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Prime Ministers *in* Greece

*The Paradox
of Power*

Kevin Featherstone and
Dimitris Papadimitriou

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Preface

The debt crisis that enveloped Greece after 2009—shaking the international financial markets and raising doubts about the viability of the ‘euro-zone’—drew attention to how the Greek political system was governed and its capacity to deliver reform. In that sense, the crisis served the purpose of highlighting issues that had been long ignored, to Greece’s detriment.

The genesis of this book predates the crisis and grew out of a recognition that Greek politics exhibits a paradox: legal scholarship and much public debate assumes that the Prime Minister exercises great authority, often unchecked by others; yet, the practical reality of the PM’s post—reflected in repeated ‘under-performance’ in delivering promised reforms—is of operational weakness, sustaining a lack of control and coordination across the government machine. We had previously examined the problems of Greece’s limited ‘reform capacity’ in a study of structural economic reforms (Featherstone and Papadimitriou 2008). Now, we sought to explore the problem on the ‘inside’ and starting at the ‘top’ seemed sensible.

We soon recognized that the ‘paradox’ transcended the alternation of personalities and parties in power; even, also distinct policy programmes. Of course, each offered its variation, but a long-term institutional weakness of government from its apex has been evident over the long term: indeed, since at least the restoration of democracy in 1974. This book, therefore, explores how a succession of prime ministers—together dominating Greece prior to the crisis—have sought to lead and manage their governments and the record of their attempts to do so. By focussing on the individual premiers, we are able to contrast the ‘formal’ and the ‘informal’ and to examine operational realities. Necessarily, we delve into individual premierships, but also their contexts.

The book argues, therefore, that the dysfunctionalities of the Greek government machine pre-date the debt crisis; indeed, the diversity of government ‘reform capacities’ across Europe, more generally, ought to have been readily acknowledged in the rules and operation of the euro-zone. The set of conditions that underlie the ‘paradox’ noted above have now been confronted by the interventions of outside bodies: the ‘Troika’ (IMF/ECB/European Commission) overseeing the conditionalities attached to Greece’s bail-out loans; the European Union’s Taskforce for Greece; and a number of bilateral technical

support programmes. The paradox we identify proved to be robust over so many years—the operational weakness at the centre of Greek government survived many attempted changes—and time will tell whether the external interventions and domestic efforts emanating from the debt crisis can significantly alter the situation.

This book is neither confined to the ‘cognoscenti’ of Greek politics and history, nor does it frame Greece in isolation. It assumes no prior knowledge of the intricacies of Greek politics. It analyses the Greek case through the lens of a set of comparative and conceptual literatures in order to identify key issues and conditions. Throughout, we seek to maintain a clear and accessible narrative for the international reader.

This is a study, therefore, of a large question—how and why the operational weakness of government at the centre has been sustained—in a small case, Greece; though it is one with much international significance today. The internal functioning of government in Greece has often been neglected in the international literature and studies of prime ministers have been dominated by those of the Anglo-Saxon systems. Here, we endeavour to distinguish the Greek case and to relate it to established literatures on leadership, structure and agency within the institutional setting, administrative cultures, and the socio-cultural conditions that underpin political strategies and behaviour. The analysis shifts between the micro- and the macro-levels of politics in order to assess will and capacity, choice, and constraint. With such frames, we seek to properly identify the Greek conditions and offer connections to wider cases.

This is the first in-depth study of prime ministers and their governments in Greece over the period since 1974. To inform our study we have searched various archives, examined a large number of legal documents, and undertaken an extensive set of personal interviews. Each of these sources is acknowledged in the book, but we would like to record our gratitude to those who granted us (sometimes multiple) interviews. We were fortunate in being able to interview each of the surviving prime ministers of the period, many senior and junior ministers, officials and personal advisers, journalists and academics. We are enormously indebted to them for their time and their knowledge. We have respected the confidentiality we promised to them.

In addition, a number of politicians and fellow academics were kind enough to read and comment on earlier drafts of the chapters of this book. Again, we have agreed not to acknowledge each of them publicly, but we are able to thank here: Andreas Andrianopoulos; Rebecca Bryant (LSE); Nikos Christodoulakis (Athens University of Economics and Business, AUEB); Nikiforos Diamandouros (former European Ombudsman); Peter Hall (Harvard); Stella Ladi (Queen Mary College; Panteion University, Athens); Dimitris Katsoudas; Eleni Dendrinou-Louri (AUEB); Antonis Makrydimitris (University of Athens, UoA); Manos Matsagannis (AUEB); Takis Pappas (University of Macedonia);

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In the preparation of this book, we have presented early drafts or parts of our research at lectures and seminars held in Athens and at King's College London, LSE, Harvard, and Yale. We are very grateful for the feedback we obtained.

We have also benefitted from periods of leave at other universities. Kevin Featherstone was Visiting Scholar at the Center for European Studies, Harvard, in 2012 and Dimitris Papadimitriou was Visiting Fellow at Yale and the LSE in 2010. The project has also been supported at various stages by the LSE's Hellenic Observatory.

We would like to thank Dimitris Sourvanos (LSE) for his expert editorial and research assistance at the end of this project. Dominic Byatt at OUP has offered encouragement, as well as patience, and his colleagues have shown very professional support.

