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Kyriakos Mitsotakis and the new stability in Hellas

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Greeks were called to the polls twice within five weeks in May and June to elect a new parliament. In both rounds of voting, which took place on the basis of different electoral laws, the Nea Dimokratia of the new and old head of government Kyriakos Mitsotakis won over 40% of the vote. Now it can govern with an absolute majority for the next four years. What are the reasons for the high approval rating? Why was the opposition unable to score, and how will the new Greek government work in the future? - this country report provides the answers.

The Legacy of the 1st Mitsotakis government - Stations of a turbulent time?

Victory 2019, Corona, Ukraine, Successes, Turkey, Tempi

A few months after Kyriakos Mitsotakis took over the country's government in 2019, Greece was faced with a situation unprecedented in the last 80 years: On March 22, 2020, the head of government officially announced the first corona lockdown in the country. The national health system, which was then and still is in a difficult situation, was put to the test and was subjected to enormous pressure. The psychological and mental consequences of the lockdown hit society hard and the economic impact on Greece was significant; the country where life is played out on the streets suddenly came to a standstill. But the Mitsotakis government maneuvered the Hellenes through this crisis better than other EU states.

The trend towards economic recovery and relaxation after the Corona crisis was abruptly halted by Russia's invasion of Ukraine. Mitsotakis has provided Ukraine with humanitarian and defense support from the start and fully implemented pan-European sanctions against Russia, although many Greeks have a positive attitude towards Russia. The Russian invasion exacerbated an already looming energy crisis. This crisis has hit both the European Union and Greece hard, as rising energy prices during the winter have made it difficult for many Greeks with an average wage of 1,100 to 1,300 euros to cope. But the government also supported the Hellenes throughout the energy and inflation crisis with subsidies for energy prices, food vouchers and negotiations with companies, so that inflation in 2022 and in the first half of 2023 in Greece was one of the lowest in the EU comparison.

In terms of foreign policy, this mosaic of developments was completed by Turkey's constantly provocative attitude towards Greece. In recent years, the eastern neighbor has systematically violated Greek airspace with overflights. In 2022 alone, over 10,000 Turkish airspace violations were registered. In addition, the political rhetoric of Erdogan and his government was consistently provocative: statements such as "Athens is pursuing an expansionist and aggressive policy that fuels instability" or Greece's "hostile" stance "shows that it has become excessively arrogant in ignoring NATO's fundamental principles and values" (Turkish Defense Minister Houloussi Akar, 2022). The Turkish president also threatened a rocket attack on Athens or the occupation of islands in the Aegean.

Last but not least, Turkey exploited the migration issue by, among other things, pushing irregular migrants to the Greek border. The then Turkish Foreign Minister Mevlut Cavusoglu accused Greece: "There is already a systematic attack on the lives of migrants, for example Greece's pushbacks in the Aegean - with the result that many lives have been lost. At the same time, it is extremely unfortunate to see that Frontex has contributed to all these activities." Knowing that there are constant accusations from NGOs of alleged illegal refoulement from Greece. These allegations have never been clearly substantiated, but are used by Turkey to accuse alleged human rights violations in Greece.

The Mitsotakis government reduced the number of people entering the country illegally to 13,500 in 2022; Measures such as increased maritime border control, refusal of entry upon arrival and the building of fences on the Evros River have always been met with broad support, which has only grown in recent years. Finally, the train accident in Tempi that occurred on February 28, 2023, in which a Hellenic Train passenger train collided head-on with a freight train, was a defining moment of the prime minister's first term. According to official figures, 57 people died. The accident led to a number of political consequences. A three-day national mourning was declared in Greece, the then minister of infrastructure and

transport, Konstantinos Karamanlis, resigned and the current foreign minister, Georgios Gerapetritis, took over his post. For several weeks, the incident was the subject of intense political controversy; numerous rallies and demonstrations were organized. The government introduced a new institutional framework with improvements for railway safety and as a result the train accident no longer had an immediate impact on the general elections in May and then in June.

