Government-opposition dynamics during the economic crisis in Greece*

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September 13, 2012

Abstract

The paper examines the turbulent period of 2010–2012 when Greece became the first EU member-state to accept the IMF/EU bailout package. Unarguably, accepting the bailout package did not have only economic but also electoral consequences as the established party system has been steadily disintegrating. We focus on the relationship between government and opposition parties and MPs in the legislature and we examine their voting behaviour during key economic bills during this period. We find that their behaviour can be explained less by consensus-building and more by strategic considerations. Moreover, even though the economic crisis seems to have decreased polarization on the traditional left-right dimension, a new conflict dimension over the bailout package seems to have emerged. Taken together, these events can explain both the lack of consensus observed in other Southern European countries as well as the changes in the party system.

*Paper prepared for the 2012 SISP Congress, Rome, 13–15 September. First draft of work in progress. Please do not cite. Comments are welcome to: Roula Nezi, Department of Public Administration, University of Twente, and Department of Political Science, University of Athens, e-mail: s.nezi@utwente.nl and Kostas Gemenis, Department of Public Administration, University of Twente, e-mail: k.gemenis@utwente.nl

1 Introduction

When George Papandreou, leader of the Panhellenic Socialist Movement (PASOK) was elected as a prime minister in October 2009, few would expect what would follow. Even though the consequences of the global financial crisis were looming large for Greece already since the June 2009 election to the European Parliament, Papandreou's promise of a 3 billion euro stimulus package for the economy implied that the country could continue into the crisis going with business as usual (Gemenis 2010, 360). These prospects were quickly abandoned, however, when the PASOK government quickly realized that the country's debt was out of control and negotiated a bailout package with what was dubbed as 'the troika', namely the representatives of the European Commission, the European Central Bank (ECB), and the International Monetary Fund (IMF). In this conjuncture, the opposition parties were faced with a dilemma. To either support the government's decision and attempt to build a wider consensus around implementing the reforms mandated by the lenders, or oppose the government hoping that they would be able to benefit electorally from the disaffection which would surely ensue and, potentially, win the next election and advance an alternative economic strategy. Unarguably, for the parties which vehemently opposed the (neo-)liberal economic policies of the troika or lamented the loss of national sovereignty associated with such international agreements, this was a false dilemma. For such parties, opposition to the government was the only legitimate option although the repertoires of political action differed from party to party. The real dilemma rested with the opposition parties which were not very far from the government with regard to issues of economic policy. Even though opposition parties made clear cut decisions in other Southern European countries also affected by the economic crisis, with opposition parties challenging governments and subsequently winning elections in Spain and Portugal, or supporting a wider coalition government of technocrats in Italy, their behaviour in Greece was erratic and characterized by discontinuity.

The aim of this paper is to examine this discontinuity. In order to do so, we focus on the parliamentary votes in three key bills: the first agreement with the troika dubbed the 'memorandum' (May 2010), the midterm fiscal plan (June 2011), and the second memorandum with the troika (February 2012) which are the most important pieces of economic legislation under the examine period but which also exhibit a high degree of discontinuity in voting instructions issued by the parties. We argue that party behaviour can be understood if one sees voting instructions as being mandated not by the parties long-standing ideological positions but by short-term strategic considerations which are updated on the basis of public opinion, international

events and the strategies of the other parties in the party system. We therefore structure the paper as follows. In the following section we give a brief overview of the context which the Greek party system has been operating since 1981. The remaining sections we outline the main strategy of each of the parliamentary parties regarding each of the three aforementioned bills. We conclude that these short-term party strategies did little to improve Greece's economic standing during the last two years, but have effectively challenged the existing party system in a way which will have important consequences for the future.

2 A 'cartel' party system

Since 1981, and up to the period examined in this paper, the Greek party system has been characterized by the dominance of two parties which have been alternating in power as well as a smaller pole consisting of parties of the left (Pappas 2003). Like many other parliamentary democracies in Western Europe, the two major parties, were initially created on the premise of competing at the opposing sides of a left-right dimension defined by issues around morality and income redistribution. PASOK was founded in 1974 and, in many respects, exemplified the programmatic trajectories of social-democratic parties in Europe, while New Democracy (ND) founded the same year followed a similar route to many conservative (and sometimes) Christian democratic parties. In addition to the Western European experience, however, PASOK did not only rely to its ideology to win elections during the 1980s. As the party did not have a long or consolidated relationship with the trade unions which traditionally formed the backbone of social democratic parties in Western Europe, PASOK increasingly relied on polarizing discourse, populism and patronage to establish itself electorally as well as target floating voters (Kalyvas 1997, Mavrogordatos 1997, Pappas 2010). Partially in response to PASOK's strategies and partially in response to demands within its own constituencies, the strategy of ND with regards to patronage has been largely similar (Close 2009, Pappas & Assimakopoulou 2012). Coupled with the fact that the post-Maastricht era after 1992 unarguably limited the governing parties' space for manoeuvring their economic (and to less extent their social) policies, these developments led to a blurring of ideological boundaries between the two parties.

