

A stylized map of Greece composed of a grid of dots. Most dots are light gray, but several are red, highlighting specific regions or data points. The map is positioned behind the title and subtitle.

The social situation of Greece under the crisis

Basic socio-economic data for Greece, 2013

DIMITRI A. SOTIROPOULOS

May 2014

- The economic crisis in Greece has affected most aspects of social life and changed living conditions dramatically. The following report sheds light on the sometimes tangled mass of data that are used to describe the social consequences of the crisis in Greece.
- Since the onset of the economic crisis there has been an unprecedented rise in unemployment, particularly affecting women and the young generation. The Greek unemployment figures have reached 27 per cent by the end of 2013.
- During the last three years a large scale decline in the compensation of salaried workers took place. Simultaneously, income inequality has worsened since 2010.
- At the same time, the cost of living has not changed proportionally to the loss in income, making it even more difficult for Greek families to make ends meet. The inflexibility of crisis maybe attributed to business strategies as well as to inelastic costs.
- Concerning public services, data clearly show a sharp decline in the size of public employment.





Foreword

The economic crisis in Greece and the subsequent measures of austerity policy have led to tremendous social consequences. The living conditions of Greeks have changed in the last years and months radically and it is still unclear how much more change is coming. The transformation affects most aspects of social life in Greece, be it jobs, working conditions and salaries, pensions, prices and housing, or the size of the public service and the availability of public services to the Greek population.

Parallel to the numerous attempts to bring Greece and Europe out of crisis, many myths about Greece circulate in the public debate, with exaggerations in different directions. For instance, some articles overestimate the size and the salaries in the public sector as well as the pensions paid in Greece. Other publications on poverty and the social consequences of the crisis - especially the suicide rate in Greece - are based on a variety of numbers. These myths and ambiguities have distorted the debate in Europe as a whole, but also in certain member states, as well as in Greece itself.

The report series of the Friedrich-Ebert-Stiftung Athens „The social situation of Greece under the crisis“, which is being published for the second time since 2012, tries to shed light on the sometimes obscure thicket of reports, numbers and statistical references, that have been used to describe the social consequences of the crisis in Greece. The report series aims at providing a stable base of relevant data for the analysis of Greece with a focus on the society. The collected data, as well as the transparent sources of the report, should provide a point of reference for analysts, policy makers as well as journalists, who deal with Greece and its development since the beginning of the crisis.

Christos Katsioulis
Director of the FES Athens





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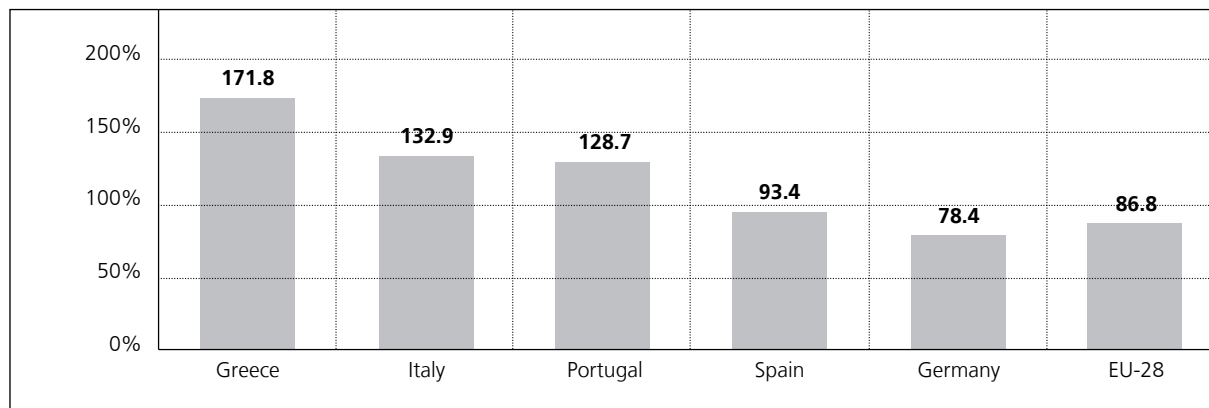
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1. The Greek public debt

Government debt in Greece in comparative perspective,
3rd quarter, 2013



Source: Eurostat, Euroindicators, 22 January 2014. Available at http://epp.eurostat.ec.europa.eu/cache/ITY_PUBLIC/2-22012014-AP/EN/2-22012014-AP-EN.PDF, accessed 22.01.2014

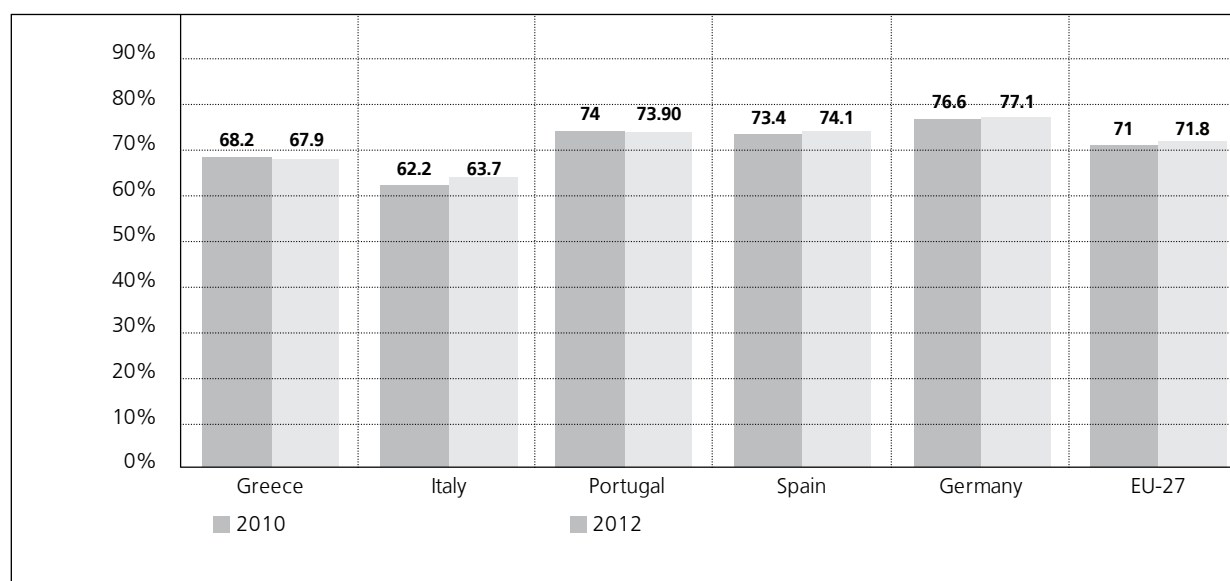
Commentary:

Despite the restructuring of the Greek public debt in 2012 and the accomplishment of creating a budget surplus in 2013 (for the first time after 2002), the depression which has hit the Greek economy since

2008 has contributed to sustaining a very high debt level. It is doubtful that this situation can be improved in the long-run without debt restructuring in the short-run.

2. Employment

2.1 Labor force participation in Greece in comparative perspective



Source: ELIAMEP's Crisis Observatory, <http://crisisobs.gr/wp-content/uploads/2013/03/1.Ergatiko-dunamiko-05-2013.pdf>, based on Eurostat data, accessed on 22.01.2014

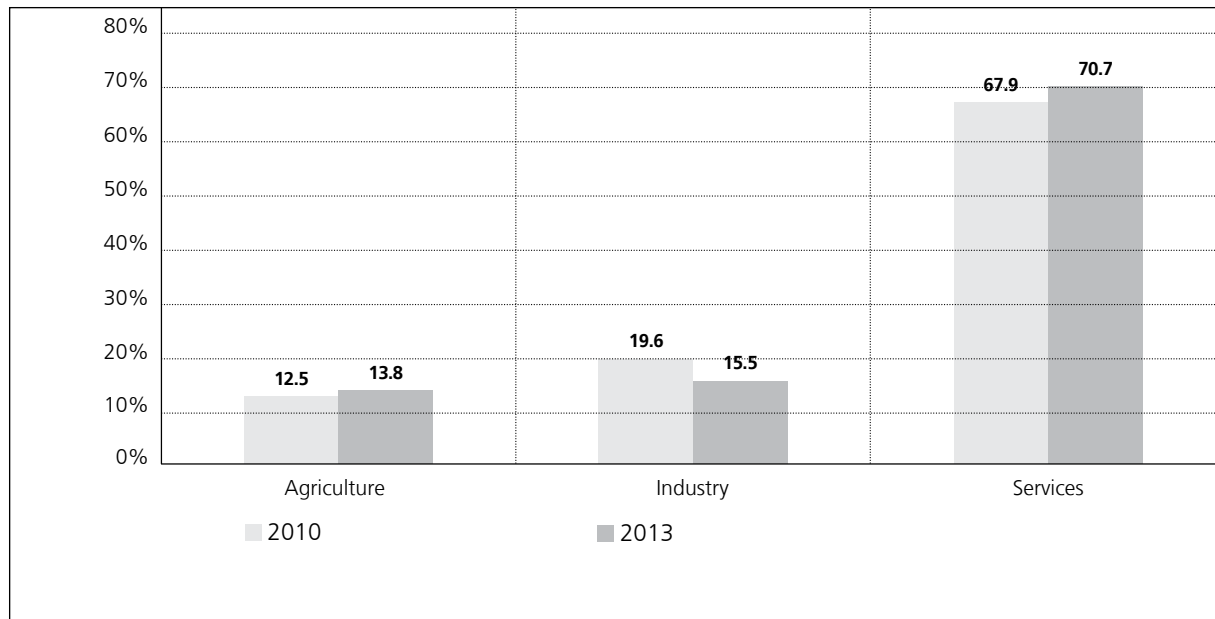


Commentary:

Greece and Italy have amongst the smallest workforces in the EU and are plagued by long-term problems of sustaining their population levels and increasing the

traditionally low participation of women and the young in the labour market. The economic crisis has all but helped managing these problems.