It is worth analyzing below the reasons why, despite the objectively unfavorable conditions, Kyriakos Mitsotakis managed to assert himself politically, strategically defeated the Alliance of the Radical Left (SYRIZA) and convinced the Greek people that he was the most suitable candidate for the post of Prime Minister.

The results in detail

On June 25, 2023, Kyriakos Mitsotakis and his NEA DIMOKRATIA (ND) won a clear victory over Alexis Tsipras' SYRIZA party. With 40.6% of the vote, it will in future have 158 of the 300 deputies in the Greek Parliament. In contrast, SYRIZA came in at 17.8% and 48 seats. The difference of almost 23% is thus three times greater than the difference in the 2019 elections. This fact manifests not only the political dominance of ND, but also a strategic defeat for SYRIZA. Moreover, it is a rare phenomenon in Greek politics that a ruling party can increase its share after a first term (a similar result has not been achieved since 1974).

The Socialist Party (PASOK) and the Communist Party (KKE) slightly increased their shares compared to the last election (21.5.2023), to 11.8% and 7.7%, respectively. Meanwhile, political attention swirled around the electoral success of the newly founded far-right party "Spartiates" and the entry of two other right-wing parties into the "Vouli" (parliament). The "Spartiates" became a political force because the Supreme Court had banned another far-right party, the "Greeks," in the run-up to the elections and its imprisoned founder, Ilias Kasidiaris (Golden Dawn), supported the "Spartiates. Together with the nationalist "Elliniki Lysi" (Greek Solution) and the ultraconservative/Orthodox "Niki," these three parties received almost 13% of the vote and 34 seats.

