

Implementation of Health Care Information Systems:
Key Factors and the Dynamics of Change

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ABSTRACT

In Greece, the use of information systems in the public health sector is limited (Theodorakioglou and Tsiotras 2000). The Greek National Health Service has initiated reforms towards decentralization of health care services and development of integrated HCIS at a regional level. However, a large number of these plans have not been implemented. This paper addresses an initiative of the Foundation of Research and Technology (FORTH) in Crete. FORTH undertook the development of the information infrastructure for the public health sector of the region. This project is of particular interest because it is the first in Greece that spans all levels of health care across a region. Being a research project, use of the technology is not mandated allowing for the study of spontaneous change.

Eight case studies were conducted in primary care clinics in rural areas in Crete using a longitudinal interpretive methodology of multiple interviews, participant observation, and document analysis. Literature from the fields of implementation research, organizational change, and complexity theory are relevant to understand the process of implementation and the organizational change that occurs within these settings. The main points to be discussed in the paper include the experience HCIS implementation in Crete, and the implications for policy and practice for similar implementation initiatives.

INTRODUCTION

Health care information systems that are successfully developed and implemented can improve health care efficiency and effectiveness (NCVHS 2001; WHO 2002). However, their implementation is frequently resisted and results in failures (Anderson 1997; Kaplan 1997). The complexity and unpredictability of implementation efforts creates difficulties for organizations that attempt to implement technology-

based change (Goldstein 1994). Often a discrepancy occurs between the planning of implementation and how it actually takes place in practice (Barley 1986; Sofaer 1999). The challenge of identifying techniques to ease the incorporation of information technology into health care organizations remains an important one (Sittig 1994; Aarts and Peel 1999).

In Greece, the National Health Service (NHS) has initiated reforms towards decentralization of health care services and development of integrated HCIS at a regional level. However, a large number of these plans have not been implemented. Use of information systems in the public health sector in Greece is limited. A common strategy for the development and implementation of HCIS is currently lacking. Health care institutions follow their own agenda and allocate budgets for IT development independently of Government's plans. Initiatives are local based on the personal motivation of medical and technical personnel.

This paper describes the results of a study that investigated the experience of implementing HCIS in rural primary care clinics throughout Crete. The Foundation of Research and Technology (FORTH) undertook the design, development and implementation of the health information infrastructure for the public sector of the region. The particular focus of this paper concerns the factors that influenced the success of the implementation initiative as a process of change. The research involved longitudinal case studies that took place between 2001 and 2002.

The key reasons for this choice of research topic are twofold. First, primary care is considered to be the cornerstone of patient-centred health care delivery and therefore requires special attention. Second, the need for continuity of care and information exchange within the health care system has introduced an

imperative call for successful implementations of HCIS (WHO 2002). Studying the factors that influence implementation initiatives and the dynamics of the involved change in different contexts could contribute to appropriately manage future implementation efforts.

The paper is structured as follows. First, the research approach is described with details of methodology and theory. Next, a description and analysis of the initiative is provided with particular focus on the factors that influenced implementation, drawing on complex adaptive systems theory in the analytical sections. The implications of the research findings for “successful” HCIS implementation in the future, both in Greece and more generally, are described in the final section.

RESEARCH APPROACH

The research aimed to investigate how HCIS were implemented and used in primary care in Crete, whether use was successful, the reasons for success or failure and the organizational change that accompanied use. Thus, it was essential to gain an in depth knowledge of the HCIS technology, the views of stakeholders concerning the use of the technology and the changing contexts within which the technology was introduced. Empirical studies that collect such data are broadly classified as interpretive case studies (Walsham 1995). An increasing body of literature in information systems (IS) is based on this approach with methodological and theoretical differences (see Markus 1983; Barley 1986; Walsham 1993; Orlikowski and Hofman 1997). In HCIS literature on the other hand, the use of interpretive studies is limited. Social and organizational issues have not been extensively studied. The remainder of this section provides a description of the approaches adopted for the research study and the reasons for the choices.

Methodology

The research design aimed to capture the initiation, development and implementation of HCIS in particular field sites examining in detail the actions and perceptions of human actors and the context within which these actions took place and perceptions were formed. Emphasis was placed on both stability and change to try to understand how actor’s identity, relationships and behaviour resulted in particular outcomes in relation to history and context. The research followed a longitudinal approach. Data was collected over a period of two years as events were taking place. Such a design is particularly relevant in studies of innovation allowing the researcher to explore the processes of learning, adaptation, and progressive change that occur within IS research settings (Vitalari 1985; Pettigrew 1990). Historical reconstruction was used to capture events that occurred prior to the onset of the research.

Moving to the details of the research method, eight primary care clinics were examined throughout the island of Crete. The case study is the preferred choice of research strategy when the researcher wants to understand the dynamics within a setting (Eisenhardt 1989). Each clinic was considered a separate case study. The case studies were conducted in two distinct periods of six months, in the spring and summer of 2001, and winter and spring of 2002. Each clinic was visited two to six times. The clinics were selected out of eighteen public primary care clinics in Crete based on criteria of implementation completeness and use. All selected clinics had parts of the information system installed and at least one user. Clinics that did not get the system or did not have users were excluded from the study. The focus of inquiry was on factors that influenced implementation and transformation within clinics. Data collection was done mainly via face-to-face interviews. Questions started as open ended to

explore the implementation experience and identify issues for further discussion. Special attention was paid to the themes that the interviewees tended to concentrate on during the discussion. Overall, 85 interviews were conducted with 54 respondents. Interviewees included senior management, designers and system administrators, and clinic personnel including directors, health care providers and support staff.

The research examined the way training, motivation and interactions influenced the process of IT implementation and use. In addition, to employee behaviour, the research focused on the history, staffing, and operations of each HC. These characteristics help define the context in health care institutions (Ash, Gorman et al. 2001). The common characteristics of health centres as well as their unique character shape their experience with HCIS implementation. Implementation refers to technical aspects of development, installation and maintenance as well as the organizational change involved in using the system.

Theory

Theory is used in the research in two ways, as a theoretical basis to inform early empirical work and as an attempt to “come to terms with the infinite complexity of the real world” (see Walsham 1993: 478). The theoretical basis of the study evolved in response to a deepening understanding gained through data collection and the investigation of IS, HCIS and complexity theory literatures. Aspects of these three fields were considered in an attempt to shed light to the complexity and unpredictability of implementation efforts.

Antecedents of implementation success have been a significant focus of IS and HCIS research. Lists of factors and recommendations provide a sensitising device for implementation assessments. Theoretical

constructs developed in IS research are readily applicable to the less theoretically informed HCIS research. The social nature of information systems is particularly important in health care. Orlikowski’s (2001) observations about IS rarely being “stable, discrete, independent and fixed”, also apply to HCIS. Acknowledging the volatile nature of technology introduces a social element that has not been considered in HCIS implementation. The idea that individuals interact with the same technology in different ways, and that technology carries the assumptions and interests of its designers introduces a dynamic element to design, implementation and use.

The dynamic nature of technology helps explain implementation complexity uncovering issues of culture and history. Considering the social nature of technology brings forth the combination of both ‘social’ and ‘technical’ issues as important to implementation success. ‘Individual’, ‘structural’, ‘technology’, ‘process’ and ‘environmental’ variables identified in IS research (Kwon and Zmud 1987; Larsen 2001), are used to understand the conditions that influenced the implementation effort in Crete.

Despite the importance of factors in influencing implementation success, controlling, anticipating and predicting factors won’t avoid the occurrence of unpredictable events (Goldstein 1995). The assumption of causal relationships presented in numerous models of implementation process does not account for the numerous unknown or unpredictable factors that influence implementation initiatives. Rather than linear relationships between variables, organizational reality suggests multidirectional influences. The highly uncertain character of implementation is subject to contingent factors unlikely to be simply a success or a failure. Straightforward explanations of cause and effect are simplistic and often inappropriate for different contexts (Lyytinen and Hirschheim 1987; Heeks,

Mundy et al. 1999). Implementation researchers encourage studying success and failure as situation-specific events for a particular HCIS (Poulymenakou and Holmes 1996; Heeks, Mundy et al. 1999; Walsham and Sahay 1999).

Particular emphasis should be placed to the change process that accompanies the introduction of new technologies. Traditional models have treated change as an external force that can and should be managed (Scott-Morton 1991; Garrity and Sanders 1998). Recent years have witnessed an alternative view of change as an on-going process of anticipated, emergent and opportunity-based events (Orlikowski and Hofman 1997; Pettigrew, Woodman et al. 2001). Causality is attributed to actions and interactions within various contexts. Everything is interconnected and continuous change is a natural and productive feature of organizations.

In a quest for an “improved theory [...] relevant to the issues of our time” (Walsham 1993: 478), the research uses complexity theory to address the complexity involved in HCIS implementation efforts. Complexity theory studies the behaviour of complex adaptive systems: a collection of agents that interact in a non-linear way [for a detailed analysis of complexity theory concepts see (Dooley 1997; Plsek and Greenhalgh 2001)]. The relevant complexity theory concept to address change is self-organization. *Self-organization* is a self-generated and self-guided process of transformation that does not need to be externally driven or hierarchically controlled (Goldstein 1994). Self-organization helps explain the nature of change as a process of emergent and opportunity-based events. Emphasis is placed on history, context and the environment as important factors in shaping the behaviour of a complex adaptive system.

Complexity theory advocates that resistance to change is not an inherent characteristic of organizations, but rather a temporary state of the system able to change in the presence of *far-from-equilibrium conditions*. Far-from-equilibrium conditions trigger the inherent capacity of agents to *self-organize*. Information is said to be the ‘nutrient’ of self-organization (Wheatley and Kellner-Rogers 1996). *Information flow* perturbs a complex adaptive system from equilibrium to a far-from-equilibrium state where the system can self-organize (Goldstein 1994). Information flow enriches the organization and may even inform conflicting viewpoints, shaping new understandings (Ashmos, Duchon et al. 2000). The extent of information flow within an organization depends on organizational factors, education, contact with professionals, cultural trends and the media (Allery, Owen et al. 1997). Increase of information flow often precedes transformation, while low information flow characterizes resistance and equilibrium (Goldstein 1994).

CASE STUDIES

Overview of case history

Crete is the biggest island in Greece with a population of half a million that doubles over the summer months. It is a rich and prosperous island with abundant resources that has managed to be highly autonomous. Crete is a region where individuals with strong visions, initiative and knowledge have initiated several innovative projects. Innovation occurs in both health care and technology sectors.

One of the leading institutes of the region is the Foundation of Research and Technology (FORTH). The Institute of Computer Science at FORTH undertook the development of the regional health infrastructure of Crete providing high quality health care information systems and computer training to public institutions throughout the island. HCIS in

primary care health centres (HCs) was among the first to be implemented. The information system included an electronic medical record (EMR), a laboratory information system, a radiology information system and telemedicine services.

The implementation initiative was part of a research and development pilot project. The effort included the design, development and installation of hardware, software and network infrastructure and the provision of training on basic Windows applications to all interested employees. Implementations took place between 1997 and 2001. Implementation efforts were research pilots with budgetary and time constraints. Nonetheless, they resembled production level projects implemented in the entire region of Crete, aiming at securing regular use of the technology beyond the end of the project.

Contrary to typical implementation initiatives, use of the technology and the associated organizational change were not mandated. The decision to use the technology lied with the individual employees who took the initiative to attend training, use the HCIS, and therefore, introduce a voluntary change in everyday work practices. For this reason, change incidents are treated in the research study as self-organization events.

As mentioned previously, in practice, the outcome of technology development and use cannot be reliably predicted (Cibbora 1996; Orlikowski 1996). It emerges locally through the interaction of social and technical elements. Barley has concluded that an implementation outcome depends “as much on the historical and social-specific context as it [does] on the technology itself” (Barley 1986: 103).

Similarly to these observations, in Crete, implementation outcomes emerged in each clinic through social-social and social-technical interactions. Key factors, in addition to the history

and character of individual clinics, shaped the experience of HCIS implementation. Individuals decided consciously or unconsciously how to respond to the technology. Their response varied, as did the context and conditions of their actions. The innovative activity of using HCIS was usually coupled with already established ‘best practice’ activities such as teamwork, health care research, patient information recording and community activities.

The HCIS was not implemented at the same time or to the same degree in all clinics, training did not include all employees and extent of use differed. The variable experience of clinics strengthens the suggestion of Pettigrew (2001) not to look at implementation outcomes as simply a success or a failure. Implementation in primary care clinics had elements of both success and failure. The intention of the production organization was to implement HCIS and train a large part of the employee population. Both objectives were met successfully. Components of the HCIS were used in all clinics, another element of success. Partial implementations, insufficient training and use that did not extend to all health care providers were elements of failure. Overall however, the HCIS was well received and used in all eight clinics. The main users of the HCIS were physicians and laboratory technical personnel. Other health care providers who used the system included midwives, dieticians and health visitors. Non-medical personnel used the system for administrative purposes or leisure. Users felt that the HCIS introduced efficiency and effectiveness to their work.

Key Factors

The research identified five key factors contributing to the variation of implementation experience including technology, education, leadership, organizational structures and the environment. These factors are similar to those identified in the IS and

HCIS implementation literature (see Lorenzi, Riley et al. 1997; Larsen 2001). Complexity theory concepts such as *far-from-equilibrium* and *information flow* are used to highlight the influence of particular factors. The following sections offer a general overview of the main issues involved in the implementation effort.

Technology

The ‘technology’ factor in combination with the other factors determined the degree of HCIS implementation success. The introduction of the HCIS in HCs acted as a far-from-equilibrium condition that increased the information flow available to the clinics and initiated self-organization. The technology was a novelty for HC staff introducing opportunities for improvement of daily activities. Employees responded in a variety of ways towards the technology. Some employees used the technology even without training to improve efficiency and effectiveness of health care activities, others used it for leisure, to browse the Internet or play games, and others did not use it at all.

Occasionally, practical aspects such as incomplete installations, installations in inappropriate places, or inadequate maintenance hindered the occurrence of self-organization. Employees who wanted to use the technology were not able to do so. In addition, the nature of technology influenced the response of employees. For example, the introduction of the EMR assumed that health care providers recorded patient information and were interested in primary care research to assess the health status of the population. However, these assumptions were not always congruent with the aspirations of HC employees. Health care providers did not maintain paper-based records except out of personal initiative. Officially, they were only required to record a minimum amount of patient information in casebooks. In some cases, the incongruence between the assumptions inherent in

the technology and the habits of health care providers facilitated self-organization by introducing new information. Employees were stimulated to incorporate new ways of working into their practice.

Education

The ‘education’ factor refers to the participation of employees in computer training and primary care education and research activities of the Department of Social and Family Medicine in Crete. The degree of participation of HC employees in training and primary care activities was related to the extent of technology use and related change.

The Department of Social and Family Medicine has developed a network of HCs to promote the patient information recording and health assessment research to medical students and collaborating physicians. It is an effort unique to the region of Crete that has resulted in the visibility of ‘best practices’ in primary care. These practices include teamwork, paper-based records and community research and are not part of the usual functioning of health centres. Individual physicians incorporate these practices out of personal initiative. Primary care activities of education and research set the foundations for the introduction of HCIS.

All educational activities increased the information flow in HCs. Information about primary care ‘best practices’ circulated throughout health centres creating a critical mass of health care providers interested in improving their daily work and unleashed their capacity to self-organize. National trends of computerization raised the interest of the public who sought to acquire new skills. Training on basic computer skills was useful to employees even if they did not intend to use the computer for health care activities.

The 'education' factor occasionally hindered self-organization. Computer training was sometimes inappropriately timed occurring before the installation of equipment or was insufficient for the needs of the employees. In these occasions, employees who were willing to use the technology did not feel adequately prepared. Also, primary care activities were not independent of personal politics leaving some physicians out of the research network.

Leadership

HC employees blamed the shortcomings of the public health care system for the inadequate organization of primary care services. Despite these complaints, innovative activities did occur and health centres remained a major source of care in the Greek NHS. This paradox is attributed partly to the culture of *philotimo*. *Philotimo* is a Greek word that cannot be easily translated into English. It literally means 'friend of honour'. The word *philotimo* describes the feeling of self-esteem and a sense of duty that governs day-to-day behaviour. It was the most commonly heard word among HC employees when they wanted to explain why things worked in the clinic.

Relying on *philotimo* implies trusting that employees will show the sufficient interest and responsibility to perform their work. Several employees considered the culture of *philotimo* as a negative aspect of the Greek public sector. Relying on the good will and interest of employees introduced a high element of uncertainty. However, considering *philotimo* as a positive attribute often facilitated change. Trusting the capacity of individuals for creative change to improve their work and facilitate their life was essential for successful change initiatives among case studies.

The culture of *philotimo* can be best expressed under appropriate leadership. Leadership, however, is particularly lacking in the Greek primary care sector.

Research findings indicated that the majority of directors lack the basic leadership skills and the capacity to effectively manage the provision of health care services in health centres. HC directors were physicians without specific training on management of health care organizations. As a result, leadership was scarce in HCs. When present, formal and informal leadership created an atmosphere of collaboration and learning that focused on improving the efficiency and effectiveness of patient care. It succeeded in incorporating 'best practices' throughout the organization. Physicians who exerted leadership did so out of personal initiative. To involve employees in improving patient care, leaders developed their own strategies that included aspiring to the employee sense of *philotimo*.

HC Structures

Other factors identified in the case studies referred to HC structures such as department integration, culture, regulations, incentives and staffing. HCs faced several shortcomings such as loose or scant regulations, lack of formalization of activities, and limited resources that acted against the optimal functioning of the clinic. Some of these shortcomings were partially overcome in occasions of strong leadership.

Staffing was one of the most influential 'structural' factors for the implementation effort. The introduction of HCIS relied on interested health care providers. Employees who showed sufficient interest for the HCIS were among the first to receive equipment and training. In turn, interested employees influenced other health care providers into using the technology.

Both the type of health care providers and their number played a role in implementation. Health care providers with training on primary care 'best practices' were familiar with the importance of the

HCIS and promoted its use. In some cases, there were no personnel to use the equipment or the small number of employees had a large workload that did not allow them to spend time on learning the technology. In occasions when additional staff was hired, the number of employees that became involved with the technology increased. In general, HCs are notoriously understaffed, which hinders the overall provision of health care services.

Environment

The relationship between the clinic and the environment is the final factor identified in the case studies. The environment of the case studies included the patient population and the National Health Service. Both patients and the Greek NHS had the capacity to influence technology-based change. Clinics that focused on patient-centred care and provided improved services such as community outreach and complete patient records increased the expectations of the community and set standards that had to be followed independently of staff turnover. The formal requirements of the Greek NHS such as reporting of statistical information challenged employees to use computers to facilitate reporting processes.

Implementation in relation to change

The implementation of HCIS in health centres related to organizational change in two ways. Installation and use of the HCIS was either part of an ongoing organizational change, or triggered organizational change. Organizational change occurred in health centres when operations deviated from the basic functions to incorporate elements of primary care ‘best practice’. Organizational change took place at the individual and group level.

The introduction and use of the technology contributed to the transformation of relationships

among some employees. Collaboration was the exception rather than the norm in HCs. However, the introduction of the technology established collaborations for research, education and daily activities. Contrary to the popular belief that presents physicians as ‘notoriously’ resistant to change, case study findings revealed otherwise. The majority of physicians and other health care providers were ready to learn, collaborate and transform their daily work under the appropriate conditions. Appropriate conditions were identified as the adequate capacity in terms of technology, education and staffing, in addition to conditions that provided freedom, fostered responsibility, generated connections and cultivated relationships.

IMPLICATIONS FOR POLICY AND PRACTICE

The implementation efforts in the region of Crete are unique in breadth and scope throughout Greece. The research took place at a time of governmental reforms and global shifts towards organized health systems and strong primary care services. Policy and practice are intertwined in helping and informing each other. In Greece, policy for implementing HCIS systems is currently under development. Case study findings indicated that similar environments differ in their response to HCIS. Change may occur spontaneously and does not need to be extensively planned or controlled. The implications of the research for policy and practice focus on the larger context of health care systems organization, implementation of HCIS and change.

Health care systems

Health care systems can be defined as “a set of connected or interdependent parts or agents – including care givers and patients– bound by a common purpose and acting on their knowledge” (Institute of Medicine 2001: 68). Health care organizations, vendor organizations, and regional

authorities are important components of such systems. The rising of chronic illness and the continuous aging of the global population requires a reorganization of health care systems based on relations and exchange of information to address patient needs in the community.

The introduction of health care information technologies in an organized health care system requires interconnected changes. Peckham (1999) points out the importance of good communications within the organization to achieve such an interconnected change in health services. Currently, vertical and horizontal communication in the Greek NHS is imperfect. In Crete, the region-wide implementation of HCIS allowed for better exchange of information and communication across sites.

The Ministry of Health in Greece has recognized the importance of primary care and information systems in the organization of the health care sector. However, policy does not explicitly address the development of primary care sector and information systems in parallel. In Greece, elements of underdevelopment coexist with advanced characteristics of integrated health care systems. Little information exchange, lack of health care teams and patient records, and organizational shortcomings, may coincide with community-based health care, exclusive use of electronic medical records and extensive primary care research. Integration of the 'old' with the 'new' towards the vision of the future is required to accelerate progress. Considering existing components could help build on already available technology and alleviate part of the budgetary load of such efforts. Governmental policy is particularly important in recognizing, encouraging and developing initiatives that are already taking place.

A 'high performing health sector' needs to have the following critical features according to Coye (1998):

- Information technology to support patient care
- Transfer of knowledge about best practices and generation of new knowledge without "reinventing the wheel"
- Aligned incentives for improved performance
- Encouragement of innovation
- Willingness to collaborate with academic enterprises
- Community-based interventions to alter fundamental determinants of health
- Purchaser and consumer education
- Accountability

In Crete, the implementation of HCIS and the innovative primary care activities observed these critical features and had an impact on the organization of health centres. However, to sustain regional wide efforts, it is important to account for ongoing maintenance and financial support, currently lacking in the region of Crete. Also, 'critical features' should be incorporated in national policies to impact health care practice at a large scale.

HCIS implementation

Health care information systems are "a prerequisite for coordinated, integrated, and evidence-informed health care" (WHO 2002: 37).

Early support of GP computing contributed to over 70% of GPs using electronic medical records at point of care in Britain and the Netherlands. In 1990s the NHS in UK, increased the requirements for data collection, auditing and reporting. Physicians were obliged to use the computer to collect the required information. In the Netherlands, physicians who used one of the systems evaluated by professional organizations and provided data for health policy planning were reimbursed for 60% of practice automation expenses. The experience in the UK and the Netherlands indicates that physicians are willing and able to integrate information technology in their

practices when provided with the necessary incentives.

In Greece, similar initiatives are not taking place. However, case study findings support the fact that government can play an important role in promoting the use of HCIS. Governmental requests for patient data were an incentive to accumulate computerized data. Developing an integrated policy that provides incentives may significantly facilitate the introduction of HCIS in primary care in accordance with the experience of the UK and the Netherlands. Managers and decision makers may be able to support HCIS uptake through requirements of appropriate information collection and specific activities in addition to the provision of financial incentives.

Technology

Exact directives on appropriate technology and its implementation at primary care level needs to come directly from physicians (Hackney, Dhillon et al. 1997). Particular attention should be placed on the development of HCIS. Primary care information technology should be easily installed, maintained and supported locally, easily understood and controlled by local users, flexible and adaptable to the needs of different GPs, and organizationally simple, requiring low investment at each site (Clegg 1988). Case study findings support these imperatives, in addition to other factors such as training based on individual needs, formal and informal leadership, teamwork, and adequate human resources. Systems in health care settings should be available and functional in the place and time of decision-making (Nussbaum 1998).

The use of a system “continuously escapes the ordering intentions of its designers” (Jones 1998). The need to examine the specific interactions in particular contexts is essential in understanding and anticipating technology outcomes. Detailed examination on what employees are most attracted to

in an information system may provide a way to tap onto user aspirations. For example, first time users are often attracted to the Internet for personal interest. Dansky (1999) argues that enabling physicians to use computers for communications, word processing, and Internet searches long before instituting the EMR will allow for computer comfort and minimize anxiety.

HCIS should ultimately benefit the patient. The patient’s direct contact is the primary care team. Patients as customers will play an important role in the future. It has been acknowledged that consumers are becoming increasingly educated about their own health. Patients with chronic conditions are likely to shop for high quality health care services. Consumer demands for information and participation in decision-making will eventually transform the nature of clinical management and the respective roles of providers and patients in ways that could not be anticipated (Coye and Detmer 1998: 766). Physicians will have to comply with these new trends to accommodate changing consumer demands. Providers will need the support of appropriate databases and communication technologies to stay up to date with the vast amount of information that is gradually becoming available to all audiences through the Internet. Successful systems are most likely to be the ones that offer opportunities for “ongoing professional involvement, relative stability and security, and the capacity to support improvements in practice with useful and timely information” (Coye and Detmer 1998: 765). These concerns will become important for Greece as more and more people become familiar with information technology and access the Internet.

Education

One of the major components involved in successful implementation of HCIS is education. To improve primary care services and facilitate the incorporation

of primary care information systems, education in both primary care and information systems is important. The research identified the following components of education as important in the implementation of HCIS in primary care: the incorporation of primary care and information systems education in medical school, continuing education for health care providers and computer training based on the specific needs of individual employees. Primary care education in medical school will help raise the esteem of primary care as a specialty in Greece and might increase the number of general practitioners. Information systems education will introduce medical students to the applications of technology in medical practice and provide them with the basic computer skills.

