Country Issue: Greece

The Relaunch of Europe
Mapping Member States’ Reform Interests

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– Foreign and security policy in Europe

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– Think Tanks
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– Support for talented young people
– Maintaining the collective memory of social democracy with archives, libraries and more.

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Institut für Europäische Politik (Institute for European Politics, IEP) is one of the leading foreign and European policy research centres in the Federal Republic of Germany dedicated to the study of European integration.

Further information on the project can be found here:
www.relaunch-europe.eu

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THE RELAUNCH OF EUROPE

MAPPING MEMBER STATES’ REFORM INTERESTS

The Relaunch of Europe. Mapping Member States’ Reform Interests (RelaunchEU) is a project conducted by the Institut für Europäische Politik (IEP) on behalf of the Friedrich-Ebert-Stiftung (FES) that surveys the implementation prospects for twelve concrete reform proposals. It covers the policy areas of Social Union, Economic and Monetary Union and Defence Union as well as asylum and migration policy and the EU’s institutional set-up. Furthermore, it analyses the support for flexible integration and the positioning towards the five scenarios presented in the European Commission’s »White Paper on the Future of Europe« of spring 2017. It covers the positions of national governments and of relevant progressive political parties, which received a minimum share of 5% of the votes in the previous European or national elections.¹

The study follows two main objectives: (1) It demonstrates the scope of action for prompt reforms of the EU in the selected policy areas while also taking into account which member states would, under certain conditions, be willing to implement the specific proposals. (2) It empirically determines which member states could belong to an avant-garde group willing to deepen integration. Researchers from think tanks and research institutions in the member states of the EU-27 compiled information to determine the position of governments and progressive political parties towards the twelve reform proposals. This qualitative analysis reflects the country experts’ views and is based on documents such as coalition agreements, government or party programmes, position papers, press releases, interviews, op-ed pieces, and official documents. It presents a snapshot of the discussions within the governments and parties. In order to keep the country issues short, internal debates and deviating opinions cannot be covered in detail. Positions are subject to change, especially following elections and the formation of new governments. The snapshot was taken at the end of September 2017. More recent developments could not be included. Notable exceptions are the country issues of Austria and Germany, which were updated following the latest coalition negotiations.

The study’s results are published in English on the website www.relaunch-europe.eu. It presents maps for every actor and reform proposal, 27 country issues and an analytical paper. The paper compares the positions of all actors in all member states of the EU-27 on the twelve concrete reform proposals and presents five flagship-projects, which bear the chance for a relaunch of Europe.

¹ If a party fulfills this criterion, but is not a relevant actor in the national public debate anymore, it was deleted from the sample based on the judgement of the projects’ country expert.
After several years of austerity measures introduced following the country faced the risk of bankruptcy in 2010, Greece is now governed by SYRIZA (the »Coalition of the Radical Left«), together with its junior coalition partner ANEL, a right-wing anti-austerity party. In the September 2015 elections, SYRIZA received 35.5 %, ANEL 3.7 %. The Democratic Coalition of the progressive party *Panellinio Sosialistiko Kinima* (PASOK) and the Democratic Left (DIMAR) won 6.3 % of popular support.

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SOCIAL UNION

The current SYRIZA-led government is in principle in favour of upward convergence of national social security schemes. But it does not specify its position in greater detail. It is at least in favour of improving national social security schemes through EU action. PASOK generally supports European minimum standards for national social security schemes, but has not formulated concrete ideas either. Overall, Greece’s main priority is the successful completion of the bailout and withdrawal from the supervision by the so-called »institutions« (formerly Troika), rather than advocating its social agenda on the EU level. Furthermore, the government supports more European coordination of national minimum wages as long as it will not reduce the level of the Greek monthly minimum wage, which is currently around 580 euro. PASOK promotes an upward convergence of minimum wages through more EU coordination, too, as it might bring standards in Greece closer to other European labour markets. With regard to a new balance between social rights and internal market freedoms, the SYRIZA-government advocates the creation of an EU which puts social rights before internal market freedoms, in order to protect them against the »invisible hand« of the free market. PASOK also advocates for a »social Europe« but considers the four freedoms of the Single Market more important for the functioning of the Economic and Monetary Union (EMU).

EUROPEAN ECONOMIC AND MONETARY UNION

Without going into further detail, both the governing SYRIZA and PASOK are in favour of fighting tax fraud and tax evasion on a European level in general. An EU-coordinated system of corporate taxation or even an EU-wide minimum corporate tax rate is in their interest, since it could increase public revenue. Tax evasion (especially concerning corporate taxation) is one of the most critical problems for Greek economic governance. Regarding the idea to introduce a fiscal capacity for the euro zone, the SYRIZA-government fears that access to the funds might be conditional upon stricter fiscal rules. The government only supports the reform plan without such conditionality. PASOK supports all policies enhancing euro zone governance, such as a fiscal capacity in order to enable a fairer and more efficient fiscal policy in member states. PASOK therefore prefers the establishment of a fund for social investments and a European unemployment reinsurance scheme. Both SYRIZA and PASOK are in favour of the mutualisation of public debts in order to cut the Greek public debt. They see the issue of public debts as a matter of European solidarity, thus wealthier member states should support weaker ones. According to PASOK, weaker member states should still be obliged to adopt fiscal reforms in exchange.