2.2 Employment by branch of economic activity in Greece



Source: ELSTAT, Labor Force Survey, third trimester of 2010 and 2013, http://www.statistics.gr/portal/page/portal/ESYE/BUCKET/A0101/PressReleases/A0101_SJO01_DT_QQ_03_2010_01_F_GR.pdf and http://www.statistics.gr/portal/page/portal/ESYE/BUCKET/A0101/PressReleases/A0101_SJO01_DT_QQ_03_2013_01_F_GR.pdf, last accessed on 12.01.2014

Commentary:

The picture is similar to the one reported in the previous "The social situation of Greece under the crisis" (2012).¹ Compared to other EU member states, Greece still has one of the largest shares of labour force employed in agriculture. However, there was an increase in the share

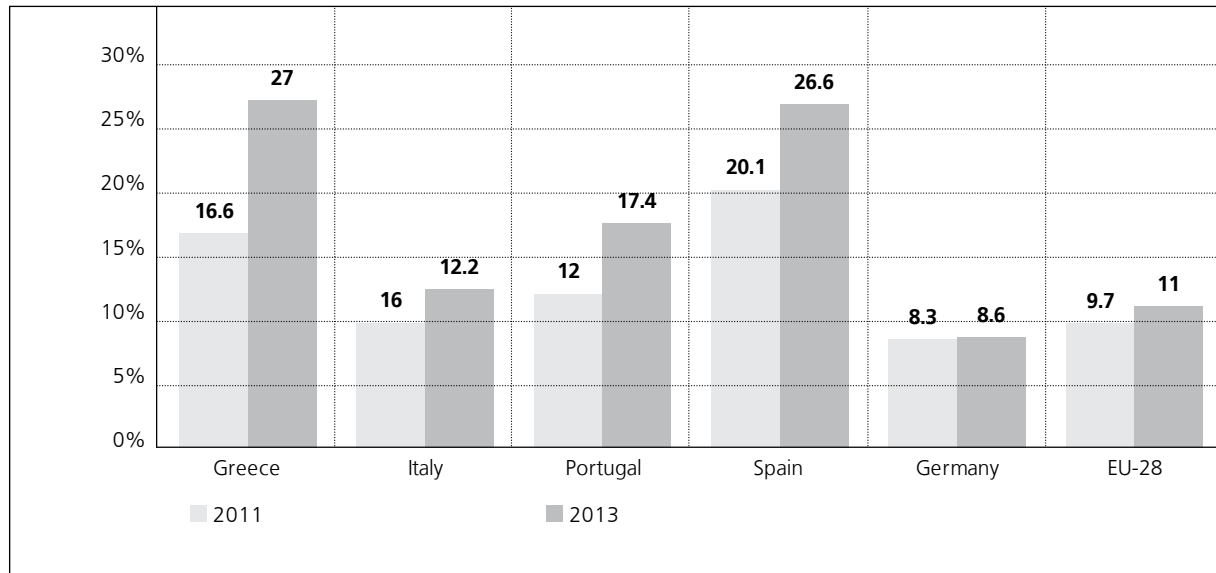
of people employed in the services and a decrease in industry. Between 2010 and 2013 the economic crisis probably furthered the process of de-industrialization and shift to a services economy, which has been observed in Greece since at least the mid-1980s.

1. Sotiropoulos, Dimitri A., The social situation of Greece under the crisis: basic socio-economic data for Greece, 2011, Friedrich-Ebert-Stiftung Berlin 2012, <http://library.fes.de/pdf-files/id/09330.pdf>



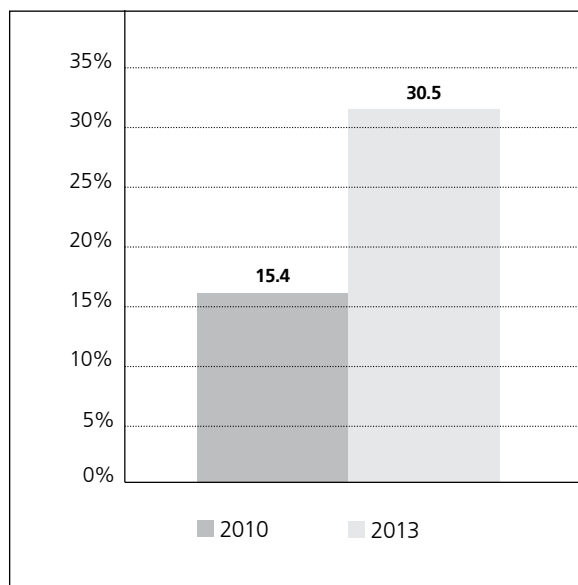
3. Unemployment

3.1 Total unemployment rate in Greece in comparative perspective

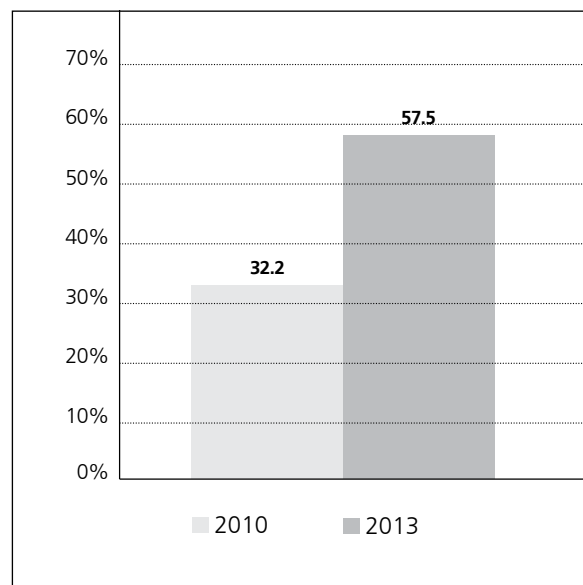


Source: Statistical Annex of the European Economy, autumn 2013, pp. 37-38.

3.2 Female unemployment rate in Greece



3.3 Youth (15-24 years old) unemployment rate in Greece



Source: ELSTAT, Labor Force Survey, http://www.statistics.gr/portal/page/portal/ver-1/ESYE/BUCKET/A0101/PressReleases/A0101_SJO02_DT_MM_04_2013_01_F_GR.pdf, last accessed on 13.01.2014, data for the month of April 2010 and April 2013, published in July 2013.



Commentary:

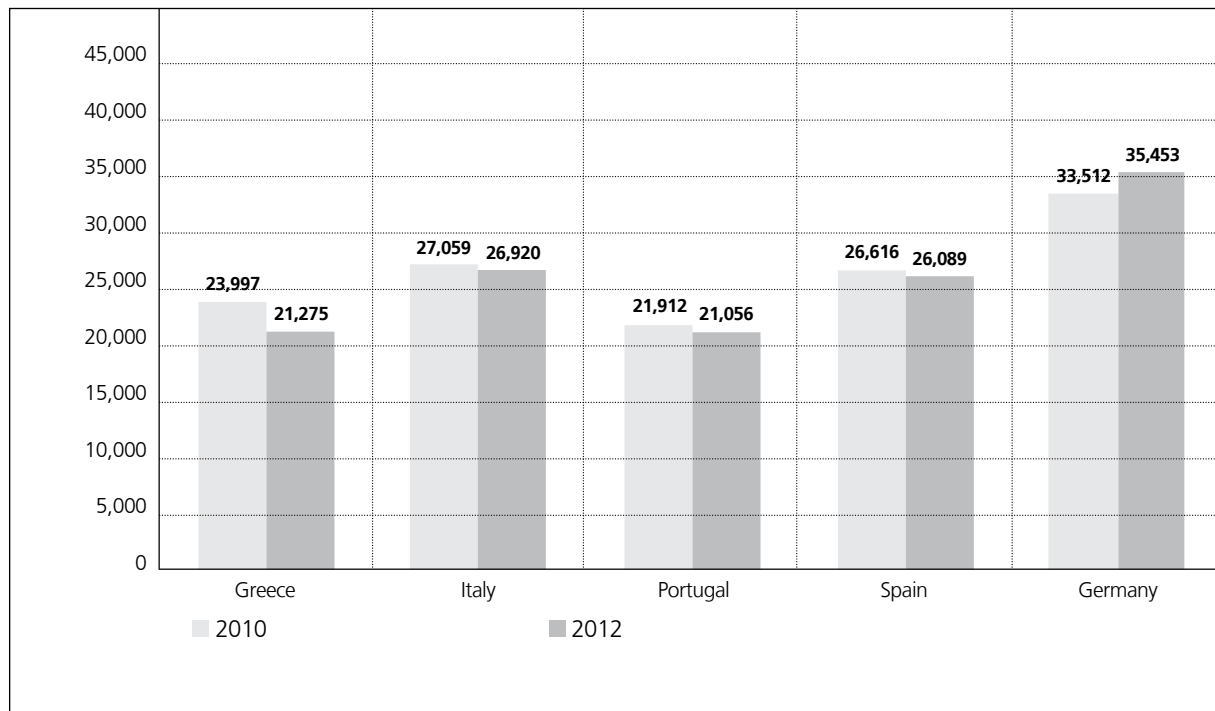
The global crisis of 2008 and the traditional rigidities of the Greek labour market have, combined with the eruption of the crisis in Greece (2010) and the imposition of severe austerity measures, produced soaring unemployment rates in Greece. Compared to the unemployment rate in

2010, unemployment in Greece reached unprecedented heights in 2013. Moreover, in Greece unemployment is much higher than unemployment in other crisis-hit countries. It has negatively affected women and the young to an extreme degree.

