Impact of Economic Crisis on Education and the Next-Generation Workforce

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Chapter 6

Economic Crisis and Higher Education in Greece

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ABSTRACT

It can be argued that higher education (HE) in Greece has always been problematic and dysfunctional in the post-dictatorship era (1974-2008). This is evident from the fact that Greek governments have failed to reform HE according to the EU standards despite the public demand and industry needs. Additionally, the existence of a large number of state universities and technological institutes (TEIs) in combination with the phenomena of: nepotism, favouritism, trade unionism, political involvement, and the creation of unnecessary departments in rural areas in order to satisfy the local voters support this argument. This chapter describes the current situation of HE in Greece. It discusses the challenges that staff, students and the government face from the impact of the economic crisis. In addition, it provides an overview of the effects of the changes in HE on the society. Finally, it explores the prospects and opportunities that exist for HE policy makers, staff and students; especially in terms of their future employability.

INTRODUCTION: THE HIGHER EDUCATION STRUCTURE IN GREECE

The purpose of the following section is to provide the reader a general overview of the Greek higher education system. Firstly we present the role of the Ministry of National Education and Religious Affairs (YPEPTH), as an introduction to the tertiary education in Greece. Moreover, the structure of tertiary education is illustrated, and more specifically its sectors namely Universities, Technological Educational Institutes (TEIs) and further education. Finally, a critical evaluation of the Greek higher education system attempts to surface key issues such as the structural problems and the stakeholders’ attitude towards the attempted reforms.

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The Greek Education System at a Glance

The Greek educational system is under the supervision of the Ministry of National Education and Religious Affairs (YPEPTH). Education in Greece, including pre-school, primary and lower secondary education, is compulsory for all children 6 to 15 years old. Primary Education (Dimotiko) lasts 6 years, low-secondary education (Gymnasio) lasts 3 years and upper secondary education – the Unified upper secondary school (Eniaio Lykeio) and the Technical Vocational School (TEE) lasts 3 years. The Vocational Training Institutes (IEK) are part of post-secondary education, offering formal education. Higher Education is divided into Universities (Panepistimio) and Technological Educational Institutions (TEI).

According to the Greek Constitution, education is free in state schools, universities and technological institutions. Admission to tertiary education is based on a student’s performance in national level examinations taking place at the end of the third year of upper secondary education. There is also a thriving private education sector providing tertiary education not recognized as equal to the state universities, despite the EU and Bologna agreements (EHEA, 2012; Hatzis, 2012).

Tertiary Education in Greece

Following the Educational Reform of 2001, public higher education is divided into the University (universities, polytechnic schools, and Athens School of Arts) and Technological sectors (technological educational institutes - TEI). Student admission depends on performance in national written examinations. Those who are over the age of 22 can also apply for admission to the Hellenic Open University.

Figure 1. The Greek education system
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The basic requirement for admission to Tertiary Education is possession of the *Unified Lyceum* leaving certificate, the number of students allocated to each University and TEI department being laid down annually by the Ministry of Education. Selection is based on the students’ performance during the second and third class in nine general and orientation lessons, on the basis of nationwide examinations, which include oral and written grading (30% and 70% respectively). Students over 23 years of age may be admitted to the Tertiary Education system without exams via the alternative of the Hellenic Open University. Some Higher Education Institutes (HEI) have their own selection system and participation in the general examinations is partially required or not required at all (i.e. Military Academies require additional entry tests). Finally, students who have received their secondary education abroad may be admitted on the basis of foreign leaving certificate grades. Naturally, this depends on the number of places reserved for foreign students by the Greek universities and on the students’ proficiency in Greek as certified via special examinations organised by the Universities of Athens and Thessaloniki. EU citizens can study at the TEIs free of charge but they must meet certain financial requirements if they wish to study at the Greek Universities.

Based on information retrieved from the official website of the Greek Ministry of Education (www.minedu.gov.gr) and National Center for Vocational Orientation (www.ekep.gr), the tertiary education levels in Greece are outlined below:

- **University Education:** The mission of University Education is to ensure a high level of theoretical and all-round training for the future scientific and managerial workforce (depending on the discipline). The Universities award degrees in the following fields: Humanities, Law, Social Sciences, Health Sciences, Technological Sciences, Economic and Management Sciences. Undergraduate degree programmes at universities normally last for four years (eight semesters) and lead to the “*Ptychio*” in the relevant field. In Veterinary Science, Dentistry, Engineering and Agricultural Studies, studies last for ten semesters; in Medicine, they last for twelve semesters. The study programme contains compulsory and elective courses. Each semester, students are required to follow a number of compulsory courses consisting of the core programme and a number of elective courses. The total number of courses to be taken is decided by the respective course programme of the department. In some departments, the submission of a dissertation describing the final (graduation) project is required. For example, the 10th semester of all Engineering Departments is devoted to the preparation of a final year project and the submission of a dissertation. There are 22 universities in Greece located in various towns. The Universities consist of Faculties, which in turn are subdivided into Departments and individual Units (http://dideftth.gr/edudata/aei.php).

- **Higher Technological Education:** The role of Higher Technological Education, which includes Technological Education Institutes (TEIs), is to contribute to the country’s development and to progress in the fields of applied science and research. The focus is on the absorption and transfer of scientific knowledge into practice through the collaboration with the industry. As a result the academic programmes offered are more practically oriented than in the Universities. TEIs cover a total of 81 specialisations in the following fields: Graphic Arts and Art Studies, Management and Economics, Health and Caring Professions, Applied Technology, Food Technology and Nutrition, Agricultural Technology and Music Technology. Studies in TEI last for seven or eight semesters, including the compulsory professional placement and the completion of a graduation project / dissertation; successful completion of studies leads to a “*Ptychio*”. The various programmes offered include general compulsory subjects, mandatory elective subjects and optional subjects.
The award of *Ptychio* qualifies holders for immediate employment. It also allows them to continue their studies in a related university undergraduate course and, at postgraduate level, in a Greek or - mostly - in a foreign university. Currently, there are 14 TEIs spread around the country. Higher Technological Education also includes *ASPAITE*, the Higher School of Pedagogical and Technical Education (http://dev.aspete.gr/index.php/el).

- **The Hellenic Open University**: This provides an opportunity for open and distance learning. The HOU’s basic mission is to provide greater educational opportunities to a wide spectrum of interested parties and age groups, on the assumption that education is a lifelong entitlement. As already mentioned, the curriculum is based on the distance-learning method and as a result students have to organise their time so as to meet the requirements imposed by this teaching method. The Hellenic Open University awards a degree equivalent to that of the “traditional” Universities. It offers undergraduate and postgraduate courses as well as vocational training and continuing education programmes, which lead to certificate of attendance or training (http://www.eap.gr/).

- **Higher Education (Non-University)**: The Higher Education System also includes various institutes, which provide vocational training in the field of religion, art, tourism, navy, army and public order. More specifically, these include the Higher Ecclesiastical Institutes (http://www.aea.gr), the Merchant Marine Academy (http://www.aen.edu.gr), the Higher Institute of Dance and Dramatic Art (http://www.n-t.gr & http://www.ntng.gr), the Higher Hospitality & Tourism Training Institutes (http://www.mintour.edu.gr), the Higher NCO Institutes of the Ministry of National Defense (Military Academies), and the Police Academy (http://www.astynomia.gr/).

- **Higher Education (Private)**: A number of foreign academic institutions have a respectable presence in Greece, collaborating with local colleges. These colleges offer undergraduate and postgraduate programmes of study (mainly in Business Studies and Information Technology), under the proper registration with the Greek Ministry of Education. Usually, these programmes are provided following franchise or validation agreements with universities established in other European Union countries, primarily in the UK, leading to degrees which are awarded directly by those universities (http://hca.gr/).

