



## Reforms and Collective Action in a Clientelist System: Greece during the Mitsotakis Administration (1990–93)

Aris Trantidis

To cite this article: Aris Trantidis (2014) Reforms and Collective Action in a Clientelist System: Greece during the Mitsotakis Administration (1990–93), *South European Society and Politics*, 19:2, 215–234, DOI: [10.1080/13608746.2014.893644](https://doi.org/10.1080/13608746.2014.893644)

To link to this article: <http://dx.doi.org/10.1080/13608746.2014.893644>



Published online: 24 Mar 2014.



Submit your article to this journal [↗](#)



Article views: 125



View related articles [↗](#)



View Crossmark data [↗](#)



Citing articles: 2 View citing articles [↗](#)

# Reforms and Collective Action in a Clientelist System: Greece during the Mitsotakis Administration (1990–93)

Aris Trantidis

*Economic reforms face a collective action problem: they trigger the reaction of groups that expect significant losses, while the government must forge a support coalition among those who anticipate gains. This problem may exhibit a distinct pattern in a clientelist system, when the affected groups are client groups attached to political party networks. The case of the Mitsotakis government in Greece (1990–93) illustrates that collective reaction to reforms that hurt client groups affects primarily the internal structure of the clientelist parties, their alliance with client groups and, thereby, their relative capacity for political mobilisation. This pattern makes certain types of economic reform, such as privatisation and structural reforms, particularly risky for governments in a clientelist system.*

*Keywords:* Reforms; Clientelism; Political Cost; Collective Action; Crisis; Greece

Formal and informal institutions generate regular modes of state–society relations. Studies in comparative political economy have sought to capture the way different institutional settings define the interactions between governments and social and economic groups by building a number of typologies based on the role and share of the state in the economy (Shonfield 1965; Schmidt 2007), the organisation of collective-interest representation – whether corporatist or not (Schmitter 1979; Cawson 1986), the type of welfare state (Esping-Andersen 1990), and distinct patterns of intra-firm and inter-firm relations (Hall and Soskice 2001). From that perspective, preferences and, ultimately, choices over economic policy can be understood in the light of predominant institutional linkages between political, social and economic actors. The input of political power in economic and social activity, in particular, can be further deconstructed into particular configurations (Schmidt 2008, p. 315), especially in settings where the state exercises a significant degree of interference in the economy beyond the arms-length approach of the ‘liberal market’ economies or typical corporatism (Schmidt 2007).

In that regard, a clientelist system is characterised by the prevalence of economic and social relations governed by clientelist exchange, by which politicians and political parties, the patrons, allocate a great part of economic resources and other social opportunities to their supporters, the clients. The regular exchange of benefits develops into a strategic tool by which political parties organise their campaign infrastructure and coordinate their active supporters (cf. Chubb 1982; Ware 1992, 1996; Mayhew 1986). Clientelist transfers serve as incentives for the recruitment of active participants in the party's campaign. In that way, clientelism serves as a solution to a collective action problem (Olson 1971), this time regarding the mobilisation capacity and cohesion of political parties. The party becomes the host organisation for client groups which, in their turn, are expected to make a contribution to the party's capacity for political mobilisation. These groups form part of a broader party network and gain stable access to selective benefits available within or around the public sector. Client groups may 'colonise' formally autonomous social institutions, such as trade unions, which become closely attached to political parties (LaPalombara 1964; Graziano 1978, p. 297). In that case, clients permeate these formal organisations that claim access to collective goods for their members, and act as typical rent-seeking groups (Krueger 1974; Tullock, 1993). With organised client groups, rent-seeking is integrated in party networks, and it is shaped by the close interaction of client groups with party cadres and leadership, again on the basis of clientelist reciprocity (Kaufman 1974, p. 285). Moreover, as trade unions are colonised by political clients, their autonomy versus political power can be seriously undermined. Interpersonal clientelist ties and group-level rent-seeking action merge together and give rise to a distinct mode of economic and political relations. In the clientelist system of interest intermediation, the political party in government and the trade unions cannot be seen as autonomous actors when engaged in processes of collective bargaining, as is the case in typical pluralist or neo-corporatist contexts (Rokkan 1966; Lindblom 1980). Instead, they form part of a broader party network that acts as the accommodating agency for the groups that constitute its political clients.

Client groups and their patron parties are, consequently, tied in relations of interdependency and have to act in coordination for mutual gain. For clients, a stable relationship with a political party secures individual benefits, while membership in formal associations, such as a trade union, gives them access to collective goods and an infrastructure for collective action. For a political party, its capacity to mobilise active contributors to its campaigns depends on the provision of both collective benefits to client groups and individual favours to their client-members. As a symbiotic relationship develops between clients and patrons, and between client groups and the political party, a systematic understanding of policy-making in a highly clientelist system requires a focus on both *intra-party* and *inter-party* dynamics. This suggests that patron–client relationships in a broader party network that includes unionised clients must influence policy-making in ways that differ from the image portrayed in the general literature on interest-group activity, where the government enjoys a degree of autonomy from societal groups in terms of preferences and, consequently, has

considerable room for new social alliances in support of reformist policies that hurt groups of old allies (cf. Evans 1992; Waterbury 1992; Schamis 1999). It is reasonable to expect that, in a clientelist system, policies that disturb the allocation of collective and individual benefits to client groups must primarily affect relations inside the party and, ultimately, its cohesion and mobilisation capacity, which are built upon clientelist exchange inside the broader network.

### **Reforms in a Clientelist System: Theory Expectations and Case-study Research**

These distinct properties of a clientelist political economy can be hypothesised in the form of deductive argument. If a political party depends on the support of its broad client network in its political campaign, it may be less likely to act as a neutral arbiter among various distributive claims when in government, and, instead, it must give priority to the demands of its client groups. Moreover, as clientelism is a strong tool for political mobilisation, intra-party and inter-party competition creates a strong incentive for the parties competing for power to intensify the practice of clientelism in order to consolidate a larger and stronger support base. It can be argued that clientelism introduces a systemic bias in economic policy in favour of preserving and expanding the supply of benefits to client groups.

Nonetheless, the widespread practice of clientelism may generate fiscal profligacy and accumulate distortions to economic activity which could negatively affect the national economy. While heavy external borrowing and foreign aid could prolong the reproduction of a clientelist system, a 'tragedy-of-commons' situation is likely to emerge sooner or later, when public finances seriously deteriorate. Under these constraints, it is interesting to explore whether the political system can pose limits to clientelism when pressing economic conditions push the government to launch economic reforms in order to stabilise and revamp the economy. Given its commitments to party clients, it may be considerably difficult for a party in government to reduce the supply of individual and collective benefits to its client groups, as this could seriously undermine the cohesion of its broader party network. It is also rational for the government to avoid or delay reforms such as privatisation and market liberalisation that reduce the scope for political patronage and threaten to remove channels of clientelist supply. However, one scenario may be that the party in government will decide to limit the supply of benefits to groups that are primarily attached to its main opponent and thus avoid any cost for its core support base. It is plausible to hypothesise that a party in government will have more of an incentive to launch economic reforms if the cost is to be largely restricted to the opposition's clients.

