferences launched and presided over by Alexandros Papanastasiou between 1930 and 1933.[10] Papanastasiou saw security in terms of concentric circles: a Balkan federation within a larger European grouping; as was the fashion in inter war Europe.

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[10] Svolopoulos, Konstantinos, 'Venizelos kai Papanastasiou: proseggiseis tis ideas tis diavalkanikis synergasias' [Venizelos and Papanastasiou: approaches to the idea of interbalkan cooperation], in Svolopoulos, *Eleftherios Venizelos: 12 meletimata [12 Studies on Venizelos],* pp 205-18. Rozakis, Christos, 'O Politikos Logos tou Al Papanastasiou gia ti dithni thesi tis Elladas' [A Papanastasiou's political thinking about Greece's international position], in G Anastasiades and others, eds, *Alexandros Papanastasiou: thesmoi, ideologia kai politiki sto mesopolemo [Papanastasiou: Institutions, Ideology and politics in the inter-war period],* Athens, 1987, pp 377-86.

In the same spirit Greece favoured Count Coudenhove-Kalergi's ideas of Pan Europe, and Aristide Briand's proposals for a European Federation, launched at the League of Nations in September 1928, and developed in May 1930 in a detailed memorandum.

Coudenhove called Venizelos the most impressive of all the foreign statesmen who visited Vienna and discussed Pan Europe with him.[11] And Greece was among those countries that supported Briand's proposals.[12] But what is interesting is that while expressing general support for the idea, Venizelos insisted both to Koudenhove and to Briand on the imperative need to include Turkey in any such European Federation. His attitude was fundamentally pragmatic and linked to the security policies which led him to the Greek Turkish Friendship Treaty of 1930.

Venizelos wrote in December 1929 that the fact that a statesman of Briand's prestige had embraced such ideas showed that they had moved from the hands of poets to those of practical doers. The Greek government's reply to Briand's memorandum – and remember, Venizelos was still prime minister – stated that the government 'considers that the idea of organising among the states of Europe a state of permanent and systematic economical and political cooperation, in the spirit and within the framework of the League of Nations, answers to the most noble of inspirations and to the true interests of the European peoples.'[13] It added 'Greece would view with sympathy the participation of Turkey, which like Greece is a Balkan and Mediterranean country, in the European Federal Union.'

As Professor Svolopoulos makes clear, Venizelos had the support of most of Greece's experienced foreign policy politicians including Nikolaos Politis, Andreas Michalakopoulos, Andreas Zaimis, and Papanastasiou; and Dimitrios Maximos, Foreign Minister in the populist Tsaldaris government which

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[11] Coudenhove-Kalergi, Count, *An Idea Conquers the World*, London: Hutchinson, 1953, pp 130-1

[12] For Greece's response to the European initiative, see 'To Evropaiko Orama' [The European Vision], in Svolopoulos, op cit, pp 219-37.

[13] Svolopoulos, op cit, pp 224-5

succeeded the Liberals, shared these European views. Venizelos was well aware of the practical difficulties of Briand's ideas. But the door tantalisingly pushed half open by Briand was one that Greece wanted to keep open for herself to be able to pass through when the time was right.

Was Venizelos, was Papanastasiou, being naïve? Papanastasiou possibly, Venizelos no. They both saw clearly that Greek security and economic progress required a stable international environment in Europe. One way to achieve this was through bilateral agreements with neighbours. Another was to support attempts at a European federation which might avert another great war. If the attempt failed, as it did, that need not be the end of the story. There was no downside for Greece in visionary Europeanism provided it was salted with a cautious measure of scepticism.

With the end of the Great Idea and the loss of Hellenism in Asia Minor there was no place any longer for a Greek national civilizing mission, yet idealism was not dead. It is not surprising that amid all the practical preoccupations of reconstruction, refugee settlement, economic problems, and refighting the old battles of the Schism, the ideas of 'progress and civilisation' were loosely linked with ideas about European federation. This was an area into which the earlier aspirations for progress and civilisation could be channelled, and in which the moral concerns identified by Vikelas found a place.   Greece was a minor player, almost an observer, in the larger European discussions of for example the Briand initiative. Even so, we can glimpse in the Greek response to Briand a foretaste of Greek responses to the European idea as it developed, rapidly and intensively, after the 2nd world war.

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Versions of Europe in the Greek literary imagination (1929-1961)

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In 1929 a hitherto unknown writer, writing under the aggressive pseudonym of Orestes Digenes, published a withering critique of everything that had been wrong with Greek literature and culture for the past half-century. This was the long polemical essay *Free Spirit*, with which the future novelist and playwright Giorgos Theotokas made his literary debut. *Free Spirit* is not just a critique of the past; it also proclaimed a new beginning. Theotokas wanted Greek artists and intellectuals to strike out towards Europe. Thanks to recent technology, Greece at the end of the 1920s was connected to the rest of the continent as never before; ideas of European political integration, such as the Briand Plan, had recently been in the news.

In a striking opening image, the first section of *Free Spirit* imagines a traveller looking down at the changing European landscape from the air – this was still a novelty in this part of the world in 1929. Instead of being a patchwork of different nations, as it appears in school maps, with each marked off by its own distinctive colour, the cultures of the continent shade into one another. For the first time (perhaps), it is possible to imagine Europe as a single composite entity: defined by its variety, to be sure; there is nothing uniform about this idea of Europe. But Europe is a variegated whole to which Greece belongs by virtue of history and geography:

> Europe is like a garden that gathers together the most varied blooms, the most
> heterogeneous colours. … When you wander through the byways and woods
> of the garden of Europe, you notice the differences and the oppositions at
> close range, you can analyse them in detail. We need, after the analytical

examination of differences, to dare to take a turn about the garden in an aeroplane. … The airborne eye is treated to the panoramic view. It can distinguish the undulations of the ground, lines of hills and plains, peaks and troughs, the major arteries, directions, crossroads. The airborne eye embraces the whole in its most general lines and broadest horizons. The sight that a capable pilot is able to enjoy is one of true grandeur; the information he brings back serves those on foot to realise where they're going and what is the point of their efforts. (Theotokas 1973: 5-6)

Free Spirit as a whole is marked by a tone of sometimes strident optimism. For its author, writing during the first year after return to power of Eleftherios Venizelos and before the Great Crash of October 1929, Greece has everything to play for by widening its cultural horizons. It is high time, declares Theotokas, to discard the introverted obsessions of the past and embrace what today we would call Modernity. The new generation of Greeks must learn to define its culture and its values by looking outwards to Europe, not inwards to its rural roots or backwards to either the classical or the Byzantine past. In this way, it has been argued, Greek literary Modernism – that is, the artistic response to Modernity – begins.

Theotokas and his generation were well aware of the enormous cultural readjustment that had been taking place during the previous ten years throughout a Europe devastated by what was then called the 'Great War'. For Greeks, the war had brought trauma enough, in the form of the 'Schism' that between 1915 and 1917 had amounted to an undeclared state of civil war, and the horrors of the Macedonian front once Venizelos had finally prevailed and committed his country to the side of the Entente. In literature those horrors had been brought to life in the classic war-novel by Stratis Myrivilis, *Life in the Tomb*, whose first version appeared in 1924 but would

not be published in full until two years after *Free Spirit*, in 1931. But Greeks had been traumatised, far more than by the world war, by defeat in Anatolia at the hands of the Turkish Nationalists in August and September 1922. The 'Asia Minor Catastrophe', as the event has been known to Greeks ever since, was the real counterpart to the trauma suffered by most European countries, winners as well as losers, during the war of 1914-18. The Greek experience of collective humiliation, loss of life on a horrific scale, and the economic devastation resulting from defeat – in this case caused by the urgent need to house more than a million refugees – is directly comparable to that experienced by subjects of the defeated Central Powers in the world war.

In culture and the arts, as in other spheres, it took Greece the rest of the decade of the 1920s to recover from the 'Catastrophe' of 1922. By 1929, Theotokas could go so far as to claim that for his own generation the national trauma even represented a challenge and an opportunity:

> We [Greeks] are broken, exhausted, consumed by the drug of contemporary life. No one expects anything of Greece. There's no hope anywhere. This moment is truly a wonderful moment.
>
> At moments like these, if the right people are found, sometimes the most beautiful things happen. Youthful energies, unharnessed, undirected, are loose in the atmosphere, going nowhere. None of those young people knows what exactly it is that they want, but they do all *want* most powerfully. A force-field of young wills is coming into being around us, without defined objective. A seed sown in such soil can grow one day into the most unlooked-for fruit. (Theotokas 1973: 63-4)

Of necessity, much that was self-defeating and stultifying in Greek life and culture had been devalued or swept away. Disaster on such a scale created a *tabula rasa*, on which the 'free spirit' of modernity would build. As indicative of what he meant, Theotokas thought first of 'an aeroplane, in the Greek sky, above the Parthenon,' and then of the broad new highway that was being opened out from central Athens to the sea at Faliro, Syngrou Avenue:

> Syngrou Avenue pours out, day and night towards the shore of Faliron, the newborn and as yet inexpressible rhythms of a powerful lyrical voice that seeks strong poets [to give it expression]. This 'pedestrian and materialist' century conceals in its unexplored soul a great deal more poetry than our teachers imagine. But someone has to take the trouble to discover it. The time is ripe for bold pioneers. (Theotokas 1973: 70)

Inspired by this version of a newly Europeanising Greece, Theotokas's friend the poet George Seferis devoted a poem to the same subject in 1930. 'Syngrou Avenue' is the first poem in which Seferis would use the characteristically Modernist form known as free verse, that would soon after become part of the distinctive poetic voice that would win for Seferis the Nobel Prize for Literature three decades later. Dedicated 'to Giorgos Theotokas who discovered it,' the poem ends defiantly:

> Snap Ariadne's thread and behold!
>
> The sky-blue body of the mermaid. (Seferis 1972: 85-6)

Theotokas' new vision of how Greece could and should relate culturally to Europe is modelled on commercial exchange:

> Modern Greece has contributed nothing as yet to the cultural achievement of Europe. … Of course, only the narrowest scholasticism would condemn Greek literature for having received influences from all over the place. All literatures

exert influences on one another, and today more than ever. … The trouble with Greek literature isn't that it has been at the receiving end of many influences, but that it has given nothing back. A literature acquires international significance once it begins also to exert an influence, without at the same time ceasing to be influenced itself. (Theotokas 1973: 37)

'Free Spirit' as a slogan or an ideal is not far removed from 'free trade.' According to Theotokas' model, there's nothing wrong with imports so long as you also have something to *export*. Where an earlier generation had envisaged the expansion of Greek cultural influence in terms of military conquest, Theotokas, adjusting to the realities of the post-1922 world, proposes instead a balance of trade – an idea to which I'll return at the end of this paper.

#

Two years after the publication of *Free Spirit*, the world economic crisis had engulfed Greece. As Mark Mazower demonstrated very effectively some years ago, Greece during the first half of the 1930s would adjust with remarkable resilience to the new economic reality, based on self-sufficiency, but at the cost of the political disintegration that would culminate in the dictatorship of the Fourth of August 1936. What the historians haven't documented, however, is how that pattern came to be replicated in the field of culture, and particulary of creative literature.

The widening of cultural horizons urged in *Free Spirit* and celebrated in Seferis's poem on Syngrou Avenue could not survive the new economic and political realities of the 1930s. Several groups of writers had responded enthusiastically and productively to the challenge thrown down in Theotokas' essay, or had already been thinking independently along similar lines, during the first half of the decade. They include Theotokas himself, his friend Seferis, the novelists Kosmas Politis and

Angelos Terzakis, the surrealists Andreas Embirikos and Nikos Engonopoulos, and two of Greece's best-known poets of the century after Seferis, Odysseus Elytis and Yannis Ritsos. In Greece's second city or 'co-capital', Thessaloniki, a whole 'school' of letters emerged during the late 1920s and early 1930s, whose distinguishing feature was engagement with the innovative techniques and art-forms of European Modernism, such as interior monologue in fiction and free verse in poetry.

But although most of these writers went on to have long and productive careers, in some cases reaching into the 1990s, all of them before the decade of the thirties was over had drastically changed the perspective through which they looked out from Greece towards the rest of Europe. After 1936, the autarky that had become a necessity for the national economy had found its crude political correlative in the proclamation of a Third Hellenic Civilisation. In different and subtler ways the horizons available to literary writers had altered too. Ancient Hellenic myths are revived and juxtaposed to contemporary realities – often sardonically, as in Seferis's brilliant and difficult sequence of twenty-four poems entitled *Mythistorema* (*Novel*) of 1935 – but increasingly as a bulwark of support against an intolerable and unmentionable present. This is probably the explanation for the revival of fiction set in traditional rural communities and usually transposed a generation or more into the past. This is the case with such different works as *Vassilis Arvanitis* by Myrivilis, first published as a short story in 1934, elaborated into a short novel in 1939, and re-issued during the Axis Occupation in 1943; in *The Tale of a Town*, the first work by the Cretan writer Pantelis Prevelakis; in *Zorba the Greek* by Kazantzakis, written between 1941 and 1943; and *Aeolian Earth* by Ilias Venezis, published in 1943.

The sublest indication of this shift is to be found in an essay published by Seferis in 1938, just under a decade after *Free Spirit*. 'Dialogue on Poetry' forms part

of an extended dialogue between Seferis and his brother-in-law, the academic philosopher and future President of the Republic Konstantinos Tsatsos, in which the poet sets himself to defend the innovative tendencies of the 'new' poetry of the decade against the charge of being insufficiently 'Hellenic.'

In a famous passage towards the end of this essay, Europe appears again, and in a rather different role from that imagined by Theotokas a decade earlier. Hellenic culture ('Hellenism' is Seferis's term for this), had been spread around the ancient world by the conquests of Alexander the Great. Thereafter:

> it was worked upon, shaped, given new life by temperaments sometimes Hellenic, sometimes not, up till the Renaissance, and from that time on … by temperaments not Hellenic at all, that were active outside Hellenic lands. And I would like us not to forget that from time onwards have been created those works of art that crystallised the shape of the thing that today we call European civilisation. (Seferis 1981: 99)

So far so open-ended: Hellenic culture is in dialogue, a process of quasi-commercial exchange, with the other cultures of Europe across time. But when it comes to the present, the metaphor that Seferis uses isn't that of export, but of *repatriation*. Europeans have taken over, adopted and adapted much that was originally Hellenic, to create something that, according to Seferis, isn't Hellenic at all, or only superficially so. The neoclassical building of the Athens Academy, designed by a Danish architect, is Seferis's emblematic target here. Like Theotokas, Seferis had been a student during the 1920s in Paris. But he fears that what many of his contemporaries have absorbed from Europe has been precisely the wrong thing:

> The best of us, studying or going to the West, tried to bring back to liberated Greece the riches that had fled our country in order to be kept alive. … But

we, urged on by the worthiest of intentions, fired up with the desire to bring back to Greece whatever was Hellenic, wherever we saw anything that superficially *looked* Hellenic, lugged back with us, without searching any more deeply, a thousand alien values that assuredly had nothing to do with our country. (Seferis 1981: 100-1)

In this way the internationalism of *Free Spirit* becomes subordinated to the autarky demanded by the last years of the 1930s. What Seferis proposed was to replace what he called 'European Hellenism' (foreigners' interpretation and appropriation of Hellenic culture) with 'Greek Hellenism', which he defined like this:

[Greek] Hellenism will acquire a physiognomy, when today's Greece acquires a cultural physiognomy of its own. And its features will be precisely the synthesis of characteristics of the true works that will have been produced by Greeks. In the meantime, we should ... counsel the young to seek after truth, ... not by asking *how* they can be Greeks, but with the faith that since they *are* Greeks, the works to which their innermost selves actually give birth cannot but be Greek. (Seferis 1981: 102)

It was an intelligent and thoughtful response to the times. At a time when much of continental Europe had fallen under the control of dictatorial regimes, and the assertiveness of Nazi Germany and Fascist Italy had raised national self-determination to new heights of fetishism, it articulated the creative response of a generation of Greeks who were still under forty, had launched their own careers after studying abroad in Europe, and now feared what closer engagement with the continent's centres of power might bring. They were right to be afraid.

#

During World War II, most of Greece was under enemy occupation from April 1941 to October 1944. The sort of European integration that came with the Nazi 'New Order' had little to offer to Greeks – this story has again been best documented and analysed by Mark Mazower. The years of Occupation saw an extraordinary productivity in literature, particularly and most unexpectedly in the genre of the longer poem. The writing, publication, circulating, recital, and reading of dense and difficult poetry by Seferis, Elytis, Ritsos, Engonopoulos, Papatsonis, and Gatsos during these years deserves to be properly studied as a social as well as a literary phenomenon. Whatever the reasons for it, one lesson seems inescapable: in times of greatest hardship, the social and personal need for the creative arts can be greater than ever – so much for those who would argue that during an economic crisis the Arts and Humanities can be easily dispensed with. But that is another story.

When it was over, and during the period of reconstruction that followed the end of the Civil War in 1949, Greek cultural attitudes to Europe had shifted once again. Throughout the 'long civil war' – the period of political polarisation that lasted from the mid 1940s until the fall of the 'Colonels' in 1974 – attitudes to almost everything were split between what may be termed the Left and the 'non-Left.' Europe is no exception. For writers who identified with the political Left, the new international horizon that the Cold War opened up was defined by the Soviet bloc. Many were themselves either political exiles, such as Dimitris Hatzis and Melpo Axioti, or chose to spend time in the more politically congenial environment of communist Eastern Europe, as did Ritsos during the 1950s.

For those on the Left, at least until the split of the Greek Communist Party in 1968, occasioned by the Soviet invasion of Czechoslovakia in that year, 'Europe' was least problematically defined as the *eastern* bloc. How to engage with the literary and

cultural legacy of the west, now identified with the capitalist enemy, was less straightforward. The novelist Stratis Tsirkas, in his trilogy *Drifting Cities,* set in the Middle East during World War II and published between 1960 and 1965, highlights the intellectual and moral dilemma of a Greek Marxist whose experiences bring him into contact with westerners, many of whom he admires, and whose classical and modern literary education he shares. The chief character in the novels, who more or less represents the position of Tsirkas himself, signally fails to resolve this dilemma; the complex narrative structure and Modernist techniques used throughout the three novels suggest rather a creative tension between the historical and political allegiances of a Greek Marxist writer during the Cold War, on the one hand, and the literary and cultural tradition that is Greece's inheritance from western Europe on the other.

The same creative tension is also central to the later poetry of Ritsos, the uncontested doyen of the Greek literary Left. Although (western) Europe plays little overt part among the subject matter of Ritsos' enormous poetic output, it was his distinctive achievement to marry a committed Marxist viewpoint to techniques of verbal art that had been pioneered by the western movement of Modernism, and particularly by its French-inspired offshoot Surrealism. As in Tsirkas' trilogy, so also in Ritsos' best work of the 1960s – the short poems of *Testimonies* and *Repetitions*, the long dramatic monologues collected in *Fourth Dimension* – this unresolved tension between form and content energises the poems. Europe and the western tradition are very much present, but little talked of. Often, the Marxist Ritsos seems to be giving his own leftwing twist to the quest outlined by Seferis from just before the war: to create a 'Greek Hellenism' or indigenous, modern version of Greek culture. Ancient Greek myths provide the foundation for more than half of the monologues

that make up *Fourth Dimension*; the short poems of *Repetitions* pick up moments from myth and from ancient history, often vividly embedding them in a contemporary Greek landscape, and re-interpreting them in unexpected, epigrammatic ways.

It is probably fair to say that the Greek intellectual Left never fully came to terms with its artistic legacy from the 'bourgeois' cultures of nineteenth- and twentieth-century Europe. Needless to say, the quasi-commercial metaphor used by Theotokas a generation earlier was not available to the committed writer of the Left after World War II. But for politically non-aligned writers, too, of whom there were many during the 1950s and 1960s, the relatively effortless give-and-take of credit and debit between Greece and the rest of Europe prescribed by *Free Spirit* was no longer a tenable model either.

The prevailing perception among post-war writers and intellectuals in Greece, whether of the Left or the non-Left, was overwhelmingly, if usually not quite explicitly, that whatever the term 'Europe' might once have meant or had seemed to offer, Europeans during the 1940s had exported only barbarism to Greece. Ritsos touches on this idea in one of his best-known poems, *Romiosini*, written between 1945 and 1947. But it was the non-aligned, although leftward-leaning, Odysseus Elytis who put it more starkly in his magnum opus of the 1950s, *The Axion Esti*, published in 1959:

> They came
>
> dressed as 'friends'
>
> times without number my enemies
>
> and the age-old soil they trampled.
>
> . . . . .
>
> They arrived

> dressed as 'friends'
>
> times without number my enemies
>
> and the age-old gifts they offered.
>
> And the gifts they brought were none other
>
> than only fire and the sword …
>
> Only weapons and fire and the sword. (Elytis 1959: 42)

This long poem is at one level a retrospect on the sufferings of Greece during the 1940s. The country and its artistic voice, the 'I' who speaks throughout the poem, have become in Elytis's imagination a Christ-like sacrificial victim; immortality and the power of redemption are the rewards for poet and people alike, earned through the martyrdom of invasion, defeat, occupation and civil collapse. As the closing section of the poem puts it, echoing the liturgical title, 'Worthy is the price paid.'

During the late 1940s and 1950s, even beyond the circles of the Left, the idea was gaining ground that 'Europe,' now elided with Cold-War perceptions of 'the West,' was something inherently foreign to Greece and Greeks, and potentially even harmful. The postwar map of Europe already imposed a distorted political geography, whereby politically and militarily Greece belonged (along with Turkey) to the West, in defiance of physical geography – and, some began to assert, also of history.

The first writer outside the Left to suggest this was T.K. Papatsonis in 1948. Like Seferis a higher civil servant, and also a personal friend, Papatsonis had himself written dense and often obscure poems in the western Modernist tradition. Now, in a pair of rather dense and wordy articles of that year, Papatsonis rounded on Seferis and many of their friends, who had in the meantime become known collectively as the 'Generation of the 1930s,' and castigated them for their slavish dependence on western models, western influences, and most of all for ignoring the cultural values

that had come down to Greece through the decidedly non-western traditions of the thousand-year Byzantine empire. The realignment proposed by Papatsonis went well beyond the quest for cultural self-sufficiency that had come to predominate since the late thirties. This was not merely a matter of 'going it alone,' of defending and upholding indigenous culture; it aligned twentieth-century Greece explicitly with the legacy of eastern Orthodoxy and the political and cultural inheritance of Byzantium. In Papatsonis's eyes, his own generation of writers had done a great disservice to Greece by aligning themselves with a Europe whose modernity had brought only the horrors of the 1940s and whose new identification with only the western half of the continent threatened to cut Greeks off from their own cultural hinterland which lay elsewhere. As Papatsonis put it in 1948: 'our immediate tradition is the Byzantine world, but the true and entire Byzantine world and not at all just a single part of it, arbitrarily taken and cut off from its tree' (p. 662).

This reaction against western Europe, from the artistic ranks of the non-Left, reached its fullest articulation in 1961, in an influential long essay by Zisimos Lorentzatos, 'The Lost Centre.' Lorentzatos was also, like Papatsonis, a friend of Seferis; the context for his essay was a collective volume published that year to honour the thirtieth anniversary of Seferis's first book of poems. In hindsight, Lorentzatos's essay has become as much of a landmark as Theotokas's *Free Spirit* of just over thirty years before. The best account of Greek literary Modernism so far, by Dimitris Tziovas, actually takes these two essays as respectively the starting and finishing points that define the movement. But Lorentzatos does more than bring closure to a literary trend that had perhaps begun with Theotokas; he takes issue with the basic premises of the earlier essay, as well as with much of the poetry and fiction that had attracted the greatest amount of critical attention during the intervening three

decades. At the heart of Lorentzatos' attack on the 'Generation of the Thirties' (on what today we term Greek Modernism) lies an attack on the whole cultural tradition of western Europe since the Renaissance and its cultural dominance in Greece.

Dependence on artistic values, as they have developed in western Europe since the Renaissance, has brought Greece in the 1950s to the same cultural impasse as the west. The mistake, according to Lorentzatos, was to place the arts on a pedestal, to elevate aesthetics to become an end in itself. How the rest of Europe extricates itself from the impasse is not the writer's affair; Greece has, or ought to have, its own answer:

> What has been lacking is the centre or the lost vision, and without that, nothing can be done: *All things were made by him*; *and* – as the Gospel [John 1.3] continues – *without him was not any thing made that was made*. From out of this divine sustenance the arts at some point emerged and must return there, to the lost centre or their heavenly root. … Art must once become a more serious business, as it always used to be. Art must be baptised in the waters of metaphysical faith. … (Lorentzatos 1961: 107, 108)

Or, as he recapitulates this idea a little later:

> Since modern art has lost its metaphysical centre, or in other words its life, there is no need to turn to art, but rather to the centre, to find, first, ways of life and, later, manners of art. What has been missing is so important that everything else, on its own, art and technique and so on, is laughable by comparison. (Lorentzatos 1961: 121)

The way to achieve this, for Greeks, Lorentzatos argues, is to question every stage of the country's cultural dependence on Europe since the time of the Renaissance. The 'living tradition' and spiritual roots of Greek culture are to be found, as Papatsonis

had first suggested a little over a decade before, not in the legacies of the west but in those of the Byzantine, and particularly, for Lorentzatos, of the Christian Orthodox tradition (1961: 118), which he juxtaposes to the misguided humanism of the European Renaissance (1961: 130-1, 144). 'Our own Orthodox tradition of the East,' Lorentzatos concludes, 'directly or indirectly, has given to the West whatever of profundity it [the West] has to offer in the spiritual [*or*: cultural] domain' (1961: 146).

#

From the early 1960s onwards the Orthodox revival would be under way. Lorentzatos himself (like Papatsonis before him) was thoroughly a product of the western humanistic and art-centred tradition that he decried; his considerable reputation in Greece today rests largely on a lifetime of restrained and lucid essay-writing, in a tradition that owes more to eighteenth-century England and France than to anything Byzantine. Lorentzatos would always be more naturally at home with Ezra Pound than with Michael Psellos. But his ideas would be taken up and developed further, sometimes also more polemically, by neo-Orthodox thinkers such as Christos Giannaras.

With 'The Lost Centre' the period surveyed by this essay ends. With the advent of post-modernism in Greece during the late sixties and early seventies, and then with accession to the European Communities in 1981, Greek writers and intellectuals begin to position themselves in different ways again in relation to the rest of the continent. From the early 1970s on, in Greece as elsewhere, Europe has come to be seen as no longer the only cultural player on an increasingly global stage. South America, often considered the home of post-modernism, first began to attract Greek writers as early as 1943, when Engonopoulos' brave poem in praise of liberty, *Bolivár: a Greek poem* was first read aloud in Axis-occupied Athens 'at gatherings of

a resistance character.' During the junta years in Greece, Theodorakis set to music sections of *Canto General* by the Chilean Marxist poet Pablo Neruda, in the original Spanish. In the volume *Eighteen Texts*, published in 1970 as a form of collective literary protest against censorship and the suppression of civil liberties, the Greek predicament is transparently reflected in that of a fictional 'Boliguay.' At the same time that the sociologist Nikos Mouzelis was comparing the 'facets of underdevelopment' that he found in South American countries, mostly at that time dictatorships, with what was happening in Greece, writers were not only imagining Greece as a banana republic, they were beginning to exploit in their own way the mix of political satire, absurdist humour and the possibilities afforded by the fantastic, that within a few years would come to define global post-modernism.

From about 1970 onwards, the traditional cultural centres of western and northern Europe no longer have a monopoly on the Greek creative imagination. And it is fascinating to observe how since 1989 and the ending of the Cold War Greek writers, particularly of fiction, have successfully developed ways of imagining their country as integral to a newly rediscovered eastern European world, in which at long last the *Ottoman* period of Greek history and collective experience is given its due.

In this paper I have deliberately avoided giving a definition of 'Europe' as it has been projected by the Greek literary imagination over three decades. I hope to have shown that the writers themselves, and presumably their readers as well, were neither consistent nor often very clear themselves what they meant when they wrote of 'Europe.' Sometimes in their writings 'Greece' is contrasted with a 'Europe' from which it would seem therefore to be separate; sometimes, as in Theotokas's essay *Free Spirit*, Europe is the sum of many disparate parts of which Greece is one. This ambiguity (which runs through much British discourse on the subject as well) is part

of my subject and cannot be simply resolved. 'Conceptions,' just like 'meanings and identities' are fluid. If the literary imagination and its products in some sense 'legitimate' these in the minds of the public, then literature has certainly played its part here too. But the results are not fixed by any formal process, so the 'legitimation' of ideas about Europe, even in anything so abstract as a consolidated 'Greek literary imagination,' is equally fluid.

To revert to Theotokas's metaphor of an optimum balance of trade between Greece and the centres of cultural capital elsewhere in Europe, these terms, that for a variety of reasons became unusable for much of the intervening period, are perhaps today appropriate once more. As Greece once again finds itself overshadowed by the hegemony of Germany, this time economic rather than military, and while the tension that exists between the centrifugal and centripetal tendencies inherent in the European Union, and more particularly within the eurozone, seem unlikely to be resolved any time soon, it is once again worth asking the question first put by Theotokas on the eve of the 1929 Crash. What has Greece given *back* to Europe?

The trade imbalance in culture between Greece and the rest of Europe, that Theotokas diagnosed then, still exists today. Now, as then, it can be attributed to the dominance of the ancient, and to a lesser extent of the Byzantine, legacy: *Modern* Greece still relies heavily on the capital accrued in earlier ages for its present-day cultural exports. A result is that the achievements of Theotokas and Seferis, of composers such as Kalomoiris and artists such as Tsarouchis, to say nothing of the achievement and consolidation of the Greek nation-state itself since the 1820s, are shamefully little known and under-appreciated in the rest of Europe – as indeed around the 'globalised' world.

'EUROPE', 'TURKEY' & GREEK SELF-IDENTITY: THE ANTINOMIES OF MUTUAL PERCEPTIONS   [1:40 start]

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I

Introductory Remarks

Since the early 1990s (with the collapse of the Soviet bloc and the appearance of dozens of new nation-states), ethnic or national feelings have re-emerged more or less all over the globe. The consequent destabilization has been enhanced and generalized in Europe since the mid-2000s with the explosion of the financial crisis – initially the collapse of banks and insurance companies followed by European Union countries coming to the verge of bankruptcy (with foremost Greece). If we add the destabilization in the Arab – Mediterranean countries in recent days and hours, I am left in no doubt that the rhythms of history, -- economic and political, including rearrangements in bilateral and international relations – are accelerating.

In examining the role of Europe as a factor in Greco-Turkish relations in the post-war period, I firmly believe that the determinant factor is structural. I do not propose my structural approach in spite of the crisis but because of it. Crisis periods are times for collective introspection, for reevaluating essentials. I will go back into the late 18th -early 19th century to examine structural elements that, with varying degrees of intensity, have been resurgent in the Greek collective mentality for nearly two centuries up to today.

'Europe' and 'Turkey', within quotation marks, refer to constructs instead of certain assumed pre-existing ontological realities. In the formation of Greek Self-Identity both Europe and Turkey have played pivotal roles, positively or negatively, or, in the case of Europe, successively positively and negatively. My contribution, if any, will be in trying to elucidate the dominant modes of thinking in Greek discourse about the past or, rather, *the pasts in the formation of* self identity. My analysis has elements both from politico-cultural theorizing and from the history of ideas and/ or mentalities. In this sense, I think that the occasion is more than propitious in these premises combining both the socio-political element of the H.O. / LSE and the long-standing interests mainly in ancient Greek history of the British School at Athens.

Three clarifications are necessary:
A) By using the terms '*myth*' and '*mythological foundation*' I do not, of course, mean that the edifice of the modern Greek state is built solely or chiefly upon mythological foundations; rather, that myth has proven one of its most enduring elements in its construction.

B) By *modern Greek state* I am, of course, simply referring to the Greek state. However, since antiquity is still understood in the Greek cultural context as self-evidently ancient 'Greece' (especially when linked to the world of myths), I decided to allow the qualifying adjective in. Historians, of course, know full well that there is no such thing as Mediaeval 'Greece' (but, rather, the Roman Empire of the East) and that ancient 'Greece' never existed as a state (but, rather, city-states) or even a cultural entity (despite the Olympian Gods, a powerful common element which did, however, vary in synthesis and the specific weight in its individual manifestations and practices).

C) As we all know, *continuity* in the Greek state is precluded (simply because no such state existed in all previous historical eras). There is, however, continuity within the discontinuity of the Greek language for certain population groups, along with a possible shared experience in the very *longue durée* of the geographical space—with its mountains, seas, rivers and climate—and their impact on the daily habits and behavior of every inhabitant of the "atrium of the Aegean" (irrespective of ethnic or religious provenance) at least until the industrial transformation and ecological disturbances of the last half century. Consequently, when we critically analyze perceptions *re* (with reference to) continuity, we mean the perception of absolute, unmediated continuity, and not the very real identifiable traces one could expect to find, but which cannot retrospectively (and anachronistically) be termed 'national'.