- **Continuing Vocational Training**: Includes all vocational training and further training activities organised outside the formal initial vocational training and education system. The purpose of continuing vocational training is to maintain, refresh, upgrade and modernise the job skills of persons seeking employment and to help workers interested in career development. Continuing vocational training in Greece is provided by a plethora of bodies, which focus on specific population groups and are supervised by various Ministries. The existing institutional framework focuses on four categories: Training of the unemployed, Training of private-sector workers, Training of wider public sector workers and Training of socially disadvantaged groups. The vocational training programmes are short-term and the number of hours of tuition depends on the subject, the content of the curriculum and the group to whom the programme is addressed. The programmes include theoretical training and practical exercises in firms; the trainees are subsidised for the duration of the programme. In Greece, the public and private sector institutes which organise and provide continuing vocational training programmes are the Vocational Training Centres (KEK), which are accredited by the National Centre for the Accreditation of Vocational Training Structures and Accompanying Support Services (http://www.ekepis.gr/index.php/en/).
As already noted above, students who successfully finish their studies in public universities and T.E.I. are awarded a “Ptychio” (Bachelor) (http://www.euroeducation.net/prof/greeco.htm). A bachelor’s degree leads to employment or further study at the post-graduate level. In Greece post-graduate studies lead to the award of a “Metaptychiako Diploma Eidikefsis” (post-graduate Diploma of Specialisation equivalent to MSc / MA). The general goal of post-graduate studies is to allow students to specialise in certain fields. Greek Universities offer a total of 213 post-graduate courses; the Hellenic Open University offers 12 post-graduate courses. On completion the students are awarded a Post-graduate Diploma of specialisation. The post-graduate courses are open to University and TEI graduates. The candidates are chosen on the basis of a selection process or their (oral and/or written) examination results. In addition, candidates must know at least one foreign language. Courses last at least one calendar year.

Furthermore, doctoral studies lead to the award of a “Didaktoriko Diploma” (PhD). The general goal of doctoral studies is high-level specialisation in strategic areas of knowledge and the promotion of fundamental research in various scientific fields with a view to strengthening the country’s scientific base. In the case of Universities that offer post-graduate courses, it is essential to have a Post-graduate Diploma in order to obtain a Doctorate. Permission to prepare a doctoral dissertation at Universities, which do not offer regular post-graduate courses, is granted to applicants who meet certain prerequisites. Certain University departments (e.g. the Polytechnic) award only a Doctoral Degree. The Departments themselves decide on the admission requirements.

Finally, the Law 3549/2007 referring to quality assurance in Higher Education, the Credit Transfer System and the Diploma Supplement defines the framework and criteria for evaluation of university departments and for certification of students’ degrees. These measures aim at promoting student mobility and contributing to the creation of a European Higher Education area (International Committee, 2010; OECD, 2011). In addition, various EU programs (e.g., Erasmus, Training and Mobility of Researchers) encourage the exchange of students and researchers, and the cross-fertilization of ideas concerning management practices (Raikou & Karalis, 2007), while many Greek universities engage in joint research programs with American and European universities (HEPNET, 2013).

A CRITICAL EVALUATION OF THE GREEK HIGHER EDUCATION SYSTEM

The Greek higher education (HE) has suffered from long-term structural problems that have been reported in several publications (i.e. International Committee, 2010; Koniordos, 2010; OECD, 2011; Seiradaki, 2011). In 2010 the Greek government assembled a nine member independent international committee, to access the situation in HE. The international committee published a report, which describes the situation as follows:

 Greece’s system of Higher Education suffers from a crisis of values as well as out-dated policies and organisational structures. The tragedy is that leaders, scholars, students and political parties that aim to promote the public good have been trapped in a system that subverts the goals they seek, corrupts the ideals they peruse and forsakes the public they serve, (International Committee, 2010, p.7).

In addition, a report by the Organization for Economic Co-operation and Development (OECD, 2011) describes the Greek HE as an “out-dated, centrally planned system”; the same report identifies the limited capacity of the central government to steer the system and the country’s non-compliance with the EU directives and the Bologna agreements (Table 1).
It can be argued that in the past few decades the Greek society has engaged in a fierce debate about the way higher education institutes are, and the way the Greek society wants them to be. A favourite topic of this debate is the allegations about favouritism, nepotism, clientelism and partyocracy in the way public HE institutes are managed (Koniordos, 2010): for example, a rather common phenomenon involves a Rector or a Department Head appointing relatives and/or next of keen without the required qualifications, as academic or administrative staff (Seiradaki, 2011). The discussion that follows below provides a critical evaluation of the Greek higher education system as it stood until 2010, at the beginning of the fierce economic crisis.

What lies at the root of the problem regarding HE and graduate unemployment, can be traced to a cultural attribute developed after the end of World War 2. Greek households are very much preoccupied with education (Pelliccia, 2013); at a first glance their interest being quite unjustified by the low level of economic development. In addition, for the past few decades the role model in the Greek society has been someone who has managed to secure a job in the public sector using the family, social and/or political party networks, and much less on his/her own qualifications (Tsiligiris, 2012). As a result of this mentality, university graduates have been produced in very large number. According to data provided by the National Statistics Agency (ESYE), during 1981-1991 university graduates increased by 25%. An unprecedented surge had occurred between 1961 and 1971, when the number of university graduates almost tripled. At present, approximately half lyceum graduates obtain a university degree. It can be argued that the Greek higher education system is producing well equipped knowledge workers who in turn cannot find a job to match their qualification due to the over-supply of labour and also because 97% of the market is dominated by SMEs (EC, 2014, Livanos, 2010; Livanos, & Pouliakas, 2011). Despite the fact that university graduates are faced with high unemployment and the lower net return in the EU (OECD, 2011), familial attitudes towards vocational education continue to be negative. Koniordos (2010) argues that Greek families consider university education as an “all important path towards non-manual work, itself considered an anathema, and social elevation”. Vocational education has been generally viewed as an unpleasant alternative, useful only to the ‘failures’ of second-level education. Although the rate of students following VET has significantly increased in recent years, this

Table 1. OECD report findings related to HE efficiency in Greece

<table>
<thead>
<tr>
<th>A number of issues related to the efficiency of the tertiary education system need to be addressed through short- and medium term actions:</th>
</tr>
</thead>
<tbody>
<tr>
<td>• A comparatively high percentage of upper secondary school graduates entering tertiary education but comparatively low completion rates and an inefficient allocation of students between the university and Technological Educational Institute (TEI) sectors and among academic departments;</td>
</tr>
<tr>
<td>• The proliferation of small departments and degree programmes, many enrolling few students and producing few graduates;</td>
</tr>
<tr>
<td>• The increasing blurring of mission distinction between the universities and the TEIs;</td>
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<tr>
<td>• Misalignment of tertiary education provision (especially at the TEIs) with the needs of the labour market;</td>
</tr>
<tr>
<td>• Ineffective internal governance and management of institutions resulting from both the persistence of severely out-dated centralised finance and regulatory controls, and dysfunctional internal governance and management structures;</td>
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<tr>
<td>• Finance policies that provide limited incentives for improved performance and efficiency and responsiveness of institutions to national strategic priorities;</td>
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<tr>
<td>• Lack of steering capacity to ensure that individual institutions as well as the overall size and shape of the system are accountable for implementing essential reforms;</td>
</tr>
<tr>
<td>• Inadequate data and information systems that are essential for institutional management, accountability, for system strategic leadership and steering; and,</td>
</tr>
<tr>
<td>• Low levels of non-public funding, including limited cost-sharing by students within the constraints of the Constitutional mandate for free education.</td>
</tr>
</tbody>
</table>

rise by no means reflects any shift in the cultural trends reported previously (Patiniotis & Stavroulakis, 1997). Instead, it tends to confirm the extent of pressure exercised on youths, who feel obliged to bring home any kind of certificate (KEPE, 2003; Patiniotis, 1993).

