

THE GREEK EXPERIENCE*

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The October **1981** Greek election which climaxed the Panhellenic Socialist Movement's 'short march to power' was justifiably greeted with widespread enthusiasm by the left in the West. PASOK's victory not only terminated over half a century of right-wing rule (including a brutal seven year dictatorship) but also followed the socialist victory in France in the midst of the Reagan-Thatcher-Kohl reaction, thus disproving at least momentarily the mythology of a right-wing resurgence. Nor did this pleasant Greek surprise end with one term in power. In June **1985** PASOK won another decisive victory, and the renewal of its mandate seems to show that socialist governments need not be a mere interlude to **right-wing** rule in this era of chronic capitalist crisis. Now that the Greek Socialists are comfortably into their second term (with even the opposition admitting that they are there to stay), it is time to examine the record of PASOK in office. This is what this short article intends to do. After some brief reference to the period of **PASOK's** 'short march to power', we will examine the economic, labour and social policies of Papandreou's Government; its foreign policy; the changes it brought about in the **hydrocephalous** Greek state apparatus; and finally, the nature of the opposition to its rule.

PASOK's 'Short March to Power'

The Panhellenic Socialist Movement appeared on the Greek political scene in **1974**, in the immediate post-junta period. It was established by activists from the mid-sixties and especially from the anti-junta resistance who had gathered around the charismatic personality of **Andreas Papandreou**, in addition to a number of radical and Marxist groups and individuals which the dictatorship had brought to life. It was the expression of the social radicalism which resulted from the peculiar economic development of the country during the two decades following the war. It was a radicalism, as the mid-sixties social unrest had indicated and as the opposition to the Junta regime proved, of the political alliance between the old social strata (simple commodity producers and the peasantry),

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which had been squeezed out of the socio-political picture and the new social strata to which the recent economic development had given birth (i.e. the urban working and new middle classes of the disproportionately large service sector). The latter had been located mainly on the sidelines of the political process of the country until this point.

It was the volume and dynamics of the radicalism of these strata in combination with the subjective weakness of the other parties, particularly those on the left, which made PASOK the spokesman par **excellence** of Greek radicalism and contributed to its unprecedented short march to power (it progressed from 13.5% of the popular vote in the 1974 election, to 25.3% in 1977, to the victorious 48% in 1981, and in the 1985 election, while in power, it lost two percentage points for a 46% electoral win). PASOK made its entrance on the Greek political scene with a 'Declaration of Principles' which explicitly went beyond the problematic of Western European social democracy.

During its 'short march to power' however, a spectacular modification of its programmatic intentions took place. **The Movement's** former strategic goals of 'ceasing the exploitation of man by man' and 'human liberation' introduced in its founding Declaration, were replaced **between** 1977 and 1981 by such objectives as 'narrowing the gap between different income groups', and 'generating a self-supporting national development' which was supposed to reduce the 'uneven distribution of income' by overcoming 'the peripheral development' of the country. The initial effort to connect the goal of an independent foreign policy with a socialist strategy was attenuated and replaced by a moderated version of the Movement's initial policy of complete withdrawal from both NATO and the EEC. Furthermore in its 'Governmental Programme', with which PASOK took power in 1981, its initial plan to get rid of US military bases was absent and the need to negotiate their 'compartmentalisation' was put forward. PASOK's controversial moderation during its march to power can be further witnessed in relation to its original promises of 'nationalisation' and 'socialisation' of various economic sectors. The post-1981 PASOK has avoided any commitment to nationalisations, 'since they cannot guarantee democratic control by the people' and since the Greek state already controls major sectors (i.e. energy, transport, banking). Instead it has committed itself to an extensive programme of 'socialisations', which are defined in vague terms like 'employee participation in the administration' of the socialised companies. Finally another important link in **PASOK's** chain of moderate and compromising discourse lies in its conception of social classes. While in 1974 the Movement's descriptive reference to classes was enough to promise the potential development of its policies along class lines, the party which finally entered the echelons of Greek state power in 1981 made its references to society exclusively along the lines of the distinction between 'privileged' and 'underprivileged'.

But these modifications in PASOK's initial and dynamic radicalism are not the only things which cast doubt on the Movement's socialist promise. While in its founding Document the Movement undertook to make 'the principle of democratic procedure' its living organisational practice, during the seven years following 1974, PASOK became a prime example of an undemocratic, even authoritarian organisation. Controlling intra-party opposition by administrative means, Papandreou established a centralised organisation in which everything revolved around the omnipotent leader and his inner circle. Taking advantage of the popular appeal of his charisma and the lack of a democratic party structure, 'Andreas', as the people of Greece prefer to call him, has become the alpha and the omega of PASOK's political existence.

It is important to bear in mind that from the very beginning, PASOK has insisted that it is not a social democratic party. The party still advertises its commitment to 'the structural change of society', and still claims, at least rhetorically, that 'Marxism is [its] method of social analysis'. In fact, its overall discourse does sustain some anti-imperialist overtones. Moreover it has constantly—although to a lesser degree in the past four years—criticised social democracy and it has avoided an official affiliation with the social democratic Socialist International. The question of PASOK's nature therefore, is a complex one, which goes beyond the scope of this article. What is important however, is to keep the Movement's development in perspective when we examine its practice as the first Socialist Government of Greece.

