Greece: developed, developing or country in permanent transition?

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http://dx.doi.org/10.12681/scad.9506

To cite this article:
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Ελλάδα: Αναπτυγµένη, αναπτυσσόµενη ή κοινωνία σε διαρκή µετάβαση;
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ABSTRACT
The combination of globalization, which imposes a merciless competition between countries and outdated social structures creates particularly adverse conditions for social development in countries where these circumstances do not improve the countries’ competitiveness. Clifford Geertz introduced the concept of societies in permanent transition, where both tradition and modernity are receding at an increasing or alarming rate, leaving only the relics of the tradition and simulacra of the modernity. This article examines Greece through the concept of society in permanent transition.1

KEY WORDS: developing society, permanent transition, religion, nepotism, consume

ΠΕΡΙΛΗΨΗ
Η παγκόσμιοποίηση από τη μια πλευρά που απαιτεί και επιβάλλει έναν ανελέητο ανταγωνισµό µεταξύ χωρών και οι αναχρονιστικές δοµές από την άλλη, δηµιουργούν μια ιδιαίτερα δυσµενή συγκυρία για την κοινωνική ανάπτυξη σε πολλές τα οι τυπικά την και τις δυνάµεις της κοινωνίας δεν βελτιώνουν την ανταγωνιστικότητά τους. Ο Clifford Geertz εισήγαγε τον όρο κοινωνίας σε διαρκή µετάβαση για την κοινωνική ανάπτυξη, όπου τους πρωταγωνιστές της και το περισσότερο το μόνο τον μόνο έλεγχο από την πρώτη και τα είδωλα από την δεύτερη! Αυτό το άρθρο εξετάζει κατά σε χρονολογία την Ελλάδα, τον όρο κοινωνίας σε διαρκή µετάβαση.

ΛΕΞΕΙΣ-ΚΛΕΙΔΙΑ: αναπτυσσόµενη κοινωνία, διαρκής µετάβαση, θρησκεία, νεποτισµός, κατανάλωση
1. Introduction

The anthropologist Clifford Geertz in his research work, *Agricultural Involution: the process of ecological change in Indonesia* (1963a), basically underlined this later course at a time when it was least expected. Clifford Geertz examines two basic ways of farming, Swidden and Sawah. Swidden is recommended for expanding arable land (intensity of space) by wooding and burning forests, whereas Sawah is recommended for taking advantage of the irrigated land and other activities (intensity of work). This is the description of the processing in Java, where the external economic requirements of the Dutch governors, as well as the internal pressure caused by population growth led to intensification, but no changes on the producing process. As a result, employment has increased in the rice fields, and production has grown from area to area, although the production per capita has not increased. The modulation has been local, quantitative, and not qualitative.

In these societies, both tradition and modernity recede at an increasing rate, leaving only the relics of the first and simulacra of the second (Geertz, 1963a, p. 152).

Geertz’s thesis concentrates on the fact that these societies find themselves in permanent transition. They neither hold on to the positive aspects of tradition nor reap the benefits from the achievements of modern progress. They experience double losses, and turn every advantage into a disadvantage. The inability to develop positive aspects of the past, or of the present, in a way that would benefit these societies, can be observed in many countries today. In these societies, (development) goals are set but these goals demonstrate a large distance between the supposed and the real ones. Their vagueness leads these societies to a meaningless constant transition.

The agricultural class of Indonesia, which does not show any social modification preoccupied other researchers after Geertz as well, something that did not happen for many countries in the rest of the world. Defending Geertz’s opinion, Daniel Bell observes that the term *societies in permanent transition* the way Geertz perceives it, could become part of the standard terminology of the social sciences (Bell 1973, p. 51). Another researcher and commentator of Geertz’s work underlines the following: involution describes culture patterns that in reaching a definitive form, do not evolve into new patterns, but continue to develop only in the direction of internal complexities, leading to “progressive complication, a variety within uniformity, virtuosity within monotony” (Yew-Foong 2009, p. 19). The basic aspect of this situation is the contradiction, which could lead to a sort of societal schizophrenia.