Greece has traditionally been supplying the international HE market with thousands of students. According to a survey conducted by OECD (2011), Greece was the country with the largest number of people studying abroad, in proportion to its population. As a result, this has a long term negative effect on the balance of payments. However, the most important negative impact of Greek students studying abroad was the acceleration of the country’s ‘brain-drain’ phenomenon especially after 2010 when it was obvious that this would be a long term crisis with immediate effects on the labour market (Christopoulos, Kalantonis, Stavroulakis & Katsikides, 2014). Despite that fact that Greece still has a high percentage of university students travelling abroad for their studies, the latest statistics from UNESCO (Figure 2) showed a significant drop in their numbers for the past few years. This can be interpreted as an indication that the economic crisis is preventing teenagers from pursuing studies at foreign universities. However, Greek students abroad still account for 5.8 percent of the country’s total student body, with most choosing universities and colleges in the UK (36.1 percent), followed by Germany (15.8 percent) (http://epp.eurostat.ec.europa.eu/portal/page/portal/education/data/database). The OECD (2011) report also suggested Greece has yet to find a formula for attracting more students from abroad to its higher education institutions, as 78.7 percent of the country’s foreign students are from neighboring countries and just 20.7 percent are from the OECD’s other 33 member states.

One of the foremost topics of debate in recent years has been recognition of the private universities, which are forbidden by the 1975 constitution. Numerous private institutions, which are often franchises of European and American universities, but also non-profit accredited institutions or wholly owned and operated branch campuses of foreign universities, were operating legally until recently as EES schools (translatable as “Laboratories of Free Study”). In view of their appearance in the early 1990s ‘private

Figure 2. Greeks students studying abroad
universities’ have produced a respectable amount of graduates who have easily gotten their qualifications recognised in the private sector; nevertheless these qualifications are not recognised for public sector related vacancies. This has gradually created a social problem discriminating between those studied in private against those studied in public higher education establishments (Jackson & Krionas, 2003). Moreover, with few exceptions, the Greek government refuses to recognize three-year university degrees (OECD, 2011; EHEA, 2012). Students who completed a Bachelor’s degree in a foreign country find it difficult to secure employment in the public sector, unless they next obtain a Master’s degree, in which case their academic qualifications are considered equivalent to a four-year undergraduate degree conferred by a Greek higher educational institute. Following pressure from the EU member states, within the framework of the Bologna Process, Greece is revising its classification of degrees to bring it in line with the framework defined in the European Credit Transfer and Accumulation System/ECTS (it is usually the goal to accomplish a bachelor degree within 3 years and a master degree within 2 years)(EHEA, 2012).

Another source of the long-standing problems in HE that was identified by previous research (Asderaki, 2009; OECD, 2011; Papadimitriou, 2011) and external bodies is the lack of accountability. This phenomenon co-existed with an increased intervention in the planning and funding of the HE institutes, within a context of political opportunism (Tsiligiris, 2012). A good example here can be taken from the number of available places in HE, which had been used by both the conservatives and the socialists as a means to attract voters (Psacharopoulos, 2003). The number of new students enrolled in each university and department is predetermined by the Ministry of Education through the Pan-Hellenic examinations (national HE entry exams). As a result, the ruling political parties introduced a number of new schools and/or department in rural cities without any planning, just to satisfy the local voters’ pressures (Koiniordos, 2010).

The electoral system of Rectors can be seen as an extension of this problem. The frame-law 1268/1982 for the Greek universities stipulates four distinct levels of academic structure inside the university: institution, school, department and division. Each academic unit has its own leadership and decision-making structure. Rectors and vice-rectors form the leadership in Greek universities. There is a hierarchical relation between the four levels of academic structure concerning leadership and decision-making, with the institution lying at the top and with the division lying at the base (Table 2). The final authority for setting up new academic units and for renaming, merging, splitting or closing down existing academic units belongs to the Ministry of Education. Until 2011, the election of Rectors have been an issue of

<table>
<thead>
<tr>
<th>Academic Level</th>
<th>Authority</th>
<th>Institution</th>
<th>School</th>
<th>Department</th>
<th>Division</th>
</tr>
</thead>
<tbody>
<tr>
<td>Governance - Leadership</td>
<td>Rector (&amp; Vice-Rectors)</td>
<td>Dean</td>
<td>Head (&amp; Deputy Head)</td>
<td>Director</td>
<td></td>
</tr>
<tr>
<td>Decision Making (superior/major)</td>
<td>Senate</td>
<td>General Assembly</td>
<td>General Assembly</td>
<td>Assembly</td>
<td></td>
</tr>
<tr>
<td>Decision Making (inferior/minor)</td>
<td>Rector’s Board</td>
<td>Dean’s Board</td>
<td>Governing Council</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Executive</td>
<td>Rectorate Council</td>
<td>Dean’s Board</td>
<td>Governing Council</td>
<td></td>
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</tr>
</tbody>
</table>

Table 2. The structure of leadership and decision making in Greek universities

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internal politics, between the student political parties’ representatives and the candidates, something which has been heavily criticized as a source of corruption and clientelism (Seiradaki, 2011). Karmas et al. (1988, p.265) note that:

... sometimes ideological and political considerations have become the predominant criteria for making decisions: the most obvious (and perhaps most important) example is the election for a three-year term of the Rector and the two Vice-Rectors. . . Since 1982, when the new model of university government was introduced, the election of the Rector has become a political issue involving manoeuvres, alliance, etc.

Prior to the new framework act for the reform of the HE in 2011, students were using their vote in the elections of department chairs, deans and rectors as bargaining chips (Koniordos, 2010). Under this system of elections, students commanded an exceptionally high percentage of votes in university bodies –up to 40%, and, it was usually a block-vote. This means that student political organizations played a key role in who is elected to these posts and heavily influenced the policies that are pursued, e.g. repeat examinations, the largely non-compulsory attendance of classes, the number of courses students are allowed to take per semester and who enters post-graduate studies, among other issues.

In addition, despite the weak implementation of the assessment and attendance policies in Greek HE institutes, the phenomenon of the ‘eternal’ (or stagnant) students is widespread. In a country where there are much more universities than the EU average, only 10% of the students enrolled to study in higher education manage to graduate (OECD, 2010). According to official statistics (OECD, 2011; Eurostat, 2014) a total of about 600,000 students are enrolled in universities and colleges, about half of which are late to graduate or have completely abandoned studying. Interestingly, most students who abandon their studies are from the Legal, Economic and Mathematics departments, in which normally excellent students are enrolled (GRReporter, 2010). For example, in the Law School in Athens, 7 out 10 students are in the ‘eternal student’ column. At the same time, based on the latest available data from Eurostat (2014), only one in twenty tertiary education students is able to graduate, having in mind that out of total of 663,698 students there are 36,511 graduates which places Greece in the last position among the OECD member countries.

Another notable problem is the debate for the abolition of the academic asylum law. Greeks know this law as the “University Asylum.” Hatzis (2012) argues that this law is a relic from the 1970s, when political asylum was important in the aftermath of the military dictatorship. Papadimitriou (2011) suggests that the initial purpose of this was to reassure the free dissemination of ideas within a safe academic environment. For many years, this part of the law has been violated by extremists (mainly by far left groups and the so called ‘anarchists’) who used the public universities to avoid arrest, before, during or after violent demonstrations in Athens and Thessaloniki. The price of this ‘hide and seek’ game between the police and the radical groups was extensive damage to the buildings and disruption of the academic programme for the departments who suffered the consequences of these ‘visits’ (Kyriazis & Asderaki, 2008). The governments’ tolerance to the damage of public property funded by taxpayers has been the subject of a wider public debate with a feeling that something had to be changed and this was clearly the anachronistic academic asylum law. On the other hand, political parties in Greece have been reluctant to change this part of the law as any previous attempt for reform was characterised as anti-democratic, mainly from the left wing parties. Greek university campuses are not secure (International Committee, 2010). While the Constitution allows Rectors to protect campuses against extremists that seek political
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instability, they have been reluctant to exercise their rights and responsibilities, and to make decisions needed in order to keep faculty, staff and students safe. As a result, university leadership and faculty have not been able to be good stewards of the facilities they have been entrusted with by the public.