Continuing education for health care providers will provide the opportunity to improve health care services. Continuing education is particularly relevant in Greece because of the limited training of physicians in general practice. It will allow exposure to the holistic essence of primary care, community awareness, and management of chronic diseases. In addition, educational programs on the benefits of detailed recording of patient data in paper and electronic format would help introduce the habit of keeping medical records to primary care physicians. Continuing education should also provide information to health care providers about best practices and future health care trends. Finally, health care personnel in leading positions, such as directors of HCs need to attend management and leadership training to be able to manage their organizations better.

Computer training needs to include hands-on practice on Windows applications and HCIS and on-the-job training during the first days of operation to facilitate integration of the computer into the actual workday. High priority should be placed on demonstrating the

usefulness of the technology and the way it supports individual services and work performance (Chau and Hu 2002). Physicians in primary care must become convinced that HCIS offer desirable tools (Clegg 1988). "Response to implementation is shaped by physician perceptions of the usefulness of the system as well as of the changes it will bring to the performance of everyday jobs in the organization" (Anderson 1997).

Education increases the information flow in organizations and provides opportunities for self-organization. Exposure to information would benefit health care organizations and allow them to change in a proactive way to improve performance (Garside 1999). Learning organizations have a sense of direction and a vision. They pay attention to each individual within them. They are led and managed in a way that the learning of the individuals is harnessed towards improved ways of working.

Management of influential factors

Management of HCIS implementation requires attention to multiple success factors that have been identified from research and experience (Tan 1995). However, it has been noted that implementation lessons are not readily transferable to multiple contexts. Case study findings indicate that, although recommendations for successful implementation of HCIS are also relevant for health care settings in Crete, their meaning may differ according to the specific context. The education variable, for example, differs from the way it has been used in HCIS literature. Education in the literature refers to the number of years of formal education, while in the case studies education refers to the extent health care providers received training in general practice. In other words, it is essential to consider the meaning of success factors and recommendations to the particular implementation effort. Instead of developing exact

implementation plans to cultivate the necessary conditions for generating change from within, implementation methods can focus on loose control, encouragement of innovation, and direction setting. These methods appear to produce faster results than the traditional plan and control mentality. In contrast, plans may take too long and are usually not accurate or not followed.

Change in health care

Organizing primary care services, improving communication throughout the NHS, and implementing information systems, requires a considerable degree of change. In the traditional models of organizational change, all systems have the tendency to oppose change and seek equilibrium. When change does occur it is considered the result of imposition that disturbs the equilibrium. Organizational change efforts must struggle against this innate inclination.

The commonly unquestioned assumption, that successful organizations are attracted to a stable state of optimal efficiency of performance, creates the dominant prescription for securing organizational change, which is, the detailed identification and analysis of processes of resisting change. A major part of implementation initiatives concentrates on removing resistance through educational programs, establishment of new priorities and patterns of behaviour. Alas, this essentially linear view of governance that assumes the possibility of identifying logical links between cause and effect has resulted in comprehensive prescriptions that do not work (Beer, Eisenstat et al. 1990; Smith and Stacey 1997). In practice, change may occur rapidly or slowly; it may accumulate linearly or nonlinearly; it may be resisted or encouraged; it may take little or many resources; it may have a profound or no effect on system outcomes (Dooley 1997).

Case study findings demonstrated that health care providers have the ability to spontaneously self-organize in order to use a health care information system. Managing change as a process of self-organization requires noticing, encouraging, and amplifying departures from equilibrium. These departures from equilibrium are instances of novelty such as new ways of doing things. Under this view of organizational change, planning is no longer based on the accurate assessment of the current status of the organization, nor should it occur necessarily before an intervention. Planning involves the ongoing assessment of an organization while it changes looking simultaneously at its present state, its previous states and its future directions. Eventually novel processes may be incorporated into the way the work group or organization operates.

The nature of the medical profession has an inherent component of uncertainty and transformation (Heeks, Mundy et al. 1999). According to its philosophical foundations set in ancient Greece, it is a profession in flux, where continuous education and improvement occurs to face the spectrum of human condition (Pellegrino 2001). Hence, if health care providers view their profession as a vocation, the assumption of 'reluctance to change' is a mere paradox. The traditional view that the best way to improve care is to eliminate variation (Fineberg, Funkhouser et al. 1985; DeMott 1997) is being questioned (Miller, McDaniel Jr et al. 2001; Plsek 2001). The current competitive environment in health care calls for approaching change as no longer a problem to resolve but an opportunity to improve health care delivery and customer care. Non-linear change requires non-linear methods. Life is an ever changing and unpredictable process just as self-organization is. Thus, a model of change based on self-organization has the advantage of incorporating the unexpected.

The need for continuous transformation applies especially to primary care. General practice is one of the specialties with the largest range of variation in health conditions. In addition to keeping up to date with new advancements in medicine, primary care providers need to be involved in other aspects of health care such as health promotion, health prevention and community outreach. With the current global increase of chronic conditions (WHO 2002), primary care providers are called to be particularly flexible, to work in teams, and incorporate activities geared towards long-term care.

Leadership

The natural tendency of agents to change can be greatly influenced through leadership. The complex adaptive systems approach to leadership introduces the notion of facilitation rather than hard control and planning (Anderson and McDaniel 2000). To illustrate the new role of leadership in complex adaptive systems, leaders of health care organizations are said to resemble an orchestra conductor (Mintzberg 1998). Similar to the orchestra conductor, health care leaders are called to coordinate rather than control processes that occur within the organization. In health care organizations, this kind of leadership becomes particularly important because of their professional nature (Anderson and McDaniel 2000).

A complex adaptive systems view of health care leadership helps alleviate the anxiety introduced when strategies and planning encounter uncertainty. Health care leadership could be a process of unlocking the capacity of transformation within the health care team in facing global health care challenges (Anderson 1999). Leaders should create the conditions to effectively support self-organization through availability of information, relationship building, and identity formation. Leaders need to express strong intentions without necessarily having a set of action

plans. They should be confident in the organization's intelligence. Because dependency runs so deep in most organizations, employees often have to be encouraged to exercise initiative and explore new areas of competence. To promote effective care in general practice, leadership should be addressed as a priority. The education and training of leaders requires a broad vision and a pragmatic approach, which takes into account practitioners' concerns and is compatible with the complex nature of their work.

CONCLUSIONS

The particular nature of this implementation effort provided an environment to study change springing from within. The timing of installations and the organizational context in individual sites influenced implementation. Analysis arrived at the same realizations with other authors (see Barley 1986; Sofaer 1999) that the nature and extent of organizational change varies across sites in implementations of the same intervention.

Taking this implementation effort as a model could facilitate similar implementation efforts in other regions. The unique character of health care settings prevents the direct application of lessons to different contexts. The autonomous cultures that comprise health care settings add to the complexity of implementation efforts. The changing and unpredictable nature of health care delivery and the organizational variation of health care institutions require an approach to implementation that is flexible and takes into account the autonomy of the agents involved. Emphasis is given on the impact of individual enthusiasm, commitment, and personal ability of individuals as the active conduits of information and cooperative resources. Individuals within a system disseminate knowledge, skills, and best practice so that the whole organization may become more technologically aware and competent.

In addition, emphasis is placed on the management of relationships as the foundation of the emergent behaviour in a complex adaptive system.

Complexity based thinking suggests that policy and operations should treat health care systems as a whole rather than as individual parts (Zimmerman, Lindberg et al. 1998). To influence change, leaders need to create systems “that disseminate rich information about better practices, allowing others to adapt those practices in ways that are most meaningful to them” (Plsek 2001).

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THE STRENGTHENING OF THE REPRESENTATION OF BUSINESS ORGANIZATIONS AND SOCIAL DIALOGUE

Since the beginning of the 1980s the role of organized interests in the Greek political system has significantly changed.

While in the beginning there was an issue of their legitimation¹, a reversal in the terms and a strengthening of the role of organized interests is evident to the degree that in the beginning of the new millennium the much-advertised social partners now have a leading position in the legitimation of social and political choices. This process seems to go hand in hand, as demonstrated in recent studies², with a tendency towards disengagement of professional organizations from government restrictions and political party intervention.

In particular, in the period from 1981 to 2002 the Greek business organizations reinforced to a significant degree their say and participation not only in political processes but also in the processes of the whole economic, social and political life. They now express and publicize views on the entire spectrum of issues concerning Greek society, they contribute as basic actors to the efforts to improve the indices of the Greek economy –the accession of Greece to the Euro Zone being the paramount moment–, while at the same time they participate in both the institutional and non-institutional social dialogue.

The strange fact about this is that this strengthening of the actions taken by the organized business interests does not seem to have resulted as a reaction to their archenemy, that is, the pressure exerted by labor organizations. In an era in which development discourse is monopolized by the market forces and employer interest dominates, the business organizations seem to mark a new and qualitatively different

¹ Mavrogordatos G. Th. (1988), *Between Pityokampes and Prokroustes*, Odysseas, Athens, pp. 33-38.

² Lanza O. and Lavdas K. (2000), “The disentanglement of interest politics: Business associability, the parties and policy in Italy and Greece”, in *European Journal of Political Research*, issue. 37, Kluwer Academic Publishers, The Netherlands, pp. 203-235.

kind of boom, especially in the wake of the Maastricht Treaty and the acceptance of the development model by all the European Union Member states.

The strengthening of business organizations in Greece should not be solely attributed to any direct or indirect help that they may be receiving from their European counterparts. The overall economic conjuncture as well as developments in the progress of the European structure also contribute to the strengthening of the role and the political efficiency of business organizations.

Besides being an attempt towards explanation of such a phenomenon, the fundamental working hypothesis is that the recent and belated legitimation of business organizations did not come as a result of the assertive aspirations and initiatives of their members. This new legitimating role serves more as an operating prerequisite of the political system and the need for its legitimation as much as a response to the new processes and the dictates of the European Union.

For this reason we will follow the course of the presumably greatest business organizations, tracing through this inquiry the new institutional position and role in the Greek society and economy.

The period that concerns this analysis may be divided into in three different sub-periods. The first one starting from 1981 and ending in 1986 may be termed *the period of asserting a new role*, since it will be shown later on that this period concerns the stage in which these organizations sought and attempted to secure their adjustment under the new conditions of establishment of the democratic regime. The second one, from 1987 to 1994 is *the period of organizational preparation* during which differentiation is observed mainly in regard to the manner of articulation of these interests. Finally, the third sub-period is *the stage of institutionalized participation* in the social dialogue. This periodization is based on the differentiation of both the manner of participation of business organizations in the political system and the methods of asserting the interests they align with.

This analysis will of course be incomplete without a single reference to the development of the economic circumstance and the economic models of development during the periods of time in question. Thus, the first period coincides with the nationalizations and the surge in the cost of production through the newly-installed income policy; during the second period the stability plan was already in place through which the cooperation with the social partners was sought; and finally the third period may be termed the era of the Single Market with all its consequences.

1. Business organizations: From asserting a role to institutional recognition and the legitimating function

In an effort to give an account of organized interests in Greece, it may be safely said that up to the Post-Dictatorship period they had a very limited role.³ Following 1974, these were further marginalized, since the political parties acted as surrogates to a significant degree for the needs of the political system in terms of citizen participation. Since 1981 the presence of organized interests and especially those of business organizations has been significantly differentiated in relation to the past, after going through a variety of phases.

The Greek business organizations appeared as early as the end of the 19th century. Indicatively, the first commercial associations were formed in the end of the 19th century: the Syros' s Association in 1894, the Piraeus Association in 1900 and in Athens in 1902. The various organizations of minor industrialists with a local or sectorial character started to form in the same period of time. The Federation of Greek Industries (SEV) was founded in 1907⁴ and the General Confederation of Minor Industrialists, Professionals and Merchants (GSEVEE) in 1919. It should be noted that the federated organization for commerce, the National Confederation of Hellenic Commerce (ESEE) was formed as late as 1994, much later than its European counterparts.

The object of this announcement focuses on the three leading employer organizations: The Federation of Greek Industries for industry, the National Confederation of Hellenic Commerce for commerce, the General Confederation of Minor Industrialists, Professionals and Merchants for small and medium industrialists and professionals. All three jointly sign by law the National General Collective Labor Agreement and participate in both the institutionalized and non-institutionalized social dialogue.

1.1 The period of asserting a new role (1981-1987)

³ Meynaud J., Notaras G., Merlopoulos P. (2002), *Οι πολιτικές δυνάμεις στην Ελλάδα 1946-1965*, Savalas Publishers, Athens, pp. 418-440· see also, Kazakos P. (1998), *Μεταξύ Κράτους και Αγοράς. Οικονομία και οικονομική πολιτική στη μεταπολεμική Ελλάδα 1944-2000*, Patakis, Athens.

⁴ The Federation of Greek Industries was founded as the Association of Greek Industrialists and Minor Industrialists. In 1946 the other business organizations started to split off, which were in most cases societies governed by Law 330.

A new period for the Greek political system and organized interests on Greece was inaugurated with the accession of the Pan-Hellenic Socialist Movement (PASOK) to power and the establishment of the Third Greek Democracy.

In this first sub-period the business organizations were dealt with suspicion. The so-called social dialogue was virtually unknown. This was a period in which in reality the bipartisan committees took over the role that deliberation of the social partners with the government and the establishment of the social dialogue were called to play. The manner of participation of the business organizations in the political system seems to have been an accepted commonplace even to the representatives of the business organizations themselves. Ascribing the responsibility of the “politicization” of the economy to the overwhelming dependence of economic activities on government the representatives of business organizations regarded an overarching sense of party politics to be well in place.

1.1.a The Federation of Greek Industries (SEV)

In this new environment the Federation of Greek Industries leadership was summoned to face a new situation. The plans of the socialist government for nationalization, the emergence of the significance of state-run corporations, the increase of the cost of production⁵ combined with low productivity levels especially due to the failure to refurbish the capital production mechanism and the presence high inflation rate made entrepreneurial operations extremely cumbersome. The markedly reserved criticism of the Federation of Greek Industries against the government was always exercised in only a very deflected manner.

At the same time the need for convergence of viewpoints and creative cooperation with the social partners involved was steadily, systematically and persistently stressed.⁶ This is a period when the agreement for the five-day 40-hour working week in the industrial sector was signed between the Federation of Greek Industries (SEV) and the Greek Confederation Trade Union (GSEE).⁷

1.1.b Commerce

⁵ In 1982 the government decided to increase minimum wages by 40%. This decision was regarded as a kind of “initial disturbance” on the side of cost, see Kazakos P. (2000), *Μεταξύ Κράτους και Αγοράς. Οικονομία και οικονομική πολιτική στη μεταπολεμική Ελλάδα 1944-2000*, p. 356.

⁶ Talk of Greek Industry Association President to the annual General Assembly, The Greek Industry Association Bulletin, issue 450.

⁷ This agreement was concluded on 29 March 1983 and went into effect on 1 April 1983.

This was also a period of adjustment for commerce as well. The Coordinating Council of Commercial Associations of Greece (SSESE), the informal body in operation since 1961, expended efforts for the organization of the commercial world so that “the voice of this sector be heard”. However, it was not in a position to pull together and to gather the disparate sector demands within a more assertive framework. This failure led to the breaking away of many commercial associations and to go ahead with the formation of peripheral federations.

The basic problem of representation of commercial interests in this period was the fragmentation of the demands as well as that of the organizations.

1.1.c The General Confederation of Professionals and Merchants of Greece

In the period under investigation, an array of powers excluded from participation in GSEVEE under a variety of constitutional and political dealings started to rally behind the agenda of the “democratization of the trade union movement”. Between 1981 and 1984 the internal clashes intensified resulting in the change of guard in 1984.

1.2 The period of organizational preparation and institutional penetration 1987 – 1994

Under the auspices of the implementation of the stability program of 1985 –1987, the first turnaround in the positions of the practices adopted by the government made its appearance in relation to organized business interests.

The beginning of the second sub-period coincides with the ratification by the PASOK government of Law 1712/87 concerning the democratization of professional organizations.

In the second sub-period it was possible to talk about institutionalized top-down organizations, while at the same time a new attempt was made for deliberation bodies to be put into operation⁸, such as the National Development and Productivity Council (ESAP) or the Finance Ministry Council of Specialists. Despite the operation of both these top-down organizations and deliberation bodies, the participation of the social

⁸ Similar initiatives were taken in the past such as Article 75 in the 1925 Constitution which instituted a professional organization council through the professional composition of the Senate and the Social Policy Council ΣΚΟΠ in 1978.

partners had a more “ritualistic character”⁹ than anything else. This may be accounted for by the fact that the institutionalized summit meetings functioned in effect as informational agencies, since all deliberations took place after the decision-making process. This process of merely announcing ready-made decisions to the social partners made political legitimation of the choices impossible in the end.

1.2.a The Federation of Greek Industries (SEV)

This period could be referred to as a period of qualitative differentiation regarding mainly the manner of articulation of business sector demands in general and, to be more specific, industry to the government. In particular, the typical manner of communication between the government and industry somewhat changed. On the one hand, the European model and, on the other hand, the insecurity or even danger perceived by the private sector coming from the direction of the persistent government accusations rallied many members behind the lines of the organization. In other words, this period seems to mark the sidelining of the personal contacts of the President of the Association with government functionaries, stressing the role of the Federation of Greek Industries as a collective agent.

1.2.b Commerce

The commercial world presented in this period of time the greatest mobility in an organizational level of centralized representation of its interests since the founding of the first commercial associations with the establishment of a federation destined to become the leading organization in the world of commerce.

At the same time the practice of introversion and dealing with specialized matters was being abandoned, laying greater stress on the general problems of the commercial world and the Greek economy. Summit meetings were held, while a new inter-ministerial committee was formed for the study of commercial matters aiming at the planning of a long-term policy.

1.3 The period of institutionalized participation in social dialogue

In retrospect, the structural developments and the processes in the period between 1987 and 1994 were just indications of the changes to come and become established subsequently in the last sub-period of our analysis, that is, the period since 1995. In

⁹ Kazakos P, (1991), «“Σχέδιο 1992”», Εσωτερικές προσαρμογές και εκπροσώπηση των επαγγελματιών συμφερόντων στην Ελλάδα» in Kazakos P. (ed.) *Η Ελλάδα ανάμεσα σε προσαρμογή και περιθωριοποίηση*, Diatton, Athens, p. 61.

the era of the single currency and the Single Market, these changes brought forth a new and different perspective at least from the viewpoint of the procedures taking place. This perspective features a watershed of participation of the social partners with special emphasis on the participation of business organizations in both the institutionalized social dialogue and many other deliberation initiatives.

Put differently, contrary to what used to be the case, that is, when “groups sought to increase their influence on the government, while the latter aims at fighting this influence back”, it seems that the government has been ready to since the mid-1990s extend its invitation to the business organizations at all levels of deliberation, as will be made clear in the exposition to follow.

Besides this new element of institutional participation of business organizations in the social dialogue, another fact arrived at the scene to upset the former status quo: it was the institutionalization of channeling economic contributions to these business organizations that could possibly lead to indirect government dependence.

With regard to the Federation of Greek Industries it could be observed that during this period its economic choices were affirmed with the adjustment of Greek economic policy in the Economic Monetary Union. With regard to the other two organizations their participation now plays a very significant role in the formation of the policy of this organization.

Institutionalized and non-institutionalized social dialogue

The adoption of a modern institutional framework of collective bargaining through the ratification of Law 1876/1990 may be regarded as a “milestone” in the course of the ongoing changes. This ratification coincided with the gradual relinquishment of the confrontational climate of the previous period.¹⁰

This concerned the conclusion of the National General Collective Labor Agreement by all the social partners involved without appeal to arbitration courts.

Specifically, in the 1990s the institutions promoting social dialogue were formed in which social partners, such as the Economic and Social Committee (OKE), or the Arbitration and Mediation Organization (OMED), the National Employment Committee, the National Land Planning Commission and the National Committee for

¹⁰ There is gradual drop from 20,494,944 lost work hours and 472 strikes in 1980 to the 1,515,347 lost work hours and 38 strikes in 1998 to even lower levels by May 1999 with 45,642 lost work hours and 156 strikes.

Social Protection (which serve as an indication of more permanent dialogue structures being put in place).

This last sub-period, the representative of the three business organizations have participated in more than sixty permanent structures of national scope and in many more local organizations formed on state initiative. They have also participated in deliberation committees on specific issues, such as the social security and taxations issues. The most typical of these is the Board of Directors of the Social Security Institution, the National Consumer Council, the National Export Council and the Organization of Workforce Resource Employment (OAED), where the social partners appoint their own representative as vice-president. They also participate on the National Competitiveness Council and the Competition Committee.

Following six months of discussions, the “Government-Social Partners Mutual Trust Agreement on the Way to the Year 2000” was signed in 1997, culminating a new type of social dialogue inaugurated by the government.

Since July 2000 a new cycle of social dialogue has started revolving around social security and tax reform, which fluctuated between success (notably in the case of taxation reform) and failure. At the same time the institutionalized deliberations through the Economic and Social Committee have been in progress.

OKE founded in 1994 on the model of its European counterpart¹¹ is a constitutionally protected institution¹² with wide approval from all political parties.¹³

Of course we should not ignore the overall influence exercised on the Greek political system by the new situation in the EU. For example, the institution of the social dialogue was officially ratified by the Maastricht Treaty and the Treaty of Amsterdam afterwards.

Financial contribution – Concealed dependence through the system of indirect funding

¹¹ By virtue of Article 18 of EKAX an Advisory Committee was established aiming at consulting the European Commission at the latter’s discretion. This Committee evolved into a European OKE.

¹² Article 82 section 3 Σ 195/1986/2001.

¹³ “This institution has met with wide approval by the political parties on account of the role attributed to it by the Constitution, which was already evident from the inter-party ratification of the bill (with 269 MP votes in favor) in the process of ratification of the provisions under revision in the initial phase of the Constitutional Amendment Process.” Opinion by OKE. “Ο κοινωνικός διάλογος στην Ελλάδα Αποτίμηση-Τάσεις- Προοπτικές”, Final Draft, 28/11/02, Athens, p. 17.

Two significant legislative adjustments in the mid-1990s secured direct and indirect financial resources for top business organizations. In the course of the conclusion of the National General Collective Labor Agreement in 1993 the foundations were laid for the creation of LAEK, an independent account jointly managed by the social partners aiming at the promotion of vocational training and education programs.

Finally the age-old demand of professional organizations to secure financial resources was satisfied in 1999.¹⁴

This concerns an “8% contribution on the annual income” from membership dues to the Chambers.

The participation of these three business organizations in the institutionalized social dialogue modeled upon their European counterparts and the dictates of the Amsterdam and Maastricht Treaties along with indirect funding of the aforementioned two organizations have to a great degree shaped their new role and a new dynamic within the Greek political system.

Conclusion

The basic conclusion to be drawn from the foregoing analysis of the course of business organizations is that their presence and role in the political system has been significantly strengthened in the last twenty years. This new situation does not seem to have resulted on account of the assertive aspirations and initiatives of the organizations themselves. Their new legitimating role has functioned more as an instrumental prerequisite for the political system, on the one hand and secondly as a response to the processes and the dictates of the European Union.

At the same time the new reality of limited state intervention conceals an indirect state involvement, since the main source of regulation is government legislation resulting in the state still playing the lead role, be it formal or informal.

From the *peculiar* state corporatism in the beginning of the 1980s and the pseudo-corporatism of the 1990s, the question is whether to talk about an *artificial* corporatism borrowed to a great extent from the model of the European Social Dialogue.

¹⁴ It should be noted that GSEVEE had been collecting since 1946 money from the Professional and Small industrialists Insurance Fund (TEVE). This was discontinued in 1981.

Socioeconomic Interest Groups in Greece and Enlargement: Views and Inputs of the Greek Industry and Agriculture in the National Policy-Making Process

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Abstract

Given the priority of foreign policy considerations in the national enlargement policy-making, the inputs of the socio-economic interest groups have been to a large extent neglected. Hence, the overarching aim of the paper is to contribute to the better understanding of Greek policy-making on enlargement focusing primarily on the 1993-99 period. The paper examines the views of the Greek industry and agriculture and assesses their contribution in the process. The main argument is that the input of these two groups has been limited. This is due not only to the institutional framework of policy-making, the political culture of participation of interest groups in policy formation and the particular nature of the topic with due consideration paid to Cyprus and security issues, but also due to sector-specific reasons. The Greek industry has supported enlargement at macro-level because of the economic and business opportunities it has presented. Hence, there has been a broad convergence of views about the positive potential of enlargement, which did not let any minor frictions escalate to major domestic crises. Participation has been on a reactive rather than proactive way. As regards agricultural interest groups, the agricultural production structure of the first ten new members did not pose significant challenges to the Greek agricultural sector. Hence, attention was not paid directly to enlargement. The initial broad and abstract terms of the discussion even after the presentation of the *Agenda 2000* document contributed to this diffused interest. Attention has been paid to the proposed CAP reforms instead (which were of course heavily influenced by the prospect of enlargement).

I. Introduction

The signing of the Accession Treaty in Athens constitutes the end of a long road for the ten new members of the EU over the last decade. The initial euphoria deriving from the prospects of the unification of the divided continent slowly gave way to a great deal of skepticism once the actual implications and costs of this venture became apparent. Regarding Greece, the challenges raised by enlargement were beyond issues of institutional marginalization and the specter of significant financial losses, which were undoubtedly also very important considerations. Enlargement was inexorably linked with fundamental issues of national foreign policy, namely the future of the Cypriot candidacy and Turkey's position in the European architecture. In parallel to that, the enlargement debate in Greece had a clear Balkan dimension, with Bulgaria and Romania being also in the prospective list of candidate countries despite their low ranking (Ministry of Foreign Affairs, 1994).