From Keynesian Hopes to the Austerity of Despair

When only a few months before the 1981 election PASOK announced its 'Governmental Programme', or its 'Contract with the People', there was little disagreement that the document bore only a passing resemblance to the party's 1974 declaration. That earlier declaration's vague but radical strategic goals of 'social liberation' as the prerequisite for 'national independence', meaningful 'democratic procedures' in and outside production and 'elimination of the exploitation of man by man' had been replaced by the goals of 'autonomous economic development' and the simultaneous overcoming of 'recession and inflation'. In its first economic statement as a Government, PASOK put forward a set of neo-Keynesian measures for the accomplishment of these goals. Production was to be stimulated through the strengthening of middle and low incomes, as well as through a 'new policy' of incentives for productive investment. Price controls were to be implemented for 'basic products and services', in addition to a close scrutiny of public investment and expenditure with a parallel effort to eliminate widespread tax evasion. 'Problematic companies' (companies in debt), were to be rationalised and 'structural changes' were to be made in the public sector so that decisive control of

the activities of the monopolies would be achieved. For the latter, the 'socialisation of strategic sectors of the economy' was seen as necessary, although some of the weaker industrial sectors, such as the pharmaceutical and armaments industries, were put under state control.

These were, with the possible exception of the latter case which was put on the back-burner, the economic policies of the first year of *allage*.¹ Almost immediately after its victory, Papandreou's government, using the pre-existing corporatist labour practices of the Greek state and a watered down version of its programmatic promise for 'automatic income adjustment', introduced a wide range of income increases in both the private and public sectors. There was an overall 3% increase in real incomes, which although not sufficient to cover the losses of the previous years (a net real loss of 5.5% in the 1979-1981 period) did amount to real relief, especially for those in the low income brackets.

However, it was not long before the shortcomings of these 'demand-side' economics became apparent. Within a year, Papandreou himself admitted that the Government's policies had not brought the expected results. On the contrary, the economic policies of the first Greek Socialist Government were creating more problems than they had been intended to solve. The stimulation of demand, which had been undertaken primarily through legislative wage increases, did result in increased demand. This however was not translated into overall increases in domestic production, but rather into increased imports. Domestic producers had tried to offset their higher wage costs by increasing prices. However, due to the already high level of inflation in the country (25-26%) and to the open nature of the Greek economy, this simply tended to encourage people to buy the relatively inexpensive imports. The dependent nature of the Greek economy combined with EEC limits on import controls, served to ensure that the Greek Government could do little to stop this process. In fact the open nature of the Greek economy also tended to retard domestic investment in capital equipment, which might over time have helped to meet that increase in demand without price increases. This is because domestic producers would not have time to recover their capital investments without first being beaten by foreign competitors. Finally, any attempt to meet demand increases by means of increased exploitation was simply not on the agenda. The post-electoral enthusiasm and popular confidence ('PASOK in government, the people in power', the government's main electoral slogan) hardly constituted the right political atmosphere for wage restraint. In fact, when in some cases intensification of production was attempted, labour mobilisation cut it short very quickly —there were 6.5 million hours lost to strikes in 1982, compared to 3.5 in 1981.

Thus the attempt to 'stimulate the economy' by manipulating its demand side, failed. Investment trends continued to show a negative flow

(4.5%). Even the Government's astonishing (given its previous attacks on multinationals) direct political intervention in 1982 to create incentives primarily for foreign capital did not generate the expected response. Finally, the Government's hopes to exploit the country's (and PASOK's own) traditionally good relations with the Arab world, and in this way to attract investment, proved fruitless. There was a lot of talk and very little action. The international economic situation (recession in the West and a decrease in oil prices) had made not only Arab but also other foreign capital, apprehensive.

After its first year in power, confronted with this situation, the PASOK Government **made** a 180° turn, **adopting** the internationally 'fashionable' economic policies associated with monetarism. With these new policies, the much desired recovery was now to be achieved not through the stimulation of demand but through: a) the reorientation of the country's production towards exports and the improvement of the country's competitiveness; b) exchange measures such as the devaluation of the drachma; and c) the reduction of production costs through a wage freeze.

The new measures were however more than the mere product of the contradictions of the 1981-82 policies. They were also a result of the long standing effects which the new international division of labour had had on the dominant commercial fraction of Greek capital. Greek shipping capital, which had in the post-war period enjoyed a prominent position in the world's sea transport industry, was reaching its limits both because of emerging protectionism and the world economic recession. Therefore policies which would promote a more competitive, export-oriented resource and manufacturing industry in Greece were in their interests. Such an economic orientation would at least develop a basis to compensate for the markets lost abroad as well as open up new opportunities for their stockpiling of surplus.