As a concluding point it can be argued that since the early 1980s the two main political parties in power (the conservatives and the socialists) have been reluctant to implement any substantial changes to the HE system; the main reason for that was the fear of the reaction of the different stakeholders involved resulting in a high political cost and eventually losing the elections. From 1981 until 2011 there were several attempts to reform the Greek HE without any success. On the top of that there are several examples of Ministers of Education in Greece, who found themselves out of office as a result of the huge demonstrations and reactions following an effort to reform parts of the system. Reforms in HE were also unsuccessful due to the fact that they were introduced by an opponent political party (Nakos & Hajidimitriou, 2009). Overall, it can be argued that the Greek political system, and specifically the two major political parties, has shown political opportunism, which has significantly delayed not only the reforms in HE but also the proper application of existing law (Tsiligiris, 2012).

THE BACKGROUND OF THE ECONOMIC CRISIS IN GREECE

In the early days of the country’s entrance to the Eurozone, Greece enjoyed a period of fast growth, about 4% on average between 2000 and 2008. The largely uncompetitive Greek economy was well hidden under a cloak of prosperity driven by a strong consumer demand generated from the cheap credit available at that time. It was however a common secret in Brussels that the Greek economy suffered from chronic fiscal and external deficits, and a large public debt. These weaknesses surfaced in October 2009 when the new government announced that earlier fiscal data had been misrepresented. As a result, the deficit for 2008 was corrected from 5% to 7.7% of the country’s gross domestic product (GDP), while the projections for 2009 were revised from 3.7% to a staggering 12.5% of GDP that was later revised to 13.6%. The corresponding public debt estimate was also raised, form 99.6% to 115.1% of GDP in 2009 (Matsaganis, 2011).

The revised figures shocked the public inside and the markets outside the country. This has been the beginning of the worst economic crisis in Greece since the end of the military dictatorship in 1974, as well as the most severe in the history of the European Monetary Union’s (EMU). It has highlighted the structural weaknesses, heterogeneities, and inefficiencies of the Eurozone and its vulnerability to the crises of financial capitalism (Featherstone, 2011; Markantonatou, 2013). The first response of the core of the Eurozone countries and the International Monetary Fund (IMF) was to promote a model of ‘internal devaluation’ of the Greek economy. A Greek exit at that time was considered to be more costly than its continued membership of the Eurozone, so European leaders undertook a ‘rescue plan’ based on the idea that wage and pension reductions, public sector downsizing, and privatizations would increase competitiveness and attract investors (Markantonatou, 2013).

As the crisis broke out in Greece in late 2009, a rescue plan was implemented which has been met with severe criticism and negative public reaction because of its economic and societal consequences (Matsaganis, 2011). These include, among others, skyrocketing unemployment – especially for young people, real incomes slashed by 20 to 50 percent, and the degradation of public services that became severely understaffed because of public sector downsizing policies (Koutsogeorgopoulou, Matsaganis,
Leventi & Schneider, 2014). The latter consisted of drastic cuts in public expenditure, massive ‘vol-
untarily’ and compulsory redundancy programmes, and closures and mergers of public organisations
focused in the education and health sector.

In 2010, at the World Economic Forum at Davos, George Papandreou, prime minister of Greece at the
time, described the country as being dominated by corruption, clientelism, and cronyism in an attempt
to justify the austerity policies that were to follow (Elliot 2010). At the same time, he emphasized the
government’s ‘determination’ to impose the reforms at any political cost, against all ‘sectional interests’.
On 3 March 2010, the government announced a first package of austerity measures, aimed at fiscal
consolidation. Although costing the government a great deal in terms of popularity, the announcement
failed to placate the markets.

In this early stage of the crisis, a viewpoint prevailed in the European public opinion (especially
in Germany), that a ‘profligate’ Greek economy and society was ‘living beyond its means’ by taking
advantage of the EU’s lack of correction mechanisms for obtaining European transfers. Statements by
European leaders, headlines of popular tabloids, but also respected academic articles on the future of
the Eurozone, reflected the mainstream view of Greece as a ‘special case’ and its political and economic
system as the main cause of the crisis (Markantonatou, 2013).

After much procrastination on all sides, an unprecedented €110 billion rescue package was agreed
with the European Commission (EC), the European Central Bank (ECB) and the IMF (the three of them
also designated as known as ‘Troika’), designed to cover the country’s borrowing requirements for the
next three years. In return for that, the government signed a ‘Memorandum of Economic and Financial
the Greek government to sweeping spending cuts and steep tax increases, aiming to reduce the country’s
public deficit below 3% of GDP by 2014 (EC, 2010; IMF, 2010). To prove the government’s trustworthi-
ness, a second austerity package was also announced.

The rescue package did manage to impress international markets, but caused strong domestic reaction
and the rapid emergence of extreme left and right groups. Civil unrest reached a paroxysm on 5 May
2010, in the context of a huge and largely peaceful demonstration, when three workers lost their lives
as extremists set fire to a high-street bank in Athens (McElroy & Anast, 2010). The tragedy cast further
doubt on the country’s future, and lengthened the odds that the rescue package might prove effective
(Matsaganis, 2011).

As poverty and labor insecurity have grown, a succession of fragile governments and an ever-weakening
social consensus have developed. Greek governments from 2009 to 2012 aligned themselves to the troika
and imposed fast track reforms with poor results: in this period the GDP of Greece has shrunk by ap-
proximately 18% (Koulouris, Moniarou-Papakonstantinou & Kyriaki-Manessi, 2014). This shrinkage is
the biggest in the history of Modern Greek economy in times of peace. The economic crisis led, among
other things, to the worsening of employment conditions and the increase of unemployment. Between the
years 2008 and 2011 recruiting new employees has decreased by 26.6% and from 1,143,920 to 839,015
(Karantinos, 2012). Despite the devastating socio-economic impact of the austerity packages, the same
method was invariably implemented; this has resulted in a second bailout in 2012 that perpetuated reces-
sion, and continuously cut wages and pensions (Koutsogeorgopoulou et.al, 2014). The unemployment rate
in Greece in 2013 had risen to 26.9 percent and according to OECD was predicted to be 28.2 for 2014.

The current situation in Greece may be understood as the product of the ‘explosive combination’
between exogenous and endogenous factors (Zahariadis, 2013). Most of the external theories locate the
problem in the failures of global capitalism and the imbalances that this has created (Kouvelakis, 2011).
In addition, Greece has exposed the systemic weaknesses inherent within the European integration, more than any other Member State (Featherstone, 2011). Thus, according to such approaches, the Greek crisis can be seen as a manifestation on the one hand of the wider global capitalism crisis, and on the other hand as an aspect of the broader European integration deficiencies that emerged after the beginning of the economic crisis in 2008 (Vasilopoulou, Halikiopoulou & Exadaktylos, 2013).

It can be argued however, that the reasons that made the country so vulnerable to the current economic crisis cannot be fully understood without a reference to Greece’s endemic problems and its cultural, historical and institutional development. From a historical standpoint, Richter (2012) identifies the root of what he calls ‘Athenian clientelism,’ to the following reasons:

- The legacy that the Ottoman Empire left in Greece, where the state was understood as an ‘exploiter’ producing a subsequent mentality of distrust,
- The role of the Church of Greece in Greek political history, with regard to obstacles in the efforts to separate church and the state, and
- The American and British influence after World War II, turning post-war Greece into a protectorate with the bitter outcomes of a civil war and a military dictatorship.

From a political viewpoint, Papas (2014) suggests that the country during the post-dictatorship era has facilitated the establishment of a ‘populist’ democratic system, which has allowed the political and economic development during periods of international financial stability. At the same time successive governments for almost three decades had failed to overcome endemic problems of low competitiveness, trade and investment imbalances, and fiscal mismanagement placing the economy in a vulnerable international position (Featherstone, 2011). From an economic standpoint, Axt, (2010) suggests that the Greek crisis is ‘homemade’ due to high deficits, increasing public debt, and the neglecting of EU rules. According to Axt, these factors have their roots in ‘patronage and clientelism’, which he considers as indisputable structural elements of the Greek political culture (ibid.). It is necessary to mention that the raised question, according to scholars focusing on domestic explanations, is not only why Greece has failed now, but also why it managed to sustain a relatively stable democratic system of governance since 1974 (Vasilopoulou et.al., 2013). This points to the Greek paradox: the country was able to develop a democratic institutional system while simultaneously maintaining its deeply embedded and entrenched clientelistic structures.