I shall now proceed to a brief exposition of my pronouncements in the form of what can be called four different stages more or less chronological in the development of my thinking (including the present.

II

'Greece' and 'Turkey' through
the European looking glass

In a first stage by reading and thinking about Greece's Ottoman past I reached the conclusion that it is, of course, possible for analytical disciplinary reasons to isolate it from previous and subsequent historical eras but doing so does not help us understand how Greece's Ottoman past is articulated (or rather rejected) into the overall Hellenisation of the past and the essential role played by Europe in this process.

I will be necessarily sketchy in depicting the conclusions reached by specialized historians and scholars from various social disciplines (over the past 25 years). I believe understanding how the assimilated (or annexed) pasts have been Hellenised is essential for understanding (or having the illusion of understanding) the mythological foundations of modern Greece. It seems to me that there can be no doubt that stereotypes and pre-conceptions of Greece's Ottoman Past were formed and transformed within a European framework.

Two voices from the Enlightenment past will support, I believe, my argument: Voltaire, the most prominent leader of the European Enlightenment; and Adamantios Korais, the uncontested leading figure of the Greek Enlightenment; both ardent proponents of tolerance. First, Voltaire writing in 1756:

" I will always be inimical [hate elsewhere] and aggressive against those who have devastated , impoverished and brutalised the whole of Greece. You can not honestly demand from me to sympathise with the destroyers of the fatherland of Homer, Sophocles and Demosthene. . . ." Elsewhere he condemns the damage caused by the Turks on the patrimony of antiquity. The association of the two is drawn from Voltaire's Essai *sur les Moeurs et l'Esprit des Nations*,1756 but it is clear and constant in the Philhellenic movement as well, all over Europe. A few decades later the schema and even the phraseology used by Korais in his *Autobiography* (published in Paris, 1833) were identical: *"The hate I bred since my early childhood against the Turks was intensified since I tasted the freedom of a lawful society: it was transformed into a 'maniac aversion'.* Out of over seventy such expressions I detected up to now in his work I will include here one more: *'Turk and wild beast as words became synonyms in my way of thinking and that is what they remained for my whole life'* reverberating up to approximately a decade ago when a Greek foreign minister publicly declared that 'Turks are a nation of cannibals'.[1]

All one needs to do is follow the transformation of cultural paradigms in the thought of Greek Enlightenment thinkers, which from this point on is characterized by hatred of the Turk. [*I am thinking in particular of the evolution of Korais's thinking as shown in his letters from Amsterdam to Stamatis Petrou*] A re-reading of Korais would show the following central and interconnected elements as they appear clearly in *Mémoire sur l'état actuel de la civilisation dans la Grèce.* 1803 (read in the *Société des observateurs de l'homme)* as I have serious indications from selective localized drilling of greek enlightenment works that schematically and with all the dangers involved what we get are the following:

1) Love for one's country closely connected to love for culture, education, the sciences, the arts, Europe and Greek antiquity. 2) Hatred of 'The Turk' associated with rejection of Ottoman oriental despotism -- 'barbarie', 'joug' ottoman' (Ottoman 'yoke'), 'not susceptible to learning' -- within an overall rejection of all dynastic empires after the collapse of Athenian democracy, including the Macedonian, the Roman, the Byzantine, and, finally, the pejoratively Turcified Ottoman empire (with varying nuances for 'national', 'local', and 'foreign' despotism). 3) Within Enlightenment literature the Greek revolution was a revolution in culture, language and education ('build schools and universities'). It involved extensive translation of European literature to foment revolution through awakening of the ancient forefathers that could only be achieved by revolution against illiteracy and the Turks as the culmination of 2,000 years of despotism. Only in Europe, Korais writes, can we comprehend the immense value of our glorious ancestors. Only in Europe at one and the same time can we recognize the 'despicable Turk'. I believe Korais's encapsulation of the dominant polarity in European thinking and transmission of it to the contemporary Greek intelligentsia illustrates my central point. One pole is the brilliant classical Greek antiquity (not all antiquities) contrasted with the darkest pole of contemporary 'Turks'.

If we take a couple more steps the chain of argument gives us the following results:

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[1] Which does not mean that, even nowadays generalized collective character traits are not painted with vivid colours, as Timothy Garton Ash described for us in the 'Observer' –if I recall correctly reference yet to be found - some twenty five years ago in a closed workshop at Oxford with Margaret Thatcher, PM at the time, speaking about the 'rude and violent character of the German'.

First, it is in this period and in this same European environment that Greek scholars were imbued with the newly emerging paradigm – democracy, political philosophy, science, progress – which they imported into Greece, in the process modifying it and including European idealizations of Greek antiquity i.e. the glorification of their/our own ancestors with their concomitant flattering self-glorification of us/them (the Greeks) as their descendants[2];

Second, the history of the formation of European attitudes from the Renaissance up to the Enlightenment, -- which continued well into 19th century Romanticism and into the early 20th century -- is permeated by highly negative representations of 'the Turk' and Islam that necessarily entail intolerance. For centuries Catholic Europe was a bastion of intolerance whereas the Ottoman Empire was the domain of religious tolerance. (When the Sephardic Jews were expelled from Spain, Portugal, and, later, Italy they found refuge in the Ottoman Empire). In this sense not only can Europe teach Turkey but Turkey, as the main (not the only) heir of the Ottoman Empire has something to teach Europe. This polarity is especially so in a period of re-invigoration of 'the Islamic threat' – a decade after September 11th 2001– and the successive military interventions during which theories about clashes of civilizations and cultures have once again become very much *à la mode.* The rereading of the period has forcefully established that in the European Enlightenment we can, of course, trace all the material for painting the old continent with bright colors, but we can also detect threads leading to racism, aggressive nationalism, and anti-Semitism that made Europe the '*dark continent*' a century later.

Third, we can see that the Greek Enlightenment scholars living somewhere in between Paris, Pisa, Padova, Vienna, and Amsterdam, -- *romioi* or *graikoi* in their self-portrayed consciousness -- but Ottoman subjects, rejected 'the Turk' in all his attributes (not only the Ottoman Empire as a 'despotic state formation' and a way of governing) as a necessary factor in their identification with Europe and, simultaneously, with Greek antiquity (in the sense of the enlarged definition of classical antiquity) .

Where does all the above lead us? I believe that if we take all these factors into consideration we are smoothly led to a logical sequel of thoughts. It is possible that not only the construction of the 'imagined Greek self identity' but, equally so, the parallel, equivalent, and antithetical reconstruction of 'the infidel Turk' may be very much dependent upon transpositions of negative Eurocentric and Catholic-centric constructions. It is, after, all the period during which what we have come in recent decades to conceptualize as the discourses of Eurocentrism: Orientalism and Hellenism were formed. These discourses had to pass through all the readjustments culled from the lived collective experiences. Greek identification with Europe and,

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[2] G. Souris's verses are of relevance here:
And the antiquities showing him and the lots of [marble] stones
Every now and then to tell him:
Quelle gloire, mon cher Ethem
Que je t'aimes, je t'aimes, je t'aimes"

[…]και τα'αρχαία δείχνοντάς του και τις πέτρες τις πολλές,
Κάθε τόσο να του λες:
'Κελ γκλοάρ, μον σηερ Ετέμ !
Κε ζε τα'εμ, ζε τα'εμ, ζε τα'εμ.»

G. Souris 'Fasoulis and Perikletos, o kathenas netos sketos', Journal *O Romios*, 26.4.1897

even more so, with Greek antiquity cannot be perceived separately but only in conjunction with constructs of Turkish 'otherness'. They both must be opposing poles of a particular conceptual package perceived as two opposing systems of values and beliefs, both politically and culturally).[3]

III.

GREECE and NEIGHBOURING TURKEY: THE PRODUCTION OF FRIENDS AND FOES IN RETROSPECT

In a second stage I turned to the European origins of national bipolarities because there is little internal evidence of Greco-turkish, ethnic as such, bipolarities within the Ottoman context. We know from the body of political theory—and the theory of nationalism, in particular—that the birth of nations was—and is—violent to varying degrees. The process automatically generates a bipolar system of friends and foes (domestic and external) by which a friend can be transformed into an enemy and *vice-versa* by change in international conditions or balance of power.

In this second stage, I sketched in brief, as I previously presented, that an *identification*, via Europe, with classical antiquity (in general and in the abstract, without distinctions) of epic proportions with ludicrous side-effects (up to last year's multiple official reactions to the cover of the German popular magazine *Focus* with Aphrodite of Milos shown initially with the finger directed upward, as a beggar). This identification with classical antiquity, although superficial, was powerful (in which the high-toned worship of—and obsession with—it was accompanied by little actual knowledge about antiquity[4]). This worship of the classical was accompanied by an equally monumental *rejection* (of the Ottoman past), was redemptory at first but tragic in its outcome. These two stereotypical mental processes have been constantly at work, side by side, in forming *modern Greek* identity since the Enlightenment. The two processes—the *linking* of the positive identification (with ancient Greece and Europe) and the *rejection* (of the Ottoman Turkish)—were the *sine qua non* of the same entire Greek cultural ideology. The Greeks do not define themselves purely on the basis of constructs of absolute continuity since antiquity, but also in terms of their Otherness from—mainly—the Turk, but also at times the 'Bulgarian' Exarchate and, more recently in the 1990s, with the "statelet of Skopje" as the Republic of Macedonia was pejoratively called[5].

I was and still am seeking to refute an axiom which, while held immune to doubt, has had extensive political influence at various stages in modern Greek history. 'Ethnically Correct' thinking was canonized from the very first Greek constitution in the mid-1840s as *'ethnikophrosyni'* which, ever since, has been a major factor in determining laws and in the long debate about who is Greek and who is not (the troubled history of citizenship). The bipolar theme of good and bad

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[3] Inter alia, Stephanos Pesmazoglou, "Ευρωκεντρικές Κατασκευές" in *Έθνος – Κράτος – Εθνικισμός*, Society for the Study of Neohellenic Culture and General Education, January 1994, pp. 179-207.

[4] From Elli Skopetea's illuminating *Το πρότυπο βασίλειο και η Μεγάλη Ιδέα. Όψεις του εθνικού προβλήματος στην Ελλάδα (1830-1880)*, p. 204.

[5] Or, more elegantly, "the little worm that's Skopje". In the 1990s, absolutely everyone in Thessaloniki (schools, universities, churches, factories, public and private enterprises, ministries)—except for a segment of the Left—joined the struggle 'Macedonia solely Greek'.

patriots continues to reverberate. My point is evident in the libelous reactions to the three volume mosaic of *Κωνσταντινούπολις* by Skarlatos Vyzantios in the 1850s and 1860s, by the *Pseudopolemos* [phony war] *of 1897*[6]**,** by the Asia Minor campaign and Catastrophe, by the colonels' (1967-1974) *Greece of Greek Christians,* by the handling of the Cypriot Issue[7], by Imia, by the Öcalan affair, by the reactions to the Annan plan and very lately by some of the reactions to visits made by the PM and other leading politicians to Turkey.[8] The axiomatic truth can be summarized thus: *Greeks and Turks have always been, and will always be, perennial enemies*. By extension, this conception divides the entire world politically and culturally, diachronically and retrospectively, into *friends* and *enemies*— *philhellenes and pro-Turks*—and/or, within Greece, into *patriots* and fifth-columnist 'Tourkosporoi' [sons of Turks], a term used to describe any politicians, intellectuals, or citizens who dare to differ from the 'nationally correct' canon. Up to now, the emphasis upon constructing the present and narrating the past and present of Greco-Turkish relations concentrated on the disasters inflicted by the one upon the other. But reality is always more complex. There was not one catastrophe, 'ours', but many catastrophes (plural). [9] I argued at this stage that this political and

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[6] The title of V. Modis's rhyming parody. Just for a taste (p.26)

'Τι μέγας ενθουσιασμός, τι χτύποι και τι βρόντοι !
Κι όλοι κοίταζαν χάσκοντας το κλασικό μας γένος,
Λυσσούσαν για τον πόλεμο και γέροι μ'ένα δόντι
Και μάχας ονειρεύετο κ'η τρυφερά παρθένος[...]

'What great enthusiasm, what bangs and thunders!
And all gazed gaping at our classical nation,
They had all gone mad for the War and single-toothed old men
Dreaming of battles and the tender virgin

[7] Turning to the Cyprus Issue, *I don't forget* ['*Δεν ξεχνώ'*, the Turkish invasion], but I *do forget* the decade that preceded it with its EOKA-B executions. The decision in favour of collective forgetting was endorsed in 2002 by the Minister of Education who, telephoning from Beijing, blithely deleted a paragraph from a school history textbook that had been approved by an academic committee. and chosen by open tender. (The contentious paragraph simply denounced the atrocities committed against Turkish Cypriots by EOKA-B during this period.)
 What is the relevance of: "and chosen by open tender?"

[8] Visit by PM G.Papandreou in Ankara, January 2011; among the politicians was Dora Bakoyianni, a former Minister of Foreign Affairs, and now leader of the newly formed Dimokratiki Symmachia (Democratic Alliance) party, who spoke to a selected Turkish audience in Istanbul. She was attacked as 'turcophile' and her lecture as an 'anti-Greek delirium' because she referred to a millennium of confrontations being supplanted by a period of peaceful and creative collaboration. Quoted in T. Skylakakis, 'Populism and Greco-Turkish relations', 'Kathimerini' daily newspaper, 21st December, 2010
[9] For Turkey the major Greek Catastrophe was the war of Liberation from the Greek army of occupation.. What the Greeks view as the liberation of native Greeks from Ottoman rule the Turks consider treasonous, violent conquest of Turkish land. That the obligatory so-called 'exchange of populations', what today would be described as mutual ethnic cleansing, was in fact a practice generally accepted and used by the major European powers is overlooked. That this massive enforced movement of populations (1912-1922) based on ethnic criteria in the Balkans was used as a model 15 years later by the Nazi regime and then again by the Allies in the immediate post-war period (1945-1949) of massive movements (forced voluntarism) is also overlooked. The same practise was tolerated if not enhanced initially by the West in Yugoslavia. The European Union in concert with the US legitimated practices that have

cultural rupture, as cultivated from national time immemorial by the Greek educational system, the media, and politicians, not only remains unsubstantiated in any serious, systematic way, but has come to be linked with extremely dangerous views about the *clash of civilizations*.

In turn, the unwavering axiom that "Greeks and Turks are perennial enemies" is founded in nationalistic stock phrases that are taken as absolute certainties. We know who our friends are and who our enemies are beyond any doubt. The stock expression of "400 years of Turkish yoke", a stereotype in every sense of the word, is taken as a conceptual framework for understanding centuries of Ottoman rule enabling the self-evident *rebellious nature of the Greek*.

In this *second stage*, basing my arguments on the ever-growing body of secondary literature, I argued both that the axiom of perennial enmity should be tested against documentation of every sort from every available source and that another factor should also be taken into account: the deafening silence of the sources, for the agrarian 99% of the population left no decodable testimony behind. By necessity, our conclusions would have to be drawn from: a) surviving written documents, over 80% of which were religious or theological in nature up to the early 19th century[10] and which are imbued with an ideology that could best be described as "Patriarcho-Ottomanist". b) Texts from the level of oral tradition (onto which every nationalist element was grafted during the Romantic stage)[11]. c)

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no relation whatsoever with the principles and values associated with the nucleus of political liberalism (regardless of its left or right orientation).

[10] For the relevant bibliography, see ΕΙΕ/ΚΝΕ, *Θεσμοί και ιδεολογία στη νεοελληνική κοινωνία 15ος-19ος αι. Πρώτος απολογισμός ενός ερευνητικού προγράμματος*, Athens 2000. The life's work of Filippos Iliou: *Ιστορίες του ελληνικού βιβλίου* (eds. Anna Matthaiou, Popi Polemi), University of Crete, 2005, ¨Συνδρομητές¨, "Τα Τραβήγματα", *Ελληνική Βιβλιογραφία του 19ου αιώνα*, vol. I, Βιβλιολογικό Εργαστήρι, Hellenic Literary and Historic Archive, 1997; and the work of other researchers at the Centre for Neohellenic Studies, including D.G. Apostolopoulos, *Οι ιδεολογικοί προσανατολισμοί του Πατριαρχείου Κωνσταντινουπόλεως μετά την Άλωση*, Goulandris-Horn Foundation, 1995, p. 33, and idem, *Η Γαλλική Επανάσταση στην τουρκοκρατούμενη ελληνική κοινωνία, Αντιδράσεις στα 1789*, Athens 1989. The interesting thing about the latter is that it was only in 1800 (in Athanasios Parios, *Χριστιανική Απολογία*) that "certain subtle ideological hues" were identified in the Roman [Greek] Community as deriving from the French Revolution. Also, see Paraskevas Konortas, *Οθωμανικές θεωρήσεις για το Οικουμενικό Πατριαρχείο. Βεράτια για τους προκαθήμενους της Μεγάλης Εκκλησίας (17ος – αρχές 20ου αιώνα)*, Athens 1998.

[11] The work of Alexis Politis: *Ρομαντικά χρόνια. Ιδεολογίες και νοοτροπίες στην Ελλάδα του 1830-1880*, EMNE-Mnimon, 1993, *Το Μυθολογικό Κενό*, Polis, 2000, *Τα Κλέφτικα*, Ermis, 1981, *Η ανακάλυψη του ελληνικού δημοτικού τραγουδιού*, Themelio, 1984.

[11] A principle introduced by Michalis Sakellariou, *Η Πελοπόννησος κατά την δευτέραν Τουρκοκρατίαν (1715-1821)*, Ermis (reprint), 1978, Elizabeth Zachariadou, "Changing masters in the Aegean" and Elisabeth Malamut, "Travellers in the Aegean islands from the 12th to the 16th century", both in *The Greek islands and the sea*, Porphyrogenitus, 2004; in the context of Spyros Asdrachas's research programmes, the studies by Evtychia Liata, *Η Σέριφος κατά την Τουρκοκρατία (17ος-19ος αι.* (1987), Eleftheria Zei, *Paros dans l'Archipel Grec XVIIe-XVIIIe siècles: Les multiples visages de l'insularité*, Paris 2001 (Ph.D. thesis), and Lina Dematha on Sifnos. However, taking the communities as a dominant factor, there are serious counter-indications with regard to the stance adopted by the populace. This different view dominates the bibliographic survey of the subject by Anastasia Papadia-Lala, *Ο θεσμός των αστικών κοινοτήτων στον ελληνικό χώρο κατά την περίοδο την Βενετοκρατίας (13ος-18ος αιώνας). Μια συνθετική προσέγγιση*, Hellenic Institute in Venice, 2004. Of course, one cannot arrive at solid, general conclusions, since there is considerable differentiation depending on the period of Venetian rule (goodwill towards the Venetians and widespread hostility to the Turk in the later period) and between provinces (anti-Turkish sentiment in the Ionian islands, anti-Venetian feeling in Salonika, Nafpaktos and Aegina [many of whose people sought refuge in the Ottoman empire], anti-

Beyond the corpus of written and oral testimonies, the disciplined case studies relating to particular places or areas (and not the para-literature of past glories which generally—though not always—flourished on a local level). The choice presented is between two extant (prominently visible) models of governance: Latin rule in its various forms—Frankish, Venetian, Genovese, etc.—or Ottoman dominance. Most studies are decoded and framed on the basis of three criteria: 1. The relative autonomy in the communities (and, in any case, the varying and flexible policies of government); 2) the degree of religious freedom (the many bans imposed by the Catholics compared with the relative tolerance of the Ottoman model); and 3) the relative burden of taxation, perhaps the most important criterion, for the practices of Latin rule seem to have been systematically more burdensome compared with the more flexible Ottoman approach.

What does a rational examination of the arguments in this official narrative reveal? Let me take one example: the *rebellious nature of the Greek* which, over and beyond the problematic reductivism of the supposed resistance of the entire Greek nation when it did not even exist as such and which we relive periodically on specific occasions (you can imagine today on the brink of bankruptcy)—is subject to multiple controls since the stock phrase is propounded as though it were associated exclusively with the Ottoman period. Similar uprisings that occurred during earlier periods (under Byzantium) are passed over in silence and if we go back two and a half millennia earlier, no significance is assigned to the bloody repression of rebellious Melos by imperial Athens. Within this very long time span, then, it can be expected that the uprisings during the Ottoman period are narrowly nationalised although during the same time there also were periodic uprisings by Slavophone populations and/or (even worse for today's Greek super-patriots) uprisings by Turkish-speaking Muslims in Anatolia and Greek-speaking (Muslim and Christian) populations in Crete and Cyprus. The beheading of patriarchs is presented as a specific feature of Ottoman power and not as a practice espoused by the previous holy empire – Byzantium. In addition, such beheadings are presented as barbarous acts (which they were) inflicted solely on Christian leaders (and retroactively invested with anti-Greek sentiments). They are not listed alongside the customary Ottoman practice of beheading Muslim viziers and arch-viziers, sons, brothers and fathers of sultans. There is no getting round it. However religiously tolerant the Ottoman regime may have been towards recognized faiths[12], it was also despotic and tyrannical towards more or less all its subjects. These practices are stressed or suppressed in accordance with the degree of ethnocentric arbitrariness and subjectivity they are assigned in retrospect.

All this mythology weighs heavily, for in the Greek nationalist ideology, from all the complexities, contradictions, antinomies of perception, convergence and interaction of the shared millennia the only *moto* that remains—and that in a linear and meaningless fashion—is the non-existent *400 years of Turkish rule*. Because, as Elisavet Zachariadou has rightly noted[13], it was neither 400 years long (it ranged from 250 to 1,000 years depending on locale), nor was it racially *Turkish*—it was Ottoman, with different ethnicities dominating various professional

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Frankish sentiment in the Peloponnese) as well as significant differences between urban and rural populations (Crete/Cyprus) and different social groups or classes.

[12] Religious toleration that was in no way extended to heterodox Muslims (periodic massacres of the Alevi).

[13] In a lengthy, most recent unpublished paper.

and economic sectors (in the same way that Byzantium was not a strictly Greek formation but Hellenised in retrospect).

I shall bring this issue to a close by echoing Alkis Angelou and saying that, instead of seeking the formation of the modern Greek identity before the 18th century (indeed, even before the first half of the 18th century) in resistance to the Turk / Ottoman and his rejection, it is better to pursue more fruitful lines of enquiry: the *cross-fertilization* between and *amalgamation* of the Greek / Orthodox and Turkish / Muslim cultures in the Ottoman context. The shared historical experience over the very long term reaching even 1,000 years weighs heavily not merely as one element among others, but as the main defining element in parallel with others drawn from lived history—like language and religion—(all remaining subject to Ottoman commands: the *millet* system), with a homogenizing effect, to different degrees, within each community. The wording (in the mid 19th century) of the great scholar and lexicographer Skarlatos Vyzantios in his three-volume history is much closer to the reality than any subsequent Manichean theorizing: *"Living together for a thousand years, they were Hellenised and we were Turcified"*.[14] If, as has been noted, in the inter-war period, the then contemporary German had a good deal more in common with the contemporary Frenchman or Englishman than he did with the mediaeval German and/or Visigoth (debating on national character), then it holds equally true that the contemporary Greek has a lot more in common with the contemporary European and the contemporary Turk than he does with his ancient forebears, be they Athenians, Myceneans or Minoans. Such are the nonsensical ravings one hears in relation to the absolute, diachronic continuity in the character of the Greeks.

Nonetheless, despite the insistent argumentation, the systematic documentation, and the rational deconstruction of the Greek national mythology in the past three decades this same mythology seems to be taken for granted in mainstream modern Greek historiography. Collective prejudices die hard, for they continue to function as absolute certainties (witness school textbooks and national celebrations, the mass media, politics, sermons from the pulpit). The motif of rejecting the Turk kept reoccurring throughout 19th-century Greece (with a few anti-Bulgarian interjections) and has continued to do so to this day (applied to the rejection of the Macedonian in the early 1990s:[15] Mindsets of this sort are dangerous because all they do is fuel intolerance at critical moments of political decision-making.

The simultaneous emergence of the superiority of the Greeks and the inferiority of minority communities was part and parcel of Greek self-identity and the ideology of *ethnicophrosyni* excluding minorities, considered as 'foreign' to the Greek race and potentially conspiratorial in conjunction with neighbouring hostile states against the Greek nation. In a *third stage*, based mainly on the substantive literature and evidence which had emerged after the mid 1990s[16], I argued that the

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[14] Skarlatos Vyzantios, Η *Κωνσταντινούπολις ή Περιγραφή τοπογραφική, αρχαιολογική και ιστορική*, 3 vols., Athens 1850-1862. The quote was first noted by Alkis Angelou in his last paper (published posthumously ' I Konstantinoupolis ek ton kato kai ek ton eso' (Constantinople from below and from within') in *Synchrona Themata* vol. 78 -79, July – December 2001, ps. 53 – 89).

[15] *"Fyrom"* as it is named by its acronym, *a Turkish-American tool for encircling Greece"*.
[16] This piece of the mosaic could not have taken shape without the decisive impact on my thinking over the last decade of a coherent series of studies and publications emanating from a dynamic group of researchers centred on the Minority Groups Research Centre (KEMO); work that has now led to more formal university collaborations. The researchers involved include Lambros Baltsiotis, Dimitris

cost of mobilizing the demographically dominant Greek population within national boundaries was the exclusion and/or elimination of the Other and their memories. We perceive the silence of the Other and about the Other from his absence in the official historiographies, school textbooks and, until very recently, university curricula[17]. Communities with different religions and/or languages (Turkish-Muslim, Slavo-Macedonian, Jewish[18] and today, of course, the new immigrant minorities—chiefly Albanian—) are absent from Greek collective knowledge. 'Greece belongs to the Greeks'. Within this same mindset and quite contradictorily, in the name of an abstract Greek identity the nationalist ideology mobilizes people "of the same nation", "of the same religion" or 'who speak the same language" to protect their 'fellow nationals' (as they are called, ομογενείς) beyond Greece's borders, usually in neighbouring states (turning Vlachs in Albania—the so-called 'Vlachometro'[19]—and Russian-Pontians from the Black Sea states into Greeks), while simultaneously marginalizing, excluding and eliminating the 'Others' inside Greece. Historically, in Greece and elsewhere, national values have been used to rebut social working class mobilisations, exploiting the vertical penetration of nationalist ideas into all social classes. In the first post-war decades"EAMO-Slavs", "EAMO-Bulgarians" were the labels attached offensively and pejoratively to the Communists, i.e. the ideological opposition to the dominant Right[20].

Over the same two past decades the decisive influence of European Institutions (Council of Europe, European Parliament, European Commission of Human Rights) has brought a major positive change in the self-centered approach of Greek national identity.

IV

THE EUROPEAN ORIGINS OF THE GREEK REJECTION OF THE TURK

In a *fourth stage*, overlapping with the previous ones, I argued[21] that, since we have enough documentary evidence showing that the roots of the nationalistic stock phrase about *brothers / enemies* (be the perceived enemies Turks or, later, minorities of a different faith and/or language) was not restricted to peoples living

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Christopoulos, Leonidas Empeirikos, Alexandra Ioannidou, Eleni Karantzola, Tasos Kostopoulos, Dora Lafazani, and Kostas Tsitselikis.

[17] Stefanos Pesmazoglou, "Μερικότητα και καθολικότητα σε ένα πρόγραμμα σπουδών στις κοινωνικές επιστήμες" in *Μειονότητες στην Ελλάδα*, Society for the Study of Neohellenic Culture and General Education, November 2002, pp. 419-430.

[18] The controlled and only partial opening to the public of the Foreign Ministry's Jewish Archive provides a most eloquent example.

[19] Mentioned in K. Tsitselikis – D. Christopoulos (eds.), *Η ελληνική μειονότητα της Αλβανίας*, Kritiki-KEMO, 2003.

[20] Just as the fans of Thessaloniki football clubs are called 'Bulgarians' creating a fuss when the fact was used as an example of pejorative use in the *Dictionary of the Greek Language*, 1998 leading G. Babibiotis editor and director to withdraw the first edition and publish a second edition without the specific example !

[21] Inter alia, Stephanos Pesmazoglou, "Ευρωκεντρικές Κατασκευές" in *Έθνος – Κράτος – Εθνικισμός*, [Eurocentric constructions in Nation – State – Nationalism], Society for the Study of Neohellenic Culture and General Education, January 1994, pp. 179-207.

under Ottoman rule, we should look in Europe, an exogenous matrix, for the origins of the modern Greek rejection of the Turk in particular and the Other in general. As I have already argued, positive association/identification with the Ancients reached Greece through Europe in the wake of the (Greek) Enlightenment. Several modern studies have shown that during this period 'Antiquity' became a necessary concomitant of 'Modernity' as the emerging nation-states sought and manufactured their 'roots' and 'heritage'.

In most fields of European academic literature—geographical, historiographical, socio-political—and in the daily journalistic and political discourse a negative, indeed, often dismissive, European perception of the Turk is present as a common denominator. The negative perception, however, varies considerably for, of course, there are many Europes of many hues, some of them complementary, others contradictory. Victorian Britain, for example, had one view of Turkey—described by Elli Skopetea—and Germany quite another, for the two states had conflicting economic and political interests. Perceptions also vary according to the place and time of viewing and the politico-ideological and philosophical-theological opinions then current (Renaissance, Reformation, Anti-Reformation, Secularization). The variety of these perceptions is not justly treated by the stereotypical presence of a single narrative presenting the history as if it were of *two entirely different and hermetically protected, sealed, and impermeable cultures*. For Christianity, it is as though Islam exists to its south, stretching from one end of the Mediterranean to the other, as an abstract coordinate initially Arab and subsequently Ottoman. Europe's great fear of the Ottomans—of Islam—(the Fall of Constantinople and the two sieges of Vienna) was a basic interpretative key for historians as different in their provenance and goals as Braudel and Duroselle in explaining the great flight to the New World.

Construction of the difference between Greeks and Turks was, in its absoluteness, a consequence of Greek contact with Europeans in many and varied forms. The unprecedented communication by Greeks with other peoples sparked capitalist industrialization. The initial development of Greek national consciousness arose—and, for a long period, was held almost exclusively—by merchants and scholars who had dealings with, or lived in, foreign lands. It would be unthinkable otherwise. [Turkey was, maybe, a foreign land, as was all the Middle East. You mean European lands.]

To summarize the first five sections of my paper:

There is no—and there cannot, factually speaking, be—documentary evidence for an indigenous rejection by Greeks of 'the Turks' as perennial enemies before the mid-18th century. The origins, then, of the modern Greek rejection of 'the Turk', and the racist exclusion of the minority Other, must lie in the stereotypical Eurocentric constructs of the Other within Greek borders and the Turk beyond them as extreme Otherness on the fringes of Europe (and Greece). Identification with 'Antiquity' and rejection of the adjacent Other (the Turk) form two apparently paradoxical processes within the same intellectual climate. They are perceived in political and cultural terms as two antinomic systems of axioms and beliefs.

V
VIEWING GREEK PASTS

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Having in the past tried to determine the factors behind the bipolarity Greek – Turk and the European origin of this nationally determined mind-set, I ended up in this last *fifth* stage, contextualizing the mode of thinking about the Ottoman past within a wider framework of previous eras. In this penultimate section I will argue that the successful mobilization of classical antiquity seriously affected how the Ottoman past and 'the Turk' were perceived after the emergence of post-national modes of thinking of all previous periods of history in the eastern Mediterranean and the Balkans. Classical Greece, classical Athens, is a tale with a name: Greek Nation, a tale about 'the essence of National Identity', about 'the nature of Hellenism' i.e. the tale of the 'upsurge of National Consciousness'.

In classical antiquity – from approximately 150 years (480 – 323 B.C.) or for others 100, 50 or strictly 30 years (Pericles' Golden Century) – there was an unprecedented explosion of creativity in most fields of knowledge (philosophy, the sciences, the arts, the theatre). Five waves can be identified of what Rafael depicted in his 'The School of Athens' fresco: 1) The School of the Hellenes, symbolized by the nearly 500 year existence of the Library of Alexandria (180 B.C. – 297 A.D.); 2) The School of Augustan Rome (27 B.C. – 14 A.D.), which established the basic educational curriculum in Europe for 1,000 years; 3) Athens as the school of the Arab renaissance during the centuries of the Arabic translations of classical texts; 4) The European Renaissance; 5) Athens School of European Enlightenment and post-enlightenment continuing to our time, perhaps with symbolic figures of Winkelmann and his canons of Aesthetics; Goethe; Kant; Nietzsche; on through Humboldt and Von Neumann up to Jaegger and his three volume *Paideia* in the mid-war period, then on to Harold Bloom – Saul Bellow in the 1990s among many others. The verdict is crystal-clear. Classical Athens is recognized as providing splashes of light for Europe's history of ideas and collective mentalities. European mentalities were mobilized by invoking classical antiquity for the recurrent support, first for the founding of the Greek state, then for its consolidation, and thereafter in times of crisis, as can now be heard, *'the retrospective European and Western debt to Greece is incalculable; it far surpasses Greece's economic debt'*.