To explore these theoretical expectations about policy reform in a clientelist system, the article examines the intra-party and inter-party implications of the macroeconomic and structural reforms undertaken by the centre-right government of the New Democracy party led by Constantine Mitsotakis between 1990 and 1993. The scale and content of economic reforms implemented or announced by the

Mitsotakis administration, right after the spiralling of clientelist politics in Greece in the 1980s, can shed light on the nature of collective action against economic reforms that affect groups attached to political parties. Given that clientelism has been a persistent feature of Greece's political economy for decades, and was increasingly delivered through central party structures in what was labelled as 'bureaucratic clientelism' (Lyrintzis 1984),<sup>1</sup> the experience of Greece can offer useful insights that potentially illustrate a more general phenomenon (Eckstein 1975, p. 80; Flyvbjerg 2006).

By the mid-1980s, structural weaknesses and fiscal imbalances in Greece partly associated with the scale and nature of extensive state interference in the economy had generated severe macroeconomic imbalances, declining competitiveness and rising unemployment. The deterioration of the balance of payments in the early 1980s was mostly financed by external borrowing (Spraos 1993, p. 59) and was later partially covered by transfers from the European Community (Tsalikoglou 1995, p. 14). This downward trend culminated in an acute balance of payment crisis in 1985, and was followed by rounds of stabilisation programmes by consecutive Greek governments. Despite the presence of a strong executive branch, a single-party majority in the parliament, a politically subservient bureaucracy and unions financially dependent on the government, the reform record was generally patchy and incomplete (Sotiropoulos 2012, p. 10).

Throughout that period, the dominant presence of clientelist politics was widely regarded as one of the hindrances to the effective design and implementation of reform agendas (Pagoulatos 2003; Featherstone and Papadimitriou, 2008; Mitsopoulos and Pelagidis 2011). The way clientelist ties influenced policy-making can be associated with the infiltration of party clients in trade unions in the 1980s. Party clients were massively appointed in the public administration and the broader public sector,<sup>2</sup> and enjoyed privileged terms of employment and generous wages, allowances and pension schemes (Lyrintzis 1984, Sotiropoulos 1996; Pappas 1999). Inside the broader public sector, individual promotions, extra allowances and access to important decision-making posts depended on one's loyalty to the government party and ties with party unionists, ministers and other party officials.

The infiltration of clientelism in the labour movement and the collective action setting of the post-junta period was captured by terms such as 'parentela pluralism' (Pagoulatos 2003, p. 162) and 'disjointed corporatism' (Lavdas 1997, p. 17; 2005), which describe the mutation of pluralist and corporatist elements in Greece into a fragmented structure under heavy party-political influences. Yet, the way the highly clientelistic structure of interest intermediation influenced actual policy-making over time remains empirically under-explored and has also been left under-theorised. Part of the existing literature has seen unions and other organised interest groups as 'veto-players' (Featherstone 2005, Mitsopoulos and Pelagidis 2011). This term, however, understates the linkages and interdependencies that connected rent-seeking groups with the party in government, and conveys a degree of autonomy for these groups larger than is empirically observed. Instead, party politics infiltrated the pattern of

interest representation as clients colonised trade unions and other formal associations (Spourdalakis 1998, p. 210). This reduced but did not completely eliminate the autonomy of labour organisations (Mouzelis 1990, p. 99; Lavdas 2005). Greek governments still had to act systematically as ‘collective patrons’ to groups of active supporters (Sotiropoulos, 1994, p. 47).

Quite importantly, the relationship between unions and political parties differed significantly between New Democracy (ND) and its main opponent, PASOK (*Panhellenic Socialist Party*). PASOK had a dominant position among the employees of the broader public sector and their trade unions. Its influence was reinforced through the extensive application of clientelism in appointments and promotions throughout the 1980s. Many of the unionists later entered national politics as PASOK’s MPs and ministers. On the other side, ND had a weaker political influence in the public sector, although quite a few of its party cadres had close ties with the trade unions.

In that context, it is an important question to explore how these linkages between political parties and client groups organised in trade unions shaped or obstructed reform agendas. A general picture is given by the observation that the content and pace of the reforms implemented prior to Greece’s entry to the European Monetary Union (EMU) varied by government in direct association with the ties each government party had to client groups in the broader public sector. The PASOK austerity programme of 1985–87 relied on taxation and incomes policy that diffused the cost of macroeconomic adjustment across the population (*horizontal measures*), leaving most of the privileges of the unionised employees of the public sector unscathed. Likewise, the last PASOK government under Andreas Papandreou (1993–96) postponed privatisations to avoid the reaction of the party’s base, and mostly relied on direct taxes to balance public finances. In the run-up to EMU, the Simitis government (1996–2000) implemented patchy structural reforms, most notably the sale of shares in large companies under government management, and followed a relatively strict fiscal and incomes policy with an emphasis on taxation. At the same time, each of these reform programmes faced a different degree of social protest, which can be associated, in part, with the degree to which they affected the interests of organised groups in the broader public sector with clientelist ties to political parties.

By comparison, the economic policy of the Mitsotakis government was Greece’s first encounter with an agenda of extensive structural reforms including the prospect of privatisation of state-owned companies. While the actual government record exhibits many inconsistencies and contradictions, the reform agenda announced by Mitsotakis signalled, at least rhetorically, the desire for a paradigmatic policy shift away from state ownership and state dominance in private goods markets, including public utilities such as telecommunications and electricity. The proposed structural reforms were seen as a threat of drastic and permanent change to the status of employees in the broader public sector, most of whom were linked to PASOK and its labour organisations. The Mitsotakis agenda soon came under fire from both the opposition and the unions *en bloc* as well as from segments of the ND party associated with the employees of the public sector. This pattern of reaction primarily affected the relative

mobilisation capacity of the two political parties. Collective action against the proposed reforms offered PASOK's leader, Andreas Papandreou, the opportunity to restore the party's mobilisation capacity and cohesion. On the opposite side, an intra-party rebellion undermined ND's unity. The party suffered a landslide defeat in 1993, just three years after coming to power.<sup>3</sup>

### Clientelism, Crisis and Mitsotakis's Liberal Agenda

New Democracy won the April 1990 election with 46.8 per cent of the popular vote. Due to the highly proportional electoral law passed by the previous government, the party had failed to win a parliamentary majority in two preceding elections in 1989, and gained a majority of only two MPs after the April 1990 election, when an MP of a minor opposition party defected to ND and an electoral tribunal gave the party another seat in parliament.