The general catastrophic results of monetarism and the politics of austerity are well known. Greece was not about to become an exception. The wage freeze in combination with the high inflation rate not only ate away at workers' incomes but also reduced demand, which in turn further stalled investment activity in local industry. The result was that unemployment jumped from 2-3% to more than 8%² in eighteen months. The expected private investment flow did not take place on schedule since the recession continued and memories of the radical tone of the Government party were not conducive to investors' confidence. In addition, the drachma devaluation, undertaken on the premise that it would assist exports and help to control imports, was not yielding the expected results because of the character of Greek imports (73% of which are food and consumer goods) and also because of the economy's slow adjustment to the new export-oriented industrial policy. The currency devaluation had further

exacerbated both the fiscal deficit and the foreign debt. The deficit jumped by **148%** to **12%** of GNP, while the foreign debt rose from **\$5.9 billion** to **\$8.5 billion** or to one third of **GNP**.³

This picture started to alter in the year prior to the **1985** election. Due to a slight improvement in the international economic situation and the appeal of the Government's 'realism' to investors, the economic climate improved. On the foreign investment front, the Government made several breakthroughs, not only in economic agreements with the EEC countries, but also with Arab capital. But the Socialists' biggest coup in the field of foreign investment was the economic agreement which they made with the Soviet Union regarding the exploitation of Greek bauxite reserves, which are the richest in Europe. This was the largest foreign investment ever made in Greece and the terms of the agreement are to an unprecedented degree beneficial to Greece. As the Economist put it, it is a 'dream agreement', given the dismal situation in the international aluminium market. Moreover, after the failure to stimulate major industrial investment, the Government turned to medium-small productive capital, virtually abandoning (though not consistently across the board) the so-called unproductive sector (trade, services, transport). At the same time, by means of forced labour concessions, the socialists put forward an extensive plan to rescue those enterprises in economic trouble.

The result of these economic policies was a new economic picture. In **1984** there was an increase of **2%** in economic growth—as opposed to **0.3%** in **1983**—to which the primary sector was one of the major contributors (thanks to the EEC policies previously much criticised by PASOK); inflation was carved down to **18.5%** and expected to fall by another **2%** in **1985**; there was a significant increase in exports (**5.5%** compared to **-0.8%** in **1983**) with a simultaneously slower increase of imports, which made the prospect of financing the debt seem somewhat more promising. At the same time, however, unemployment continued to grow and labour was constantly asked to tighten its belt further.

The recently published five-year economic plan, as well as Papandreou's **opening** statement to the new Parliament in the Summer of **1985** made it clear that the Socialists' economic orientation and priorities would not change at least in the near future. The Government would continue to act in a 'realistic' fashion to attract foreign investment, forgetting its previous grandiose plans for inter-state agreements with selected countries. The focus was to be upon private direct foreign investment as had been exemplified by the trips of Government officials to the US and the Middle East. Furthermore, the rather generous public expenditures of the first year of the Socialist administration was to be further 'rationalised'. And finally, the long standing problems of productivity and competitiveness of the Greek economy were to be solved through labour's 'responsible participation' in established tripartite corporatist bodies which would

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guarantee 'social peace' with wage concessions.

Controversial Labour Policies

The Socialists inherited a markedly corporatist labour relations system in which compulsory government mediation and other direct involvement in trade union procedures were the rule, and free collective bargaining and **open/democratic** trade union structures the exception. PASOK did not appear to be disturbed by this heritage, and it carried out the arbitrary replacement of the leadership of the National Federation of Labour with party faithfuls. Ignoring the hypocritical outcry of the right and **neutralising** the initial objections of the Communist Parties through cooptation, PASOK thereby took over the system and carried on the customary undemocratic practices. Papandreou's Government hoped that by influencing in this way the national and (in many cases) the regional leadership of the trade union movement, it would not only be able to extend its influence among the working class, but also to mobilise support for its labour policies.

During the first year of the Government, PASOK did not in fact need to exert much extra effort to legitimise its labour policies. In addition to the wage and pension increase which came as part and parcel of its initial Keynesian policies, the Government put forward a number of laws which were at the time justifiably considered pro-labour. There is no doubt that some of these measures, despite the patronising rhetoric which came with them, were unprecedented. Lockouts became illegal, the possibility of the 'legal' prohibition of strikes was eliminated, labour's right to organise was solidly protected, and finally a number of scarcely preexisting labour benefits (e.g. holidays, pensions, maternity leave, unemployment insurance, etc) became legally guaranteed. The legitimacy accorded to the Government in the eyes of the unions was bolstered by the effective support which both Communist Parties also provided to the new administration.

By mid-1983 however, the Government's change in economic policies towards austerity came to be accompanied by diametrically different labour policies. The Government decided to abandon its policies of inclusion and consensus and pursued policies of exclusion and coercion. Cynically pointing to the real problem of low productivity in the public sector, the Socialists introduced a law which in effect banned the right to strike in the public sector, but which had little to do with improving productivity. Ironically, they called it 'socialising the means of production'. It was the kind of law, as many liberal observers in Europe noted, which not even Mrs Thatcher had dared introduce in her first term. The real significance of this initiative, however, can be seen only in the light of a fuller understanding of the Greek public sector.

First of all, the public sector in Greece extends well beyond the usual activities of Western capitalism. It encompasses almost 90% of the financial

sector, **all** land and air transport, **all** communications and even some segments of heavy industry. Second but not less important is the fact that the public sector represents the most radical expression of trade unionism in the **country**. Consequently, qualitatively different labour relations in this sector could in effect set the limits and the pace of labour demands throughout the entire country. Furthermore, since the sector is very much tied to the activities of private capital, such new 'labour relations' would improve the 'investment climate'.

The opposition and especially the left seemed confused by these actions and accused the government of being 'contradictory' and of oscillating between pro-and anti-labour policies. However, in spite of appearances, the differences in the Government's two-faced policies on labour are not contradictory nor have they arisen as a result of confusion but are complementary to and fully consistent with the Government's overall economic policies.