The preparation of this book has been an endeavour stretching over six years. It is also the product of a longer intellectual partnership, which has so far involved the publication of five books, numerous journal articles, and many papers. That we still enjoy working together is a source of bemusement and pride to both of us.

Finally, we would like to dedicate this book to our families for their love, patience, and support: Nina, Chris, and Emily; Rachel, Mason, Bobby, and Lacey.

Kevin Featherstone
Dimitris Papadimitriou
December 2014

Contents

<i>List of Tables</i>	xi
<i>Note on Legal Terms</i>	xiii
1. Politicians, Patronage, and the Bureaucratic Tradition: The Problem of Control and Coordination within the Greek Government	1
2. The Leadership Factor: The Person and the Post	28
3. Primus Solus: Constantinos Karamanlis as Prime Minister (1974–80)	54
4. At the Centre of a Galaxy: Andreas Papandreou as Prime Minister (1981–9 and 1993–6)	78
5. Institutionalization and Micro-Management: Constantinos Mitsotakis as Prime Minister (1990–3)	116
6. Innovation Circumscribed: Costas Simitis as Prime Minister (1996–2004)	139
7. In the Shadows of Uncertainty: Costas Karamanlis as Prime Minister (2004–9)	166
8. ‘Plus ça Change . . .’: Change and Continuity in the Greek Core Executive	190
9. Governing in Context: International Comparisons and Reform Implications	209
<i>List of Interviews</i>	231
<i>List of Legal Documents</i>	235
<i>Glossary</i>	239
<i>References</i>	243
<i>Name Index</i>	259
<i>General Index</i>	263

List of Tables

Table 2.1. Identifying the Key Components of the Greek Core Executive	42
Table 3.1. The Core Executive of Constantinos Karamanlis: Legal Framework, 1974–80	64
Table 3.2. The Core Executive of Constantinos Karamanlis: Key Personnel, 1974–80	65
Table 3.3. Senior Ministerial Tenures under Constantinos Karamanlis, 1974 (Nov)–1980	71
Table 4.1. The Core Executive of Andreas Papandreou: Key Personnel, 1981–9	89
Table 4.2. The Core Executive of Andreas Papandreou: Legal Framework, 1981–9	92
Table 4.3. The Core Executive of Andreas Papandreou: Key Personnel, 1993–6	99
Table 4.4. Senior Ministerial Tenures under Andreas Papandreou, 1981–9	103
Table 4.5. Senior Ministerial Tenures under Andreas Papandreou, 1993–6	110
Table 4.6. The Core Executive of Andreas Papandreou: Legal Framework, 1993–6	111
Table 5.1. The Core Executive of Constantinos Mitsotakis: Key Personnel, 1990–3	123
Table 5.2. The Core Executive of Constantinos Mitsotakis: Legal Framework, 1990–3	126
Table 5.3. Senior Ministerial Tenures under Constantinos Mitsotakis, 1990–3	135
Table 6.1. The Core Executive of Costas Simitis: Key Personnel, 1996–2004	146
Table 6.2. Senior Ministerial Tenures under Costas Simitis, 1996–2004	155
Table 6.3. The Core Executive of Costas Simitis: Legal Framework, 1996–2004	157
Table 7.1. The Core Executive of Costas Karamanlis: Key Personnel, 2004–9	174
Table 7.2. Senior Ministerial Tenures under Costas Karamanlis, 2004–9	179
Table 7.3. The Core Executive of Costas Karamanlis: Legal Framework, 2004–9	183
Table 8.1. Prime-Ministerial Power and the Greek Core Executive: A Matrix of Analysis	192
Table 9.1. The Greek Core Executive, 2009–14	226

Note on Legal Terms

Emergency Law (*Αναγκαστικός Νόμος*)

Legislation issued and imposed in cases of national emergency, usually when democratic institutions are suspended. It is often used by dictatorial and authoritarian regimes.

Law (*Νόμος*)

Written legislation passed by Parliament. Statutory law is the highest form of law based on the Constitution which governs in a mandatory way the relations between citizens and between citizens and the State.

Legislative Decree (*Νομοθετικό Διάταγμα*)

Legislation deriving from the absolute power of a leader or group that rules outside the framework of the Constitution. It is often used by dictatorial and authoritarian regimes.

Ministerial Council Act (*Πράξη Υπουργικού Συμβουλίου*)

An Act of the Ministerial Council is issued when all of its members take major decisions collectively. It is an act issued by virtue of legislative authorization in order to regulate issues of local interest or of a technical and specific character.

Ministerial Decision (*Υπουργική Απόφαση*)

A decision taken by a Minister by virtue of legislative authorization in order to regulate specific matters.

Presidential Decree (Προεδρικό Διάταγμα)

A statute issued by the President as Head of the State. The Decrees are divided into the following two categories: a) regulatory decrees which contain rules of law and are issued by virtue of legislative authorization, and b) executive decrees which are issued for the implementation of laws. All Presidential Decrees must be also signed by the competent Minister.

Prime Ministerial Decision (Πρωθυπουργική Απόφαση)

A decision taken by the Prime Minister, usually representing the political will of the whole government.

1

Politicians, Patronage, and the Bureaucratic Tradition

The Problem of Control and Coordination within the Greek Government

If you gave me more advisers, I wouldn't know what to do with them. I wouldn't be able to see them on a regular basis, to know what they were doing. How could I trust them, if I can't see them?

Interview with a former Greek Prime Minister.