The use of the term “societies in permanent transition” to describe old member countries of western organizations (such as NATO and EU) is somehow a big insult. Thomas Carothers states accordingly: “The set of “transitional countries” swelled dramatically, and nearly 100 countries (approximately 20 in Latin America, 25 in Eastern Europe and the former Soviet Union, 30 in sub-Saharan Africa, 10 in Asia, and 5 in the Middle East) were thrown into the conceptual pot of the transition paradigm.” (Carothers 2002, p. 6-7). Southern Europe is not mentioned at all.

Even Clifford Geertz does not classify European countries into this group. He mentions Greece and Turkey for example as two old states that are in conflict just about the matter of Cyprus (1963b, p.6). The term “transitional country” has preoccupied social sciences as a change of polity, from dictatorship to parliamentary democracy (O’ Donnell and Schmitter, 1986). In a general and loose manner, a distinction between western and transitional societies is being made (Mesic 2004, Wydra 2000). Thomas Carothers referring to the Third wave of Samuel Huntington...
and other research which claim (Collier 1999) that after the collapse of the real socialism a global class of democratization appears, notes that the academic discussion passes through the phase of transitology (Carothers, 2002 p. 6). My disagreement with this discussion is not that former socialist countries do not belong to the transitional countries, but that other countries, like Greece, are in this state of permanent transition.

Countries which are not in permanent transition are those that do not restrict themselves on following, or even better observing, the achievements of others. On the contrary, they impose on other countries the role of following, or even better, observing them. The significant difference between targeted progress and meaningless wandering lies on the search or lack of search of new creations (National Innovation Systems). This is how Viotti (2002) interprets the growth difference between North Korea and Brazil for example.

During the Cold War, countries on the periphery of the Industrialized Countries were described as Developing Countries. The collapse of the socio-political systems of the real socialist countries in 1989-90 coincided with beginning of absolute globalization and the redefinition of social science terminology.

The correctness of the term developing countries is being strongly criticize, from the human, as well as the economic sciences. In addition, the term developing countries, which was originally used by international organizations, is being examined as misleading by economic sciences, because the quality of life is decreasing instead of improving, which leads to suggesting the term less developed countries (Krugman and Obstfeld 2004, p. 340), which was already used by Lipset (1993, p. 147). Countries with a weak currency, meaning the ones indebted to foreign currencies (f. ex. $), are set in another category according to the ones above (Altvater 2011, p. 9).

Especially for south-European countries like Greece, Portugal and Spain, there was an accurate introduction of the term semi-periphery (Featherstone and Kazamias, 2001, p. 2). Several countries in the world bearing the characteristics of the periphery or semi-periphery. In these or in comparable countries products that were imported from Germany, the USA and Japan were evaluated more favourably than locally-made products (Saffu, and Scott 2009, p. 195).

Through this point of view it would make sense to evaluate a country’s position in the world ranking, because civilization requires a material-technical structure, an environment in which lifestyle and productivity do not deviate significantly, but, on the contrary, tend to converge. Marketing nowadays succeeds in drifting society into a hedonistic lifestyle (O’Shaughnessy and O’Shaughnessy 2002), but does it even show any interest in preserving over the long term the consumers’ ability to...consume? Currently contradiction seeks to develop this article. At first we will refer to the remains of tradition, then the images of the modern. At the end of the paper are made suggestions for how this could be overcome the Greek society these two contradictory trends since led to the crisis experienced today.

2. Methodology

Every country in the world ranked by researchers, as saw, categorized according to their level of development. But no country is identical to another because they are classified in the same category. Thus the researcher must identify those peculiarities which distinguish it from the likes of.

A key aspect of Geertz’ thesis, always about the Greek social processing which derives from the attachment to tradition on the one side and the modernity on the other side.
3. The relics of tradition

During the liberation struggle from the Turkish yokes (1821-1830), the Greeks focused more attempting to re-establish the Byzantine Empire, than a new Greek state. Hence they wanted to acquire a King as they saw in this institution a continuity of the Byzantium spirit even though it was long gone (Maleses 1996, p. 181).

