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Covid-19 has brought back the necessity of the welfare state: The Greek case¹

Stylianos Ioannis Tzagkarakis², Ilias Pappas³ & Dimitrios Kritas⁴

Abstract

In Europe, despite systemic, functional and structural differences, the welfare state has been a key component of the state after World War II. In recent decades, the former has been accused for inflating government spending and turning people into passive recipients of benefits and services. For this reason, and for several more, such as globalization, the transforming nature of employment and the changing family patterns, the welfare state has undergone the necessary reforms in order to combine the effectiveness and efficiency of its services and benefits. The outbreak of 2009 economic crisis has created tremendous problems to the welfare state, especially in the hardest hit countries, such as Greece. Although these structural problems and inefficiencies existed, the Greek state in general and the National Health System (NHS) in particular have handled the coronavirus successfully, making the country an example for the others but also stressing the necessity to consolidate the welfare state and specifically the NHS. This paper aims to analyze the way the Greek state handled the coronavirus crisis while underlie the importance of the welfare state especially in times of crisis and the challenges that coronavirus has created.

Introduction

During the recent economic crisis, the austerity doctrine applied in several Eurozone countries, treated the welfare state as the “critical patient”, reducing many of the necessary provided services (Karger, 2014; Kotroyannos et al, 2013; Papadopoulos & Roumpakis, 2012). Health systems have suffered huge blows as long as financial pressures have led to staff reductions, reduced Intensive Care Unit (ICU) beds and the inability to modernize in countries such as Greece (Mpouzika, Mpouzika & Papathanassoglou, 2018). At the same time, wage cuts have made many patients unable to meet their health needs⁵. After the end of the severe economic crisis, the welfare state in general and the individual services it offers, especially in countries that have been hardest hit by fiscal adjustment,

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⁵ For further details see Eurostat data at: <http://appsso.eurostat.ec.europa.eu/nui/submitViewTableAction.do> (Accessed: April, 15, 2020).

have come out with multiple wounds (Sbarouni et al., 2020). However, despite those discrepancies, it should never be ignored that health is a human right and the tendency to fight diseases is timeless (Efthymiou, Vozikis & Sidiropoulos, 2019). These facts indicate that the welfare state intervention is necessary, especially in times of crisis.

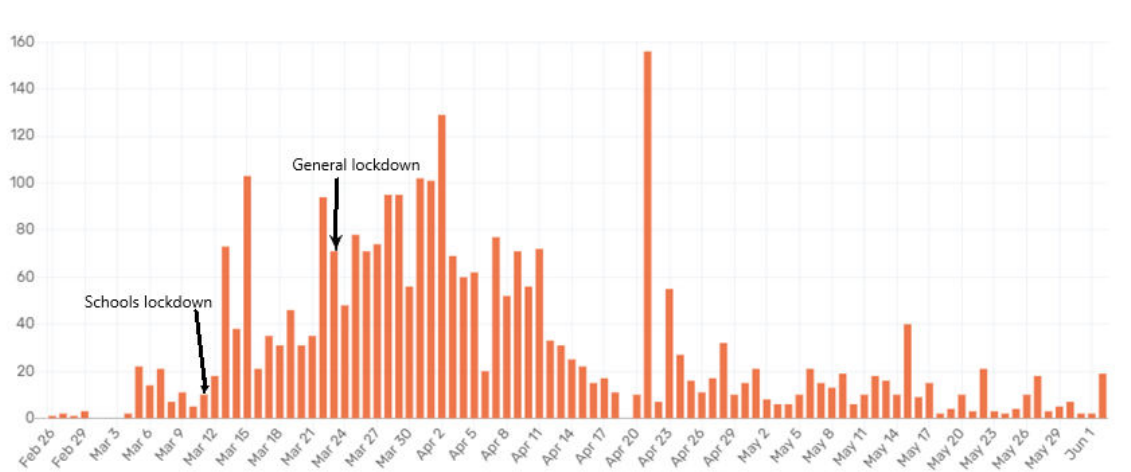
As several welfare states in Europe tried to heal their wounds from the recent economic crisis, the health crisis of covid-19 came to add another critical challenge. European national health systems have been called upon to manage a situation, similar to that they have not faced since the World War II. In this pandemic, however, one thing is certain; the welfare state and the national health systems, despite the chronic problems and weaknesses they may face, are at the forefront, ready to protect all citizens.