My argument culminates in the following point: Eurocentric constructs of the brightness of classical antiquity automatically generated external negative by-products (the collateral damage of civilization). Shadows laid down in various degrees of intensity covered periods before and after classical antiquity, culminating in the darkest blackness of the Ottoman period (completely Turkified in the same sense that Byzantium is totally Hellenised), with all possible repercussions in such things as public financing of archaeological excavations, the establishment of museums, etc.[22]

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[22] Although my utterings are within the premises of the British School, one of the major bastions of ancient history, I will dare present some conclusions from my readings in all subjects and periods I am an extremely curious, nevertheless, absolute *ignoramus* : The Neolithic period has been condemned to perennial indifference (K. Kotsakis et.al.); Cycladic Art was first considered as meaningless junk of no interest to the international smuggling market. Since the 1930s, however, because it was discovered by the 'Prophets of Modernity' – Pablo Picasso, Amedeo Modigliani, Constantine Brancusi, Henry Moore – it has gradually been incorporated into the official national discourse as the precursors of the classical, although for the Modernists it was exactly because the Cycladic was considered Primitive art used against the classical tradition (D.Plantzos on Christian Zervos); Mycenaean and Minoan were incorporated and swiftly Hellenised after the decipherment of the Linear B – considered by Chadwick as a proto-hellenic language. This moved the 'cradle' of European civilization south to Mycenae and Crete (see Zolkowski and Gere, 2008 and 2009 respectively). The archaic, pre-classical period,

With 'the Classical' ('The Glory that was Greece') being made a fetish, shadows and darkness fell upon contemporary and previous eastern civilizations (Phoenician, Egyptian).[23] Ultimately, Greek panegyrics about Greece's classical past damage our understanding of this same classical past. It goes hand-in hand with the lack of serious, systematic classical studies in Greece. European research, journals, and publications all take precedence.

Instead of seeking racial, ethnic, and linguistic purity, we should have such concepts as 'crossroads', 'cross-fertilization', 'links', 'influences', 'contacts' as well as compound nouns for areas of civilization such as 'Greco-Persian', 'Greco-Indian', 'Byzantino – Ottoman', 'Turco – Greek', 'Judaeo-Christiano-Islamic, Arabo –Ottoman' at the forefront of our research.

VI
INCONCLUSIVE CONCLUDING REMARKS

The modes under which the 'national' is articulated as a historic past is neither natural nor obvious. Instead, the articulation stems from a series of conscious political decisions at the Micro, Macro and Giga levels (in the extended Foucaultian sense of the term). The ideological framework in which these political decisions are taken in each period is shaped by particular historical contexts and specific socio-political relations of power that can be taken as givens.

A disciplined study could provide a number of reliable results about the hard core of collective mental constructs of identity. Crises and crossroads, the turning points in the history of 'the nation', could well be exceptionally rewarding subjects of research. In such critical periods national/state policies stemming from conscious (and often instantaneous) decisions stand out clearly, and they often remain (usually because of inertia) fixed for long periods of time. I must say that this is the case also for the current Greek crisis – not only in its economic dimension, but in its political and moral dimensions as well.

On the basis of the above, to what extent can the Greek state be considered to have been perpetually antinomic? The antinomy lies precisely in the contrast

according to Robin Osborne and the Hellenistic post-classical according to Peter Brown have both been relatively under-valued in favour of the classical (exceptionally annexing certain writers from Homer to Plutarch). Finally, Macedonia, initially 'barbaric' in official ideology in accordance with European modes of thinking, since G. Droysen and in Greece mainly because of Bulgarian territorial claims by the end of the 19th century is incorporated into the official national discourse and, since the early 1990s, with a resounding splash because of the Slav Macedonians laying claim to the name. (Of course, Philip and Alexander are fully Hellenised and in a recent nationwide 'beauty contest' of all great Greeks through history Alexander the Great was acclaimed by electronic ballot the Greatest of all Hellenes. Reactions are vivid if not violent when ancient Greek homosexuality is referred to by either Harvard scholars in academic conferences held in greek universities or Hollywood film directors (when Oliver Stone's film was released in Athens cinemas). The Roman period is very simply summarized in the schoolbook motto: *'they conquerd us by the force of arms; we conquered them by the force of intellect'*. This is the second wave of barbarism – worse than the previous one. The Byzantine era is the third wave of initially oriental barbarism re-annointed by the end of 19th century for reasons similar to those for Macedonia. It then becomes idealized as Christianised Hellenisation. Hybrid currents or personalities are retrospectively nationalized to the full: e.g. the ancient art of Fayum becomes fully Hellenised through Hellenic painting but their Roman forms and Egyptian burial traditions are ignored; El Greco becomes the Greek by excellence because of existing Byzantine influences overshadowing Venetian and Spanish influences.

[23] Bernal's *Black Athena* contesting the classical Greek heritage provoked internationally a serious debate among Classical scholar; but in Greece with certain exceptions it turned into a fierce rejection not on academic but on political ground.

between a rational process of state modernization – Europeanisation – and the mythological, therefore irrational, foundations of state policies

The tyranny of national history, it seems, is hard to shake off. For a century after the establishment of the Kingdom of Greece it served mainly as a deceptive medication (φαρμακεία), but in recent decades it has primarily been a poison (φαρμάκι). In general, the search for Greek identity has left its mark on the mindset, centripetally and creatively in some respects, but divisively, sterilely, and frequently disastrously in others. One can organize one's thinking about this aspect by examining the various policies adopted by the state (at different levels) and the questions/problems raised by specific policies, in doing so mapping the need to examine them sequentially and by period. Through its pervasive conceptions embodied in its various institutional manifestations (European Union, Council of Europe, European Court of Human Rights), recently Europe seems to have decisively modified Greece's approach to what 'legality' means on issues pertaining to human and minority rights and religious freedoms[24].

Even more clearly, Europe seems to have decisively influenced Turkish law and practice. In his recent article in the January 2011 issue of the *New York Review of Books* Orhan Pamuk writes that there was not a word about democracy and human rights in his school textbooks when he was growing up, that 'genocide' was an unknown term, and its historical contextualization with the massacres of the Armenians did not exist. In this last Erdogan era there are decisive steps forward.[25]

Of course, Europe's inability to deepen its own integration politically is evident in crucial areas. The lack of political will to coordinate steps in dealing with the current economic crisis in the Eurozone, the intensifying social inequalities, the strengthening of xenophobic political opinions combined with the assimilated anti-Islamic fear no longer allow Europe to function as an incentive for major transformations in Turkey. Nonetheless, great gains are being made in Turkey in strengthening civil society, curbing the strength of the military, and showing some light at the end of the tunnel for ethnic minorities.

I have tried to outline how, at first, a Eurocentric mindset decisively influenced Greek perceptions of Self and the 'Other', whether or not the 'Other' were a neighbor such as Turkey, or a minority – historic and new immigrant – within Greece's borders. This Eurocentric mindset also has profoundly distorted perceptions of historical periods in the past and their relevant importance. The brilliant classical Golden Age has thrown all other periods and influences into varying degrees of shade and darkness to the extent of affecting how we deal with classical antiquity itself and how we understand the phases that led to it. Instead of persuasion through reasoning, a mechanism has been put in place for generating conviction through the emotive manipulation of memory and forgetting, a mechanism whose constant aim is to flatter the collective subconscious. By analyzing meanings attached to various conceptualizations of Europe and classical Greek antiquity, again through Europe, the legitimization of modern Greece was assured. In the period after World War II Europe initially meant economic

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[24] See among others G. Sotireli, *Θρησκεία και εκπαίδευση κατά το Σύνταγμα και την Ευρωπαϊκή Σύμβαση*, 1993 and the well-informed and thoughtful two volumes edited by D. Christopoulos, *Νομικά ζητήματα θρησκευτικής ετερότητας στην Ελλάδα*, Kritiki-KEMO, 1999 and *Το Ανομολόγητο ζήτημα των Μειονοτήτων στην Ελληνική έννομη τάξη*, Kritiki-KEMO publications, 2008
[25] Orhan Pamuk, 'The Fading Dream of Europe', in *The New York Review of Books*, January 13th 2011

development (through the EEC). Later on, after the invasion of Turkish troops in Cyprus in 1974 provoked by the Greek coup against Makarios, Greek integration into Europe meant a decisive shield against Turkish aggression (or what was perceived as such). Finally, with the Helsinki agreement there was a whole paradigm shift related to the Greco-European-Turkish nexus. During the period of the Simitis government with G. Papandreou as Minister of Foreign Affairs the importance of endorsing Turkey's adhesion to the E.U. became a strategic factor for draining continuing tensions in the area. The endorsement was strategic also because an eventual reduction in defense costs (the highest among OECD countries in terms of % of GDP) could drastically improve Greece's finances and use them more productively in education, health and culture. A prerequisite for all the above, in my view, is the in-depth transformation of preconceptions and bipolar constructs in viewing the Ottoman past and the Turkish present. My paper focused on understanding the diehard mental rigidities in a period of economic depression if not crisis for the European Union and Greece but of record GNP growth for Turkey.

Before finishing I want to report an incident provoked in mid-January 2011 having quoted Skarlatos Vyzantios, mid-19th century, an undervalued in my opinion since, major scholar writing: *"We rejoice to see Turkey becoming all the more Europeanised and rejecting her ancient tendencies as irreconcilable with the demands of modern ideas and modern civilisation. But we consider it equally desirable that she does not discard all her virtues with her vices (κακώς κείμενα), as is usually the case when modernising tendencies supersede rational discourse and the judgment of legislators."* The extract was within a context of comparing Turks with Greeks and Europeans. And this is even nowadays unacceptable from a section of the population. Thus, after the end of my opening lecture at the Centre of Neo-Hellenic Studies, a member of the audience threatened to sue the organizer, Paschaslis Kitromilides, me, and Skarlatos Vyzantios as *Anthellines* for anti-Greek opinions. Skarlatos Vyzantios in particular because he dared to compare 19th century Turks with Greeks and Europeans. He had not realized that Skarlatos Vyzantios has not lived among us for the past 150 years !

Allow me to finish with an extract from Modis's *Drolle de Guerre* (*Ψευτοπόλεμος*) written in 1897 as though it were dedicated to 'us' (Greeks) during the present conjuncture of the 'Troika' and the European Memorandum (Μνημόνιο):

> *"And the Romioi's [Greeks'] neck, which has such a[n amazing] reputation*
> *And as you very well know cannot endure a [foreign] yoke/*
> *Accepted even [International Financial] Control without much   grumbling*
> *And in bargaining with the foreign inspectors they had a hard time*

> *«Και των Ρωμιών ο τράχηλος, που τόσην φήμην χαίρει, / και δεν μπορεί ως ξεύρετε, ζυγόν να υποφέρει, εδέχθη και τον Έλεγχον, χωρίς πολλή μουρμούρα,*
> *και με τους ξένους ελεγκτάς τα βρήκαμε σα σκούρα».*[26]

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[26] Β. Μάνη, *Ο Ψευτοπόλεμος του 1897 (και άλλα συναφή κείμενα)*, ed. By G. Savvides, Leschi publications, 1994, p.79

The European Union and the Political Economy of the Greek State

George Pagoulatos[*]

Three decades since its 1981 accession to the EC/EU, Greece as an EU member-state has graduated from the "reluctant partner" of the 1980s to becoming a, more or less, committed European, participant of all EU institutions including the core project of the EMU. Such development not only summarizes the country's socioeconomic and political transformation, but also testifies to the EU's crucial contribution in bringing about this transformation. It is only evidence of Greece's integration into the European economy that the country's most severe political economy crisis unleashed in 2010 would become inextricable to the ongoing existential turmoil of the Eurozone, by far the most dramatic since the inception of the EMU project.

Along with Spain and Portugal, Greece was one of the three post-1974 "new democracies" of Southern Europe, and a market economy that was substantially liberalized since its accession. The EC/EU underwrote Greece's transition to a stable, mature and consolidated democracy, by providing normative and institutional blueprint, and by extending financial resources that cemented societal welfare and confidence in the Third Republic. Europeanization led Greece all the way from an over-protected to a far more liberalized, internationalized economy, integrated into the single European market. Moreover, in a country that has carried a long and deep tradition of cultural dualism, Europeanization has unleashed far-reaching attitudinal and cultural shifts in Greek society, cementing the central presence and influence of a strong Western-leaning, pro-European, politically liberal and reformist ideological pole.

Three decades of participation in the European Union have defined both the Greek state and an evolving conceptualization of "Europe" in Greek society. Underlying a seemingly linear process of Greece's integration, a vibrant domestic public debate over the EU has evolved, both actively framing public stances and profoundly affected by the country's ongoing Europeanization. This paper discusses (a) the transformation of the Greek state and economy under the EU, and its limits; (b) the political economy of reform; (c) the implications of the 2010 economic crisis for Greece's European vocation.

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The Europeanization of the Greek political economy

Thirty years of EU and one decade of EMU membership offer the opportunity for an at least tentative account. It is virtually impossible to separate the impact of the EU from the crucial mediating role of the national socioeconomic and politico-institutional system, as much as it is to distinguish the forces of European integration from those of globalization. But there is probably little reason to do so anyway: as much as Greece is part of the European integration process, so is the EU an inseparable element of Greek developments of the last 30 years. Far from a patently exogenous force, "Europe" has been internalized and endogenized by the domestic socioeconomic and politico-institutional system. The EU has generated not just legally binding frameworks and institutional adjustment, but lasting normative influence that has defined the terms of "Europe's" domestic reception, public choices and collective action in Greek society.

The EU has exercised diverse functions with regard to the Greek political economy. It has acted as the external constraint, forcing compliance to the *acquis communautaire*, to the single market program and subsequently the EMU nominal convergence criteria, for a country whose declared objective was complete accession to all EU core functions and institutions. In its operation as an external constraint the EU often became a political facilitator of painful domestic economic adjustment, affording national government the ability to invoke the EU as a scapegoat for unpopular policies.

Much of the EU's transformative impact has unfolded by way of policy linkages, representing a version of indirectly imposed adjustment via an external disciplining mechanism. In this process, mutually interdependent policy reforms acquire a self-enforcing quality. Policy action adopted in one field necessitates parallel or subsequent reforms in interdependent fields, one set of policies leading to another. For example, the Maastricht program imposed public deficit reduction towards the objective of debt sustainability. Before that, the liberalization of interest rates in the second half of the 1980s (implementing the single market program) had hardened the government's soft budget constraint, raising the cost of government financing. Financial liberalization denied government the ability to influence real interest rates, increasing the cost of servicing the large public debt. This maximized the government's need to generate primary budget surpluses (i.e. net of interest payments) through raising public revenues. As a result, Greek governments in the 1990s resorted to extensive privatizations, which however required a developed capital market in order to succeed. This reinforced the process of financial liberalization, which enhanced the disciplining impact of globalized financial markets on the government's macroeconomic policy.

By way of hard and soft harmonization and convergence, Greece's EU membership spearheaded domestic institutional and administrative modernization. Though with a significant time lag, EC structural and cohesion funds gradually generated institutional adjustments, social learning and administrative adaptation, among

others by energizing social capital in the Greek periphery (Paraskevopoulos, 2001). The decentralization of power from a traditionally hydrocephalic national capital of Athens to the periphery from the 1980s to the 2000s (municipalities, prefectures, and regions) was both motivated and funded by the European Union. European legislation, structural programs and their implementation expedited the modernization of a politico-administrative system traditionally characterized by a low degree of legitimacy and institutionalization, excessive formalism combined with the persistence of informal practices, and subjection to political patronage (Sotiropoulos, 1993). EU-imposed mechanisms of monitoring and control helped the civil service somehow strengthen its position vis-à-vis politicians, the transfer of EU standards enhanced meritocracy, while the management of EU structural programs raised the level of professionalism and efficiency of Greek administrative authorities (Spanou, 1998).

The emergence of independent regulatory authorities, the domestic transposition (via emulation) of standard operating practices and institutions (e.g. the Ombudsman), the diffusion of social rights (for consumers, women, handicapped, minorities) and the awakening of civil society, have all been aspects of the multi-faceted Europeanization of the Greek political economy and society, where the impact of a "model EU" has extended beyond hard policy compliance. The EU has operated as a yardstick, against which the performance of the Greek political economy is measured, providing convergence blueprint and reform direction, since 2000 under the framework of the open method of coordination. Replete with benchmarks and indicators, this is also a self-awareness enhancing process for the Greek state.

The EU has been associated with a crucial paradigmatic function. We refer here to a normative framework of values, best practices and standards of behavior that induce adjustment by way of emulation and inspiration rather than by imposing direct sanctions and obligations. This version corresponds to the core of what the constructivist stream of the literature identifies as Europeanization. This is about emulating West European practices, "catching up with Europe", not only in material but also in behavioral and cultural terms. Demonstrations of the paradigmatic function have included elite learning through the Europeanization of policy milieus, and, most notably, the graduation of PASOK, over the 1990s, into a mainstream European social democratic party.

Moreover, the financial assistance function of the EU towards a net recipient member state has entailed a crucial political economy dimension. Since the 1980s, it could be claimed that Europe underwrote democracy in Greece by extending the material resources (agricultural support and structural funds) that enhanced development and modernization, raised the levels of general societal welfare, and provided the vital perceived link between democracy and prosperity which is essential for sustaining political and democratic stability. Though a significant portion of EC funds aimed in the 1980s for structural modernization ended up being used as targeted income rather than investment subsidies, and consolidating

traditional party clienteles, they did play a crucial part in rendering anti-democratic nostalgia (especially in the rural periphery) a thing of the past. By the same token, net EU inflows over three decades helped cement pro-EU sentiment in a Greek society and body politic traditionally torn by cultural ambivalence towards the West.

The limits of economic transformation

Despite the undeniable scope and depth of domestic transformation under the forces of EU membership, the Greek state and political economy have also provided extensive instances of adjustment failure, epiphenomenal change, reversion, divergence or sheer resistance to reform. Let us look at certain aspects and figures, to illustrate the point.

After the 1980s Greece apparently caught up but in fact diverged from the EC economic policy standard. Greek government spending rose from 30% GDP in 1980 (compared to an average 43% GDP of the 12 initial members of the Euro-area – EA12) to 49% in 1990 (above the 48% EA12 average) (OECD, 2009). However, such upward convergence of public spending was not followed by a proportionate increase in public revenues, as the tax base remained narrow and tax evasion continued to reign. Greece's fiscal predicament since the 1980s has been primarily a problem of revenues and less so one of expenditure. The latter has not been significantly higher than the EU average, but its composition has hampered economic growth: very heavy on military spending, relatively low overall on investment compared to consumption spending, with social spending heavily skewed in favor of pensions. As a result, Greece ended up diverging from the EU in terms of a rapidly growing public deficit and an untamable public debt. The macroeconomic adjustment effort of the 1990s to meet the EMU objective reduced Greek government spending down to 44% GDP, compared with 48% in EA12. However, after gaining EMU accession, Greece partly relaxed the fiscal consolidation effort, as the "hard" EMU nominal convergence constraint gave way to a "softer", politically negotiable Stability and Growth Pact (Blavoukos and Pagoulatos, 2008). The budget primary surpluses (i.e. excluding interest payments on the debt) were short-lived, generated only in the end 1990s and sustained for just half of the 2000s. Combined with the high cost of the 2004 Olympic Games and the loss of fiscal control after 2007, the new context sent public spending up to 52% GDP by 2009, the public deficit to a record 15.4% GDP, and the country into the arms of its creditors.

To be sure, neither progress nor deterioration are linear. They are rather the cumulative outcome of successes and failures, of stop-go cycles, of the alteration of expansionary (usually electoral) sprees with repeated parentheses of disciplined stabilization programs.

Much of the public spending rise of the last 30 years resulted from the expansion of public employment and the public sector wage bill, driven by the forces of party clientelism. Higher public spending was also associated with increasing social expenditure, whose levels converged to the EU15 standard. Social transfers in Greece rose from 8% of GDP in 1970 to 21% in 2009. This was certainly an indication of convergence with the EU. However, both the composition and the effectiveness of social spending suggested significant divergence. Despite similar levels of social protection spending in Greece, its comparative effectiveness in curbing poverty was among the lowest in the EU (Matsaganis 2006). The disparity between nominal spending levels and delivered quality outcomes can be said to extend to other social policy areas, such as higher education. In both health and secondary education, the significant levels of public funding have not managed to avert parallel private spending, whose levels are among the highest in EU terms. Most importantly, contrary to the EU welfare state of advanced social services, the Greek welfare state is predominantly about pensions, whose cost since the 1980s increased rapidly, culminating into one of the country's most acute fiscal and structural problems (Tinios, 2010).[1] The blocking power of the (predominantly wider public sector) trade unions, which (until 2010) repeatedly averted pension reform and managed to abort an ambitious reform attempt in 2001, can be pinpointed behind reform failure.

In other areas too, structural continuities remained unaffected by the broader trend of Europeanization, and domestic institutions failed to catch up with systemic change. For example, Greece continued to be an EU laggard with regard to employment structure. Greece posts one of the highest rates of self-employment as share of total employment, which also explains why Greeks are European champions in terms of average annual hours worked per employed person (self-employed, e.g. small shop owners, tend to work more hours). A nexus of other features is associated with this. High tax evasion and one of the highest percentages of shadow economy in Europe is one. The other, less direct, side effect is that the high percentage of self-employed is associated with a low percentage of private sector employees, and thus an over-representation of wider government sector employees as percentage of total wage earners. If one looks at the composition of the leadership of the General Confederation of Greek Labor (GSEE) over the last few decades, the private sector (with the exception of banks, many of which used to be state-controlled before being privatized) is very heavily under-represented, and the export-oriented or tradables sectors are virtually absent. Powerful labor unions over-representative of the sheltered, protected sector of the economy, have bargained with governments (especially but not solely PASOK) into building up a highly protective employment regulation structure skewed to their interests. According to the OECD (2004), Greece (until July 2010) was among the strictest OECD countries in terms of employment legislation. A highly protective and rigid labor market was instituted over the last 3 decades, protecting insiders at the

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[1] The government's pension cost from the 12% GDP area in 2007 was projected to 19.5% in 2035 (compared to a projected rise of less than 2% for the EU27, taking it to 12% GDP in 2035).

expense of outsiders, and failing to catch up with momentous societal changes such as the massive entry of women in the employment market. As an example of institutional rigidity, part-time employment in Greece in 2009 corresponded to 6% of total employment, compared to 19% for the EU and 20% for the Eurozone. Correlated with the over-regulation of the "official" employment sector is the sheer regulatory anarchy and lack of any social protection of employees that prevails in the very extensive informal sector, altogether amounting to a polarized duality of the labor market. No wonder why Greece also possesses one of the highest rates of female unemployment, youth unemployment and long-term unemployment in the EU15 and the Eurozone, despite the fact that the male unemployment rate is not above the EU average (Fotoniata and Moutos, 2010).

All this goes to say that there are limits to EU-driven convergence, that under the nominal convergence that led Greece into the euro there lay glaring structural disparities, and that the imported stability and credit-driven euphoria under the euro may have acted as a palliative to structural adjustment pressures, buying policy-makers precious political time, allowing them to postpone otherwise urgent and painful adjustment. The Lisbon process in the 2000s has enhanced awareness over these structural divergences, but (lacking any hard policy instruments) has done little to fix them. It took nothing less than the 2010 seismic crisis and ensuing conditionality to engineer legislative reforms that are tackling long-standing distortions and changing the structure of the Greek welfare state.

There are two important macroeconomic indicators that reflect economic policy and adjustment failure, and which evolve in a linear rather than cyclical manner: public debt and net foreign indebtedness. The public debt/GDP ratio rises above 100% in the early 1990s, does not decline significantly, and in 2009 shoots up to unsustainable levels. Greek governments after the 1980s bloated up government expenditure without supporting it by an equivalent rise of tax revenues, and in the 1990s failed to adjust to the reality of market interest rates compared to the previous regime of financial interventionism that allowed cheap public deficit financing by taxing the domestic banking system. Subsequently in the high-growth 2000s until 2008, governments did not take advantage of the low interest rates to de-escalate the public debt/ GDP ratio and implement a drastic fiscal consolidation. The euro-denomination of public debt of Eurozone countries eliminated the exchange rate premium and the inflation premium, allowing governments to borrow at moderate interest costs, as long as their debt was not perceived as subject to default risk. The interest rate decline inside the Eurozone (the Greek government until 2007 could borrow with a spread of 10 or 30 basis points –that is 0.3%– above the German bund), combined with enhanced opportunities of public debt management and financial accounting provided by financial engineering, altogether ended up softening the budget constraint and relaxing the adjustment effort.

The second adverse development is the gradual widening of the current account deficit and accumulation of foreign debt. This points to deeper structural forces at play, and testifies not just to government fiscal failure but to an overall poor record

of integration of Greece in the European and global economy. To explain the background, until 1973, Greek current account deficits were limited to an average around 2% GDP. From the 1950s to the first half of the 1970s, Greek trade deficits were offset by surpluses on the income and transfers accounts, mainly resulting from remittances from Greek seamen and emigrants. From the 1980s onwards, the gradual liberalization of trade led to a deterioration of the trade account, and the growing repatriation of emigrants had an adverse impact on the income account. These negative effects were offset by large current and capital inflows from the EC/EU (equal, on average, to about 3% of Greek GDP), which kept the current account deficit contained at more or less modest levels. These Community funds supported the high GDP growth rates of 1994-2008, which allowed Greece to converge with EU average per capita income levels, recovering the lost ground of the 1980s. EU inflows declined in the 2000s, in accordance with the new EU-25/27 budgetary framework priorities. The Third Community Support Framework Fund ended in 2006. From a total equivalent of 3.6% GDP in 1995, the net current and capital transfers in the balance of payments accounts (a large part of which reflects EU transfers) dropped to 0.3% GDP in 2009. Also reflecting a sharp deterioration of the trade balance, the current account deficit grew rapidly after 2004,[2] skyrocketing to a record 14.5% GDP in 2008. Thus the Greek economy found itself unprepared to confront the post-enlargement reality of deepening liberalization and declining EU inflows.

The gradual widening of the current account deficit and the accumulation of foreign debt have been the outcome of the large and steady decline in Greece's national saving rate between 1974 and 2009, a decline only partly associated with the rise in government borrowing. Though parallel to the trend observed in many other EU15 countries, in the case of Greece (as well as Portugal) this decline has been far more pronounced. The current account deficits incurred from the late 1990s to the late 2000s were responsible for increasing the country's negative net foreign asset position as proportion of GDP from 3% GDP in 1997 to 86% by end of 2009 (IMF, 2010a; Moutos and Tsitsikas, 2010). The rise in net foreign indebtedness from 3% to 86% far exceeds the parallel rise in the public debt/GDP ratio during the same period, from 102% in 1997 to 127% in 2009 (Katsimi and Moutos, 2010).

These developments are symptomatic of the insufficient capacity of the Greek economy to compete at a European and international level, of declining competitiveness and real exchange rate appreciation, of rising unit labour costs and a consistently higher level of inflation compared to the Eurozone partners, and probably an immoderate exploitation of the credit boom of the low-interest rate decade under the euro. The opening of the economy to trade and financial flows as a result of financial liberalization, given insufficient structural adjustments, resulted in a rapid credit growth which bloated imports and consumption and led to an overexpansion of the sheltered, non-tradable sectors at the expense of the export-

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[2] The current account deficits after 2004 added almost 50 percentage points to Greece's negative net foreign asset position, which stood at about 90% GDP at the end of 2009.

oriented ones. An unreformed, swollen, low-productivity wider public sector passed on its higher costs to the rest of the economy, including the tradable sector, undercutting its performance.

Thus, along with the legacy chronic public deficits that increased the country's public debt levels to unsustainable proportions, widening current account deficits during the euro period raised net foreign indebtedness, rendering the economy vulnerable to the external shock incurred in 2009-10. Hence, Greece's 2010 economic crisis contained a twin failure: a fiscal crisis and a crisis of economic competitiveness. While the sovereign debt crisis displayed a failure of government and public sector, the external private debt represented a failure of the market and private sector, being related to the steep decline in the private sector's gross saving rate. The latter trend is broadly associated with the North-South asymmetry inside the EMU. By 2009, Greece, Portugal and Spain had one of the worst net foreign asset positions among all advanced countries (IMF, 2010b: 9). Financial liberalization triggered inflows in the lower-income peripheral countries, and cheap credit reduced the need for domestic saving.

Thus peaked a long-term trend in Greece, whose roots can be traced back even to the early *metapolitefsi* period. With democratization and rise to middle-income status, semi-developed economy structure, and membership to the advanced European club, Greece graduated from a nation of savers to a nation of spenders and borrowers, from a country of emigration to one of immigration, from a young society to an ageing society, from an economy hungry for capital to an economy awash with liquidity and capital glut. By the late 1970s and into the 1980s, conditions were already ripe for what sociologists would view as increased affluence and political democracy undermining societal willingness to defer consumption, thus leading to declining rates of capital accumulation, slower rates of economic growth, and higher inflation (Goldthorpe, 1978). After a seven-year authoritarian suppression, sociopolitical demands had re-emerged intensely invigorated; after the legacy of populism in the 1980s they never subsided. The cumulative outcome of these circumstances amounted to a transfer of systemic power from state to societal interest group and party politics. The economic implications were clear: the Greek economy was opening up to the realization of the modern day Greek dream of rising to the living standards of "Europe", if possible to the same welfare and income levels, even if productivity performance and structures were lagging behind.

During the decade under the euro, the external constraint softened and complacency tended to prevail. The alarm system was switched off: in the drachma period, when major imbalances would occur (by way of a widening public or current account deficit) the external pressures on the drachma would release the automatic adjustment process, in fear of a major balance of payments crisis. Indicatively, a current account deficit of just 3.25% GDP in 1985 had alarmed the authorities and necessitated the urgent adoption of the 1985-87 stabilization program that included a 15% devaluation of the drachma. Under the euro, such external balance or

currency crises have been averted, but the upshot was that, without corrective interventions, they would turn into accumulating imbalances that are politically harder for any government to deal with. Due to money illusion, real income adjustment through currency devaluation is politically more palatable than nominal wage cuts are, even if the former leads to a greater erosion of real purchasing power.[3] Altogether are easier than far-reaching structural adjustments to expand productive capacity and enhance the competitiveness of the economy, which require policy determination, continuity, and coordination, and a high level of public administrative capacity. This is even more so in the face of powerful trade unions predominantly of the sheltered wider public sector, which are never directly confronted by external market competition.

During the 2000s, most major necessary structural reforms were either postponed or heavily watered down; initially the Simitis government sought to maintain the maximum possible socio-political consensus in view of the preparation of the 2004 Olympics. Some have identified the Simitis government retreat from pension reform in 2001 as the end of the brief "modernization period" that had delivered significant societal benefits since 1996 (Stournaras, 2011). Then the Karamanlis government that followed was obsessively trying to avoid the threatening spectrum of a "centre-right wing parenthesis" and squandered precious political time shirking away from difficult reforms. Culminating in the disastrous 2007-9 years, the cost of the public sector was bloated, unit labor costs increased, imports, the state and the sheltered sectors (constructions, media, banking, telecoms, etc) further expanded at the expense of export-oriented ones, and competitiveness collapsed.

Thus Europeanization brought about significant convergence to a certain extent, but left deeper structures largely unaffected. The tension between complete external openness and lagging competitiveness, between limited productive capabilities and increased consumption needs, was satisfied through growing public and private borrowing (the latter given a new boost after the late 1990s) and reflected on high public and current account deficits. Their culmination under an extremely adverse international economic environment following the 2008 global crisis evolved into the 2010 sovereign debt crisis, which led the country to the EU/IMF financial rescue mechanism.

External constraints, paradigm shifts, and the political economy of reform

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[3] Keynes argued long ago that there is a crucial distinction between external and internal depreciation. While it is conceivable to orchestrate a price and wage cut that mimics an external depreciation, the process is difficult in a comparatively large economy with a large variety of diverging interests. The workers who will first be called to accept a reduction in their nominal wages will not happily acquiesce to it, until they are sure that all other workers will also accept a reduction in their wages. Moreover, the workers as a group can not be certain that their sacrifice will be met with a corresponding fall in the cost of living, since producers may not pass on to prices their reduction in wage costs. The political skill required for implementing substantial decreases in thousands of wages *and* millions of prices is considerable.