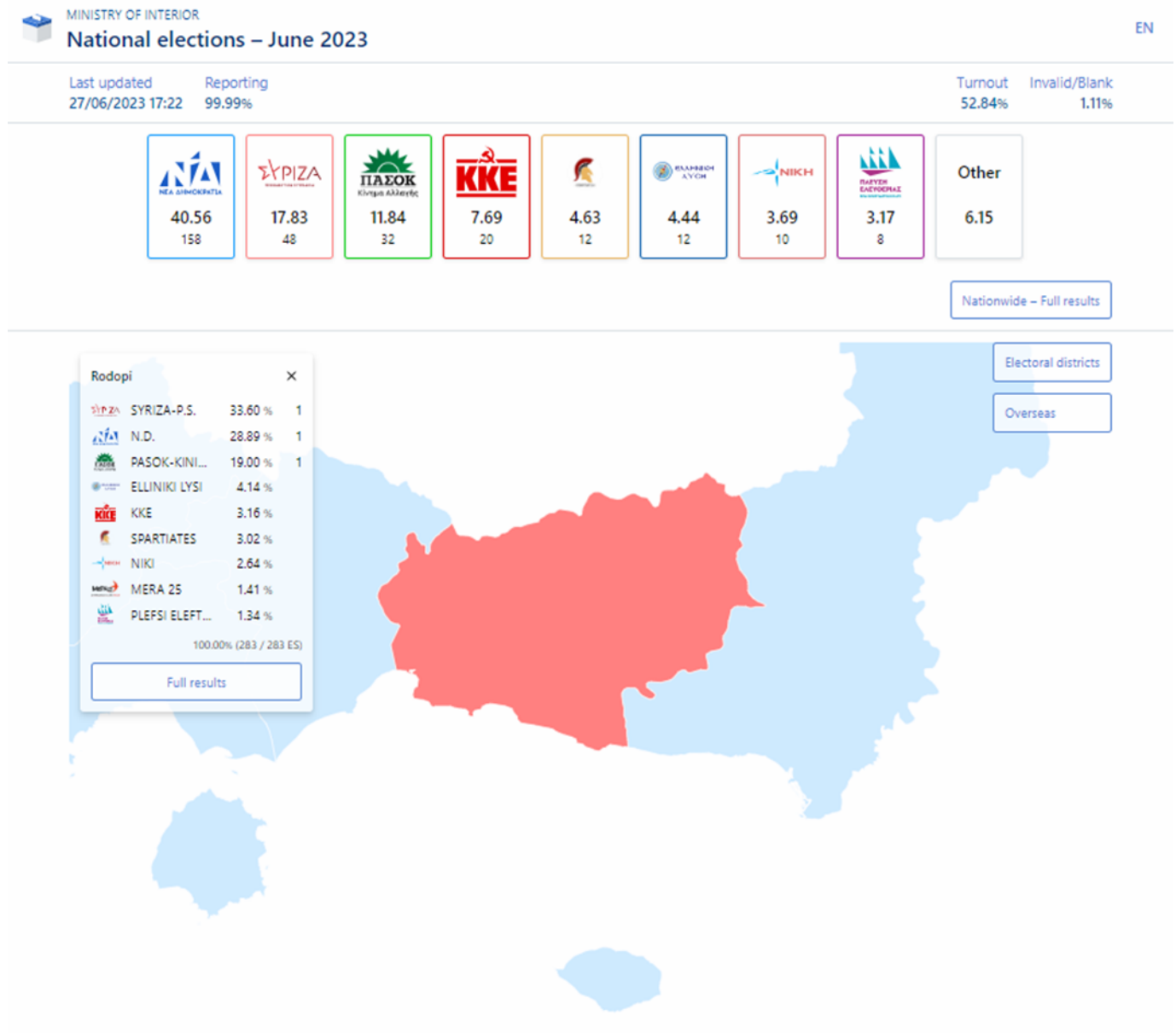


Source: Ministry of Interior Greece

The Exception - The Muslim Minority in Rodopi

The victory of Kyriakos Mitsotakis was overwhelming in all constituencies in Greece, the only exception being the constituency of Rodopi (see map below), where SYRIZA won 33.6%, ahead of ND (28.9%). According to observers SYRIZA's success in Rodopi can be explained by the influence of the Turkish consulate in Komotini on the Muslim minority in Thrace. The "chosen deputy" of the Turkish consulate in Komotini, Özgür Ferhat (SYRIZA), was elected deputy of Rodopi with 12,208 votes. The former deputy Dimitris Haritou (SYRIZA), who received now just only 3,902 votes (8,306 vote difference), behind by a wide margin. Haritou

had fallen out of favour with the consulate and most observers assume that the consulate had issued election notices to the Muslim community to vote for Ferhat now. Criticism of the consulate's influence, which violates international law, also came from the ranks of SYRIZA: Eleni Laftsis (a prominent SYRIZA member in Rodopi) described Özgür Ferhat as a "loyal supporter of the Turkish consul in Komotini."



Source: Ministry of Interior Greece

Why did Kyriakos Mitsotakis win?

1. *Good economic figures.* Mitsotakis has presented clear measures for his positive agenda and can point to objectively good framework conditions: 3 to 5% economic growth (above the EU average), a significant increase in foreign investment, a return to the international financial markets and a sharp drop in unemployment. At the same time, labor market reforms and the digitalization of the state (a typical example is the vaccination process during the pandemic period) have strengthened the government's reputation.

2. *Restoring the country's reputation abroad.* Greece's image today is nothing like it was in the 2010s: The government's stance on the Ukraine issue, the rational and moderate responses to Turkish provocations and the corresponding investments in the country's security, the excellent representation abroad (e.g. the influence within the EPP or even the prime minister's speech to the US Congress). This also resonates within the country and creates new self-confidence and motivation.

3. *Stable narrative and focus on tomorrow.* The final result fully vindicated the strategy of Kyriakos Mitsotakis, who insisted from the first moment of the campaign on talking about the future of the country and the prospects that would open up with a clear victory for the ND. He took the risk of clearly stating that he would not cooperate with any other party, and from the very beginning, he rejected the system of simple proportional representation that had been adopted under the SYRIZA government. (This system was in effect for the first ballot on May 21. This prevented Mitsotakis from forming a government already then.)