An important aspect of the 'supply-side' economics that the Socialists decided to adopt as their main economic policy instrument after their first year in power, is the reduction of labour costs. The PASOK Government is doing this in a rather skilful manner which minimises its political costs. In the private sector, wage concessions are to be left to the market mechanism, which, given the growing threat of unemployment, works effectively as a disciplinary device. In fact, the Government (very much contrary to other Western governments), not only does not miss any opportunity to advertise the rate of unemployment but it seems that the various departments and the Prime Minister himself 'compete' as to which can quote a higher **rate**.⁴ This tactic has been successful, if we can judge from the reduction of labour unrest as well as from the open wage concessions actually secured in the private sector (particularly in businesses which were under the special 'rescue plan' of the Government).

In the public sector, however, where the unions are strong and tenure is granted to employees as a long standing practice, the Government chose a head-on collision with labour. Moreover, using the otherwise reasonable argument of striving for 'a more efficient public sector', the government's efforts to legitimise its direct **disciplinary** actions against public sector workers are having devastatingly divisive effects on the labour movement. Those frustrated private sector workers who have been laid off and those young university graduates who have never been employed have not only come to believe in the Government's initiatives but have also gradually started to see 'privileged' civil servants as the enemy. It is not difficult to imagine what paralysing effects such conditions have had on labour militancy, especially since this objective bitter reality is combined with the incapacity of the left opposition to put the Government's labour policies in perspective and oppose them effectively.

Thus **PASOK's** labour policies are of a piece with their overall economic

policies. Using the well-known tactic of the carrot and the stick for private and public sector employees respectively, Papandreou's Government has managed to discipline labour and create an 'environment of social peace' (with a few scattered exceptions) and a 'moderate political climate'. It is an achievement which has, been applauded by such international *organisations* as the IMF and the OECD. Of course for how long the Greek working class will be willing to put up with Papandreou's policies still remains an open question. It seems that the answer will depend not only on the general political climate and the policies of the left parties in opposition, but also on how much and how fast the trade union movement, especially in the traditionally militant public sector, can free itself from the near-sighted politics of the tacit PASOK-Communist alliance and rekindle its former innovative militancy. Last October's trade union mobilisations against the government's economic policies of wage restraints can possibly be interpreted as a step in that direction.

A Unique Foreign Policy

In its brief life in opposition, PASOK had adopted a radical rhetoric regarding the country's foreign policy. The Movement had developed its foreign policy as an extension of its understanding of the country's political economy, which, as we have seen, it formulated along the lines of dependency theory. Thus PASOK saw the USA, NATO and the 'West' as the causes of the 'Greek tragedy', and put the struggle against these forces at the top of its political priorities. Although in its 1981 governmental programme, the high pitched tone of its anti-imperialist policies (i.e. oust the American bases, withdraw from NATO, cancel membership of the EEC) had been considerably softened, there was still a strong sense that many of these promises would be implemented.

More than four years of socialist foreign policy have been enough to disappoint these expectations. Although maintaining part of his rhetoric, especially during the 1985 electoral campaign, Papandreou has managed to undertake policies diametrically opposed to those contained in his party's original plans. The Socialists reached an agreement with the Americans which, in spite of the government's claims, extends and guarantees the American military presence in the country.⁵ Furthermore, in exchange for the maintenance of the 7:10 ratio of US military assistance to Greece and Turkey, PASOK's government will continue to respect the Rogers Agreement which fully reintegrates the country into NATO's strategic plans in south-east Europe. The highlight of this turn-around in PASOK's foreign policy is the decision to purchase an enormous amount of military equipment (100 aircraft of which 70 will come from the USA and the rest from France, tanks and sophisticated surveillance devices). This sale (which the Greek press hailed as 'the purchase of the century') not only perpetuates the country's military dependence upon the USA and NATO, but because of

enormous cost also opens the gate for very unpleasant financial consequences.

There is no doubt that Papandreou's 'anti-American', 'anti-NATO' pronouncements generated a hostile attitude from the Reagan Administration and it is clear that great pressure has been applied. But the Government has too often gone overboard to accommodate US interests—for example the voluntary inclusion of the demilitarised parts of the country into NATO defence plans and the acceptance of US operated AWACS. The most disturbing facet of all this, is that what remains of the anti-American, anti-NATO governmental attitude is being used as a means of obtaining US help in securing the country's eastern border in combination with a **chauvinistic**—and even racist—rhetoric against the enemy: Turkey. As this rhetoric has been systematically used for internal consumption, it has allowed the Government to continue to increase the military budget at the expense of social services and has in turn helped to justify the 'need' for the maintenance of 'social peace' and a 'moderate political climate'.

Given all of **the** above, it is fair to claim that the Socialists' foreign policy has not changed much from that of its right-wing predecessors. In addition to defence policy, it did not take PASOK long to realise the over-simplifications contained in its previous analysis of the EEC. Thus, not only has the country's loyal membership in the Commission continued, but it has also taken full advantage of its grants, particularly those given to the primary sector.