He spent much of his time pursuing favours (rousfeti). He would often phone a minister and ask for favours. He would even call my deputy minister and ask him to do such things behind my back.

Interview with a former minister, commenting on another Prime Minister.

The two brief comments noted above encapsulate the essence of our focus and argument in this book. Our concern stems from a challenge faced by presidents and prime ministers—indeed, for the heads of any large organization—found practically anywhere: how to establish a system of operational control and coordination of the (government) administrative machine in order to better achieve the objectives set. Government involves a mix of actors: politicians, their advisers, and the permanent administrative staff. Our task is to decipher what it is about their relationships and the setting in which these take place that contributes to the (lack of) control and coordination exercised from the apex of the government structure.

All political heads—presidents, prime ministers, ministers—complain about the failings of control and coordination that undermine them and expose them to criticism. They have strategic interests that set them apart from the permanent bureaucracy; their ideological beliefs and social norms may also

differ. But they are obliged to operate in a shared organizational space; one that itself serves to structure their interests, working relations, and the norms upheld. This space—the *institutional setting*—matters.

There is an inevitable tension between the political and administrative actors. The latter operate within an administrative culture that may serve or thwart, to varying degrees, the lead given by political heads. As such, they help to determine the nature of control and coordination from the ‘top’. The administrative cultures of government have been the subject of both scholarly and popular attention, from Max Weber to the *Yes, Minister* BBC television series.

The comments quoted above are apposite in denoting our essential interest in political leadership within government. The first comment, in referring to an interactional notion like *trust*, signals the relevance of the interests and norms affecting the relationship between the leader and his/her staff. There is a particular cultural foundation attached to ‘trust’ here: the assumption that it rests on personal, observable contacts as opposed to confidence in an institution, on the basis of established procedural routines, checks, skills, and ethics. A boundary is set for ‘trust’, beyond which there is an assumption that individuals (always persons) may well be untrustworthy, due to their morals, political allegiance, or competence. The limits are set tightly and the effect is to create distance: keeping the lower strata at bay. The second comment attests to another dimension of our concern: the patronage or *clientelism* that overlay the operation of the bureaucratic machine. Indeed, the comment makes an allegation about an individual, but it also reflects a wider systemic feature: clientelism has been endemic in Greek politics, particularly across ministries, and as such it poses a challenge to all.

The first quote—perhaps even the second—at first glance may seem almost generic to the politics of all centres of government to be found anywhere. We will argue that the quotes indicate the robustness of a specific institutional setting (with particular interpretations of norms and values) that shapes interactions in the Greek case; and it is this aspect that we will begin with here. A further manifestation of the lack of trust—and weakly-established procedures—is our discovery that no Greek Prime Minister since the transition to democracy in 1974 has had a system of minutes of Cabinet meetings being circulated amongst those present—if the minutes have been drafted, they have been kept for the eyes of the Premier alone or available to ministers ‘upon request’. Individual leaders come and go with their different styles and approaches, impacting on how government at the top is managed. Leadership style matters but it is only part of the (Greek) story. Of larger import are the themes already noted from the two quotes: of power at the top being detached from lower administrative strata, a detachment underscored by a set of culturally-shaped attitudes and processes; and an administrative machine that has been undermined and distorted by a politics of ‘graft’, itself creating

divisions and relatively isolated 'fiefdoms' of separate clientelistic relations. The latter are fed by a wider political culture and representative process in Greek society. The effect of state clientelism has been to exacerbate the lack of skills, professional norms, routines, ethics, and morale and has provided spaces for corruption within the machine, adding to its problems of low technology and resources. Together, these factors go a long way to explaining how and why weak control and coordination from the centre have been endemic within government, affecting the quality of governance.

This chapter sets out how the challenge of control and coordination common to all political leaderships has been structured within the Greek core executive, setting its limits and dysfunctionalities. By 'core executive', we mean the very centre or apex of government (the 'executive branch') around the prime minister, linking ministers, officials, and advisers. The notion was originally developed for parliamentary systems by Dunleavy and Rhodes (1990: 4) and we discuss its application to the Greek case more fully in the following chapter. The perspective here is with the structural factors (the institutional setting) that have shaped the undertaking of the leadership tasks of control and coordination.

By focussing on the centre of government, we also imply a certain understanding of what constitutes the 'state'. The latter has been one of the most contested concepts in political science. Greece, perhaps even more than many other systems, underscores Schmitter's comment that 'the modern state is...an amorphous complex of agencies with ill-defined boundaries performing a variety of not very distinct functions' (1985: 33). Here, we see the 'state' as a somewhat loose setting comprising different political actors; more formally, it is 'a series of contexts within which political agency is both authorized (in the name of the state) and enacted/institutionalized' and as such it constitutes a 'dynamic institutional complex whose unity is at best partial' (Hay 2014: 477).

We follow a conceptual frame that recognizes that 'organizations' (here, governmental institutions) develop their own norms, values, and practices that can *structure* those of individuals ('actors') within the organization's domain, offering a 'repertoire' of privileged responses. While these norms, values, and practices are not fixed, but have a dynamic to their creation, they may otherwise become embedded over time: as 'historical institutionalism' posits. The analysis of this setting is explored more deeply by reference to literatures in cultural and organizational sociology (including psychology) and the congruence between the norms and values within government and those of wider society.