The most important part to consider is that, after six consecutive years of strict implementation of the austerity programme in Greece and the rest of the European economies in trouble (i.e. Spain, Portugal, Italy, Cyprus, and Ireland), it is more than evident that the ‘shock treatment’ has deteriorated rather than improved the situation (Giousmpasoglou, 2014). Markantonatou (2013) argues that the so called ‘rescue programme’ had a dramatic social and economic impact (Figure 3) increased rather than decreased the national debt; raised rather than alleviated social suffering through enormous cutbacks in the social welfare (Kotroyannos, Lavdas, Tzagkarakis, Kamekis, & Choudakis, 2013), health care and education systems; has led to the compulsory redundancy 15,000 public-sector workers; youth unemployment has risen to 64.2%, the overall unemployment rate is about 27% (Georgiopoulos & Maltezou, 2013); the labor market reforms made employment relationships more insecure and reduced wages (Labropoulou & Smith-Spark 2012; Janssen 2013); caused a deterioration in standards pushing about 20% of the population to live in poverty (Kouvoussis 2013); has raised the suicide and depression rates (Euro Health Net, 2011); and also raised the social unrest (Matsaganis, 2011). There are even voices from the troika that this recipe was not the best for the Greek ‘special case’: in 2013, the IMF has admitted it made ‘notable
failures’ in the Greek bailout, underestimating how much the austerity measures it pushed would hit the country’s already faltering economy (Irish Examiner, 2013). It also becomes apparent that the problem is not Greek but European. Seventeen European countries in 2010 have implemented €487 billion in austerity packages, which has led to a -2.7% GDP growth shrinkage in these countries (Theodoropoulou & Watt 2011).

**THE IMPACT OF ECONOMIC CRISIS IN GREECE ON HIGHER EDUCATION**

Almost 6 years after the beginning of the economic crisis, Greek society seemed to be confused and divided about the developments in higher education (Bougioukos, 2013). There have been several attempts in the history of modern Greece to reform the HE system, in order to keep pace with the increasing demands and needs of a rapidly changing social, political and economic environment. Despite the improvements that have been attained, most scholars assert that the Greek HE system is insufficient and over-centralised bound by extensive legislation and bureaucracy (Platsidou & Diamantopoulou, 2009).

The crisis that started in 2009 was seen as a golden opportunity to reform HE in Greece, once and for all. The new Framework Act for the HE reform in Greece that was voted in 2011 (Laws 4009/2011 and 4076/2012), intended to introduce fundamental changes in order to build the foundations for a HE system closer to the EU average (Koutsogeorgopoulou et al., 2014). The proposed changes known as ‘Athena Plan’ (Table 3) included the following:

**Table 3. ‘Athena Plan’: consolidation of public HE institutes criteria**

<table>
<thead>
<tr>
<th>Physical size &amp; structure</th>
<th>Geographic location</th>
<th>Subject area &amp; curricular redundancy</th>
</tr>
</thead>
<tbody>
<tr>
<td>Quality &amp; sustainability</td>
<td>Employability of graduates</td>
<td>Research activity &amp; international recognition</td>
</tr>
<tr>
<td>Ratio of students /academics</td>
<td>Condition of the existing infrastructure</td>
<td>Number of student applications</td>
</tr>
<tr>
<td>Doctorates awarded</td>
<td></td>
<td></td>
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</tbody>
</table>

Source: Adapted from ICEF Monitor (http://monitor.icef.com/2013/02/consolidation-to-begin-for-greek-higher-education/).
• Under the new electoral system the Rectors are appointed by a governing board, following an international recruitment process open publicly to any candidate that matches the position requirements.
• The transfer of financial and human resource management responsibilities from the Ministry of Education to higher education institutions to increase autonomy and accountability.
• The number of higher education institutions would be reduced from 40 to 32 and the number of departments from 528 to 408, with scope for further rationalisation. The closing or merging of departments would result in a significant number of academic and administrative staff redundancies.
• There were also plans for developing a comprehensive database on student and staff population, economic information and research data in order to monitor the infrastructure of the higher education institutions. To enhance monitoring, a detailed Action Plan provides twice a year (June and December) guidelines for the improvement of the effectiveness and efficiency of the education system, aiming to bring Greece closer to EU average.

The announcement of these changes in 2011, triggered a fierce reaction by the left opposition, trade and teaching unions, and mainly left student groups. As a result demonstrations, strikes and building occupations are part of the daily ‘academic’ life for students and faculty staff. The unrest in HE is ongoing with both sides insisting that they are trying to protect the right for education as a public good.

The agreements on the Greek debt have resulted in large cuts in overall public funding and, as expected, severe reductions in the funding for higher education. As such, institutions of higher education, which rely primarily upon public financial support, have been adversely affected (Koulouris, Moniarou-Papakonstantinou & Kyriaki-Manessi, 2014). According to the published data on the 2014 budget, funding for the Ministry of Education for the coming year stands at a total of 4.5 billion Euros, down by 8.1%, corresponding to a net reduction of 400 million Euros. Out of this budget, 877 million Euros are allotted to Tertiary education and approximately less than 30% of it is investment in infrastructure, equipment and research. The numbers are significantly reduced from 2012; total funds were one billion Euros and earmarked funding for investments and research was higher by 40% (Stratis, 2014). The tough austerity measures have pushed universities in Greece to the point of collapse with many of the debt-stricken country’s pre-eminent higher education institutions being forced to suspend operations (DW, 2014; Smith, 2013).

With respect to non-academic budget demands, many institutions are forced to cover maintenance and repair costs at bare minimum levels. The shocking image from the poor situation of the top universities’ facilities and the student accommodation in Athens and Thessaloniki demonstrates the impact of economic crisis in ‘free’ public education: poor building maintenance, piles of garbage everywhere, drug trafficking, looting and vandalism, are some of the images that refer to ghettos not higher education institutes (Nivolianitis, Kokkolakis & Mpasta, 2014). On the other hand, there are few university and TEI departments that manage even in austerity times to produce high quality research and excellent graduates (ResearchRanking.org; eKathimerini.com, 2013).

The impact of the imposed austerity measures was also devastating for the university academic and faculty staff. Since 2009, many faculty positions were abolished, quite simply, by not replacing staff that retired. In addition, the financial crisis forced many of the country’s skilled academics to move abroad in increasing numbers in search of a better future (The Press Project, 2014). The recruitment ratio in the public sector was extended to all HE institutes and organisations: one recruitment for every ten retirements (Aggelopoulos & Astrinaki, 2011). This is highly significant, as an ever-increasing number of
academic staff, were forced to modify their retirement plans because of the rapid changes in the existing pension plans and the continuously uncertain economic environment. The funding shortages have also resulted in cuts to part-time staff budget, which in turn eliminated the possibility of renewing contracts. This then created further problems for many institutions, which relied heavily on temporary staff for lectures and lab work (Koulouris et al., 2014). The situation got even worse when in 2013 under a joint initiative of the Ministry of Education and the Ministry of Administrative Reform, decided to include 1349 administrative employees from eight universities in the mobility scheme (Bougioukos, 2013). In a letter to the prime minister, Antonis Samaras, the president of the Federation of University Teachers, Stathis Efstathopoulos, wrote (in Smith, 2013):

*With great angst we have ascertained that with the government’s decision to place specialist and much valued administrative staff into the mobility scheme our universities are at risk of collapse. Even if we accept that we have a surplus of personnel we cannot, from one day to the next, operate with 40% less staff.*

The above-described conditions placed students and their families under huge pressure. Marseilles (2014) argues that free public education in Greece is a very expensive commodity and has become more so after the crisis started in 2008. It has been estimated (tanea.gr, 2009) that it costs between €3,500 and €4,000 per annum if a student is a resident in Athens or has succeeded in an institution in his own home town and lives with his family; €5,000 to €5,500 if a student is lucky enough – and very few are – to secure a university place along with accommodation and food; and €10,000 to €11,000 if the student has to rent accommodation and pay living expenses. The equivalent costs for studying abroad in Europe’s most popular destinations for Greek students, ranges from €5,000 to €15,000 depending on the country and university (Figure 4).