The case of the Greek NHS during the coronavirus crisis

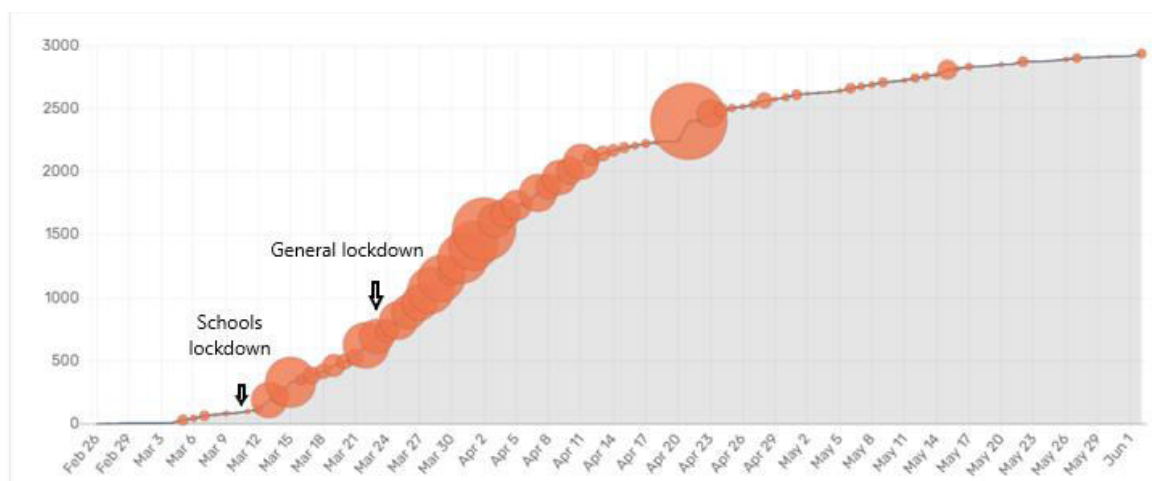
At this point, the case of the Greek National Health System should be highlighted again. Although the data show that it is the most understaffed and one of the most problematic systems in the EU as long as Greece has the lowest per capita rate of GPs (Economou, 2015; Eurostat, 2018; Lionis et al, 2019) and among the lowest per capita ratio of registered nurses (Economou, 2015), so far, it has responded effectively to the challenge of covid-19. Thus, until June 1st 2020 there were 179 deaths from the coronavirus while most European countries have counted large numbers of deaths every day, mainly during March and April 2020. For instance, the deaths in Italy have increased to 33,530 as of June 1st 2020⁶.

But which was the main reason for handling the crisis effectively in Greece? The answer may have two parts. The first is related to the fact that the Greek government took the lockdown measures in time, thus avoiding the uncontrolled spread of the virus and consequently, the excessive pressure on the national health system, which has a very low percentage of ICU beds based on population, compared to the majority of the advanced systems of the EU countries. The Greek government have closed schools immediately after the first coronavirus cases (March 11th) and before the first death. It should be mentioned that on March 11th the World Health Organization declared officially that Covid-19 is a pandemic and Greece acted immediately by closing not only schools but also suspending social events and public gatherings (Georgiou, 2020). The Greek government acted after only 5 cases of unknown origin by closing schools while on March 23rd 2020 imposed a country-wide lockdown due to an increase in the confirmed cases (see: Figures 1 and 2).