As the study progresses, we will combine the perspectives of both *structure* and *agency*. The next chapter reverses the lens and considers the motives and scope for the impact of individual leaders on the setting outlined here.

The focus on agency allows us to more closely examine the dynamics of attempted or actual change, the Achilles' heel of 'historical institutionalism' to Schmidt (2011: 9). We also differentiate types of 'change' and the motives it may mask. Chapters 3–7 are case studies of how individual prime ministers managed their governments: examining their approaches, performances, and outcomes in this regard. They address what happened and why: the causal mechanisms that link actors, settings, and outcomes (Rothstein 2005: 33–5). Actors influence and are influenced by other actors; they both 'structure' and are 'structured' by the institutional setting—these combinations sensitize us to the contingent relations, revealed by empirical investigation, that qualify general notions of path dependency and of personality-based explanations (Peters, Pierre, and King 2005). They allow us to penetrate the 'black boxes' of critical periods when the status quo is challenged, opening up pre-existing patterns of interest and ideas (Schmidt 2011) to examine the micro-level (Bevir and Rhodes 2009). But throughout, the will and capability to change (as well as its content) can be better understood—in its subjective interpretation and objective scope—by contextualization within the institutional setting.

Analysing the Institutional Setting: Moments, Not Junctures, of Change

This book is concerned with big themes of government and it explores them in one especially problematic case: Greece. Looking at one case over time might lead to an over-emphasis on the importance of differences between prime ministers and their personalities. As Rose noted some years ago, 'commentators knowing only one nation may treat differences between individual prime ministers as of critical importance because they are all that can be observed in a narrow national perspective' (Rose 1991: 20). Yet, the interest in the Greek case is that, despite repeated attempts since 1974 at innovation, a relatively consistent pattern of low centralization and coordination persisted across different premierships. Evidently, as the core executive pattern has remained within an established paradigm there are long-term constraints acting against innovation (Hall 1993: 278–9). This is despite a range of conditions that might otherwise suggest a dominant prime minister. Thus, it is necessary to consider how, and to what extent, the institutional setting may constrain prime ministers, of different personality and leadership types, intent on innovation.

The 'new institutionalist' conceptual approach in political science—centrally concerned with the depiction of actors in their institutional settings—has unleashed a number of variants, sometimes creating more

confusion than clarity (Bevir and Rhodes 2009; cf. Hall and Taylor 1996).¹ Here, we begin with the notion in 'historical institutionalism' that the setting sustains a pattern of regularized (or potentially confining) behaviour and that it appears to do so on the basis of a set of values, norms, and practices prevalent in that setting (Thelen 1999; Peters, Pierre, and King 2005). Within this variant, the understanding of an 'institution' is of 'formal or informal procedures, routines, norms and conventions embedded in the organizational structure of the polity or political economy' (Hall and Taylor 1996: 938). There are self-reinforcing processes in that setting that make institutional configurations difficult to change once a pattern has been established (Pierson 2000).

This raises issues of the separate impact of an 'institution' on an individual actor. Recent criticism has seen 'historical institutionalism' as not being a distinctive frame at all, but ultimately as dissolving into either rational choice or constructivist alternatives (Bevir and Rhodes 2009). Bevir, Rhodes, and Weller argue for a more 'interpretive' approach based on 'the notions of beliefs, traditions, dilemmas and narratives' (2003: 1). Beliefs are those possessed by actors; dilemmas are when actors accept a new belief. Perhaps of greater significance for the conceptual debate are 'traditions': these are 'a set of inherited beliefs about the institutions and theory of government' and as such they are a starting point for actor behaviour rather than being deterministic (2003: 6–7). Indeed, the 'content of the tradition will appear in their later actions only if their agency has led them not to change it, where every part of it is in principle open to change' (2003: 7). They explain a 'narrative' thus, 'Perhaps the best-known narrative in British government is the Westminster Model. It refers to the language, map, questions and historical story used to capture the essential features of the British system that, through sheer longevity, form the conventional or mainstream story' (2003: 12). The approach we follow here is largely consistent with their approach: we stress 'the beliefs, tradition, dilemmas and narratives' as evident in the interpretations made by actors and we examine episodes of dilemma, when change is underway. We do not see the 'setting' as deterministic and we reserve space for agency to matter (re-structure). We do see the 'institutional setting', though, as privileging certain rule-based behaviour and 'cultural repertoires' and organizations/administrations as being characterized by distinct cultural norms and traditions (see pp. 9–25). This is consistent with what List and Spiekermann (2013) describe as 'causal-explanatory holism': crudely, features

¹ Hall and Taylor (1996) established a widely accepted differentiation of rational choice institutionalism, historical institutionalism, and sociological institutionalism. Schmidt has outlined a 'discursive institutionalism' (2011) and others (e.g. Bevir and Rhodes 2009; Hay 2011) a 'constructivist institutionalism'.

of the institutional setting (e.g. distrust; legal formalism; clientelism) remain despite variation at a micro-level (a change of even key individual actors) and thus cannot be explained in individualistic terms alone (2013: 629). Actors follow 'logics of appropriateness' (March and Olsen 1984, 1989) in their reasoning—they are 'satisficers' (Hall and Taylor 1996: 939)—with the setting giving force to what is fitting and circumscribing 'rationality'. Thus, our frame incorporates much from a 'constructivist' approach. At the same time, while we examine episodes of 'dilemma', when change is underway, we wish to distinguish opportunities from actual change and examine the patterns of regularity (see the section on Leadership Strategies in Their Social Context: The Constraints of Cultural Norms and Repertoires). Thus, unlike Bevir et al. (2003), we are comfortable in using the term 'institutional setting' to indicate this location and environment and its apparent robustness over time. Moreover, we are concerned with the totality of this setting—not just its apex or 'court politics' (Rhodes and Tiernan 2013), but how its wider *modus operandi* impinges on leadership functionality (in particular, control and coordination).