The limits of socioeconomic transformation are political limits to reform. As ample literature has demonstrated, Greece's economic problem has been largely one of political economy, incomplete adjustment and inadequate reforms (Pagoulatos, 2003; Pelagidis and Mitsopoulos, 2006; Featherstone and Papadimitriou, 2008; Tinios, 2010). Macroeconomic ills such as chronic fiscal deficits reflect the excessive politicization of economic policy-making, the low integrity and capacity of the state (as witnessed in extensive phenomena of widespread corruption and tax evasion), and the heavy cumulative impact of a wide number of micro-economic reform failures. Various policy domains (from health, education and pensions to public enterprises and national defense) are captured by special interests and powerful clienteles, acquiescent to their rent-seeking pursuits. The undeniable success stories (EMU accession, Ombudsman, ASEP, KEP, etc) have been a poor match if compared to major policy areas that remained chronically lagging, in urgent need of far-reaching reform.

Explanatory factors for reform inertia or failure have typically included problems arising from the government apparatus, such as weak political determination and the prevalence of political cost considerations, inadequate planning and formulation of reforms, intra-governmental dissent and opposition by other cabinet members or senior officials, government discontinuity, bureaucratic fragmentation and legal-constitutional and bureaucratic impediments, and pervasive policy implementation problems. They have also included resistances arising from society and the party system, such as powerful status quo private interests or unions blocking reform, internal party opposition, party-political polarization, failure to convince the public or mobilize a pro-reform coalition.

Until the 2010 Memorandum, Greece was regularly listed by institutions such as the Eurostat and the OECD as a policy laggard, as one of the OECD countries in major need of reform in a large number of key areas such as public administration, social, health and pensions policy, employment, environmental sustainability, market competition, education, research & development. Featherstone and Papadimitriou (2008) have examined three pivotal cases of micro-economic policy reform attempts (pension reform, labor market reform and the privatization of Olympic Airways). They have argued that EU-level commitments provide a reform resource, whose outcome however varies according to both the type of EU pressure and the configuration of domestic conditions. Thus the extent of domestic adaptation will depend on the degree of "policy misfit" and the availability and strength of a pro-reform domestic coalition.

The inability of governments to build up a wider reformist sociopolitical coalition to overcome the forceful resistance of pro-status quo interests often underlay patchy results and policy failure. Well-known structural constraints embedded in the Greek system (intragovernmental feudalism, noncommittal public bureaucracy, market weakness, anti-liberal attitudes in society) have had their own negative role to play. Featherstone and Papadimitriou (2008) account for reform failure by way of

structural adversity, attributing Greece's lack of "reform capacity" to what they define as a paradox of governance: a government formally powerful at the top, but administratively and institutionally weak in its policy-making and implementation apparatus. Pagoulatos (forthcoming 2011) has noted the importance of major crises in redefining the conditions and content of political survival or success, bolstering government determination, rendering electoral popularity a less overarching consideration than it normally is. Such urgent crises, of global market proportions, also recast internal balances within the government apparatus, leading to a relative primacy of policy over politics.

As we know, within less than a year, in 2010, Greece has shifted from reform stagnation to a reform program of unprecedented intensity, density and breadth, from widening the tax base, to public sector, pension system, and market reform. Some of the implemented policies (like the statutory rise of the retirement age) only a year ago would be considered unthinkable. Notably, contrary to "silent" reforms of the past (financial liberalization) or reforms concerning a limited number of stakeholders (privatization), the 2010 adjustment program involved policy areas that are socially sensitive, prominent in the public debate, directly affecting the income and welfare of the wide population, and exposed to political conflict, such as wages, pensions, taxes, employment and services regulation.

The loan conditionality negotiated with the troika of Greece's creditors (European Commission, ECB, IMF), formulated into a Memorandum of Understanding subsequently enacted into law, operated as the obvious crucial external constraint. Exogenously-driven reform has been the paradigm category of successful reform; successful not necessarily in terms of its outcomes but in terms of managing to become adopted and implemented. The more direct and forceful the external constraint, the clearer and more visible the adjustment program, the higher the chances of enactment of reform. The external constraint overlaps with a vibrant literature on Europeanization (Featherstone and Radaelli, 2003). In the pre-EMU accession phase, the power of exclusion exercised intense pressure on aspirant members to redress fiscal imbalances and bring about fiscal consolidation (Featherstone, 2004). Looking at reforms, one reaches the conclusion that they happened when they were driven by a serious, ineluctable external constraint (be that the conditionality attached to the EC balance of payments support loans of 1985 and 1991, the single market program deadlines or the EMU roadmap), which could also take the form of self-binding (e.g. the 2004 Olympic Games). The "hard conditionality" on the road to EMU accession was succeeded, inside the EMU, by a softer and more politicized conditionality under the Stability and Growth Pact, unable to resort to equally powerful instruments of coercion (Blavoukos and Pagoulatos, 2008; Heipertz and Verdun, 2010). Thus Greece took advantage of a favourable political environment to repeatedly breach the EMU fiscal rules, until its fiscal standing was no longer sustainable.

Large-scale reforms often correspond to broader paradigm shifts, which provide both the conceptual framework and the legitimizing discourse. Phrased in macro-

scopic terms, we could conceptualize the reform problematique as an oscillation between two competing policy paradigms, or in terms of "first" and "second generation" problems: institutions and policies are adopted in order to resolve "first generation" problems and frictions associated with a specific hierarchy of priorities. Having been adopted, they create their own set of "second generation" problems and failures, whose salience leads to a new, different prioritization of policy objectives. After 1974 the economy was managed under the overbearing political priority of democratic consolidation. In postauthoritarian Greece and Southern Europe, public and social expenditure was significantly increased and nationalizations were implemented. The same, though even more intensified priority drove the economic policies of the 1981 PASOK government, the pursuit of consolidating the socialist rise to power, by cementing a social plurality of new beneficiaries, the "non-privileged" of the past, category so broadly and vaguely defined that it could encompass nearly everyone. A national health system was created, average nominal wages were raised by over 30%, pensions and early retirement were extended to various groups regardless of contributions, the public sector opened its arms. These were the kind of reforms prioritized in that particular historical juncture characterized by the imperative of democratization, a primacy of politics over policy (Maravall, 1993), and a socialist program of catching up with Europe in terms of social spending. These were facilitated by the limited importance of the external economic constraint (it was still a relatively closed economy), and a rather low level of public debt. But these reforms, amounting to pronounced state expansion, bred a new generation of problems and failures, associated with their economic and fiscal costs.

Hence, a "second generation" reform agenda became necessary, this time motivated by the reverse prioritization: the primacy of policy over politics, the need to transform the state in order to respond to the pressing economic constraints emanating from European market integration and the fiscal front. The fiscal constraint became inexorable after the government (following single market liberalization and the Maastricht agenda) lost its ability to finance its deficits by taxing the domestic banking system. If the "first generation" of reforms expanded the state at the expense of the market to serve political objectives as part of a broader ideological agenda of democratization, the "second generation" reforms sought to roll back the state, to release the market from its tentacles in order to serve a different set of overarching political objectives under the rubric of Europeanization, modernization, and integration into a globalizing political economy. In broader terms, this corresponded to Hirschman's (1982) "shifting involvements" between state and the market, public and private sector, the pendulum moving from one end to the other. Or, as Hirschman (1970) again would put it, for the unhappy many, the public goods (past policies and institutions) had become "public evils". The offsprings of the "first generation" of reforms (a wide and overstaffed public sector, an unsound pension system, a rigidly regulated economy, extensive state ownership, a politicized public administration, powerful wider public sector unions) were now the targets of the "second generation" reforms, and the principal obstacles too to its implementation (cf. Pagoulatos, 2003: 216 ff).

The 2010 reform program has unfolded against the backdrop of important macro-structural trends that had overall nurtured the mature need and demand for reform. Over the last 20-25 years, the Greek economy and society underwent a far-reaching process of EU-led modernization. In most cases, top-down, elite-driven reform dragged along a reluctant society, bringing about a hesitant pace of societal change: opening the market and society to the European market, intensifying exposure to the norms of globalization, redefining boundaries between church and state, instituting better guarantees of civil rights protection, shifting policy vis-à-vis Turkey post-1999, all these were instances of EU-driven modernization. In other cases, socioeconomic change preceded a reluctant institutional and policy reform, leading to institutional friction, outdated institutional structures incapable of meeting contemporary needs: the institutional rigidity in the overregulated part of the dual labor market (the other, unregulated, part functioning in total breach of labor rights) defies changing workplace conditions and the accelerating entry of the young and the women, both of which necessitate greater flexibility –combined with social security. Or the outdated corporatist framework governing higher education and its constitutionally prescribed exclusive state provision seriously hinder the university quality that would sufficiently respond to modern needs. Or the parochially structured pension system pre-2010, by failing to accommodate changing demographic, societal and financial developments, had turned into a ticking time bomb threatening to explode in a few years time. In all such cases, rigid institutions had failed to catch up with rapidly changing economies and societies.

One notable implication of these structural developments involved the progressive tertiarization of the Greek economy and "financialization" of the productive base. Since especially the late 1990s, the financial sector expanded rapidly, creating thousands of new jobs, spreading as well as destroying wealth, but also disseminating new attitudes and values, associated with consumerism, a cultural proclivity towards the Anglo-American part of the world, a culture of "quick and smart" money, and a view of globalized financial markets as pacesetters of the economy. These trends facilitated the broader understanding and dissemination of the news regarding Greece's financial and public borrowing crisis, thus also probably increasing public receptiveness to the applied policy remedies.

An implication of the structural Europeanization process of Greece involved the growing (ideological, political, mental) shift of Greek society towards Europe. Over the 1990s and 2000s, a pro-European ideology or political culture became hegemonic in Greek society. This was not an unconditional hegemony, for the Europeanist ideology was always forced to cohabit with (and frequently appease through various concessions) a traditionalist, nationalistic, anti-Western, instinctively Euro-skeptic ideology. Western-leaning, reform-minded elites have vitally relied on the EU as the single most important strategic and ideological ally, "enlisting Europe" in the purpose of promoting the country's socio-political and institutional modernization (Pagoulatos and Yataganas, 2010). Dynamic elite and middle class strata have consistently operated as a constant influential advocacy

coalition in support of EU-led reforms in Greek society. These strata overwhelmingly abandoned the ND party in the 2009 elections, and closed ranks in support of the Papandreou government efforts to avert the collapse of the Greek economy in 2010. The ND decision to vote against the Memorandum in May 2010 and against the Social Insurance reform bill in July 2010 alienated those pro-European elite and middle class strata. Overall, as a result of the ideological and cultural Europeanization that had unfolded during the previous decades, Greek society was readier than in any time in the past to perceive the 2010 fiscal crisis in the context of a European and Eurozone problem, and that mitigated reactions to the externally imposed conditionality of the Memorandum.

On the other hand, the populist reaction merged with nationalistic reflexes, originating from the left and right extremes of the political spectrum, censuring the Memorandum as a violent encroachment upon the country's national sovereignty, hyperbolically denouncing the "neo-colonialist" troika and the country's coming under a new foreign "occupation". Yet the polemic argument against the "surrender" of national sovereignty is disingenuous, by presenting the end-result of a combination of past choices as the cause, instead of the effect of antecedent circumstances that it actually is. By failing to effectively curtail its public debt/GDP ratio while it still had the chance to do so, Greece had brought itself to a condition of extreme dependency on its lenders and the whim of global money markets. The forced adjustment that ensued was merely an inevitable demonstration of the transfer of power from the heavily indebted borrower to its creditors that had occurred throughout the preceding period.

Concluding remarks: the implications of the economic crisis

The 2010 crisis and subsequent adjustment effort under the Memorandum program entails the extreme difficulty of attempting to confront simultaneously a twin crisis of competitiveness with a crisis of public deficit and debt. Given the unavailability of crucial policy instruments under the euro, internal devaluation (drastic deficit decrease, nominal wage and price reductions) backed by structural reforms becomes the key strategy for restoring external competitiveness and fiscal balance. However, a harsh fiscal consolidation aggravates recession, and the contraction of economic output worsens the public debt/GDP ratio as debt deflation takes its toll. Locked inside such debt trap, the Greek economy cannot exit without a central EU solution by way of alleviation of the public debt burden and/or its servicing cost.

It is certainly too early to gauge the implications of the ongoing crisis for the image of the EU in Greek society, but at first sight they appear to be significant. For one thing, the scope and depth of the economic crisis challenges the entire political-economy status quo of the last 30 years, of which the EU has been an inextricable part. Being predominantly a public deficit/ public debt crisis, the Greek crisis was not a failure of EMU design as such (as could be claimed to be the case of Ireland and Spain) but of domestic economic governance and political implementation, and the

European responsibility was mainly a case of weak oversight and lack of timely sanctions rather than wrong policy blueprint. Yet the anti-systemic sentiment directed against the two-party political system could evolve into an anti-status-quo, anti-EU sentiment, especially if the tangible financial benefits of the past are now nowhere to be seen.

Greece is part of the current account imbalances problem inside the Eurozone, with huge deficits in the South mirroring large surpluses in the North. Though it can well be argued that the main responsibility for these imbalances lies with national governments abandoning the adjustment process, the big question now concerns whether the scale of adjustment to be made (in terms of both government balance and restoring competitiveness) will be politically feasible. Whatever resolution to the current Eurozone crisis prevails (and it is probably bound to be true to the time-honored EU tradition of muddling through) it is almost certain to involve protracted macroeconomic consolidation for Greece greater than the one which prevailed following EMU accession. In the past, the EU had always been identified with a novel sense of rules, external competition, and discipline, but the rigors of the single market were softened by (win-win) generous net financial inflows, and the tight straightjacket of the Maastricht criteria was perceived as a transitional antechamber to the euro promise land. Now that the inflows have dried out and the euro promise land has proven not to be the utopia anticipated, the political attractiveness of the entire EU project with Greek public opinion could be significantly affected. For one thing, the halcyon days are over, and the obvious benefits of participation in the EU single market and single currency institutions down the road may not be as uncontroverted as they used to be. The EU could end up receiving the blame for what is predominantly a failure of the Greek political economy to engineer successful and sustainable adjustment.

As enthusiasm for the Euro-project has given place to somber concern about its prospects, the foremost stabilizing factor militating in support of the euro remains the disastrous implications of euro-disintegration. At the same time, and for the time being, the domestic arguments in support of an exit of Greece from the Eurozone remain marginalized, as the devastating costs of such an option by most accounts appear to hugely outweigh any potential benefits. It seems that Greece for some time could remain locked in a suboptimal equilibrium, where the pain and length of adjustment will be deeply felt, intensifying discontent, without however justifying exit. With an admitted degree of simplification, one would be tempted to conclude that after a socialist decade of the 1980s that created much of the country's fiscal and structural problems, a decade of adjustment in the 1990s that brought Greece closer to the EU and into the EMU but failed to effectively confront the public debt problem or implement the necessary structural reforms, a decade of complacency in the 2000s, when euphoric inertia prevailed and structural weaknesses culminated into a point of extreme crisis, now a decade of painful uphill adjustment and sociopolitical dissent lies ahead.

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Contesting Greek Exceptionalism: the political economy of the current crisis

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Contesting Greek Exceptionalism: the political economy of the current crisis

Since the Greek fiscal crisis exploded in the spring of 2010, there have been calls from influential quarters for a radical rethink of the financial and economic architecture of the EU. Thus Paul Krugman, Walter Munchau and Martin Wolf have all suggested that, without some move to fiscal federalism, and the increased level of solidarity between nation states that this would entail, the future of the euro is in doubt. The various rescue packages, the proposed institutions for managing severe fiscal imbalances, as well as the new supervisory mechanism intended to act as an early warning system to prevent new episodes, fail to get to the heart of the problem. For these analysts the current economic woes did not originate in the fiscal profligacy of the state. Neither Ireland nor Spain before 2008 evidenced any tendency for their debt and deficit to increase, and nor was the level of these deficits remarkable with respect to EU averages. The economic crisis developed from within the private sector as a result of complex interactions between over borrowing, housing and commercial real estate bubbles, and, ultimately, bank insolvency. If you add to this the current account imbalances that have developed since the inauguration of the euro between the North, mainly Germany, and the PI(I)GS, it easy to see why there is growing concern with the EU response.

However the same analysts are also convinced that the Greek case stands as an exception. Greece's problem was precisely a fiscal crisis resulting from government profligacy, creative statistics, and populist politics. Here the EU response in terms of austerity, expenditure cuts and so on, **is** appropriate. This case for exceptionalism is also shared by influential policy makers, intellectuals, important strands of the media, and powerful financial and industrial interests within Greece. It represents in some ways the dominant ideology, or discourse, accepted by the two ruling parties, PASOK and New Democracy; their squabbles over which party is responsible for the fiscal crisis serving more to the bolster the particular set of ideas that they hold in common. Greece has been living for too long beyond its means, with consumption levels way out of sync with production possibilities. An over-powerful state has been in cahoots with powerful sectional interest, through the mediation of party-led clientelistic politics. Powerful redistribution coalitions have marginalized those (potential)

production coalitions which could increase the size of the pie. Within the dominant discourse, the crisis represents an opportunity to carry out those reforms that should have been implemented long ago - to recalibrate the economy and the polity in order to marginalize the former groups and enhance the latter.

This paper contests the exceptionality of the Greek case. Our analysis has implications beyond challenging the inappropriateness of the policies currently being implemented in Greece. Any understanding of the crisis must start with some assessment of the neo-liberal economic project[1]. Neo-liberalism, given the shift to market power entailed by its project and the inequalities that have opened up as a consequence[2], has had to address the issue of legitimization. One response has been with the use of the financial system. It is no coincidence that the financial crisis began with toxic loans given to the some of the poorest sections of US society[3]. Bolstering consumption through loans, housing bubbles and unsustainable private sector debt has also been a key feature in economies as diverse as the UK, Spain and Ireland. This use of finance turned out to be unsustainable, but the social problem remains. Thus this is not just a crisis of financial regulation and macroeconomic imbalances, but one that has deep roots in the production prototypes and social inequalities that have gained prominence since the 1980s.

Greece has also implemented key aspects of the neo-liberal project since the mid nineties. It has responded to the issue of legitimization in a different way, less with the use of finance and more through the workings of the clientelistic state. The latter has contributed (not exclusively as we shall see) to unsustainable deficits. But the line of causation goes in a very different direction from that suggested by the dominant view. The Greek economy is not weak because of clientelistic activities; rather, such activities were a necessary compliment to economic policies precisely because the chosen model could not provide enough jobs, steady wage increases, and taxable incomes to support welfare services. As elsewhere, there was no ready legitimization at hand, ex post, through results.

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[1] See Harvey (2007).

[2] An early account of the reversal of the post-war trend towards greater equality can be found in Harrison and Bluestone (1988). More recent accounts detailing the phenomenon can be found in Green et. al. (1994) and Piketty and Saez (2003).

[3] Konings and Panitch (2008).

The dominant view is evidence of "cognitive locking"[4], a process whereby established ideas do not allow new thinking to new problems. As Blyth (2002) has argued, the two major crises of capitalism in the twentieth century led to a serious rethinking at the level of ideas, and eventually to different social coalitions and substantially new policy and institutional initiatives. By 1945 the ideas of classical economics had been widely discredited, and we had the beginning of the era of Keynesian social democratic hegemony. Similarly, after the crisis of the early seventies, neoliberals were able to gain hegemony both through their interpretation of the crisis (over-strong unions, overregulation of markets, welfare state dependency and so on) and the attraction of their proposed solutions to important sections of the working class that had been the bulwark of the previous regime. It is difficult to believe that the present crisis can be resolved without some similar process.

Two aspects of current thinking in particular need to be reassessed. The first has to do with the stability of the market economy. Neo-liberalism holds that the market economy is basically a stable entity that can respond with its own resources to any shock. Furthermore these shocks are primarily exogenous, more often than not originating from the operation of governments. The penchant for independent central banks and other regulatory authorities, limits on fiscal deficits, and so on need to be seen in this light. A certain role for the state exists to cater for market failures such as training and infrastructure. But the main dynamism comes from the private sector and entrepreneurship. The crisis of 2008 has posed severe questions for this outlook. Capitalism seems prone to endogenous shocks, in part because the dynamism of the private sector is as likely to lead to speculative housing bubbles and financial crises as it is to promote the needs of the real economy.

The second aspect has to do with the acceptability of market outcomes. As Hirsch (1978, p. 269) has argued "Renunciation of political weaponry is an unattractive option, above all for groups that look to political weapons to alter the economic and political *status quo* in their favour. (In the words of an old Labour Party slogan: 'The rich man has his money, the poor man has his politics')". Moreover subsequent

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[4] See Blyth (2002).

experience has amply justified Maier and Lindberg's (1985, pp. 597-8) prediction that "[e]fforts to depoliticize the market tend to be spurious. They usually entail a one-sided buttressing of profits and managerial prerogatives". To hear some adherents of the dominant view, it is somehow natural that dominated classes restrict themselves to reading *The Theory of Moral Sentiments* or *The Great Transformation,* and learn the lessons of social solidarity, public spiritedness and cooperation, while the dominant remain free to be inspired by *The Wealth of Nations* and *The Road to Serfdom.* The ethical defence of the market is on many accounts weak,[5] as even Hayek acknowledged, and that leaves an instrumental defence on the grounds of results. But the latter is what is now in question.

The dominant discourse in Greece, it will be argued, has not come to grips with the problematic nature of either of the two preceding assumptions. The successful working of a neo-liberal economy, within the existing economic and financial EU architecture, is taken as given. Therefore the issue of legitimization of the system as a whole is either not addressed, or addressed in a wholly unsatisfactory manner. We begin with an account of the dominant discourse in Greece concerning the crisis. We then address how this account misinterprets important facets of the economic, social and political crisis. We end with some elements that would characterise any alternative account.

Second Wave Modernization

The Nature of the Problem

The dominant viewpoint in Greece can be seen as a development of those modernization ideas that crystallized around the governments of Kostas Simitis after 1996[6]. The latter were by no means restricted to supporters of PASOK, finding large appeal not only within New Democracy but also on the left, while also tending to create cleavages within most parties. Modernizers attempted, through the employment of a set of dualities, not only to define their own worldview but to construct that of the opposition. Thus in Diamandouros' (2000) account, those forces stacked up against reforming Greek institutions have attached themselves to a culture that has had a particular take on economics, society, and international affairs. This "underdog"

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[5] Sen (1989).
[6] For a critique of first wave modernization, see Tsakalotos (2005), and Sevastakis (2004).

culture, whose origins lies in the nineteenth century, has tended to be inward-looking, suspicious of foreigners, statist, anti-market, and pro-redistribution. It has been able to offer powerful resistance to the "reform" culture, thereby delaying or distorting modernization. However, Diamandouros predicted in the 1990s, the outward-looking and pro-market reform culture would gain ground, helped by the process of globalization[7]. The deleterious effects of certain traditional Greek attitudes and moral dispositions has more recently played a powerful ideological function through the widespread contention that in some sense all Greeks are responsible for the crisis[8].

But the dominant view does not depend primarily on such a cultural-anthropological analysis. According to Kostas Simitis[9], the real obstacle to reform, and to creating the necessary consensus for such reform, lies in the clientelistic state.[10] The villain of the peace consists of an osmosis of party-state-sectionalist interests, with trade unionists often playing a particularly pernicious role[11]. Voulgaris includes both PASOK and the Left in his critique of those parties of redistribution and consumption with little interest in the culture and needs of production, competitiveness, and innovation[12]. Such an axis was enough to block reforms, thus laying the foundations for fiscal crisis. The major losers from this arrangement are the "outsiders", those with insufficient bargaining power to extract concessions, subsidies, tax exemptions and other goodies from the state[13]. Ignored by the "old" Left and the trade union movement (dominated by relatively privileged public sector workers), they are victims of the inequities of the pension system, as well as the varying experiences of men and women, older and younger workers, and public and private sector workers (Matsaganis, 2010). This has led to well paid public sector workers and poorly paid ones in the private sector; overregulation in the former sector, as opposed to the jungle of the latter[14].

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[7] For a critique, see Tsakalotos (2008).

[8] Sevastakis points to the success of Ramfos' (2010) book as evidence of the continuing prevalence of a cultural critique concerning the nature of Greek attitudes and dispositions.

[9] See K. Simitis, *Kathimerini*, 2/05/10.

[10] Balabanidis (2010) who offers an excellent introduction to the whole spectrum of Greek approaches, both academic and political, to the current crisis.

[11] Y. Voulgaris, *Ta Nea*, 30/04/10.

[12] Article, *Ta Nea*, 24/07/10. See also G. Pagoulatos (*Kathimerini,* 27/06/10).

[13] See St. Thomadakis 'Crisis, States and Markets', *Historein*, 8/05/10.

[14] See Pagoulatos *op. cit.*

It is not difficult to see here the echoes of public choice theory that came to prominence in the 1970s, and which pointed to an input politics where groups had no reason to restrain their claims on the state, and an output politics where politicians and bureaucrats had every interest to give in[15]. Seventies phrases, such as "democratic overload" and the "fiscal crisis of the state", are not used but their presence is unmistakable[16].

The Nature of the Solution

Few items of the neo-liberal settlement have been subject to reassessment on the basis of any lessons that might have been drawn from the 2008 crisis[17]. Deregulation, privatization, flexible labour markets, and a smaller but more efficient state[18] remain centre stage. There is recognition of the fact that Greece needs to climb up the ladder of the international division of labour, and some appreciation that a model based on the exploitation of cheap labour may be reaching its limits. But in the post-Memorandum period, where the emphasis is on a radical reduction of state expenditures, the major response is expected to come from the private sector[19], under the current euphemism of entrepreneurship. Such entrepreneurship may need networking, help from European structural funds (ESPA) and other assistance from a "supervisory" state[20], but the basic direction is unmistakably in terms of removing fetters imposed on an inherently dynamic, risk-taking, and innovative private sector (see Pelagidis, 2010).

There is also much attention paid to increasing transparency and removing red tape in order to enhance growth and competitiveness and provide the stable framework that

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[15] Voulgaris (*Ta Nea*, 30/04/10) argues, for instance that no group in society was strong enough to resist public sector wasteful expenditure – the self-employed, private-sector workers, future generations, the financial and export-producing sectors were either unable or uninterested in doing so.
[16] See Pelagidis and Mitsopoulos (2006) for an account that has rent-seeking activity at the centre of reform-blocking in Greece.
[17] Predictably the least amount of rethinking is to be observed amongst the economists of the modernizing camp, their proposals being exactly the same as they would have been any time over the previous twenty years or so - see Meghir et. al. (2010) and Azariadis et. al. (2010).
[18] There is still some talk of a new balance between state and market, public and private sectors (Voulgaris, *Ta Nea*, 11/09/10).
[19] Yannis Stournaras, a central figure in the run up to Greece's entry into the common currency, had in the early 1990s expressed concern about the loss of state policies (Stournaras, 1992, pp.121-3). Some twenty years later, as chief economist of the industrialists' think tank (IOBE), he was more likely to be calling for more liberalization as an industrial policy in itself (*Ta Nea*, 6-7/02/10; *To Bima*, 19.09/10).
[20] Reminiscent of Third Way thinking; for a critique, see Tsakalotos (2001).

private capital, to reduce the amount of euphemisms for a moment, needs. But transparency also has a crucial role in sorting out the fiscal crisis by making clear who gains what and who pays what. What is needed is a welfare state that can respond to the obvious inequalities of the clientelistic state, to the benefit of the least well off and those operating under the most precarious conditions[21].

What forces are to carry out the necessary reforms this time around? Given the poor opinion most in the dominant view have of Greek society, a democratic majority, let alone an active participating one, is unlikely to be a major ingredient of change[22]. In such circumstances, external imposition is to be seen as a blessing in disguise[23]. But there is also much reference to progressive elites that can further the necessary progressive reform agenda (Pelagidis and Mitsopoulos, 2006). Others speak in terms of leadership or courageous reformers[24]. The elitist nature of the project can scarcely be in doubt. What Greece has suffered from in the past is a "grand narrative" of reform, supported by reform-minded elites, technocrats and politicians. A rallying of such a coalition is what is needed, it becomes clear, to respond not only to the economic crisis, but to the crisis of society and the political system as well.

Seeing the World the Right Way Up

An alternative reading of the economic crisis

To begin with, it is simply false that the neo-liberal project in Greece has been altogether blocked. From the 1990s onwards the direction of economic policy is unmistakable: privatizations, deregulation, reductions in taxes on profits, and more flexible labour markets have been central to the policy agenda of all governments[25]. Large-scale capital has gained much from these changes in sectors such as banking, construction, food-processing, and pharmaceuticals, with many firms having an impressive export and overseas investment orientation. However the overall strategy

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[21] See Y Voulgaris, *Ta Nea*, 24/07/10; G Pagoulatos, *Kathimerini*, 27/06/10.
[22] Although to be fair, few within the dominant tradition would feel comfortable with the almost cavalier attitude to democracy, public opinion, and the Greek constitution exhibited by Azariadis *et. al.* (2010).
[23] Featherstone, *Kathimerini*, 8/08/10.
[24] Voulgaris, *Ta Nea*, 24/07/10; Featherstone, *Kathimerini*, 08/09/10.
[25] Karamessini (2008) provides a full account of the gradual introduction of measures to enhance the flexibility of Greek labour markets.

relied on an alliance with the middle classes and small-medium size enterprises[26], with the latter gaining access to finance, cheap labour through immigration and labour market flexibility, and a blind eye to their non-payment of taxes. On this foundation, Greece exhibited high growth rates from the mid-1990s to just before the outbreak of the crisis, something which enabled the continued financing of important aspects of the strategy. Similarly, international economic conditions also ensured a plentiful supply of capital inflows, mainly through shipping and tourism.

How was this achieved despite the existence of the clientelistic state, discussed above? For some the answer lies in the existence of external priorities which tended to focus the mind: firstly with the process of joining the euro, and secondly with the need to organize the Olympic Games[27]. But the influence of both these external constraints is deeply ambiguous.

Before 2000, many economists argued that Greece would find entry into monetary union difficult. Although the Maastricht criteria rested on the need for nominal convergence, economic theory suggested that survival rested on real convergence. Right wing American economists, such as Martin Feldstein, or liberal ones like Paul Krugman, argued that without the supporting mechanisms that exist in other monetary unions, such as the stabilization and equalization functions that accompany a large federal budget, the euro would face serious problems. European economists, the Commission, but also prominent Greek economists would give a number of, often ingenious, arguments of why the EU was different[28].

Subsequent developments did not confirm such sanguine assessments. The problem of Greek competitiveness is not primarily homegrown as the dominant discourse claims. It is extremely difficult for peripheral economies to compete without some form of fiscal federalism and if Germany continues to insist on its right to have permanent current account surpluses and to ignore the influence of its own macroeconomic, and

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[26] See editorial (2010).

[27] See Featherstone *op. cit.*

[28] One such argument was that EU business cycles were remarkably corresponding, and therefore the single monetary policy of the ECB and the limits imposed on the autonomy of fiscal policies of member states were relatively unproblematic (Christodoulakis et al, 1995). This was an unconvincing argument at the time (see Dickerson et al, 1998), and has subsequently proved even more wide of the mark.

wages policy, on European demand (Lapavitsas et. al., 2010; Tsakalotos, 2010). The permanent current account deficits of the PIG(I)S represent the other side of the same coin. Cumulative current account deficits in Greece have led to a huge increase in net foreign debt, and a major aspect of the crisis is that so much of the debt is in foreign hands[29]. Appendix A provides a fuller account of this story.

The Olympic Games, if anything, provide an even stranger candidate for the beneficial, mind-focusing, and clientelistic side-stepping effects of external constraints. It was an option that continued the failed tradition of an industrial policy focused on large-scale infrastructural projects (Tsakalotos, 1998). While sold on the grounds of promoting infrastructure, upgrading telecommunications and other services, few of the supposed benefits materialized. It provided ample room for lack of transparency and corruption. If ever there was a project for the nexus of party, state and sectionalist interests, then this was surely it.

We need another reading of Greece's partial success story up to 2008 and the subsequent crisis. What is at issue is whether a liberalized financial system, large scale infrastructural works, primarily geared to upgrading Greece's road networks, construction and the Olympic games add up to a sustainable development policy. In this respect it is important to point out that economic policies stemming from the commission continued to narrow the options for Member States (Gibson and Tsakalotos, 2006), not only with the insistence on tight macroeconomic policies, but also in limiting industrial policy. Furthermore financial liberalization, which often took the form of promoting the market-based Anglo-Saxon model system over a German or Japanese model, was more geared to commercial lending rather than the needs of the real economy[30].

The chosen economic model is directly related to the fiscal crisis, but not as usually envisaged. For a start, any account that does include at least some of the following items must be considered partial: the attempt by modernizing governments to reduce

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[29] External Debt was 78% of long-term public debt in 2009, see IMF (2010).