4. Income

4.1 Average annual income in Greece

Per capita income in Greece in comparative perspective
(in current international dollars)



Source: <http://data.worldbank.org/indicator/NY.GDP.PCAP.PP.KD>, last accessed on 12.04.2014.

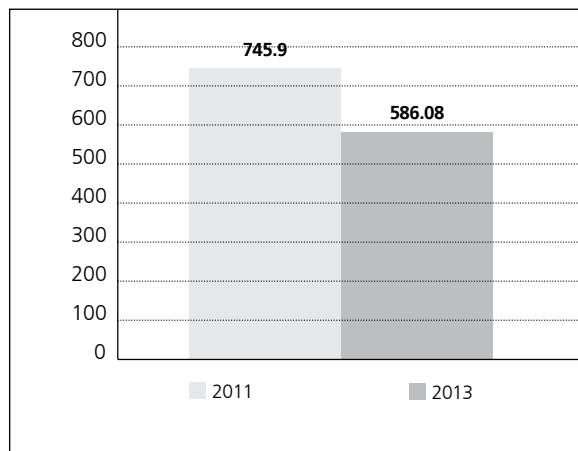
Commentary:

GDP per capita based on Purchasing Power Parity (PPP). Compared to the other countries shown in this table, Greece has sustained the largest decline in GDP per capita. This is probably a result of the size

of economic austerity measures taken in Greece since 2010 and the depression of the economy. The effect was particularly large with regard to the minimum monthly salary as the next table shows.



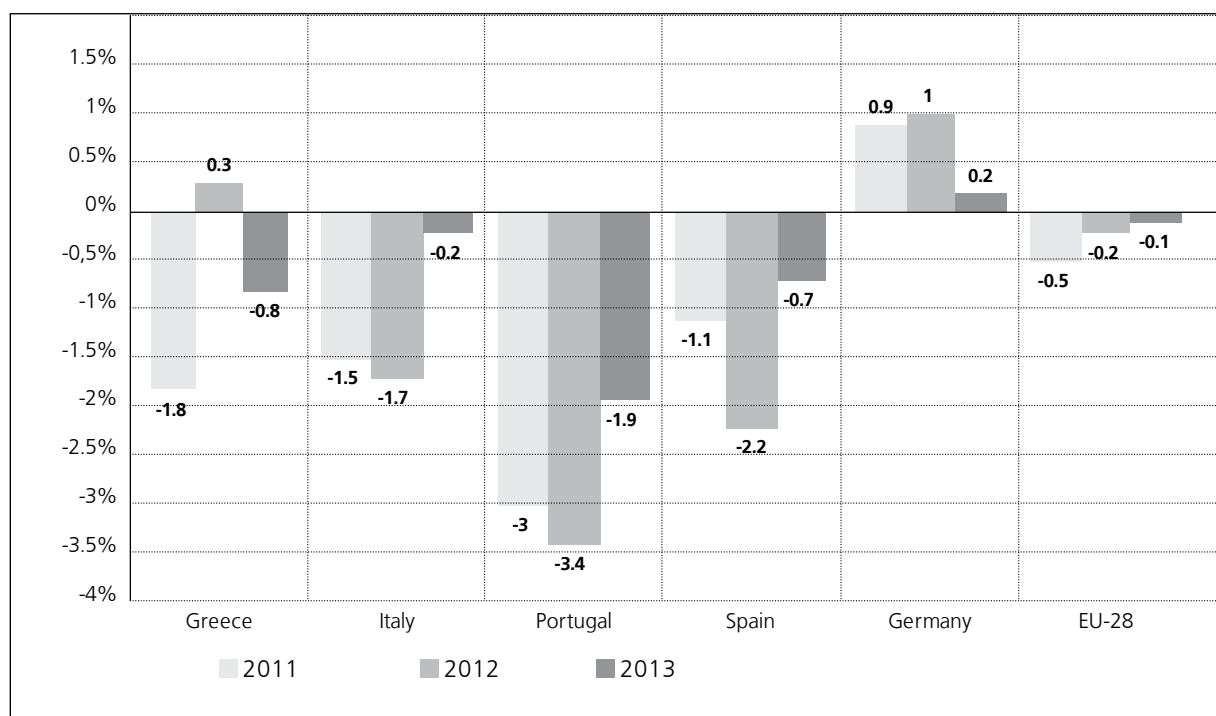
4.2 Minimum monthly salary of white collar workers in Greece (in Euro)



Percentage difference in 2013 over 2011: - 22.8%

Source: Bank of Greece, <http://www.bankofgreece.gr/BogEkdoseis/sdos201309-10.pdf>, Table III.3, page 79.

4.3 Percentage of annual change in real compensation over the previous year per employee in Greece in comparative perspective

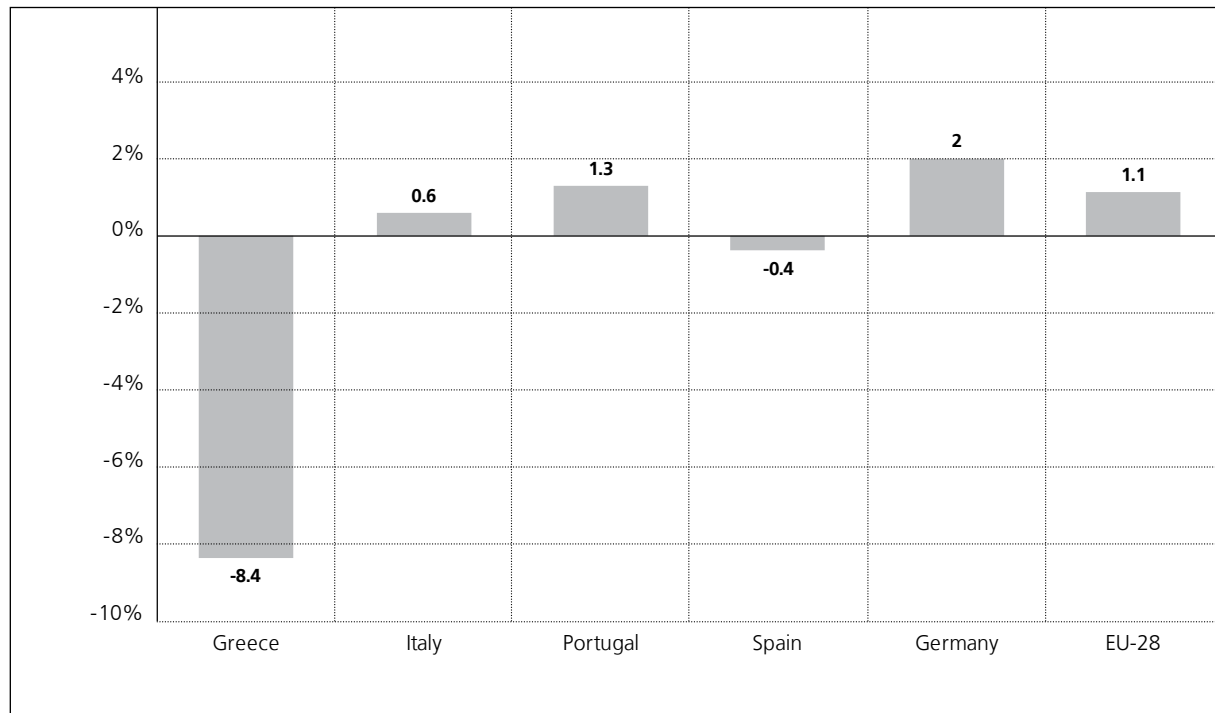


Source: Eurostat, Statistical Annex of the European Economy, DG ECFIN, Brussels, autumn 2013, Table 30, pp. 91-92.