There are two risks of over-emphasis here. Firstly, the specific setting within government cannot be significantly divorced from the pressures emanating from wider society. In this context, Herzfeld, in an engrossing work, has brought a distinctive anthropological perspective to the understanding of bureaucracy in general and to Greece, in particular (Herzfeld 1992). In a basic sense, it is misleading to see a dichotomy between bureaucracy and society: the norms ('ideologies') that sustain the former rest on very similar (conceptual) structures to those used by the ordinary citizen (Herzfeld 1992: 156). Both are prone to rationalities of a teleological form (e.g. fatalism) and that of the state 'is embedded in practices not so very different from nonbureaucratic social actors' (Herzfeld 1992: 149). Moreover, the content of this congruence is far less distinctive to a particular national society than is often thought: we should beware of 'national character' stereotypes, for example, between the 'West' and the 'Orient' (Herzfeld 1992: 134). We are also concerned with the links between the state administration and wider society and we shall return to Herzfeld's arguments later.

A second risk in stressing embedded cultural traits and practices as a constraint is that they can be seen as too structuralist or deterministic, neglecting the role of agency in determining political outcomes (Peters, Pierre, and King 2005). As we will amplify, in this study we recognize discretion—the setting and its cultural habits nudge, rather than determine—on the part of actors as pre-eminent as prime ministers (see Chapter 2). But the assessment of continuity is in itself important: if, despite changes of incumbents (themselves displaying many bases for differentiation), long-term patterns persist and changes appear modest in substance (the absence of critical junctures), then

this suggests that an underlying set of norms and practices limit or block more radical change. Such outcomes warrant further investigation.

'Change' (and the role of actors in producing it) within historical institutionalism is said to occur at 'critical junctures' that punctuate long periods of path-dependent stability (Capoccia and Kelemen 2007: 341). Substantive change may be possible, but not be realized. The approach distinguishes such 'critical moments' (i.e. windows of opportunity) from 'critical junctures' (i.e. points of substantive change) (Bulmer and Burch 2001: 81, 2009: 29). Thus,

A 'critical moment' is when an opportunity arises for significant change. Such opportunities may not be realised and exploited but, if they are, the outcome is a 'critical juncture' at which there is a clear departure from previously established patterns. Critical junctures create branching points at which institutional development moves on to a new trajectory or pathway which is then followed incrementally until a new critical moment arises and (potentially) a new critical juncture follows and a new direction is taken (Bulmer and Burch 2001: 81).

The distinction seeks to allow separate consideration of periods of stability and major shift: in particular, the task is to establish the factors that mitigated change and those that prompted a break with the past. The contrast is not unproblematic, ontologically. The apparent stability, for example, 'may mask the dissensus that may exist beneath the surface of a program, or organizational field, and thus produce some neglect of the forces for change' (Peters, Pierre, and King 2005: 1275).

Later chapters will chart the degree of change that has occurred under five Greek prime ministers. The case studies examine episodes when the status quo pattern was challenged: in that sense they all appear to have been at least 'critical moments'—or points of 'de-institutionalization' (Suchman 1995)—when attempts at change were made, to revise the legal framework and/or the modus operandi at the centre of government. Here, the punctuation of a long-term continuity occurs within well-defined periods: a new prime minister takes office and establishes a new organizational structure with his or her own staff. The extent to which the 'new' model represents a break with the past can thus be calibrated. There are then separate analytical tasks: one is to evaluate those factors that may have limited (or facilitated) the innovation initiated by the new Prime Minister; another is to identify the underpinnings of a long-term pattern to assess (the absence of) greater change. These are not cases of subterranean pressures gradually emerging to the surface; rather, they are a series of discreet episodes during which change was considered by in-coming leaderships.

The new institutionalist literature offers a variety of concepts to denote the durability of the setting and the constraints on change: inheritance,

immortality, stickiness, lock-in, deadlocks, path dependency, appropriateness, permanent failure, etc. (Goldfinch 2009: 1). When challenged by initiatives for change reform impasses, paradoxes (Hesse, Hood and Peters 2003), and backlashes (Hirschman 1970) have been identified. The robustness of the setting is seen as being upheld by laws, coalitions of actors, ways of doing things, habituation, and organizational inertia (Hogwood and Peters 1983). Although it may be possible to 'smuggle in' reform through a series of cumulative incremental policy adjustments (Lindblom 1979), this is a time-consuming, easily reversible, and potentially drifting process (Goodin 1983).