⁶ Data from: <https://coronavirus.jhu.edu/map.html> (accessed: June 1, 2020).

Figure 1: New cases per day in Greece

Source: Greek government, <https://covid19.gov.gr/covid19-live-analytics/> (Accessed: June 1, 2020)

Figure 2: New cases per day/total cases

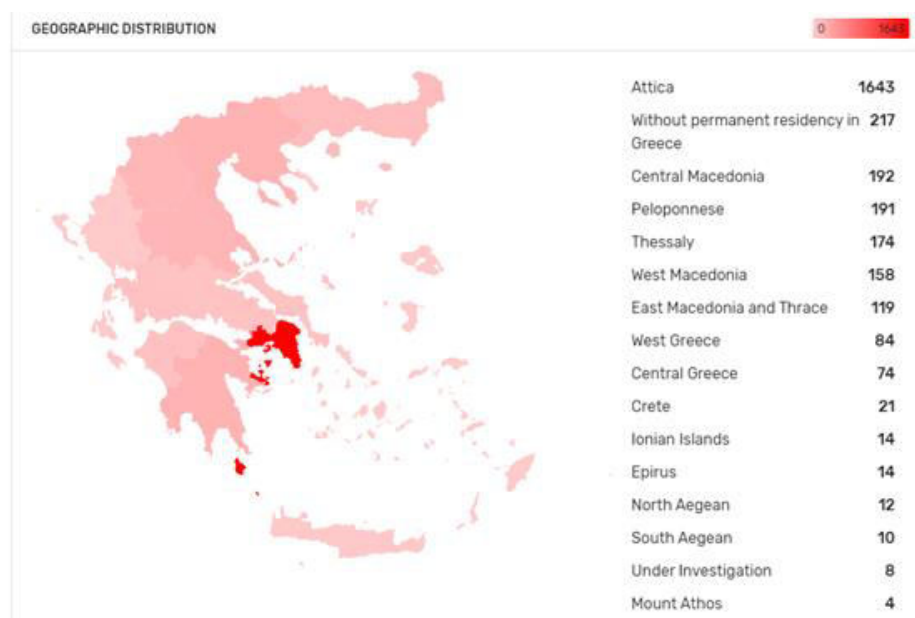
Source: Greek government, <https://covid19.gov.gr/covid19-live-analytics/> (Accessed: June 1, 2020)

This immediate handling of this extreme situation has given time to the government to increase the ICU beds and thus, to better confront the situation of increasing cases that need ICU treatment. Given the fact that the Greek NHS had only 600 beds in general, the significant increase to 1200⁷ during the first month of the pandemic did not lead to the overcome of the total capacity. This also another measure that proved the necessity of the public health system, especially in times of severe crisis.

⁷ For further details see: greekcitytimes.com/2020/05/04/greece-plans-to-add-more-icu-beds/?amp (Last accessed: 01/06/2020).

At the same time, the immediate lockdown measures reduced the distribution of the virus especially in vulnerable places where there is lack of medical staff or equipment, such as several small islands (see the country distribution as of June 1st in Figure 3).

Figure 3: Geographic distribution of coronavirus in Greece as of June 1st 2020



Source: Greek government, <https://covid19.gov.gr/covid19-live-analytics/> (Accessed: June 1, 2020)

The second part of the answer to the main question posed above, is related, on the one hand, with the ability of the medical staff to confront and handle such a difficult-extreme situation and on the other hand, to the immediate mobilization for the creation of more ICU beds, as mentioned above. Obviously, there are still shortcomings, but the immediate lockdown management and the support of the national health system by both the government companies and civil society organizations who have donated equipment valued more than 89 million Euros⁸, have offered to the Greek NHS the necessary “breath”.