*Figure 4. Total annual cost (€) for undergraduate degree*

*Sources: HSBC Studying Abroad Research; ethnos.gr; tanea.gr; look4studies.com.*
The absence of a network of grants and scholarships puts the entire burden of the undergraduate cost squarely on the shoulders of the family. The austerity measures have increased the number of families (particularly middle-class), who are unable to finance the education costs of their children (Marseilles, 2014). Before the 2008 crisis, university students from financially weak families, had to get a job in order to attend and to complete their studies. Today this is the case for the vast majority (apart from the richest), of Greek students in tertiary education. Under the current circumstances, there is a steadily growing number of students who are unable to complete their studies (ibid.). Nevertheless, there is also a very large number of students who are struggling, despite difficulties, to complete their studies. Greek university students, despite the institutional shortcomings are generally hard working and have a deep appreciation of education and a solid secondary education background (Stratis, 2014). The acquisition of a university degree and the immediate departure to continue the studies or work abroad seems the only viable solution to enter the market and secure a decent life (Christopoulos et.al, 2014; Patrutiu-Baltes, 2014).

It can be argued that the ultimate challenge for tertiary education students in Greece amidst crisis is undoubtedly obtaining a diploma on the set time, since their institution doors remain closed. At the same time, students in Greece are locked out of the lecture halls, laboratories, and libraries, those who have chosen to study abroad are not losing a single hour of any course, and are equipped with the knowledge and competences needed to enter a highly competitive labour market. Despite the fact that they are no more talented than their counterparts in Greek universities, the students abroad are actively preparing to take on the professional challenges of the future.

Vogiatzakis (2013) provides a good example of the above described situation: he interviewed Mihalis and Stefanos who were both studying to become engineers; both of which were in their final year of study. The first was at Imperial College in London, the second at the University of Athens. Mihalis already knew when his thesis would be presented. Stephanos, though, has missed the September session because of strikes and would start his academic year at least three months late. It was almost certain that Mihalis would find a job right after his graduation with the university’s support, while Stephanos will still be struggling to get his degree. Under normal circumstances, Stefanos would be planning to graduate in engineering in the spring of 2014 from the University of Athens. However, while the September 2013 examinations have been delayed due to continuous strikes, all his projects have to be postponed until next summer. On the other hand, Mihalis has about three hours of studies per day. Whether or not he gets his diploma depends exclusively on him, since the university has set out the schedule for all of the courses until June. “Right now, I’m planning for the coming months. The university has already announced the date of the meeting when we will present our theses. I know what to expect between now and next summer,” he explains, “and everything is going like clockwork.” On the contrary Stefanos is faced with difficult challenges beyond his powers: he should arrange meetings with his supervisors in order to finalise the research project and have access to the library resources at a time when the department and the library are closed. Stefanos argues that “...the only thing I can do at the moment is arrange a first meeting with them to talk about the subject. That’s all. Until the university is functioning normally, I try to save time and get on with my work by trawling electronic libraries.”

From the above discussion seems to emerge an important question: how compatible the structural reform in HE can be, with the austerity measures necessary for fiscal consolidation. Despite the existence of supporters who argue that both actions could be mutually complementary (the double dividend hypothesis), there is no evidence at the moment that Greek society is yielding such results (Bougioukos, 2013). The current reform agenda, without the adequate budgetary means and political support, seems
Economic Crisis and Higher Education in Greece

Box 1. Mini case study: storming the Greek Academy

In summer 2011, the Papandreou government tried to reform Higher Education in Greece with a bill that, although far from bold, was a step forward. For the first time, universities’ funding would be linked to research output and external evaluations. Limits have been imposed on the number of years for which a student could be enrolled and a minimum has been set for the number of lectures a course must give during a semester. The law also repealed the infamous right to asylum in universities, a relic from the 1970s, when political asylum was important in the aftermath of the military dictatorship. The most important part of the law, however, was the adoption of an organizational structure modelled after British and American universities. All universities are to be governed by a body consisting of faculty members, personalities outside the university; this was meant to undermine the influence of the political parties and the university-affiliated unions, which had long corroded academic life.

The Greek Parliament approved the reform law in August 2011 with an unprecedented majority of 85%. But the reaction of interest groups and fringe groups was fierce: Radicals occupied buildings and threatened faculty members while the authorities in many universities refused to apply the law. In response, the coalition government at that time passed another law, in August 2012, moderating the previous one. But fringe leftist groups managed to cancel elections for governing bodies in every Greek university by occupying polling stations and intimidating faculty members who attempted to vote.

The only solution was for the Ministry of Education to introduce a system of electronic voting in October 2012. Syriza (a left party, opposition to the coalition government) condemned electronic voting as ‘technofascist’ and ‘unconstitutional.’ But in every Greek university in which voting has been allowed to take place, participation has been very high, dealing a blow to the interest groups that claim to speak for the academic community. When electronic elections were set to take place at the University of Athens, some 15 people occupied the computer centre from early in the morning, holding hostage the email accounts of faculty members, students and administrative personnel, including those of the University of Athens hospitals. With a few exceptions, nobody has condemned what has happened, and no university officials have dared appeal to the authorities, for fear of retaliation. Physical violence and bullying is so common in Greek universities and across Greece that almost nobody dares react anymore.

Source: Adapted from Hatzis (2012).

unable to deliver the necessary structural reforms that would secure high and steady growth rates in the near future. Cutting funds from HE without a robust reconstruction plan, will definitely have a negative impact on the human capital of the country in the short, medium and long run. On the other hand, Greek academics should also accept responsibility as agents for change in a new era for higher education. It must be very well understood that the education system in Greece as we know it already belongs to the past.

The Greek Brain Drain

Brain drain is increasingly a matter of concern within the EU, as more and more highly skilled people migrate from the European south to the north and west of the continent. This phenomenon refers to the migration of well-educated or talented people, i.e. highly skilled professionals, researchers, academics and students. The term ‘migration’ is used to define the geographical movement of individuals and groups, for temporary or permanent residency in another socio-cultural context (Christopoulos et al., 2014).

The causes for emigration are mainly financial (Table 4), such as when the parent country’s economy is undergoing recession. The migration reasons may also be political or social, i.e. during the 7-year military dictatorship many Greek intellectuals and politicians, in order to escape imprisonment, relocated to other European countries or to the U.S. The term ‘brain drain’ was originally coined by the British Royal Society in the early 1960s; in this context it describes the migration of skilled workforce - more precisely the departure of British scientists and technicians to the U.S. and Canada. The phenomenon is most often associated with economic loss for those countries losing their highly skilled workforce. In Economics, this phenomenon is known as ‘human capital flight’, referring to the movement of the capital, which is not invested in the country where it was created (Patrutiu-Baltes, 2014). Brain drain is usually also associated with social loss, since it refers to the exodus of highly specialized professionals, scientists, researchers, academics and students (Christopoulos et al., 2014). Overall, the outflow of
high-skilled individuals may have significant long-term implications for a country’s economic growth potential and its competitiveness, while the inflow of talented, skilled workers may stimulate economic growth and enhance competitiveness (Gropas & Triantafyllidou, 2013).