Faced with deteriorating public finances and a stagnant economy, the Mitsotakis government launched an ambitious economic programme aiming at fiscal consolidation and structural reform. Its policy proposals included the reduction of the size of the state through extensive privatisations, a significant degree of market liberalisation, and cuts in the subsidies to ailing companies, agricultural cooperatives and pension funds. It also announced the shutting down of ailing companies owned by the state in the event that their sale to private investors was not feasible, the reform of the terms of lending by state-owned banks in order to conform to private banking standards, the opening to private entrepreneurship of areas of economic activity at that time dominated by public utility companies, managerial independence in the running of state enterprises, and greater efficiency in the central administration.<sup>4</sup> The declared agenda pledged to shift the country's economic paradigm away from the statist policies of the past fifteen years and its clientelist underpinnings. Prime Minister Mitsotakis openly condemned 'the inconsiderate and unproductive expansion of the public sector' (*Praktika Voulis [Parliamentary Minutes], Δ Session*). Soon after, the government received an emergency loan from the European Community to cover its borrowing needs for 1991, and submitted a Stabilisation Programme that committed the government to fiscal consolidation, structural reforms and the reduction of public sector employees by ten per cent by 1993 (*Nea*, 12 December 1990, p. 25).

Mitsotakis's rhetoric and policy agenda contradicted the long tradition in Greek politics of state intervention in the economy. Following his confrontational election to the party leadership in 1984, Mitsotakis openly proclaimed a liberal economic ideology for ND. He remained a divisive figure within ND for several years (Katsoudas, 1987), supported by the market-liberal segment of the party and tolerated rather than embraced by ND's traditional voters and party cadres, who regarded him, nonetheless, as the most suitable leader at the time to defeat Andreas Papandreou, prime minister since 1981 and leader of PASOK.

The agenda of market liberalisation and privatisation reflected the paradigmatic shift in Western Europe towards freer markets as espoused by European Community



institutions under the Single Market Programme. Political developments in Europe throughout the 1980s contrasted sharply with what were widely understood as failed economic policies in Greece (Kazakos, 2003). Given ND's ideological proximity to the idea of a freer market and its pro-European stance, it was easier for the party to adopt a political discourse that was critical of fiscal profligacy, excessive state ownership and over-regulation. The same rhetoric also strengthened the pro-European credentials of his party. But market liberalisation and privatisation appeared to defy the party's own interest in securing and expanding its own clientelist base. This stance may be attributed to Mitsotakis's liberal ideological beliefs, the pressing economic conditions of the 1980s and increasingly strong pressures from the European Community.

Moreover, by the late 1980s, it had become clear that any elected government would have to take drastic measures to tackle Greece's soaring public debt, large budget deficits, high level of unemployment and declining competitiveness. A change of economic policy away from the statist and fiscally profligate policies of PASOK made more sense among ND's centre-right voters, mostly consisting of middle-class social strata such as small and medium-sized entrepreneurs, lawyers, doctors and other middle-class professional groups. The Mitsotakis agenda mostly threatened the privileged status of employees in the public sector, where PASOK had a dominant political presence. In that respect, a liberal agenda from ND appeared to be consistent with a party strategy aiming at dismantling those parts of the clientelist system that were already dominated by PASOK. The reduction of the public sector through privatisation could, in the long run, reduce PASOK's hegemonic presence in the broader public sector, which the party had secured thanks to its strong sectoral organisations (*kladikes*), which operated as PASOK's de facto clientelist networks.

### **Initial Asynchrony between Stabilisation and Structural Reforms**

Right from the start, ND's economic policy met strong and coordinated reactions from trade unions whose leadership was affiliated with PASOK. In the summer of 1990, there were rounds of strikes and sizeable demonstrations against the pay freeze in the public sector and the government's privatisation plans, which PASOK unionists and politicians repeatedly described as scandalous 'sell-offs'.<sup>5</sup> This militant stance against government policy contrasted with the agreement between the General Confederation of Greek Workers (GSEE) and private employers on wage restraint in March 1991. In September 1991 PASOK unionists raised claims for pay rises in the public sector substantially above inflation and supported further strike action. A barrage of strikes followed: there were two 48-hour general strikes, cleaning workers left piles of garbage on the streets of Athens, industrial action in the electricity company caused periodic cuts of electricity supply, and strikes in public transport left Athens without a bus service for several weeks.

Faced with protests, the government policy in the first two years fell short of the liberal rhetoric articulated by Mitsotakis and his key allies. Fiscal consolidation relied mostly on horizontal measures such as increases in taxation and a strict incomes policy



in the public sector, and less on spending cuts and structural reforms (Bank of Greece 1992). Some progress was achieved in reducing inflation, interest rates and the current account deficit, aided by the inflow of European Community funds (OECD 1993, p. 24). There were, however, numerous policy inconsistencies. While some restrictions were imposed on public sector wages, pensions and the welfare state, all other sources of public spending increased beyond what was predicted in the budget. Between 1990 and 1991, there was a considerable increase in the amount of funding to various ministries, including a 40.8 per cent increase in payments for public relations, a 34 per cent increase in travel expenditures for members of the armed and security forces and a 21.1 per cent increase in special benefits, and additional payments to permanent employees despite the general freeze in wages (National Statistical Service of Greece, 1993, p. 25).

By the end of 1991, the government was lagging behind in structural reforms. Despite Mitsotakis's liberal economic rhetoric, the government made little progress towards market liberalisation and privatisation. Its actual record in the first two years included the sale of small loss-making companies and the tackling of their debts. The much larger public sector companies remained under state ownership. Initial plans to privatise the majority of shares in the big state-owned companies proposed in September 1991 by the Minister of Commerce, Andreas Andrianopoulos, were rejected. The delay in structural reform reflected profound disagreements among prominent ND politicians over the economic ideology of the government. On the one side, traditional centre-right politician and Minister of the Economy Souflias aired the opinion 'that the market should operate freely but there should be control over cases of excessive profits' (*Nea*, 25 August 1990, p. 19) while, on the other side, Andrianopoulos was openly critical of the government's performance:

Neoliberalism means two things: reduction of the public sector on the one hand and reduction of taxation on the other. Here, we have had neither the one nor the other. (*Nea*, 25 August 1990, p. 19)

Privatisation was also a divisive issue among public opinion.<sup>6</sup> The government advocated its privatisation programme primarily as a way to cut subsidies and raise revenue rather than as a policy to liberalise markets and prices in order to strengthen economic competitiveness and improve the quality of the services provided.<sup>7</sup> A broader political and economic vision to promote privatisation in public opinion was missing from government rhetoric.