In many respects, the two major Greek parties came to exemplify what Katz and Mair (1995) called 'cartel' parties. More accurately, the Greek party system could be characterized as a cartel party system (Koole 1996) in which its constituent parties PASOK and ND have been increasingly relying

on state funding, media regulation, and manipulation of the electoral system to secure access to office. For instance, parties in office do not only control the state media, but have also regulated the private market in such a way which makes it dependent to political patronage (Papatheodorou & Machin 2003). Moreover, Greece probably holds the record among consolidated democracies in terms of electoral law changes (Golder 2005) as PASOK and ND have been often tailoring the electoral system to suit their needs. For instance, when PASOK realized that changing the electoral system to prevent ND from forming a government, it collaborated with the left parties to change the system to proportional representation. ND was then forced to form an, essentially, caretaker coalition with the left and when it later secured a parliamentary majority, changed the system to the less proportional and introduced a 3% threshold for parliamentary representation in 1993. Most recently, PASOK introduced a 40 (out of 300) seat bonus to the first party, which was quickly changed to 50 when ND won the next election (Gemenis 2008, 95–96, 100).

These developments combined led to a situation where the mainstream ‘cartel’ political parties were characterized by strong discipline but weak ideological cohesion. Although these two features might sound contradictory, in practice they were complementary and actually fed into each other. The weak ideological cohesion was partially due to the effects of globalization and European integration as argued above, but also due to the strategy of the two parties to capture power by attracting candidates not on the basis of their ideological compactness but on their basis of the size of their political clientele (Pappas 2009). For instance, the strategy of ND to absorb many cadres of the extreme right after the 1977 election, contributed not only to the virtual extinction of the extreme right until the late 1990s, but also to the formation of a visible faction within ND which was often at odds with the centrist party leadership (Pappas & Dinas 2006). At the same time the changes in the electoral system effectively hampered the ability of dissenting MPs to form successful splinter parties. All attempts to form splinter parties since 1981 were either stillborn or, at best, would not make it over the 3% threshold for more than two consequent legislative periods.¹ It became

¹The most prominent examples are: Democratic Renewal, a 1985 ND splinter which got one seat in each of the June 1989 and April 1990 elections and disbanded after failing to pass the 3% threshold in the 1994 election to the European Parliament. Political Spring was a 1993 ND splinter that earned 10 seats in the 1993 election. It failed to pass the threshold in the following parliamentary election and later disbanded with its president rejoining ND. Democratic Social Movement was a 1996 PASOK splinter which earned 9 seats in the 1996 election but failed to pass the threshold in the following election. Although the leader claimed to have disbanded the party, many prominent cadres later

apparent that, if PASOK and ND MPs disagreed with their parties, the only successful exit solution was to cross the floor to the other major party of the cartel.² In turn, this contributed to increasing the ideological heterogeneity of the cartel parties. Despite the ideological heterogeneity, however, the lack of electoral prospects outside the major parties meant that ‘loyalty’ was often less costly than ‘voice’, let alone ‘exit’. As a result, as Sotiropoulos (2012) notes, the Greek parliament is characterized by ‘the tradition of strong discipline, resulting in the expulsion of dissidents by fiat of the party leadership [...] while bills of law are rarely if ever rejected by the parliament’. Based on the above we can formulate the following hypothesis regarding the parliamentary voting instructions given by parties in Greece:

Hypothesis: Support for government bills will more likely come from parties positioned towards the centre, rather the extremes, of a general left-right dimension of political competition.

As argued, voting behaviour in parliamentary voting is bounded by the parties’ general ideological positions. Parties (on the left) which oppose the (neo-)liberal direction of the economic measures are less likely to support the bill brought by the government. In addition, parties (on the right) which oppose the loss of sovereignty with regards to policy-making which is associated with international agreements will also be less likely to support the bill. In essence, the hypothesis revisits the ‘inverted U’ hypothesis between party positions on the left-right dimension and party positions on the European integration dimension (Hooghe, Marks & Wilson 2002). In addition, we make the following propositions with regards to the strategic considerations of parties:

joined the Coalition of the Radical Left under the party label. The Popular Orthodox Rally (LAOS) began as a ND splinter in 2000 and managed to elect 10 MPs in 2007 and 15 in 2009 although it fell short of the 3% threshold during the May and June 2012 elections. Most of its cadres have since defected to ND.