[30] See Gibson and Tsakalotos (2003). For a more general critique of financial liberalisation, see Gibson and Tsakalotos (1994), where it is argued that fully liberalised financial markets does not provide the best framework for the promotion real convergence.

taxes on capital[31]; socialization of the debts of private sector firms; extravagant military expenditures[32]; costs associated with the organization of the Olympic Games[33]; and the support given to the banking sector after the crisis[34]. In modernizing accounts, under-theorized to put it no stronger, bankers, constructors, military procurers and a host of other groups are rarely addressed as sectional interests.

But what about those sectionalist interests which are at the centre of the modernizing critique? Did they not contribute to unsustainable deficits and debt? Public sector employment (Figure 1)[35] did rise. However, as Figures 2 and 3 show, Greece's deficit problem is more a result of a crisis in revenues than high expenditure[36], reflecting, among other factors, a lax attitude to collecting taxes (as is evident from low tax revenues compared to other EU countries in spite of similar tax rates, Figure 3), evasion of social insurance contributions, and "legal tax" evasion[37] by Greece's over 900,000 private firms. But most of these items can be seen as an integral part of the development strategy promoted rather than as representing a residual of some previous political economy. Public sector employment and the shortfall in revenues can be seen as a means of compensating for low social transfers (Figure 4), of responding to the issue of inequality inherent in all market economies, an attempt to tie in the interests of capitalists to those of the middle class and sections of the working class. There is little recognition in the dominant discourse that it is the market itself that is a major source of disruption, inequalities, and discrimination. Such tendencies have been in evidence in Greece since 2000 (see Appendix B).

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[31] Corporate tax rates in Greece fell from 40% in 1995 to 24% in 2010. It is also indicative that when the actual tax rate on capital was 25% in 2007, the implicit tax rate was only 15.9% (European Commission and Eurostat, 2010).

[32] The latest figures for OECD countries (2007) on public expenditure on law, order and defence show Greece in 5th place behind the Israel, the US, the US and Korea (OECD, 2010). The OECD emphasise that Greece's position is a result of its defence, rather than law and order, spending.

[33] Newspaper reports suggest figures of €9-12 billion, more than 5% of GDP and twice the initial cost estimate.

[34] Three support packages for the banking sector have been passed through Parliament. The first in 2008 amounted to €28 billion; the second €15 billion (May 2010) and the third €25 billion (August 2010). These support packages create potential liabilities for the State.

[35] Insofar as the number of employees is reflected in compensation of employees in the public sector which, of course, conflates prices (wages) and quantities. The results of the census of public sector employees in July 2010 suggest that they number about 770000.

[36] There is a question, of course, concerning the effectiveness of this the expenditure.

[37] The term has been introduced by Stathakis (2010).

For modernizers, high growth in the Greek and world economy, by providing funds for redistributory politics, alleviated the pressure to enforce the necessary reforms (Pelagidis, 2010). But such an account assumes that without such redistributory policies, the system could have gained widespread legitimatization. The line of causation in the modernizing accounts is faulty. It was not the presence of clientelistic politics that derailed the Greek economy from its path, and ensured the fiscal crisis of the state. Rather it was the weakness of the neo-liberal project in a peripheral economy that necessitated measures to broaden its appeal and promote alliances with groups with little to gain from such a project. To be sure these measures proved to be unsustainable. But other approaches to the problem elsewhere have also proven to be unsustainable. It is the argument of this paper that clientelistic solutions in Greece provide a functional equivalent to using the financial system to shore up support for neo-liberal strategies tried elsewhere. This argument is supported more fully in Appendix C.

At issue is the ability of a more liberal economy, for a country like Greece, to provide its legitimization by result. Not necessarily for the whole society (for which capitalist society has ever even aspired to that?), but enough to incorporate let us say, as was commonly argued in the 1980s, two-thirds of society. In the dominant discourse, as we have seen, inequality is primarily the result of outsiders being exploited by insiders. The implied corollary to this is that the outsiders have an objective interest in supporting reform-minded elites that wish to restrain the accumulated benefits of the insiders for the benefit of the greater good. There are a number of serious limitations to such a conception. In the first place it seems hardly deniable that outsiders seem to be a permanent feature of the more liberal economies, and not just of states like Greece which have failed to develop further along liberal lines[38]. Neo-liberalism began, lest we forget, in the US and UK with a frontal attack on **insider** unions. Subsequent moves to lower taxation, and to more directed welfare to those most in need, have led to precious few benefits for the outsiders – as the middle and privileged sections of society extract less from public and social services, their commitment to them falls off rapidly.

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[38] Apart from the huge increases in inequality, recent attention has concentrated on the issue of precarious employment; see Standing (2010).

An alternative reading of the political crisis

The issues to do with inequality, precarious employment, and poverty are integrally related to the political crisis that is also in evidence in Greece. The decline of the support for the two ruling parties, rising abstention rates in elections, and the alienation from the political process evidenced in opinion polls are indicative of this crisis. For the dominant discourse the fault lies in a lack of a modernizing narrative and the hitherto inability of modernizing elites to push forward a restructuring of economic and political institutions.

But first and foremost the crisis is one of political representation. With the convergence on a neo-liberal programme after the 1980s, centre-left parties were increasingly reluctant to mobilize their own social base on the basis economic programmes that differed in any essential from those of the centre-right. This convergence is of course one aspect usually associated with the rise of the cartel party (Katz and Mair, 2009), a multidimensional process involving parties moving closer not only to each other but to the state, and employing the resources of the state for their continued reproduction. The locus of decision making, and available resources, moves away from the party base towards the party in public office. A looser organization, for instance blurring the distinctions between party members and supporters, helps to outflank party members with greater links to the social base. This distancing from society has often meant for the parties of the centre-left a refusal to represent the working class as a unified entity (Belandis, 2010).

Here too it is difficult to make the case for Greek exceptionalism[39]. Many of the features of the cartel party aptly describe the trajectory of PASOK and New Democracy, both with respect to internal organization, but also, and crucially, with respect to the use of state resources. In the post-Memorandum-of-Understanding (MoU) world[40], it is the viability of this mode of governance that is at stake as the cuts in state expenditure severely reduce the resources available for the cartel parties. Moreover, the move from the mass party to the cartel party was premised on the

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[39] See Balabanidis (2010) for a discussion of those accounts that employ the notion of the cartel party with respect to the Greek crisis.

[40] That is, the MoU signed by the Greek government, on the one hand, and the IMF-EC-ECB, on the other, in May 2010.

decline in the intensity of class and other cleavages, and the expectation that large sections of society would face a common experience (Katz and Mair, 2009). Austerity measures severely challenge such sanguine expectations. For although the initial austerity measures were aimed at public sector workers, this radically changed in the autumn of 2010 when it became clear that private sector workers were not to be excluded. If one includes cuts to the welfare state, then the prospect of liberal elites allying with outsiders, and their ability to divide sections of the working class, becomes increasingly problematic.

We return to the assumption of the acceptability of market outcomes, and the willingness of the losers from the market to voluntarily give up their political weaponry. It is instructive in this respect to recall that Simitis (1989, pp. 71-88) began staking out his modernizing ground in the late 1980s with a highly suspicious attitude to organized interests, explicitly criticizing their supposed beneficial consequences claimed in both pluralist and corporatist accounts. Indeed for Simitis, a central obstacle to modernization in Greece was precisely the Greek public's penchant for not supporting reforms opposed by powerful organized interests - the usefulness of such groups is to be measured by the extent to which they support modernizing reforms, ones which, we should add, they play no role in determining. In the new realities of crisis, centre-left parties have given little thought to the question of how to respond to those groups that have little stake in society.

Exit Options

Greece is not exceptional and has shared many of the dilemmas faced by other economies suffering from the current crisis. Contradictions and weaknesses within the neo-liberal economy have necessitated the promotion of strategies to expand the basis for support for the overall project. The fact that various economies relied on different strategies is less important than the common problematic faced and the seemingly non-viability of the solutions chosen. To be sure, the straightjacket of the EU economic financial architecture has accentuated the problems of peripheral economies, but this is a fate that Greece also shares with others. Nor is Greece exceptional with respect to the crisis of politics, any differences being more of degree than kind. The non-representation of popular interests has been a hallmark of the neo-liberal era.

Nor is there much prospect for an alleviation of the problems of legitimization and representation any time in the near future. It is not at all clear that the major contributing factors to the crisis have been addressed in the period after 2008. There is considerable scepticism, even in quarters with impeccably orthodox credentials[41], that major problems, such as the regulation of the financial system or the existence of global macroeconomic imbalances, have been addressed adequately. In Greece all the arguments concerning the ineffectiveness of fiscal austerity in conditions of generalised recession have been borne out. Attempts at internal deflation, given the unavailability of devaluation, have deepened the recession and led to more austerity measures as predictions for the control of deficits prove to be wide of the mark. Needless to say the social consequences are dire in terms of unemployment, low wages and poverty[42]. As Gray (2010) argues an equality of insecurity hardly seems a firm basis to build support for a new economic, social and political settlement.

What tentative thoughts can we offer about possible paths out of this quagmire? In the dominant discourse citizens seemingly face either a hierarchical, corrupt and inefficient state, or a world of negative freedom where the more innovative and dynamic sectors of society are liberated to innovate and promote the common good. This seems to bear little relation to developments over the last twenty years. In the more liberal economies, on the one hand, we have witnessed a significant degree of centralization, with tighter control by the state of intermediate organizations such as schools, hospitals, and local authorities. On the other private sector power of certain individuals and interests, most prominently financial and media, over citizens has increased dramatically. Italy presents the paradigm case: the combination of personalized democracy and negative freedom tends to undermine "fatally the attempt to assert collective interests. It denies the possibility for a given community to establish, in the name of a collective good, a sense of limit and a necessary framework in which the search for self-realization can take place. It encourages instead the creation in civil society of over-powerful individuals unwilling to submit to a much weakened general rule of law" (Ginsborg, 2003). Marquand's (2004) conclusion

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[41] See, for instance, Rajan (2010).
[42] See Tsakalotos (2010). The 2010 report of the research institute of the GSEE offers an excellent account of the social consequences.

about a similar phenomenon in the UK, should give Greece's modernizers some pause to think. Modernization under New Labour has led to a return to the politics of connection, favouritism and patronage, blurring the distinction between legal, 'dodgy but not quite illegal', and illegal transactions.

Gray (2010) considers that the more likely exit strategy is one of national retrenchment – the use of the national state to provide some security to its citizens. This is likely to be an exit strategy under the hegemony of the Right. Groups suffering from insecurity may not be able to easily organize and frequently have recourse to blaming others even less fortunate than themselves. Nationalism, cultural politics, and the rise of the radical right are in part the result of the centre-left's disinclination to organize its own base on an economic agenda of jobs, wages and security. Taking economics out of the political battlefield has left the right to organize the social base of the left on a cultural agenda that has led to a shift of the whole political spectrum rightwards[43].

Are there any grounds to think that there could be an exit in a more progressive direction? We can conclude by pointing to three general lessons drawn from the analysis given here. Not surprisingly, given our rejection of Greek exceptionalism, all three are relevant elsewhere.

The first has to do with the role of supra-national solutions. In the Greek debate, the dominant discourse has argued that it represents the outward-looking pro-European option. In actual fact what is on offer is a national strategy within the EU. Modernizers are willing to offer some criticism of existing EU policies and institutions, but a shift in these is not seen as an indispensable element of the solutions offered. The roots of such neglect go deep back into the roots of left politics in Greece, but I suspect that similar considerations have played out elsewhere. In the post-1974 period, the left was concerned with the restructuring of national economy. PASOK and the KKE thought that this could be done best outside the EEC, while the KKE-interior, reflecting its eurocommunist tendency, argued that a *national* strategy inside the European Community was more viable. What was lacking from this

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[43] For the US experience see Frank (2004). For a critique of Greek, and European, social democracy on similar grounds, see Tsakalotos (2008).

conflict, which has subsequently re-emerged in different guises a number of times, was a strategy based in part on supra-national solutions. But the present conjuncture suggests that such a strategy is crucial for a leftwards exit from the crisis. It seems difficult to see how the regulation of financial markets and the control of multinationals can be achieved at the national level.

The second lesson has to do with the consumption and production prototypes promoted by neo-liberalism[44]. Financial liberalization, to take just one example, did not lead to finance to go to where it was "most needed", but to fuel speculation in housing, stock and derivatives markets. The ecological crisis has meanwhile put into question the viability of the current quest for maximizing the production of commodities at the expense of investing in our relationships to each other and nature. Similar conclusions are been drawn from the research on happiness, suggesting that modern societies need a radical rethinking about both the means and ends of current policies.

The final lesson has to do with popular mobilization. Within the dominant discourse populism is usually used in the pejorative sense. But there are two things wrong with such a stance. Firstly, modernizers have no ear for the concerns that underlie populist rhetoric; concerns about the need for a sense of belonging, for security, for some collective self-realization. The neglect of such concerns has meant that anti-populism has often led to a disdain for the popular, further fuelling the appeal of the far right amongst some of the losers of the market. Secondly, there is good reason to doubt whether any degree of equality can be achieved without considerable popular mobilization. But the centre-left has eschewed popular mobilization throughout the last twenty years or so[45]. Is it conceivable that a project to regulate finance and to provide some protection for those groups exposed to the market and globalization, let alone challenge the dominant production and consumption models of latter day capitalism, could be achieved without a massive mobilization of popular forces? Is there any alternative to such mobilization that is not at best the rule of technocrats and experts, and, at worse, deeply hierarchical and authoritarian?
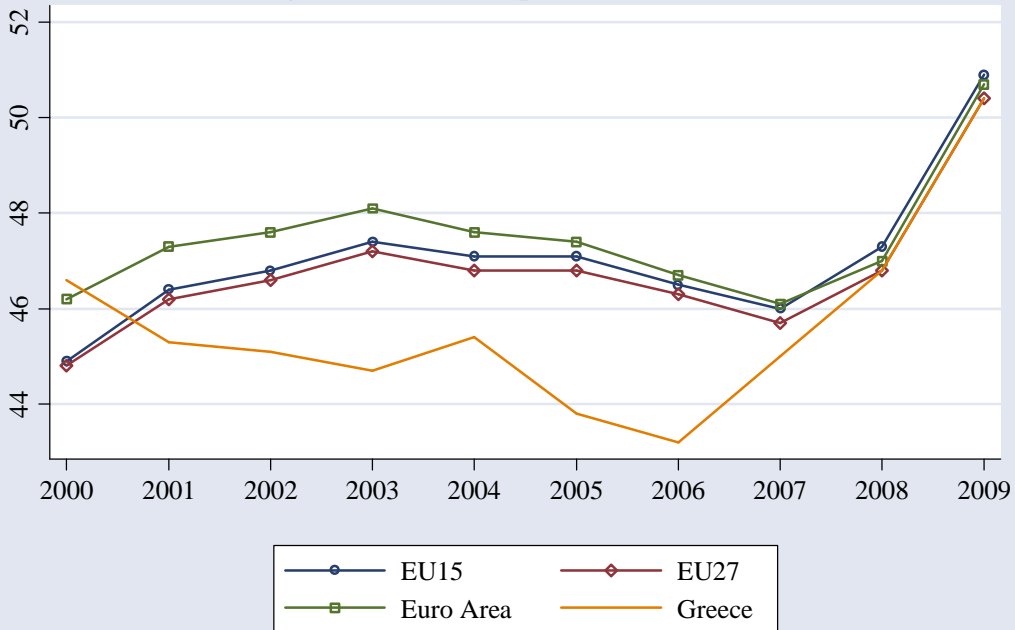
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[44] See Tsakalotos (2005).
[45] For the experience of the Olive Tree in Italy see Ginsborg (2003, pp. 26-27).
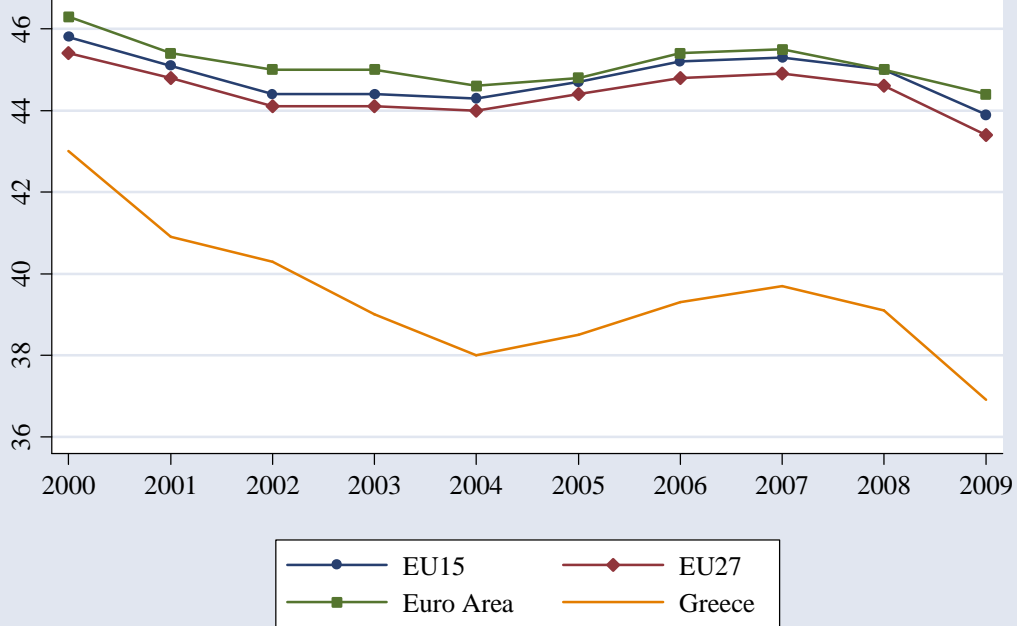
Figure 1: Compensation of employees (%GDP)
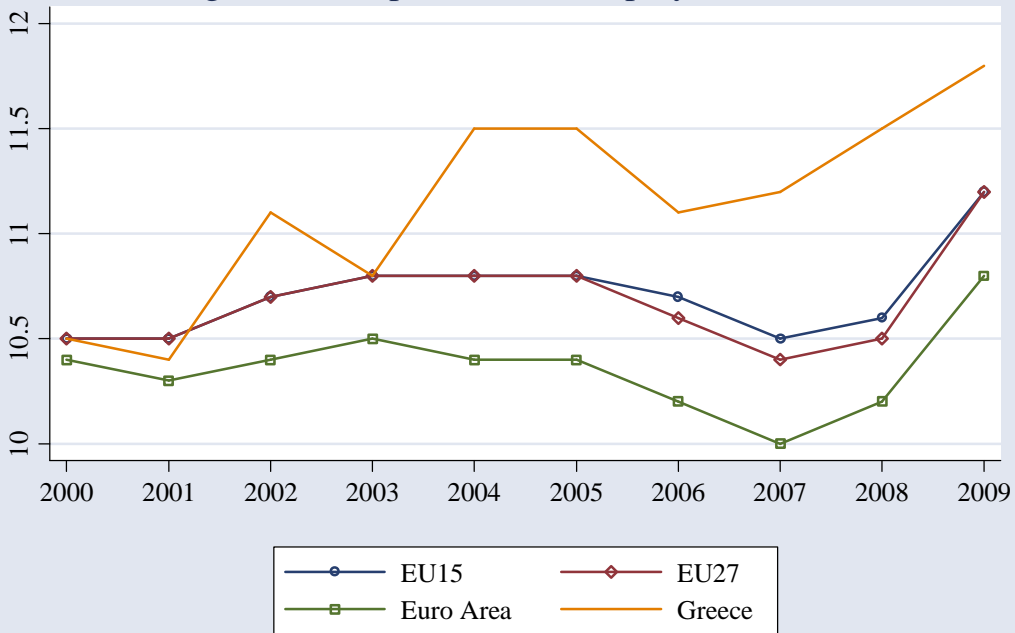
Source: Eurostat, Government Financial Statistics, April 2010

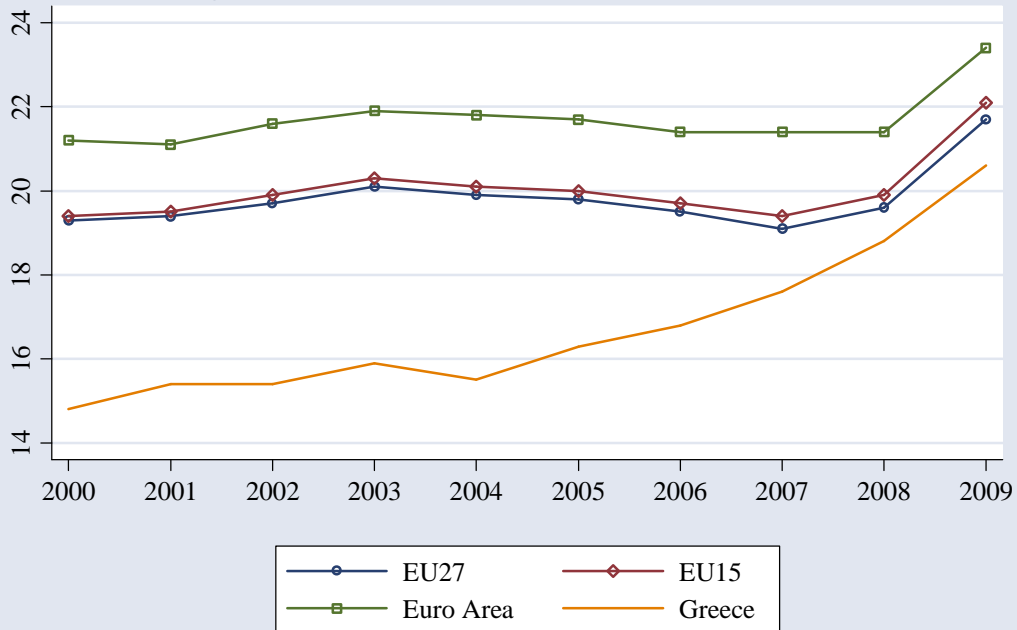

Figure 2: Total expenditure (%GDP)

Source: Eurostat, Government Financial Statistics, April 2010

Figure 3: Total revenue (%GDP)

Source: Eurostat, Government Financial Statistics, April 2010

Figure 4: Social benefits and transfers (%GDP)

Source: Eurostat, Government Financial Statistics, April 2010
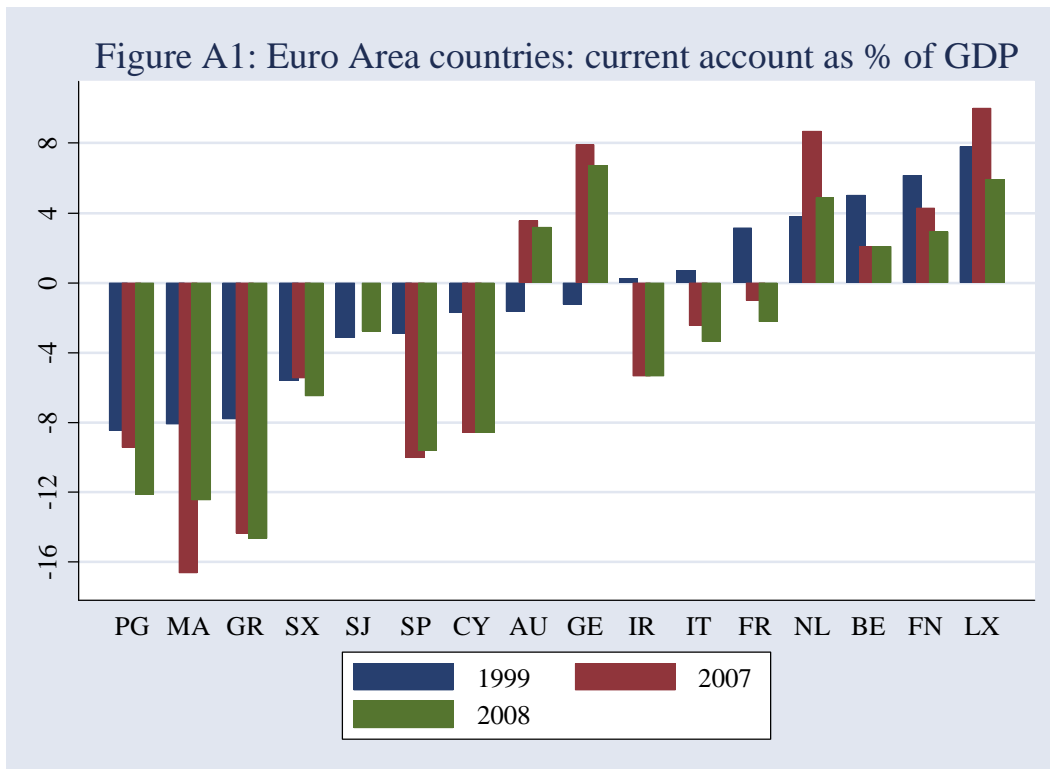
Appendix A   External Imbalances in EMU

Figure A1 shows current account positions as a percentage of GDP in 1999, 2007 and 2008. It illustrates that since the formation of the euro area there has been a tendency to divergence, with Greece Portugal, Spain and Malta experiencing growing deficits and Germany and the Netherlands significant, persistent and growing surpluses.

Germany has a long tradition not generating demand domestically. Rather it has had a policy of repressing wages (Lapavitsas et al, 2010) and reliance on external demand to generate strong export performance. The credit dependence which Germany has proudly avoided at home has effectively been exported abroad (Rajan, 2010); with German banks playing a leading role. German surpluses were lent to the PIGS who generated demand, leading to higher inflation, real appreciation and current account deficits. Post-crisis, it is the deficit countries, rather than those with surpluses, which feel the pressure – since they are the ones that rely on external financing to continue to keep demand above income (or growth above potential).

As can be seen from Table A1, first column, the German current account surplus as a percentage of GDP has been increasing. This is reflected in the German trade account (second column). The third column shows the net trade in goods (not services) between Germany and the PI(I)GS. The net trade in goods between Germany and the PIIGS amounted to some 2.24% of GDP in 2007, accounting for 27.5% of Germany's trade account surplus. This is clear evidence that Germany has been benefiting from the demand generated by the PI(I)GS. In general, Germany depends quite heavily on demand generated within the rest of the European Union. In 2007, when the trade account surplus was 8.15% of GDP, some 4.44% of GDP (ie 63.4% of the trade account surplus) originated in Germany's surplus arising from its export of goods to other EU countries over its imports from EU countries. So if Greece and the other PIGS had not been growing during this period, Germany's growth (which is largely export based) would not have been as healthy.

The present stance of euro area (as expressed in the Eurogroup or the Commission through their handling of the current sovereign debt crisis in the euro area) is that the deficits of the PIIGS are primarily a problem for them – reflecting their lack of competitiveness, their tendency to consume more than they produce and their inability to generate higher rates of **potential** growth as would be warranted by real convergence. They therefore need to adjust. The account here suggests that this is, at best, a one-sided simplification.

Table A1: The Importance of the PI(I)GS in German Trade				
	German current account (%GDP)	German trade account (%GDP)	German trade with PIIGS (% of German GDP)	Percentage of German trade account surplus originating in trade with PIIGS
1999	-1.26	3.21	0.54	16.96
2000	-1.70	2.92	0.74	25.32
2001	0.02	4.62	0.78	16.83
2002	2.04	6.23	1.11	17.81
2003	1.92	5.93	1.21	20.37
2004	4.66	6.78	1.51	22.24
2005	5.12	6.93	1.74	25.05
2006	6.52	6.78	1.96	28.92
2007	7.92	8.15	2.24	27.46
2008	6.69	7.31	1.81	24.82

Figure A1: Euro Area countries: current account as % of GDP

Appendix B   Inequality

In Greece, evidence that profits have risen at the expense of wages comes not only from evidence of a rising profit share, but also from an increase since 1990 in the rate of return on capital. As is clear from Figures B1 and B2, the rise is particularly strong during the second Simitis government. At the same time, while the real value of the minimum wage has been rising since the mid-1990s, it still lies below that of the early 1980s and relative to average wages in the economy fell from around 51% of gross average wages in the early 1990s to under 42% in 2005 (Figure B3). This provides again evidence of the gains of growth being unequally shared.

Evidence on poverty and inequality in Greece provides little comfort. Using data from household surveys since 1995 (the European Household Panel Survey followed by the Statistics on Income and Living Conditions), the risk of being poor in Greece has ranged from 20-22% with no discernible trend (the risk for the EU-15 lay between 15% and 17%). The same stagnant picture is evident from an examination of measures of inequality. The ratio of the income of the richest 20% of the population to that of the poorest 20% moved between 5.7 and 6.6 (compared with levels of between 4.5 and 6.1 for the EU). A similar picture of inequality in Greece being high by European standards with no evidence of a downward trend is also given by other measures of inequality such as the Gini coefficient (see Bank of Greece, Annual Report of the Governor (in Greek), Box IV.2, 2006).

Figure B1: Net returns on net capital stock (2000=100)

Figure B2: Adjusted wage and profit shares, 1974-2011

wage share (left-hand scale)   profit share (right-hand scale)
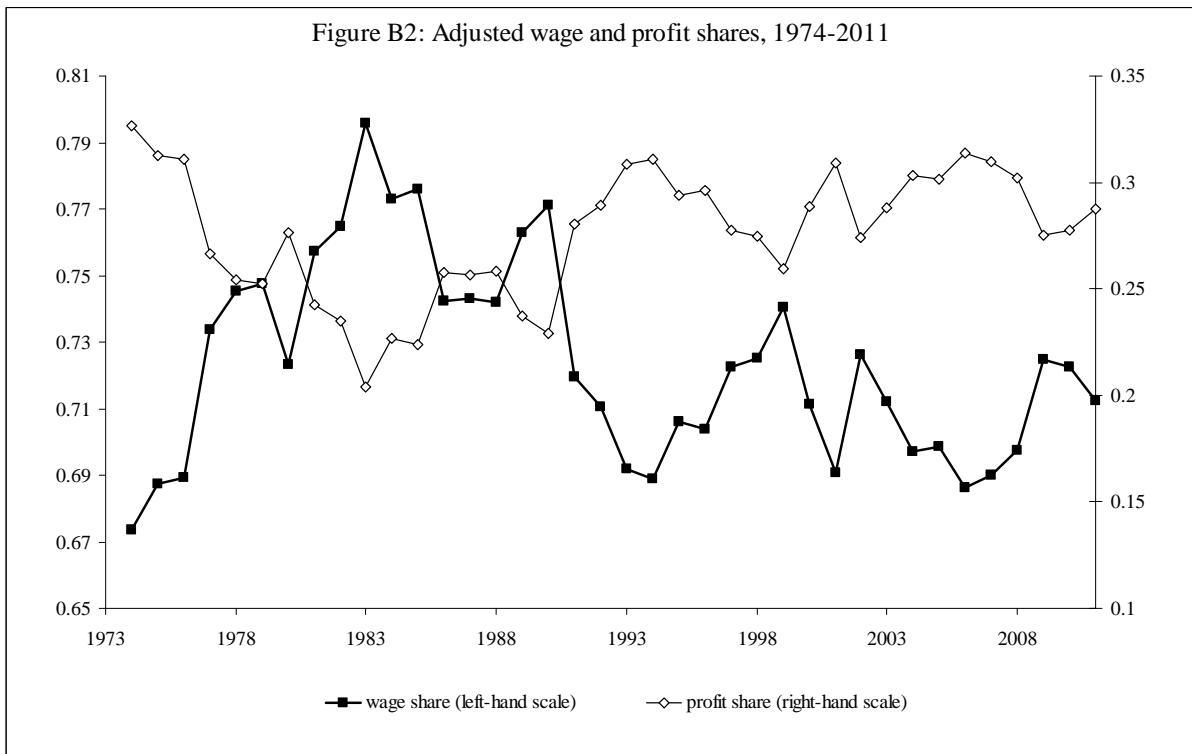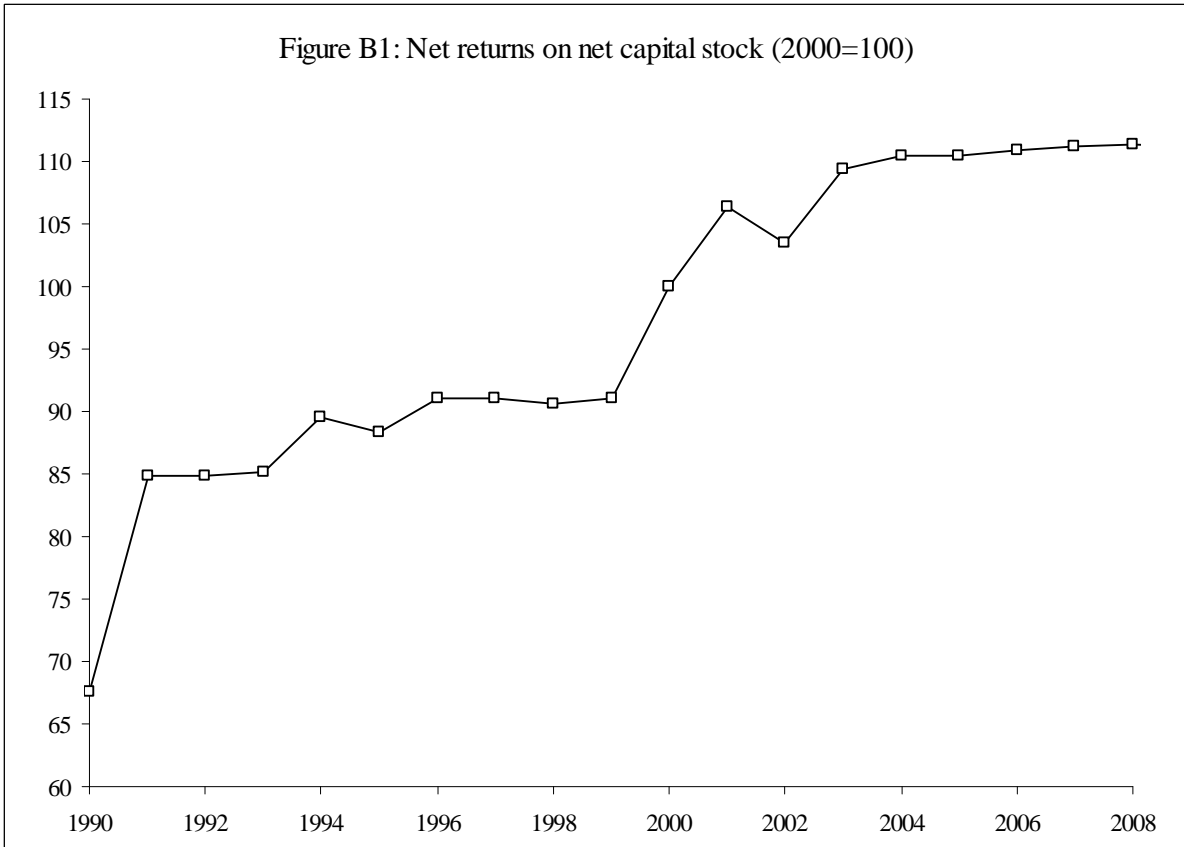
Source: own calculations from AMECO database and National Statistical Service of Greece. The 2007 figures are based on estimates from Eurostat.