4.4 Change in labour cost

Nominal hourly labour costs in the 2nd quarter of 2013
compared to the 2nd quarter of the previous year



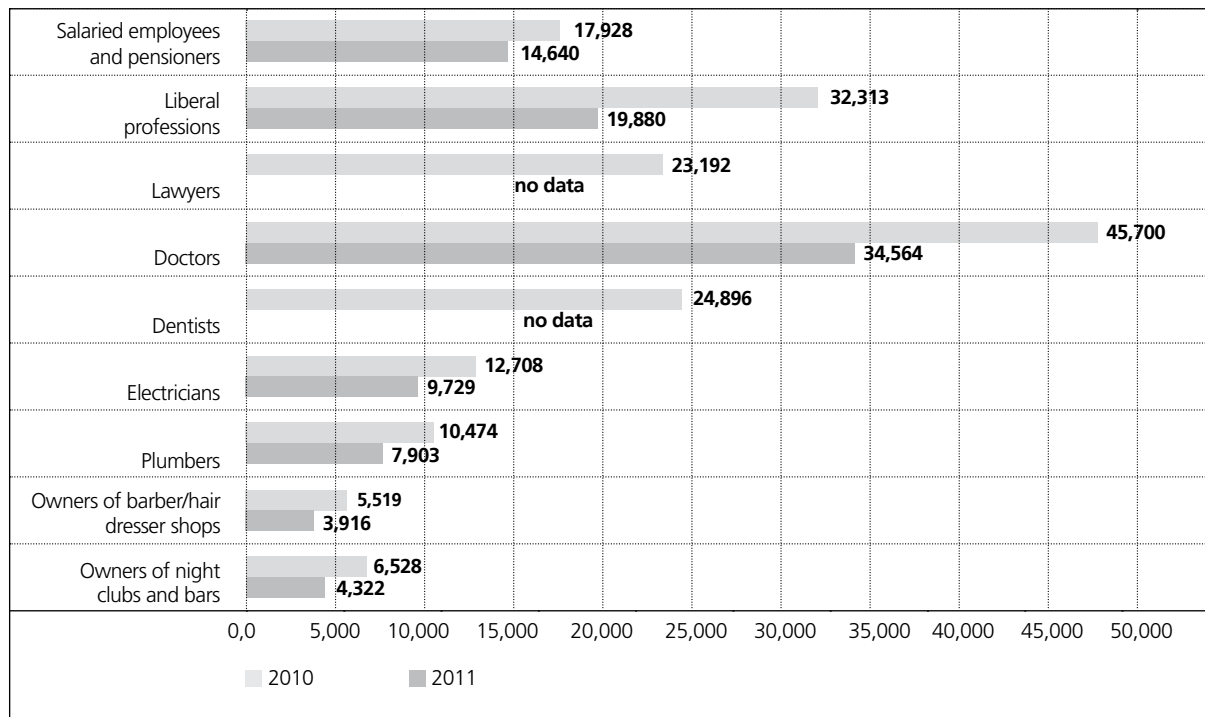
Source: Eurostat, Euroindicators, 17 December 2013, available at http://epp.eurostat.ec.europa.eu/cache/ITY_PUBLIC/3-17122013-BP/EN/3-17122013-BP-EN.PDF, accessed on 22.01.2014

Commentary:

As it is well known, there was a policy of internal devaluation in Greece, implemented in 2010-2013, which is reflected in the lowering of the labour cost shown in the table above.



4.5 Average individual income by profession/ occupation in Greece, 2010 and 2011, declared for tax purposes (in Euro)



Source: <http://www.tovima.gr/files/1/2012/09/10/eisodimata.jpg>, on the basis of press releases by the Greek Ministry of Finance

Commentary:

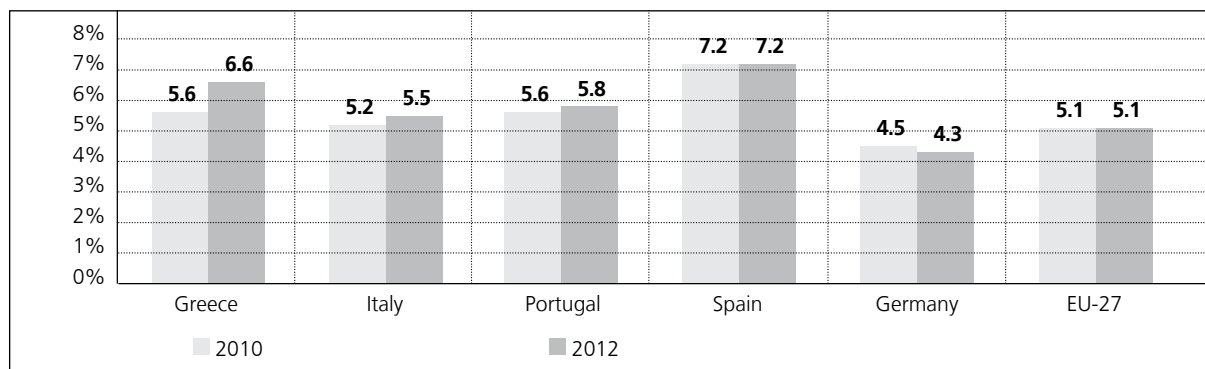
The phenomenon of extensive tax evasion, also reported in the previous "The social situation of Greece under the Crisis" (2012) for income declared in 2010, continued

in 2011. The most glaring cases were the cases of technicians and small shop owners as well as the liberal professions.

4.6 Income distribution

Income quantile share ratio in Greece in comparative perspective. (The ratio of total income received by the 20 percent of the population with the highest income (top

quantile) to that received by the 20 percent of the population with the lowest income (lowest quantile). Income must be understood as equivalised disposable income.)



Source: Eurostat, <http://epp.eurostat.ec.europa.eu/tgm/table.do?tab=table&init=1&language=en&pcode=tessi180&plugin=0>, last accessed on 14.01.2014

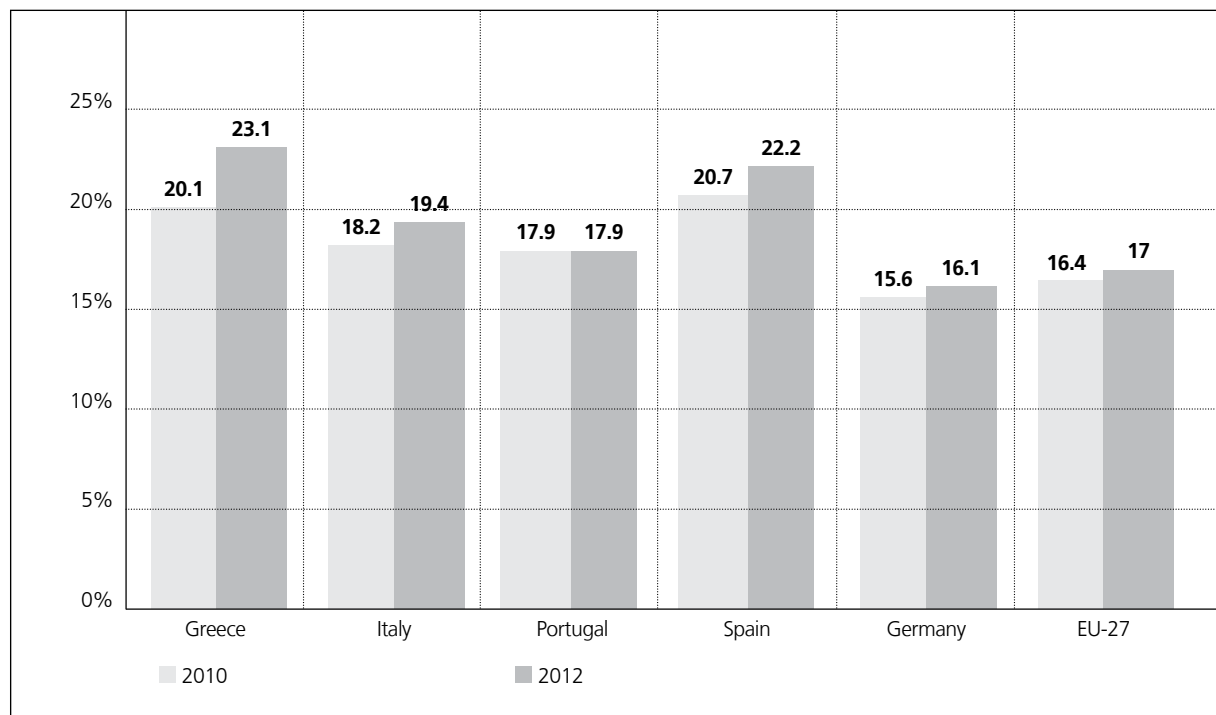
Commentary:

Greece had a relatively high income inequality even before the economic crisis. Compared to the other EU countries shown in this table, income inequality in Greece has clearly worsened between 2010 and 2012. Notably,

the data does not include income not reported to the tax authorities, a widespread phenomenon which may skew income inequality further, to the benefit of high-income groups, such as high-income self-employed persons.