In that respect and given the predominance of foreign policy considerations, the attribution of a secondary role to the inputs of socio-economic interest groups in the enlargement policy-making process was inevitable. The objective of this paper is to present and analyze the views of the Greek industry and agriculture on enlargement. The main representative bodies of the Greek industry (Federation of Greek Industries-SEV; Association of Industries of Northern Greece-SVVE) and Export Associations (Panhellenic Association of Exporters- PSE; Exporters' Association of Northern Greece-SEVE) showed at an early stage a keen interest on the related political and economic developments and so did to a lesser degree several sectoral associations. The implications of enlargement were smoothly integrated in the broader theme of the restructuring of the Greek production base and contributed to the renewed economic dynamism of this period. For Greek agriculture, enlargement presented also an opportunity to regain some long lost markets. However, the agricultural representational groups (mainly the Panhellenic Confederation of Agricultural Cooperatives- PASEGES and to a much greater degree the other two heavily politicized groups GESASE and SYDASE), were rather slow in grasping the details, opportunities and challenges of the new environment.

The underlying assumption of the whole paper is based on the literature of economic internationalisation and liberalisation. The main argument is that changes in the economic terms of interaction at the international level will trigger shifts in the prosperity of specific economic groups and will prescribe the position of these groups to the international agreements responsible for these changes (Frieden and Rogowski, 1996). Hence, it is imperative to examine the economic impact of enlargement on the different Greek production forces in order to be able to articulate and test hypotheses about the reactions of the population groups mainly affected by enlargement. Based on that, in the first part of the paper, I review the economic environment, within which the Greek industry and agriculture was active during the 1990s and present the challenges raised by enlargement. The second part contains the positions of the Greek industry and agriculture on various aspects of enlargement and the final one discusses the institutional setting of the enlargement policy-making and in specific the role of the industrial and agricultural interest groups in it.

II. The Greek Economy and Enlargement: the Political Economy of Internationalisation

The taking off of the enlargement debate and the subsequent debate on potential economic gains and losses for Greece coincided with a very intensive attempt to control budget deficits, public debt and achieve economic convergence in view of a prospective EMU membership (Christodoulakis, 2000; 1994; Alogoskoufis, 1995). At the same time, the Greek economy had already started experiencing the pressures of market integration and economic internationalisation. As economic theory predicts, market integration entails significant dangers for geographically peripheral countries. The elimination of trade barriers is deemed to alter the spatial pattern of trade reinforcing the importance of geographical factors such as distance, centrality and market accessibility (Peschel, 1990; Krugman, 1994). Hence, the integration of the European economies suggested that "...less strategic and perimetric locations with respect to the European centre of gravity are bound to a certain extent to lead to peripheral and inferior economic structures" (Petraikos and Zikos, 1996: p.255).¹ Under these conditions emphasis should be laid upon the implementation of a persistent and coherent plan of economic reforms in order to induce modernisation and structural adaptation of the domestic market and enhance competitiveness. A sub-optimal option, which might bring temporary relief from the increased external economic pressures, was to counter geographic isolation with the establishment of new markets and the assumption of a central economic role in a regionally focused economy.²

As regards economic restructuring, for more than ten years following accession, Greek governments tried to avoid or simply postpone economic adjustment fearing the high political cost of the necessary economic reforms.³ The sub-optimal policy option for Greece

¹ As regards the structure of industrial geography of production in the EU, evidence confirms to a certain extent the expectations of neo-classical theories of economic integration about the specialisation and geographical concentration of industrial production (Jovanovic, 2001; Midelfart-Knarvik et al. 2000 cited in Jovanovic, 2000)

² The temporary nature of such measures is manifested by the fact that in the long run and in a rapidly internationalised economic environment, competition will catch up and drive the national economic forces out of the regional markets as well. Hence, establishing a regional market can offer a convenient means of facing off market pressures and provide adequate time for the necessary structural adjustments. However, any such relief is bound to be temporary.

³ The preoccupation of policy-makers with their own political survival is one of the three main parameters in the literature to understand governmental myopia or irrationality of action as regards economic reforms (Rogoff, 1990). Uncertainty in the distribution of the resulting gains and losses (Fernandez and Rodrik, 1991; Rodrik, 1996) and strong interest groups that can delay economic reforms due to their significant distributional implications (Olson, 1965; 1982; Alesina and Drazen, 1991) are the two other parameters. In the Greek case the validity of all these three theoretical explanations has been confirmed (Liargovas, 2000).³ Potential losers from the economic adjustment to the new conditions would definitely include among others "...a significant part of Greek business, accustomed to external protection and heavily dependent on state favouritism, especially through public procurement contracts...most of organised labour, which can be found in the large state-controlled sector, characterised by over-employment, relatively high pay and low productivity... and less well-organised groups of society, such as many small businesses and the lesser skilled" (Tsoukalis, 2000: 40). Only the prospect of EMU membership with the deriving constraints and the external pressure originating from Brussels managed to create some kind of break in the vicious circle (Liargovas, 2000). Hence, the domestic economic reforms, which were initiated during the 1990s and in particular in the second half of the decade, were not adequate to provide the necessary impetus, break the deadlock of isolation of the Greek economy and achieve convergence. For a more elaborated treatise of the Greek experience of structural economic adjustments and the subsequent reactions and opposition, see also Pagoulatos (1999; 2000); Lyberaki and Tsakalotos (2000).

was to convert peripherality at the European level to centrality at a sub-European level through the emergence of a regional market focused on the Balkan region. Hence, apart from political reasons, Greece had strong economic motivation to support and promote the candidacy of Balkan countries in the integration process. The Balkan region emerged as a means to stimulate domestic economic growth and development. "Perhaps for the first time since it became an EU member, Greece has a real opportunity to effectively deal with the difficulties and the pressures imposed by the process of European integration on its economic structure. This opportunity stems from the prospect of gradually re-composing the economic space in its vicinity with the creation of a regional Balkan market in which it will have a central and highly influential role" (Petraikos and Christodoulakis, 1997: p. iii). Regional market integration, therefore, emerged as the main option for adaptation in the changing economic environment.⁴ No wonder that under these conditions, "...the economic and political reforms in Central and Eastern European Countries (CEECs) and their potential integration in the EU structures represent[ed] for Greece the second biggest challenge the country has faced after becoming a full member of the European Communities back in 1981" (Dimelis and Gatsios, 1994:1).

Early studies on the EU trade with Eastern Europe found an enormous potential for export growth from Greece towards the CEECs with a significant bias towards the Balkan countries (Faini and Portes, 1995, CEC, 1993a). Unsurprisingly, the pattern of Greek trade flows of the last decade confirms the shift of the gravity centre towards the Balkan neighbours with a far less dynamism exhibited towards the other candidate countries of Central and Eastern Europe. Studies of the economic developments and aggregate trade flows have reaffirmed that in the post-1989 period two different processes took place with respect to the Greek performance in the European and international markets. On the one hand, the position of Greek exports in the EU and world markets has been deteriorating and on the other hand, there has been a successful in all terms, export performance in the neighbouring Balkan countries (*Notification*, 2002; Walldèn, 1999; Petraikos and Christodoulakis, 1997).⁵

A noteworthy aspect of the trade flows between Greece and the Balkan countries in the 1990s was the high level of intra-industry trade, the figure of which was consistently higher than that in the Greece-EU trade (Petraikos and Christodoulakis, 1997). What that fact reiterated was that Greece had significant deviations from the production structure of the average EU country and an industrial base closer to that of the CEECs (CEC, 1993b). Therefore there existed good potential for achieving economies of scale and a more efficient division of labour in industrial production by creating substantial regional production networks.⁶ Hence, the Greek foreign direct investments (FDIs) in the CEECs, which reached

⁴ Needless to mention of course that this policy was severely hampered by the successive Balkan crises and the Greek monolithic and self-destructive approach, which undermined any good intentions to become an anchor of stability in the volatile region and a hub of economic activity.

⁵ This conquest of significant market shares in the newly emerged markets primarily of the Balkans should be seen under the light of the low level of competitiveness of the local production networks, which were also in the process of transformation, and the delay of European firms to position themselves in these markets, focused as they were on the CEECs. Once these factors were to disappear, competition was bound to be harder and issues of competitiveness of the Greek industry were to be reinstated. That would verify the temporary nature of the 'going to the Balkans' option as a means to face off competition at the domestic level.

⁶ During the 1990s, the industrial fabric of Europe was being reweaved with all the far-reaching political implications. Re-emerging or newly structured International Production Networks (IPNs) became the new form

an unprecedented level and variation for the standards and the size of the Greek economy, presented a geographical distribution similar to that exhibited by the Greek export activities concentrating in the Balkan neighbours in the close vicinity (Katsikas, 1999; Dimelis and Gatsios, 1994). The sectors most heavily affected by the market integration process were exactly those that presented the greater interest in expanding their production base internationally (mainly the food, beverages, tobacco, textiles and clothing sectors⁷).⁸ Hence, the internationalisation of the Greek industry in the 1990s was linked with the required structural readjustments for survival and it should be understood as an attempt by the sectors more heavily affected to face off these competitive pressures. In that respect the opening up of the Balkan and -to a lesser extent- CEECs markets and the prospects of their future integration in the single European one came in the right time for the Greek economy and played the role of the *deus ex machina* for the endangered sectors (Katsikas, 1999).⁹ However, it should not be seen as the panacea to all competition problems or a long-lasting solution but rather as a means to gain some time for the inevitable adjustments. Otherwise, this Balkan opening would take the form of a permanent qualitative downgrading of the Greek production, which in due time would turn out to be detrimental for the future of the Greek industry (Wallden, 1999).

Whereas enlargement and the economic internationalisation could be beneficial for a large part of the Greek industry under certain conditions, developments in the agricultural sector in the 1990s were far from encouraging. Accession to the European Communities and

of large-scale production (Borrus and Zysman, 1998). These networks emerged in Europe as a response to the region's great production heterogeneity. The IPNs replaced the 'least cost' investment strategy of the early years of economic transition characterised by moving existing production arrangements to lower-wage locations. In these networks, production is being dispersed and draws on the special skills of local producers paving the way for complementary production specialisation. However, in the establishment of these networks, geographic proximity has been again a critical parameter next to highly skilled personnel and organisational capacity (Zysman and Schwartz, 1998). Hence, for the Greek economy the Balkan region was important not only in its market dimension but was also expected to provide the opportunities for the restructuring and internationalisation of the Greek industry.

⁷ Approximately 83% of the Greek investments to the Balkans originated from these sectors (Ministry of Development, 1997). These sectors constitute the backbone of the Greek industrial production basis and have long been the main and traditional industrial Greek export sectors. The sector of software technology showed up in an early analysis rather surprisingly in the list (Dimelis and Gatsios, 1994).

⁸ This is in line with the literature on business strategies of multinationals from the developing world, which tend to engage in a programme of extensive investment activities abroad in periods of increasing domestic competitive pressures (Jenkins, 1987; Dunning, 1983).

⁹ The exact motivation and way of 'going international' differs from sector to sector according to specific needs and conditions. For the banking sector and the large state-controlled companies, it was serving plans to counter the size limitations of the Greek market. For the beverages and food sectors, investment activities were a means to secure significant market shares through the development of a local production and distribution network. In the same category belong those companies that are processing local raw materials. The objective there is to achieve a competitive advantage through control of local networks and the economies of scale deriving from the concentration of the activities. For the textiles and clothing industry, the motivation was different since the main objective was to take advantage of the low labour cost in these countries. This comparative production advantage for Greece among the EU partners was lost with the opening up of the Eastern markets already since the Association Agreements (Wallden, 1995). In most cases only the production was shifted to the new location with distribution remaining in Greece. In that respect only in the first cases it is possible to refer to the internationalisation of the Greek industry, whereas in the last one 'migration' of production may be more appropriate as a term (Katsikas, 1999). Naturally, such shifts of production base have severe consequences on levels of unemployment.

the ultra-protective environment of CAP enabled the application of a strong 'pro-agricultural' policy in the 1980s.¹⁰ In the 1990s, however, changes in the domestic and international environment led to a radical reconsideration of this policy and unveiled the largely intact structural deficiencies of the agricultural production basis. In the domestic field, the emphasis on fiscal and monetary stabilisation in view of the EMU venture led to a decrease in the real agricultural income by 1,5-2,5% per year (Parliamentary Report on Agriculture, 1998). In parallel to that, the 1992 McSharry Reforms of CAP, the GATT/WTO Round of 1994, and the *Agenda 2000* document with the new CAP reform proposals in view of enlargement were to transform radically the international environment, in which the Greek agriculture had to perform. It has to be realised that these processes at the EU and international level were heavily inter-linked. The Greek agriculture had to fight a single war against internationalisation and it is difficult to separate the many battles that comprised it (Markopouliotis, 2002). CAP has been traditionally a core policy in the process of European integration and the proposed reforms were trying to hit many birds with a stone. The challenges for the EU included the reduction of CAP's immense budgetary burden, preparation for enlargement, facing off pressures in the successive GATT/WTO negotiating rounds, and paving the way for the emergence of a sustainable agricultural model of production (**see reference from my MA paper**). All these pressures were crystallised in the CAP reforms, which became the front line of the confrontation and attracted the interest of the agricultural population.

The widely acknowledged blurring of the dividing lines between agriculture and industrial processing has led to the development of a new agro-food production chain, which is ever more influenced by the process of internationalisation. This penetration has significant consequences on the control and direction of agricultural production and the management of the agricultural economy in general (Patronis, 2002). As regards Greece, one could note an ever-increasing agglomeration of capital in the agro-food sector, with a large penetration of foreign capital and the emergence of large domestic groups as leading regional players in the markets of the Balkans and the CEECs (Kassimis and Papadopoulos, 1996). These agro-food industrial agglomerations, which control a large part of the domestic agricultural food production, have shared the views of the Greek industry about the opportunities of enlargement and should be treated differently from the Agricultural Cooperatives, which were bound to carry the burden of adaptation to the new environment.

In a nutshell, based on the analysis of the economic impact of internationalisation and enlargement on the Greek industry and agriculture, one could articulate hypotheses pointing to opposing macroscopic views of these two groups. As regards industry, enlargement offered opportunities for market expansion and restructuring. Hence, support should be expected, at least from those sectors better positioned to take advantage of the new business environment. As opposed to that, enlargement accentuated further pressure on agriculture at the European level for limitation of protection and structural adjustments. This pressure was internalised indirectly via the CAP reform proposals. However, in a reductionist attempt to isolate the exact impact of enlargement on Greek agriculture, one would have to look closer

¹⁰ This policy was facilitated by the constant devaluation of the currency and the deriving artificial and inflationary increase of the agricultural income. This increase secured the appeasement of the militant sections of the agricultural population and provided social peace at the expense of institutional and structural adjustments (Parliamentary Report on Agriculture, 1998; Spraos et al. 1998).

to the agricultural production functions of Greece and the candidate countries in order to refine the above hypothesis. To that point, I will come back in the following section.

III. The Greek Industry and Agriculture on Enlargement

Directly deduced by the above analysis, the macroscopic 'win-set' of the Greek industrialists points to a vigorous support of rapid economic integration of the candidate countries, in particular the Balkan ones. Thus, unsurprisingly, the Greek Industry:

*supports further enlargement of the Union. However, SEV stresses the need of preserving the *acquis communautaire* and the whole integration process from the possible negative implications of a hasty enlargement. SEV also believes that it is imperative to introduce new structural measures to face the new and even more serious structural differences among the members of an enlarged Union ('Preparation of SEV for the 1996 IGC', *Thoughts*, vol. 20, June 1995 – supplement in *SEV Bulletin*, vol.561)*

The Greek industry followed closely and from an early stage the political and economic developments and the opening up of the new markets in an attempt to track emerging opportunities. These opportunities have been monitored early on by the research and analysis units of the representative bodies of the Greek industry (Tortopidis, 1995). This monitoring has been pursued vigorously throughout the period and has not waived over the years.¹¹ The larger the integration of the new markets in the common European one, the bigger the benefits would have been. Hence, since membership in the EU would be the ultimate form of market integration, the Greek industrialists expressed early on and repeatedly their support to the prospect of enlargement (Stratos, 1994).¹² The most significant benefit was considered to be the approximation of the candidate countries' legal and administrative system to the EU standards, which would enhance predictability and foster better entrepreneurial conditions. To achieve that, the basic assumption was the full adoption by the perspective members of the *acquis communautaire*, without endangering the current integrationist status by permanent derogation of the *acquis* for the new members (Stratos, 1995). Therefore, decisions about membership should be taken without hastiness and enlargement should take place in due time after both candidate countries and the EU got prepared. The prospects of increased short-term profitability for the Greek and more broadly the European industrial sector could not and should not hide the great level of disparities between current and prospective members. In case of deficient preparedness these disparities might turn out to be detrimental in the long run for the interests of both groups (ibid.).

In a 1995 SEV survey on the views of the Greek industrialists on enlargement, the single currency, the Economic and Monetary Union and Greece's future in it, the overwhelming majority of its members responded enthusiastically to the prospect of

¹¹ Interview, Research and Analysis Unit of SEV (December, 2001)

¹² The Greek Small and Medium Enterprises (SMEs) also expressed the same support to enlargement in a pan-European survey conducted for the Commission (DG X and XXIII) entitled "The Enlargement of the European Union viewed by the SMEs". Despite some inevitable degree of bias from political considerations in the response of the Greek participants (mainly with regard to the Cypriot candidacy), the justification on economic grounds of the given answers suggests that there existed also among SMEs expectations of economic benefits from enlargement (*Express*, 12.12.98).

enlargement.¹³ At a later survey, in 1999, the majority of SEV's members (56%) responded affirmatively to the question whether enlargement would affect the shape of their economic activities.¹⁴ However, what is particularly revealing about the capacity of Greek industries to respond to the business challenges of enlargement was the very low level of preparedness (only 30%) among the Greek enterprises that expressed their willingness to take advantage of the new environment. The large majority (70%) had not yet started preparing despite claiming that enlargement constituted a major economic challenge for them (SEV, 1999). Therefore, one can discern at a rhetoric level at least a full-hearted support to the enlargement of the EU and a realisation of the challenges it raised for the Greek industry. At the same time, there was still in 1999 a lack of urge to reap the deriving benefits.

On more specific issues, as regards the Cypriot candidacy, the Greek industry fully supported the accession of Cyprus in the EU (Kanellopoulos, 1998). Such a support was justified not only on political but also on economic grounds. The Cypriot entrepreneurs have established a very elaborate business network in the Middle East and the East Mediterranean. Thus, Cyprus has emerged as a regional economic hub. Hence, membership of Cyprus in the EU was expected to open up the gates of this difficult and demanding regional market to EU business and complement in that respect the pioneering economic activities of the Greek business in the Balkans and the Black Sea. Due to the strong cultural and entrepreneurial links with the Cypriot economy, the Greek industry expected to get the lion share from the emerging opportunities (Stratos, 1998b; 1996).

The Greek industry appeared also particularly concerned about the evolution of the EU relations with the countries that had not yet acquired the candidate status, mainly Turkey and the countries in South Eastern Europe. Hence, the need for a distinct EU policy for the non-candidate countries in the periphery of the EU was persistently advocated in the international *fora*. This policy should be independent and unrelated to the progress of the enlargement process and should aim to the gradual economic and political linkage of these

¹³ According to the survey, apart from governance stability, the main benefit deriving from enlargement was the complete opening up of the candidates' markets to include sectors still under some kind of protection under the Association Agreements. Furthermore, the gradual strengthening of demand and consumption in these countries as a result of EU funds and assistance was considered beneficial in the long run for the European economy. All these parameters provided convincing reasons to the Greek enterprises to further expand their economic activities in the countries that appeared to have a better chance for rapid membership. Thus, the prospect of early membership in the EU was an important factor for the Greek industries in their decisions. The first step in the exhibited business strategy was the establishment of a stronghold in the Balkans, which was planned to be used as a springboard for the expansion of the activities in other regions (SEV Bulletin, 1996, vol. 567: p. 12). Besides geographic proximity, the Greek entrepreneurs have enjoyed additional advantages against their European competitors deriving from cultural affiliations and familiarity with the local business environment (Stratos, 1997). It is worth reminding that the Balkans and in general the Countries around the Black Sea constituted for centuries the main areas of Greek economic activity. Despite a long period of relative inactivity during the Cold War years, links and networks survived and have been rejuvenated in the 1990s. Hence, Greek entrepreneurs were considered to have very good chances to penetrate these markets on behalf of the broader European economy and act in that respect as one of the spearheads of the European economic expansion eastwards (CEC, 1993a).

¹⁴ This change would take the form of export growth, joint ventures with local enterprises, founding of new production units, and increase in import volumes. Unsurprisingly, due to geographical and cultural links, Bulgaria (54%), Romania (48%) and Cyprus (50%) attracted most of the interest for new economic activities followed by Hungary (42%), Czech Republic (33%), Poland (33%), Slovenia (25%), Slovakia (23%), Lithuania (23%), Estonia (19%) and Latvia (19%).

countries to the EU. SEV's views on this issue were fully adopted by UNICE (*SEV Bulletin*, vol. 586: p.2).

It took rather longer to the organised agricultural representational groups to express an articulated position on the topic. There were three reasons at least for this delay. First, throughout the first five years following 1992 CAP reforms, emphasis was laid almost exclusively on the evaluation and impact analysis of the reforms.¹⁵ The intended decoupling of production and support and the proposed shift towards direct income support to farmers, which represented the backbone of the 1992 reforms, indicated a shift in the whole CAP mentality and provided clear signals of the Commission's intended path of action to modernise European agriculture. Production quotas, which had originated in the 1980s as an instrument to control milk production, were expanded to other sectors and guaranteed prices were cut down. In 1996, the Greek cotton production went well beyond the allocated quotas with the subsequent financial penalties, triggering social unrest among the producers and leading to blockades in the national highways and other militant ways of protest.¹⁶ For around two years (1996-98), a constant crisis situation monopolised the resources of the Ministry, with negative spillovers to other sectors of the agricultural economy. Under these conditions, it was difficult for any part involved to deal with other issues. A special Parliamentary Committee with members from all parties represented in the Greek Parliament was set up to examine the situation and propose ways out of the deadlock (Parliamentary Report on Agriculture, 1998).

Furthermore, the absence of exact estimates of the enlargement impact on Greek agriculture severely obstructed any policy planning. The exact conditions of enlargement were vague and did not allow for substantial scientific analyses.¹⁷ After the publication of the *Agenda 2000* document, estimates about the cost of the new reforms were circulated within the Ministry of Agriculture with a huge -and sometimes embarrassing- range of conclusions because of the different assumptions and methodologies followed.¹⁸ These estimates were epitomised in the document prepared by the working group responsible for the preparation of the national Council of Agricultural Policy meeting in April 1998 (CAP Working Group,

¹⁵ Interview with PASEGES official (June 2003).

¹⁶ Cotton producers have been among the best protected sections of the farming population in Greece, representing at that time 6% of the total farming population, but receiving 45% of the total CAP funds allocations to Greece. Cotton in general was one of the most heavily supported products under the CAP regime and the Greek cotton producers enjoyed around 85% of the overall CAP allocations to cotton producers in the EU (Interview, Directorate of Council of Agricultural Policy, May, 2003). It comes without saying that their bargaining power was very high -the Ministry of Agriculture was often characterised as 'Ministry of Cotton' (ibid.).

¹⁷ *Agenda 2000* was the first official document by the Commission attempting a rough estimation of enlargement costs based on assumptions that were soon obsolete. The data used for the analyses were provided by the candidate countries and besides any doubts about the efficiency of the domestic statistical services, one should take into consideration the intended bias in the inflation of the production data in order to acquire more concessions by the EU in the future accession negotiations. Hence, the quantitative analysis of this document was met both in the Greek Ministry of Agriculture and in the representative collective bodies (PASEGES) with a great deal of scepticism (Interviews, May/June 2003). For academic analyses and estimates, see Damianos and Hassapoyannes, 1997.

¹⁸ Interview, Directorate of Agricultural Policy, Ministry of Agriculture (June, 2003)

1998).¹⁹ The general feeling was dissatisfaction with the unidirectional planning of the organisation of agricultural markets, which privileged northern products at the expense of the Mediterranean ones. The initial success in redressing this drawback during the Council of Ministers of Agriculture in November 1997, which set the framework for the CAP reform, was upturned by the following Commission proposals, which gave flesh and bones to the vague *Agenda 2000* document. These proposals were discussed in the extraordinary meeting of the Council of Ministers of Agriculture on 31 March 1998. The proposals were far away from the spirit of the Council's directions and quite harmful for the Greek farming interests, a view shared both by the agriculture representative groups and the officials in the Ministry (Tzoumakas, 1998).²⁰ However, no balanced account would hold without a parallel assessment of funds allocated to agricultural restructuring, which emerged as a core pillar of the whole CAP reform process. Despite the overall positive account of the 1999 European Council Berlin decision, the technical details of the agreement were considered rather unfavourable for Greek agriculture (Kourniakos, 2001).^{21 22}

Last but not least, enlargement as such did not represent a *direct* challenge to the Greek agriculture. To the contrary, enlargement signalled a revamped opportunity for a come back to traditional markets of Greek agricultural products, which were thriving in the 1960s through bilateral 'clearing agreements' but had ceased to attract interest following the pre-accession redirection of the Greek agricultural production in the 1970s.²³ The agricultural production base of Greece was very different from that of the countries included in the first wave of enlargement and no competitive pressures were expected from that side. The problems would arise once the candidacies of Bulgaria, Romania and potentially Turkey were to be seriously examined, since there are many more similarities in the production base with these countries.²⁴ The case of Cyprus, which was included in the '5+1 Luxembourg formula', was different, but the production volumes and political preoccupations did not leave

¹⁹ This working group comprises leading academics, agricultural interest groups and officials from the Ministry of Agriculture. PASEGES and GESASE submitted separate documents to the working group both pointing however to the same direction.