At the same time it is also important to note that, to its credit, the PASOK Government has not fallen into the fashionable Cold War rhetoric of the other socialist parties in Europe. In fact other aspects of the Government's foreign policies have contributed to giving PASOK and its leader considerable legitimacy among the Western left. For example, Papandreou's anti-nuclear rhetoric and his active participation in the 'peace initiative of the six'—though from the outset doomed to failure—has undoubtedly contributed to the dilution of the Cold War atmosphere on the continent. PASOK has also been a supporter—although a suspiciously uncritical **one**—of the PLO and the Arab countries, particularly those with so-called militant governments (**i.e.** Libya, Syria, Iraq). Finally, much to the dismay of the Reagan Administration, the socialists have maintained good relations with the Soviet Union and the other Eastern European countries. Papandreou refused to sign the **EEC's** Cold War document which condemned the Soviet Union following the **KAL** incident; it mediated in the negotiations for transforming one of the private shipyards into a servicing station for the Soviet fleet in the Mediterranean; it has been provocatively silent on the Afghanistan issue; and finally it has gone so far as to be a very strong supporter of the Jaruselski regime, calling it 'the best thing that ever happened to **Poland**'.⁶

However, if we are to understand the material base and the limitations of such controversial policies, some light must be thrown on the **motivat-**

ing forces behind the Government's initiatives and silences in the formation of the country's foreign policy. Papandreou's good relations with and open support for the countries of the Soviet bloc must be attributed to: a) Greece's traditionally good trade relations with the Comecon countries (almost 10% of Greece's exports), which remained strong even under the Junta; b) the growing interest of Greek shipping capital during the last twenty years in expanding its activities in these countries; c) the effort both to attract Soviet investment (as in the case of the bauxite agreement described above) as well as accommodating the ventures of other Greek capital, like the recent undertaking of huge projects in the Soviet Union by Greek construction companies. Finally, and probably most importantly, these policies must be seen as an effort to neutralise any effective opposition from KKE, (the Communist Party), which dominates the political space to the left of PASOK. So far, the practice has in fact been successful, if we can judge from the KKE's habit of taming its response to strike activities whenever these coincide with positive Governmental gestures to Soviet policies. Still, these reservations about PASOK's foreign policy should not lead to a dismissal of its positive aspects. Greek socialists are undoubtedly an oasis in the European desert of Cold War and this should not be forgotten.

The Socialist Record on Other Fronts

In spite of the criticisms, there is no doubt that the Greek Socialists have introduced a number of positive reforms and progressive social programmes. As examples, we can cite the liberal reforms in family law and in the legal framework regarding the overall position of women in society, which although watered down in their final version due to church pressures, are definitely a step forward. The introduction of civil marriage, the relaxation of divorce laws, the abolition of the archaic laws on dowry and marital contracts and the legal recognition of the right of women to enter into a contract without the consent of their husbands are some of the most significant reforms in this area. In addition, the Government's vocal support for equal pay for equal work, though far from implementation, is a promising step in the right direction.

In addition, the Papandreou Government confronted the opposition of the academic establishment and introduced extensive educational reforms (especially in post-secondary institutions) which both in form and in content, whatever their shortcomings, opened the doors for greater participation on the part of both students and junior staff. Similarly brushing aside the threats of the medical establishment, the Socialists are actively trying to fight their way through the countless private medical plans and are working on the introduction of universal medical and pension coverage. At the level of administrative reforms, the Government **came** forward with the implementation of its long-standing promise of political

decentralisation and extended the jurisdiction of local and municipal authorities, thus creating a favourable legal framework for mass participation. (It is of course not surprising that due to the country's undemocratic political tradition, which was anything but conducive to mass participation, such participation is far from evident up to this point.) Finally, among the Socialists' positive measures has been the recognition of the World War II Resistance Movement, as well as the compensation of the veterans involved. This latter may not appear so important to outsiders but there is no doubt that this amounted to a **strategic** slap in the face to the considerable anti-communist forces in the country. In fact in light of the strength of the anti-communist propaganda in Greece since the time of the civil war, PASOK, despite its shortcomings, limitations and perversions must be credited with having re-established the legitimacy of socialist language in the country's political discourse.

Many of those in the ranks of the 'radical opposition' consider these reforms—especially in the context of the Government's latest warnings of the 'need for consolidation and expansion of the welfare **state**'⁸—nothing but part of the capitalist 'modernisation' of the country. Even if one agrees with this criticism, it is difficult to agree with its unspoken assumption that truly radical social reforms will appear spontaneously. Deep structural changes do not grow on trees and any thoughts along these lines can be nothing but ultra-leftist pipe dreams. PASOK's reforms might indeed have given the potential to the class struggle to move to a higher plateau where gains could be more substantial, if appropriate changes in Greece's stifling state structure had accompanied them. Unfortunately, these changes have hardly been forthcoming.

PASOK and the State Apparatus

If there is one area in which the PASOK Government has surpassed the fears of even its most bitter critics, it is in the pattern of state administration. PASOK's presence in the edifice of Greek state power has promoted a general tendency toward authoritarianism in the central state **apparatus**—very similar to the one described by Nicos Poulantzas in his last book. Political parties are portraits in miniature of the societies which they have chosen for their social project, and PASOK is no exception. For those familiar with Papandreu's internally hierarchical and centralised party, the Socialists' record on this front did not come as a surprise.