Theodor Kolokotronis, a vital fighter for the Greek revolutionary war, had declared his support for the institution of a monarchy even before it was established in Greece (Kolokotronis 1977, p. 229). Only in the late phase of the Bavarian regency was the institution of a monarchy seriously questioned (Maleses 1996, p. 181).

The persistence of institutions and behaviours that had existed for almost 400 years previously were passed down the generations and everything from the Orthodox Byzantium spirit and the discipline of the people partially survived even to this day.

This indicated the attachment of the Greeks to their traditions whereby Byzantium was a religious state with Orthodoxy its religion and the collective Greek psyche aspired for its return. As highlighted in the work of Max Weber’s ‘The Protestant Ethic and the Spirit of Capitalism’, religious devotion plays an important role in the economic development of a society.

But what is now the relationship of religion and the economy in Orthodox countries? We realize that Orthodoxy did not happen to be the religion of any developed country. Because as some would claim, Greece was indeed under ottoman rule and could not develop, but what about all Orthodox countries which never met ottoman rule, like Russia, Ukraine, Belarus, etc.? Savramis (1969, 1971) comments on the matter: Orthodoxy addicts its followers to intuition, hesychasm and passive asceticism. It is not involved in social activities, which mainly happens in the West. He also ascribes the retreatment of the Russians who tolerated authoritarian communism because they were addicted to this mentality due to the Orthodox Church. This is similar for the Greek society as well, even if it concerns a different political system. This article does not suggest to change religion, but to separate church and state. While today, for example in Germany, in Italy, in Turkey each new government was sworn in by President, and in the United States by the Supreme Court Chief Justice, the Archbishop of Athens blesses the Greek Government, as 1000 years ago in the era of Byzantium. Adherence to the relics of tradition advocated by Geertz finds perfect fit.

After many national and political hardships during the nineteenth and twentieth centuries one may question whether the Kingdom in Greece, whose king was exiled through the referendum of 1975, is finally abolished.

Nonetheless, today mutatis mutandis, the situation has not changed significantly. Greek contemporary political power is a mixture of heritage (nepotism) and a specific type of parliamentary power. Max Weber (1985, p. 124), called the traditional power which rest on an established belief in the sanctity of immemorial traditions and the legitimacy of those exercising authority under them. Specialization and competence are the main features of rational authority (Weber 1985, p. 125). But these are not necessarily the main features of traditional power!

Affects nepotism the efficiency of the administration? Bloom, Genakos and Van Reenen (2009, 2010), prove that Greek businesses find themselves in the last position in terms of administrative success, and that nepotism is not even consulted for the administration of private business. Those that are family owned and also family managed (Family, Family CEO), have a large tail of badly managed firms, while the family owned but externally managed (Family, external CEO), look very similar to dispersed shareholders (Bloom and Van Reenen 2010, p. 217-218).
Multinationals Are Well Managed in All Countries


Similar results show up in another study about the intellectual capital of Greek firms, which states that "localized firms" are the distinct small technocratic, blue-collar intellectual performers while the "globalized" ones are the large plutocratic, white-collar intellectual performers (Mavridis, 2005, p. 127).

4. The simulacra of the modernity

The second part of Geertz’ work refers to the idols of modernity. It is basically the point where Geertz realizes the future combination of the terms consumption and globalization, because the idols of the modern world are mainly introduced to the societies of the weak, like every other process. Essentially, it is the same term, that later Baudrillard named Simulacra and simulation. Specifically, Baudrillard argues that imperialism in present-day attempts using the method of simulation to transform the real world into the simulacra, coincide consumers with the simulacrum (Baudrillard 1994, p.1). The verve for consumption was described by Loren Baritz (1989) literally and metaphorically as follows: “Whoever dies with the most toys wins”. Consumer lifestyles together with mass consumption are said to control the lives of ordinary citizens. (O’Shaughnessy, O’Shaughnessy 2002, Baritz 1989). From another point of view this behaviour was established as bourgeoisie. Habermas described this behaviour as follows: Their socialization seems to have been achieved in subcultures freed from immediate economic
compulsion, in which the traditions of bourgeois morality and their petit-bourgeois derivatives have lost their function. (Technology and Science as Ideology, 1970 p. 85) The behaviour of the petite bourgeoisie is considered irrational because its economic situation is distinguished from the cultural, resulting in a contradiction.