### **Privatisation, Union Mobilisation and PASOK's Stance**

The first announcement by the government of its privatisation programme increased uncertainty among employees in public sector companies over the future of their employment status. The first few sales sent shockwaves among the public sector trade unions, which reacted with strikes and rallies. Union action sent a clear message to the government not to extend its privatisation plans to the state monopolies in

telecommunications, electricity, railways, airlines, the post office and Greece's major banks. Prominent PASOK politicians openly endorsed the protests against privatisation.<sup>8</sup> The government plan was also viewed with suspicion by part of ND's rank and file with close ties with the unions of the public sector. Public statements by government officials were hardly reassuring about the possible political implications of privatisation, whose benefits were too diffused across taxpayers to animate enough political support for the programme, while the losses it imposed were heavily concentrated among organised groups in the broader public sector. Minister of the Economy Souflias admitted that he could not predict the extent of unemployment likely to be caused by privatisation, but he could estimate the gain for the state at '510 billion [drachmas] at least' (*Nea*, 19 May 1990, p. 24). His successor, Christodoulou, described public companies as 'depositories for the unemployed' that had to be restructured (*Nea*, 13 December 1990, p. 16).

Increasing social unrest and poor economic results contributed to a sharp decline in ND's popularity. By November 1991, ND was lagging behind PASOK in opinion polls (*Nea*, 19 November 1991, p. 12). By the end of 1991, the government was confronting a general revolt orchestrated by PASOK and its trade unions with no signs of compromise on their part. Their joint activities created an atmosphere of social unrest. The fiercest protest against privatisation took place in reaction to the dismantling of the Athens Bus Company in August 1992 which led to the dismissal of 8,000 employees. When the government offered the company's employees preferential access to the purchase of individual buses under the new scheme, the union leaders associated with PASOK and the Communist Party rejected the offer. Rallies eventually led to clashes on the streets of Athens. Mitsotakis's uncompromising stance on privatisation, in particular in the case of the Athens Bus Company, contributed to his increasingly unpopular image as an intransigent and arrogant leader. His shrinking circle of supporters were portrayed by the media as 'neoliberal' zealots who preferred privatisation over any other effort to modernise public companies. Following the escalating reactions from PASOK, the trade unions and segments of the government party, further privatisation was halted. While the actual sales had only affected a few thousand employees, ND experienced considerable social unrest and a loss of popularity while failing to deliver the ambitious reforms it had initially announced.

The general backlash against government policy offered PASOK the opportunity to consolidate and reinvigorate its support basis in the broader public sector. PASOK vehemently opposed the government's fiscal policies.<sup>9</sup> The anti-austerity rhetoric allowed the party to distance itself from the bitter memories of its own strict programme a few years before. PASOK repeatedly rejected the privatisation of state-owned companies and propagated a stronger role for the government in the economy. For Papandreou, privatisations were:

handing our economy like a waif to Community and international market forces . . . When you sell off the public sector indiscriminately . . . you lose all possibility of influencing the course of the Greek economy. (*Nea*, 26 July 1993, p. 11)

PASOK's vocal criticism of the government policy and its active endorsement of union protests helped the party reconfirm its dominant position in the trade unions by winning a clear majority in GSEE, in March 1992. Reactions to privatisation strengthened the symbiotic relationship between PASOK and the trade unions. For PASOK, the state had to retain a dominant presence in a wide area of economic activity: in 'natural monopolies' in sectors such as electricity and telecommunications, in monopolies and oligopolies in the product and service markets that have 'a predominantly social character' such as public transport, in sectors of 'national-strategic importance' such as shipyards, in large industrial companies that could be used as 'tools for government industrial policy' such as the Greek cement industry and the large textile company *Piraiiki-Patraiki*, and, finally, in the banking system that could channel funds to particular investment projects (Arsenis 1992). These areas covered almost all the employment settings where PASOK had a dominant political presence.

A few months later, in April 1992, PASOK won a landslide victory in a by-election in Outer Athens, the country's largest constituency, increasing its vote share by 30 percentage points. Right after the announcement of the electoral results, a triumphant Papandreou described the government as 'non-existent' and the country as 'ungoverned'. Mitsotakis defended his economic policy before parliament and pledged to keep to the Convergence Programme for another two years. He faced mounting criticism from ND's cadres and eventually had to call a vote of confidence, which he won. In the coming months of the summer of 1992, strikes and rallies escalated from employees in public transport, universities, the electricity company, banks, the post office and secondary schools.

At the same time, results were poor on the economic front. The first stabilisation plan had limited success in curbing government spending, raising state revenue, reducing tax evasion and restraining appointments in the public sector. Soon, the government came under pressure to accelerate its effort to achieve macroeconomic stabilisation. The European Commission criticised the government for its economic policy between 1991 and 1992, in particular its inconsistent tax reform and the slow progress of privatisation (*Kathimerini* 17 April 1992, p. 18). The Monetary Committee of the European Communities was also critical of government policy, reporting an actual increase in new appointments to the public sector by 1.2 per cent contrary to the government pledges (*Nea*, 17 April 1992, p. 16). In May 1992 the President of the Commission, Jacques Delors, talked of Greece's failure to reform and restore its economy despite the funding support the country was receiving from the European Community (*Kathimerini*, 26 May 1992, p. 22). In similar vein, Henning Christophersen, Vice President of the Commission, remarked that the granting of Community funds depended on the implementation of the Convergence Programme (Interview with *Nea*, 24 February 1992, p. 12). Following two gloomy reports by the OECD (Organisation for Economic Co-operation and Development) and the IMF (International Monetary Fund), former prime minister Xenophon Zolotas and prominent economist Angelos Angelopoulos publicly criticised the government for

taking patchy and ineffective measures that had failed significantly to reduce the level of public spending. They both warned that the country was heading for bankruptcy.<sup>10</sup> Even Andrianopoulos, Mitsotakis's liberal ally, called the first stabilisation programme an 'imitation' of the previous PASOK programme of 1985–87 only 'with a slant in other directions such as privatisation' (*Economikos Tahydromos*, 11 June 1992, p. 5).

In response, Mitsotakis appointed Stefanos Manos as minister of the economy in February 1992 to accelerate the government's stabilisation effort. Manos admitted that there had been serious deviations from the declared economic targets and that the government had to proceed from a worse economic position. In March 1992, the government announced tax rises, further privatisations and the closing down of public companies. In response, the unions organised a new round of strikes in the broader public sector companies in telecommunications, electricity, water and sewage, ports, railways, banks, the petrol industry and the post office. In December 1992, the government launched a new Convergence Programme (1993–98) that predicted strict monetary, fiscal and incomes policies (Bank of Greece 1992, p. 21).

### New Democracy's Withering Cohesion

While PASOK reinforced its political position through its alliance with the unions, intra-party divisions and criticism of Mitsotakis's policies undermined the cohesion of ND. The government became increasingly alienated from traditional right-wing voters. The government's tax reform, quite notably, triggered the reaction of doctors and lawyers. Lawyers went on a prolonged strike that lasted for nine months with few breaks. Inside ND, most reactions to Mitsotakis's economic policy came from the party faction known as the 'popular right' (*laiki dexia*), which was linked to patronage politics and closely associated with the trade unions and the heavily subsidised agricultural cooperatives. Strong reaction from segments of ND associated with the state sector made it harder for the government to implement a bold policy agenda (Kazakos 2003).