In spite of gestures and rhetoric to the contrary, we have witnessed over the past four years an unprecedented centralisation of state power. The new municipal democratising structures are unused and effective power remains in the top central state apparatus which has become if anything even more distant from popular control. Parliament has faded into the background of the configuration of the Greek state and immense power is being concentrated in the Prime Minister's hands. PASOK's

backbench **MPs** have actually been prohibited from asking questions in the House and Papandreou has distanced himself from parliament. Three members of **PASOK's** executive (the famous 'troika') decide on major Governmental policies and the cabinet, for 'efficiency reasons', has recently shrunk to only 19 members, of which one ministerial portfolio is held by Papandreou himself and three others are ministers 'under [i.e. reporting directly to] the Prime Minister'. Also, Papandreou's controversial decision last spring to reform the constitution and remove Karamanlis (whose charisma and national appeal undoubtedly made him the other major pole of power in the Greek political configuration) from the Presidency and replace him with someone of Papandreou's own choice, was designed to further promote and consolidate the tendency towards one-man rule.

Far more ominous in fact has been the Socialists' continued exclusion of certain sectors of the Governmental edifice from democratic control. In the name of 'efficiency' and/or 'neutrality', **PASOK** has systematically exempted the military, the diplomatic service and the Justice department from parliamentary or public scrutiny. This is especially troubling since Papandreou's Government has surpassed its immediate predecessor in the scale of state coercion practised in certain areas. The heavy-handed policing of strikes, the increased surveillance of places where young people congregate, the crack-down on punks and the constant harassment of gays, are some striking examples of this depressing picture.

In general the Socialists have added a new dimension to the Greek political culture—the technocratic definition of politics. Traditionally orthodox governmental efforts to fill bureaucratic positions with party faithfuls⁹ have now been accompanied by a rationale for patronage appointments which stresses the unique 'expertise and competency' of the appointees who can therefore by definition deal effectively with the country's problems. Of course, given the actual extent of patronage (based largely on party membership) this practice can be seen as the mere continuation of the tradition of clientelism.

Also, in these past few years of socialist administration we have witnessed a further inclusion of the institutions of civil society into the policies and the logic of state activity. The systematisation of corporatist practices in the trade union, cooperative and students' movements are living examples of this tendency. Every expression of civil society (political, cultural or otherwise) in the last few years has been pushed towards expression only within the strict framework of the party system's logic and the centralised practices recognised by it. This is the case not only when independent political or cultural initiatives want to gain legitimacy, but also so if they do not want to find themselves excluded by coercion from the terrain of their activity. The crack-down on an independent anti-fascist political initiative in November 1984, the virtually forced imposition of party allegiance in the labour, women's and students' **move-**

ments, the partisan criteria for subsidising the artistic community are only some cases in point.

Of course, the Greek state has a long history of illiberal practices. In addition, the state in the Greek social formation carries a particular weight in the articulation of social relations. It is the state and not civil society which has been proved the arena par excellence in which the social classes articulate their presence and secure their reproduction. For this reason, the main thrust of the practices described above is neither unusual nor totally new.

In the reality of power, PASOK has translated its initially loose definition of 'participation' to mean participation of the experts in the state apparatus. It is this technocratic definition of participation which not only allows the agents of the new middle class (i.e. highly educated and specialised professionals) to take a step into the apparatus of power, but also contributes to the decomposition of the social strata which were traditionally nourished by right-wing nepotism on the fringes of the state structure.

Socialist policies are also accompanied by a rhetoric which promises a 'rational solution to problems', which in turn is to be achieved through 'meritocracy' and the promotion of 'fair chances in all spheres of public life'. Thus, all the complaints about 'inequalities' cannot develop fully into a protest which will touch the structural causes of the problems. Every evil is now understood as a product of mismanagement or incompetence, and all sicknesses are magically transformed into symptoms. The Socialists in power have adopted an a-historical fetishistic attitude *via-à-vis* state power.

The Opposition

The story of PASOK in power constitutes a long chain of broken promises and dashed hopes. It is therefore only natural to expect the growth of opposition and turbulence. However, this is far from being the case. The Greek socialists ran the last electoral campaign with unusual confidence and won the election with an ease unprecedented for a party which has been in power in a period of deep crisis. Much of this is to be credited to Papandreou's capacity for neutralising critics. But it should also be attributed to the weaknesses of the prospective opposition.

The 1981 electoral result was as much a defeat of the right (New Democracy) as it was a victory for PASOK. The 1985 election was nothing but a repetition of the 1981 situation. After finding itself for the first time outside of state power, New Democracy has experienced great difficulty 'in appearing in any united fashion. In reality, the dominant right-wing party is deeply divided between a fraction which favours modernisation along Keynesian lines and political development along the lines of 'modern liberal democracy', and another which is clearly more

conservative and maintains a discourse reminiscent of pre-1967 **clientelistic** and monarchist practices. It is a deeply rooted division that the frequent changes in the party's leadership are not capable of solving. In fact recent resignations indicate that the long overdue cleansing of internal differences in the party may soon lead to a major split. Thus, it will be some time before this party overcomes its problems and becomes a threat to the present Socialist dominance. Meanwhile, these problems are reflected in New Democracy's opposition. Its criticisms of PASOK have been inconsistent, scattered and very much dependent upon the character and the mood of its leader at the time (New Democracy has changed leadership three times in the past four years).