Bourdieu examines this matter functionally and underlines that the main weakness of the bourgeoisie focuses on combining culture with knowledge. Lacking experiences which form the identity of the higher class, the bourgeoisie basically take in mindless estethetical decisions for the expert knowledge of what counts as “legal” and “illegal” (Douglas 1994).

Bourgeoisie shows that behaviour of a human who is not satisfied with himself and struggles to prove to others that he is superior to what he seems. In order to gain this precious social status he tries to improve his image in the eyes of others. In modern times this goal is achieved through the idols of social life or dolce vita. The trend of seeming different from what you really are constitutes a kind of a crisis. Modern Greeks do not keep the tradition of the Delphic expression know thyself which dates back to Socrates which means they are not self-aware. The positive and useful side of tradition is then receding.

Below we will observe the case of whiskey consumption in Greece, to understand if, and at which grade the second part of Geertz’ thesis is verified.

Since the times of black and white Greek cinema whenever the Greek characters were going to amuse themselves the Greek way, at what is called bouzoukia, they would order scotch or American whiskey almost every time. Greek actors and directors were obviously copying American movie stars instead of their European colleagues, as the first ones drank this alcoholic drink in many films, and especially in Westerns, they smoked cigars (John Wayne, Lee Marvin, Clint Eastwood etc.). According to The Gentleman’s Journal, the gentleman who drinks whisky is self assured and making it in the world (The Gentleman’s Journal 2014). Since famous people are always idols for the infamous ones, whiskey passed from the screen into the society itself. Art serves economy. Bampilis in his doctorate counted 80 Greek movies in which the main characters drink whiskey (2013, pp. 36-38). In Greece Ouzo Kazantzidis (Famous Greek singer) was released, but never had a big success among Greek consumers.

Since the mid-70s, before he ruled, Andreas Papandreou was also seen in many of his public appearances drinking whiskey. The position of this drink was then established, since not only famous stars of the arts, but also a star of politics showed his preference in public.