4. *Personal appearance.* Mitsotakis succeeded in maintaining a strong presence on all communication channels and in public. Adapted to the respective medium, he appeared authentic, open and friendly. He toured many small towns and was very accessible on the "platia" (hugs, hand shakes, etc.). In particular, his TikTok videos reached many new and first-time voters. In all polls, Mitsotakis was over 30% ahead of Alexis Tsipras in personality ratings.

5. *The lack of serious opposition from SYRIZA.* During the last election period, there was no bundle of measures or proposals from SYRIZA with any ideas and proposals on how to lead and shape the country. With at times harsh words, they solely attacked the previous government. The strengthening of PASOK as an opposition force is related to this lack of constructive opposition work by SYRIZA.

SYRIZA is in a phase of self-orientation - Tsipras' resignation

After the two defeats in the parliamentary elections in May and June, Alexis Tsipras resigned from the SYRIZA leadership. The coming months will be a time of introversion for SYRIZA, with many top politicians such as former Finance Minister Efklidis (Euclid) Tsakalotos and former Labor Minister Efi Achtsioglou vying for the leadership of SYRIZA. The date for the election of a new president is expected to be in September, a few weeks before Greece's local and regional elections, which will be held on October 8, 2023.

The Challenges of the New Government - An Outlook

The new government

Like a CEO, Prime Minister Kyriakos Mitsotakis distributed to all his ministers a blue envelope with the targets for each ministry, the action plan until December 2023 and a six-month plan for initiatives. In addition, he stressed via Twitter that "the government will work according to strict timetables and with continuous evaluation."

The new government has 63 members, including 18 non-parliamentarians. The average age is 53. There are 15 women in the new government; about 25% of the members: four female ministers, one female deputy minister, and ten female secretaries of state.

Compared to the nine women in the previous government, the percentage of women in the government has increased by 66 % (Mitsotakis had announced an increase in their number compared to the previous government). The challenges facing the new government are many, but five main priorities stand out:

1. National health system. The first objective is to reform and modernize the national health system by, among other measures, recruiting doctors and nurses, modernizing hospitals and strengthening the emergency medical service "EKAV".
2. National Education System. The second pillar is the upgrading of the education system, with an evaluation of pedagogical work and teachers in primary and secondary education, with the digitalization of pedagogical tools and with the most radical pre-election commitment by Greek standards that parents are free to choose the school their children should attend. It is no coincidence that Kyriakos Pierrakakis has been chosen as the new Minister of Education: He is the former Minister of Digital Governance, who is credited with much of the success of the digitization of the Greek state.
3. Reforms of the judiciary. A long-standing problem of the Greek state is the delay-prone justice system, a multifactorial issue that has been repeatedly highlighted by international bodies, the World Bank, judges and lawyers, and is probably the greatest challenge facing the new government.
4. Investment Grade and green growth. The continued growth of the Greek economy, attracting foreign investment and obtaining investment grade (a label by a rating agency for a debtor with a low probability of default), and using EU Recovery and Resilience funds for a greener transition are another focus of the government's work.
5. Strengthening youth and the family. The serious demographic problem in Greece, the almost insurmountable problems for young people to find affordable housing and improvements for the disabled are serious issues in Greece that the newly established Ministry of Family and Social Cohesion must address.

Outlook

Overall, it can be said that the ND's election victory turned out to be larger than all polling institutes had expected. This is an expression of Greece's continuous path in the area of reforms. Partly begun under Tsipras, Mitsotakis has consistently built momentum for necessary reforms, adding important measures along the way and, above all, implementing them.

In the next few months of its new term, the government will have to make some difficult decisions in the areas of health, state administration (for example, the postal service) and other areas. These measures will not meet with universal approval, but they are necessary to improve the still problematic areas within the country.

In recent years, Greece has managed to transform itself from Europe's problem child into a pillar of stability in the eastern Mediterranean and is considered a reliable partner in all respects, not only in matters relating to Turkey, but also when it comes to the Eastern Mediterranean and the Balkans as a whole. Mitsotakis has succeeded in changing political thinking and interaction as well as the style of governance, and he thus stands for a new era in the country.

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