²⁰ Stefanos Tzoumakas was at the time the Greek Minister of Agriculture.

²¹ Stelios Kourniakos was at the time Chairman of GESASE. This view was also shared by PASEGES, the representative of which, however, concluded that in comparison to the worst case scenario that was used for working hypotheses in their analyses, the final outcome was not that tragic after all (interview, June 2003).

²² In the European Council of Brussels (October, 2002) the financial and budgetary aspects of enlargement were yet another time discussed in view of the latest developments and the forthcoming Copenhagen European Council, which was going to take the historical decision for the accession of the ten new countries in the EU. This discussion was combined with the interim review of CAP, a particularly sensitive agenda, which has been endowed to the Greek Presidency, under the light of the January Commission's proposals for further reforms. Greece submitted a Memorandum on the issue in the Council of Ministers of Agriculture in May 2002. The discussion of these developments goes well beyond the intention of this paper. However, on the views of PASEGES on the issue, the official position of Government and early cost-benefit analyses of the most recent proposals, one can look at *Agricultural Cooperativism* (2002a; 2002b;), Drys -minister of Agriculture- (2002), Latifis, 2003 as well as the special Conference organised by PASEGES on the Interim Reforms (in *Agricultural Cooperativism*, vol. 8, March 2003).

²³ Unfortunately, the exclusive preoccupation with cotton and the general crisis during this critical period meant that not enough attention was paid to the emerging opportunities in the new markets. As a result of that, other producer countries of Mediterranean products (i.e. Spain) took advantage of the situation and currently enjoy a much better positioning in the markets of CEECs (interview, Directorate of Council of Agricultural Policy, Ministry of Agriculture, May, 2003).

²⁴ Interview, Directorate of Agricultural Policy, Ministry of Agriculture (June, 2003)

space for any substantial critical assessment. Despite the fact that cost estimates for Greek agriculture kept being a moving target, this positive viewing of enlargement in terms of opportunities offered and not only as cost generator prevailed in the general debate. The main line of thinking of PASEGES has been that any costs incurred by enlargement can be traded off by an improvement of the balance of trade with the candidate countries. Hence, enlargement has provided a unique opportunity to increase the extrovertedness and the market orientation of the Greek agriculture and in that way contribute substantially to its modernisation and survival in the new environment (Karamihas, 2002).²⁵

Summing up, the Greek industry seems to have adopted a broader and more round approach to enlargement. The delay of the Greek agriculture has been largely due to the opaqueness of the conditions surrounding enlargement and a relative mobilisation can be noted only after *Agenda 2000* when the terms of the debate became more concrete. For agriculture, any pressure from enlargement was indirect rather than direct via the necessary (and painful) CAP reforms. The own perceptions of both sectors of the economy converge to the opportunities offered by enlargement. Thus, besides political reasons to support enlargement, both the Greek industry and agriculture could discern a window of economic opportunities in the candidate countries. Therefore, in the case of enlargement, the 'win-set' of both groups has been in congruence with the broader government policy, securing a large degree of domestic homogeneity as regards the principal policy direction. Whereas for industry, the accession of the Balkan countries would entail maximisation of the perceived benefits, for agriculture such a development would suggest increased competition and potential problems. Therefore, one would expect industry to call for more rapid integration of the Balkan associated members (and Turkey) and agriculture to be much more sceptical about such a perspective.

IV. Input of Greek Industry and Agriculture in the Enlargement Policy-Making

On all issues in the EU policy-making system, the degree of domestic policy coordination is of crucial importance for the articulation of coherent national positions and a comprehensive negotiating strategy.²⁶ The more complicated and multi-dimensional the issue at stake –like enlargement for example– the more critical the role of the institutional coordinator is. The importance of this parameter is further accentuated by the fact that in the Community level of negotiations sometimes the presentation, coherence and credibility of a negotiating position have equal if not more value than the substance and the content of a position and a policy (Ioakimidis, 1993). Due to the rather anarchical and fragmented

²⁵ Tzanetos Karamihas is the current Chairman of the PASEGES Board.

²⁶ The complicated system of policy-making at the EU level from the stage of the agenda setting to implementation involves a great number of actors not only as regards the European institutional bodies but also the national public administration. The functional fusion between the layers of Community and national administration has led to the blurring of the strict hierarchical characteristics not only in the interaction between the Community and the national level but also among the different domestic bureaucratic layers. As a result the member-state participates in a 'multi-bureaucratic process', which is characterised by a continuous, intensive and multi-level 'inter-bureaucratic intermingling' more as separate administrative units and less as a unitary actor (Pag, 1987). The deriving result is the creation of tensions and competitions within the national administration both at the governmental level among ministries on issues where authority is shared or is unclear and at the intra-ministerial level, among the different administrative layers.

domestic decision-making system, Greece has adopted a centralized system of co-ordination on EU affairs, which developed its own characteristics in an *ad hoc* and atypical way (Tsitouridis, 1986; Makrydimitris and Passas, 1994). In this system, the pivotal role has been attributed to the Ministry of Foreign Affairs. The two basic characteristics of the system have been the absence of institutionalized mechanisms at political and bureaucratic levels for long-term policy planning (Stoforopoulos and Macrydimitris, 1997) and the overwhelming prevalence of political leadership and personalities (Ioakimidis, 1999), which have both led to spasmodic and uncoordinated actions. The centrality of the MFA in the system predisposes for a certain bureaucratic bias against priorities and inputs from other ministries and institutional bodies.

In this decision-making system, the role of interest groups in general is constrained by the suffocating involvement of the public authority and the resulting atrophy of civil society (Lavdas, 2001; Mavrogordatos, 2001; Kioukias, 1995), although there is evidence that civil society is becoming more active lately (Mouzelis and Pagoulatos, 2002). The pattern of public policy debate in Greece and the system of interest mediation have strongly affected the terms of involvement for organised groups in the policy-making process. Such an involvement has been considerably distorted by the various regime discontinuities, which are ranging from pluralist bargaining to statist/authoritarian corporatism, and the absence of policy knowledge communities (Lavdas, 1997). The omnipresent state and the strong dependence of the economic and social forces from the public authorities in numerous ways has led to the 'politicization' of the economy for a long period and to the inability of the organised interest groups to articulate coherent policy alternatives different from the statist orthodoxy (Analytis, 2000). In other words, '...what is lacking in Greece is the political culture of participation and involvement of interest groups in policy-making procedures'.²⁷ Sporadic meetings –if any at all– do not yield significant contributions and inputs due to the lack of preparations from both sides. The representatives of the interest groups arrive in these meetings ill prepared and without clear positions on the specific issues in the agenda.²⁸

Hence, the Greek model of co-ordination and decision-making on EU affairs accredits political leadership with a very important role in the absence of a systemic institutional policy-making framework involving all political, social and economic forces. Until recently the relationship in Greece between state structures and the economic and social forces was characterised by control and domination minimising autonomous action by interest groups. Therefore, there has been a continuous lack of political consultation, which in turn has led to a political culture of minor involvement of organised groups in the policy-making process.

Bearing this institutional framework in mind, we will pay a closer look at the involvement of industrial and agricultural interest groups in the national policy-making process on enlargement. Two points need to be stressed early on. First, the considerable convergence of political/security and economic priorities, which guaranteed the parallel courses of governmental and interest groups' actions. Second, the generally accepted and unopposed prevalence of political objectives (i.e. Cyprus membership) over economic ones and the acknowledged need for spare use of the limited national political capital in the

²⁷ Interview, Directorate for European Affairs, Ministry of Foreign Affairs (February, 2001)

²⁸ Ibid. The interviewee has himself convened such meetings prior to significant European events like the 1996 and 2000 IGCs and has expressed his disappointment from the lack of inputs from the participants.

negotiations.²⁹ That practically meant that the coordinating role of MFA was practically undisputed and that escalation of controversies was avoided at any cost.

To start with the Greek industrial sector, policy-making on enlargement was interwoven with the broader national foreign economic policy or better the lack of it. It is commonplace arguing that Greece does not dispose any coherent and comprehensive foreign economic policy. Most of the time the country has performed in a rather random and haphazard way giving emphasis on traditional economic links and failing to adjust to the new economic environment (SEVE, 2001; PSE, 2001). As a result the external economic relations are characterised by rigidities and parochial mentalities, despite attempts by individual entrepreneurs and collective bodies to opposite directions. In spite of the ambitious rhetoric, the Export Council did not provide the required impetus. (Nicolinakos, 2001). The lack of a strategic export policy with concrete Action Plans for different geographical regions has hindered the rational growth and dispersion of exports according to comparative advantages. This held true for all new or emerging markets in the Balkans, Eastern Europe, former CIS and Eastern Mediterranean, for which a passive export policy was followed and a concentration of exports on relatively few trade sectors was the norm rather than the exception (Efstratoglou, 1998). According to SEV this problematic macro-consideration of trade relations and economic activities abroad constitutes another form of the domestic economic structural weaknesses, which hinder the private sector from taking full advantage of its dynamism and undermine the public-private sector partnership. More generally, it reflects the minimal attention paid up to recently to economic diplomacy and the economic means of foreign policy (Tsardanidis, 2001).³⁰

In that respect and given the state idleness up to recently, the credit for the economic penetration of the Greek businesses in the new markets should go exclusively to the private sector. Despite the rhetorical commitment by state authorities to support the Greek industry and export activities more generally, this support was not materialized in any way in the early stages, which are after all the most critical for market penetration (Stratos, 1996). Whereas the core actor in any business expansion remains the entrepreneur, who takes the investment risk after all, the supportive role of the polity and the state is very important. This role entails providing the necessary information for the business environment, offering investment incentives and paving the way through bilateral or multilateral international agreements for the active involvement of the private sector. However, in the Greek case, the state support framework was characterized by organizational and functional weaknesses, which have undermined attempts for a realistic and efficient export policy. A critical deficiency of the state support system was the fragmentation of authorities with the parallel and uncoordinated

²⁹ All interviewees were quite adamant on that no sectoral interest could prevail over the 'national objective' of Cyprus accession (interviews SEV and PASEGES, Ministries of Agriculture and National Economy, various dates).

³⁰ The announcement of a Greek initiative for the economic reconstruction of the Balkans was seen as the first organised attempt to make use of the means of economic diplomacy. However, the articulation process of what emerged as the National Plan for the Economic Reconstruction of the Balkans took longer than expected and the final outcome has generated critical comments and cast doubts about its effectiveness (Interview, SEV Research and Analysis Unit, May 2003). It has to be acknowledged that in the context of the Community Support Frameworks, the respective ministries had tried to promote the extrovertedness of the Greek economy. The Ministry of Industry and Development, for example, included a sub-action in its programme of action, which was endowed with a budget of approximately 7 bns Drs (Tsoukas, 2001).

involvement of several Ministries (National Economy, Development, Foreign Affairs).³¹ This multi-centered involvement has led inevitably to intra-bureaucratic struggles for supremacy, which have in turn resulted in duplication of efforts and inefficiency in the planning and implementation of any policy measures (Stratos, 1998a).

As a result of the above-mentioned lack of institutionalised role for interest groups, the Greek industry has had few chances to intervene directly to the enlargement policy-making process. The multi-dimensional nature of the enlargement venture with the important national issues at stake made this task more difficult. The main channel of action was the Ministry of National Economy, in particular the Directorate of International Economic Relations. This Directorate was staffed with approximately sixty employees and was responsible for the monitoring and supervision of the relations with economic and trade partners. To accomplish that task, information was gathered and provided by special employees embedded in the Greek embassies abroad in Offices of Economic and Trade Affairs. An overview of the activities of the Directorate points to a rather limited range of action. According to the Industry, the Directorate did not contribute to the shaping of any foreign economic policy and was qualitatively understaffed to meet the challenges of enlargement. Hence, it focused primarily on managerial tasks and developed its own bureaucratic rigidities (SEVE, 2001).³²

The Directorate was the contact point for the Industry and was responsible for the transfer of views and requests to the MFA. Direct communication between the Industry and the MFA was possible in the special interministerial coordination meetings, which were held prior to meetings with candidate countries in the framework of bilateral relations and trading missions abroad. In these meetings, representatives of the Industry were invited and the general feeling was that they constituted a positive experience.³³ However, not all these preparatory meetings were successful and the special trade missions were sometimes lacking expertise and organisation. As a result, they sometimes ended up consuming material and human resources without significant results. In some cases, the Greek industry was also partly to blame due to poor preparation and inappropriate selection of participants in the missions abroad.³⁴ In addition to these meetings and trade missions, the record of enlargement related activities for the Greek industry included the monitoring of EU policies, in particular the Association Agreements with the candidate countries. However, what should be stressed here is the *ex post* nature of the impact analysis of these Agreements on the Greek industry. As a result, the contribution of the Greek industry in the actual policy-shaping face

³¹ Interview, SEV Research and Analysis Unit (May 2003)

³² The decision in 2001 to transfer the whole Directorate as a separate General Secretariat in the MFA was accompanied neither by a managerial and organisational restructuring nor by a new action programme (Nicolinakos, 2001). The obvious reason for the transfer was the ending of the long lasting competition between the Ministries of Foreign Affairs and National Economy on the issue of foreign economic relations and the exploitation of synergies in the actions of diplomats and special economic employees of the Directorate. However, due to various organisational issues, the Secretariat became operational only in the second half of 2002 and an assessment of its record at this stage is premature.

³³ Interview, SEV Research and Analysis Unit (May, 2003)

³⁴ Interviews (SEV Research and Analysis Unit - May 2003; Ministry of Foreign Affairs - February 2001; Directorate of International Economic Relations, Ministry of National Economy - March 2001).

of these Agreements was very limited.³⁵ Thereafter, it comes as no surprise that the intervention of SEV and other sectoral industrial representative groups in the enlargement policy-making was primarily reactive rather than proactive.³⁶ An illustrating example of this kind of late intervention is the reaction of the Greek steel industry to the signing of the EU Customs Union with Turkey. The basic complaint was that the Commission's model during the negotiations resembled the Agreements with the CEECs, whereas the Turkish steel industry was far more modern and technologically updated. The reaction of the Greek industry, however, came only after the signing of the agreement (*Naftemporikh*, 15.06.95).

As regards participation of agricultural representatives in the national enlargement policy-making, one has to make the distinction between the planning and implementation/negotiation stage. In both stages there seems to have been a deficit of participation. However, reasons are different. As far as the policy planning stage is concerned - besides difficulties by the absence of reliable data and analyses and the degradation status of agricultural interest groups³⁷ - the institutional set up itself was not conducive to a significant input. The Council of Agricultural Policy, which in the legalist tradition of policy-making was institutionalised as the supreme body of agricultural policy formation³⁸, remained in essence inactive for a long time after its founding in 1993. It was reactivated only after the first escalation of farmers' unrest in 1996 to provide a platform of communication and a cloak of consultation and discussion for major agricultural issues. However, large membership (up to 400 members) including cooperatives representatives, professionals, academics and policy-makers led to confusion and inefficiency.³⁹ In this environment, any contributions, like for example the one by PASEGES in the 4th Meeting of the Council on *Agenda 2000* and

³⁵ What has to be clarified is that the Association Agreements as well as the Accession negotiations were conducted exclusively by the Commission based on mandates by the Council. Therefore, one has to grant the rather limited scope of intervention for industry representatives. There were more opportunities via channels of representation in Brussels (i.e. UNICE), which were however more focused on aspects of broad sectoral interest rather than of narrow national one (interview, SEV, April, 2003).

³⁶ Interview, Head of the Directorate of International Economic Relations, Ministry of National Economy (April, 2001)

³⁷ On the cooperativist movement in Greece, its organisational features, its maximal politicisation, and the inevitable decline in both terms of participation and wider appeal, which is highly relevant to political developments in the last two decades, see among others Patronis and Papadopoulos, 2002; Louloudis and Maraveyas, 1997; Papadopoulos and Patronis, 1997; Collins and Louloudis, 1995; Louloudis, 1995 as well as the relevant contributions in the two collective volumes by the Institute of Agricultural Research (ISEM), 2002;1998.

³⁸ "The institutional structures of the organisations that together shape national farm policy provide for formal decision-making procedures" (Collins and Louloudis, 1995: p.98). "The policy-process is characterised by legalism: strict legal procedures for administrative action and the preparation of laws as the policy 'tool' *par excellence* for the solution of social problems" (Christofilopoulou, 1992: p.100). See also Iliopoulos, 2000.

³⁹ The objective of the Council was to draw the basic directions of agricultural policy and address the major challenges for agriculture. In the first three years six meetings took place, the first ones lasting for two and three days. This showed the initial great interest on this initiative, but also revealed the great diffusion of views. No matter the agreed agendas, the same sectoral topics reappeared on a regular basis undermining the intended role of the Council. In the 6th Meeting, for example, cotton monopolised interest yet another time despite the fact that the topic for discussion was sustainable development of the countryside (Minutes of Council of Agricultural Policy, Secretariat of C.A.P., Ministry of Agriculture). The work of the Council was also severely hampered by the political leadership of the Ministry. In the second Meeting, the Minister announced the passing of the Law that was supposed to be discussed in the Council by the Parliament that same morning prior to any discussion held. The interest in this new institution soon deflated, as a result of which participation is much more limited nowadays, the Council meets once a year and the works last for one day.

enlargement, passed rather unnoticed. Therefore, the establishment of an institution responsible for long-term policy planning did not generate the conditions for a fertile dialogue and far from cured the particular autism of the administration.⁴⁰ More successful were *ad hoc*, informal meetings at various levels that took place during the early stage of the enlargement discussion.⁴¹ The ministerial decision in 2001 for the setting of a National Commission on Agricultural Policy (Eth.E.A.P)⁴² constitutes another attempt to institutionalise dialogue with social partners, which will have to be tested in practice.

In the negotiations stage, both during the negotiation of the Association Agreements and the Accession negotiations, the Commission had the overall control at the EU level and the Greek MFA had the responsibility for domestic coordination and representation at the committees established to tackle the different problems. The responsible Directorate in the MFA was asking for the contribution of the Ministry of Agriculture on technical or other issues when it was deemed appropriate. The interministerial cooperation worked overall rather satisfactorily, although it presented several deficiencies.⁴³ However, the inevitable breakdowns in this direct communication were also due to the inability of the EU task forces to transmit well in advance documents and inform on time about special requests.⁴⁴ Therefore, a direct channel of communication via the permanent Representation in Brussels was also established for these special urgent occasions. The Directorate of Agricultural Policy in the Ministry of Agriculture was responsible for monitoring developments in the negotiations and addressing the issues raised. In that task, there have been contacts with agricultural producers, exporters and trade envoys embedded in the Greek embassies in the candidate countries in order to build a complete picture of the situation and of the special needs of Greek producers. Direct informal bilateral contacts with candidate countries on specific issues did take place and to the surprise of the agricultural representatives they had some kind of success. As a result, these informal channels were largely preferred by sectoral representative groups as opposed to the overarching bodies, which were mostly active via the official path despite the acknowledgement of limited chances of success.⁴⁵

V. Conclusions

This paper has presented the views and input of the Greek industry and agriculture on the national policy-making on enlargement. This is an area ignored by the Greek literature on enlargement, which focuses more on security and foreign policy considerations. The economic benefits for the Greek economy and industries have contributed to the ardent support exhibited by the industry to the process of EU enlargement at least at macro-level. These benefits can be summarised in further opened and integrated markets, which can lead

⁴⁰ Interview, C.A.P. Secretariat, Ministry of Agriculture (June, 2003).

⁴¹ Interview, GESASE official (May, 2003).

⁴² Ministerial Decision, 387605 - 20.07.2001. This Commission has a much more restricted membership and includes also representatives of industrial sectors directly concerned with developments in agriculture.

⁴³ Members of the informal group responsible to address these requests said that the lack of personal contact hindered their attempts to provide a round picture. Inevitably, in a fax response, they were very simplistic and admittedly sometimes failed to highlight the complexity of the issue at stake (interview, Directorate of Agricultural Policy, Ministry of Agriculture, June 2003).

⁴⁴ Interview, Directorate of Agricultural Policy, Ministry of Agriculture (June, 2003)

⁴⁵ Interviews with PASEGES/GESASE officials, (May, June 2003).

to increased export volumes for the Greek industry, and better conditions for the internationalisation of production, which could help facing off competitive pressures. In that respect, enlargement provided to the Greek industry the opportunities to tackle problems of economic performance. As regards agriculture, it is difficult to separate enlargement from the cosmogony related to the CAP reform under the WTO pressures. Whereas directly enlargement -at least up to the 10 new members- did not constitute a major threat for Greek agriculture due to dissimilar production functions and hence lack of direct competition, indirectly it pushed forward much more vigorously CAP reform.

In general, the scope of intervention by the representative associations of industry and agriculture has been rather limited. This fact can be attributed to some extent to the generally low level of involvement of organised interest groups in policy-making in Greece, the mode of policy coordination, and last but not least the primacy of security considerations in the policy-making process. Given these factors, involvement tended to be reactive and not ultimately successful. The main channels of intervention have been the traditional links of the interest groups with the respective Directorates of the relevant Ministries.

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Proposed paper: Broadcasting Regulation in Greece: from Scylla to Charybdis?

Abstract:

The paper studies the deregulation of broadcasting services in Greece during the late-1980s as well as the numerous attempts to re-regulate the operation of broadcasting from the early-1990s up to the present. It argues that successive Greek governments have failed to successfully regulate the operation of broadcasting. Although, a detailed legal framework exists, its implementation is problematic. As a result, an anarchic state of affairs dominates broadcasting services. The paper suggests that this chaotic situation is ascribed to the power dynamics between politics and media interests and the inability of any government to contradict with powerful media interests. Moreover, the broadcasting chaos serves the interests of the government of the day, since it puts it in an advantageous situation to negotiate with the media.

The paper employs Policy Network Analysis (PNA) as the main theoretical and methodological tool for conducting the research. PNA has dominated the academic literature on public policy-making in Britain and Northern Europe (i.e. Scandinavian countries and Germany) and has been proved a particularly useful framework for studying public policy. However, the framework has not been employed to study policy-making processes in Greece. This paper seeks to assess the utility of PNA in analysing policy-making processes in the Greek political system. It argues that PNA offers a valuable analytical framework for identifying the key policy actors and analysing the power relations and resource interdependencies between the main actors within a policy area. These power relations determine the policy-making process and affect policy outcomes.

The paper draws on the wide body of academic literature on PNA as well as on the academic literature on media policy and media regulation. Its empirical findings are based on a detailed empirical analysis (including secondary literature as well as various primary sources such as official documents, the legislation, unpublished documents and interviews with key policy actors) on the development of broadcasting policy in Greece.

Contribution of the paper:

The paper makes a theoretical and an empirical contribution to the existing literature. Its theoretical contribution lies in the application of PNA in the Greek political system. It assesses the utility of PNA and makes the necessary adjustments in order for the model to offer a useful analysis of policy-making processes in the Greek public policy arena. Moreover, the paper makes an additional theoretical contribution to the academic literature; it integrates public policy analysis with media studies. Although, both literatures deal with power relations and the nature of the policy process, they rarely reflect on each other's research. This paper seeks to bridge this gap by using public policy analysis to study media policy. The empirical contribution of the paper lies on the detailed analysis of the regulatory policies regarding broadcasting in Greece over the last two decades. The analysis of the complex relations and interdependencies between politics and the media raises a series of important issues regarding the role of the media in safeguarding democratic and transparent governance as well as the quality of democracy.

Reflections on where the theory of neo-corporatism in Greece has stopped and where the praxis (or the absence?) of neo-corporatism may be going ^{*}.

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^{*} This paper is a part of my PhD research undertaken at the European University of Florence under the provisional title: “The Politics of Pension Reform in Greece in Comparative Perspective (Italy and France)”. It is not a lack of inspiration that led to the rewording of the title of Ph. Schmitter’s famous article, but rather its impressive accuracy in describing the content of the paper.

Introduction

The idea for writing this paper arises from recent literature on the resurgence of concertation in Europe in the 1990s as it is related to the literature on 'corporatism'. The 1990s witnessed a series of social pacts in countries that are not traditionally characterised as 'corporatist'. However, similar processes have not emerged in Greece. Apart from the questions raised on the usefulness of the term in describing these political phenomena, additional issues arise concerning the policy-making capacities of the state and the social actors in non-corporatist countries.

The questions to be answered in the paper are the following:

- How has the notion of corporatism been used in the literature on state-interest group relations in Greece and what is its usefulness today?
- How can we explain the attempts to introduce social dialogue practices in Greece in the 1990s on the basis of the corporatist literature?

In the first part we present the debate on the exact nature of state-interest group relations in Greece and how this is linked to the corporatist literature as it has been applied in the case of other western-European countries. Although hardly present in international studies on the theory and practice of corporatism, for Greek scholars, Greece can still fit in the discourse on corporatism once, however, variables that have received little attention in the international literature have been brought in.

Criticisms to the existing analyses of Greek corporatism can be summarised in the following points:

- a. We suggest that the existing literature is rather static and provides few indications of the factors that may affect the evolutions in the system of interest group representation and what form these are expected to take.
- b. In the Greek literature in most cases the term 'corporatism' refers to the *structure* of interest organisations rather than the *interaction* that develops among them. However, once the need for formal interaction arises, the need for new terms to describe these processes becomes obvious.