We have previously explored such constraints in the wider political arena of government–labour–business relations in Greece with respect to the failures to produce structural reform in the economy (Featherstone and Papadimitriou 2008). We noted the 'low reform capacity' of the state stemming from a number of contrasts: 'unrestrained leadership, but lacking implementational strength; liberal democratic norms and structures with "rent-seeking" behaviour; social dialogue and distorted interest representation; and a small state facing daunting external challenges with a domestic structure not of consensus but of severe conflict' (Featherstone and Papadimitriou 2008: 201). Indeed, 'against this background, the puzzle may not be seen as explaining stagnation but as accounting for change' (Featherstone and Papadimitriou 2008: 201). These traits were recognized well before the debt crisis exposed Greece's weakness. The constraints have been akin to *une société bloquée* (Crozier 1964; Featherstone 2011: 197). A comparison of all OECD states conducted by the Bertelsmann Stiftung created a 'Sustainable Governance Index', measuring the efficacy of state institutions and the wider political system to adapt and deliver reform. It included a 'management index' to compare 'governments' executive capacity and accountability toward different elements of society' (Bertelsmann 2011: 10). This measured the government's 'steering capability' (including strategic capacity, inter-ministerial coordination, evidence-based instruments, social consultation, policy communication), as well as 'policy implementation' (effective implementation) and 'institutional learning' (adaptability, organizational reform capacity). Of the 31 states compared, Greece was ranked last in 2009 on the management index, suggesting a very poor executive capacity. Here the task is to explore more deeply the constraints within government on its ability to deliver.

An interesting complement to depictions of the durability of institutions and the constraints they face is the notion of 'reputation' and its implications, as developed by Carpenter (2010). Following his detailed study of the de facto power of the Federal Drugs Agency in the USA, he comments that:

At times the crucial *stasis* in institutions and organizations is generated not by the known (or unknowable) cost of changing the rules but by the little-noticed

impossibility of changing images, symbols, mind-sets, and assumptions. A form of cognitive reliance upon existing symbols, rituals, and rhetoric attaches to *organizational* and political reputations, such that it generates a form of history-dependence that is little recognized in our understanding of institutions (Carpenter 2010: 728).

The FDA's power depended on organizational image. These comprised its performance, moral, technical, and legal-procedural reputation.

This formulation fits neatly with the argument advanced here on government in Greece. For there are 'images, symbols, mind-sets, and assumptions' about the norms and capabilities of the government machine that are ingrained in both its political heads and its foot-soldiers. The organizational image—its reputation—is one that limits 'trust' and is undermined by the perceptions of clientelism and corruption. What is subjectively attributed to the government administration constitutes a set barrier to performance, but also to the sense of 'stasis' and the near-impossibility of change.

Here we distinguish the nature and pattern of change, facilitating explanations of how and why critical *moments* failed to become key *junctions* and endure. This directs us to the impediments to change and the basis for relative *stasis*. Institutional settings can survive and the cultural norms and values they privilege can become robust. It is now appropriate to explore more deeply this cultural setting and in doing so, the argument as to how and why the configuration of the status quo has been sustained will be developed further.

Leadership Strategies in Their Social Context: The Constraints of Cultural Norms and Repertoires

It should already be evident that seeing the institutional setting in purely rationalist terms—as arenas of incentives and sanctions—would be too restrictive a frame of explanation. Moreover, the key actor relationships are not easily reducible to conflicts between a 'principal' (the Prime Minister) and 'agents' (see also La Palombara 2001: 558). The initial quotes cited here suggest that it is more revealing to recognize the interests and strategies of the principal as being strongly constructed by the particular cultural setting. Similarly, whilst there are many and varied agents, their relationships with the principal are affected by the embedded norms (e.g. trust) and habits (e.g. clientelism) within the government arena. Interests cannot be assumed independently of this setting (Pfeffer 1997).

Institutional theories of leadership have long recognized that 'strategies of leadership can only be understood—and can only be successful—within the framework of the social structure of norms in which they are embedded'

(Biggart and Hamilton 1987: 430). As Hall and Lamont have recently commented, 'Cultural frameworks can structure social integration with just as much force as the material incentives built into institutions' (2012: 3; also Iversen and Soskice 2001). In order to better understand what actors in a particular setting are affected by, sociologists have used the notion of 'cultural repertoires'. Whilst actor strategies are the behaviours themselves, 'repertoires are the sets of ideas, stories, discourses, frames, and beliefs that people draw on to create a line of action in the first place' (Hall and Lamont 2013: 13–14). It is this notion of 'repertoires' that we will use as our guide here (e.g. to embrace the norms of trust and clientelism). Individuals joining an organization are exposed to cultural repertoires that often involve processes that anthropologists, for example, would recognize as translation, diffusion, acculturation, enculturation ('socialization' to sociologists), matching, imitation, mimesis (from Aristotle)—a string of metaphors and concepts to denote methods by which ideas and habits are communicated and learned with impacts on response (Czarniawska 2001). Such processes can be accommodated with the kind of institutionalist frame discussed above—for public institutions, in particular, carry a 'very heavy and distinctive normative baggage' (La Palombara 2001: 558).