5. Poverty

Share of population at-risk-of-poverty after social transfers in Greece in comparative perspective



Source: Eurostat, [http://epp.Eurostat.ec.europa.eu/statistics_explained/index.php?title=File:At-risk-of-poverty_rate_before_and_after_social_transfers_and_at-risk-of-poverty_threshold_\(for_a_single_person\),_2011_and_2012.png&filetimestamp=20131203134451](http://epp.Eurostat.ec.europa.eu/statistics_explained/index.php?title=File:At-risk-of-poverty_rate_before_and_after_social_transfers_and_at-risk-of-poverty_threshold_(for_a_single_person),_2011_and_2012.png&filetimestamp=20131203134451), last accessed on 10.01.2014; and the previous edition of "Social Situation in Greece under the crisis" (2012). In 2012, the EU-27 actually includes Croatia and is EU-28.

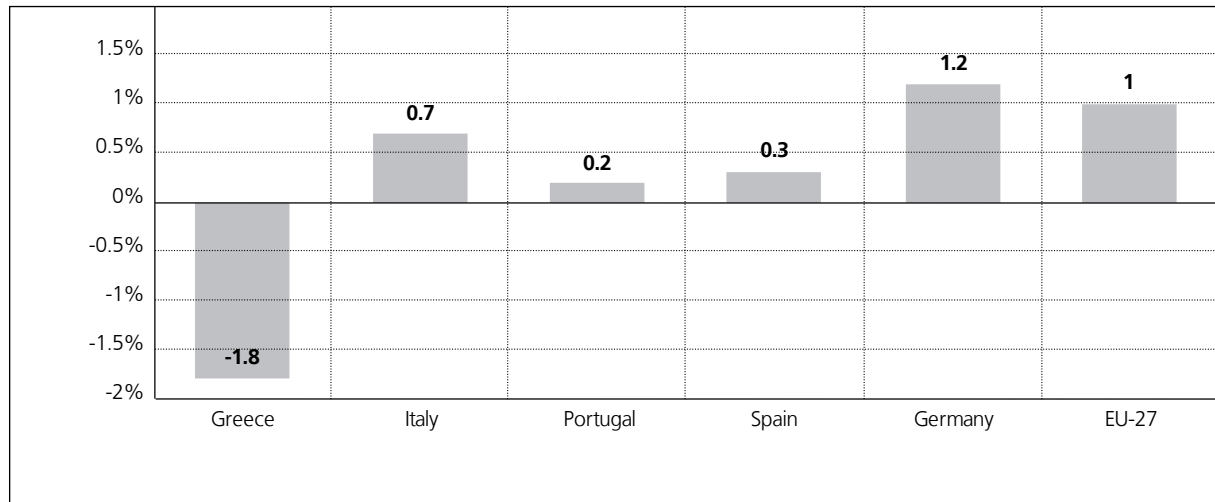
Commentary:

Poverty has risen particularly in Greece and Spain between 2010 and 2012, much more than in the rest of EU countries shown in this table.



6. Inflation

Annual inflation rate in Greece in comparative perspective, December 2013



Source: Eurostat, Euroindicators, 16 January 2014, available at http://epp.eurostat.ec.europa.eu/cache/ITY_PUBLIC/2-16012014-AP/EN/2-16012014-AP-EN.PDF, accessed on 22.01.2014

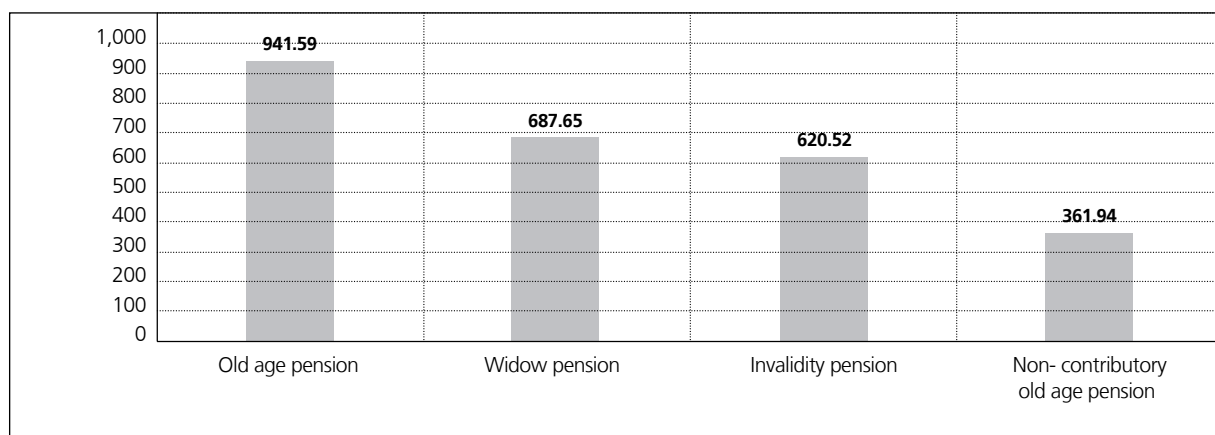
Commentary:

Since February 2013 in Greece depression has been associated with negative inflation rates.

7. Pensions

7.1 Pension levels

Average monthly pensions by category of pensions in Greece (in Euro, before taxes, January 2014)



Source: Ministry of Labour, Social Security and Welfare, "Helios" Unified Control System of Pensions, Athens, Eighth Monthly Report, January 2014.

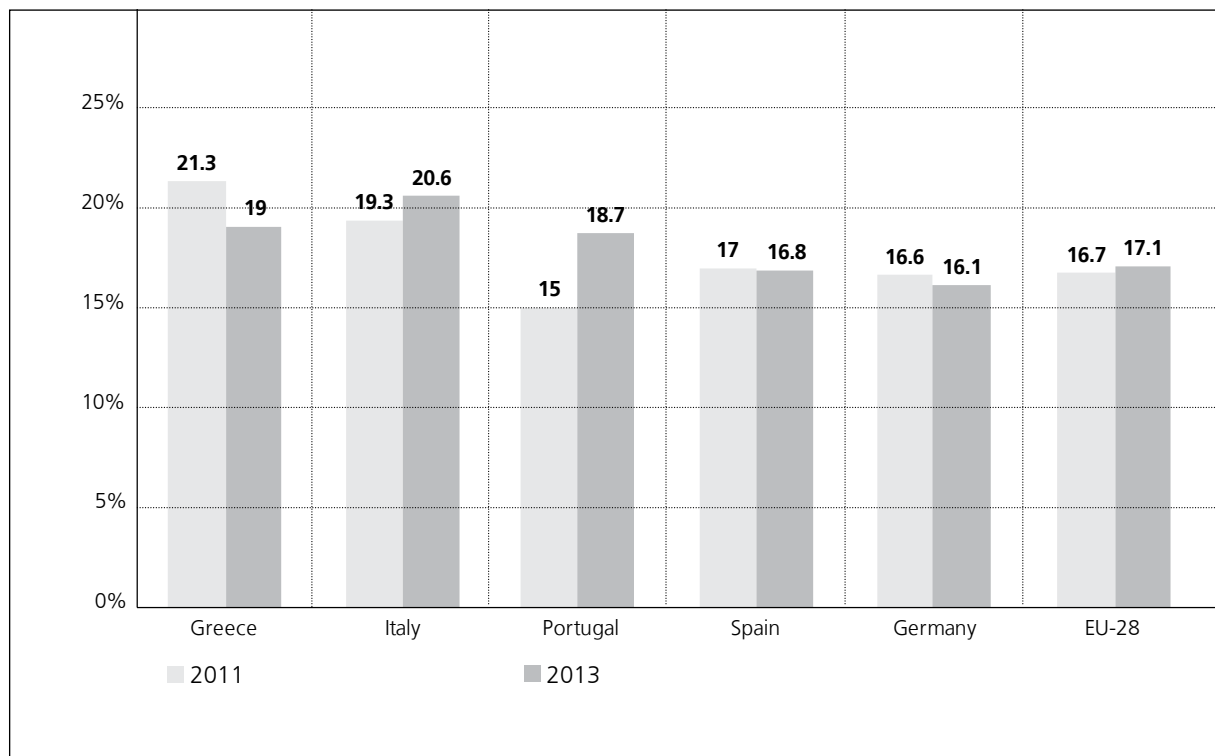


Commentary:

Average pension levels, shown in this table, hide wide variations, which still depend on the pension fund in question. Even after the pension cuts, owed to Greece's Memoranda of Understanding with the Troika in 2010 and 2012, the so-called 'noble funds' of pensioners formerly employed in the liberal professions (lawyers, engineers, doctors) and in state-owned enterprises provide their beneficiaries with much higher monthly pensions, which vary a lot by pension fund, total sum of years of insurance contributions and level of insurance contributions.

7.2 Social benefits other than social transfers in kind

Social benefits other than social transfers in kind in Greece in comparative perspective, 2013 (percentage of GDP at market prices)



Source: European Commission, Statistical Annex of the European Economy, Brussels, autumn 2013, Table 64, pp. 156-157 and the previous "Social Situation in Greece under the Crisis" (2012).