Privatisation turned out to be the most divisive economic issue inside ND. Privatisations and austerity limit the available opportunities for clientelist exchange (*Vima*, 20 September 1992, p. 8). Prominent ND politicians supported a greater role for the state in the economy and opposed the government's privatisation plans.<sup>11</sup> They were also highly apprehensive of ND's falling popularity among public sector employees, particularly in companies where privatisation was discussed or scheduled. New Democracy's labour organisations joined the general protest against the government's privatisation plans. The tone of their reaction came to emulate PASOK's harsh language (*Nea* 11 December 1992, p. 18). Moreover, the privatisation plans for Olympic Airways and the state monopolies in electricity, telecommunication and the railways triggered clashes within the Cabinet – the most prominent between the liberal Andreas Andrianopoulos and Miltiadis Evert, a politician who aspired to become the next leader of ND (*Nea*, May 1990, p. 17; 24 September 1991, p. 2). Likewise, a number of managers of government-controlled enterprises were not enthusiastic about the prospect of losing

their offices once privatisation was completed.<sup>12</sup> Several ministers were also unwilling to respond to Mitsotakis's request to submit lists of public enterprises for privatisation or closure (*Economikos Tahydromos*, 27 February 1992, p. 3).

Later on, Andrianopoulos, who had been appointed as minister for commerce, openly announced that he had been the target of 'entrenched interests' in the trade unions and the management of the ailing state-owned enterprises (*Vima*, 28 June 1992, p. 10). In a similar tone, the head of the Industrial Development Bank (ETVA), Eftyhia Pylarinou-Pipergia, sketched the type of actors inside the public administration who raised objections to the privatisation programme: (a) managers and councillors who were afraid of losing their posts after privatisation, (b) government and opposition politicians who did not want to lose control over the appointment of people who voted for them, (c) procurement contractors who did not want to lose their preferential treatment, and (d) bankers and bank clerks who were fearful of penal sanctions for their involvement in the settlement of the debts of the deficit-running enterprises that were being put on sale (*Economikos*, 19 December 1991, p. 115). In the end, various delays and hurdles to the privatisation process eventually caused the head of the organisation in charge of the ailing enterprises due to be privatised Organisation for the Restructuring of Enterprises (OAE) to resign in protest against the frequent interference of government ministers in the privatisation programme:

After working for more than a year, I am certain that the ministers supervising the privatisation policy are the genuine children of statism, which is what brought them to prominence in the past, and that they cannot distance themselves from their old philosophy. (*Economikos Tahydromos*, 27 June 1991, p. 16)

Throughout Mitsotakis's tenure, ND sympathisers and the party's grassroots organisations put pressure on the government to accommodate the demands of their political clientele, which mostly involved appointments in the public sector (*Vima*, 26 September 1991, p. 26). Given the adverse state of public finances, party politicians had limited scope to deliver favours (*rousfetia*) to supporters, except for costless concessions such as promotions and favourable placements in the public administration (*Vima*, 30 June 1991, p. 27; *Nea*, 18 March 1993, p. 19) or the military (*Kyriakatiki Eleftherotypia*, 3 October 1993). As a result, there were frequent complaints by ND supporters that PASOK was still the most powerful political force in the broader public sector.

In addition, business interests attached to the state sector and competing for preferential treatment became a major source of opposition to ND's policy. By the early 1990s, their political influence had been strengthened thanks to their ownership of private media (Papathanassopoulos 1999). The stakes for public sector contractors were higher than ever, as European Community funds were channelled to Greece, and the privatisation programme was about to change drastically the terms of competition in the public sector. For state-sponsored businesspeople, privatisation threatened to break their long-established links with public sector companies and their managers (Lyberaki

and Tsakalotos 2002, p. 108). Government spokesman Magginas openly referred to a coalition of unionists and businesspeople who aimed to prevent the government from privatising the state monopolies in electricity and telecommunications:

The government policy hurts the interests of some known businessmen who have contracts with these state monopolies as well as the interests of some equally well-known partisan unionists. (*Nea*, 26 June 1993, p. 11)

By 1992 Mitsotakis's policies had displeased some of the country's most powerful press barons (Pagoulatos 1994). The majority of private media, which a few years earlier had exposed the scandals in which PASOK politicians, including Papandreou himself, had been reportedly involved, now switched to supporting PASOK and the unions' protests. The public image of Papandreou, once presented by most of the press as an ailing politician presiding over a corrupt government, was largely repaired. At the same time, a barrage of press releases attacked government ministers, the Prime Minister and his family. In response, Mitsotakis famously used the word *diaplekomena* (entangled interests) to describe the collusion between state-sponsored businesspeople and political power (*Praktika Voulis*, Synod A, Session E, 24 October 1993). This term became emblematic in Greek politics.

### **Culmination of Protests and Mitsotakis's Fall from Power**

By the end of 1992, protracted austerity, poor economic results, divisions over privatisation and intra-party reactions had pushed ND's cohesion to its limits. Tensions inside the government party soon escalated. Grievances and frictions concerning government policy and the privatisation process culminated in resignations from the Cabinet, often coupled with allegations of corruption (*Nea*, 4 December 1992, p. 14) or criticism of general government policy (*Vima*, 9 January 1992). Soon, the group of dissenters grew and involved many politicians who had supported Mitsotakis politically and ideologically as party leader in the 1980s and had been on the front line of the 1989–90 electoral campaign. Inside ND, the opposition formed around two aspirants to the party leadership: Antonis Samaras, former Minister of Foreign Affairs, expelled from the Cabinet for his foreign policy disagreement over the Macedonian name dispute, and the former Minister to the Prime Minister's Office, Evert. The latter was supported by former Deputy Prime Minister Canellopoulos and former Minister of Industry Dimas, whose criticism was articulated around economic policy (*Vima*, 9 January 1992; 11 February 1992; *Nea*, 18 March 1992). Samaras eventually resigned as an MP in October 1992, attacking the policy of the 'hard drachma' and the government's 'obsession' with reducing the deficit (*Ta Nea*, 10 December 1992). As ND's parliamentary majority relied on two parliamentary seats, it was impossible for Mitsotakis to punish the dissenters with expulsion from the party, as this move could bring down his government.

A new round of serious confrontations erupted inside ND when the budget for 1993 announced the partial privatisation of OTE, Greece's telecommunication monopoly,



within that year. The planned privatisation of OTE turned out to be the most divisive economic policy issue for the government party.<sup>13</sup> New Democracy's trade unionists and politicians openly voiced their objections. A number of government MPs stated that they might vote against the budget as a whole.