In spite of the problems with its policies, and contrary to its disastrous record while in power, the dominant right-wing party still managed to fight a tough electoral battle during the last **election**. It trailed behind PASOK by only five percentage points, and it proved that the right is far from dead as was often maintained or **implied** by the Government and the rest of the left. To contribute further to the organisational and political plight of New Democracy however, Papandreou's Government has very skilfully picked on its most conservative elements and has **effectively** kept alive the 1981 atmosphere of polarisation which identified New Democracy as the nation's number one enemy. Not only does New Democracy not pose any threat to the Socialists but in fact its actions have been conducive to keeping them in power.

If the incapacitation of the right-wing opposition seems rather comforting, the inarticulacy of the left cannot help but generate feelings of depression. To begin with, KKE (orthodox), the most significant left wing rival to the Government, has not managed to put forward a comprehensive opposition to PASOK. In spite of its organisational militancy and effectiveness, its opposition has been limited and scattered. It usually focuses on the day-to-day issues with an emphasis on the Government's foreign policy—especially the part referring to the relation to NATO and to the USA. On other issues, KKE presents a schizophrenic image, since it simultaneously welcomes some of the Government's policies and criticises some of the others for 'not going far enough'.

Furthermore, KKE can be and has been easily manipulated by the skilful leadership of PASOK whenever it has attempted to step outside the boundaries of 'constructive opposition' and increase its militancy. Trapped in its self-imposed obligation to support Soviet diplomacy, KKE has put itself on a self-neutralising course. Phenomena such as abandoning oppositional activity when the Government makes a positive gesture to one of the Soviet bloc countries or when its representatives are included in the corporatist initiatives of the Government, are not rare. Many critics of the party—both on the left and right—have talked about their suspicions of a secret 'moratorium' of peace between KKE and the

Government. The truth or falsity of this speculation is irrelevant since it is the **internal/structural** limitations of the party which themselves make it incapable of confronting a left-wing government in an imaginative way. The ten per cent decline in the party's electoral appeal in the last election (**9.89%**), which is its first electoral setback since its legalisation in 1974, is but a further case in point of the party's sorry situation. These problems of KKE have been met with unusual (for that party) internal criticism from its membership, especially after its electoral losses in the last election. Of course this internal criticism has been confronted with well known Stalinist methods. A growing number of the rank and **file** as well as middle level functionaries have been expelled or forced to resign from the party.

On the other hand, the record of the KKE (Interior) in opposition has not been any more impressive. KKE (Interior) originated in the 1968 split of the Greek Communist party. The latter, due to its underground status, had to maintain two politbureaus, one of the exterior, which resided in Eastern Europe, and one of the interior, which stayed in the country. The split came as a result of the dispute between the two bureaus as to which was to have the last word on the Party's policies. After the split, the interior lost the battle, in spite of its relative size, to become the major representative of the Greek communists, abandoned the orthodox path, and developed along Eurocommunist lines which were fashionable at the time. This party confronted the government's policies with the strategy of 'critical support' (especially during the first year of socialist rule when the party was overwhelmed by PASOK's popularity). The result was a lack of focus in its policies. It oscillated between enthusiastic support for the Government's reforms and 'disappointment' with **PASOK's** broken promises. After 1982, with the change in the Government's policies and given its dismal showing at the polls, KKE (Interior) launched an attack on the Government. This attack however, did not develop into the formation of comprehensive policies—only the jargon (often workerist) and the tone have changed, and they do not carry conviction. Furthermore, its seventeen year history of reformist policies, and lack of an industrial working class base, along with its limited resources and its miniscule and periodic parliamentary presence (the party had no members in the 1981 parliament and only managed to win one seat in the last election) have set the **limits** for its support and effectiveness.

What does make this party interesting, however, are its differences from the (orthodox) KKE. Apart from not being slavishly pro-Soviet, the Party of the Interior has also embraced (albeit somewhat opportunistically) the political concerns of the 'new social movements'. With the exception of its loose links with the Eurocommunist parties, the KKE (Interior) does not have any restrictive **internationalistic** commitments and its structure is, at least in theory, more democratic. For these reasons it has become by default the point of political reference for the

independent left, which for the moment is concentrated around numerous theoretical publications. In fact the existence of these groupings has been recognised as the main reason for its survival. The party in fact promised to open its organisation to incorporate them, in an effort to develop an alternative strategy for the left. This is something that radicals in the country are watching with great anxiety since under the current difficult conditions of the Greek left it is the only present hope for the development of a truly radical and effective alternative to PASOK and its controversial reforms.