In the following part we refer to the notion of political exchange. We claim that in order to explain the limited success of concertation in Greece in the 1990s one has to look at the following long-term interconnecting sets of variables (Siaroff, 1999, 177-179)¹: First, we refer to the impact of favourable contexts. Then we refer to the functional roles assigned to the trade unions and the resulting behavioural patterns, the focus being on the logic of political exchange. It is claimed that historical contingencies and a state-centric political tradition apart from shaping the form of interest group intermediation, they also played an important role in shaping domestic policy-making patterns.

¹ Siaroff also refers to structural features of corporatism such as the presence of few highly institutionalised peak organisations, centralised wage bargaining and a state involved at least moderately in the economy (p.178). From this point of view Greece is not highly diverging.

This tradition was not interrupted after the transition to democracy, the emphasis, however, being on party-state control. For the greatest part of the 1980s the debate on the organisation of labour was clearly political. This, in turn, prevented the unions from overcoming internal fragmentation and claiming an active role in policy-making. During this period the unions maintained a minimum functional role in policy-making and implementation and - as a result of their low integration in economic management - those behavioural patterns essential to corporatism: that is, patterns of political exchange which help actors be “ better informed about each other’s intentions, respectful of each other’s capabilities, and willing to trust each other’s commitments” (Schmitter 1983 as quoted in Visser and Hemerijk (1997), p. 68) did not emerge.

Social dialogue in the 1990s met with some adverse conditions: the low degree of integration of the social partners in economic management (i.e. lack of those networks that promote the logic of political exchange) paired with a long tradition of state-led control of the economy and the limited space allowed to actors that could act as policy brokers in situations of high conflict (i.e. technocracies)¹. This helps us explain why the attempts for macro-level social dialogue in the 1990s met with limited success, despite the fact that some of the contextual obstacles receded (withdrawal of the state from union affairs, relative de-ideologisation of politics, pro-labour governments).

1. Industrial relations in Greece: The theoretical debate.

At the basis of any comparative work lies a previous agreement on the definition of the analytical tools that make comparison possible. When it comes to studying interest groups this agreement (at least in Western Europe) most of the times is expressed by resorting to the tools offered by the corporatist literature. By focusing on the ‘tree’ of political idiosyncrasies rather than its place in the ‘forest’ of international literature on the topic, scholarship on interest representation in Greece occupies a marginal position in the academic debates on corporatism which have been revived in the last years owing to the resurgence of social pacts in Europe.

In this part we review those few attempts to discuss the issue of interest group representation in Greece in relation to the corporatist literature. This review is necessary for two reasons: First, it will help us isolate some historically determined features of the Greek system of interest representation that are expected to influence pension politics and second, it will provide the background for the analysis that follows. We claim that by placing emphasis on the system-wide characteristics of the system of interest intermediation and by privileging a predominantly historical-sociological approach, analyses of the system of interest intermediation in Greece have failed to establish links between the historically formulated institutional features of the system and issues such as patterns of interaction and policy making.

¹ Consultative tripartite bodies designed to assist in the drawing up of policy decisions as well as the implementation phase foster interaction between the social partners and can help alleviate conflict. In Greece, such bodies have made limited contribution in terms of input in the policy-making process. This was the case, for example with the socialisation of public utilities in the 1980s as well as the establishment of several consultative committees. Attempts to create such bodies date back to the 1930s. In the post-authoritarian period similar attempts led to the creation of SKOP (Council for Social and Economic Policy) in the 1970s and ESAP (National Council for Development and Planning) which by the 1990s had disappeared. For an example of the role of technocracy in a specific policy area (pensions) see Featherstone, Kazamias and Papadimitriou (2001).

a. State corporatism without concertation.

Writing on the issue of corporatism appears to be a highly path-dependent activity. Apparently any piece of academic writing about the role of interest groups in shaping politics seems to follow an established pattern: the introduction to the topic includes the original definition of corporatism by Schmitter. This paper will be no exception. According to Schmitter, therefore, corporatism is:

“ ... a system of interest representation in which the constituent units are organised into a limited number of singular, compulsory, non-competitive, hierarchically ordered and functionally differentiated categories, recognised or licensed (if not created) by the state and granted a deliberate representational monopoly within their respective categories in exchange for observing certain controls on their selection of leaders and articulation of demands and supports” (Schmitter, 1979,p.13).

The corporatist literature developed to counterbalance pluralist approaches to interest group representation and was based on empirical observations of the actual form of interest group systems in Western Europe in the period following World War II. Contrary to the propositions brought forward by pluralist approaches, interests in these countries were not organised according to the principles of liberal-democratic theory (infinite number of associations, acting in competition to each other in a level play-field, created spontaneously and dissolved once the objective that led to their creation is fulfilled) but they rather formed an oligopoly regulated by the state, an actor that received limited attention in the pluralist paradigm. With corporatism the focus of attention, therefore extends from the interaction among interest groups to both the interaction *among groups* as well as the interaction between *groups and the state*.

According to the nature of the relationship established between the state and interest associations, Schmitter makes the distinction between ‘societal’ and ‘state’ corporatism. The differences between the two are summarised in the following table:

	<i>Societal corporatism</i>	<i>State corporatism</i>
How is the limited number of associations established?	By interassociational agreement	Established by political cartels
How does singular representation occur?	By competitive elimination	State imposed eradication
How does representation become compulsory?	De facto through social pressure, contractual dues check-off, provision of essential services and/ or acquisition of private licensing capacity	<i>De jure</i> through labour code or other officially decreed, exclusively conceded authority
How does the system become non-competitive?	A product of internal oligarchic tendencies or external treaty-like voluntary agreements among associations	Continuous interposition of state mediation, arbitration and repression
How is hierarchic order established?	Outcome of intrinsic processes of bureaucratic extension and/or consolidation	State-decreed centralisation and administrative dependence
How does the system become functionally differentiated?	Arrived at through voluntaristic agreements on respective ‘turfs’ and non-raiding conditions	State established framing of occupational categories
How is state recognition achieved?	A matter of political necessity imposed from below upon public officials	Granted from above by the state as a condition for association formation and continuous operation
How is representational monopoly established?	Independently conquered	Dependently conceded
What is the nature of controls on leadership selection and interest articulation?	Reciprocal consensus on procedure/goals	Asymmetric imposition by the organised monopolists of legitimate violence

Based on Ph.C. Schmitter, 1979, p. 20-21.

On the basis of these two ideal types, G. Mavrogordatos in one of the few studies that not only attempts to link the structure and organisation of the interest group polity to politics but also locates the structure of interest associations in Greece within a wider theoretical framework, defines Greece as a case of state corporatism by placing particular emphasis on the consequences of state intervention and political polarisation on the legitimacy and the autonomy of trade unions and professional associations (Mavrogordatos 1998).

As far as legitimacy is concerned, trade union activity for the greatest part of the history of the trade union movement in Greece was acceptable to the extent that it did not escape the control of the state. It is impressive to see, for example, how the initial thrust for the organisation of civil society after the first World War turned into a race for the curtailment of their activity (by passing laws regulating industrial relations) once the government-sponsored leadership of GSEE had lost the control of the confederation. In the years that followed many trade unions were dissolved due to fears of a 'communist threat'. The result was a fragmented and weak trade union movement that was deprived of its most dynamic elements. It is during this period, too, that the practice of appointing trade union leadership was introduced establishing in this way a tradition that was maintained by all democratic and autarchic regimes and only came to an end in the late 1980s. State control was also exercised by other means such as the creation of rubber-stamp unions in order to support government sponsored majorities in trade union elections and the quasi-institutionalisation of the falsification of electoral results and the financing of workers' organisations by the state (Katsanevas, 1994).

As far as trade union autonomy is concerned, whereas for the greatest part of the period preceding the 1967 coup d'état union autonomy was defined in relation to the state (this hardly changed during the dictatorship) the return to democracy introduced (or rather re-enforced) another variable that determined developments in the trade unions: their dependence on political parties. This can be better understood if we take into consideration the post-1974 political developments¹. The task of the re-organisation and the revitalisation of the trade union movement were essentially left to political parties, the only 'solid' political actors at the time. However, what was supposed to be an enterprise fostering the activation of civil society soon turned into a game where political conflict took precedence over the articulation of workers' interests (Zambarloukos 1996, p.111).

Central to Mavrogordatos' analysis of the developments in the trade union movement especially during the 1980s is the notion of populism -or rather a populist *gleichschaltung* as he calls it (1998, p.56). PASOK's attempt to free workers' organisations from the legacy of the past did not bring about their long-awaited democratisation but led to further distortions because party politics practically spilled over to the 'corporatist' arena. For the author, the clearest example of populism as employed in the case of trade unions is the imposition by law of a proportional system of representation which practically replicates parliamentary majorities and keeps trade union under party² (and at the same time state) control (1998, p.190). For Mavrogordatos any change of the rules of the game by trade union leadership -given its strong affiliation to the governing party- is unlikely and is paralleled to a review of the Constitution (1998, p.203).

¹ Contrary to what happened in the cases of Spain and Portugal, the passage to democracy in Greece did not involve a new social contract (Zambarloukos, 1996 pp. 102-106). Furthermore, in 1974 the trade union movement was too weak to make any significant contribution to the process of democratic consolidation that followed the fall of the colonels' regime.

² In Greece, contrary to what happens in other European countries (i.e. Italy and France), political parties are not represented by individual confederations but they are all represented within the same body.

What we have to underline at this point is that for Mavrogordatos state corporatism is compatible with the notion of populism. The author does not take a clear position with regard to the debate concerning the actual content of the term, that is, whether the term 'populism' refers to political rhetoric or denotes a principle for the organisation of society which leads us to accept both definitions¹.

As N. Mouzelis argues, if populism is viewed as a mode for the political organisation of society, then the Greek case appears to be quite different from other cases of 'state corporatism'. To describe the case of Greece, Mouzelis uses the notion of incorporation (populism is considered a mode of incorporation) to describe a process through which the state broadens political participation by imposing its tutelage on interest organisations. This concept is different from either state or societal corporatism in the sense that it refers to "... the *de facto* control exercised by the state over associations, which while on paper free from legal commitments to keep the 'social peace' are weak and therefore easily subjected to state manipulation and control" (1986, p.75). As both state and societal corporatism imply a *de jure* established interaction between the state and interest groups (arrangements are imposed in the first case and they are freely negotiated in the second), due the lack of such formalised interaction, Greece does not qualify it as a state corporatist country ².

The main difference between the two authors has to do with the issue of the compatibility of corporatism and populism. Contrary to Mavrogordatos, who interprets state corporatism as the institutional expression of populism intended as an organisational principle by placing emphasis to the structural characteristics included Schmitter's definition (limited number, singular compulsory etc. etc.), Mouzelis focuses on corporatism meant as a form of policy-making, namely a type of formalised exchange established between the state and interest groups. By referring to the lack of *de jure* arrangements between the social partners, he refers not so much to the mode of interest intermediation but rather to the lack of formalised (albeit state controlled as, for example, in the case of fascist Italy) interaction.

It would be wrong to view these two approaches as conflicting ³ for that would mean that no distinction is made between corporatism as a mode of organising interests and corporatism as a mode for public policy making and implementation, which Schmitter has called 'corporatism 2' or concertation (Schmitter, 1982, pp. 262-263). Although neither of the two authors clearly

¹ For the author, the essence of populism consists in the 'demonisation' of what goes against 'the will of the people' (regardless of the particular characteristics of its constituent parts) represented by the party in government and more precisely its leader. In the case of trade unions -as in the case of PASOK itself -those party members who choose to ignore the party line were automatically labelled as "... traitors of the President (and therefore of 'the people') and are expelled- the cosmic equivalent of excommunication when in comes to a populist movement headed by a charismatic leader" (1998, p.55). These are essentially comments on the rhetoric schemata of populism. His emphasis on the results of the electoral rules that have been imposed on the trade unions, on the other hand, clearly refers to the organisational aspects of populism. Even if Mavrogordatos' style risks being characterised as 'ideologically over-charged', this does not invalidate his conclusions about the features of the trade union movement in the particular period.

² Mouzelis refers to two modes of incorporation: clientelism and populism. He defines the difference among the two as follows: " clientelism...implies a certain autonomy of the local patron vis-à-vis the national party organisation and leadership-an autonomy based on his capacity to act as a relatively independent political entrepreneur or sub-contractor rather than as an interchangeable cog in the party organisation". For the author those incorporative practices did not necessarily lead to state corporatism but when these mechanisms broke down they were substituted by the imposition of dictatorship. Furthermore, it is implied that in terms of their emergence, clientelism preceded populism (1986, p.93 and p.76).

³ See for example D. Kioukias, (1994), p.77-79.

states so, each one starts from a different point of departure (Mavrogordatos uses the first definition, Mouzelis the second). Therefore, once this clarification is made, on the basis of these authors' conclusions we could say that Greece is a case of what has been called 'disjoined corporatism' (Lavdas 1997, p.17), that is state corporatism (as the institutional expression of efforts for political incorporation of the working classes chosen by the state at given points in time) without concertation (other types of interaction develop here: i.e. clientelist exchange, confrontation through strikes) which due to the factors outlined above (strong state presence, a trade union movement created following a top-down process, which later on was also deprived from dynamic elements) is full of problems regarding the system of conflict resolution. On the basis of the economic outcomes usually associated with corporatism¹ due to the lack of concerted action these are absent but still this does not disqualify Greece as a state-corporatist country on the basis of the structural organisational characteristics of the system².

Conflicting as they may appear at first sight, however, Mavrogordatos' and Mouzelis' approaches to the concept of corporatism and its applicability in Greece share two common points: First their emphasis is on the unfavourable context that impeded the development of corporatism in Greece and namely the (absolute) control of the state and the political parties over trade union issues³ achieved through populism (meant as a mode of organisation) which is also the reason that leads both authors to conclude that the elements of continuity in the way that state-interest group relationships worked in the past also prescribe the course of future developments.

b. From state corporatism to concertation.

As seen above the scholarly attempts to explain the particular nature of state-trade union relationships adopted a rather uni-dimensional approach to state-interest group relations by placing excessive emphasis on the organisational features of the latter. The weaknesses of the Greek trade union movement are attributed to factors such as the absence of a strong working class (a result of delayed industrialisation), and the oppressive presence of the state which was replaced by the overwhelming influence of political parties.

The first question regarding the approaches by Mavrogordatos and Mouzelis discussed above has to do with the issue of change, which has received limited attention in both studies. For some initial insights on this matter we can turn once more to Schmitter who discusses the passage of state corporatist countries to the societal variety of corporatism. Taking into consideration that Schmitter's state corporatist countries are those under autarchic regimes (Schmitter is writing at the end of the 1970s) it is implied that the passage to forms of societal corporatism is possible only once a democratic regime has been established, which would allow for greater 'breathing space' for the trade unions because such a passage in most cases involves various strategies of political inclusion as well as the granting of political freedom. For Schmitter the passage from state to societal corporatism involves a. a period of organisational

¹ For a brief review on the issue see O. Molina and M. Rhodes (2002).

² Ioannou claims that Greece along with Spain and Portugal form a separate category because the crisis in their systems of industrial relations produces behaviour that is not compatible with the macro-economic results that are associated with corporatism. In this case as well the author makes no distinction between corporatism as a structure and corporatism as a process of policy-making. (1989, p.116).

³ Both writers refer mainly to workers' organisations. Of the two only Mavrogordatos devotes a part of his study to employers' organisation with extensive reference to the period between 1981 and 1988. Although in this case as well there have been attempts to put these organisation under state (and by consequence populist) control, some these organisations have managed to maintain a greater space of autonomy (1998, p.179,189).

autonomy, b. authentic representation, c. extensive encounters between classes and sectors which acquired distinct self-images and loyalties and eventually, a measure of mutual respect and d. the presence of competitive party and parliamentary arenas to which wider appeals could be addressed. For Schmitter the transition to societal corporatism is preceded by a period of pluralism ¹.

In the case of Greece the return to democracy was followed by some efforts to change the organisational structure of trade unions and allow them a role in decision making (i.e. at the company level) ² without, however, changing some other aspects of trade union organisation such as financing, which even today is provided by the state (no need to mention the clientelist networks, i.e. the special fund providing pensions to trade unionists). In fact, some elements of the democratic regime have affected developments in the trade union movement quite adversely. For instance, the creation of a competitive parliamentary arena has rather harmed trade unions to the extent that the de-ideologisation of politics (meant as a convergence to the centre) is now seen as one of the factors that are expected to transform the system (Alexandropoulos 1990). After the change to democracy it has been the party-state that has had an influence on the trade unions (and to a lesser degree on employers' organisations). As will be shown in the following paragraphs, democratisation has had little effect on the form of interest intermediation ³. If any change is to be observed, this is related to the increasing need to modify the established patterns of policy-making, that is the need to pass to consensual forms of policy making.

In recent corporatist literature the stress is no longer on the structural (i.e. organisational) aspects of corporatism but on concertation practices emerging even in countries that lack the typical corporatist structures and which in the past did not produce the policy outcomes traditionally linked to them ⁴. In the 1990s corporatism was related to the new roles that the state has to perform due to changes in the economy which create increased needs for legitimacy that only consensus-seeking mechanisms could provide. Given the changes in the economic environment (international competition, participation in EMU) and the resurgence of consensus-seeking practices in Europe even in countries that were not 'institutionally-fit' (i.e. limited tradition of policy formation that includes the interests affected as indispensable negotiators), the discussion on the usefulness and the content of the term has been revived. The term 'neo-corporatism' has been employed along with other terms (concertation, competitive corporatism, political exchange just to state some) to describe the emerging relationships between the state and interest groups.

The emphasis on specific organisational and structural issues in the pieces of literature regarding the Greek case mentioned so far and on which our criticisms are based might be time-specific. Therefore, taking into consideration the developments in countries under authoritarian regimes or countries that had entered a post-dictatorship transition period at the

¹ At that time Schmitter had not made the distinction between 'corporatism ₁' and 'corporatism ₂'. As will be discussed in the following paragraphs the Greek case could be a case of state corporatism as far as corporatism ₁ is concerned, slowly moving to corporatism ₂ as far as the interaction between the actors is concerned. (1979, p.40-41).

² For Alexandropoulos PASOK's attempts to 'socialise' public sector enterprises (i.e. to increase workers' participation) in the 1980s constitute elements of societal corporatism (1990, pp.76-77). However, the way that such arrangements were introduced (detailed state regulation of the process) did not leave much space for active labour participation.

³ Given the high initial costs related to the establishment of new representative bodies at the highest level and the rigidity of the existing legal framework changes at this level are unlikely.

⁴ See for example Rhodes (1998).

end of the 1970s, Schmitter pointed to the differences between societal and state corporatism. Mavrogordatos and Mouzelis on the other hand are writing in the second half of the 1980s when the debate is focused on the following question: "What kind of democratic polity is developing in Greece after the dictatorship?" which explains the emphasis on issues such as integration and political participation (thus the emphasis on populism) and the developments in the party system. In the 1990s, however, under the influence of the process Economic and Monetary Union (EMU) these questions give place to questions about the politics of economic policy-making and therefore, the link between the state corporatist structure, the policy-making process and the outcomes it produces.

The task of giving a 'label' to the Greek case, therefore, becomes more complex. On the one hand, much of the institutional framework of industrial relations is state-corporatist (legalistic) especially when it comes to 'traditional' issues (i.e. labour law; compulsory arbitration in wage bargaining was abolished just in 1990), financing and provisions pertaining to the electoral rules for the selection of leadership. The focus of this study however, is the process of social dialogue and its policy implications and it is clear that the elements stressed so far in the Greek literature account only for a part of the input to this process. 'Social dialogue' was one of the catch phrases of the 1990s (as a part of the grand plan for the 'modernisation' of the country). When the social partners in a not-so-much state-corporatist (especially by the mid-1990s) country where conflict has been the predominant pattern of policy-making resort to social dialogue what kind of interaction will develop among them and most importantly what will help social dialogue become stable over time?

The form of concertation that will emerge under these circumstances could be described as autarchic ¹ because actors are expected to be suspicious to new logics of action and new behavioural patterns and will tend to stick to existing attitudes and orientations. Concertation pre-supposes a convergence of perceptions. This is difficult to achieve because of the conflictual nature of state-interest group relations we referred to before. Therefore, although both the government and the social partners may appear committed to social dialogue, the former due to the lack of established interaction and under the pressure of economic modernisation will tend to pre-define the rules and the content of the game, and the latter will tend to consider social dialogue as an invitation to assist to *faits accomplis*.

Despite high levels of conflict that characterised state-interest group relations in general new patterns of policy making *did* appear during the 1990s. In fact as we claim, concertation tended to be asynchronous; asynchronous because new forms of participation in policy-making could emerge in some policy areas (i.e. management of Community Support Framework funds) (Ioakimidis 1996, p.42, Lavdas 1997) than others (i.e. pensions) where the conflicts involved are higher and the opportunities for exchange and side-payments are limited.

The following section is divided as follows: First we briefly discuss the role of the state and political parties in shaping corporatist relationships in post-authoritarian Greece. Then we refer to some of the attempts made over time to include trade unions in economic management. In the following part we identify those factors that are expected to either facilitate or obstruct concertation in Greece. More precisely, we point to the favourable context created a. by the (relative) de-ideologisation of trade union politics as a result of a similar process, taking place in the parliamentary arena and b. the impact of European Integration on traditional ways of policy-making and policy implementation. As far as the obstructing factors are concerned these have

¹ These terms are borrowed from Ioakimidis (1996, p.34).

to do with the extremely low degree of union integration in the economy ¹ and by consequence the lack of those networks that could foster modernisation and facilitate political exchange.

2. Corporatism in Greece: Contextual factors, functional factors and behavioural patterns.

a. Corporatism after 1974.

The first efforts to introduce a “participatory model of political modernisation” (Kioukias 1997, p.308) in Greece undertaken by the Centre Union government during the 1960s gave place to the repressive practices of the seven-year dictatorship. Developments in Greece in the years following the return to democracy were conditioned by the long tradition of exclusionary politics. The long period of selective inclusion of the masses to the political game had placed state-society relations under heavy strains. This was the point when the expectations that had been building since World War II had to be cashed ². To prevent social conflict political élites chose to deal with it bureaucratically (Wiarda 1989, pp.43-51) and to establish a new social order of controlled participation. Thus, the changes were introduced in a fashion that aimed at a compromise of the *status quo ante* with what lay ahead, that is by introducing new elements that did not entail revolutionary transformations as far as the basic power structure of the state is concerned.

There are two important points that have to be underlined here: First, labour organisations failed to claim a role for themselves in the shaping of the new polity which remained the prerogative of the political parties ³. Second, in contrast to other Southern-European countries where state-corporatist arrangements gave way to pluralism (the phase that precedes the passage to societal corporatism according to Schmitter), in Greece the union movement remained united in a single peak union, which facilitated the perpetuation of state-corporatism but also intensified political antagonisms and lay the union movement open to party-related conflicts. Controlled modernisation from above between 1974 and 1981 undertaken once more by right-wing governments did not preclude a party-sponsored syndicalism (we could say that this was one of the side-effects of liberal climate promoted by the right-wing government at the time) which was promoted by the opposition and more precisely the newly established Panhellenic Socialist Movement (PASOK) and included trade unions, farmers’ movements and local government movements. Demonstrations and strikes became the standard form of protest against what then appeared as a non-participatory social order (Kioukas 1997, pp.308-309).

¹ Siarraf defines integration as “ a long-term co-operative pattern of shared economic management involving the social partners and existing at various levels such as plant-level management, sectoral wage bargaining and joint shaping of national policies in competitiveness-related matters (education, social policy etc.)”. According to the author, integration is not conditional on neither structural (i.e. level of unionisation) or contextual factors (i.e. the political role of social democracy). However, some of the indicators used to measure integration can be shaped by these factors (i.e. social democracy should affect the indicators falling under the name ‘overall policy-making patterns’ meant as generalised exchange) (1999, p.189).

² Let’s not forget that from 1940 to 1974 Greece had been through a World War (1940-1944), a civil war (1945-1949), a dictatorship (1967-1974), and at the same time had to observe the delicate balances of the Cold War.

³ According to Zambarloukos, these developments can be attributed to the following factors: a. the weakness of labour at the time of the transition to democracy b. the short period of the transition , c. the absence of pluralist tradition of representation and d. the role played by the communists, who were committed to a united labour movement. In contrast to what happened in other Southern European countries during the same period changes within the corporatist institutions underwent a gradual transformation. (1993, pp.127-135).

During PASOK's first two years in government state corporatism gave way to what Tsoukalas calls 'the politics of controlled corporatisation' (Tsoukalas, 1986, p.32) as it is reflected in the basic piece of legislation on union organisation, Law 1264/82. Initial euphoria following these developments soon turned into widespread disappointment as the effort for the re-organisation of the trade union movement gave way to political conflict. The limits of PASOK's effort to corporatise labour in the 1980s became clear in 1985 when the government announced its stabilisation programme which created a crisis within GSEE¹ and revealed the conflicts created by ideological polarisation. This was a moment when union leadership had to reconsider its allegiance to the political parties and re-claim its role as representative of labour.