The privatisation of OTE was seen by trade unions as a forerunner to a new round of privatisations, this time involving the large public utilities companies in electricity, railways, airlines, water, oil refineries, post office and the banks. To avoid further reactions, National Economy Minister Stefanos Manos promised that the electricity company would remain under exclusive state ownership.<sup>14</sup> That reassurance hardly appeased the unions. In the summer of 1993 trade unions whose leaderships were affiliated to PASOK organised a new round of strikes and rallies that created an explosive social atmosphere.<sup>15</sup> The electricity workers' union dubbed the privatisation process 'the Prime Minister's robbery plans' that were 'paving the way for a raid by foreign capital and the Prime Minister's company of friends at the expense of national wealth' (*Nea*, 24 July 1993, p. 7). Papandreou himself visited the headquarters of OTE and, cheered by unionists and employees, openly pledged to cancel the privatisation upon his return to power (*Nea*, 5 May 1993, p. 5).

The privatisation plan for OTE eventually caused a rift inside ND in the summer of 1993. In a letter to the government and the party, the ND unionists of OTE warned the government that they were on the brink of a final break with the party (*Nea*, 15 July 1993, p. 8). Both former ministers – Samaras, who had founded a new party, *Political Spring*, and Evert, who stayed in ND – openly expressed their objections to the privatisation plan.<sup>16</sup> Evert announced his decision to vote against the sale unless there were guarantees concerning the transparency of the process and the government retained control over key commercial decisions (*Nea*, 16 July 1993, p. 8). In September 1993, a number of MPs followed Samaras and withdrew their vote of confidence in the government, primarily in protest against the handling of the Macedonian name dispute but obviously in disagreement with economic policy too. A month after the government had officially announced the partial privatisation of OTE, the sale was aborted, and a fierce electoral period began. Mitsotakis claimed that business circles had orchestrated his fall from power over the issue of OTE.<sup>17</sup> In similar vein, the right-wing press talked of entrepreneurs with vested interests in the state monopolies in electricity and telecommunications using their media to openly support PASOK's campaign (*Typos tis Kyriakis*, 3 October 1993).

PASOK's 1993 election campaign attacked ND's policies as ineffective, authoritarian and socially unjust. It named ND 'the party of bankruptcy' that had failed to boost the economy despite the harsh measures it had imposed on society. PASOK's message conveyed a clear disapproval of privatisations and reiterated its preference for a strong and protectionist state. PASOK's campaign cultivated expectations among the groups supporting the party that it would cancel the privatisation programme, once elected to government. PASOK's economic policy proposals placed emphasis on raising the productivity of the Greek economy instead of implementing austerity, and stressed the need for social dialogue and 'new forms of social solidarity'.<sup>18</sup>



From a defensive position, ND criticised PASOK's stance as obsolete and perilous for the economy. New Democracy's 1993 campaign presented voters with a dilemma between reforms and rising levels of taxation, contrasting the 'fiscal responsibility' exhibited by ND and PASOK's past record of 'profligate and statist politics':

What does PASOK want? Power; without any concern about Greece; a large public sector, because a large public sector means great scope for favours. It [PASOK] intends to surrender the [public] organisations to its party members and its trade unionists. It wants to cancel privatisation (*apokratikopoiisi*) because certain people will lose control over procurements ... There was an easy way: endless promises, vote-buying, concessions, favours, appointments; the road PASOK knows very well. We have not followed it. We have chosen to be uncompromising and consistent with our positions, our values, our ideas ... We have not feared the political cost.<sup>19</sup>

The dramatic events that led to the fall of the government helped ND restore some of its cohesion in the month before the October election. In an effort to cheer the party's supporters, government officials promised to relax economic policy in the event ND was re-elected.<sup>20</sup> During the electoral period the government reportedly hired a few hundred party supporters in public sector enterprises.<sup>21</sup> This late call to arms by ND failed to thwart PASOK's march to power. With a coherent and active party base and the support of most of the private media, PASOK won the election with approximately 46 per cent of the vote. Many PASOK-affiliated unionists were elected as MPs. On election night, Mitsotakis resigned as leader of ND. A few days later, Evert was elected as the new ND leader by an overwhelming majority of the party's MPs. Subsequently, Evert would attempt to distance the party from the 'neoliberal' philosophy of Mitsotakis.

## Conclusion

Despite its weak parliamentary majority and the general rebellion led by the trade unions, the opposition and intra-party factions, the Mitsotakis government launched a reform agenda that marked a significant paradigmatic shift in Greece's political economy. Most notably, this entailed the privatisation or liquidation of a considerable number of small and medium-sized enterprises,<sup>22</sup> the abolition of most price controls and partial deregulation of labour markets, house rents, fuel and credit.

The policy measures and proposals threatened to inflict heavy losses on the unionised groups in the state sector, in particular the privatisation programme, and gave rise to a distinct pattern of collective action that was largely shaped by the clientelist linkages between trade unions and PASOK. The latter revitalised its ties with the unions and capitalised upon growing public dissatisfaction and the failure of the Mitsotakis government to animate general public support for its reform programme. By placing the interests of groups attached to the public sector under its sponsorship, PASOK rebuilt its remarkable capacity to mobilise and coordinate its broader party network, which included its affiliated labour organisations. While in opposition, PASOK promised its client groups it would restore much of the status quo unsettled by

Mitsotakis. This pledge would become a serious issue of concern for the next PASOK government, which later faced increasing pressures to implement deep-cutting reforms under the Maastricht Treaty commitments.

New Democracy's policies also alienated key supporters mainly in the public sector. While the party's official ideology propagated a smaller state, large segments of ND's party base opposed policies that could reduce the size of the state, thus placing possibly irreversible limits on political intervention and patronage. The party suffered from frictions and tensions that led to factionalism and defections. The policy agenda was largely discredited among its own party cadres.

This review of the Mitsotakis policy agenda illustrates a distinct pattern of reaction to reforms, derived from the linkages between political agency and social interests in a clientelist system. Whether driven by ideological predispositions, severe economic shocks, strong pressures from international institutions, or strategic miscalculations, economic reforms that impose concentrated losses on client groups will affect the cohesion and mobilisation capacity of the political parties. They can undermine the cohesion of the government party by alienating its own client groups in the sectors hurt by the reform, and will offer grounds for the internal opposition to appeal to discontented party supporters. Moreover, the opposition party can grasp the opportunity to restore and strengthen the unity of its broader party network by strategically sponsoring the collective action of its disaffected client groups. Hence, a government party whose reforms impose costs primarily on the opposition's clients will not be spared political cost, since the relative mobilisation capacity of the two main parties will still be skewed in favour of the opposition. In that sense, a party's greater autonomy from client groups does not necessarily imply a greater scope for reform. Instead, the distinct political implications of collective action indicate that certain types of economic reform that inflict serious and possibly irreparable losses on organised groups integrated in broader party networks, such as privatisation and structural reforms, are politically risky. To avoid taking such a risk, the government in a clientelist political system will be better off politically if it opts for economic measures that diffuse the cost of economic adjustment across society, among taxpayers and consumers.

### **Acknowledgements**

The author would like to thank Professor Mark Pennington and the anonymous reviewers of this paper, as well as the participants in the Greek studies panel at the 2013 Political Studies Association, particularly Dr Dimitris Tsarouhas and Professor Kevin Featherstone, for their constructive comments on an earlier draft.