Note: Wage shares are calculated using the compensation of employees (adjusted for the self-employed by imputing a wage using average wages across the economy for the self-employed) as a percentage of gross value added. Profit shares are gross operating profits (minus the imputed wages of the self-employed) as a percentage of gross value added.

Figure B3: Minimum Wages as a Proportion of Average Wages
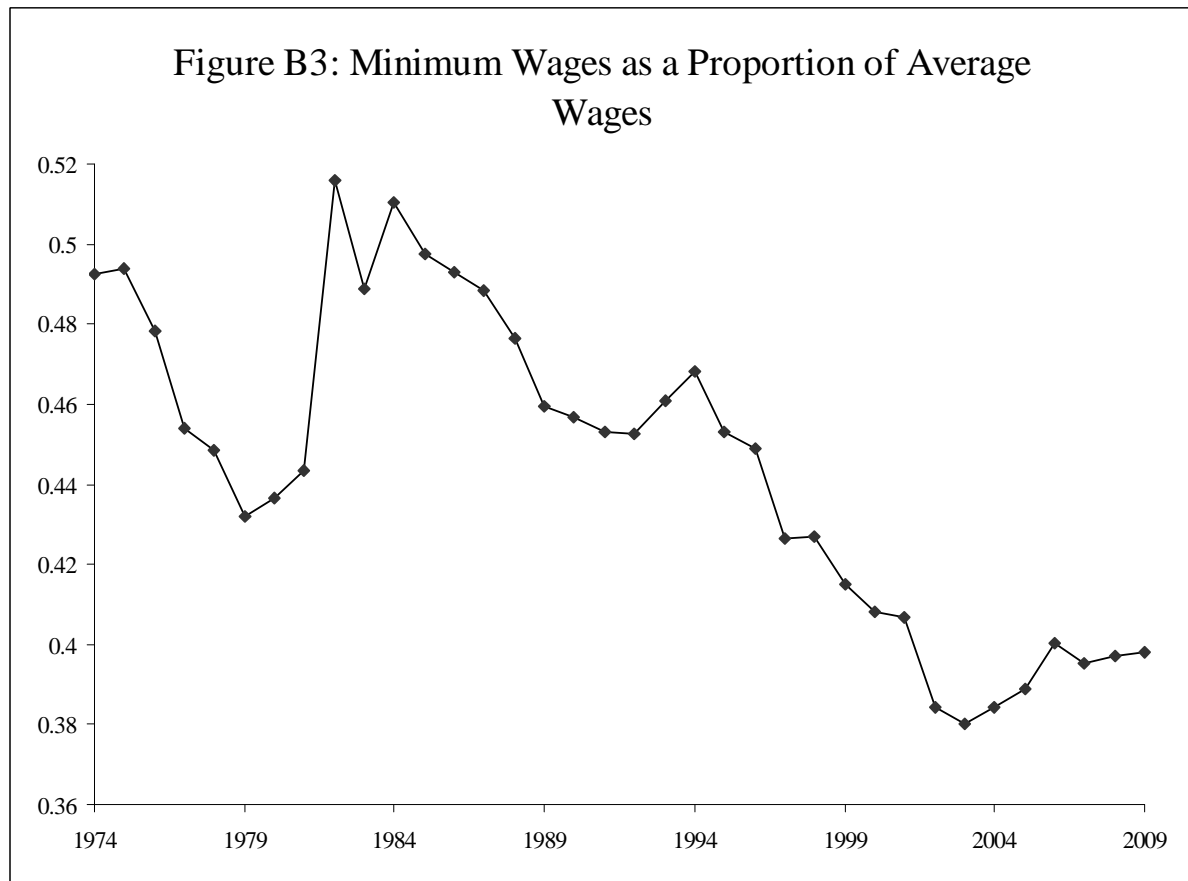
Source: Bank of Greece, Bulletin of Conjunctural Indicators and AMECO data base (average wages are calculated as compensation per employee (gross); minimum wages are for blue collar workers (assume 25 working days per month and 14 months per year).
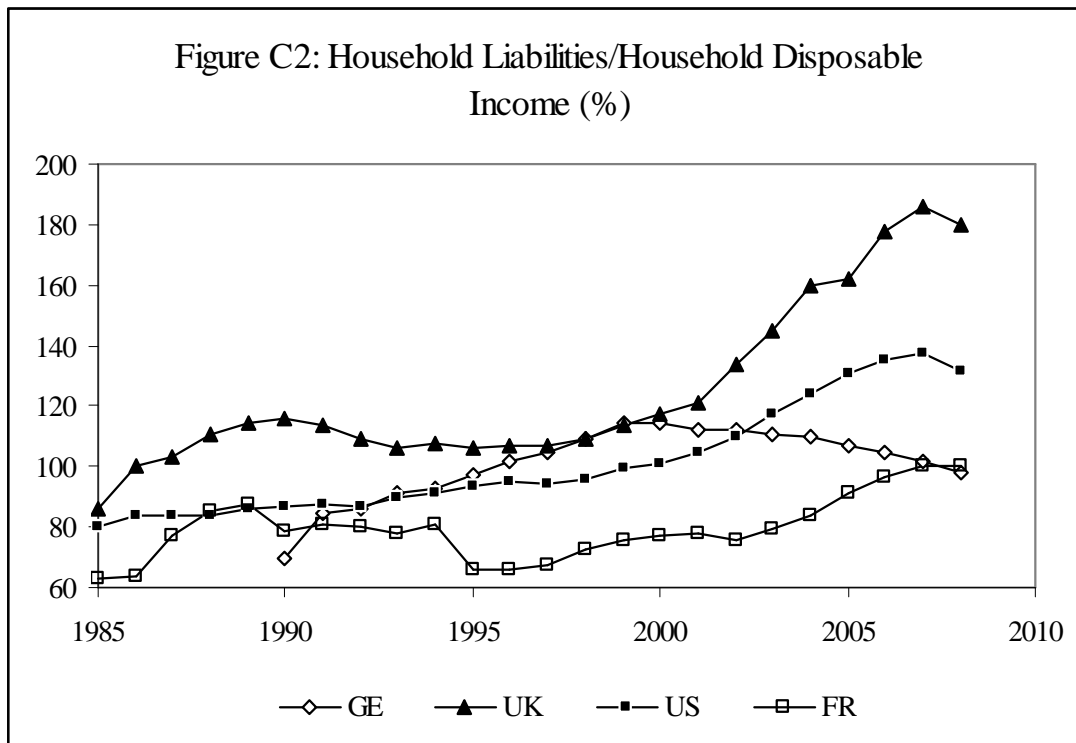
Appendix C   Financial Market Deregulation

The role of deregulation of financial markets should not be underestimated in providing support for neoliberal reforms. Increasing financial market sophistication has allowed at least some households to borrow thus providing significant support for their consumption aspirations even if the income gains required to support these aspirations in the long run have not been forthcoming. As a consequence many countries have witnessed a decline in household savings rates and a rise in debt (figures C1-C2).

There is a sharp contrast between the Anglo-Saxon economies of the US and the UK, which experienced falling household savings rates (at least until the onset of the crisis) and sharp rises in the household debt burden, and countries like Germany and France and, for the period for which figures are available, the euro area as a whole. One factor in this difference is that the US and the UK can easily attract funds through international markets located in London or New York which can be on-lent domestically, facilitating large build-ups in debt levels and enabling the consumption aspirations of the newly-emerging middle class to be realised. Germany and France, which have traditionally had more institutionally-based and domestically-oriented financial systems, have not been able to support the consumption desires of a new middle class to the same extent. This perhaps explains the earlier appearance of the crisis of social democracy in these two countries.

 Financial deregulation in Greece increased the opportunities for borrowing (either for house purchase or to consume) and, as Figure C1 shows, household savings ratios fell sharply in Greece (although part of the sharp decline in 1999-2000 is likely to be due to the move to ESA95 national accounts). Bank credit to households exhibited rates in excess of 30% per annum until the crisis. This led to a build-up of household debt which reached just over 50% of GDP by March 2010 (still below the euro area average). Results of household surveys conducted by the Bank of Greece (in 2002, 2005 and 2007) suggest that only about 50% of households in Greece have some kind of debt obligation (including loans from friends or other family members). Moreover, Symigiannis and Tzamourani (2007) show that the probability of having debt is strongly positively related to income. This suggests that, while financial liberalisation in Greece has helped to support the emergence of a new middle class, a significant proportion of PASOK's social base has remained unaffected – they do not have access to loans. It has not been possible, therefore, to satisfy their aspirations by the accumulation of debt as witnessed in the Anglo-Saxon economies.

Figure C1: Household gross savings rate

Source: AMECO database
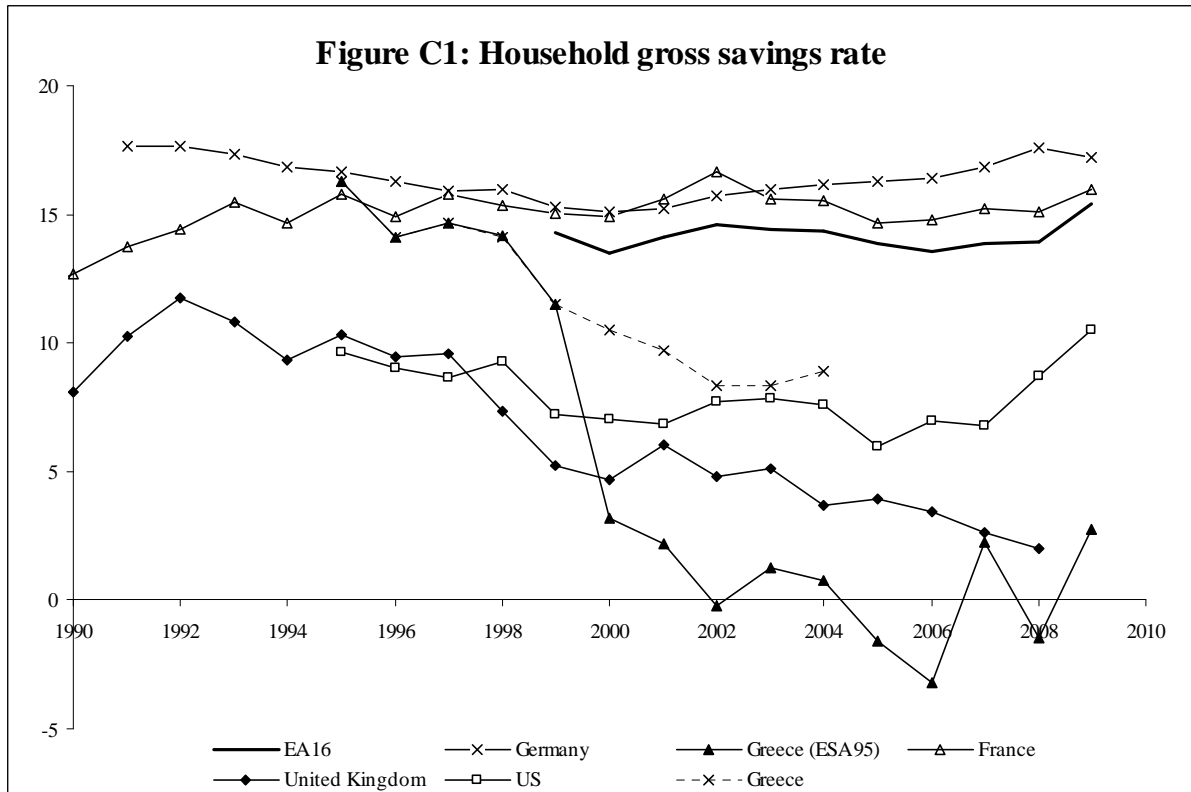
Figure C2: Household Liabilities/Household Disposable Income (%)

Source: OECD Economic Outlook

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TIME AND MODERNITY : CHANGING GREEK PERCEPTIONS OF PERSONAL IDENTITY IN THE CONTEXT OF EUROPE

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I. ETHNOGRAPHIC OBSERVATIONS AND CONNECTIONS

Anthropological enquiry can be stimulated by small but highly revelatory incidents. One of these occurred when I was shopping for some fruit at an Athenian greengrocer in the Plaka . A man was sitting at the till, head in hands when I went up to weigh a bag of fruit. Ignoring me he addressed the women at the till,"Wife", he said," Tomorrow you must light a black candle for me" (*Yineka, avrio na mou anapsis mavro keri).* This striking image caught my attention and I intervened (as one can do in the uninhibited exchanges allowed in Greece), so I enquired why he was distressed. "Tomorrow it's my 50th birthday," he explained. "What can I do ? We're getting older" (*Ti na kano ? Yerasame*). In sympathy, I asked if he didn't have a name day. He affirmed that his name was Andreas (celebrated in November). "So why not celebrate your name day – after all, it's the custom ?" I suggested . At once his wife answered, "Oh! It's more correct to celebrate your birthday. After all it's your own, -- it's your unique personal festival" (*pio sosto einai … I monadiki sou prosopiki yiorti*). Then she added the incontestable justification, "Anyway, it's what they do abroad, in Europe" . .(*Telos panton, etsi kanoun sto exoteriko, stin Evropi).*

This incident forced me to focus on what I have been aware of for some time - that there has been a marked change in the ways in which personal identity is celebrated in Greece, particularly from the later 1970s/80s. Formerly, the celebration of **namedays** was a predominant social feature: people celebrated annually on the feast day of their patron saint . The celebration conformed to a particular pattern, a highly formalized visit in which simple conventional exchanges took place. Significantly, the house was open to all comers, and participation was communal and expected. Some variation by region and by social class existed but the general pattern was recognizable. Seldom in the past were birthdays marked in any way.

The striking feature is that **birthdays** are more widely and increasingly celebrated. Many people of all ages observe their birthdays nowadays, and certainly, children are being brought up with the celebration of birthdays being a main feature of their annual experience. The hint of its significance comes from the greengrocer : - birthdays are celebrations of the **unique and individual** by contrast with the collective and **communal** nature of festivities associated with name days, and are intimately implicated in different perceptions of time.

Personal celebrations may often take both forms but the manner in which name days are celebrated has also undergone suggestive changes. The celebrations have become selective, highly elaborate, and tinged with strong competitive overtones.   In short, I have observed three things : there is (1) an increasing preference for celebrating birthdays, (2) a decline in name day celebrations, and (3) a marked difference in the way the latter are observed. The implications for time perceptions are profound having many ramifications, and will constitute the central focus of this analysis.

The second incident, by no means unique (see e.g. Hirschon 2008) concerns punctuality, a notoriously contentious subject for western Europeans in their associations with most Greeks. A high-level workshop was recently co-organized by a German University and a Greek think tank, for the training of a group of selected participants. However, their ability to keep to the programme was not uniform. Predictably and without exception, the Greek contingent turned up 10 to 15 minutes late while the German contingent were in their places a few minutes before the scheduled time. In a classic rebetiko song, Bithikotsis complains about the watch his girlfriend gave him because she is always late for their meetings : **«θα δοσω το ρολοι, ν'αγορασω κομβολοι .....».**   This lover's complaint is unusual for **p**unctuality itself is not seen as a virtue : it is not a matter of any great import, and is not seen to be a an issue involving rudeness or insult (*dhen peirazei*). Much attention has been drawn to the bonuses attached to civil service pay in the current economic crisis, and it is indeed revealing that transport services employees are offered a bonus for turning up for work on time (*epidoma egkairis proselefsis*)! .

With regard to time reckoning, we should note that Greek time units or isolates (see Hall 1954) do not coincide with those of the western European countries. Morning, afternoon and evening exist as divisions but they are not cut up in a similar way: the afternoon (*apoyeuma*) extends from noon till early evening and suggestively relates to the period after the main meal. So, afternoon sessions at a conference might well begin at 5. 30 and extend until 9 pm.

These ethnographic and observable data are the focus of the present analysis in which I suggest that attitudes to time and to identity have recently started to change in a particular direction. I wish to relate these to the notion of modernity and suggest that, within a culture that is overall different from that of a western type (see Hirschon 2008a 'Millet' paper), Greek attitudes to time are pre-modern. Although a fuller analysis is needed and cannot be provided here, my argument is that new patterns and perceptions are displacing what can be called the pre-modern or traditional worldview prevalent in Greek society until the mid C20.

In short, my analysis rests on the counter positioning of a flexible way of reckoning time, being task-oriented and having a seasonal and cyclical character, as opposed conceptually to a linear and non-repeatable perception of time, that which was troubling our greengrocer on his 50th birthday..

I will argue that, if the goal is the modernization of Greek society, a change in the perception and practice of time is needed and indeed is a precondition for the state of modernity, clearly being fostered in the context of European integration. My focus here is on a change of major significance in Greek society, that involving personal identity, in which the underlying paradigm has shifted from the socially-embedded person celebrated in the name day, to that of the atomized individual more characteristic of a western prototype, celebrated in the birthday. It reflects the manner is which a secular notion of identity is being promoted, and the erosion of the worldview founded in an Orthodox Christian heritage. The process of secularization is taking place at different levels, both in policy changes and also at the less obvious level of social practices.

II INTERPRETING THE CHANGING PATTERNS

When I have enquired about the changing patterns of name day and birthday celebrations a common reply has been, `But why not celebrate both ? The more the better ...' for, among the many positive aspects of the Greek way of life is the conscious pleasure taken in informal kinds of recreation and in times for relaxation. Greeks certainly know how to enjoy life, even to excess as the current crisis has so clearly revealed. Celebrations of various types, in public as well as private arenas, are an integral and conspicuous feature of social life, and '*Kaloperas*i' is not condemned nor is there a sense of guilt about what westerners from a Protestant tradition might see as self-indulgence (cf Thompson on Puritanism and the work ethos, 95). This indigenous response indicates the recognition of change, and has much to recommend it, but it does not constitute an explanation.

In order to understand what is occurring these changes must be viewed in the context of the European project which has so deeply affected many of its peripHeral member countries in a variety of ways. Undoubtedly, on the obvious level, the changes in personal celebrations are a result of macro-scale economic and political forces, those of consumerism, secularization, and of the growing influence of European institutions on Greek society. One could attribute it simply to the modernization of a society which is undergoing sharp challenges like others involved in the processes of European integration. Undoubtedly, macro-scale forces for change are an integral part of the process constituting sociological, economic and political causes. However, in order to appreciate the significance and meaning of this change, other indigenous concepts may provide the clues , and this paper is an attempt to provide such an interpretation encompassing a wider philosophical context. In my view, they are most significant because they express a deep transformation of values and worldview which are having fundamental effects on many aspects of Greek society as we have known it.

A. CONCEPTUAL ISSUES: TIME, INDIVIDUALS, PERSONHOOD

The present analysis is situated in a wider overall framework, that of the macro-scale factors which have affected conditions in Greece in many radical and disruptive ways,

particularly since its incorporation into the European Union in 1981. My assessment of the changes have led me to push my analysis further when I began to recognize the degree to which fundamental assumptions regarding the state of modernity were not applicable to the Greek reality. In particular, I noticed how attitudes to time and its management were not only culturally specific and worthy of attention, but also that the historical trajectory differed markedly from that which has been well-studied for England by a number of notable historians, chief among them E.P. Thompson. I can only touch on this huge topic in a cursory way, and flag up the main points in so far as they relate to the present focus, namely changes in perceptions of personal identity

Modernity is itself a historical period associated with the rise of capitalism, industrialization, secularization and which can be periodized. It involved the increased specialization of labour, increased movement of goods, capital and people, expansion beyond the local area, and overall standardization to promote economic integration. As Giddens noted .. "It is a society … (comprising).. a complex of institutions which ..lives in the future, rather than the past" (1998, 94). Marked by the emphasis on rationalization, it also relates to the decline of religion, and with it, the rise of experimental and observational science. The nation-state became the prevalent form of political organization with a preference for the 'separation of powers' in government.

This is not to deny that modernity has various expressions in different countries and that the concept should not imply any convergence idea of 'westernization', given that a broader global perspective must be maintained. Nonetheless, referring these established criteria to the characteristics of the Greek state, one is immediately struck by the numerous ways in which it does not conform to certain criteria. Specifically, with regard to time concepts, a notable feature is that of punctuality or rather its absence. This quality is not valued in itself, and lack of punctuality is not seen as an insult to others, nor as a failing. A common response to complaints about not meeting deadlines is that the important thing is for a job to get done, and it matters less when it gets done (see Hirschon 2008b). Historians have noted that this 'task-orientation' is prevalent in traditional and peasant societies, and even in contemporary rural Britain (Thompson, 60). Synchronization of labour and of the production process, regularity as well as standardized and accurate ways of measuring time, were essential ingredients for the development of large-scale machine powered industry (ibid.).

Besides the technical factors related to the development of industrial capitalism, cultural factors undoubtedly play a part. The anthropological literature provides rich illustrations of societies in which time concepts are entirely different, and may even be lacking in a way we would recognize. For example, the Sioux native Americans have no word for 'time' or for late' or 'waiting'. For many indigenous people, planning for the future is not a relevant or practicable

approach since what matters is the present[1]. E.Hall's seminal work (1954) on different cultural notions of time developed out of his experience in development projects on USA 'native' reservations. His work also addresses the conflicting expectations of business associates in Germany, USA, southern European countries, and shows how the various ways in which time is employed by people from different societies may lead to misunderstandings and conflict.

In the case of Greece, I have posited as central values having explanatory significance, those of personal autonomy and the desire to avoid obligation, and have maintained that these can be seen as underlying other social phenomena, such as verbal play and gift-giving, as well as the lack of punctuality (Hirschon 2008b).

How, then, does this relate to ideas of personal identity and particularly, to notions surrounding the Individual? It is often and glibly said that `Greeks are individualists'. This is something of a cliché, one which I would argue, is not an accurate characterization though it may seem evident, based on the volatile quality and character of chance encounters and informal social relations in Greece which are essentially confrontational and eristic. The turbulent quality of social life, expressed so readily in interpersonal conflicts, *kavgades*, which stimulate and actually provide entertainment as well as a necessary outlets for endemic frustration, can give a misleading impression of untrammelled individualism. Certainly many of us westerners who know Greece have the impression of a people who do not recognise the constraints consistent with membership in the social body/ polity. The apparently egalitarian spirit of Greek social relations which borders on the anarchist, deserves a study in its own right. I see it as crystallised in the rhetorical rejoinder " *.. kai pios eisai esy*? And who are you ? ", a challenge to any other person regarding their relative status and authority when the social context is fluid. But does this constitute individualism as westerners would understand it ?

The notion of `individualism' needs to be examined in its cultural specificity in the context of Greek society. For the purposes of a rigorous anthropological analysis, I suggest that the term the ' human subject' be employed, which helps us get over the loaded connotations of two coeval terms - the `individual' and the `person' - which are often used interchangeably in the literature and in popular speech. For the present purpose, these terms should be clearly distinguished in order to employ them as analytical devices. It is the contrast between the terms, `individual' and the `person', that I wish to bring out, in order to explicate what I see as a most significant change in the social and cultural milieu of modern Greek society and my interpretation rests on drawing a sharp contrast (of a Weberian ideal-type) between these two opposing, though not mutually exclusive, constructs of the human subject (see below).

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[1] Many ethnographies provide examples of culturally specific ways of reckoning time, see e.g. Evans-Pritchard 1940 on Nuer, E.Africa; Barnes 1974 on Kedang, Indonesia; du Boulay 1974, 2010 on a Greek village; Thornton 1980 on Iraqw of East Africa;

Anthropologists working in more exotic societies have been concerned with analysing concepts of personhood and individual.[2] Possibly in the case of Greece, its cultural familiarity has hindered a deeper interrogation - allowing us to rest on unexamined premises, and the assumption of shared cultural postulates. It is easy to take for granted what appears to be the common ground of a broad western tradition in which Greece sits somewhat uncomfortably (pointed out by Herzfeld 1987). It is noticeable that foreign anthropologists of Greece as well as native Greek anthropologists have not concerned themselves with the sceptical analysis of many structural and ideological aspects of Greek society, which is routinely done for more obviously 'exotic' societies.

My intention is to show how notions of time and of the human subject are changing in contemporary Greek society, and that these are intimately associated with changes which are taking place very recently in the context of European integration. The analysis draws on what is actually an indigenous set of notions, highlighting the opposition between two different philosophical and theological traditions: what has developed in a western philosophical tradition is the concept of the 'individual', while ideas associated with the concept of the `person' are expressed in the writings of the Eastern Orthodox Church. The notion of the `individual' (**to atomo**) as a self-contained, independent agent, as distinct from that of the `person' (**to prosopo**), a socially-embedded being is the key feature of my analysis (see below).

The significance of this distinction can only be understood in the overall context of Greek life, especially in the intimate realm of the domestic, of the family, and in the network of kinship relations. Here, the specific character of social and personal identity is evidenced. No Greek exists (in the old paradigm) outside of the kinship nexus which confers identity upon him or her. I would argue strongly that even now for most Greeks, the articulation of self and family is very different from that which is current in the post-industrial west. In the turbulence of the current crisis (perhaps a reinforcing factor), the family is the focus and point of orientation where the efforts and endeavours, the aspirations and ambitions, and the loyalty of each of its members continue to be invested. In my first fieldwork in Kokkinia, Piraeus in the 1970s, through

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[2] They have been challenged to address this topic because of the great varieties of ways in which the human subject is conceptualised indigenously. Persons in other societies may perceive the world around them in ways very different from our own. Marcel Mauss was one of the first who drew out this distinction explicitly (see Carrithers 1985). For example, among the Canaque, a Melanesian island group, the social world of persons is defined by relationships which include animals and plant life since these share with humans the quality of being alive – having a common life substance. Many examples illustrate the varied ways in which the human subject is conceptualised (especially striking in New Guinea societies eg K.E. Read's 1955 extensive essay on the `comparative ethics' of the Gahuku-Gama).///

experiences in provincial areas and more recently in Athens, I have found that the fundamental social bonds remain those involving the kinship group. I am constantly reminded that 'individuals' have family obligations as a primary point of reference. My early recorded observation in the 1970s that there was no expectation of the progression from dependent child in a family of origin to an independent adult individual living separately from the family (Hirschon [1989] 1998, pp. 107-9) is still largely true in Athens, though cases of independent living have certainly increased.

I noticed that `individuals' were always contained within the context of family life. There was no expectation of the progression from dependent child in a family of origin to independent adult individual, in contrast with the characteristic pattern in the industrialized (anglo-saxon) west. There was and is no expected or even accepted period of bachelorhood, of unmarried independent existence `on one's own'. When it does occur, for example, during higher education, it is seen as a measure of expediency. I would suggest that this feature is one of great significance : the absence of a phase of unmarried independent adulthood is a key expression as well as a reflection of the nature of personal identity in Greek society.

My intuitive perception of this as a critical and culturally specific feature was verified through a comparative perspective. Sharp contrasts are presented in a revealing examination of various facets of individualism in America (*Habits of the Heart,* Bellah et al 1985). The authors, well-regarded sociologists, emphasise that `leaving home' is a key element in the constellation of notions surrounding the individual (56ff). and they state that where ..`a culture ..emphasises autonomy and self-reliance.. the primary problems of childhood are ..separation and individuation - indeed, childhood is chiefly preparation for the ***all-important event of leaving home*** (56-7, my emphasis). Bellah et al show how this pattern developed in the C19th and is denoted in the concept of self-reliance, one which is so clearly elaborated by Emerson and a foundation of the new world society of the USA. Two features characterise this ideology and its social context : the notion of the detachment of the individual from society, and the clear separation of public and private spheres. In the USA these features are critical and central. In short, notions regarding the human subject in the American tradition centre on values of independence and autonomy, values which constitute the human subject in a very different way from the Greek case[3].

B. SITUATING GREECE IN A LARGER FRAMEWORK

In his influential *Essays on Individualism*(1986), Louis Dumont provides the framework for a larger comparative approach. In it, he seeks `the origins of individualism' (an undifferentiated

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[3] The individualism of American society can and should be further differentiated into 'different modes', e.g. utilitarian or expressive kinds (ibid). Further insights into the notion of the human subject come from the history of philosophy and changes in ideology in the western European tradition, indicating that they are by no means 'uniform or monolithic' (Morris 1991,4).

category) and poses the query .. how a transition has been possible between `two antithetic universes of thought', the one where the paramount value is the individual (individualism), the other where the paramount value lies in society as a whole (holism) (1986, 25). The polarity which he posits is that between what he calls the individualistic type of society and another which he calls `holistic' : (the latter mode of organisation being also referred to as ` communal' or `collective'). We could speculate in advance of the conclusions in the present analysis, that the Greek case fits in a dynamic way into this typological distinction. Does Greece provide a case-study of a society where we can chart the way in which the 'holistic' or 'collective' emphasis is turning into an 'individualistic' one ?

Arguing that changes in personal celebrations in Greece at present reveal a change in worldview, demands attention to specifics. Hence we need to consider the phenomenon of naming.

III NAMES AND THEIR SIGNIFICANCE :

Man communicates himself to God through names which he gives to nature and (in proper names) to his own kind. W. Benjamin *(123)*

Names are ways of identifying the object. By naming, we do at least two things: we contrive power over the object, and we also create a relationship with it. Names in themselves have power, and many practices demonstrate that by naming something we may achieve power over it (eg. exorcism, spells). We might remember that one of the first tasks assigned to human beings in the Biblical account was that of giving names : in Genesis Adam is assigned authority for giving names to animals and plants : does this constitute control over the natural world, or is this the means whereby he create a relationship with them ?

We should therefore note the importance of names as the vehicle for, and the signifier of various kinds of social relationship: How odd we feel when we engage with someone who does not use our name. PR and marketing pay great attention to naming, brands, and in training for improved interpersonal skills. William Golding's story, Pincher Martin, describes how the shipwrecked and drowning man gives names to all around him in his final moments. In stark and revealing contrast is the Old Testament convention (and of Jewish practice) where it is a taboo to use God's name in full, and it is God who should be nameless.

This is all to state that names are powerful, they have a significance in all cultures and they will show patterns and characteristics which again will vary culturally, and have been treated with attention in many anthropological studies

A. Personal Names in Greece:

The importance of naming in Greece, I suggest, should be examined carefully, because it has certain specific cultural characteristics in the context of Orthodox Christianity[4]. As I have maintained elsewhere the Orthodox worldview provides a template for the understanding of many features of contemporary Greek society. In the first place, the conferring of the name is an integral part and focus of the Orthodox ritual of baptism. Without baptism, a child did not have a social identity[5]. Until very recently it was believed that a child could not be registered as a citizen in the municipal register without a certificate of baptism . This widely held belief, however, is not based on the legal reality, since civil registration has been a legal provision ever since the mid C19 (see Hirschon, 2008a, 2010).