We may say that at the end of the 1980s and the beginning of the 1990s Greece appeared to be experiencing the pluralist phase that could be a transition phase to societal corporatism². Given the organisational structures of Greek trade unions (the monopolistic position of GSEE and the obstacles and costs involved in setting-up up a new federation) pluralist tendencies were expressed within the same organisation at the sub-group level but this time they were less related to the political parties and more specifically to PASOK. For Kioukias the period following the austerity programme is a period of pluralist-clientelist politics:

“ ... the socialist party became increasingly less effective as the co-ordinator and supervisor of the socialist design...preoccupied as it was with delivering particular benefits to particular mass followings, it ceased to produce ideology...As political controls relaxed and supervisory tasks were increasingly neglected, the corporatist system could no longer function properly and the vacuum thus created left room for independent initiatives on the part of group leaders... corporatism was also damaged by the fact that quite a few interests gradually became independent of the parties” (Kioukias 1997, pp.310-311)³.

This observation directly questions those approaches that privilege the role of the state over the agency of labour. We should not forget that by fostering the creation of workers' organisations the state necessarily delegates (albeit under heavy constraints) certain functions to workers organisations. Literature on principal-agent relationships tells us that agents are expected to act according to the principals' preferences (i.e. a change in principal preferences implies a change in the agent's behaviour) but very often within a given (and rather rigid, change-immune) institutional setting agents use their powers to pursue their own goals (shirking) or are constrained, due to perverse incentives to act against the agents' preferences (slippage) acting either in their field of competence or expanding their activity to new fields⁴. In other words, without rejecting the effect of legacies of the past, changes in the system of interest intermediation should not be expected to occur just as a result of changes in the form of the state (as implied in Schmitter) for this implies a rejection of the trade unions' capacity (or rather willingness) to make claims for their autonomy of action but most importantly on their capacity to claim a role for themselves in the policy making process (either on 'traditional' issues but especially on new ones).

¹ Seven members of PASKE defied the decisions taken by the government and left the governing board of GSEE and later on they were expelled from the party.

²This was for example the case of Italy in 1948, Spain and Portugal in the years following the transition to democracy.

³ This was especially the case with some trade unions that enjoyed privileged access to the economic system (i.e. public sector, utilities). Referring to the same phenomenon, other scholars have used the term 'syntechniasmos'. The term is used to refer to the guild mentality and the particularistic expressed by certain professional categories of both the public and the private sectors (i.e. doctors, lawyers). See for example: P. Kazakos (1991) and Mavrogordatos (2001).

⁴ For a brief review on literature on the subject, see Mark A. Pollack (1998).

In the years following the restoration of democracy corporatism was expected to emerge as an essential component of the new regime. By the end of the 1980s corporatism should emerge due to the developments in the political arena, which called for new policy making mechanisms. According to Offe (1981), corporatism is the result of two factors; first, the increasing need for the de-politicisation of conflict resulting from the transformation of class parties into mass integration parties (and the ensuing increase of demands made on them) and second, the failure of the techniques that the government can use to control certain elements in society such as the application of selective incentives that are expected to modify courses of action ¹, which in the case of Greece took the form of an étatist solution of economic problems and clientelist arrangements. The particular characteristics of PASOK as a catch-all party and the results of its economic policies have been recorded elsewhere ². What we have to add here is that the political crisis (three consecutive elections in roughly two years) and the economic malaise of the end of the 1980s called for a reconsideration of politics and policy-making mechanisms in post-authoritarian Greece.

b. Favourable contexts. The 1990s: Whither concertation?

In the previous paragraphs we have referred to those factors that have affected developments in the system of state-interest group relations in Greece since World War II by paying particular attention to the period following the restoration of democracy in 1974 to the end of the 1980s.

Scholars writing in the 1990s have produced more elaborate analyses of state-interest group relationships ³. Central to their analysis is the idea that state corporatism is being challenged by developments taking place both in the political and economic arenas.

At the beginning of the 1990s all the 'ingredients' traditionally linked to the emergence of concertation were there: Centralised organisations, a democratic regime (Schmitter), a political crisis resulting from the overload of demands channelled to the political system and serious problems in the economy resulting from the way such demands had been handled in the past (Offe, 1981). The subsequent need for economic modernisation implied a reduced role for the state and therefore increased the demand for consensus-building mechanisms (Cawson 1985, p.225). It is under these conditions and at 'formative moments' like this, that concertation is usually expected to flourish ⁴. Why didn't this happen in Greece?

In the years from 1990 to 1993 the failure of concertation could be somehow justified on the basis of ideology. It is true that as far as GSEE is concerned, political scandals provided an additional reason for review of the PASKE-led leadership's links to PASOK, which had been

¹ This very much resembles the situation in Italy especially at the end of the 1960s and the beginning of the 1990s, for example. In both cases developments in the party system (the increasing internal conflicts in the government coalition during 1960s in the first case and the political crisis following 'tangentopoli' in the second) were paired with increasing difficulties in the management of the economy resulting from a growth strategy based on an individualistic model of building consensus what Amato names 'governo sparitorio', (Amato, 1976). Labour in both cases was able to claim a role as a 'soggetto politico' and enter into negotiation with the government. See also: Boulgaris (1990, p.84), Pizzorno (1981) and C. Offe (1981).

² See for example Tsakalotos (1998) and Stournaras (1990).

³ See for example Alexandropoulos (1990) and Kioukias (1994, 1997)

⁴ This is the case of the Netherlands in 1982 and Italy at the beginning of the 1990s. 'Innovative corporatism' is the term used to refer to corporatism emerging under these circumstances which is paralleled to a paradigmatic change. J. Visser and A. Hemerijck (1997, p.73).

changing since the announcement of PASOK's austerity programme in 1985¹. This development, notwithstanding, conflict emerging from the interaction of a right-wing government with the unions could not be avoided. Indeed, a pro-labour government is very often seen as a necessary pre-condition for the establishment of consensus-building mechanisms (Regini,1995, p.34). Concertation during the ND term in government was impossible to achieve.

That ideology-based explanations are probably a mask to other factors can be shown by difficulties faced by the PASOK governments in establishing social dialogue during the 1990s. Social dialogue was one of the main points in PASOK's campaign for the 1993 elections. The PASOK government that was elected in 1993 had to face a series of challenges which were mainly related to the country's participation in EMU. EU membership has very often been pictured as an important factor of change in domestic politics². Although the problems faced by the Greek government in complying with the Maastricht criteria as well as the range of available solutions are similar to those available in other European countries, the actual choice of instruments could only entail gradual changes with regard to the institutional history of the country, the pre-existing policy-making patterns and values of political action.

In fact the PASOK government had to face an extremely complex situation: In order to satisfy the EMU criteria, PASOK essentially had to redraw the boundaries of state intervention in the economy that itself had extended at the beginning of the 1980s and unsuccessfully tried to contract by introducing 1985-1986 austerity programme. This time, however, there were three factors that placed the government in a more favourable situation: First, the bitter experience of neo-liberalism *à la grecque* during 1990-1992. Second, the pro-European of the political elites and the willingness to participate in EMU and the ensuing commitment to design and implement policies on the basis of long-term planning which reduced insecurity and increased the governments' credibility. Finally, once again, the ideological orientations of the governing party and union leadership coincided and therefore agreement on what was advertised as a new social contract would be easier to achieve. This time possible conflicts developing between the two sides would not be resolved by using practices of the past (i.e. appointing new leadership, forcing out dissidents) but through social dialogue.

The usefulness of each one of these arguments, however, is subject to certain limitations: First, the measures taken during the conservatives' term in government have very often been pictured as a Greek version of Thatcherist neo-liberalism. Although it is beyond the scope of this paper to provide a detailed comparison of the economic policies followed by PASOK and ND during the 1990s, one has to keep in mind that what may appear as neo-liberalism under a conservative government may be a Nixon-goes-to-China argument for a centre-left government, which however is not reliable in the long-term. During the 1990s the centre-left under the pressure of strong external constraints, has had to pursue macroeconomic policies that were similar to the monetarist ideas advocated by the right which were politically sustainable as long as the supply-side policies advocated by the centre-left could be presented as a viable alternative. During the 1990s, however, these supply-side policies increasingly failed to produce the expected outcomes, driving the centre-left to 'a rather unpleasant cul de sac' (Notermans 1998, pp.18-19).

¹ See also S.Zambaloukos (1998).

² See for example, J.P. Olsen (2001), I. Katsoulis, T. Giannitsis, P. Kazakos (eds.)(1988), K.Featherstone and K.Ifantis (eds.) (1996) and K.A.Lavdas (1997).

Second, despite its positive effects in terms of increased pressures for long-term policy planning, Europeanisation and EMU are not a *passé-partout* for economic modernisation. Given that Europeanisation affects some policy areas more than others (i.e. those related directly to the internal market) governments should find it easier to use Europe as an external pressure in order to reduce state subsidies, for example, than reduce welfare spending (EU has limited competencies in the traditional areas of social policy). In fact, in the case where European policies do not set down specific institutional requirements, Europeanisation can influence domestic policy-making only by altering the perceptions of the political actors (Knill 2001, p.221). Therefore, even if Europe provided the initial impetus for change much of the outcome still depended on the particular actor and problem constellations in any given policy area, which mediated and possibly limited the influence of Europeanisation.

Finally, as far as the ideological affinity between the PASOK governments and the trade union leadership is concerned, it is true that to a certain degree this provides a starting point for the convergence of perceptions that we referred to previously provided that ideological conflicts within the GSEE are overcome and that both the government and the labour actively support a consensual way of decision-making. However, the pressures emanating from EMU and the links established between PASOK and GSEE led to an extremely complex situation: On the one hand, for the government social dialogue implied concessions that could put convergence programmes under serious risks. Unilateral action, on the other hand, impinged on issues of party cohesion (unions prevail upon party factions) and raised electoral concerns.

As in the past, however, a shift to this type of policy-making could not be immediate. Favourable contextual factors are necessary but not sufficient conditions for the emergence of corporatist policy-making practices. As we claim in the following paragraphs, behavioural patterns developed from the interaction of social partners in the economic sphere can also play a significant role as they help create those networks that facilitate policy change. In the 1990s traditional interaction patterns had to change under the pressure of a changed context and such a change could not be instant.

c. Integration in economic management and behavioural patterns.

In an ideal-type corporatist polity social partners are expected to be actively involved in policy-making and implementation which in turn helps create those consensus-based behavioural patterns that sustain corporatist arrangements usually observed among the members of a policy community¹. Frequent interaction among interest groups leads to a convergence of views about the causes and the possible solutions of the problems (i.e. policy-oriented learning) and helps them “redefine the content of their self-interested strategies in a public-regarding way... ‘Public-regarding’ behaviour relies on mutual trust, a notion of duty and a sense of fairness” (Visser and Hemerijk, 1997, p.68).

In fact the notions of ‘trust’ and ‘credible commitments’ have received special attention in the corporatist literature in relation to the logic of action underlying corporatist arrangements, namely the logic of political exchange. Political exchange (*scambio politico*) is the concept that was developed by Italian scholars at the end of the 1970s to describe the situation where “an actor who has goods to distribute (i.e. the government) is ready to trade them in exchange for social consensus with an actor who is able to provide or withdraw this consensus (by disrupting public order) (Pizzorno 1977,p.169). Political exchange is inherently unequal. Whereas the

¹¹ Policy communities are associated with frequent interaction of all groups on issues pertaining to a specific policy area. All participants share basic values and accept the legitimacy of outcomes (Marsh, 1998, p.16).

concessions made by the interest organisations have immediate effects for the government, the benefits the organisations receive (i.e. growth, employment) can only materialise in the long run. It follows that for an exchange of this kind the level of trust between the partners has to be high, the government has to be credible and the union leadership has to be prepared to assume the responsibilities resulting from its role as a co-signatory in this process (Regini 1995, p.28).

The trust involved in political exchange does not appear overnight. As said, it is the result of ongoing interaction either at the policy-making stage or at the policy implementation stages. Ongoing interaction also provides the conditions for the convergence of beliefs and perceptions¹ (what is usually referred to as learning) preceding political exchange, which has not been fostered through institutionalised macro-corporatist interaction exclusively (Regini 1997, pp. 259-278, Grote and Schmitter 1999). Therefore, to be able to explain the limited success of social dialogue in Greece during the 1990s first we have to see to what extent interest groups have been effectively (i.e. not symbolically) integrated in economic management and second, identify those specific behavioural patterns developed among the state and the social parties over time, which of course are not independent of the contextual factors we referred to in the previous section.

Legislation has traditionally played a central role in Greek industrial relations. From 1955 to 1990 collective bargaining was regulated by Law 3239 that laid down an extremely inflexible framework of centralised collective bargaining. However, as Ioannou argues, in Greek industrial relations the main concern is not only at what level (company, industry etc.) collective bargaining takes place but rather “ whether industrial relations, pay and conditions of work, are regulated by collective bargaining or other methods of wage and employment determination” (Ioannou, 2000, p. 97)². In fact, the main feature of Greek industrial relations for the period from 1955 to 1990 was the regulation of collective bargaining by state arbitration which essentially meant that collective agreements were modified to fit the governments’ income policies.

The behavioural patterns resulting from the exceptionally low institutionalisation of free collective bargaining in combination with the politicisation of industrial relations have led to the institutionalisation of an authoritarian policy style³ for the government and highly aggressive bargaining behaviour that paired with the governments’ ‘credibility deficit’ (Kolintzas 2000, pp.50-62, Featherstone and Tinios) very often brings forward unrealistic demands, what Kioukias (1994, p.72) calls “ irresponsible individualism”, that is, the tendency to act in a selfish way, independently of reason or the public interest which holds a central position in any conflict situation in Greece. Mass demonstrations that posed a threat to public order and the national economy were a strong weapon in the unions’ repertoire in the years from 1975 to 1988. In the 1990s strike activity reached its highest level in 1990 (still lower than the one observed in the

¹ See also H. Compston (2002, p.359).

² A law passed in 1990 (Law 1876/90) established four types of collective agreements: the National General Collective Agreement signed by GSEE and employers’ organisations, industry or branch collective agreements, company-level collective agreements and occupational (national or local) collective agreements.

³ Policy style can be defined as a governments’ “characteristic and durable method for dealing with public issues” G.P. Freeman (1985), pp.467-496. J. Richardson et al. provide a more elaborate definition along two dimensions: the government’s approach to problem solving (anticipatory-reactive) and the relationship between government and other actors in the policy process (consensus, imposition) (1982, p.13). On the basis of what we have said so far about the logic of political exchange, it is obvious that it corresponds to a consensual policy style. As far as imposition is concerned, we could say that it is underpinned by a logic whereby effective problem solving must depend on the concentration of power in the hands of a small number of (elected) people exercising foresight and judgement not possessed by others (Adapted from A. Shonfield (1965), p.71-72).

period 1975-1988) and has been declining ever since ¹. This pattern can be associated to the improvement of economic indicators during the 1990s but it also denotes a transformation of behavioural patterns.

Arguments about the effects of politicisation on trade unions in Greece, once again miss an important element, namely the interest of participating organisations in shaping such policies. It is true that given its minority position in tripartite bodies or advisory committees, labour representatives could only make a limited contribution. It is equally true, however, that enhancing the participation in these bodies has not been among the interests of the unions until very recently. Furthermore, participation is very often based on political affiliation only, which presents a risk to the continuity of the positions taken by labour each time. In addition, union representatives very often lack the necessary technical knowledge related to a given policy area (Kouzis 1997, pp.119-121).

Conclusion

As mentioned in the introduction the aim of this paper was to outline the main characteristics of state-interest group relations in Greece as they have been presented in national and international corporatist literature. The central argument throughout this chapter was that the macro-systemic, structural-organisational focus of the existing literature is rather limited and static. Both disadvantages stem from the fact that issues of policy-making (i.e. limited reference to concertation) have not been addressed extensively mainly because new policy making patterns emerged as late as the 1990s. It follows that if until the 1990s Greece could be characterised as a case of disjoined corporatism (i.e. corporatism without concertation), the change in the modes of policy making participation since then call for new analytical terms that can best reflect these developments.

Staying at the macro-level and using Schmitter's distinction between corporatism and concertation and confirming some aspects of the existing approaches to the Greek case we have maintained the notion of 'state corporatism' with reference to the interest group organisation issues. When it comes to policy-making, however, we have summarised these developments with the terms 'autarchic' and 'asynchronic' concertation, the emphasis being on the former and the historically defined patterns of interaction. The persistence of conflict (as opposed to consensual patterns of policy making) has been explained with reference to the tradition of state and party intervention in union issues and the low integration of the latter in economic management. Using what is essentially a historical-institutionalist argument we have argued that actors will tend to stick to their behavioural patterns despite changes in contextual factors usually linked to the emergence of societal forms of corporatism.

In addition, particular emphasis was placed on two factors that could help reduce conflict and promote consensus-seeking mechanisms of policy-making: the process of Europeanisation and the role of groups of experts. As argued, Europeanisation is expected to affect the policy making process in an indirect way. On the other hand, independent bodies that could help

¹ See for example: Ch. Ioannou: (1999, 2000, p.284). Strike activity reached a peak during the ND government's first year in term and has been steadily declining since PASOK's return in government in 1993.

alleviate conflict are either too weak or do not appear as impartial in order to acquire the status of policy brokers.

So far, nothing has been said on the asynchronic nature of concertation. As mentioned above, new patterns of policy making did emerge during the 1990s. At the same time when certain authors talked about the 'demise of corporatism in Greece' (Zambarloukos, 1993) others pointed to new patterns of co-operation emerging with relation to incomes policies (end of compulsory arbitration, two-year collective agreements reached between GSEE and employers' organisations for most part of the 1990s), Community Structural funds (Lavdas, 1997, p.232), the founding of new bi-partite and tripartite institutions (Ioannou 2000b, p.221), the signing of a Pact of Confidence in 1997 by GSEE, the federation of Greek industries (SEB) and the National Federation of Greek Commerce (ESEE) and employment (i.e. the drafting of the National Action Plans on employment, the creation of LAEK, a bipartite fund to support employment and vocational training, Ioannou 2000b, p.227).

It is because of the asynchronic nature that we suggest that a new approach to state-interest group interaction should be taken which relates existing structures and behavioural patterns and the characteristics of specific policy areas. As Lavdas (1997, p.250) has shown, the relative weight of some of the macro-systemic factors referred to so far (Europeanisation, behavioural patterns) changes according to the type of policy concerned. It is for this reason that we suggest a shift from macro-theoretical approaches and definitions such as those offered in the corporatist literature to the interaction developing around specific issues. Policy change can be viewed as a process of learning which is affected by both system-wide factors and policy-specific elements. Only by analysing the interactions of those two groups of variables may we be able to explain why concertation succeeds or fails.

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**The Janus-faced Political Intervention of Greek Socialists (PASOK)
in the Trade-unions in the 1990s: the case of PASKE in OTOE**

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This paper intends to address an issue that has rarely been addressed systematically in the Greek political sociology field: the role of the political party factions in the contemporary trade union movement in Greece during the post-dictatorship era. It is true that some scholars have pointed to certain facets of the political parties intervention in the trade unions and other social movement organizations and pressure groups. Nevertheless these scholars have not furthered their research either because their theoretical interest did not cover issues other than the “pluralism-corporatism” debate or because they tried to account for the trade unions’ inability to shape an autonomous strategy in terms of “patron-client relations” or “populism”. In contrast to the above ways of explaining the course of events, we will focus on both structural and historical explanations by examining a main faction of the post-dictatorship trade union movement that marked this era, that is, the socialist faction PASKE that prevails over all other factions (communist, conservative, and radical-autonomous). In particular, we will examine the socialist intervention in the Greek Federation of Bank-employee Organizations (OTOE).

Pre-democracy trade unionism in Greece

Before examining the various theories, we shall take a brief look at the history of OTOE, especially after the restoration of democracy in Greece on the 24th of July 1974.¹

OTOE was brought into being in 1955 as a federation of first-degree unions that covered the personnel of the main banks then active in the country (Bank of Greece, National Bank of Greece, Agricultural Bank, Ionian Bank, Commercial Bank etc.). Bank employee associations, among the oldest of the country’s trade unions, had played a crucial role during the World War II occupation of Greece by the Nazi-fascist armed forces. They served as cooperatives trying to provide its members with food supplies; they resisted the Nazi campaign to force Greek citizens to depart for Germany’s factories as slave-workers and they staffed the underground resistance movement organizations, such as EAM (National Liberation Front) and EDES (Greek Democratic National Army), with fighters in the struggle for national and/or social liberation.

The power of bank employees’ unions was also used by their members for improving their working conditions (in terms of wages, leisure time, insurance and pension schemes) within the firms. A major problem of the pre-OTOE era was the guild culture (“syntechnia”) that prevailed in many unions encumbering essentially the unity and cooperation of bank employees. This problem was never solved even in the post-dictatorship period. OTOE was formed on a federation basis, but all the problems it inherited from the past were ever-during. Nevertheless, the federation assisted through its mechanisms the formation and backing of unions in non-union banking firms and assisted all unions in improving their members’ position. After the restoration of the democratic regime in 1974 OTOE faced new challenges and

¹ It is argued that in order to make sense of our modern world we should look to the past for trying to uncover the sequence of facts that lead to the formation of the present which is not to be considered as a “reified social reality”. See Buechler St, 2000, *Social Movements in Advanced Capitalism The Political Economy and Cultural Construction of Social Activism*, New York & Oxford: Oxford University Press, pp x-xi.

experienced new problems. The federation had to regain its reputation, which had somehow faded away due to the dictatorship's policies against trade unions and their rights.² Exiled and fired trade unionists were rehired to their jobs and brought in their expertise to the federation. New trade unionists emerged in the unions having less experience but more political communication skills due to their party partisan affiliations and in some cases due to their participation in the anti-dictatorship struggle through student organizations mainly of the left wing parties and groups. Among these new trade unionists, those affiliated with PASOK (Andreas Papandreu's new socialist party) formed a new faction under the name PASKE (Pan-Hellenic Agonistic Workers Trade Union Movement).³

Trade unionism after the fall of the dictatorship

Before examining the PASKE faction's historical course, we must take a brief look at the political faction system in trade unions and their relationships with the state and the political parties. Although we can trace the political parties' interventions throughout the history of Greek unionism, the main conflicts that we can recognize as long lasting are those between the each time state controlled union leaderships and the left wing (mainly communist) factions.⁴ The other factions (conservatives, reformists, socialists) consisted of loose groups clustering around trade unionists either on personal basis (patron-client relationships) or on ideological basis (socialists, Trotskyites). After the fall of the military dictatorship the organized intervention of political parties assumed an entirely new form with the setting up of faction sympathizing with the parties' aims. It was not only PASKE that was set up. The split of the Communist Party of Greece (KKE) into two competing Communist Parties (KKE and KKE-interior) during the dictatorship period led to the setting up of two more anti-dictatorial factions (United Trade Union Anti-dictatorial Movement-ΕΣΑΚ and Anti-dictatorial Workers' Front-AEM) that moved on as party directed trade union factions in the new period. Right-wing trade unionists continued functioning as usual through loose factions that were directed by the conservative leadership of the

² This doesn't mean that the federation was completely devalued. During the last phase of the dictatorship there were signs of significant unrest among workers in the banking and public sectors' enterprises. Especially, when Mr. Patras, Labour and Social Affairs "Minister" of Papadopoulos' "government" voiced the latter's intention to merge the various social insurance funds into a single one within IKA (Social Security Foundation) OTOE's leadership expressed the bank employees' dissent causing the redeployment of the "government". For the economic climate prevailing during this last phase of the dictatorship, see Sakellaropoulos Sp, 2001, *He Ellada sti Metapolitefsi: Politikes kai koinonikes exelixeis 1974-1988 (Greece during the change-over: Political and social developments 1974-1988)*, Athens, Livanis, pp 23-35. For the political structure opportunities for social movements in the phase of "liberalized authoritarianism", see Pickvance Ch., (1999), "Democratisation and the decline of social movements: the effects of regime change on collective action in Eastern Europe, Southern Europe and Latin America", *Sociology*. Vol: 33, Issue 2, pp353-372.

³ Organized factions of PASOK in the banking employees' unions were set up at the end of the 1970s, mainly under the name DISK (Democratic Trade Union Movement-ΔΗΣΚ).

⁴ The presence and intervention of the organized forces of the outlawed Communist Party of Greece (KKE) and of the tiny mid-war Socialist Party of Greece (ΣΚΕ) were characterized by distinct features that cannot be discussed in this paper. On this subject see Koukoules G., 1995, *To Helliniko Sindikalistiko Kinima ke e ksennes paremvassis 1944-1948 (The Greek Trade Union Movement and the foreign interventions 1944-1948)*, Athens, Odisseas Editions. See also: Livieratos D., 1976, *To ergatiko kinima stin Hellada: 1918-1923 (The labour movement in Greece: 1918-1923)*, Athens, Karanassis Editions; id, (1985), *Oi koinikoi agones stin Hellada: 1923-1927 (Social struggles in Greece: 1923-1927)*, Athens, Communa Editions; id. (1987), *Oi koinikoi agones stin Hellada: 1927-1931 (Social struggles in Greece: 1927-1931)*, Athens, Communa Editions.