### **Notes**

1. See Mouzelis, 1978; Lyrintzis, 1984; Mavrogordatos, 1984; Spourdalakis 1988; Sotiropoulos, 1994; Tsoukalis 1997; Pappas, 1999; Lyberaki & Tsakalotos, 2002; Pagoulatos 2003; Lavdas, 2005.

2. Corporations in the broader public sector included sectors such as the electricity, telecommunications, water and sewage, state-owned banks, post office, railways and ports whose unions had a strong say in the GSEE.
3. The article does not provide a general explanation of the fall of the Mitsotakis government, which can be associated with other policy issues, strategic errors and political episodes during his premiership.
4. Part of the programme reflected the priorities of the Single Market project for the removal of physical, technical and fiscal barriers to the movement of goods, persons, services and capital, which was to be completed by the end of 1992.
5. See Papandreou's speech to PASOK's Central Committee, *Nea*, 30 July 1993, p. 10. Also: *Nea*, 30 December 1991; 13 March 1992; 7 April 1993; 6 April 1993; 7 July 1993; 16 July 1993; 17 July 1993; 26 July 1993; 12 August 1993, and *Vima*, 1 March 1992, p. 12; 29 November 1992, p. 14.
6. 42.2 per cent of respondents to a survey by *Nea* (November 1991, p. 12) were in favour of privatisation and 46.9 per cent were against. 50.3 per cent of respondents to the MRB opinion poll (*Kathimerini*, 17 July 1993) held the view that privatisations 'serve the interest of particular big business interest and they do not constitute an effort to make their operation more effective in the general interest of the economy'.
7. See *Nea*, 23 March 1990, p. 2.
8. See *Nea*, 28 May 1990, p. 22; 31 August 1990, p. 16; 28 November 1990, pp. 10–11; 21 February 1991, p. 36; 26 February 1991, p. 9; 15 March 1991, p. 26; 7 July 1993, p. 16.
9. For example, the 1991 budget was dubbed 'the harshest and most class-biased budget of the last decades' by the former PASOK minister Arsenis: *Nea*, 4 December 1990, p. 12.
10. *Nea*, July 1992, p. 16. Also: interview with Angelopoulos, *Nea*, 23 September 1993, p. 10.
11. As noted by *Economikos Tahydromos*, 22 July 1993, p. 15; 1 May 1997, p. 32. See also: *Nea*, May 1990, p. 24; 5 April 1991, p. 20.
12. *Economikos Tahydromos*, 6 September 1990, pp. 78–79; 27 February 1992, p. 4; 11 December 1992, p. 18.
13. *Nea*, 8 July 1993, p. 6; 8 April 1993, p. 6; 12 July 1993, p. 8; 24 July 1993, p. 7.
14. *Economikos Tahydromos*, 5 August 1993, p. 4.
15. *Nea*, 26 May 1993, p. 17; 12 August 1993, p. 9.
16. *Nea*, 28 July 1993, p. 11.
17. Praktika Voulis, Synod A, Session E, 24 October 1993.
18. See 'Greece is the vision', PASOK's campaign leaflet. Also see the article by Professor Kazakos in *Eleftherotypia*, 30 September 1993, on the high expectations raised by PASOK's pre-electoral pledges.
19. New Democracy's leaflet 'Greece is not turning back'.
20. Cf. 'Generous increases for the public employees', interview by minister of internal affairs Kouvelas to Andreas Zoulas, *Apogevmatini*, 1 October 1993; also: *Makedonia*, 6 September 1993.
21. Praktika Voulis, Synod A, Session ΝΓ, 2 February 1994.
22. Mitsotakis talked of 85 cases of enterprises that were either closed or privatised by his government in his interview with *Antenna TV* in September 1993; Kazakos mentions 111 enterprises (1993, p. 147).

## References

- Arsenis, G. (1992) 'Παρέμβαση στο διάλογο πολιτικών φορέων' ['Contribution to the discussion among political agents'] in *Προοδευτικός Εκσυγχρονισμός Απάντηση στην Πολιτική των Ιδιωτικοποιήσεων* [Progressive Modernisation: a Response to the Privatisation Policy], ed. Yannis Tolios, Economic Policy Council, Athens, pp. 21–29.
- Bank of Greece (1992) *Annual Report of the Governor for the Year 1991*, Bank of Greece, Athens.
- Cawson, A. (1986) *Corporatism and Political Theory*, Basil Blackwell, Oxford.

- Chubb, J. (1982) *Patronage, Power and Poverty in Southern Italy: a Tale of Two Cities*, Cambridge University Press, Cambridge.
- Eckstein, H. H. (1975) 'Case study and theory in political science', in *Handbook of Political Science*, eds F. J. Greenstein & N. W. Polsby, Addison-Wesley, Reading, MA, pp. 79–137.
- Esping-Andersen, G. (1990) *The Three Worlds of Welfare Capitalism*, Polity, Cambridge.
- Evans, P. (1992) 'The State as problem and solution: predation, embedded autonomy, and structural change', in *International Constraints, Distributive Conflicts and the State*, eds S. Haggard & R. R. Kaufman, Princeton University Press, Princeton NJ, pp. 139–181.
- Featherstone, K. (2005) 'Introduction: 'modernisation' and the structural constraints of Greek politics', *West European Politics*, vol. 28, no. 2, pp. 223–241.
- Featherstone, K. & Papadimitriou, D. (2008) *The Limits of Europeanization: Reform Capacity and Policy Conflict in Greece*, Palgrave Macmillan, London.
- Flyvbjerg, B. (2006) 'Five misunderstandings about case-study research', *Qualitative Inquiry*, vol. 12, no. 2, pp. 219–245.
- Graziano, L. (1978) 'Center-periphery relations and the Italian crisis: the problem of clientelism', in *Territorial Politics in Industrial Nations*, eds S. Tarrow, P. J. Katzenstein & L. Graziano, Praeger, New York, pp. 290–326.
- Hall, P. A. & Soskice, D. (2001) *Varieties of Capitalism: the Institutional Foundations of Comparative Advantage*, Oxford University Press, Oxford.
- Katsoudas, D. K. (1987) 'The conservative movement and New Democracy: from past to present', in *Political Change in Greece: Before and After the Colonels*, eds K. Featherstone & D. K. Katsoudas, Croom Helm, London, pp. 85–111.
- Kaufman, R. (1974) 'The patron-client concept and macro-politics: prospects and problems', *Comparative Studies in Society and History*, vol. 16, no. 3, pp. 284–308.
- Kazakos, P. (2003) 'Greece: stabilization and reform in the 90s', in *Greece in the European Union: the New Role and the New Agenda*, ed. P. C. Ioakimidis, Ministry of Press and Mass Media, Athens, pp. 133–155.
- Krueger, A. O. (1974) 'The political economy of the rent-seeking society', *American Economic Review*, vol. 64, no. 3, pp. 291–303.
- LaPalombara, J. (1964) *Interest Groups in Italian Politics*, Princeton University Press, Princeton, NJ.
- Lavdas, K. A. (1997) *The Europeanization of Greece: Interest Politics and the Crises of Integration*, Macmillan, London.
- Lavdas, K. A. (2005) 'Interest groups in disjointed corporatism: social dialogue in Greece and European "competitive corporatism"', *West European Politics*, vol. 28, no. 2, pp. 297–316.
- Lindblom, C. (1980) *The Policy-making Process*, Prentice Hall, Englewood Cliffs, NJ.
- Lyberaki, A. & Tsakalotos, E. (2002) 'Reforming the economy without society: social and institutional constraints to economic reform in post-1974 Greece', *New Political Economy*, vol. 7, no. 1, pp. 93–114.
- Lyrantzis, C. (1984) 'Political parties in post-junta Greece: A case of "bureaucratic clientelism"?' *West European Politics*, vol. 7, no. 2, pp. 99–118.
- Mavrogordatos, G. (1984) 'The Greek party system: a case of limited but polarized pluralism?', *West European Politics*, vol. 7, no. 4, pp. 156–169.
- Mayhew, D. R. (1986) *Placing Parties in American Politics: Organization, Electoral Settings, and Government Activity in the Twentieth Century*, Princeton University Press, Princeton NJ.
- Mitsopoulos, M. & Pelagidis, T. (2011) *Understanding the Crisis in Greece: from Boom to Bust*, McMillan Palgrave, Basingstoke.
- Mouzelis, N. (1978) *Greece: Facets of Underdevelopment*, Macmillan and Holmes & Meier, London.
- Mouzelis, N. (1990) *Post-Marxist Alternatives: the Construction of Social Orders*, Macmillan, London.
- National Statistical Service of Greece (1993) *Public Finance Statistics 1991*, National Statistical Service, Athens.