In the Orthodox Christian practice the name is conferred at baptism, and is given by the godparents who are the spiritual parents; it is their right of choice, and indeed the correct practice was for the biological parents to be absent from the ritual, which underlines the child's new identity in the Christian world. It is useful to consider the theological context of the practice (Schmemann 1974). The name confers the identity of the initiant who passes through a rite which symbolically marks the passage from death through rebirth into redeemed life. Baptism in the font through total immersion signifies burial, followed by rebirth and the raising into a new life with the promise of salvation from the fallen condition. Anointing with oil is a further initiation into the Royal Priesthood. The baptismal name confers total membership in Christian society, the infant is a communicant and full member of the church, for new life has been given through the regeneration of the whole person at the spiritual level. Baptism thus confers a wholly new personhood, full membership in the Church, which itself constitutes society. And this redeemed ecclesial person is now identified by the name which is properly a Christian one (ibid…)

Reforms to the Civil Code in 1983, however, specify the immediate registration of the child after birth in the civil registry (*lyxiarcheion)* and, once registered, the name cannot be changed (*ametaklito*). A different baptismal name may be given later is but is not the officially recognised one.Thus if a child were registered as Leonidas, he could not later be called by his baptismal name of Panayotis. Consequently, parents would register a child as required by law but do not specify the child's name until any uncertainty is resolved. This significance of this legal stipulation is that it separates membership as a citizen in the state from religious affiliation and, together with the recognition of civil marriage, constitutes an explicit agenda of secularization.

B **Naming patterns & frequency in Greece**

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[4] The importance of naming in the Greek world has been noted by Sutton whose analysis of the Battle of the Name with regard to FYROM and Macedonia shows its significance both nationally and at the local level (1995,236ff).

[5] By convention an unbaptized baby was called *bebe, beba* or, in some rural areas by the animal-like name of *drakos* (Stewart 1993 on Naxos).

Anthropological studies of names in Mediterranean societies demonstrate how Christian names are characteristically limited within rural communities (cf. Waldren on Majorca), and also reveal patterns of naming characteristic of particular regions. Naming patterns in Greece epitomise these features. It is worth noting the limited choice: despite the vast range of possible saints' names, only a limited variety of names are employed, and there is marked regional variation of popular names.

In a noteworthy study of countrywide electoral rolls, Vernikos (1988) demonstrates that 72% of all adult Greek male voters have twenty names, the 9 most frequent names occur in 54% of the country's population, and the concentration is even more marked for popular saints, since 44% share six Christian names - John (Ioannes), Georgios, Nicolaos, Constantinos, Dimitrios, Theodoros shared by 44% - and that 33% of all adult males have three first names. This study further illustrates the marked regional variation and frequency so that, for example, Panayiotis is favoured in the Peloponnese, Stratis and Michalis in the Dodecanese, Manolis and Minas in Crete, Karpathos and Kasos. The pattern is well-illustrated in a detailed analysis of male names on the Ionian island of Meganisi.. Of the island's 205 adult males, 50% share between them only 7 names : Georgios (28), Nicolaos (17), Gerasimos (16), Stathis (12), Michalis (12), Andreas (11), Spyros (10) Two of these are characteristic for the region, which Just calls the 'efficacious saints', Gerasimos and Spyridon, their relics being revered at local shrines (Kefallonia, Kerkyra) [R.Just : **JASO**,XIX,2,1988].

Regional differences can be explained by limited mobility combined with the strong and prevalent custom for names to be repeated in families in alternate generations (Georgios's son Nicolaos calls his son Georgios)(see below). A number of first cousins will, therefore, have the same first name and are distinguished by the patronymic, their second name.

IV PERSONAL CELEBRATIONS

A. WAYS OF CELEBRATING NAME DAYS

I wish to suggest that a number of deeply significant consequences follow which must be seen in their ontological implications as well as in their social repercussions. In the practice of celebrating the name day as a personal festivity, a twofold significance exists: it is the **spiritual identity** as well as the **social existence** of the named person which is being celebrated. A brief summary of the contrast can be stated: The name day has as its reference point the sacred realm, the realm of eternity, a dimension of timelessness where rebirth and salvation is the reality. In sharp contrast, the practice of celebrating one's birthday is the celebration of physical / biological birth; it is the marker in finite time of one's material existence in the social world. Using a

Durkheimian dichotomy, the name day celebration associates us with the sacred realm, while the birthday with the profane or mundane[6].

The expected and accepted practice in the 1970s in Kokkinia, an urban neighbourhood of primarily Asia Minor refugees, as well as in most parts of the rural and urban areas was to visit the celebrant's house, uninvited, taking a wrapped present. The expected and acceptable gift was equally standardized and easily identifiable, usually a box of confectionery or a wrapped bottle of liqueur. Since the latter commonly remained untouched and unopened it could – and often was given to someone else on another name day! The visitor would be offered a standard treat, a *kerasma* (see Cowan 1990, 65-7) consisting of a chocolate, a small glass of liqueur and a glass of water, and would wish the celebrant 'Many Years' *(Chronia Polla).* At the end of the name day visit, people again exchanged wishes for health and for long life.

The essential characteristics of name day celebrations is that they were : **public** knowledge, therefore not optional**, communal**, the house was **open** to all, standard gifts were brought (alcohol, *pastes,* chocolates), and notably the offerings to guests **(*kerasma)*** were standardised requiring little preparation (liqueur, *glyka, pastes*), A celebratory meal was served for the extended family later in the evening .

Communality, Time and the Name day :

An important aspect of style of the older pattern of name day celebrations is that it was an **inclusive, incorporative**, and **communal** style of celebration. It had the effect of uniting the neighbourhood, the community on a basis wider than that of everyday interaction. Allowing access to what is normally the private sphere, name day celebrations generated a sense of the local community, and united all those sharing a common name with their patronal saint. There is a sense of this shared endowment, even now in every day discourse, when people are introduced, with conventional phrases acknowledging the bond created through having the same name: '*synonomatoi eimaste'.*

Significantly for the present analysis, the name day celebration exists in a particular time dimension: that of liturgical or ritual time, in the eternal world, that of infinity. Name days are repetitive and therefore follow a cyclical pattern, and refer to eternity for they are repeated each year without a sense of progression. Notably, the anniversary of a saint's martyrdom is not the focus, even where the year of martyrdom is known. Thus, with its reference to the sacred world, the name day exists within a ritual conception of time; it is liturgical time where the notion of

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[6] However, in the Orthodox approach, the material and mundane dimensions are not opposed to the sacred The material world is imbued by them, interpenetrated and transfigured in a process of continual communication with the Divine world though this significance may not be in any way conscious for the actors.

coincident dimensions prevails over a linear, progressive model of time which belongs to the secular world.

Name days are also cross-temporal, creating as it were, a vertical dimension. The name day unites deceased family members across generations because the naming pattern is one of repetition in alternate generations through the separate lines of father and mother. The shared name crosses the generations with the memory of those who have died and acts , therefore, as a perpetual commemoration, as *anamnisis*.

Because of the limited number of names and their coincidence locally, the collective force of this shared name identity is very strong, especially in small communities. With others of the same name, one co-celebrates and one is co-related to the eponymous saint, so that community sense is generated: a community of same-name persons and a sense of identity with the saint or holy persons is expressed and experienced. And this is evident, even in towns and in the vast sprawl of the metropolis, where major saints days celebrating popular names produce an air of festivity throughout the locality[7],

Name days can be seen to constitute a major force, at the sociological level, promoting social solidarity and integration. The everyday tensions which divide communities , the conflicting family and work interests, are briefly suspended, and take on a different alignment. The celebration eradicates boundaries, bringing people together for the purpose of well-wishing. The recurrent and regenerating aspect of naming patterns have been noted, but what I want to emphasise here is the promotion of a sense of an open community, inclusive of living and dead, of relatives and non-related, a community of all those whose holy patron's name they share and those who celebrate locally. Name days are transcending of everyday boundaries, are essentially sacred and communal and their time referent is other-wordly.

However by the 1990s, I had noticed significant changes: the name day celebration was no longer obligatory, but optional, for it required major preparation of food, with abundant varieties of dishes. Therefore, telephone calls are made prior to ask : "Are you celebrating? `*yiortazeis***?***": or "Are you receiving?" *tha dechtheis?* Sometimes the reason given is "No, it's a week day" *ochi einai kathimerini* . Many more women are employed outside the home and the celebration needing preparation has to be fitted into available time. Nowadays, a variety of gifts are presented (clothes, jewellery, pot plants). In short the name day has become an elaborate and expensive celebration, and also selective.

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[7] On St Dimitris's day in Mytilini 1996, phone lines were blocked, and there were sweet shop queues. In Alpha bank mid-morning the two clerks called Dimitris ordered mezedes as a **kerasma**, and all clients were treated, while some called in just to wish them Many years. **Na se efchitho.** Government offices at that time allowed the celebrant a day off.

One example of a name day spread is provided by Agni's celebration (2000): on the table were 3 kinds of pies *pittes (spanako-. tyrop- prasso -)*. She had prepared several main dishes: *Pastitsio* (baked pasta and meat, alternatively, *moussaka*), a roast chicken with potatoes (this could be sliced roast meat). She had also done a whole fish , poached and decorated with mayonnaise and red carrot scales. There were also *dolmadakia, keftedakia, tyropittakia, salates*. She told me that there should be at least 3 puddings or sweets, never one : e.g. cakes with syrup such as *yiaortopitta* or *karydopitta,* or a strawberry tart *tourta me fraoules*

Drinks are offered at the start including whiskey with nuts, wine or beer.

In contrast, Thanos, a University professor wasn't aware of his name day it. He commented : "Name days aren't celebrated the same way any more. Before, the house was open to anyone on the day. Now you wait till the weekend, you go out with friends or you invite them. It's not the same. Birthdays are also celebrated now, but mainly for children. After you're 25 you don't celebrate".

 B: CELEBRATION OF BIRTHDAYS are quite the opposite, and take a form familiar to us. Explanations produced by Greeks about the neglect of birthdays in the past commonly refer to the widespread illiteracy in rural communities and that recording births was inaccurate (d.o.b. on back of icons), that it was often falsified (e.g. marriage for girls, army service for boys). Actual chronology was of little significance in the past. People say that sometimes birthdays were celebrated because they fell on significant days (eg. 25 March.) or when their saint's name is very unusual, or when they do not have a Christian name (Apollo, Perikles, Othon, Daphne, Smaragda, Leto, Danae, Kleopatra). With the legal reforms of the PASOK govt in 1983 introducing civil registration, a new awareness of the birthday as a marker of personal identity is taking place. A child must be registered with a name immediately after birth, the hospital provides forms on discharge and the registration at the *lyxiarcheion* must be done by parents. It cannot be changed even if the baptismal name is different.

Since the 1980s, the state has imposed a requirement for personal identity which runs counter to the long-established pattern and, together with the powerful pressures of economic forces and social prestige, a new pattern is being established. Increasingly from the 1980s, birthday parties are given by parents for children's school friends. These include cake, printed table cloths, napkins, songs, and presents. There is considerable anxiety about 'getting it right', i.e. doing it as it is done abroad. Young adults stop celebrating, or only on a special birthday (e.g. 40th). People say that birthdays are dropped by adults because they mark the ageing process, (`Light a black candle tomorrow, I'm 50).

To sum up the effects and significance of this newer form of personal celebration: Birthdays are not public knowledge, they are **selective** since they require invitations, and are not communal, collective or inclusive. They celebrate the individual's birth as **unique** event, **not**

shared, and the house is **not open**. Birthdays mark one's age and thus the finite passage of life. In essence, birthdays **celebrate the mortality** of the human condition, and not, as name days, one's membership in an eternal community.

V. THE CHANGING PARADIGM

The changing pattern entails an increasing attention paid to children's birthdays, which creates the awareness of a unique individual event, and it marks one's chronological age and not one's spiritual identity. The most obvious question, then, is this simply an adoption or mimicry of western practices, of consumerism, a fashion or a fad, having no cosmological implications? My intention in this paper is to explore a different perspective and ask what the consequences and significance of the changing pattern are, in the philosophical and ideological dimension, particularly in relation to changing attitudes to time.

In the tradition of the Eastern Orthodox Church, rich sources for an indigenous anthropology exist. Many contemporary writings centre round the explication of the nature of the human being and indicate a well-developed set of notions regarding the constitution of the 'human subject'. Since this is in itself an enormous subject, only a summary of the most pertinent notions for our analysis will be set out[8].

The first element in this world view is that the human person has been given a Divine archetypal referent. Man and woman are created in " the image and likeness of God " (Genesis 1: 26). The human person is seen to be an icon of God. In this theocentric view, 'human beings cannot be understood apart from divine being for the divine is the determining element in our humanity' (Ware 1986) .

The second key element in this indigenous anthropology is that of the concept of God, in whose image humans are created. This God is primarily conceived of as a Trinity of persons in relationship. God is three persons – Father, Son and Holy Spirit - and these three divine persons, undivided but distinct and not confused, exist in reciprocal relationship, in an interchange of mutual love. John Zizioulas, a noted theologian, states that, "The being of God is a relational being : without the concept of communion it would not be possible to speak of the being of God" (*Being as Communion*, 1985, p.17)

In another discussion on the unique nature of the human person, Kallistos Ware summarises the meaning of the human being created in the image of God. It signifies relationship, growth, self-awareness, freedom . And it is only in relationship with others and with God that we can realise our human personhood (Ware 1986) "Personhood is always interpersonal.. there can be no I without Thou..........I need you in order to be myself." (ibid).

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[8] There are copious works examining the notion of the 'person'. A number of neo-Orthodox scholars have elaborated upon the Patristic writings and have incorporated influences from western philosophy, see Stamatopouloos…)

For the purposes of argument, as an ideal type distinction, this polarity can be represented schematically :

Human Being

as Individual	as Person
atomo	**prosopo**
unit, indivisible	face to face
self-contained	involved, in relationship
separation	communion
competitor	co-worker
possessing, keeping	sharing
I, me, mine	We, us, our, thou

They are depicted as two antithetical categories when drawn up in opposition to one another, as above. This is a starting point and methodologically justified in the Weberian ideal type approach. However, in a wider interpretative framework , writings on the subject indicate that the two categories these are not to be seen as opposed but are hierarchically structured so that the one subsumes the other : the individual is the core of the person, it is a state of primary self-awareness, but is subsumed within the more embracing notion of the person, the full expression of subjective interaction. The connection between the two concepts is a dynamic and situational one, where the fully developed person exists in relationship with others as a fully integrated individual, and where the realisation of full personhood can only come about through the achievement of individuality.

VI. CONCLUSION

This paper aims to link time perceptions, and changing worldview with implications for socio-political and economic organization. In it I suggest that a newer construction of the human subject as a freely interacting individual is becoming prevalent, the concomitant and precondition for a western-type development into modernity and late capitalism. For historical, political and cultural reasons, Greece did not follow the overall post-enlightenment pattern and has retained elements of pre-modern features. I suggest that a major paradigm shift is occurring and that it is reflected in the particular phenomenon I have placed at the centre of the analysis. Name day celebrations and birthdays might be seen as a set of somewhat frivolous activities, but I argue that they are a social expression of profound changes in attitude and world view. The changes in notions of personal identity are reflected in attitudes to time, and both features are an index of, and a necessary precondition for achieving the state of modernity.

To summarise: the contrasting set of notions that apply to the analysis are those enshrined in the philosophy of modern Greek culture with its roots in the Eastern Orthodox tradition and in various classical sources. Here the central notion relating to the human subject is

that of the `person' **to prosopo** , which stands in developed contrast with that of the individual, **to atomo**. In the contemporary Greek case I suggest that we are seeing a shift in these notions, in a changing situation largely provoked by the wider setting of European integration pressures and of government policy.

Returning to some of our first observations: we noted that Greek society is firmly grounded in kinship and family relationships. Every Greek is primarily a member of the family : identity, activities, loyalties, are family-based and family-oriented . In contrast with the USA where the ideal of self-reliance is expressed through the emphasis on `leaving home', the Greek individual is - or was - always embedded in family networks of given (ascribed) relationships. The Greek is not – or has not become until very recently - an Individual in the western sense

Changes in personal celebration have multiple causes and they should be viewed as a complex of elements: the effects are not superficial, it is not simply consumer behaviour, an economic epiphenomenon, but of somewhat deeper significance. In the trivia and frivolity of detail regarding name day and birthday celebrations, we are observing a shift of cosmological import for it demonstrates the change which Dumont was searching for in his comparisons between 'holistic' and 'individualistic' societies. As Greece moves from being a `holistic' society in the wider context of European economic and possibly polittical integration, my conclusion is that the worldview is changing in emphasis. It is shifting from the Eastern Orthodox anthropology of the **person** to a western anthropology of the **individua**l.

The vicissitudes of identity in a divided society: The case of the Muslim Minority in Western Thrace

Professor Thalia Dragonas

Scene number 1

It is Saturday afternoon at the Community Centers created by the *Project on the Reform of the Education of Muslim Minority Children*. Thirteen year olds, belonging to the Muslim minority in Western Thrace, are involved in a creative educational activity, taking place in one of the Community Centers. Such an activity operates on the basis of small group work, aiming at utilizing experiential learning, and promoting psychosocial development. The group offers the opportunity of exchange of ideas and feelings not always easy to accommodate. The youths are involved jointly in a common task that actualizes differences, highlights the value of each member of the group as a distinct individual, and encourages the exploration of those skills that are necessary for a collective endeavor. When the groups are mixed (boys and girls belonging both to the minority and the majority), the task is even more challenging.

As part of the task, the youths are writing down the rules they perceive as necessary presuppositions for smooth operation of their group: (a) we should not tease each other, (b) we should decide jointly, (c) he should listen to what the other has to say, (d) we should help each other, (e) we should respect our "double" (διπλό). This last regulation represents a very revealing Freudian slip of the tongue.

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First Image

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In Greek the words «διπλός» (diplos) and «διπλανός» (diplanos) sound similar but they mean two completely different things: the first signifies «double» and the second «fellow man» or

«neighbor». The children whose Greek is poor obviously «make a mistake». They meant to say «respect for our fellow man», «for our neighbor». Instead their suppressed desire was to employ the word «diplos» unconsciously invoking respect for «their double» which they feel is not being accepted and is an object of continuous negotiation.[1]

Scene number 2

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Second Image

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The above self-portrait of a ten-year old boy was produced in the context of educational activities taking place in another Community Center. The face has no mouth, the arms have no hands nor fingers, the body is floating in the air, while at the bottom of the paper he has scribbled, with many spelling mistakes, «There was someone in the past who did not know his name», and at the top he has added the words «like a fool». The freedom of expression that characterises the atmosphere at the Centers has allowed the young boy to reveal the trauma minority identity has experienced. The obvious association is the proverb «children and fools do not lie». The name being a primordial trace of human existence, marking one's identity is being questioned. One's name representing in the history of human kind and civilization the symbolic and institutional recognition of kinship, ties and continuity is missing in the eyes of the young boy. It is through the symbolic mediation of the name that biological existence is transformed into social existence, and one's identity is inscribed in the symbolic order through the recognition by the other and by the use of social practices. It is the name that renders one part of a whole and it is the name that gives one a place in succession. One does not exist without a name. Without a name, identity is disqualified, and the sense of cohesion in the present and continuity in the future is lost.

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[1] Slips of the tongue are not the influence of the 'contact effects of sound' but the influence of thoughts that lie outside the intended speech that determines the occurrence of the slip and provides an adequate explanation of the mistake, Freud 1982, p.94.

Political conflicts inevitably impinge upon identity. Damage to identity is a narcissistic injury bringing about painful feelings of shame and humiliation. When shame is evoked and not acknowledged, it may lead to an unending spiral of shame, anger and aggression[2]. In order to prevent or undo this «loss of face» experienced subjectively as death of the self, people will sacrifice everything to prevent annulment and destruction of their individual or group identity (Gilligan, 1997).

The above scenes place us at the heart of identity politics in Western Thrace, the theme of the present paper. The Muslim minority, the largest minority in the country and the only officially given minority status, were recognized as citizens in May 1920 when Western Thrace became part of the Greek state. According to 1923 Treaty of Lausanne and the Convention and Protocol on the Exchange of Populations (30 January 1923), the Muslim inhabitants of Western Thrace, as well as the Greeks in Istanbul, were exempted from the compulsory exchange of populations. Most of the Muslim minority population in Thrace has a Turkish ethnic identity, bearing the stigma of the "life-long enemy" of Greece. This accounts for a historically induced antagonism creating a divided society in Thrace.

Modern Greek society has been for historical and socioeconomic reasons, relatively homogeneous. The wars between Greece and first the Ottoman Empire and then Turkey, and the neighboring Balkan countries, from the nineteenth century into the 1920s, were followed by a forced exchange of populations in the 1930s. This moved much of the Turkish and Slav minorities beyond the Greek frontiers. Subsequently, between 1941 and 1944, the Nazis exterminated almost the entire Jewish population of Northern Greece. Similarly, the Chams (Muslim Albanian-speaking populations), and in 1949 the Slavo-Macedonians were subject to persecution. Thus, after the end of the civil war in 1949 and up until the 1990s, when immigrants started to flow in Greece in big numbers, the Greek nationalists could easily establish the myth that Greece was a homogeneous and monocultural society with the exception of the Muslim minority being the *par excellence* "other".

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[2] Scheff (1994) in his theory of ethnic nationalism describes the relation between shame dynamics and power struggles.

The arrivals of large bodies of immigrants, reaching 10 per cent of the Greek population, placed multiculturalism on the public agenda, stimulated growing debates on difference and identities, and fuelled racist and nationalist discourses and practices. This is not an exclusive Greek phenomenon. The post-colonial multicultural, multiracial and multi-ethnic Europe presents challenges to societies that imagined themselves as homogeneous. Racism, intolerance, anti-Semitism and xenophobia persist, at both personal and institutional levels, in more or less virulent forms, in every single country of Europe (Ginsburg and Sondhi, 2000). It is estimated that there are between 17 and 22 million national, regional and immigrant minorities, refugees and asylum seekers residing in the member states of the Council of Europe, amounting to about 10 per cent of the total population. Fekete and Webber (in Ginsburg and Sondhi, 2000) indicate how, without exception, in every European state, minorities continue to suffer from prejudice, discrimination and violence.

While Western Thrace has historically always included several cultural communities, the contemporary cultural and political climate is quite different from that prevailing in the pre-modern institution of the Ottoman *millet* system[3]. Present-day multicultural Thrace has emerged against the background of the culturally homogenizing nation-state, and a very different view of social unity. Thanks to the dynamics of modern economy, the minority cannot lead isolated lives and is caught up in a complex pattern of interaction with the majority. And thanks to democratic ideas, the minority has the right (even if in real terms this is not always the case) to participate in the cultural life of the wider society. The reconciliation of unity and cultural diversity is particularly salient in the field of education. Education in the *millet* system was not meant to fuse the different elements of the Ottoman Empire as in a modern nation-state. On the contrary, it was a mechanism to keep the *millets* apart. The big challenge in Thrace is to transform minority education to a mechanism that helps develop a common sense of belonging, while at the same time discourses regarding diversity, bilingualism and multiculturalism between majority and minority will not be set solely by the majority.

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[3] Millets were the religious communities organized around the principal churches for example the Greek Orthodox, the Armenian and the Jewish churches in the Ottoman Empire, which constituted the mainstay of the Ottoman administration. They were rather autonomous in their internal affairs and regulated a good part of the lives of their members including the judicial affairs pertaining to the issues of civil society.

Having designed and implemented since 1997 a large scale educational intervention targeting the Muslim minority children (the Project for the Reform of the Education of Muslim Minority Children known by its Greek acronym as PEM)[4], negotiation of identities inside and outside of the classroom was one of the most salient dimensions. In this paper I choose to elaborate on three aspects of identity politics: (a) naming and categorization of the minority, (b) negotiation of identities in the context of the «Project on the Reform of the Education of Muslim Minority Children», and (c) accommmodation of cultural conflicts in Western Thrace.

What is in a name in Western Thrace

I do not intend to go into the legal identity of the Muslim minority of Western Thrace, product of the 1923 Treaty of Lausanne, and part of the wider pattern of the League of Nations to protect minorities from the changes in borders and states produced by the First World War. What I am interested in for the purposes of the present paper is to show how in the complex interplay of national, ethnic, religious, linguistic and cultural identities of the minority groups constituting the Thracian minority, self and other naming and categorisation have held an important place so much in majority-minority relations as in Greek-Turkish relations.

Understanding the identity construction of a minority requires an understanding of the intricate interplay between the real and symbolic groups it belongs to. Individuals and groups adopt identity strategies, at both the personal and collective level, by means of which they assert their existence, their social visibility, and their integration in the wider community, while at the same time valuing and establishing their own internal coherence. The case of the Muslim minority in Western Thrace is a very good example of such identity construction arising from constant dynamic negotiation between minority and majority.

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[4] The Project on the Reform of the Education of Muslim Minority Children was directed by Professors Thalia Dragonas and Anna Frangoudaki, Greek Ministry of Education and Religious Affairs, Operational Program in Education and Initial Vocational Training I (1997-2000); II (2002-2004), III (2005-2008), "Education of Muslim Children", financed 25% (initially) and 20% (subsequently) by the Greek Ministry and 75% by the European Social Fund.

The understanding of how and why identities (of self or group) are negotiated entails a double perspective: this of psychodynamic processes, and that of their embededness within larger socioeconomic, historic and political context. This paper will attempt an articulation of the psychosocial principles by which individuals and groups self-name, self-characterise, claim social spaces and social prerogatives with the historical and political context within which such descriptions and categorisations acquire meaning.

Negotiation of identities as an intrapsychic process refers to psychological mechanisms that take place within the individuals themselves. Primitive emotions surface, especially those associated with the first experiences of groups, and have to be worked through. Unconscious psychological mechanisms, such as splitting, introjection, identification, projection and projective identification, are set in motion and show how the external world of other people and the initial world of self can flow into each other (Klein 1946; Bion 1961). 'Us' groups project unwanted aspects of themselves into 'them' groups. As a consequence the 'them' group comes to be experienced as embodying the negative aspects that have been projected onto and into them and through this mechanism 'them' come to be devalued and denigrated. This is not a static operation. It is a continuous process in the making.

While it is fascinating to search for intrapsychic processes of the categorising and the categorised individual or group, if we do not contextualise subject positions, we run the risk of attributing dominance or subordination to human nature, and thus inevitably justify it. As formulated by Elias (1994) the function of a difference is to make a differentiation between the 'haves' and 'must-not-haves'. Thus identity is more than an inner psychological state, an individual self-definition; it is a form of life daily lived in the world of nation-states (Billig, 1995).

As a result of the *millet* system whereby ethnicity or origin have little significance, the Treaty of Lausanne describes the exempted population in religious rather than ethnic terms. It consequently lumped together diverse ethnic groups that had only in common their Muslim faith. Thus, while religious identity is recognized by the Greek state, ethnic status is not acknowledged. In the power game of minority politics, the largest and strongest group is that of Turkish ethnic identity. Smaller groups within this larger one are frequently omitted in the category shuffle, creating "injustices of recognition". The Turkish language is taught in minority schools as the maternal language so much to Turkophones as to ethnically and linguistically Muslim Pomaks

(Slavic-speaking Muslims) and to Muslim Roma, several of whom speak Turkish while others speak Romani.

Interestingly enough, no reliable official statistics exist for either the exact size of the minority or its ethnic composition. The last figures published by the Greek Statistical Service, concerning language and religion, date back to the 1951 census. All subsequent information regarding population statistics of the minority is considered classified material. This lack of official data is indicative of the attitude of both the Greek state and the minority: the first wishing to present smaller numbers, and the second larger ones. Thus, different sources provide different undocumented estimates that vary widely from 90,000 to 130,000 (Dragonas, 2004).

In naming the minority, the Greek state employs a double standard: when the objective is to underemphasize the Turkish ethnic identity of the minority, its religious status is invoked; but when the intention is to weaken its unity, then its multiple ethnic composition is cited. When a minority NGO is claiming directly or indirectly the national character of a group of the minority, it faces a strong reaction by the Greek authorities and the majority public opinion, both referring to "Greek Muslims of Turkish decent" (Tourkogenis). With respect to Turkey's policy towards the ethnic composition of the minority, the more Greece insists on a single Muslim minority, the more Turkey claims a single Turkish one (Akgonul, 1999).

Concerning the Pomaks, there is a nationalist rhetoric emanating from various ethnocentric sources, attempting to appropriate their origin. The Greek state has been very ambivalent towards this group, who has been simultaneously subject to appropriation and exclusion. The self or group identification of the Pomaks has hardly been taken into consideration (Trubeta, 2001; Demetriou, 2004). Whenever local agents, and to a lesser extent the central government, decides to embrace the Pomaks, the Turkish position in the identity politics of the minority is threatened. As far as the Pomaks themselves, and to a lesser extent the Roma, are concerned, caught between various political fronts and opposing ideologies competing for their allegiance, they choose to remain silent. Their political consciousness remains to a great extent locked up within the wider Greek-Turkish conflict.

While the dominant minority group is disinclined to acknowledge the Pomak or Roma identity of the other two smaller minority groups, its permanent grievance is the unwillingness of

the Greek state to acknowledge its own ethnic Turkish identity. Minority grievances concerning the right to found associations with national appellation in their title (a right rejected by the Greek Supreme Court) have been taken to European Court of Human Rights (Tsitselikis, 2008). Recently the Court upheld that the title of the Turkish Union of Xanthi does not constitute a danger to the public order. The implementation of the ECtHR's decision by the Greek authorities is still pending. The issue has become of crucial importance, mostly of symbolic character, due to its view to gain for the minority as a whole a national recognition as Turkish.

As insists Bhabba (1983: 24-25), with respect to the colonial subject, colonizer and colonized are constructed within colonial discourse; the dominant is strategically placed within the discourse for the dominated subject. How one chooses to address the minority, or what a minority member calls him/herself plays active part in the discourse of identity politics and is fraught with connotations. Depending on the ideological position of the speaker, the minority may be called 'Muslim', irrespective of whether its members are religious or not; 'Tourkogenis' (of Turkish descent) meaning that it consists simply of Greek Muslims who at some point in their history came from Turkey; 'minoritarians' as opposed to the majority; 'Turkish, Pomak or Romani speaking', in order to shift the emphasis from ethnic to linguistic identity; or 'Minority Turks', thus underlining their minority status in the Greek society, while distinguishing them from Turkish citizens by pointing to their Greek citizenship.

One thing is clear: the Greek state's resistance to accommodate otherness and the mobilization of multifaceted spectrum of political, legal and ideological arguments.[5] A key to such identity politics is the ideological construction of "otherness" that justifies and perpetuates domination. The process of subjectification, the ambivalence at work in the representation of "otherness" and the dimension of the dominant-subordinate relation, all stem from the fantasy of a

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[5] As claims Tsitselikis (2008) this unwillingness to do so is rooted in grounds that are resistant to accept fundamental premises that constitute modern European states, such as rule of law, prohibition of discrimination, tolerance for minority groups. Deficits do not only occur in Greece but in a number of co-partners in the construction of the legal and political European systems protecting human rights. He uses Estonia, France and Turkey as some examples of national legal orders where the minority questions seem to be interpreted under a strict national ideological orientation that dictates policies and drafts relevant legal rules that derogate from human rights standards.

pure, undifferentiated origin frequently documented in the modern Greek national imaginary (Frangoudaki and Dragonas, 1997; Gourgouris, 1996). The mode of representation of "otherness" is based on a mechanism where difference is simultaneously recognized and denied (Bhabba, 1983). While the Turkish ethnic identity of the minority is denied, when one brings up the similarities between majority and minority population groups, the difference is immediately amplified and angrily the Turkish identity is evoked. Bhabba demonstrates how this mechanism of simultaneous recognition and denial of difference works with both dominant and subordinate groups such that both are caught in an imaginary, conflict relation that precludes the recognition of difference.

The resistance to finding out that the "other" is the same springs out of the reluctance to admit that the same is "other" (Johnson, 1986). If the average majority person, the average Greek, could recognize that the minority, the Turk, is just like him, he would have to recognize that he is just like the Turk. This recognition is very powerful because it forces the similarity between self and "other". And if the same, however fleetingly, is "other", then the differences that have been constructed to justify dominant supremacy are unmasked.

Going back to the drawings we started from, it is not clear how the young boy whose identity is being disqualified will react. The face of his drawing has no mouth, hence no voice to claim a life with dignity. His arms are truncated, hence no hands to fight with and defend himself. Fanon (1952) talks about the broken up body of the colonized subject trapped in an imaginary constructed by the colonizer. Fanon concentrates on strategies to resist oppression that do not involve compromise or flight, while most analysts writing on aggression and violence agree that a major source, if not the major source, of hostile or violent acts is damage of one's sense of identity (Bracher, 1998).