General Confederation of Greek Workers (ΓΣΕΕ) sympathizing with the policies of the New Democracy government of Konstantinos Karamanlis and (after his election to the Greek Presidency) by Georgios Rallis. At this point we must stress that trade unionists sympathizing with the military dictatorship adopted a strategy of adhering to conservative factions.⁵ This alliance between conservative and extreme right-wing trade unionists lasted until its overthrow from the leadership of the confederation by magisterial decision following PASOK's rise to government by winning the absolute majority of votes and seats in the elections of October 1981. At the national elections the 18th of October 1981 PASOK triumphed over the outgoing New Democracy's government.⁶ This political change brought about changes in a significant number of political and social spheres. In the sphere of relations between government and trade unions as well as between political parties and trade unions, we can notice elements of both rupture and continuity. The new government used the existing legal framework in order to overthrow the previous pro-government leadership of the General Confederation and appoint of a new leadership constituted by a majority of PASOK's members and a minority of left-wing factions' members.⁷ This manipulation showed that PASOK would be inclined to use legal and other means in order to safeguard the implementation of its government policies and to tame any further reactions by the trade unions vis-à-vis economic measures that would have negative effects on their members' incomes and working conditions. Rupture with the past was the recognition by PASOK's government of the industrial workers' movement that was independently mobilised during the first post-dictatorial years even without the consent of left-wing parties.⁸ The trade union faction system that was officially established after the passage of Law 1264/1982 was proved viable since it created an electoral body for the political parties that were trying to consolidate their presence in Greek political life.⁹ From a functional point of view the faction system served as a communicational channel for the political parties and as a pool both for gaining votes and recruiting political personnel.

The government of PASOK, in its attempt to implement some of its programmatic promises for democratic participation of labour and other social groups into the decision-making structures, initiated a period of "socialization" of public enterprises. This meant that representatives of workers, of local governments, of employers and

⁵ These extreme right trade unionists set up a faction named Free Democratic Labor Movement (ΕΔΕΚ) that was amalgamated with the conservative faction in the leadership of GSEE in 1976. For more details, see Theodore K. Katsanevas, (1994), *To synchrono sindikalistiko kinima stin Ellada (The modern trade union movement in Greece)*, Athens, Nea Synora-A.A.LIVANIS, pp 157-163.

⁶ See Appendix

⁷ For a chronicle of the events that led to this magisterial decision see G.F. Koukoules & V. Tzanetakos, 1986, *Syndikalistiko kinima 1981-1986: He megali efkairia pou hathike (Trade union movement 1981-1986: The great opportunity that was missed)*, Athens, Odisseas Editions, pp 91-93.

⁸ The Communist Party of Greece, a proponent of branch unions, was not in favour of factory and enterprise based unions, because its leadership believed that they could easily be taken over by employer-loyal trade unionists. Nevertheless, a strong labour movement was formed promoting self-organization, direct democracy and on-site general assemblies of all members of the personnel without distinctions due to their jobs and professions, and using work stoppages and wildcat strikes

⁹ This law caused both positive and negative effects for the growth of the trade union movement. For example, the industrial workers' unions were legally recognized but on the other hand new trade unionists that weren't affiliated with parties were excluded from the allocation of seats in executive and administrative boards of unions due to the "simple proportional" electoral system, which favoured party-backed factions. In order for a faction to participate in the second allocation of seats they must gain a seat from the first allocation and they must have a remainder of votes equal to 1/3 of the electoral quota.

other producers' organizations would be elected or appointed by their respective organizations in order to participate, together with governmental representatives, in decision-making bodies, such as the Representative Assembly for Social Control (ΑΣΚΕ), Workers' Control Committee (only workers' representatives) etc. This process was initiated with the passing of L. 1365/1983 that also contained an article (No. 4) that would be used to curb the trade unions' right to strike in the public and "socialized" sectors.¹⁰ Once again elections for the appointment of workers' representatives were to be carried out through using the factions system. PASKE gained the majority of votes in all the elections held in the main public utilities (OTE, ΔΕΗ, ΕΥΔΑΠ) as well as in the main state-controlled banks that were to be "socialized" (ATE, ETE, Commercial Bank of Greece, and Ionian). Moreover, the results for the newly founded right-wing factions under the official control of the New Democracy party were extraordinary indicating that in the future they were going to replace the left-wing factions as major opposition against PASKE.

During its first governmental tenure, PASOK through its income policy favoured low wage earners by raising the minimum wages and by introducing the "scala mobile" (ATA-automatic adjustment of wages according to the cost-of-living index).¹¹

The main political conflicts of the first post-dictatorial period concerned the establishment of a democratic system for the political representation of the "non-privileged" social strata that were politically excluded during the post-civil war era. For the working class people the main issue was to establish a democratic system of industrial relations and to raise the standards of living. It was in this historical context that the trade union faction system was consolidated.

So far we have seen that the state and the parties used the trade union faction system in order to stabilize their presence in the Greek political system and as a consequence the political system itself was stabilized.

Theoretical debates

We shall now take a brief view of the theoretical proposals for the explanation of the predominance of the state and of the parties upon the trade unions' activities.

First of all, we must discuss the role of the state in its relationship with social classes and social movements. The liberal theory, based on the moral sovereignty of the individual, contends that the state's end is to maximize individual liberty. Translated into the language of political sociology, this concept of liberal economics is expressed in terms of groups instead of individuals. In order to accomplish this goal the state is supposed to expand opportunities so that social groups may organize and compete in the political arena. All groups are presumed to be equally qualified to participate in the political arena and share a portion of power counterbalancing any excessive

¹⁰ See Moudopoulos St., (2001) *Kanones yia tin prostasia ton syndikalistikon dikaiomaton (Rules for the protection of trade union rights)*, Athens, Ant. N. Sakoulas Editions.

¹¹ See Sakellariopoulos, (2001), *op.cit.* pp 386-410. The author refers to the Annual Statement of the Governor of the Bank of Greece who stated that the real available income of the average wage earner of the urban labour increased by 2.8%.

concentration of either state or other groups' power.¹² This theory has several serious defects, the main one being its abstractive character and its distancing from reality. It doesn't account for inequalities of power between the various social classes and strata that exist in the real world, except for those cases that are attributable to lack of adequate information. Furthermore, it is not a bias-free theory and it reflects the ideological framework prevailing in advanced western capitalist societies, especially in the US and other Anglo-Saxon societies. As such this theory cannot be used to account for the development of Greek trade unionism because it doesn't take into consideration the historical and institutional characteristics of each case.

Another mainstream theory employed to account for Greek trade unionism is "corporatism".¹³ Going beyond the problem of identification of corporatism with fascism and other authoritarian political regimes of the mid-war years, we refer to "neocorporatism" as developed by political sociologists in the 70's and 80's trying to account for the systemic co-optation of functional groups, mainly speaking of labour unions and employers' associations, into the political decision making process.¹⁴ This approach has both merits and weaknesses. The latter are more than the former. In its effort to explain the incorporation of the major functional social groups into the political system and the policy-making process, this approach does offer some useful insights, mainly in that it identifies another decision-making structure, the main characteristic of which is the continuous and regularized, that is, institutionalised access of social groups to the highest levels of the political system.¹⁵ In its ideal form, corporatism is defined as a system the consistent units of which are organized into a limited number of singular, compulsory, non-competitive, hierarchically ordered and functionally differentiated categories.¹⁶ This means that in many cases corporatism as political structure in advanced capitalist societies incorporates the organized socio-economic producers' groups through a system of representation and collaboration at the leadership level and through a system of mobilization and social control at the mass level.¹⁷ This theory could be sustained insofar as it defined the economical, political, ideological and social preconditions for corporatism's dominance.¹⁸ On the

¹² See Presthus P., 1964, *Men at the Top: A Study in Community Power*, N.Y., Oxford University Press; Dahl P., 1961, *Who Governs? Democracy and Power in an American Community*, New Haven, Yale University Press.

¹³ See Schmitter Ph., (1979), "Still the Century of Corporatism?", in Schmitter Ph. and Lehmbruch G. (eds), *Trends Toward Corporatist Intermediation*, London, Sage.

¹⁴ Some theorists have identified neocorporatist arrangements with labour's successful use of its organized power to constrain capitalist businesses and the state. See Abercrombie N., Hills S. and Turner B., (1994), "Corporatism", *The Penguin Dictionary of Sociology*.

¹⁵ See Richardson J., (1994), "Introduction" in Richardson J. (ed), *Pressure Groups*, Oxford, OUP, pp 1-22.

¹⁶ See Schmitter *op.cit.* p.13

¹⁷ From a Marxist point of view, Leo Panitch stressed that corporatism was historically developed in the context of advanced capitalism and as such is functional for this economic system. Partly the demise of corporatism in countries that had a history of labour conflict can be attributed to the dissatisfaction of workers (for example, UK and the "winter of discontent"). See Panitch L., (1980), "Recent theorization of corporatism: Reflections on a growth industry", *British Journal of Sociology*, Vol. Xxxi, Nr.2. For a critical assessment of Leo Panitch's opinions from a point of view that accepts his definition and description of the historical ascendance of neocorporatist structures but stresses that it was a capitalist initiative to dismantle these structures instead of working-class opposition, see Gobeyn M.-J., (1993), *Corporatist decline in advanced capitalism*, Westport, Connecticut & London, Greenwood Press.

¹⁸ See Spourdalakis M., (1990), *Yia ti theoría kai ti meleti ton politikón kommatón (On the theory and study of political parties)*, Athens, Exantas Editions, pp 184-191.

contrary, corporatism as a theory could not be sustained any more at the national level because all the above-mentioned preconditions ceased to exist in the majority of the countries that its proponents identified as being corporatist. Thus, during the 1980's a number of developments, such as the prevalence of neoliberalism, the hollowing-out of the state, the concession to international bodies (for example, European Union) of the right to policy making in key sectors (for example, monetary policy) etc, had as consequence the dismantling of the welfare state and the undermining of the prerequisites of the corporatist theory.

One of the most prominent mainstream theories about the impact of PASOK's political interventions on the trade unionist and other social movements is that of "clientelism".¹⁹ The main tendency of this theory holds that in contrast to the Western European types of "civil society" formation, the "semi peripheral" Greek society took another path to modernization. Historically, the popular masses in this type of society were incorporated into the political system through "clienteles networks" (vertical integration).²⁰ Thus the autonomous class organization was hindered in favour of the perpetuation of the socio-economic system to the extent that the member of a social class are treated as individuals in their relations with the political patron and they do not intervene collectively in the political events; that is, the working class is not structured as a class for itself, in Marxist terms. There is also a tendency to attribute the process of political consensus to the patron-client personal relationships that characterize this society instead of to "objective contractual procedures", which is the "ideal type" of Western capitalism.²¹

¹⁹ See Mavrogordatos G., (1993), *Metaxi Pityokampti kai Prokrousti: Oi epaghelmatikes organoseis sti simerini Hellada (Between Pityokamptis and Prokroustis: Professional organizations in contemporary Greece*, Athens, Odisseas Editions; id. (1997), "From Traditional Clientelism to Machine Politics: The Impact of PASOK Populism in Greece", *South European Society & Politics*, Issue 2.3, pp 1-26. In his research on the transformations of party clientelism in Greece since 1974 G. Mavrogordatos focused on jobs and careers and included four case studies of particular organizations and two local studies of contrasting areas, in the Peloponnesus and in Macedonia. He stresses that PASOK's accession to power in 1981 brought with it a quantum leap in party patronage, and the transformation of traditional clientelism into machine politics, exemplifying a process whereby meritocracy is swept away by populism in the context of democratisation.

²⁰ "[T]here are only two broad political alternatives which, in the long term, are congruent with the type of foreign-led capital accumulation characterising underdeveloped social formations today: The one is to use imported bourgeois parliamentary institutions in such a way that the masses are either kept outside active politics or are brought into the political process in a dependent, 'safe' manner. Before the dominance of the capitalist mode of production, as mass mobilisation is at a minimum, it is relatively easy for the traditional ruling oligarchy, even under conditions of universal suffrage, to control through clientelism the voting system in such a way that the working population is kept 'in its place' (...). But with the dominance of capitalism and the ensuing advent of mass politics, the problem of 'containing' the masses, i.e. the problem of politically integrating the working classes in a dependent manner, becomes much more difficult and problematic. One mode of 'dependent integration' is the way in which peasants and refugees were integrated into the dominant bourgeois, clientelistic parties in inter-war Greece (...); another is the way in which in some Latin American countries populist/charismatic leaders mobilise the masses while at the same time they monitor their trade union and political organisations from above, through paternalistic/quasi-corporatist state controls (e.g. Peron in Argentina). A third mode of dependent integration consists in restricting parliamentary 'freedom' to bourgeois parties only and using a variety of legal, quasi-legal or illegal techniques for excluding left-wing forces from the political process (this was the situation which prevailed in Greece during the two decades after the civil war)". See Mouzelis N. (1978), *Modern Greece: Facets of Underdevelopment*, New York, Holmes & Meier Publishers, pp 138-139.

²¹ See Haralambis D., (1990), *Pelateiakes schesies kai laikismos (Clientelist relations and populism)*, Athens, Exantas Editions, who maintains that "[T]he patron-client system reproduces a model of power

Another seemingly powerful theoretical account for the telling dominance of PASOK and its trade union factions is that of “populism”. Some researchers characterize Greece as a late capitalist society having common features with Latin American ones, especially Argentina.²² One of the earliest theoretical explanations for PASOK’s telling course to governmental power stresses the populist and charismatic character of PASOK’s leader Andreas Papandreou.²³ According to this view, PASOK’s leader was the incarnation of a charismatic leader who expressed the special dynamics of the Greek social formation in a populist manner that characterizes the form of organizational structure and mobilization of the masses during a transitional period from a pre-capitalistic agrarian society to a capitalist industrial one. As such, so long as A. Papandreou was to be the leader of PASOK either in government or in opposition, the party and its factions were to be able to mobilize the masses in their favour. Yet, after A. Papandreou’s death and his succession to the leadership of the party and of the government by Kostas Simitis and his followers, PASKE maintained its hegemony in the trade union movement and in many cases, especially in state-controlled banks, enlarged its voting constituencies. Moreover, it is a fact that the middle class strata that used to be Papandreou’s voters have chosen in many cases other parties to vote, mainly that of New Democracy.²⁴ Another explanation for the astonishing rise of PASOK and PASKE in the 1970’s as against the left-wing parties and factions, that were especially strong in the trade union movement, stresses the populist character of PASOK, this time from a structural Marxist point of view.²⁵ This explanation stresses the organizational characteristics of populist movements as well as the ideological issues that hold prominent positions in their political discourse. Populist movements, according to this point of view, appear as “movements”, instead of bureaucratic parties, and their features are as follows: putting the leader on a pedestal, existence of middle-rank party organs legitimated only by the leader, voter constituencies that are mobilized in order to support the will of the leader. The ideological issues are distinguished by their Manichean dualism: “non-privileged versus privileged strata”, “democratic versus right-wing forces”, “forces of light versus dark powers”, anthropomorphic concepts of oligarchy and plutocracy, etc. Other theorists argue that both “clientelism” and “populism”²⁶ are to be held responsible for PASOK’s dominance.²⁷ It is surely an undeniable historical fact that

that is not a contractual result of social struggles but, on the contrary, it negates the contexture of a social contract, transferring the processes of consensus to the personal and non-institutional context”.

²² See Mouzelis N., (1986), *Politics in the semi-periphery: Early parliamentarism and late industrialization in the Balkans and Latin America*, London, MacMillan

²³ See Katsoulis I., (1996/1980), “O rolos kai he simasia tis charismatikis igesias stin Helliniki metavatiki koinonia (The role and meaning of charismatic leadership in the Greek transitional society)” in Papaspiliopoulos, *PASOK: Kataktsi kai askisi tis exousias (PASOK: Taking over and exercising power)*, Athens, I. Sideris Editions, pp 24-40.

²⁴ For example, practical tradesmen and merchants have more than once voted in favour of New Democracy’s factions in their associations’ elections.

²⁵ See Elephantis A., (1991), *Ston asterismo tou laikismou (In the constellation of populism)*, Athens, Politis Editions.

²⁶ Even James Petras attributes PASOK’s ascendance and dominance to its “populist-socialist program” as well as to its “organizational dynamism”. See Petras J., (1992), “The contradictions of Greek Socialism” in Kariotis Th. (ed.), (1992), *The Greek socialist experiment*, NY, Pella Publishing Company, pp 97-126.

²⁷ See, for example, Lyrintzis Ch., (2000), “He dekaetia tou 1980: Esoterikes politikes exelixeis 1981-1990 (The 1980’s decade: Domestic political events 1981-1990)” and “Aparche mias neas epochis: Oi politikes exelixeis (The beginning of a new era: The political events)” in *He historia tou Hellenikou Ethnous*, Vol. 16, Athens, Ekdotiki Athinon SA Editions, pp 350-363 and pp 394-402 respectively.

clientelism was a main tool for the control of the popular masses by the dominant classes during the predictatorial decades; it is also true that PASOK's ascendance to the governmental power opened the way for "bureaucratic clientelism", that is the management of patron-client relations mainly by the party machine instead of by individual MPs and ministers of the government each time. Yet, the static approach that characterises these accounts does not take into consideration the multiple dimensions of politics and the actual social frictions and antagonisms that determine the political scene.²⁸

PASKE in the 1980's

Let us now return to the bank employees' trade union movement in order to examine its dynamics after the 1985 national election that pointed to both the pitch of political polarization between PASOK and ND²⁹ and the end of the "Greek-style" social democratic experiment,³⁰ which was going to be followed by a twist to monetarist policies for the "stabilization of the economy".³¹ Between 1981 and 1985 strikes had been reduced vis-à-vis the previous period. Save for raises granted to wages during the first two years, a number of political and social measures taken by PASOK's government created a political atmosphere that favoured PASKE.³² As a consequence a large segment of the working class shifted from traditional left-wing trade union factions to PASKE. This political behaviour of former left-wing sympathizers was strengthened by the "revanchist" political strategy of the far-right wing of New Democracy under the leadership of former minister of Defence Evangelos Averof. The political left's (mainly KKE) attachment to the "actually existing socialist" model of the USSR and other East European countries in a period of workers' uprisings (Poland) caused an additional flight of members towards PASOK and PASKE. Moreover, several organizational and political characteristics of KKE, such as its bureaucratic structure and its compromising politics after a brief period of conflict with the government of PASOK resulted in member-flights towards the radical-autonomous groupings of the left. Especially in the banking sector, where a 42-day mass strike took place during the summer of 1982 for the establishment of the single salary schedules in all the banks that were active in Greece, ESAK suffered of serious electoral retreat due to its compromise at the top echelons of GSEE ("moratorium"). The beneficiaries of ESAK's general retreat were mainly the right-wing factions that started reorganizing in a single faction under the name of DAKE (Democratic

²⁸ In my opinion they downgrade what Karl Marx described as "class struggle"

²⁹ The battle "between the forces of light and those of dark", as Menios Koutsoyiorgas (then Minister of Interior and old-fashioned politician) said publicly.

³⁰ For a structural Marxist critique of the new economic policy see Ioakeimoglou E. and J. Milios, (1986), "Krisi kai litotita: He anaklisi tou socialdemokratikou symvolaiou (Crisis and austerity: The revocation of the social-democratic contract)", *Theseis*, Nr. 14, Jan-Mar. (<http://www.theseis.gr>)

³¹ For an opinion in defence of the stability measures government programme see Simitis K., (1989), *He politiki tis ekonomikis statheropoiesis (The policy of economic stabilization)*, Athens, Gnosi Editions. K. Simitis writes about the goals of the stabilization programme (1986-1987) and stresses the reasons that imposed its implementation as well as its results. In the same book, J. Spraos, T. Thomopoulos and N. Garganas analyse socialist governments' economic stabilization programmes implemented in other countries with emphasis placed on Spain, Yugoslavia and Italy.

³² Working hours were reduced to 40 per week (in banks hours were reduced to 38 hours and 20 minutes as of 1984), paid holidays were increased to 4 weeks, supplementary pension funds were formed in many industrial sectors, laws stipulating equality between the sexes were adopted and began being implemented in labour relations. See, Sakellariopoulos Sp., (2001), *op.cit.*, pp. 394-397.

Independent Workers Movement) and borrowing the left's slogans and demands. As a consequence both DAKE and PASKE's electoral constituencies were enlarged. The extraordinary aspect is that PASKE's voters were increased, despite the role that this faction played as a strikebreaking mechanism ("agonistike apergospasia") splintering the traditional unity of the trade union movement and regardless of the first signs that the government shifted to austerity policies as of 1983 (by passing a legislature decree deferring wage raises to 1984) as well as to restraining strike activities (Article 4 of L. 1365/83).³³

After the national elections (June 1985), A.Papandreou decided to reshuffle the government and to follow more conservative austerity politics.³⁴ He appointed Kostas Simitis as Minister of National Economy who, calling on the general international and domestic economic problems, implemented the austerity measures mentioned above and marked a general political shift to neo-liberal economics. Although during the previous period PASKE was used as a strikebreaking mechanism this time a great number of its leaders, of its rank and file and of its voters reacted to the political shift to neoliberal politics. This reaction was not restricted in the organizational framework. A. Papandreou and the Executive Bureau of PASOK decided to strike off from the party's member-lists those dissenters who were representatives at the Management Board of GSEE. As the events took this turn, the dissenters chose both to create new factions and to form new tickets or to revigorate the old ones where they could use their majoritarian presence. Majoritarian presence was temporarily gained in the Commercial Bank's union elections in December 1985.³⁵ In other elections, such as in the National Bank, there was a vast difference between loyalists and dissenters. The latter founded DISK in order to counter PASKE's majority. In other cases where dissent was expressed only partially it was tamed by the promise of the loyalists that they would take under consideration the dissenters' views.³⁶

³³ According to Manolis Vassilakis, ex-member of PASOK in Ioniki Bank and now member of DISK and of the Central Committee of DIKKI (Democratic Social Movement-ΔHKKI), whom I interviewed, the strike-breaking activities of PASKE in 1982 expressed "the political party's as well as the then PASKE leadership's fear of potentially losing control of the trade unions' dynamics and the anxiety for maintaining the (governmental) power in the very difficult conditions during that period." Dimitris Tsenghenes, member of PASKE in the Commercial Bank, in his interview maintains that Article No.4 was never implemented due to the reaction of the majority of trade unionists either members of PASKE or members of other factions in contrast to the leadership of PASKE that had politically accepted it.

³⁴ See Appendix.

³⁵ The faction here operated under the name DISK (Democratic Trade Union Movement-ΔΗΣΚ) and PASKE was founded in order to compete against DISK.

³⁶ That must have been the case of DISK of Ionian Bank's union. According to Yiannis Markakis (former leader of DISK in Ioniki and former chairman of the union), whom I interviewed, "all the complaints of the dissenters concerning PASOK's policy for Ionian Bank were taken into account". This might belie that concession of the right of criticism was made in exchange for promotions by favour than by seniority or by merit. As other rival trade unionists told me, when I interviewed them, "this was the actual state of things" [Interviews with: Yiorgos Pavlopoulos and Dimitris Karellas from "Protovoulia Ergazomenon" (Independent Worker Initiative) and Sotiris Siokos from "Agonistiki Synergasia" ("Agonistic Cooperation", faction of the "Coalition of Left and Progress")]. There is also a view from the inside: "A parallel machinery was set up, in parallel to the each bank's administration was set up, composed of nascent trade unionists who, at the same time, assumed organizing PASKE faction in all workplaces. By managing to control the bank's administrative machinery and by functioning on the grounds of trade-off they succeeded in prevailing." See Vassilakis's interview op.cit.

A few months later all the above rebellious trade unionists along with dissenters from the student movement and from the local organizations convened to form and organize a new political organization under the name SSEK (“Trade Union Movement of Socialist Workers and Employees”-ΣΣΕΚ). They were seeking for a way out of the catch-22 position determined by social democrats and Stalinists, and they did not wish to repeat the euro-communist experiment that failed in Greece. SSEK claimed to be the authentic expression of the socialist vision and strategy shaped by PASOK and written down in the text of the Declaration of the 3rd of September 1974. This exodus from PASOK of a great number of socialist workers had positive consequences for their understanding of the social and political realities of the civil society. Their cooperation with left-wingers, mainly of the radical tendencies, opened up inroads to new constituencies.³⁷ SSEK took active part in the strikes and mobilizations that took place against the austerity policy measures. The new faction’s members played an especially active role in the development of the workers’ strikes that shook the country and were synchronized by the Coordinating Strike Committee that was set up by the top leaders of trade unions countering GSEE’s subordination to the government’s policies. At this point we must stress that after the dissenters’ strike off from the party lists, a new GSEE management board and executive committee were formed by the majority, which included the dissenters and the representatives of the factions of the political opposition (DAKE, ESAK and the members of the faction “Aftonomia-Ananeosi”).³⁸ The members of the board that were loyal to the government caused a major crisis by resigning from their seats. A new management board was appointed by the magisterial decision serving at that moment the government’s need for a friendly trade union confederation in order to continue implementing its policies without any criticism. The members of the opposition resigned and turned to the first and second levels of the trade union structure, that is local and enterprise based unions as well as labour centres and federations. PASKE continued to play its government-friendly role refusing to criticize the government or to participate in the strikes launched by the oppositional factions.

³⁷ For example, in the Commercial Bank’s union, despite the fact that SSEK was a strong power, a new ticket was formed for the elections of December 1987 in collaboration with the Autonomous Trade Unionist Movement (Aftonomi Syndikalistiki Kinisi – ΑΣΚ) and Unitary Trade Unionist Initiative “Enotiki Syndikalistiki Protovoulia – ΕΞΠ). The new united faction’s programme was more radical calling for “direct democracy”, “regional and local general assemblies”, “elimination of bureaucracy”, “full equality between men and women”, “autonomous-democratic and class trade unionism” etc. Environmental issues were brought to the union’s agenda, as well as issues concerning safety and health, the introduction of new technologies in the workplace etc.