Commentary:

The general picture reported in the previous "The social situation of Greece under the crisis" (2012) is still valid. Greece and Italy rely on social transfers in cash more than

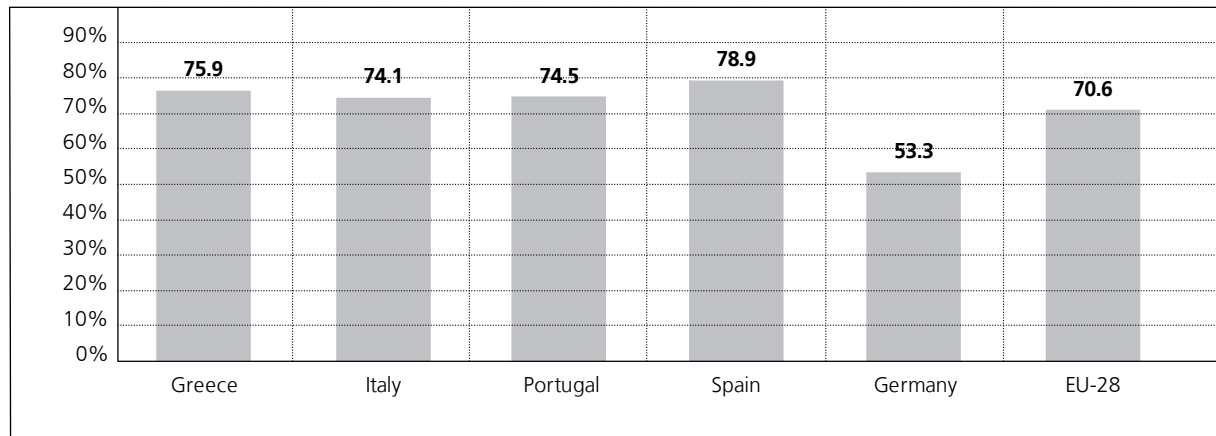
the other countries listed in the above table and also more than the EU average. Notably, as the crisis unfolded in 2011-2013, Greece rolled back its social benefits.



8. Housing: Home ownership and housing deprivation

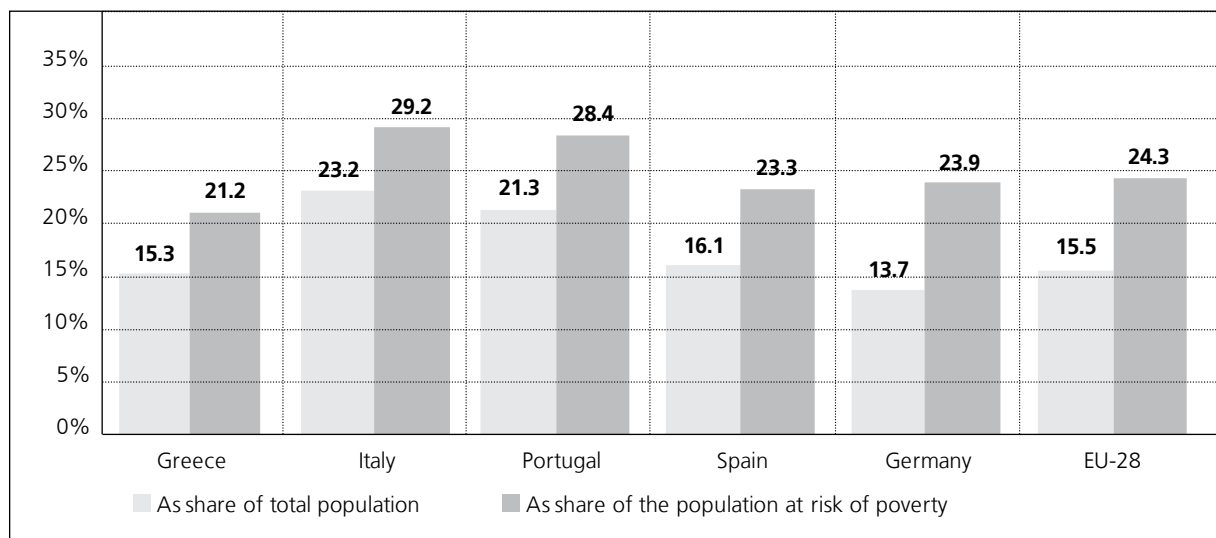
8.1 Percentage share of home owners in the total population of Greece in comparative perspective, 2012

As share of total population



Source: European Commission, Eurostat, Distribution of population by tenure status, available at http://appsso.Eurostat.ec.europa.eu/nui/show.do?dataset=ilc_lvho02&lang=en, accessed on 31.01.2014

8.2 Percentage share of people in houses with leaking roof, damp walls-floors-foundation or rot in window frames in Greece in comparative perspective, 2011



Source: European Commission, Eurostat, Proportion of the population with housing problems, 2011, available at http://epp.Eurostat.ec.europa.eu/statistics_explained/index.php?title=File:Proportion_of_the_population_with_housing_problems_Tab_2_2011.png&filetimestamp=20140106154206, accessed on 31.01.2014

Commentary:

As already noted in the previous “The social situation of Greece under the crisis” (2012), in Greece there is a relatively larger share of home owners than in other EU countries, a fact that to some extent has eased the negative impact of the economic crisis. The comparatively low levels of degradation of houses in

Greece, shown in figure 8.2, may be attributed to the fact that the majority of Greeks own the house they live in. Until December 2013 there was also protection by Greek law against the eviction of home owners who could not service their housing loans, a regulation which may be modified in 2014.

9. Cost of everyday life

Range of prices in Euro for selected consumer products in Greece, 2012 and 2014

		From	To
Whole frozen chicken (1kg)	May 2012	€ 2.60	€ 4.96
	February 2014	€ 3.15	€ 3.99
Fish (sole, frozen, 1kg)	May 2012	€ 7.90	€ 26.00 (fresh)
	February 2014	€ 8.59	€ 10.29
Fish (cod, frozen, 1 kg)	May 2012	€ 3.99	€ 8.00
	February 2014	€ 3.99	0
Feta cheese (1 kg)	May 2012	€ 8.19	€ 11.09
	February 2014	€ 7.99	€ 11.99
Bread (wheat, 1 kg)	May 2012	€ 2.00	€ 2.89
	February 2014	€ 2.10	€ 2.40
Milk (1 lt)	May 2012	€ 0.98	€ 1.37
	February 2014	€ 0.87	€ 2.60

Source: Ministry of Development, www.e-prices.gr/search, accessed on 05.02.2014. Data also based on personal research by the author.

Commentary:

Compared to the prices for the same consumer goods, reported in the previous “The social situation of Greece under the crisis” (2012), there is little change in prices in early 2014. Despite the decline of labour costs since 2012, prices of consumer goods have not changed much since 2012. This

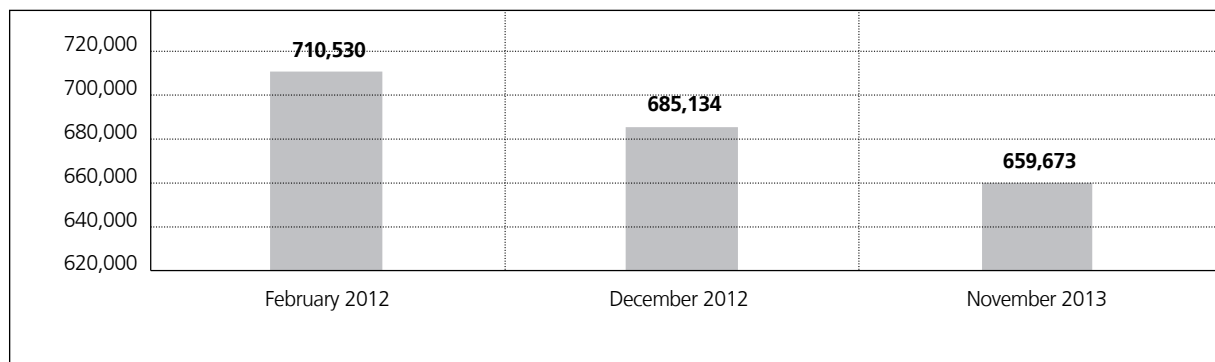
lack of change may be attributed to the business strategies of producers and distributors of goods who do not want to decrease their profit margins, as well as to inelastic costs such as the cost of imported raw materials, energy costs, including oil prices, and transport costs in Greece.