Many political scientists are wary of using cultural factors in their explanations (Elkins and Simeon 1979). Moreover, as we have already noted, Herzfeld—an anthropologist—warns against explanations that ultimately may rely on cultural stereotyping. His particular focus is external to the bureaucratic setting—how citizens respond to insensitive state bureaucracies—and he eschews explanations that rest on assumptions of a flawed ethnic character, deficient when contrasted with the 'West'. Instead, he shows a much greater consistency in norms and responses across cultural settings, albeit with different reference points from history or religion (1992: 147). To cite but one example, when Greeks, frustrated at some bureaucratic (in)action exclaim, '*Δεν έχουμε κράτος!*' (We don't have a state!), Herzfeld claims this is 'affirming their desire for precisely such a source of justice in their lives' (1992: 10). Herzfeld may be making too bold an assumption: one may deride failings, without supporting their correction with a particular form—indeed, the recourse may be to more (or less) traditional practices. Herzfeld offers an argument against a structuralist explanation² based on the 'reification' of bureaucracy, asserting the explanatory importance of time and agency (Herzfeld 1992: 157), a dimension we address in Chapter 2. Like Herzfeld, we recognize the need to balance structure and agency in our explanation (1992: 184). Here, our focus is not Herzfeld's concern with the external reification of

² Though the quote cited from Herzfeld would seem to affirm the importance of structures on society (Herzfeld 1992: 159).

the state bureaucracy as a systemic constraint, but rather the symbiotic links of both culture and strategic interest (e.g. trust, clientelism) both within government and the wider society that sustain the particular form of the state tradition. Moreover, Herzfeld acknowledges the relevance of different state traditions for Greece—Napoleonic, Roman law, German legalism (e.g. 1992: 149, 154, 89, respectively)—and these are implicit in the popular Greek quote he cites. Similarly, the explanatory imperative—advanced by Elkins and Simeon (1979)—is to identify the distinctive cultural traits by comparison to other cases. This underscores our emphasis on trust and clientelism as structural factors, as well as cultural conditions inherent in Greek bureaucracy that we will discuss in Chapter 2.

Within the confines of an ‘organizational culture’, scholars have long been concerned with how individuals filter, process, and attach meaning in and to what happens in organizations and the consequences thereof.³ In a standard work of organizational culture, Schein (2010) refers to it being identified by its artefacts, the espoused beliefs and values, and the basic underlying assumptions—‘the unconscious, taken for granted beliefs and values that determine behaviour, perception, thought, and feeling’ (2010: 24).⁴ Following Schein, the organizational culture can be seen as circumscribing a ‘climate’ of types of action or behaviour (Schein 2000: xxix; cf. Schneider 2000). Relevant to the Greek case, this would, for example, distinguish between commitment or detachment; the acceptance of rigidities or of prioritizing innovation; professional ethics or the toleration of corruption, and so on. ‘Culture’ is not causally-determinant; rather, it limits or nudges. The analysis can also be extended to differentiate how the organization develops its activity: one may sustain a ‘doing’ orientation (getting things done); another a ‘being’ orientation (with a kind of fatalism over the potential to overcome challenges). The focus of the latter cultural orientation is short, rather than long, term: involving an acceptance of what are seen as overwhelming forces (Schein 2010: 146–7).⁵ As matters embedded in the organizational setting they extend the historical institutionalist frame here. Moreover, they signal the entrenched organizational culture found across the Greek government bureaucracy for decades: the habitual and instinctive norms, the air of inertia, the lack of confidence in overcoming constraints and challenges.

³ Economists are also increasingly looking at how ‘corporate culture’ can be accommodated within rationalist theory; for an early treatment see, for example, Kreps (1990).

⁴ Schein defined organizational culture as: ‘a pattern of shared basic assumptions learned by a group as it solved its problems of external adaptation and internal integration, which has worked well enough to be considered valid and, therefore, to be taught to new members as the correct way to perceive, think, and feel in relation to those problems’ (2010: 18).

⁵ Schein (2010: 147) also refers to a mid-category of ‘being-in-becoming’, with a focus on developing capacities, to be in closer harmony with nature.

Public administrative organizations develop their own norms and practices. Administrative traditions are depicted in ways that are consistent with the concept of organizational culture; for, an administrative tradition involves the 'historically based set of values, structures and relationships with other institutions that defines the nature of appropriate public administration within society' (Peters 2008). Heclo and Wildavsky (1974) in their classic study of British budgetary politics described the UK Treasury as akin to a 'nuclear family' within a Whitehall 'village'. They depicted the kinship and culture of those involved, reinforced by confidence, trust, familiarity, and climate. The family rested on longevity, fraternity, propinquity, intuitive Treasury men, and crossways hierarchy: an 'intimate group of able men' (Heclo and Wildavsky 1974: 72). Thus, 'British government is an idiom: the usages, manners and deportment of British government are much more than a summed set of rules and powers' (Heclo and Wildavsky 1974: 1). The cultural frame was fundamental to explaining how the Treasury's internal policy process and its relations with the rest of Whitehall operated. The mores of *Yes, Minister* are but one step away, yet they resonate precisely because they involve half-truths of a very distinctive setting. The contrast with the Greek administration is stark. There is no comparable sense of 'community' across or even within ministries (the Ministry of Foreign Affairs excepted, perhaps). Instead, there is a lack of access across networks. Nor is there a set of distinctive manners or deportment vis-à-vis outsiders of a professional type. The common idioms are very limited. Unlike in France or Spain, there is no 'grand corps' tradition of senior civil servants, selected and trained as an elite technocratic stratum.⁶ Similarly, its *esprit de corps* is absent. Turnover at the top mitigates such an entrenched culture. Nor is there mutual confidence in the capabilities of peers elsewhere in the system. A particular kind of kinship and familiarity may be found, but it is one emanating from clientelistic processes and it is a matter of division between 'fiefdoms'.