As regards violent acts, while the Balkans is a 'powder-keg' region where ethnic conflicts have often led to violence, interestingly there has been very little overt physical violence in Western Thrace (Yiagcioglu, 2004)[6]. Minority members in their history of almost ninety years

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[6] It is beyond the scope of the present article to analyze why the minority opted for the specific strategies employed to affirm its identity, 'occupy a place' in Thrace and cope with the oppressions it was subjected to. Interested readers should read Akgonul (1999), Yiagcioglu (2004), Featherstone et al. (2010).

have in the main employed non-violent protest methods to the restrictive and discriminatory, often harsh and oppressive, measures they were subjected to. In their struggle to have their demands accepted by the government, they have engaged in actions such as mass petitions, sit-downs, school boycotts, mosque boycotts, marches and demonstrations, burning of school textbooks. They have also used the courts extensively, including the European Court of Human Rights. Yet they been especially careful to avoid the use of violence, and neither the government nor the majority responded, as a rule, to the minority's struggle by overt violence. When at the end of the 80s, tensions escalated threatening to become violent and minority rights became an issue of international concern, measures leading to the improvement of the minority's condition were taken, leading to a gradual de-intensification of the conflict.

Policies for economic revitalization were introduced, liberalization measures were adopted, such as a more tolerant attitude toward the minority's access to the Turkish mass media, and the 'restricted zone' along the Greek-Bulgarian zone was opened up. Important measures for the reform of the education of minority children were taken, education being a thorny issue of increasing importance for the minority. The most significant measure was that of positive discrimination allowing a .5% minority quota to enter the Greek universities sitting for special exams. Some opposition from both majority and minority hard-liners notwithstanding, the measure set major developments in motion. The Project for Reform of the Education of Muslim Minority Children (PEM), launched in 1997, was to change the scene drastically.[7]

The Reform of the Education of Muslim Minority Children (PEM)

Education is the *sine qua non* condition for fighting social exclusion in Thrace. Social exclusion has been a debilitating social process that has created a progressive loss of autonomy, a loss of a sense of worth. It has had profound consequences for people's ability to make decisions about the course of their own lives, or about the course of events for which they are responsible. Thus

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[7] Conseil de l'Europe, La liberté de religion et autres droits de l'homme des minorités non musulmanes en Turquie et de la minorité musulmane en Thrace (Grèce orientale), Doc. 11860, 21 Avril 2009, Rapporteur: M. Michel Hunault.

Mustafa Mustafa an exMP of Synaspismos (the moderate left party) described publicly the Project as a landmark in the education of the minority that has changed radically what existed before (University of Athens, 26 Nov. 2010).

individual opinions are rarely, if ever, voiced. Bodies such as the Consultative Committee (*Symbvouleftiki Epitropi*) or the Association of University Graduates (*Syllogos Epistimonon Dytikis Thrakis*), composed by the *élite* members of the minority, control both discourse and course of action according to a strict party line.

PEM has aimed at the social inclusion of minority children by confronting massive under-achievement and decreasing high drop out levels from compulsory 9-year schooling. The minority's educational level is very low. A huge percentage of minority members have only had six years of elementary education. In the year 2000 the drop out rates from the nine-year compulsory education reached 65%, while the national drop out mean was 7%, and in 2003 only 2.6% of men and .2% of women were holding a university degree (Askouni, 2006). Minority schools are segregated, and on the basis of the 1923 Treaty of Lausanne and Greco-Turkish Protocols (1951,1968) have bilingual curricula. Turkish language and the supposedly ideologically free mathematics, physics, chemistry, physical education, and religion (the Qur'an) are taught in Turkish, by teachers who belong to the minority; Greek language, history, geography, environmental studies and civic education are taught in Greek, by teachers who are members of the majority. Despite the fact minority primary schools are bilingual, they are obsolete institutions, in the sense that none of the issues of the current *problématique* of bilingual education seems to interest educational policy makers on either side.

PEM has been a comprehensive intervention inside and outside the classroom, including teaching Greek as a second language, development of educational materials, extensive teacher training, creative activities with youths, and work with the community.[8] What makes this

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[8] The educational intervention consisted of (a) New schoolbooks and teaching materials: Forty new textbooks were designed at primary level covering Greek as a second language, history, geography, the environment and civic education. Supplementary material such as an electronic method for teaching Greek as a second language; a 6,000-entry children's Greek-Turkish dictionary; interactive educational applications both conventional and electronic; and songs were produced. All the materials respect the children's ethnic identity and are interactive, playful, colorful and 'user-friendly'. At secondary level, new materials were developed for use in conjunction with existing ones covering Greek as a second language, literature, history, mathematics, physics and geography. The main thrust of the materials is active learning and the encouragement of critical thinking. (b) Extended teaching program: More teaching hours were added to the standard secondary level program. Trained teachers have offered afternoon classes to more than 1,000 students per year. (c) Teacher training: For an average of 120 hours per year, both

intervention noteworthy is (a) the duration of such a concerted effort, (b) the broad spectrum it covered ranging from classroom materials to the involvement of the community, (c) the twofold approach of top down and bottom up processes, and (d) its interdisciplinary nature. Underlying PEM's core was the accommodation of demands emanating from a deep and defiant diversity; the empowerment of educators, students and community in order to challenge the operation of coercive power structures; and the encouragement of an open-minded dialogue between the majority and the minority.

PEM is an educational project, yet deeply political. Education is by definition a politically relevant category, being an integral part of equal citizenship as well as a cultural institution, since parents and cultural communities have a vital interest in it. All educational structures are rooted in sociopolitical contexts traditionally disempowering subordinated groups in many different ways. Since the minority in Thrace has been a subordinated group, its education is no exception. Wagner (1991) discusses two distinct forms of what he calls 'subordinated group illiteracy': 'illiteracy of oppression' and 'illiteracy of resistance'. Both types of illiteracy derive from basic problems of access to appropriate schooling. 'Illiteracy of oppression' is brought about by the majority society. It is a direct consequence of the process of integration/assimilation operant in the public school and in the entire society. It results in the slow destruction of identity and cultivates mechanisms of resistance in the minority community. 'Illiteracy of resistance', although caused by oppression, is to some extent instituted by the minority group itself. By wishing to safeguard its language and

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primary and secondary teachers were trained in bilingualism, didactic and pedagogic skills, use of the new materials, social and gender inequalities, classroom dynamics, identities, discriminations and negotiation of differences. Extensive teacher training material was also developed.
(d) Research and work with the community: A number of surveys and qualitative studies were carried out on students', teachers' and parents' profiles; language use and language assessment; drop out rates; parents' attitudes towards education; representations of ethnic identity. Eight Community Centers were set up, equally staffed by minority and majority personnel, operating a lending library; offering afternoon classes and summer courses, Greek classes for parents, Turkish classes for Greek teachers; counseling for parents and teachers; organizing creative activities whereby youngsters could run their own projects. Two Mobile Units traveled daily to remote areas offering classes and creative educational activities. A thousand two hundred children per year profited from the activities at the Community Centers. Regular meetings were held with the teacher unions, minority leaders, local administration and government officials. Open workshops and conferences involved the entire community. For a detailed description of PEM's activities see www. museduc.gr and Th. Dragona and A. Frangoudaki (2008).

culture, and fearing assimilation, the minority turns against itself and rejects the form of education imposed by the majority group. At the extreme, says Wagner, the minority group would prefer to remain illiterate, rather than risk losing its language and culture.

Wagner's analysis reflects in the most accurate way the stunted process of minority education. At the onset of PEM, 13 years ago, 95 per cent of the parents were choosing to send their children to the segregated minority school. The quality of these schools was (and to a great extent still is) very poor; a large number of students completing primary education were illiterate in Greek and functionally illiterate in Turkish. The drop out rate, compared to the national mean, is exceedingly high (Askouni, 2006). These figures illustrate both 'illiteracy of resistance' in that the minority chooses the poor quality school, resisting the education offered by the institutions of the majority, and 'illiteracy of oppression' in that minority children were failing in huge numbers. Yet the effect of the intervention carried out by PEM, the positive discrimination measure for university entrance examinations, and the overall social changes show impressive improvement in the above statistics. In twenty years time, attendance of compulsory school more than quadrupled, while that of upper secondary school has multiplied by 1,000 per cent. The drop out rate has gone down by half and the 5 per cent of minority children attending the state primary school has increased to 32.5 per cent (Askouni, in print). As impressive the above changing figures may be, the leaders of the minority fearing assimilation cling to the minority school wishing to safeguard their linguistic and cultural identity. Minority children still lag behind and low educational levels characterize hugely disproportionate numbers of minority children in comparison to majority ones. The drop out rate of minority children is still five times higher than the national mean.

On the intrapsychic level, another way of dealing with threats to identity is the idealization of the in-group, the resort to a closing up as a means of enhancing feelings of false security. Collective faith gets thus intensified. The ideal "we" mobilizes collective action that surpasses individual weakness and averts destruction. "United we stand", individual energy and enthusiasm get marshaled, agreement and mutual accord are cultivated. Kernberg (1998) refers to identifications with state power, political groups, church, all offering narcissistic satisfaction intensifying an insecure identity. Yet when the group stops being idealized, things become shaky and the promised comfort is not there anymore.

In the case of the Thracian minority, I suggest that the group cohesion is slowly loosening. The local elections that took place in November 2010 showed that the members of the minority are not anymore that keen to follow blindly the line spelled out by the representatives of Turkey, playing, as the kin-state, an overwhelming role. A freer civil society is gradually born. In following my above argument, the in-group is becoming less idealized, and is not offering the security it used to. Yet this is not necessarily a bad thing. It may be an optimistic development, by which passive subjects are turning into self-defined ones.

If we were to go back to the first scene, described at the beginning of the paper, whereby the adolescents were setting rules for the operation of their group and focus on the invoked respect for the "double" of their identity, we would find it squeezed between two opposing forces: one is the explicit or implicit intention of the majority group to assimilate the minority, and the other is the conscious and/or unconscious fear of identity loss expressed by the minority. It is this fear that propels the minority to resist morphogenetic changes. Identities are valued or devalued because of the place of their bearers in the prevailing structure of power, and their revaluation entails corresponding changes in the latter, says Parekh (2000).

Jim Cummin's entire work focuses on issues of identity and power intersecting, both in classroom instruction and in school organization (Cummins 1996, 1997, 2004). He describes in a most convincing way the 'slow destruction of identity', brought about by remaining trapped in oppressive school and social situations. He underlines the ambivalence and insecurity to identity that marginalized groups often experience. Power relations and educational achievement are tightly connected. The causes of underachievement are buried, says Cummins, in the complexities of dominant-subordinated group relationships. In order to reverse school failure, we must approach this relationship in dynamic rather than static terms. Identities are not stable. They are an interactional accomplishment, and the challenge facing education is to turn relations of power from coercive to collaborative. In the context of the latter, power is created and shared within the interpersonal space where minds and identities meet.

To meet this end, PEM brought to fore important identity issues; claimed a position of knowledge embedded within communal relationships; professed a move from authoritative monologic to dialogic practices of meaning making in the educational setting; and aimed at raising

the understanding of the historical, social and political conditions within which education of the minority takes place.

Negotiation of identities in multicultural Thrace

Although contemporary multicultural societies are not unique since many pre-modern societies also included several cultural communities, their historical context, cultural background and patterns of interaction between their constitutive communities are (Parekh, 2000). In almost all pre-modern societies, cultural communities were left free to follow their customs and practices, while the modern state has required cultural and social homogenization as its necessary basis.

In contemporary multicultural societies there are, as ideal types, two top down government approaches towards the management of diversity: the ethnic minorities approach and the citizens' rights one. In the ethnic minorities approach, represented by theorists such as Kymlika (1995), the right to be different supersedes the right of equality. Targeted programs to meet the special needs and claims of ethnic minority groups are provided. In order for minority members to be treated fairly, the state should accommodate diversity by giving effective control to minority groups over certain political and cultural affairs through special rights of representation and self-government. It is the institutionalization of collective rights that can provide guarantees against majoritarian oppression. In contrast, the citizens' rights model, represented by theorists such as Dworkin (1986) and Rawls (1993), is premised on equality of all individuals before law. Ethnic identities are not recognized within the public sphere. In this model, one's cultural, ethnic, religious or racial identities are private matters. The role of the state is to ensure that every citizen is treated as an equal member of society with the same rights and responsibilities. The aim is to ensure that all citizens' rights are protected; that members of minority groups do not suffer from discrimination and are not subject to the tyranny of the majority.

The Treaty of Lausanne introduced two opposing directions: with the exchange of populations between Greece and Turkey, it provided the mechanism of homogenization of the two nation-states, while, with the exemption of the two ethnic minorities and the protection of their cultural identity and their civil liberties, it secured diversity. What was the intention of the Treaty as regards the management of this diversity in terms of the two models discussed above? While the purity of the two approaches is often not retained in practice, the accommodation of the Muslim

minority's diversity definitely does not fall into the citizens' rights model. It also does not fall under the ethnic minorities approach, since respect of the cultural peculiarities of the Muslim minority was neither the product of the Greek state's active policy. Yet the protection of the minority's cultural identity was not a remnant of the traditional status of minorities in the Ottoman Empire either. There, the legal and social mechanisms contributed towards keeping the different *millets* apart and not integrating them, while the British policy-makers who took part in the Lausanne Treaty promoting minority protection did not do this to perpetuate their separate status, but to integrate them within their host countries in order to secure international stability (Aarbakke, 2000). By allowing them to retain their cultural identity and assuring their civil liberties they intended to facilitate their assimilation into their host countries.

The 87 years that went by since the Treaty of Lausanne disadvantages on the grounds of identity are still being suffered. From the 1990s onwards, while minority rights never stopped being a responsibility of host states, international standards were developed by the Council of Europe and OSCE for the protection of members of minority groups in Europe. The Framework Convention for the Protection of National Minorities, drafted in 1995, was such an effort for protection. Greece signed the Convention in 1997 but has not yet ratified it and continues to apply the standards determined by the narrow interpretation in the Treaty of Lausanne. A document produced by DG A2 of the Greek Ministry of Foreign Affairs justifies the reservations towards the ratification of the Convention by claiming, among others, that it would provide a concrete framework premising further the cultural rights of the minority.[9]

In the field of education, the Treaty of Lausanne (Articles 40 and 41) granted the minority the right to "establish, manage and control at their own expense … any schools and other establishments for instruction and education, with the right to use their own language and to exercise its own religion freely therein". It also granted the state the right to introduce the teaching, alongside with the minority language that of the official one, and demanded an equitable share of public funds for adequate facilities for instruction. In the years that elapsed since the Treaty of Lausanne, minority education underwent changes from an unstructured framework and

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[9] "Η Σύμβαση Φάντασμα» [The Ghost Convention], Ios, Eleftherotypia, 11/6/2006 (www.iospress.gr).

less interference by the state to a standardized program and operation under the close eye of the state authorities.

In her recent dissertation on "identity, Justice and Stability: A defence of democratic justice for the Muslim minority of Western Thrace in Greece", Mantouvalou (2009) examines whether the recognition of minority language and identity guarantees fair treatment of the minority. She examines the equal recognition approach of Patten (2003) and the language consolidation of Levy (2000). She shows that although the liberal multicultural approach of equal recognition creates some parity between the different languages in Thrace, it does not assure equality of respect for individual identities and equal opportunities for minority members. The disadvantage the minority faces is treated primarily as cultural, and the structural aspects of exclusion fail to be taken into consideration. The result is marginalization in the name of cultural diversity. This is what led Cummins, when he visited Thrace in the context of PEM, to note: "Ironically, the Muslim children in Thrace have received a bilingual education for the past 70 years, illustrating the fact that the language of instruction itself is only surface-structure. Coercive power relations can be expressed as effectively through two languages as through one" (Cummins, 2004, p. 10).

Levy on the other hand, following the language consolidation approach, argues that in order for individuals to be treated as equals, the state should not publicly recognize particular identities or cultures. Language consolidation is in line with the equal citizens' approach and rejects the model of the bilingual minority school. According to this position, the removal of the institutional framework that led the marginalization of the minority for decades would translate into equality of opportunities for minority members and equal respect for their identity. The language consolidation approach, says Mantouvalou, disadvantages members of historically discriminated groups, because it does not correct the institutional biases that exist in allegedly neutral settings and the structural aspects of the discriminations they suffer; it just makes them invisible.

The democratic pluralist model is the third way between ethnic minorities approach and that of the citizens' rights. It is not a top down approach. Pluralism refers to more fluid and open-ended processes of negotiation and contestation rather than fixed representation and recognition of specific categories (Bellamy, 1999). Decision-making is grounded on the ideal of equal participation of all affected members in common institutions. When members of minority groups exercise this right they should not be separated from the majority, but effectively integrated in the

decision-making process. Multiculturalist policies that separate the minority from the majority in the decision-making process may bring neither justice nor stability in a state. Applying democratic pluralism to language use, Mantouvalou resorts to the principle of democratic familiarization used by Valadez (2001). Familiarization is grounded on the democratic principle of equal participation. It requires of the state to give a fair hearing to members of minority groups in order to reduce internal and external forms of domination they are subjected to. Giving voice to members of the minority can increase understanding and empathy between the majority and the minority population, and remove the structural obstacles minority members face when they participate in the mainstream society.

The application of the democratic pluralist model in minority education in Thrace diverges from the segregated minority school. One has to respect an international treaty, as well as the will of the minority to sustain this type of school which they believe meets its needs. However PEM has held the firm belief that a segregated school, no matter how much better it may get academically, will not accommodate rigid dichotomies, will not promote dialogue between cultures, and thus will not encourage collaborative relations of power. The democratic pluralist model will be fulfilled by improving the quality of education offered to minority students at the state school.

An example of good practice towards democratic pluralism was the pilot introduction of the Turkish language, as an optional course in secondary education in 2005. This provision must be extended to all state schools in Thrace and to all educational levels. There are other such examples that took place within PEM. The creative activities between majority and minority youths offered the opportunity for negotiation of conflict, common goal setting, compromise and resolution of difficult issues of coexistence. Youngsters proved much wiser than their elders. The development of a Turkish textbook jointly by members of the Muslim minority in Thrace and members of the Rum minority in Istanbul, residing in Greece, was another opportunity for shared deliberation. It was the very first time that a joint product was developed in the realm of education. The staffing of the Community Centers was also something new in the Thracian society. For the first time, young people from both the majority and minority youths either administering the Centers, offering counseling services or working as youth workers, found themselves striving for a common goal. In all these efforts new values and new rules had to be developed. A new space was

required to create requisite containment of emotional and intellectual tensions, to manage individual and group differences, divisions and conflict and to foster productive organizational dynamics. The entire PEM's venture was geared towards the reconciliation of unity and diversity, cultivating inclusion without being assimilationist, promoting a common sense of belonging while respecting legitimate cultural differences, respecting plural identities without diminishing shared citizenship.

Conclusion

This paper explored the way identity of the Muslim minority in Western Thrace is negotiated. The stimulus for this analysis was the drawing and the words of minority children while involved in creative activities in the context of the "Project on the Reform of the Education of Muslim Minority Children" (PEM). The youngsters who laid down rules for their group by resorting to the language of the unconscious, with a Freudian slip of the tongue asked for respect of their double identity –an identity of equal value to the dominant one. The drawing of the young boy revealed that he is moulded, inculcated and penetrated by threat to his identity. The menace has left him with no name, the signifier of identity, and no power to claim one.

The vicissitudes of identity were understood at the intrapsychic, the interpersonal and the sociohistorical and political levels. The complex interplay of national, ethnic, religious, linguistic and cultural identities of the groups comprising the Muslim minority was brought to fore. The members of the minority have been caught between the ebb and flow of Greek and Turkish relations and conflicting interests; on the one hand their Turkishness has been nurtured on the basis of their kin status and, on the other, their control, their exclusion from the mainstream of society or alternately their assimilation have been orchestrated by the Greek authorities. The politics of domination in Western Thrace have led to a long-standing control, other naming and categorization in service of political interests superimposed on the minority.

The top down approaches in accommodating cultural diversity either give control to minority members over certain political and cultural matters that directly affect them or ignore ethnic identities in the public sphere but ensure citizens' rights and premise equality of all individuals before the law. The first approach may protect specific collective rights for a minority but runs the risk of segregation, of building boundaries between the majority and the minority and of paying

lip services to inequalities of power within the minority itself. The second model has a moral standing and offers a powerful tool in Western society yet it may leave unnoticeable structural aspects of exclusion, enduring injustice and social constraints difficult for the oppressed to overcome and, therefore, to be empowered. Neither approach guarantees that coercive power structures in Western Thrace get challenged and that the childrens' rights to a culturally sensitive and equitable education are secured.

The model of democratic pluralism is the only one that can challenge the disempowerment the minority in Thrace has experienced. This model treats identities as a dynamic and shifting nexus of multiple subject positions and provides space whereby identity options can be negotiated and renegotiated. It stresses the centrality of dialogic interaction between cultures, between the oppressed and the oppressor towards cooperation and common goal setting. Commitment to dialoging implies a willingness of competing parties both to accept certain modes of deliberation, certain norms and democratic procedures and the desire and intention to arrive at a consensus.

The aim of PEM was to fight social exclusion that has had profound consequences, preventing the minority, to make decisions about the course of their own lives or about the course of events for which they are responsible. Exclusionary and assimilationist educational policies, implemented for a very long time, have rendered subordinated minority members invisible and inaudible. Learning Greek is a necessary condition for minority members to be treated formally as equals within the state. Yet marginalization cannot be remedied only by acquiring the language of the majority. PEM placed a lot of resources in improving the teaching of Greek but also introduced measures to reverse educational inequality and provided opportunities towards identity negotiation and collaborative relations of power.

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'European challenges in a time of crisis'

Former Prime Minister Costas Simitis

The Greek problem, as the world's press has dubbed the issue confronting the European Union, has tuned the spotlight onto flaws that have marred the operation of the European Monetary Union. EMU led to monetary unification with strict rules to protect the common currency; however, with lax to non-existent regulations on economic unification, it is only partial economic union. Initially it boosted economic convergence among members, but later the gap between the North and the South of Europe gradually widened due to different levels of growth and competitiveness. In the South, the trade balance deficit ballooned. The Union had no provision for fiscal transfers between countries in favor of the competitively weaker members even though they supported the revenues of the competitively stronger members. Nevertheless, it should have been possible to control the repercussions.

The euro masked the fact that the economies of the South were lagging behind. When national currencies still existed, any deficitled fall in their value set the alarm bells ringing. No such warning signal exists now. On the contrary, the euphoria of unfettered access to loans led the South into greater deficits and serious fiscal imbalances. The countries of the North stated at the time that they were not responsible for the difficulties. They were not obliged to intervene nor could they. As they pointed out, the EMU Treaty prohibits member states from bailing out other members in a crisis. This rule ensures strict compliance with the agreed principles of EMU and cannot be overturned.

The crisis proved to be more powerful than the rule, however. It cast doubt on the rule and dented the credibility of the euro. It compelled the Union to seek a crisis resolution mechanism of the Treaty and the solidarity that it initially hesitated to demonstrate. The globalised financial market negated the protective mechanism that had been intended to stop a crisis in one EMU state from spreading to the others, and it transferred the crisis of the weak to the strong. Greece was the preeminent example. The euro zone at first made political declarations in support of Greece, but these declarations were not sufficient to ensure Greece's creditworthiness. Eventually a temporary support mechanism to deal with the crisis was agreed upon and set up in May for Greece and for the other member states in June. The EMU members, together with the IMF, made

credit available to a member state that was unable to fund itself in capital markets. EMU members provide credits on a bilateral basis once a joint decision is reached. The interest rate for Greece was around 5 percent. The press commented on the developments, restating the same theme in different ways. The Economist noted: "The Greek crisis only confirms the folly of binding a group of disparate countries together in a currency zone with no mechanism, such as a central fiscal authority, to address its internal imbalances."

This crisis seriously diminished the prospects of the euro becoming an international reserve currency to rival the dollar. The Union aspires to make the euro a reserve currency, since this contributes to its stability. Without a specific economic policy, without economic governance, the progress of the enterprise will lack stability and consistency. A strong euro demands the restriction of national autonomy in the area of economic policy. Without progress towards economic and political union, the EMU will possess no ideas and means with which to tackle global developments, make its voice heard in international dialogue and play a role in shaping the desired order of things.

In all countries of the European Union unprecedented sums were spent in support of the banking system, interest rates were slashed, liquidity rose sharply thanks to state guarantees, and private companies received funding. As a result, public deficits shot up to levels far in excess of the limit allowed by the Stability Pact.

Some analysts believe that as long as the effects of the crisis – failed businesses, rising unemployment – continue, state budget funds must be spent on reheating the economy. Others think that continued state funding runs the risk of fuelling inflation, squandering funds and burdening state budgets with additional high borrowing costs**.** In the eurozone states are avoiding any substantial stimulus now because of the current surge in deficit and public debt.

However there are some countries where continued state intervention is needed. In the absence of a common policy framework, the stability of the currency and prospects for the development of the Union are being harmed in both cases. A policy is needed that will reconcile different needs and improve the cohesion of the Union. There is no such policy nor will there be, as long as economic governance has not been instituted. Only economic governance can deal with imbalances and, in particular, the North-South gap in the Union.

Estimates by international organizations agree that once the crisis eases, the economy will grow more slowly than before. Due to the current uncertainty, new investments will be at a slower pace. Unemployment will remain at high levels. The rise of interest rates, the unavoidably restrictive fiscal policy – a necessary counterweight to large-scale state funding so as to deal with the crisis – and finally the drop in consumer spending will keep economic activity sluggish. At the global level, there will not be the demand that is conducive to rapid growth. USA and European consumers will rein in their spending due to high levels of household indebtedness. It has been estimated that the developed countries will need at least 2 years to make up for falling growth rates caused by the crisis. In the countries of the European South, which already had economic problems before the crisis, it is predicted that this period may exceed five years. The decrease in tax revenue, absorption of funds to pay interest on state loans, the necessary wage freeze, and social friction caused by government stability policies will have a negative effect on all countries. A common European economic policy could help overcome the consequences more rapidly. So far, however, it is doubtful whether such a policy will come into being.

The aim of steady growth necessitates turning the financial system towards strengthening the real economy. Practices that favoured quick, easy profits – huge fees for managers, traders' bonuses, the non-transparent securitization of debt, stock market speculation, short selling and structured bonds – must be drastically curbed. The aim must be to increase long-term investments, promote productive activity, boost competitiveness and create jobs.

All that seems unattainable now. The expansion of the financial system has undermined long-term investments. New criteria now apply to capital investment. The key is no longer long-term performance but rapid, high level profitability. Such profitability is secured by buying stocks and profiteering in markets, not by investing to boost the productivity and competitiveness of a company. The pursuit of instant profit has sanctioned a shortsighted notion of what it beneficial. It deters investors from involvement in production and rewards greed in financial transactions. The recent crisis is the outcome of this transformation of capitalism. In order to strengthen productive activity and avoid a new crisis, there must be significant intervention to restore the priority of productive investments, job creation, social inclusion, the propagation of knowledge and the ecological balance of the planet. Supervisory regulations aimed at preventing excesses,

fraud and stock market speculation are also necessary, but they are not sufficient. What is needed is a significant step towards achieving growth.

The present-day operation of the Union does not facilitate the needed intervention. The Stability and Development Pact is oriented almost exclusively towards achieving monetary stability. It does not acknowledge the importance of growth in securing better living conditions, more jobs and greater opportunities for progress. The underlying assumption is that once adjustments are made, the economy will continue again much along the path it had for a quarter century. This optimism is not justified. This recovery is different from previous ones. Consumers drove record levels of debt. Business investment is slow. In line with a modernized Stability Pact, member states must undertake obligations to promote investment, expand knowledge, reform administration and improve social support systems. The response to these targets must be monitored regularly, the results published and funding for member states be specified.

Member states that do invest in achieving high rates of growth while implementing programmes to rationalize expenditure should be able to exceed the 3 percent of GDP deficit limit set by the Stability Pact. The choice we have is between sluggish growth that limits the potential for many people to improve their living conditions, and ongoing investment to ensure a permanently productive environment with better chances of work and income. The latter choice demands consistency in pursuing goals and discipline in managing resources. Economic policy should not be influenced by election cycles and clientilist considerations**.**

Apart from the investments made by member states, the entire Union requires an investment program framework. Investment is needed in areas such as transport and telecommunications infrastructure, renewable energy sources, research and cooperation among institutes of advanced education.

The Union's budget funds obviously do not suffice for such initiatives. The member states have limited ability to increase their contributions. The Union must examine the expediency of raising money by issuing European bonds in order to carry out investments and also fund activities that will facilitate growth and employment.

The greatest obstacle to common economic governance is the principle of intergovernmental co-operation. It obliges the various governments to wait for long drawn out consultation that frequently comes up against the interests of the major member states. For instance, the Union was not able to get uniform guidelines on tax issues, because Great Britain always opposed them. In 2004, these difficulties were added to by the negative stance of a majority of governments in the European Council. They opposed initiatives that would have bolstered the Union's powers and expanded the responsibilities of the European Commission. They wanted to put the brakes on the unification process and stop the flurry of activity that had marked the previous decade in the Union. The European Commission led by a majority of members belonging to the European Popular Party accepted this view.

In February 2010, European Council President Herman Van Rompuy proposed that the Council agree on a common procedure for formulating European strategy on growth and employment, saying: "we must above all move on from what we plan to do to how we will actually do it. Governance is key here."

In that spirit, heads of state and euro zone prime ministers made a joint declaration on March 25 2010, underlining their determination to "enhance co-ordination of economic policies in Europe". For this reason they deemed that "the European Council must improve economic policy governance in the European Union."

In December 2020, the European Council decided after brief deliberation "that the Treaty should be amended in order for a permanent mechanism to be established by the Member States of the euro area to safeguard the financial stability of the euro area as a whole (European Stability Mechanism)." The permanent mechanism will replace the temporary rescue package that currently provides assistance to indebted countries. Starting in 2013, it will permit the provision of assistance on new, stricter terms, such as activating the mechanism only after case-by-case evaluation. It sets conditions for restructuring a country's debt and envisages that private creditors will also bear losses if a country becomes insolvent. The economy ministers of the euro zone members will specify the terms of operation in the coming months.

The permanent stability mechanism was presented as a significant step towards economic governance. Little progress has been made, however, and a great many

problems remain to be solved. The slow pace of decision-making after the summit incurs the risk that the Union may not be ready in time to deal with sudden new market shifts. And the model of economic governance will not be formulated as long as the EMU member states pay no attention to bridging the competition divide between the North and the South, which is the most serious problem confronting a joint economic trajectory.

The majority of Union members wish to retain the intergovernmental style of decision-making. They oppose the Union's assuming the form of a federation where uniform polices would replace inter-governmental agreement. But they also see the need to expand the cycle of joint policies, in particular those relating to the economy and strengthening the common currency, the euro. In the majority view, what matters is to set an acceptable limit to the transfer of responsibilities from the member states to the Union. Views differ, however, on the extent to which the Union needs new responsibilities. Will there be a joint tax policy? Will the Union be able to shape an economic policy aimed at balancing the benefits and burdens from the operation of the common market and the euro? Will it be possible to transfer funds from the more economically robust countries to those that are less economically robust?

The European Council's recent decisions confirmed an inability to create substantive economic governance. And the proposals of the working group set up under the presidency of the Union and the European Commission will not suffice to overcome the current impasse. Shared determination is needed to achieve results in exacting, methodical negotiation, but no such determination exists. The leaders of Europe do not want to acknowledge the problem and solve it; they do not wish to change the way in which the Union functions.

The conclusion to be drawn from these developments is that issues of economic governance will remain unresolved. As long as the countries of the North focus exclusively on declaring that the countries of the South have broken the rules of fiscal discipline, the discussion will continue to be narrowed down to the matter of preventing members from defaulting.

Economic governance demands a broader approach, a plan with political and economic goals for the next decade: development for the Union and new impetus for projects, technologies and exchanges that will benefit all. Development must be the focal point of efforts to reverse the present situation. For instance, by

creating euro bonds, not to make up deficits, which the countries of the North reject, but so as to invest in development.

In early 2010, the European Commission presented a new tenyear plan called Europe 2020. The plan provides for initiatives to increase employment, boost research, improve education and reduce carbon emissions. Though the European Council accepted the proposals last spring, they have not yet been put into effect.

This is yet another indication that ideas do exist, that many states recognize the need for change in the way the Union operates, but also that steps forward are hesitant and the pace of implementing proposals is extremely slow. A shared determination to advance rapidly and effectively is the most important challenge we must tackle if we want to accommodate the Union to the demands of the new era.