10. Public services

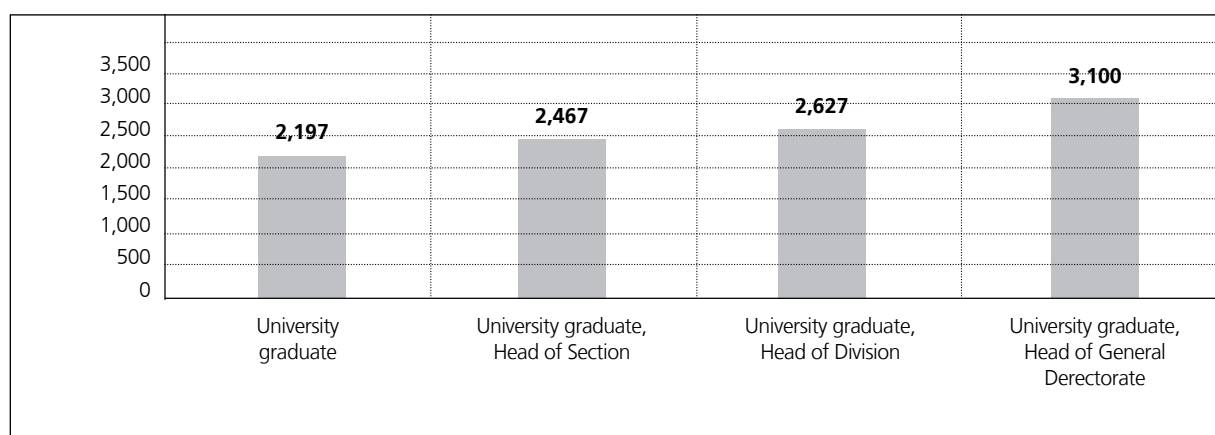
10.1 Public employment

Public employment in Greece has shrunk over time during the crisis. According to the previous “The social situation of Greece under the crisis” (2012), which reported data from the Prime Minister’s Office, in February 2012, there were 710,530 tenured and fixed-term civil servants (including employees of the central, regional and local government, but excluding employees of the state-owned enterprises and elected government officials). In December 2012 there were 685,134 civil servants. One year later, in November 2013, there were 659,673 civil servants.²



10.2 Salary levels

Gross monthly salary of high-ranking employees of the Greek civil service, December 2013 (in Euro)



Source: personal research of the author at the Ministry of Administrative Reform and Electronic Governance, Athens, February 2014.

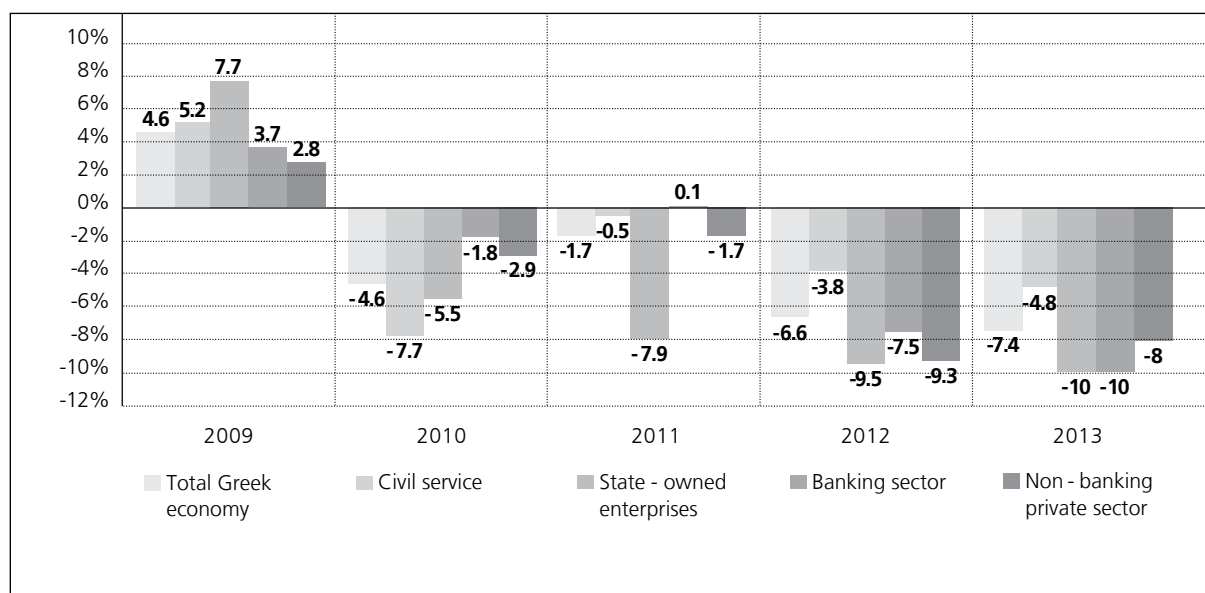
2. Official census of the Ministry of Administrative Reform and Electronic Governance, available at http://apografi.yap.gov.gr/apografi/Flows_2013.htm, accessed on 05.02.2014

Commentary:

Net salary amounts to roughly two-thirds of the above cited figures.

Civil servants receive different levels of compensation depending on their education level, job experience and family status. In this table, data refers to the case of a university educated civil servant of the Ministry of Administrative Reform, with 27 years of service who is married and has one child. There is some variation among ministries, as, for instance, compared to all other ministries, civil servants of the powerful Ministry of Finance and tax authorities receive additional allowances.

10.3 Percentage change of average gross nominal wages over the previous year in Greece, 2009-2013



Source: Bank of Greece, Monetary Policy-Intermediate Report, Athens, December 2013, page 58, Table III.8, available at www.bankofgreece.gr/BogEkdoseis/Inter_NomPol2013.pdf, accessed on 04.02.2014

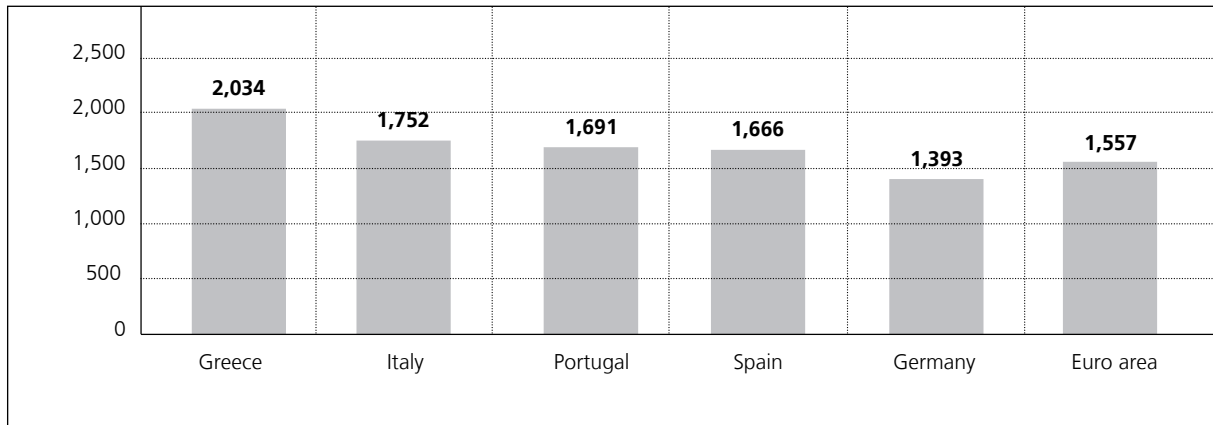
Commentary:

The first salary and wage cuts date from 2010 and did not affect the banking and private sectors as much as they affected the civil service. Cuts affected the employees of state-owned enterprises who however

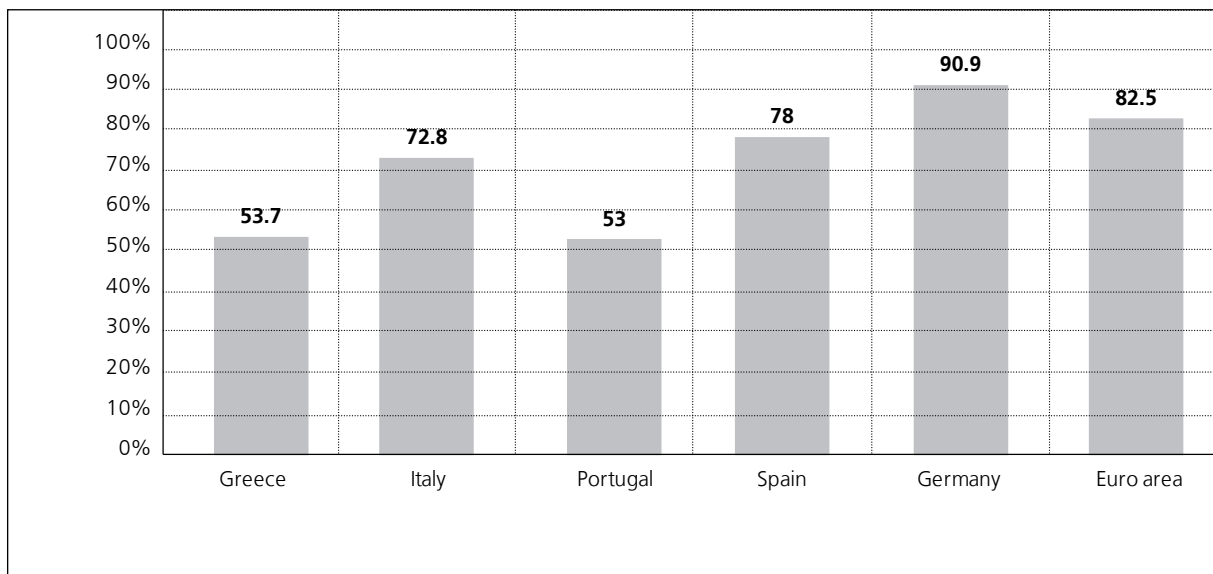
were at relatively higher salary levels and had enjoyed the relatively highest salary increase in 2009, just before the onset of the crisis.