Greece among the other European south countries, has suffered during the 20th century from many waves of immigration. The phenomenon was intensified in the post war years, mainly during and after the civil war in the early 1950s (Pelliccia, 2013). In the evolution of migration of Greeks abroad in the 20th century, special reference should be made in the period 1955 to 1976 when 1.22 million people permanently emigrated, which equals to more than 10% of the country’s population. The most significant shift was observed in the years 1962-1966, with 500,000 people (Christopoulos et al., 2014). The host countries for the Greek emigrants were mainly the U.S.A., Canada, Australia, West Germany and Belgium. As far as the composition of immigrants is concerned, in terms of gender, the higher proportion was men, while their composition by age shows that most immigrants were ranging from 15 to 64 years (Georgakopoulos & Loizidis, 1979). The age-sex composition indicates clearly the negative impact of immigration on the labour force and the economy of the country.

Over the last decades migration has been a major factor shaping the economic and socio-cultural landscape of Greece. A traditional migrant-sending country since the end of the nineteenth century, Greece became a migrant-receiving country in the last decades of the twentieth century (Pelliccia, 2013). After its accession to the EU as full member country in 1979, Greece created a modern infrastructure, transforming into a host country for emigrants (Christopoulos et al., 2014). The host countries for the Greek emigrants were mainly the U.S.A., Canada, Australia, West Germany and Belgium. As far as the composition of immigrants is concerned, in terms of gender, the higher proportion was men, while their composition by age shows that most immigrants were ranging from 15 to 64 years (Georgakopoulos & Loizidis, 1979). The age-sex composition indicates clearly the negative impact of immigration on the labour force and the economy of the country.

It can be argued that the latest wave of migration has fundamentally different characteristics than the previous ones (Triantafyllidou, Gropas, & Kouki, 2013). Thus, we can speak of contemporary migration features (King 2002), referring to the relevance, dominance and specific combinations of migration patterns that are largely shaped by economic conditions in a globalised world. The vast majority of Greeks who migrated in the past were males of higher ages, coming from poor social classes, whereas

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**Table 4. Factors that cause brain drain**

<table>
<thead>
<tr>
<th>Economic Factors</th>
<th>Non-Economic Factors</th>
</tr>
</thead>
<tbody>
<tr>
<td>• <strong>Competitive Salaries:</strong> Higher earnings’ level in developed economies, which attract young scientists.</td>
<td>• <strong>Work Related Factors:</strong> Inflexibility of the employment structure; lack of research funding; professional isolation; nepotism; lack of professional competence; and insufficient recognition of talent in young people.</td>
</tr>
<tr>
<td>• <strong>Variety of benefits:</strong> Part of the compensation package which includes healthcare and pension scheme makes the possibility to work abroad more attractive. For expatriate employees these provisions are even more diverse and expand to the coverage of tuition fees for children’s school and flight tickets to the country of origin.</td>
<td>• <strong>Motivation:</strong> The lack of hope for the future and the social discrimination that may exist in a country such as distinctions based on race, national identity, religion and social class are also factors which exacerbate this phenomenon.</td>
</tr>
<tr>
<td>• <strong>Globalisation:</strong> It strengthens the tendency of human capital to be concentrated where it already exists in abundance. This phenomenon is also known as ‘reverse transfer of technology’ (Logan, 2009)</td>
<td>• <strong>Quality/Excellence:</strong> The low quality of intellectual, professional, educational and cultural life in the country leads a significant number of new graduates to seek another country which will cover their needs.</td>
</tr>
<tr>
<td></td>
<td>• <strong>Power and Politics:</strong> In some cases there are political factors that may prevail in the country forcing young scientists to leave their country.</td>
</tr>
</tbody>
</table>

today immigrants (known also as Generation G) leaving Greece are the ‘youngest, best and brightest’ coming even from the upper classes of the Greek society (Christopoulos et al., 2014; Giousmpasoglou, 2014; Smith, 2015).

A recent report estimates that more than 200,000 professionals and scientists have left the country since the begging of the crisis in 2010 (Smith, 2015; Spiegel Online, 2013, Trachana, 2013). Another report by the Global Governance Programme (Gropas & Triantafyllidou, 2013) reveals that 90% of the total immigrants hold a university degree out of which 24.5% are engineers, 22.3% are economists, 19% are IT specialists and 12% are mathematicians. Their ages are relatively low with 48% under 30 years old and 49% between 31-45 years old. The report also suggests that more than half of the brain drain immigrants were working before leaving Greece but were not satisfied with the prospects of their work and their earnings. This is the reason why 73% of the immigrant scientists are found in a short term vocational rehabilitation while 67% find a managerial position. The most striking is that 46% of the immigrants live abroad for the first time without having any relatives or friends in the country where they are looking for work. When asked to identify what ‘pushed’ them from their country of origin and what factors ‘pulled’ them to their new country the recurrent themes that emerged were (Figure 5): Meritocracy opposed to Corruption and Nepotism; Employment opportunities in positions of responsibility offered to younger professionals based on skill and drive; Salary levels; Quality of life; and openness to diversity.

Triantafyllidou et.al. (2013) argue that the decision to migrate is driven by a sense of severe relative deprivation as a result of the crisis and a deep frustration with the conditions in the home country. It seems that the crisis has magnified the ‘push’ factors that already existed in Greece and that now nurture the current migration wave. They also argue (ibid.) that this migration is framed within the generic mobility trend amongst human capital within the E.U. as a prerequisite for carrier progression. As a result, it is not reasonable to expect that a large share of these people is likely to return, especially given the ongoing economic and social crises that further exacerbate the observed mismatch between supply and demand for a highly educated workforce in Greece (eKathimerini, 2014; Labrianidis, 2014; Labrianidis & Vogiatzis, 2013).

Figure 5. Push – pull factors for the Greek brain-drain
Source: Adapted from Gropas & Triantafyllidou (2013).
Economic Crisis and Higher Education in Greece

Box 2. Case study: inside the Greek University volcano

A system about to collapse, students unable to take exams or attend lectures due to occupations, strikes, never-ending elections and riots. Professors who come in late or don’t show up at all, sending their PhD subordinates to do their job.

This is the University landscape in a state that spends more per student than almost any other EU member, while at the same time the quality of university education offered is dismally low, forcing top Greek students who can afford it or gain internships to study in the UK, Germany, America, anywhere but Greece.

In fact, more than 40,000 Greek students are studying abroad – one of the highest ratios in the world according to population size. So why is it that when Anna Diamantopoulou, the Minister of Education, brought anadmittedly well designed education bill that would modernise the system on which - surprise, surprise - for the first time in the two years of the country’s crisis, both the governing socialists and opposition conservatives agreed, students and academics alike went ballistic?

A Family Business

University teachers have strongly opposed the new law that allows for independent evaluations of professors. And why wouldn’t they? Being a professor in Greece is a profitable, ‘high status’ family business. Last year John Panaretos, then General Secretary of the Ministry of Education, decided to merge the department of Social Theology of Thessaloniki with its associate department of Theology.

The reason: the whole department was basically run by one family. Almost all professors were somewhat related to each other: daughters, sisters, cousins, in laws. The situation is similar in University departments that carry a high social prestige like the Medical School of Athens, where many professors share the same family names.

A Political Party Business

With an exceptionally high percentage of votes in university bodies –up to 40%, DAP and PASP -the open front organizations of the major political parties-use their block vote in the elections of deans and rectors to negotiate whether an exam period is going to be repeated or determine who is an ideal candidate for a PhD. An example of this ongoing nonsense cannibalistic dispute was when DAP painted raw chickens green (the logo colour of their political antipodes PASP) and flaunted them in front of the Greek media! At the same time left-wing student groups fight “intensification” of studies, as they think ten years is a pretty decent time for someone to obtain a degree.

No Research, Thank You

You would think that allowing private sponsorship of science, technology and business programmes at state universities would thrill Greek students whose level of research studies compared to their European and North American counterparts is closer to high school than university. In actual practice, once you are in, it’s almost impossible not to graduate, even if that means your hair has turned gray and you have three kids. At a Greek university students take an average of 7.6 years to complete a first degree that in the UK would normally take three years! Tuition is free and students have the mandatory right to take examinations over and over again until they pass a course resulting in the widespread practice of allowing them to take an inordinate twenty, thirty or even forty (!) courses the last year of studies.