EUROPEAN DEFENCE UNION

The Greek government is against extending EU military planning capabilities and the establishment of EU headquarters for executive EU military missions and operations. According to SYRIZA, such a reform only serves the global interests of the biggest EU member states. Unlike the government, PASOK supports proposals to extend European military planning capabilities under the condition that the EU focuses on humanitarian as well as post-crisis missions and operations. PASOK is also in favour of more autonomous European defence structures to be deployed in international military missions. In accordance with the already mentioned reasons, the Greek government opposes the establishment of an EU army. In contrast, PASOK supports the creation of an EU army under the condition that it is only deployed on EU territory, e.g. to defend its borders and the sovereignty of EU member states, or for humanitarian operations. With regard to Greece’s relations with NATO, PASOK is in favour of a more autonomous European defence pillar encompassing a discrete scope of action.

ASYLUM AND MIGRATION

In 2015, almost 857,000 people transited through Greece at the height of the migration crisis. Greek authorities registered 61,125 asylum applicants between June 2016 and June 2017 and reports of dire situations in reception centres, particularly on Greece’s eastern Aegean islands, continue unabated. Despite an emergency pledge from EU member states in 2015 to relocate 106,000 asylum seekers from Greece and Italy, only 16,803 have been resettled from Greece as of June 2017. Therefore, both the SYRIZA-led government and PASOK are in favour of the establishment of a pure quota system for the relocation of asylum seekers and the creation of an EU Asylum Agency in order to provide more efficient results in the management of immigrants and refugees. In general, there is support for the idea of further deepening the Common European Asylum System, too. However, more specific proposals from the Greek side are not available. More integration of the control of the Schengen area’s external borders is supported by both the SYRIZA-led government and PASOK. Both actors acknowledged that the country cannot not deal with the current number of refugees without support from a European agency. Therefore, they support extending competences of the European Border and Coast Guard Agency (EBCG). However, they do not offer any specific proposals on how to achieve this in practice.

POLITY

In principle, both SYRIZA and PASOK are supportive of an increased democratic accountability of the economic governance of the euro zone. As one of the main aspects of SYRIZA’s criticism of the current modus operandi of the EU is the »democratic deficit«, the
Greek government is in favour of more democracy at EU level. The Prime Minister’s (SYRIZA) decision to call a referendum in July 2015 on the Greek bailout conditions is characteristic in this regard. Though extending powers for the European Parliament could be a way of increasing the euro zone’s democratic accountability, they are rather sceptical about the establishment of a European Economic Government, fearing an increase of the democratic deficit in the euro zone. Both parties are generally in favour of the European Citizens’ Initiative (ECI), but do not discuss any concrete reform proposals. In fact, SYRIZA has supported the ECI »Right2Water«, an initiative that opposed the privatisation of water supply management in the EU. PASOK is supportive of ECIs that aim to establish a more social and green Europe.

WHITE PAPER PROCESS

The SYRIZA-led government has not yet endorsed a scenario of the Commission’s »White Paper on the Future of Europe«, as its main objective is to put an end to austerity measures in the country and steer Greece on the path to economic recovery. Therefore, discussions on the future of the EU are still subordinated to the management of these pressing issues, which are also considered important determinants regarding the future of Greece within the EU and the undesired possibility of a Greek exit from the euro zone. The progressive PASOK on the other hand is torn between the scenario 1, »carrying on«, and scenario 5, »doing much more together«. However, the party rather hopes for deepening EU integration. Both actors are especially reluctant towards scenario 3, »those who want more do more«. Both the government and PASOK are strongly opposed to the concept of flexible integration, as this could further weaken Greece’s position in the EU and aggravate the already existing inequalities between the member states. Thus, preventing further flexible integration is crucial to the government and PASOK. Both also would prefer to advance European integration through treaty reform.
Legend

Actors Covered by the Study in each EU Member State

- National Government: including its members from one or more political parties, the Head of State or Government, relevant executive ministers and administration.

- Progressive Parties: They include all parties that are represented either in the Group of the Progressive Alliance of Socialists and Democrats in the European Parliament (S&D) or that are members of the Party of European Socialists (PES) and have gained a minimum share of 5% of the votes in the last national or European elections. They also include La République en Marche (REM) in France.

Concrete Reform Options in Different Policy Areas

Social Union
1. Upward Convergence of National Social Security Schemes to provide Europe-wide protection against social risks and to ensure a decent standard of living for EU citizens.
2. European Coordination of National Minimum Wages to ensure a decent income within the EU to prevent in-work poverty, to promote social convergence and to avoid social dumping across the EU.
3. New Balance of Social Rights and Internal Market Freedoms to compensate the current precedence of internal market freedoms over national social rights.

European Economic and Monetary Union
5. Fiscal Capacity for the Euro Zone to provide stabilisation against economic shocks through public expenditure in the euro zone.
6. Mutualisation of Public Debts to tackle the problem of a sharp increase in public debts in some member states as a result of the euro zone crisis.

European Defence Union
7. Extending EU Military Planning Capabilities also for executive military missions and operations.
8. EU Army establishing a permanent multinational military force under European command.

Asylum and Migration
9. Pure Quota System for the Relocation of Asylum Seekers which would replace the Dublin system.
10. More Competences for the European Border and Coast Guard Agency (EBCG) expanding the current EBCG tasks in terms of »shared responsibility« between the EBCG and national authorities.

Politics
11. Increase Democratic Accountability of the Economic Governance of the Euro Zone to make its institutions more responsive to EU citizens.
12. European Citizens’ Initiative (ECI): revision of the ECI regulation to make the instrument more citizen-friendly and effective in order to strengthen the participative democracy in the EU.

White Paper Process
14. Flexible Integration: limiting the application of certain rules to certain EU member states.
15. Preferred Reform Instrument: Treaty reform, reforms inside or outside the Treaties.
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