- New Democracy (1993) 'Greece is not turning back', electoral leaflet, September 1993, Athens.
- OECD (1993) *Economic Surveys: Greece*, OECD Publishing, Paris.
- Olson, M. (1971/1965) *The Logic of Collective Action: Public Goods and the Theory of Groups* (revised edition ed.), Harvard University Press, Cambridge MA.
- Pagoulatos, G. (1994) *The Press and the Politics of State Withdrawal in Greece (1990-1993): from Knee-jerk Reaction to Agenda-Setting Opposition*, Mimo, London.
- Pagoulatos, G. (2003) *Greece's New Political Economy: State, Finance and Growth from Postwar to EMU*, Palgrave Macmillan, Basingstoke.
- Papathanassopoulos, S. (1999) 'The effects of media commercialization on journalism and politics in Greece', *The Communication Review*, vol. 3, no. 4, pp. 379–402.
- Pappas, T. S. (1999) *Making Party Democracy in Greece*, Macmillan, London.
- Rokkan, S. (1966) 'Norway: numerical democracy and corporate pluralism', in *Political Oppositions in Western Democracies*, ed. R. A. Dahl, Yale University Press, New Haven, CT, pp. 70–115.
- Schamis, H. (1999) 'Distributional coalitions and the politics of economic reform in Latin America', *World Politics*, vol. 51, no. 2, pp. 236–268.
- Schmidt, V. A. (2008) 'European political economy: labour out, state back in, firm to the fore', *West European Politics*, vol. 31, nos. 1-2, pp. 302–320.
- Schmidt, V. A. (2007) 'Bringing the state back into the varieties of capitalism and discourse back into the explanation of change', CES Germany & Europe Working Papers, no. 07.3.
- Schmitter, P. C. (1979) 'Still the century of corporatism?', in *Trends toward Corporatist Intermediation*, eds P. C. Schmitter & G. Lehmbruch, Sage, Beverly Hills, CA, pp. 7–52.
- Shonfield, A. (1965) *Modern Capitalism: the Changing Balance of Public and Private Power*, Oxford University Press, Oxford.
- Sotiropoulos, D. A. (1994) 'Bureaucrats and politicians: a case study of the determinants of perceptions of conflict and patronage in the Greek bureaucracy under PASOK rule, 1981-1989', *The British Journal of Sociology*, vol. 45, nos. 3, pp. 349–365.
- Sotiropoulos, D. (1996) *Populism and Bureaucracy: the Case of Greece under PASOK, 1981-1989*, University of Notre Dame Press, Notre Dame.
- Sotiropoulos, D. (2012) 'The paradox of non-reform in a reform-ripe environment: lessons from post-authoritarian Greece', in *From Stagnation to Forced Adjustment: Reforms in Greece, 1974-2010*, eds S. Kalyvas, G. Pagoulatos & H. Tsoukas, Hurst, London, pp. 9–30.
- Spourdalakis, M. (1988) *The Rise of the Greek Socialist Party*, Routledge, London.
- Spourdalakis, M. (ed.) (1998) *ΠΑΣΟΚ: Κόμμα – Κράτος – Κοινωνία* [PASOK: Party – State – Society], Patakis, Athens.
- Spraos, Y. (1993) 'Μακροοικονομική πολιτική για μια ανοικτή οικονομία' ['Macroeconomic policy for an open economy'] in *Η Ελλάδα στην Ευρωπαϊκή Κοινότητα: η Πρόκληση της Προσαρμογής*, ed. Loukas Tsoukalis, [Greece in the European Community: the Challenge of Adjustment], EKEM, Athens, pp. 57–103.
- Tsalikoglou, I. (1995) *Negotiating for Entry: the Accession of Greece to the European Community*, Dartmouth, Aldershot.
- Tsoukalis, L. (1997) 'Beyond the Greek paradox', in *The Greek Paradox: Promise vs. Performance*, eds G. Allison & K. Nicolaidis, John F. Kennedy School of Government, Center for Science and International Affairs, Cambridge MA, pp. 163–174.
- Tullock, G. (1993) *Rent-seeking*, Edward Elgar, Aldershot.
- Ware, A. (1992) 'Activist-leader relations and the structure of political parties: exchange models and vote-seeking behaviour in parties', *British Journal of Political Science*, vol. 22, no. 1, pp. 71–92.
- Ware, A. (1996) *Political Parties and Party Systems*, Oxford University Press, Oxford.
- Waterbury, J. (1992) 'The heart of the matter? public enterprise and the adjustment process', in *International Constraints, Distributive Conflicts and the State*, eds S. Haggard & R. R. Kaufman, Princeton University Press, Princeton NJ, pp. 182–217.

**Aris Trantidis** is a Teaching Fellow at King's College London, in the Department of Political Economy. His research interests include the study of clientelism, party politics, political corruption, economic reforms, semi-authoritarianism, and theories of democracy and democratisation. His recent publications explore the linkage between economic structure and authoritarianism and the classification of dominant party systems.