³⁸ Following the split of the Communist Party of Greece (interior) its trade union faction went to bits. The majority of its members, especially in banks and public utilities, set up new tickets and independent factions in collaboration with the Independent Workers’ Groupings and other leftists and radicals. A few members joined EAR. (Greek Left – E.AP.), the new non-communist party that was created by modernizers and assumed a critical stance against unions. They either used older factions (such as Unitary Movement at the National Bank) or cooperated as individuals with PASKE. In 1988 they joined with ESAK to form the faction “Agonistiki Synergasia” at the bank employees federation level representing the newly founded “Coalition of Left and Progress”. When the “Coalition of Left and Progress” split once again into two parties (Communist Party of Greece on the one hand and “Coalition of Left and Progress” on the other), ESAK restructured itself one more time and the remaining members of the “Coalition” continued to work under the name of “Agonistiki Synergasia” seeking cooperation with other independent left and radical groupings. At the end of the 1990s “Aftonomia-Ananeosi” and “Aftonomes Syspeiroseis” (“Autonomous Groupings”) joined “Agonistiki Synergasia” in almost all banking unions.

By the end of the 1980s, when the austerity measures were not in effect any more as A. Papandreou and the leadership of PASOK felt that the political cost amounted to losing the following national elections, the strikes had lost their effectiveness due both to the government's steadiness and the widening of the gap between the forces of the opposition as the elections were closing. The only exceptional cases were the indefinite strike of secondary education teachers and the selective and rolling strikes of bank employees that went off during the summer of 1988. Both strikes were beyond the grasp of PASKE in both sectors. Both federations, especially that of teachers, used new forms of action and decision-making procedures. Direct democracy, general assemblies at the workplaces, referenda, mass demonstrations, happenings and concerts made up a somehow unprecedented scene. Hopes for the emergence of an independent trade unionism were expressed. In the case of the bank employees' strike for the signing of a satisfactory collective agreement, the expectations were too high to come true. Only two strongholds of autonomous trade unionist currents existed at Pisteos Bank and at Bank of Piraeus. There, PASKE either did not exist at that time or its strength was minimal. As a consequence the overall correlation of forces was not in favour of independent trade unionism. The party-led factions were taking under consideration the fact that they must save their forces for the upcoming elections. PASKE's leadership took advantage of this situation in order to turn the course of events in favour of the government's policy on the issue of the collective agreement that did not allow for granting wage rises above the rate of inflation.³⁹

PASKE in the 1990's

PASKE changed its strategy, as the new decade was beginning and new challenges had to be met.⁴⁰ The new government of New Democracy under the premiership of Kostas Mitsotakis was gradually implementing its neo-liberal political program that provided for denationalisation of public utilities, changes in the social security system (raise of pensionable age limits, increase of monthly contributions to the insurance funds, reduction of expenditure through reducing pensions and benefits), economic austerity measures (abolition of the automatic adjustment of wages, VAT increases etc). At the same time the government in its effort to bring the trade unions under control passed a new law that provided for tough measures against unions that did not consent to arranging for safety personnel in case of strikes. Other measures taken by this government concerned deregulations of shop working hours and permission granted to businesses to use more part-time labour.⁴¹ As for state-controlled banks they were not obliged any more to look for governmental approval in their

³⁹ OTOE's propositions provided for rises above the rate of inflation so that the bank employees' wages would be compensated against losses incurred during the two-year period that the austerity measures were in force.

⁴⁰ See Appendix for the results of National elections 1989-1990.

⁴¹ This policy caused many problems in the collective bargaining procedures. In 1991, the bankers came to the bargaining table to insist on their rights. Save for the increase of wages only up to the limit of the incomes policy of the government, the employers broached the subject of flexible working hours on a "voluntary basis" so that banks would be open afternoons and Saturdays. The same scenery was set in 1993 when the employers demanded from OTOE's bargaining team to consent to the practical abolition of the "balance-sheet allowance" by insisting that it should be granted only after an approval by the General Meeting of shareholders if there existed relative profits. They also demanded that wages be linked to productivity, all sorts of equalization abolished, working hours deregulated, third degree disciplinary board abated etc.

recruitment of personnel policy. This does not mean that the governing party and its trade union faction restrained the appointment of their members and voters as bank employees.⁴² PASKE decided to abandon its previous strategy that called for unity of the “democratic forces” and the creation of “democratic chairs” of union boards.⁴³ A more flexible strategy was to be adopted in order to craft more effective unions. During these three years PASKE was obliged to be on the front line because the government’s strategy did not allow for much discussion of its policies. Especially, during the last year of its tenure, when a pure neo-liberal policy was adopted and privatisations of public utilities became the political issue of the day, PASKE and the unions were regarded as the last stronghold of social gains that were under attack. The picture started to change when PASOK won the national elections of 1993 and A. Papandreou became once again prime minister.⁴⁴ PASKE “lowered” its voice once more. The political conflicts between modernizers and hard-liners were now an internal conflict of PASKE. This conflict, though, did not prevent the faction to keep winning elections (and in many cases more than 50% of the votes cast, something that had never been achieved in the past).⁴⁵ It was only in 1998, when the new government of PASOK under the premiership of Kostas Simitis decided to devalue the drachma and step up privatisations, that PASKE was shaken up and came close to split-up.⁴⁶ The first privatisation that was effected was that of Ioniki Bank, one of the oldest in the country. In Ioniki PASKE was hit so hard by the government’s decision that its members from top to bottom went against their favourite party. A 55-day strike was enough to destroy PASOK’s most powerful faction in the banking sector. The faction split in two pieces with the majority of the members falling in step with the dissenters’ side, which proved to be a die-hard faction.⁴⁷ Once again PASKE had to reassess its strategy, as its leadership, the majority of which were now modernizers, had to face multiple challenges by a government insisting on turning to more liberal economic policies and by a growing number of dissenters both between its rank and file and the factions of the opposition in OTOE. The opportunity for PASKE to restore its standing occurred in April 2001, when the new government of PASOK, after having won the latest national election with bated breath, tried to dictate its terms on the “hot” issue of the social security reform without any further discussion.⁴⁸

⁴² This practice, as we have stressed above, was transformed by PASOK. From a more atomistic relationship between patron and client that was the rule before PASOK, we passed to a “bureaucratic clientelism” regime that was exploited by both PASOK and ND. But this practice must not be reduced to the single factor to account for the successful course of either PASKE or DAKA (between 1990 and 1994).

⁴³ When I interviewed him on May 30, 2003, Dimitris Kouselas, chairman of OTOE and member of the Central Committee of PASOK, told me that there were different opinions during the discussions ranging from calling for the creation of representative chairs to programmatic ones. The final decision, as we can see now, was that PASKE should deal with this problem more flexibly as ESAK and radical-autonomous groupings were driving hard bargains on the issue.

⁴⁴ See Appendix.

⁴⁵ At this point I must once more refer to the opinions of two trade unionists (members of PASOK during the 1970s and 1980s, John Babadimas from Commercial Bank and Manolis Vassilakis from Ioniki Bank respectively) that accuse PASKE for hiring personnel in banks through informal channels (temporary workers) and using them both as strike-breakers and as potential voters. Vassilakis in particular talks of “buying and selling of posts”.

⁴⁶ See Appendix for the results of 1996 National Elections.

⁴⁷ Even today, 5 years after those events, the dissenters that were lined up behind DISK and John Markakis hold one seat in OTOE’s general board. In the meanwhile, the bank was absorbed by Alpha Bank and the union lost 70-75% of its members who were transferred to Alpha Bank’s union or were forced to “retire on their request”.

⁴⁸ See Appendix for the results of 2000 National Elections.

This reform went far away from PASOK's social programme by insisting on a three-tier system that was to overthrow all social gains of the past. This attempt caused a gigantic fit of rage. GSEE, OTOE and every union and federation in the country participated in general strikes and mass demonstrations that Greece had never experienced before. PASKE was on the front line again, giving another evidence of the "double nature" of social-democratic parties and trade unionists and their ability to incorporate both conservative and radical elements into their rank and file.⁴⁹ The reshuffle of the government was the unique measure for taming the anger of the working people. In 2002, the new Minister of Labour and Social Security proposed a new scheme for the gradual reform of the system. Moreover, discussions were held with the unions, despite the fact that all left-wingers and a great number of DAKE's right-wingers opposed either partially or totally the new scheme and the "social dialogue" that took place between the government, the unions, and the employers' organizations.

Concluding remarks

First of all, we should refer to Nikos Poulantzas' theory of the state and his main idea that the state is a locus of conflict and cohesion and that political practice brings about social change. He sees the state as a material and special condensation of a correlation of forces between classes and class fractions. The state condenses not only the correlation of forces between fractions of the power block but also the correlation between the power block and the subordinated classes. As a consequence the political requirements of the ruling class is not necessarily transparent or unified making the state the field of class struggle.⁵⁰ The political struggle that the unions carry on vis-à-vis the state may often lead to a compromise serving both sides of the conflict, that is unions on the one side and state and employers on the other. Collective agreements during the late 1970s and the early 1980's with the employers' organization (Hellenic Bank Association – EET), which consisted mainly of the state-controlled banks and the few private and foreign banks, are representative samples of this compromise. The unions won concessions from the employers for a single wage scale throughout the banking system, shorter working week, social security schemes etc. The prepositions for this compromise existed: a strong trade union (OTOE), a more or less friendly government (PASOK was a worker-friendly government party in the beginning while ND's government of the late 1970's was worker-friendly during the pre-election period), at least neutral private capital organizations (EET), and a national economy that could afford giving concessions.⁵¹ When the conjuncture changed this balance of

⁴⁹ "Double nature" is a term coined by some trade unionists in order to refer to this characteristic of social-democracy that once in government acts so as to promote the conservative interests of the state and at the same time it tries to satisfy some of the immediate demands of the working classes expressed in the pre-election period. Or, to use the terms of a critic of the theory of populism: "This 'before' and 'after' the taking over of the power, in a potential connection with the production relations/powers couple is very important. It proves that not only a phenomenon's position, that is, whether it is populist or not (the connection with a mass or non-mass movement in this case is given), but, and this is of the essence, it proves the objective incapacity of radical politics to implement 'programmes' and 'logics' declared before assuming office", see Fouskas V., (1996), *Laikismos & eksynchronismos: He ekpnoe tis Tritis Hellenikes Demokratias 1974-1994 (Populism & modernization: The expiry of the 3rd Hellenic Republic 1974-1994)*, Athens, Ideokinisi Editions, p. 305.

⁵⁰ See Poulantzas N. (1978) *State, Power, Socialism*, London: New Left Books.

⁵¹ For the preconditions of welfare state politics, corporatism and the role of unions see Offe C. (1984), "Societal preconditions of corporatism and some current dilemmas of democratic theory", Paper presented at the Conference on *Issues on Democracy and Democratisation: North and South*, Kellogg

forces changed too, being worsened for labour in the 1990s.⁵² Government was trying to reduce the consequences of its previous income policies on capital's profitability, which is now treated as the leading indicator of a capitalist national economy. Changes have been brought about also in the strategies of the organizations of employers in a direction of reengineering capitalist enterprises promoting flexible work systems, deregulation of labour law and, mainly, of the provisions against firings, etc. On the labour's side the structural factors have been causing trouble for the union's membership. The restructuring of banking enterprises produced many social strata between employees and management. Hierarchical differentiation has had a tremendous effect, shattering the notion of solidarity between employees. The widening of the gap between part-time and full-time employees was promoted through the introduction of more flexible work patterns (part-timers, temporary workers, sub-contracting, out-sourcing; even the practice of loaning of employees to third companies has gained pace). This situation does not constitute any basis for classic or neo-corporatist policies as many have suggested. Save for "socialised" public utilities in which one could say that a neo-corporatist pattern had been theoretically applied no such arrangements had been discussed at the government level for banks and the respective presidential decrees were never issued.

Another feature of the 1990s developments was the decentralization of collective bargaining. Trade unions followed the trend that the employers imposed by not willing to transfer authorities to centralised collective bargaining committees. Thus, in this framework PASKE was able to apply flexible strategies by transferring to its first-degree union factions part of its decision-making structures save for cases like that in Ionian Bank as we mentioned above. In this context PASKE and its allies in each bank tried to compensate employees that did not get wage raises equal to the rate of inflation (through stock options, fringe benefits etc.). Its member along with other factions' representatives participate in the works of committees that consist of employers' and employees' delegates (for issues such as promotions and disciplinary boards) either at the company level or at industry or region level (such as hygiene and safety boards or local boards of Greek Manpower Employment Organization-OAED and Social Insurance Institute-IKA). We could characterise this kind of state-employer-union cooperation as some kind of "microcorporatism" that seems suitable for present-day interest representation that presuppose sound employers' associations, employer- friendly states and weakened unions.⁵³ This situation paved the way for decentralised clientelism that cannot be easily detected, as "clients" and "patrons" may differ regarding their political beliefs and they may mutually agree to diminish the relation. In this case those members of PASKE that can play the card of clientelism are the ones that may use the new system in favour of their own political

Institute, November 1983. Moreover, on the dismantling of the welfare state see Natali D. (2001), "The transformation of the European Welfare State: pension reforms in France and Italy", Paper presented at the *13th Annual Meeting on Socio-Economics*, University of Amsterdam, Amsterdam, The Netherlands June 28-July 1, 2001 (http://www.sase.org/conf2001/papers/natali_david.pdf)

⁵² For an historical economic analysis see Jouganatos G., (1992), *The development of the Greek economy 1950-1991*, Greenwood Press, Westport CT and London. Moreover, for the period 1990-2000 see Close D., (2002), *Greece since 1945*, Pearson Education Ltd., London, pp 168-194.

⁵³ See Alonso L. E., (1994), "Macro y microcorporatismo: las nuevas estrategias de la concertación social", *Revista Internacional de Sociología*, 8-9 pp 29-59.

survival.⁵⁴ This mutually profiting network may be held partially responsible for the hegemony of PASKE in the late 1990s despite circumstantial evidence to the contrary.⁵⁵

PASKE's hegemony has not yet been challenged neither by the right nor by the fragmented left-wing factions. The only case where internal problems may arise are new types of "yellow unions" promoted by some private bankers who at the present conjuncture profit by exploiting their current political ties with the state and do not wish to see disputes and challenges of their companies' labour relations.⁵⁶

We should not exhaust the subject here, for there is a long way ahead as the transitional period towards full liberalisation of the economy and of its institutions is still unfolding. That said, let us resume in order to examine the course of events unleashed after the successful reaction of the trade union movement against the government's plans for social security in April 2001. Since then a continuously rising but still dull voice of discontent, stemming from the daily experience of the workers and employees, contrasts with the politics of the governing party. What is at stake for PASKE is whether it will be able to keep its hegemony by avoiding both the governing party's political pressure for social peace (elections and Olympic Games are ahead) and the employers' demands for more flexibility in the workplace. On the opposite side of the socio-political conflict the parties and factions of the left do not seem to be able to challenge PASKE's hegemony without having a new political and social vision and programme to present to workers and employees. Moreover, as long as the Greek trade unions think and act only on the local level, oblivious of the fact that a new social movement has been born and is maturing, namely a movement, which challenges capitalist globalisation and its consequences, there will not be any serious chances of altering the situation of the trade union movement.

So far we have referred to structural and historical dimensions in order to account for PASKE's political hegemony. What remains to be considered is the way that PASKE's low rank members and voters perceive PASOK's and PASKE's track record both regarding government policies and interventions in the social movements as well as their views on the future of socialist politics and trade unionism.⁵⁷

⁵⁴ The reason is not simply to survive politically but to profit from the particular system of extraordinary promotion for trade unionists that was adopted with the signing of a supplementary collective agreement between bankers and OTOE in 1997. For details, see http://www.geocities.com/trapeziko_vima/INDEX.HTML

⁵⁵ This might mean, for example, that many employees may vote for the governing party's faction (PASKE) in trade union elections and for New Democracy in national elections. This is the opposite case compared with the past when someone could vote for the faction of major or minor opposition in trade union elections. It would be interesting to examine the idea presented by Ramón Maiz concerning an analysis of the micropolitical clientelism from a social integration point of view, which brings us to D. Kouselas' words that as long as a truly objective and rational hiring and labour relations system is not established, clientelism will be the reality. See Maiz R., "Estructura y acción: elementos para un modelo de análisis micropolítico del clientelismo", *Revista Internacional de Sociología* 8-9 (1994): 189-212.

⁵⁶ For example, EUROBANK is one of the groups of companies that during the 1990s burgeoned and threaten to bring down the financial market's status quo. Certainly, labour relations in this group are far away from the average standards set by the other banks and OTOE and this surely paves the road for their dissemination to the rest of the privately owned banks.

⁵⁷ A very good example of this kind of research is offered by Peter Ranis in his work for Argentina's trade union members. See Ranis P., (1991), "View from below: Working-class consciousness in Argentina", *Latin America Research Review*, Vol. 26, Issue No.2, pp 133-156.

APPENDIX 1

POST-DICTATORSHIP GREECE: RESULTS OF NATIONAL ELECTIONS

Party	Votes% 1977	Seats 1977	Votes% 1981	Seats 1981
PASOK	25.3	93	48.1	172
New Democracy	41.9	171	35.9	115
Union of the Democratic Center	12.0	16		
Communist Party of Greece	9.4	11	10.9	13
Alliance of Progressive and Left-Wing Forces (including Communist Party of Greece-interior)	2.7	5		
Communist Party of Greece (interior) and all other minor parties			5.1	-
Other minor parties (mainly Party of Neoliberals)	1.9	2		
See Close D., (2002), <i>Greece since 1945</i> , Harlow and London UK, Pearson Education Ltd, p. 299.				

Party	Votes% 1985	Seats 1985
PASOK	45.8	161
New Democracy	40.9	126
Communist Party of Greece	9.9	12
Communist Party of Greece (interior)	1.8	1
Other minor parties (mainly parties of the radical left)	1.6	-
See Close D., (2002), <i>Greece since 1945</i> , Harlow and London UK, Pearson Education Ltd, p. 300		

Party	June 1989 Votes %	June 1989 Seats	Nov. 1989 Votes %	Nov. 1989 Seats	April 1990 Votes %	April 1990 Seats
PASOK	39.1	125	40.7	128	39.3	124
New Democracy	44.3	145	46.2	148	46.9	150
Coalition of Left and Progress	13.1	28	11.0	21	10.6	21
Others (Mainly Ecologists, Minority Parties from Thrace and Democratic Renewal)	3.5	2	2.1	3	2.1	4
See Close D., (2002), <i>Greece since 1945</i> , Harlow and London UK, Pearson Education Ltd, p. 300						

Party	Votes% 1993	Seats 1993	Votes% 1996	Seats 1996
PASOK	46.9	171	41.5	162
New Democracy	39.3	110	38.1	108
Communist Party of Greece	4.5	9	5.6	11
Coalition of Left and Progress	2.9	-	5.1	10
Politiki Anoixi (Seceders from New Democracy)	4.9	10	-	-
Democratic Social Movement (DIKKI)	-	-	4.5	9
Others	1.5	-	5.2	-
See Close D., (2002), <i>Greece since 1945</i> , Harlow and London UK, Pearson Education Ltd, p. 300.				

Party	Votes% 2000	Seats 2000
PASOK	43.8	158
New Democracy	42.7	125
Communist Party of Greece	5.5	11
Coalition of Left and Progress	3.2	6
Others	4.8	-
See Close D., (2002), <i>Greece since 1945</i> , Harlow and London UK, Pearson Education Ltd, p. 300		

APPENDIX 2

Elections in Bank Employee Unions (General Unions – not University Graduates Unions): Token results (% of valid votes)

Commercial Bank of Greece

Faction	1983	1985	1987	1996	1998	2000
PASKE	36.2	21.4	35.1	44.8	45.9	46.3
DAKE	35.3	36.0	28.5	30.0	26.2	28.7
SSEK		23.0				
SSEK + Renewing left- autonomous- Greens			17.9			
Renewing left- autonomous- Greens				14.0	15.8	14.3
Autonomous- radicals- Greens	4.2	3.5				
ESAK+Far left				9.4	11.7	10.7
ESAK	19.1	14.7	15.9			
Synd. Anoixi				1.5		
Renewing left		1.0				
Other left	4.3		2.6	0.3	0.4	
Other right	0.9					

National Bank of Greece

Faction	1982	1983	1985	1986	1990	1992	1994	1996	1998
PASKE	38.0	36.5	37.7	33.3	41.1	44.6	50.4	49.0	51.4
DAKE	30.1	18.9	19.4	24.1	35.3	34.9	26.3	19.0	12.1
Renewing left- autonomous					16.3	10.6	12.1	12.8	12.3
Renewing left	11.9	12.6	12.6	10.7					
Alternative Grouping (radical left/greens)					4.1	3.4	2.5	2.2	-
ESAK	20.0	20.1	17.9	19.6		2.5	4.3	5.9	7.6
SSEK				2.7					
Other (far left. DAKE 2)					4.0	6.2			
Other far left							1.1	1.2	2.5
DAKE 2		10.8	11.5	3.7				7.2	11.1
Synd. Anoixi							3.3	2.7	3.0
Independent group				1.4					
Socialist Initiative		0.8	0.9						
Other				4.5					

Agricultural Bank of Greece

Faction	1984	1986	1990	1992	1994	1996
PASKE	43.2	42.4	37.1	42.3	49.0	48.2
DAKE	37.7	37.8	44.9	41.1	28.2	26.2
SSEK						
Renewing left			11.3	5.0	4.8	5.2
Radical left- autonomous- Greens	6.5	7.8	6.7	7.5	9.7	11.7
ESAK	10.1	12		3.1	4.2	5.4
Synd. Anoixi					2.3	1.7
Other left					1.9	1.6

Bank of Greece

Faction	1983a	1983b	1985	1986	1989	1991	1993	1997	1999
PASKE	25.8	38.0	32.8	29.5	29.5	33.8	42.8	47.8	27.6
DAKE	16.3	25.3	26.6	30.7	33.2	37.9	29.3	26.2	17.0
Radical left- autonomous- Greens	8.9	7.4	9.4	10.5	10.6	6.4			
ESAK	15.2	14.3	13.9	14.7	17.6	9.1		4.9	8.6
Other left (ASPE)	28.0	15.0	17.3	14.5	9.1	6.0			
Far left (NAR)						6.9		7.7	11.3
Renewing- radical left- Greens- autonomous								13.0	10.6
Sina 16 (radical left. Greens – NAR)							16.1		
ESAK- Renewing left-other left							11.8		
DISK (PASKE Dissenters)									14.9
Protovoulia (left)									10.0
Radical left	5.8								

General Bank of Greece

Faction	1983	1987	1989	1991	1993	1995	1997
PASKE	23.0	27.5	30.7	24.0	27.9	34.5	33.8
DAKE	31.0	55.2	56.0	65.6	64.0	25.5	56.1
Left	43.0	12.8	13.2	10.4	6.4	8.2	8.5
Radical-Green left		3.4					
DAKE (dissenters)						29.2	
Syndikalistiki Anoixi						2.6	
Other	2.5	0.1	0.1		1.8		1.6

Ionian Bank

Faction	1983	1985	1988	1990	1992
PASKE	44.6	45.7		53.0	52.9
DAKE	38.4	34.7		19.5	30.0
ESAK	13.4	12.0		6.5	11.7
Radical-Autonomous left	1.4	3.0		4.0	3.3
DAKE (dissenters)				15.5	
Syndikalistiki Anoixi					
Poreia	2.2	4.6			
Other				1.5	2.1

Pisteos Bank

Faction	1985	1987	1989	1991	1993	1997
PASKE	13.0	6.4	8.0	10.9	6.7	7.6
DAKE	13.0	10.6	14.0	37.5	44.8	73.3
Independent-radical Left	67.0	77.9	72.0	46.2		15.6
ESAK	7.0	5.1	6.0	5.4		3.5
Independent-radical Left & ESAK					48.5	

Bank of Piraeus

Faction	1983	1985	1986	1989	1991	1993	1995	1997
PASKE	12.5	17.0	13.5	30.1	21.1	20.8	13.0	ONLY ONE UNITED BALLOT
DAKE	44.3	39.9	31.5	31.2	41.2	22.1	19.0	
Independent-radical Left	43.2	36.2	53.8	38.9	37.7	57.1	68.0	
ESAK		6.9						

National Mortgage Bank of Greece

Faction	1987	1997	1998
PASKE	53.9	47.7	56.2
DAKE	29.4	18.6	21.9
Independent-radical Left	11.4	11.7	13.9
ESAK	5.3		
PASKE dissenters		5.2	6.2
Renewing Left		10.8	12.8
Initiative group for a new PASKE		3.7	
Autonomous Faction		2.3	

Macedonia – Thrace Bank

Faction	1983	1994	1998
PASKE	41.1	50.5	42.0
DAKE		23.0	14.0
Independent-Green Left		13.9	23.0
ESAK			6.0
Radical Left			6.0
Renewing Left		12.6	9.0
Left & independents	58.9		

Ergasias Bank

Faction	1986	1990	1996	1998
PASKE	29.0	23.0	52.4	75.7
DAKE	30.6	39.2	24.9	
ESAK	20.7	22.9		
Radical Left	10.7	11.1	10.3	
Renewing Left	9.0		12.4	10.4
DAKE + Independents				13.9
Independents		3.8		

Bank of Central Greece

Faction	1996	1998
PASKE	56.9	56.1
DAKE	33.0	34.7
Radical Left		
Renewing Left		3.0
Other	10.1	6.2

Bank of Crete

Faction	1983	1985	1997	1998
PASKE	28.9	30.4	36.7	33.1
DAKE	30.2	47.5	45.8	48.2
Independent	40.9	22.1	15.5	18.7
Renewing Left			2.0	