### Panel 1: Volume and Value of exports of Scotch whisky by country for the Years ending

<table>
<thead>
<tr>
<th>Year</th>
<th>Country</th>
<th>Volume</th>
<th>Value</th>
</tr>
</thead>
<tbody>
<tr>
<td>2006</td>
<td>Greece</td>
<td>6.607.315</td>
<td>76.842.901</td>
</tr>
<tr>
<td></td>
<td>Italy</td>
<td>7.098330</td>
<td>51.007.067</td>
</tr>
<tr>
<td></td>
<td>France</td>
<td>47.676.679</td>
<td>275.451.365</td>
</tr>
<tr>
<td></td>
<td>Germany</td>
<td>8.308.484</td>
<td>59.386.938</td>
</tr>
<tr>
<td></td>
<td>Singapore</td>
<td>5.914.772</td>
<td>85.772.105</td>
</tr>
<tr>
<td></td>
<td>South Korea</td>
<td>10.292.494</td>
<td>136.249.215</td>
</tr>
<tr>
<td></td>
<td>Spain</td>
<td>24.016.947</td>
<td>195.425.125</td>
</tr>
<tr>
<td></td>
<td>USA</td>
<td>35.611.522</td>
<td>399.786.760</td>
</tr>
<tr>
<td>2007</td>
<td>Greece</td>
<td>8.677.245</td>
<td>103.581.131</td>
</tr>
<tr>
<td></td>
<td>Italy</td>
<td>5.072.135</td>
<td>42.703.029</td>
</tr>
<tr>
<td></td>
<td>France</td>
<td>48.511.777</td>
<td>294.965.639</td>
</tr>
<tr>
<td></td>
<td>Germany</td>
<td>10.859.337</td>
<td>97.126.499</td>
</tr>
<tr>
<td></td>
<td>Singapore</td>
<td>13.092.843</td>
<td>158.151.361</td>
</tr>
<tr>
<td></td>
<td>South Korea</td>
<td>11.222.342</td>
<td>139.347.950</td>
</tr>
<tr>
<td></td>
<td>Spain</td>
<td>33.128.568</td>
<td>308.439.948</td>
</tr>
<tr>
<td></td>
<td>USA</td>
<td>33.795.574</td>
<td>419.173.312</td>
</tr>
<tr>
<td>2011</td>
<td>Greece</td>
<td>4.664.501</td>
<td>70.485.066</td>
</tr>
<tr>
<td></td>
<td>Italy</td>
<td>4.438.579</td>
<td>44.106.072</td>
</tr>
<tr>
<td></td>
<td>France</td>
<td>57.473.661</td>
<td>535.424.982</td>
</tr>
<tr>
<td></td>
<td>Germany</td>
<td>13.973.824</td>
<td>149.559.681</td>
</tr>
<tr>
<td></td>
<td>Singapore</td>
<td>17.664.674</td>
<td>317.870.880</td>
</tr>
<tr>
<td></td>
<td>South Korea</td>
<td>13.765.856</td>
<td>165.507.244</td>
</tr>
<tr>
<td></td>
<td>Spain</td>
<td>20.947.576</td>
<td>259.214.348</td>
</tr>
<tr>
<td></td>
<td>USA</td>
<td>36.398.458</td>
<td>654.899.296</td>
</tr>
<tr>
<td>2012</td>
<td>Greece</td>
<td>3.680.337</td>
<td>70.485.066</td>
</tr>
<tr>
<td></td>
<td>Italy</td>
<td>4.492.373</td>
<td>44.106.072</td>
</tr>
<tr>
<td></td>
<td>France</td>
<td>43.100.266</td>
<td>535.424.982</td>
</tr>
<tr>
<td></td>
<td>Germany</td>
<td>14.725.205</td>
<td>149.559.681</td>
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<td></td>
<td>Singapore</td>
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<td>317.870.880</td>
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<td>14.895.635</td>
<td>165.507.244</td>
</tr>
<tr>
<td></td>
<td>Spain</td>
<td>16.808.386</td>
<td>259.214.348</td>
</tr>
<tr>
<td></td>
<td>USA</td>
<td>35.696.620</td>
<td>654.899.296</td>
</tr>
</tbody>
</table>

From the countries listed above and all countries of the world, only Singapore (population 5.3 million) spent more per capita than Greece to import scotch in 2007. Each Greek paid 9.8 British pounds for scotch import, whereas a Singaporean paid 29.8 BP, which is almost three times as much.

In 2007 Greece found itself in absolute numbers at the 10th position worldwide regarding scotch consumption, and at the 7th position regarding consumption value. This means that Greeks prefer the most expensive varieties of the drink in comparison to other countries! Worth mentioning is the fact that Greeks spent in absolute prices more money on scotch than Italians or Germans. A characteristic example of this controversial identity of modern Greeks is a poster in the possession of the writer which advertises a celebration with traditional Pontic and Cretan music and shows in the top angles above the two traditional musical instruments and the artists’ pictures and below: Bottle (whiskey) 80 Euro!

Clifford Geertz’ thesis finds here absolute application, according to which in countries in permanent transition, in this case in Greece. Both tradition and modernity seemed to be receding at an increasing rate, leaving only the relics of the first and simulacra of the second!

Greeks paid inside the country multiple amounts of money for whiskey than imports show, amounts which are impossible to calculate however.

Regarding other countries, Italians behave nationally as consumers, whereas French are more vulnerable towards xenomania. The rest of the countries show an increase of consumption in 2007 except for the USA. US American consumers decrease the amount but increase the value of consumption from 2006 to 2007, which means they become more selective but show a very stable behaviour towards whiskey consumption. Greek society on the other hand, which reduced scotch consumption from 2007 to 2012 at 52%, shows that this society behaves in a bourgeois way, since the crisis which followed proves that the choice of whiskey was wrong, like Bourdieu would say, in other words they surrendered instead of developing their self-consciousness (O’Shaughnessy, O’Shaughnessy, 2002; Kass and Kass, 2000).