Eternal Students-Non Ending Exam Periods

Life-long learning takes a whole new meaning in Greek Universities. In actual practice, once you are in, it’s almost impossible not to graduate, even if that means your hair has turned gray and you have three kids. At a Greek university students take an average of 7.6 years to complete a first degree that in the UK would normally take three years! Tuition is free and students have the mandatory right to take examinations over and over again until they pass a course resulting in the widespread practice of allowing them to take an inordinate twenty, thirty or even forty (!) courses the last year of studies.

Corruption

The symptoms of the Greek disease of corruption are evident across the universities’ hierarchy. From students who cheat and switch places to take exams “to help a friend”, to rectors making “a couple of favours” to political parties leaders to ensure their re-election and administrative employees who cook the books, mismanagement reigns with the highlight being ex-PM’s Kostas Simitis pension that exists within the Greek universities. This is the case not only for lecturers and students but also for drug-dealing gangs and hooded administrative employees who cook the books, mismanagement reigns with the highlight being ex-PM’s Kostas Simitis pension that instead of being donated to the library of Panton University where he used to teach, ended up in the pockets of the administrative staff!

The Asylum Debate

The word asylum – etymologically an inviolable place –is used or in case of the Greek context abused-in order to describe the freedom that exists within the Greek universities. This is the case not only for lecturers and students but also for drug-dealing gangs and hooded “known-unknown anarchists” who for the past thirty years trash downtown Athens and then hide under the university asylum umbrella in order to work on their favorite hobby of stockpiling petrol bombs while confused police officers stand right across the street not knowing what to do.

A couple of months ago the “asylum trend” was also sported by illegal immigrants who occupied the Athens Law School with the valuable contribution of leftists who transferred them all the way from Crete and moved them onto the campus in order promote what they named as “the largest mass hunger strike in Europe.” No matter how hard one attempts to imagine immigrants occupying the LSE or the UCL it’s almost impossible to picture around four hundred people marching through the center of London-or any European capital for that matter- and occupying a university building without anyone even asking them where exactly they are heading!

Crisis and the University Reforms: Not Necessarily A Bad Thing

A chronically inefficient university sector, persistent corruption and academics and students’ unions have thwarted progress in the Greek Universities. Both the Minister of Education, Anna Diamantopoulou and the Prime Minister have stated that universities belong to the people and not to one or other interest group and their circle. It is time to prove that they mean what they say and do their job: apply the law.

After decades of expecting everything to be done for them by the state, it’s time for Greek university students and teachers to discover the satisfaction of doing things for themselves. After all, the University is not just about learning a couple of textbooks by heart and befriending political parties and professors to get the desirable “fiver” (Greek threshold to pass a course). And if the country’s economic woes are the only effective incentive that will push reforms to put an end to the inflexible research and dated university systems, which do not systematically evaluate research quality or offer competitive grants-so be it.

Source: Adapted by Seiradaki (2011).
WHERE DO WE GO FROM HERE? CURRENT CHALLENGES AND FUTURE PROSPECTS

From the already presented facts in this paper it is evident that the public opinion in Greece is puzzled and disoriented about the current education reform under the burden of the prolonged austerity. The key stakeholders in this debate are divided mainly into two camps. The first is represented by the supporters of the reform, who argue that this is the right time to build a strong foundation for a healthy higher education system. On the other camp we find the determined opponents, who suggest that the academic character of the university as a commodity / public good is in retreat. It is argued that eventually free public HE will give its place to private universities accessible only by the rich and middle class students (Nikolakaki, 2014). The truth is actually somewhere in the middle. Kremmyda (2012) argues that no one is endorsing a blind mass privatization of HE in Greece; even if that was the case, the current economic and social conditions in the country are not fertile for such an investment. The flag of the - mainly left-wing - opponents’ rhetoric is based on article 16 of the Greek constitution, which states clearly that the “formation of universities by private individuals is forbidden.” Within this context the reaction on behalf of the student community is extreme: most tertiary education students in Greece believe that the HE reform is “aiming to limit educational democracy and facilitate the promotion of certain ideological views, which is contrary to the democratic movements of ideas that is the mission of the Greek public university” (Kremmyda, 2012, p.30). Based on the facts and figures provided earlier in this chapter, it is argued that the opponents of the reform do not want to acknowledge the real cost of ‘free’ studies in HE in Greece. The current state of HE in Greece is a failing system that consumes valuable resources from the country without any return from a family, social or economic perspective.

Based on the above discussion, it can be argued that public sector protectionism is responsible for the poor image of the Greek universities in global rankings (The Times HE, 2014). The highly centralized structure of the Greek HE has left the country unable to evolve in response to the industry needs and technological evolution (OECD, 2011; International Committee, 2010); in simple words Greek

Figure 6. Current and future challenges for the Greek HE system
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universities and TEIs for many decades were disconnected from the real market needs. As a result, those graduates who were not lucky enough to secure a place in the public sector would be employed in a field irrelevant to their studies (Henley, 2013). On the other hand, it is estimated that there are approximately 27,000 undergraduate and postgraduate students from mainly European university branches in Greece (Mastoras, 2010). While some have predicted that the status of private, non-profit universities in Greece (and other EU countries) may be resolved through the policy doctrines enunciated in Maastricht, Bologna, and Prague, these policies have been largely protectionist (Gropas, Triandafyllidou, & Kouki, 2013). The main focus is on public HE and European university harmonization to the exclusion of both private and non-European HE institutions in Europe (Jackson & Krionas, 2003). Furthermore, until 2014, Greece has been the subject of several lawsuits (and eventually convictions) in Brussels for violation of EU laws, concerning the acquisition of professional licensure because graduates of HE private institutions are barred from entering key professions in the country such as law, medicine, accounting, architecture, and government service (EHEA, 2012; Jackson & Krionas, 2003). The persistence of consecutive Greek governments for the past 25 years to recognize the private non-profit HE institutes, bend with the law 4111/2013; this law recognizes that European university branches graduates have equal professional rights with public university graduates (http://hca.gr/).

The lack of planning in HE, is also responsible for the unreasonably high number of Greek students studying abroad (Psacharopoulos, 2003) and those who eventually seek employment in a developed country that can utilize their expertise and talent. Kritikos (2014) argues that the lack of strategy to a transition to an innovation economy is a key problem. In strictly financial terms this has created a considerable negative impact in the country’s economy: Greece has been investing money to train and develop a highly qualified workforce that it is not able to motivate and retain. As a result, the young and talented workforce is migrating abroad, leaving the country with limited scientific potential, which in turn affects the production structure and eventually deteriorates the quality of life for its citizens (Christopoulos et al., 2014). Student mobility from Greece to other European destinations appeared to be a result of necessity rather than the successful implementation of the EU’s education policy.

It can be argued that this economic crisis was a golden opportunity to reform the outdated and failing HE system in Greece. The argument against is that the battle of free higher education is lost and this will eventually lead to the commercialisation of HE. The reality is that a reform in public Greek HE institutes was needed in order to reach the European average standards. It seems that the problem until the start of the crisis in 2008 was not financial; the clientelistic mentality, public sector protectionism and the overall corruption within the HE institutes renders this mainly as a problem of mentality. After 2008, this problem also became financial, since the governments were eager to satisfy the Troika demands at any cost. Despite the seriousness of the situation it seems that the proposed ‘Athena Plan’ for the reform of the Greek HE system, was poorly planned under the burden of the lenders’ pressures. The devastating effects of the drastic measures in public HE institutes and the country’s worsening economic conditions has created a new wave of migration much different than those from the past: middle or even, upper class, very well educated and highly qualified. The country’s most skilled and educated human capital is fleeing abroad; this was rather the result of the chronic labour market than the economic crisis. It is really difficult to make any prediction about the future of the HE system in Greece with the country still being under the Troika supervision. Instead of predictions, Greeks should ask themselves: ‘What kind of education do we want to provide the future generations who will rebuild the country?’ This can be the starting point of any discussion regarding the reforms in the Greek HE system and its future graduates.
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