Of closer relevance to the Greek case is another classic study—that of Crozier (1964a) on bureaucracy in France (see also Peters 2008; Dyson 1980a). The development of the modern Greek state is commonly recognized to have been influenced by the centralism, hierarchy, legalism, and 'impersonalism' of the Napoleonic tradition (Spanou 2008; Ongaro 2009). Spanou summarizes well the organizational legacy:

the organisation of the newly formed Greek state was conceived along the lines of the Napoleonic model. In terms of formal structures, this included (a) a system of administrative law, involving the strong distinctiveness between public and private sector; (b) a centralised administrative apparatus and a career civil service; and

⁶ We are grateful to Dimitris Sotiropoulos for making this point.

(c) a de-concentrated department administration under the authority of the Regional Governor as the representative of the centre. Further, the central role of the state in integrating society and the emphasis on law, formality and uniformity typical of the Napoleonic tradition, have equally been part and parcel of the approach to state organisation. [Yet] the formal structures introduced then experienced an uneven and fortuitous development, having to adjust to a different socio-political and cultural environment and they never really acquired the efficiency and prestige of the French prototype (2008: 152).

This is not the simplistic reification of bureaucracy criticized by Herzfeld, but a recognition of how different state traditions impact on society (Herzfeld 1992). Like most of southern Europe, Greece developed a version of the Napoleonic tradition, but it was shaped by its own social setting and its organizational form has changed somewhat, especially in recent years (Ongaro 2009: 11–13; Leontitsis 2010).

However, the similarities with the bureaucratic tradition in France also involve a more particular link to our present study: what we call the ‘paradox’ at the top of the Greek government (see Chapter 2). Crozier wrote of ‘The paradox: the weakness of the omnipotent power at the top of the bureaucratic pyramid’ (1964: 214). Thus,

People on the top theoretically have a great deal of power and often much more power than they would have in other, more authoritarian societies. But these powers are not very useful, since people on top can act only in an impersonal way and can in no way interfere with the subordinate strata. They cannot, therefore, provide real leadership on a daily basis (1964a: 225).

This was a robustness of the institutional setting, before ‘new institutionalism’. Crozier (1964a: 213) outlined a vicious circle of four elements of a particular type of ‘bureaucratic’ organization (the French system, as he saw it): the impersonality of the rules; the centralization of decisions; the isolation of different strata; and the development of parallel power relationships (for example, involving technocratic inputs into the system from outside). These were linked in a command structure: ‘if authority is conceived of as diffuse and absolute, if it cannot be shared or compromised, and if dependence relationships, at the same time, are not easily accepted, then impersonal rules and centralization offer the only way out of the inevitable contradictions’ (1964a: 225). Those at the top are made weak by the pattern of resistance of the different isolated strata and they can use their power only in exceptional circumstances (1964a: 225). Meaningful change is very difficult and is likely to involve a crisis.

Crozier did not concern himself with political leadership at the top—neither the President nor the Prime Minister. But there are parallels with the formal strength and operational weakness at the centre of Greek government.

There also are the rigidities of the Napoleonic tradition that isolate the lower strata within the hierarchy: accountability is formal and legalistic, with controls often applied *ex ante*—limiting the scope for managerial decision (Peters 2008: 129). The Napoleonic legacy also creates a different context for the evaluation of officials within public administration, with its stress on rule-based behaviour limiting discretion and initiative (Ongaro and Valotti 2008). In the Greek case, command from on high must in addition take account of the opacity of organizational responsibilities (from overlapping competencies) and the relative autonomy of ministries in certain fields.

Some of these management traits find parallels in wider society: in particular, in private sector firms. Indeed, leadership strategies in any one socio-cultural setting may be expected to have strong underlying similarities due to the normative underpinnings and role expectations (Biggart and Hamilton 1987: 430). As Psychogios (2011) has usefully summarized, studies of private sector management in Greece (in relation to the foreign import of ‘total quality management’) have faced significant domestic cultural barriers. Thus, the centralized control structure; the autocratic or authoritarian practice of senior managers and CEOs (Psychogios and Szamosi 2007); the predominantly administrative role of middle managers; and, the trust gap within organizations due to the lack of transparent communication echo the themes identified here within the governmental domain (Bourantas et al. 1990; Psychogios and Szamosi 2007). A number of studies give further credence to these points: organizational culture is marked by high levels of formalization and limited decentralization (Joiner 2001); companies are centrally controlled and dominated by strong, powerful individuals (Papadakis 2006; Lipovatz 1998); and middle managers identify themselves as ‘supervisors, with formal lines of authority and a less autonomous role . . . acting as guardians of well-kept territories’ (Vouzas 1997: 168). Not all traits are replicated, nor to the same degree, but there are clear parallels that suggest some cross-over of cultural instincts about how organizations should operate. That this exists is perhaps not surprising: both public and private sectors are enveloped in the same social setting.

The relationship between leadership and culture is a complex matter and one that has prompted much debate (House et al. 2004). The modern Greek state of the last century or more has also been suffused with a further feature: the politics of ‘patron–client’ relations. Formally, ‘Clientelism consists of the contingent and targeted distribution of selective goods [by those in public office] to supporters in exchange for their loyalty’ (Grzymala-Busse 2008: 638–9). It comprises a reciprocal relationship (between leader and led) that, although it builds a political base, nevertheless constrains and compromises leadership power, erases a stable administrative order, and undermines the bureaucracy as a vehicle for reform. Legg noted the connection many years