Given the weakness of the party alternatives, the greatest challenge to PASOK's Government initially came from within the party itself. The apparent gap between the party's politics in opposition and its actual practice in government soon shocked many party militants. In **1981**, there was of course widespread optimism among the radical wing of PASOK which often went beyond the rank and file recruits to the civil service and up to the ministerial portfolios. This radical enthusiasm lasted at least for the first year of the Socialist administration and was expressed in direct interventions of party people in Governmental policies and initiatives. Soon however, this spontaneous scrutiny of the government by its own party ran up against the reactions of the departments which were primarily manned by technocrats. Such party interference in the government had to end and it was in fact halted by the successful manoeuvres of Papandreou and the top layer of the party's leaders. To begin with, through internal rallies and conferences there has been a conscious effort to convince the rank and file that the interference of the party in Government policies could be detrimental to the effort of the Government to present itself as a 'government of the whole nation' and not as a partisan one. Then there was a mass **recruitment** of all top party functionaries into the Government. This co-optation had its intended effects not only because it reduced the volume of the party's voice but also because it took away any autonomous existence that the party might have had, since those members who joined the Government remained as members of the central collective bodies of the party. Today, there is virtually no one in PASOK's party **structure** of any significance who does not occupy some top position in the Government. There has emerged an identification of party with Government but not the other way around." Thus, PASOK's own party organisation has been forced into hibernation and is activated only for electoral purposes. In those few cases where internal reactions to Government policies have continued to be voiced, PASOK's leadership has reacted in its favourite manner—by ostracising the opposition. The events of the **10th** Session of its Central Committee in August **1983** and the manipulation of the membership's participation in its First National Congress in May **1984** make a strong case for the inability of the extra-parliamentary party organisation to become the Government's conscience or to influence

its policies in any substantive way.

The obvious requirement for the expression of opposition is a structured forum which functions democratically, and PASOK in its eleven-year history has destroyed even the possibility of this. This should not be taken to mean that PASOK has completely destroyed its entire left wing. On the contrary, the left wingers of the party have gathered around the newly formed Ministry of Youth, where they have been given some autonomy, a disproportionately large budget and very well defined tasks incapable of having any effect on the government's major policies. In this way, the leftists of the party have found 'an oasis', as they admit, 'in the desert of Greek politics', while at the same time their existence creates an alibi for the Government's controversial initiatives. Moreover, it must be said that the tight control of the party by **Papandreou** and his close associates, and the concentration of power which they have managed to achieve both in and outside the Government, have led to adverse reactions on the part of some liberal members of PASOK, a number of them in ministerial posts. The absence of a political base to their criticisms has led however to their isolation and final resignation from the party. Their major contribution to the opposition was nothing more than the feeding of **right-wing** propaganda for a few weeks. Thus, in the foreseeable future, PASOK has nothing to fear. The admirable manoeuvrability of its leadership, the disgust in collective popular memory for right-wing rule and most importantly the state of affairs in the parties of the opposition are an insurance that the Socialists are not going to face any serious **challenge**—at least at the political level—to the general direction of their **policies**.¹¹

PASOK's latest electoral success and continued governmental strength may rekindle the hopes of many in the West who seek to establish viable alternatives to right-wing governments in today's crises. The Greek Socialist experience is not something to dismiss lightly. But in a more fundamental sense PASOK's record speaks as much to socialist failure as it does to electoral survival. Indeed, the very association of its **radical/socialist** and participatory rhetoric with economic policies of austerity and profoundly undemocratic party and state practices may do more harm to the credibility of a democratic socialist promise than we might like to admit as we deal with the minimalist immediate concerns of our day-to-day defensive struggles.

NOTES

1. 'Allage' (= change) has been the main slogan of PASOK since the 1977 electoral campaign. In the past few years it has had a tremendous impact on the political discourse of the country, since thereafter all parts of the political spectrum started to use it. However, it is PASOK which has managed to put forward the most convincing definition of the term and become finally the 'Government of *ullage*'.

The figure is only indicative, as in addition to the shortcomings of the technocratic measurement of unemployment and the traditional Greek aversion to systematic statistical research and analysis, there is disproportional **under**-employment in the country due to the swollen petty commodity production and the seasonal nature of tourism which occupies a dominant place in the Greek political economy.

3. *The Greek Economy in Figures: 1984* (Athens: Electra Press Publications, October 1984).
4. In his speech to a conference of European and American economists, A. Papandreou said about the problem of unemployment in Greece: 'Of course the figure 8% is a conservative figure. I believe that 9% or even 10% is closer to reality.' Summer 1983.
5. Many observers have claimed that the agreement resembles the one signed by the Philippines. Basically the agreement guarantees the presence of the US bases for five years and then further negotiations are anticipated.
6. As a result of some of these policies, Western leftists have often made the mistake of exempting PASOK from the criticism applied to other European social democratic governments. For example see J. Petras, 'The Rise and Decline of Southern European Socialism', *New Left Review* No. 146.
For an excellent analysis of the orientation of Greek shipping capital see M. Serafetinidis *et al.*, 'The Development of Greek Shipping Capital in Greece', *Cambridge Journal of Economics Antitheses* No. 5 (in Greek).
8. From A. Papandreou's Speech to the new parliament, *To Vema*, June 23, 1985.
9. While important but secondary in the high positions, party loyalty is a must for the middle and low range bureaucrats. The phenomenon of 'green **guards**'—as they are sarcastically called in the country—may very well be understood as a modern expression of the long tradition of clientelistic patterns. Now however, it is articulated in the instrumentalist arguments of PASOK's political discourse.
10. This practice of the Greek socialists has misled some observers to talk about the beginning of a one party state. For example see Roy Macridis, *Greek Politics at the Crossroads: The Socialist Experiment* (Athens: Euroekdotike, 1984). (Also in English.)
11. In fact M. Evert, a prominent member of New Democracy had to admit publicly after last summer's election that 'we are in for a long opposition'. Interview in *To Vema*, July 14, 1985. We get the same **flavour** from analyses of the electoral results of PASOK's major left wing rival, KKE.