The remaining challenges

But the question that still remains is what should happen after the covid-19 crisis. It is clear that extraordinary measures to strengthen the national health system have significantly contributed to the effective management of the crisis so far. However, it is necessary to permanently strengthen the national health system with nursing and medical staff, with equipment of more ICUs and with the supply of medical materials that are necessary. The consignment that the covid-19 crisis leaves is the

⁸ For further details see: http://www.xinhuanet.com/english/2020-05/08/c_139039070.htm (Accessed: June 1, 2020).

need for National Health Systems and their importance in order to provide the necessary social protection that a modern state should include.

At the same time, another need arises. After the end of this health crisis, an economic crisis will occur. In this case, the welfare state is needed to support the vulnerable, to provide incentives and therefore to alleviate the new economic and social wounds that have already been opened, so that the EU countries can get out of the crisis faster. The new European recovery fund⁹ for the EU member states is a helpful tool that finally shows that there is still this notion of European solidarity. Greece will benefit from this an amount of 32 billion Euros¹⁰ but the challenge of how to use these funds still remains. Therefore, the current crisis highlights the need for the welfare state to be a helpful and supportive mechanism for overcoming huge problems and challenges for the protection of citizens' lives and well-being. This may have been forgotten during the 2009 economic crisis, but the health crisis and its implications come to remind us, with a harshest way, the limits of private initiative and the scope of public intervention regarding social issues.

It turns out that the state on both sides of the Atlantic is facing the risk of death, as long as the pandemic poses the self-evident presence of the state in the face of a threat to life. The question is which state is appropriate to address this risk on the one hand and to restore the rights and freedoms on the other? The restoration of a new welfare state that must protect life, as its preservation is a necessary condition for prosperity, and therefore for the protection of the economy. This is the challenge now also for Greece which successfully protected its citizens' lives and now faces the danger of a new economic crisis as long as the IMF predicts a -10% downturn for 2020 (IMF, 2020).

The challenge now for this state is to find a way to preserve rights and alleviate social inequality. Therefore, this state should rebuild society. In the face of the threat of death, it aims not only to protect life but also to create the conditions for the reconstruction of society based on the concept of health for all. To achieve this, the proper mix will have to be rediscovered where freedom will not be a reason to endanger the lives of others.

It should be noted that this necessity does not imply the restoration of statehood, an extended state that is characterized by multiple distortions, but a state that is different, flexible and a bearer of rights. Therefore, this new state must renew its consensus tools, its institutional framework and its production mechanisms in order to maximize all its advantages and guarantee its citizens an increase in their income and quality of life, with justice and stability. It is true that Greece is a laggard in

⁹ For further details see: <https://www.bbc.com/news/world-europe-52819126> (Accessed: June 1, 2020).

¹⁰ For further details see: <https://www.ekathimerini.com/253099/article/ekathimerini/business/greece-to-get-32-bln-euros-according-to-eu-commission-proposal> (Accessed: June 1, 2020).

quality of life and social justice among EU member states but now that paved the way for effective handling of the coronavirus and thus successfully protecting citizens' lives, there is the challenge to confront these structural inefficiencies and transform its welfare state in general.

Thus, issues such as the long-standing deficiencies of the Greek welfare state and especially of the NHS, such as the imbalance of public and private interests (Tountas et al., 2020), the problematic employment security, the extensive informal economy and the high levels of doctors' unemployment, should be severely confronted through an extensive but smart public investment. Should this opportunity is let behind, a handling of a second wave of coronavirus will be difficult both for the NHS and the Greek economy.

Certainly, whenever there is a great need, neoliberals run for rescue in the arms of the state, in what we described as a welfare state, because the individuals are weak as long as they are unable to make counterproductive investments. This trend also happened during the 2009 financial crisis (Stiglitz, 2010). Therefore, it becomes even more understandable how useful a powerful and flexible welfare state is; not wasteful of necessary funds but capable of protecting the whole society without negative discriminations. In this case, the state can rest on an unproductive investment, but this is the only one that will pay off in a period of severe need.

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