Another great example of consuming verve and deification of the modern idols are mobile phones. In 2009, there were 14.000,000 active mobile phones counted, which is 125% of the Greek population, while the EU average was 122%. (Athens University of Economics, 2011).

Greek consumers are proud about consuming foreign products. According to Maslow’s pyramid of needs, we Greeks briefly satisfied our need for social acceptance through consumption and relinquished our chance to satisfy our self-realization. So we indirectly admit that the products of Greek work are not worthy enough, which is why we should consume the foreign ones.

In compliance with the chronical and social proportions already at the times of the national liberating battles (1828), the Austrian ambassador in Constantinople Anton Prokesch von Osten wrote the optimistic but also prophetic words: If Greece does not liberate it will curse the day they waved the flag of revolution - and how could it liberate without a miracle since the treaty of the three countries which command its dependence and the perplexity of the two that feel blocked from the third one, would make them sell their love for Greece to the High Gate at the lowest price possible? Let us assume that this miracle happens, what next? Where is the Greek to rule the Greeks, who would have the power and strength, and where is the foreigner who would comprehend to choose the organizational elements that are so rich in the country, and make Greeks become what they should be, Greeks! Not monkeys that imitate their compatriots (Prokesch von Osten 1837, 663).
The economic route ahead is unclear. It lies in the relationship of Greece’s GDP and its exports which are a key factor for success in global markets.

**Export to Gross Domestic Product in Greece 1951-2009**

![Graph showing export to GDP ratio from 1951 to 2009]

**Source:** Greek Statistics

Greek exports in 1951, exactly after World War II and the civil war, consisted of 5.2% of the GDP, and after showing growth to 22.4% in 1992, fell to 5.7% of the GDP in 2009, which is very close to the level of 1951, because of globalization in general but also specifically because of the continental (EU) and the country entering the Eurozone in 2001, and also because of the unstoppable consumerism like we saw in the example of whiskey and mobile phones. The conclusion from the macroeconomic sizes of the graphic is that Greek economy has globalize since 2000 and more passively later, meaning that the society has become more extrovert (e.g. whiskey consumption) and the economy more introvert. The current crisis of Greece is going through lies largely on the distance of these controversial trends which reside in the society. Like we mentioned at the beginning of the article about Indonesia, in the latest sixty years there is a quantitative but no qualitative development.

In his research work *The Relationship Wage-Profit-Growth and the Case of Greek Economy*, Theodore Mariolis proves that Greek economy is unique in Euro-zone, which shows negative net savings (Net Investment + current account balance), along the entire 2000s, with the exception 2001, where the net saving is “little” positive, i.e. equal to 293 mil. EUR (or 1.8% of net investment). This indisputable evidence confirms once again how Greek citizens while spending a lot of money for the idols of modernity (see panel 1), do not save money that could be invested in productive activities.

5. Concluding Remarks

With this case study of Greece in relation to the term “societies in permanent transition”, introduced by Clifford Geertz, we examined only two of these phenomena, which are nevertheless important and absolutely indicative. It is obvious that these phenomena do not only prove Clifford Geertz’ opinion to be right, but also expand his thesis and form a challenge for other researchers to continue enriching and applying this thesis to many other similar national formations.
SOCIAL COHESION AND DEVELOPMENT

Regarding Greece, a deep reconsideration of the society’s organization seems necessary, because the present organizational system proves to be absolutely insufficient to solve the problems that itself produces and reproduces on a daily basis. The perpetuation of nepotism and non-critical imitation of foreign standards satisfy needs only briefly and probably only of a few, and thus gather multiple problems which later generations cannot bring under control.

The existent scale of social values needs to change and the place of traditions’ remains, actually of the passive tradition, has to take a refreshing tradition, and the place of modernism idols, meaning imitative modernism, respectively creative ones.

Notes
1. I would like to thank, the anonymous reviewers for his helpful comments.

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