11. Working hours and productivity

Average hours worked and productivity per hour in Greece in comparative perspective, 2012



GDP per hour worked as % of GDP per hour worked in the USA (USA=100) in 2012



Source: OECD, Labour productivity levels in the total economy, OECD.stat, 2012

Commentary:

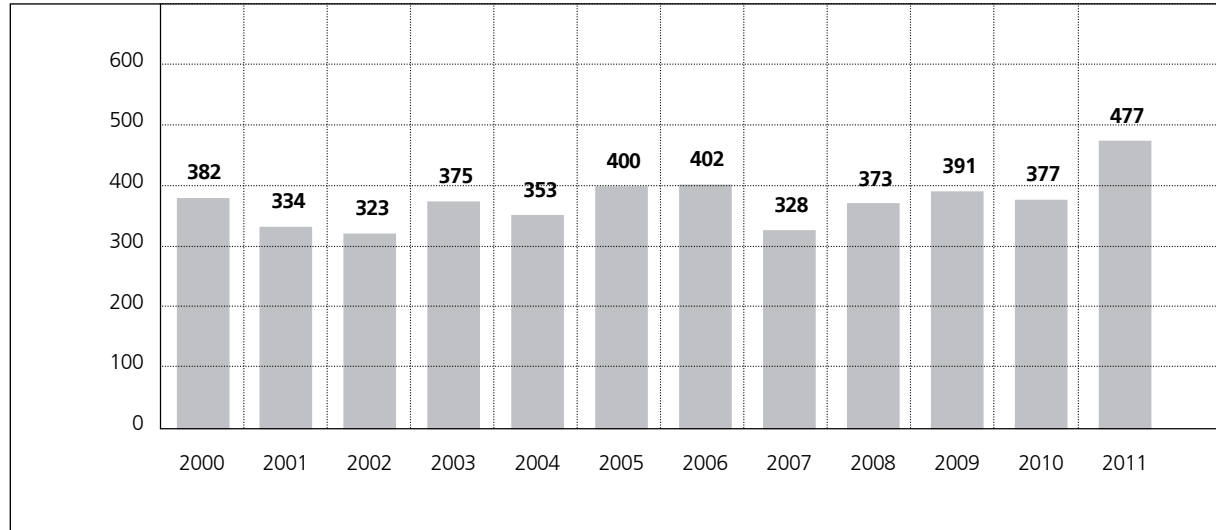
As also shown in the previous “The social situation of Greece under the crisis” (2012), in Greece employed people work very long hours, but their productivity lags behind the productivity of employed people in other EU countries. This contradictory trend is related to the

structure of the Greek labour market, where one-third of all those employed are self-employed persons working more than 8 hours per day and to the unavailability of modern organization, modern management methods and new technologies.



12. Public health

12.1 Number of suicides in Greece, 2000-2011



Source: information provided by Dr. Alexander Kentikelenis, based on the Hellenic Statistical Authority (ELSTAT), 2012

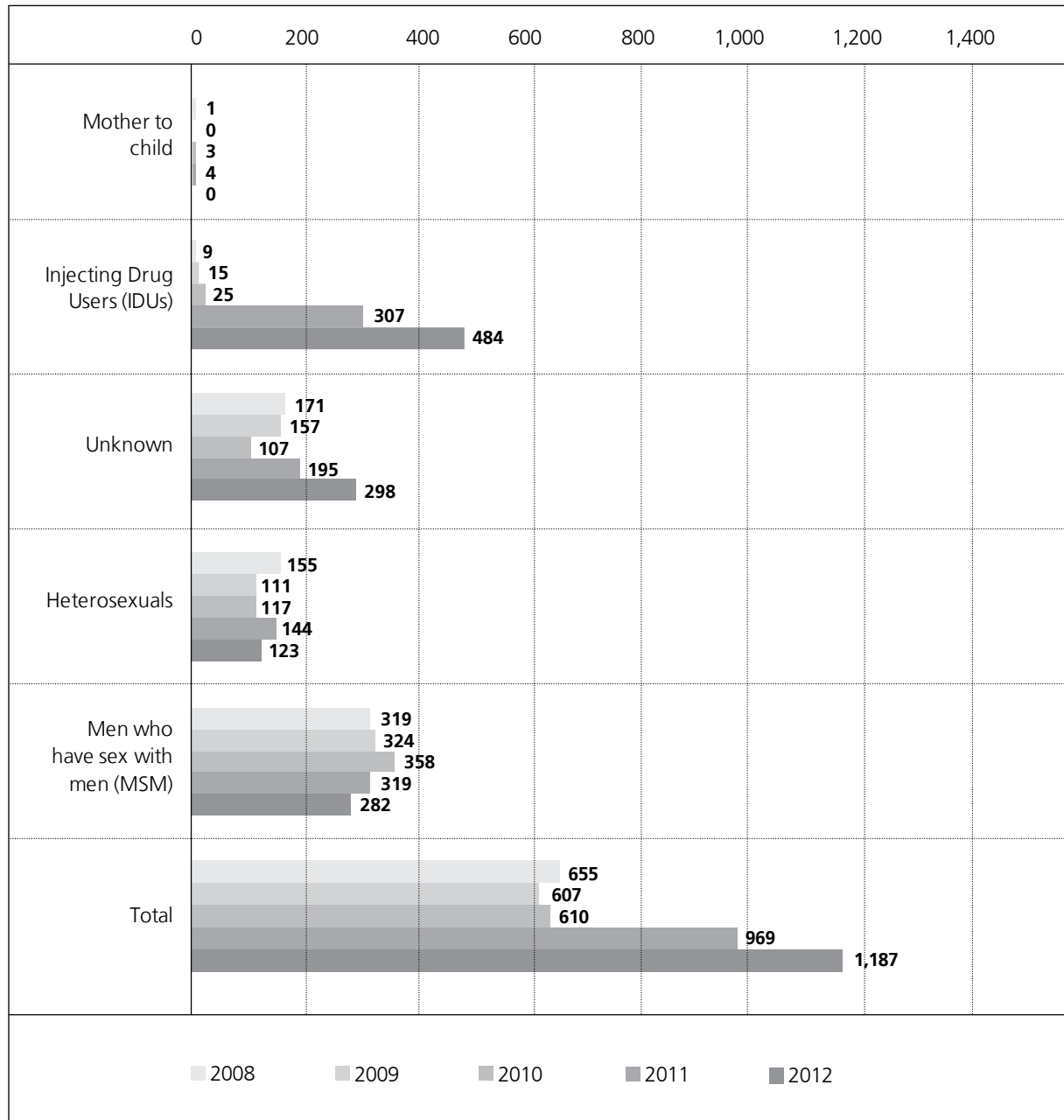
Commentary:

After the eruption of the economic crisis in Greece (2010), there has been much speculation about a rise in suicides, attributed to the negative impact of the crisis. Suicides cannot be attributed to a single cause. Although the number of suicides sprang between 2010 and 2011, data does not

bear out a clear association between the onset of the economic crisis and fluctuations in the number of suicides. For instance, as this table shows, the number of suicides had also sprung after 2004, a year in which economic growth was high and Greece had staged the Olympic Games.



12.2 Instances of HIV infection by transmission category in Greece, 2008-2012



Source: information provided by Dr. A. Kentikelenis on the basis of the European Centre for Disease Prevention and Control (ECDC)/ WHO Regional Office for Europe. HIV/AIDS surveillance in Europe 2012. Stockholm: European Centre for Disease Prevention and Control, 2013, available at <http://www.ecdc.europa.eu/en/publications/Publications/hiv-aids-surveillance-report-2012-20131127.pdf>, accessed on 04.02.2014

Commentary:

The rolling back of public health services is difficult to grasp in numbers. One case where it can be illustrated

are reported HIV infections, which roughly doubled in absolute numbers between 2009 and 2012.





References and sources

ELIAMEP's Crisis Observatory, www.crisisobs.gr

European Economy Statistical Annex

Eurostat

Ministry of Administrative Reform and Electronic Governance

Ministry of Labour, Social Security and Welfare, *"Helios" Unified Control System of Pensions*

OECD

Sotiropoulos, D. A. (2012): *The social situation of Greece under the crisis. Basic socio-economic data for Greece, 2011*. Berlin: Friedrich Ebert Stiftung

The Bank of Greece

The Greek statistical authority (ELSTAT), www.statistics.gr

The Observatory of Consumer Prices, managed by the Greek Ministry of Development

The World Bank

World Health Organization

And 3 personal meetings/contacts with:

- 1) A sociologist specializing on Greek public health and social policy, University of Cambridge, January 2014.
- 2) A top civil servant of the Ministry of Administrative Reform and Electronic Governance, Athens, January 2014.
- 3) A researcher on the economics of poverty and income economics, Athens, December 2013.

Information on the field research and sources for this report

Empirical research for this report was done in Athens, Greece, between December 2013 and February 2014. Research included visits to research centres and university departments in Athens.

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Imprint

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