²Two prominent examples: Stelios Papathemelis a veteran PASOK MP and minister founded Democratic Revival in 2004 only to suspend it a few months later and run under a ND ticket. After he was elected he resigned the ND whip and became an independent. When he contested the 2007 election with his own party, however, he got only 0.8% of the vote. Stefanos Manos a veteran ND MP and minister founded ‘The Liberals’ in 1999 only to suspend it a few months later and run under a ND ticket. After he was elected he resigned the ND and became an independent. ‘The Liberals’ were disbanded in 2001 citing funding problems and the Manos run the 2004 election under a PASOK ticket. Once again, he became an independent when elected after resigning the PASOK whip. He later found another liberal party *Drassi* in 2009 which nevertheless got only 1.8% of the vote in May 2012 (in an electoral alliance with another liberal party).

Proposition 1: Parties will consider their decision to support or oppose government bills in light of their more general party goals.

Parties which are primarily vote-seeking will be more likely to oppose government bills if public opinion on the matter appears to be overwhelmingly against the bills. Conversely, office-seeking parties will be less likely to consider public opinion as something which needs to be factored in their decisions if support for the bills would be associated with the possibility of attaining cabinet portfolios. Policy-seeking parties, however, will be less likely to factor in public opinion or cabinet portfolios but more likely to factor in the possibility of being able to influence the policies associated with the bill.

Proposition 2: Parties will consider their decision to support or oppose government bills in light of the degree of ideological cohesion and party discipline.

Internally divided parties in the opposition are less likely to make controversial decisions in supporting a bill proposed by the government which could lead to fissures in the party organization or the parliamentary caucus. This can be particularly important among parties in which party discipline is less strong or among parties which value internal democracy.

3 The vote on the memorandum of understanding, May 2010

Approximately one month after the 2009 election, officials in the PASOK government realized that the budget deficit would be nine points higher than originally expected. This meant that PASOK had to abandon its ambitious plans for a stimulus package, but also that it had to come up with a short-term solution since the country's bonds were quickly downgraded to 'junk' status. Papandreou, having quickly dismissed the option of an outright default, rallied for the creation of a support mechanism within the EU which would offer a bailout package in order to secure the necessary liquidity on the promise of swift reforms (Gemenis 2010, 360–361). Even if the Greek government was, at the time, making promises which could not swiftly deliver, the European assessment of the problem was miscalculated and its response rather slow (Tsarouhas 2012, 92–93). The IMF and EU partners were mistaken to think that Greece's debt could be managed solely by implementing reforms and without a radical restructuring. As a consequence, the memoran-

dum of understanding with the ‘troika’ which was brought to the parliament was seen as a desperate act. For policy-seeking parties there was no chance of debating, let alone changing, the substance of the submitted bill. In this ‘take it or leave it’ situation, those who thought that Papandreou had done a bad job in the negotiations were more than likely to vote against the bill. Even those who did not consider liberal reforms as completely undesirable, were left to wonder how the policy proposals would work out in a *société bloquée*, a society which vehemently opposed reforms (Featherstone 2005). Nevertheless, the realists among the latter would acknowledge that, even if the measures were poorly formulated or unlikely to be implemented, voting in favour of the bill would be necessary to ensure short-term financial liquidity and the presence of the country in the Eurozone.

Voting for the memorandum therefore exhibited a peculiar set of accords. Out of the 159 PASOK MP’s present, 156 voted according to the party line, and three abstained. ND opposed the memorandum, with the exception of Dora Bakoyiannis who voted in favour and was subsequently expelled from the party. The Communist Party of Greece (KKE) and the Coalition of Radical Left (SYRIZA) voted against, while the radical right Popular Orthodox Rally (LAOS) aligned with the government in voting in favour. The three PASOK MPs who abstained were quickly expelled from the parliamentary caucus and the party for not following the party whip. All three, were known to have been to the left wing of the party, seeing quite critically the ideological trajectory of the party after Costas Simitis had taken over the party leadership in 1996.

If the behaviour of these three MPs was ideologically motivated, one cannot conclude entirely the same for the voting instructions issued by ND. Ideologically, ND was far from the social democratic traditions of opposition to (neo-)liberal reforms. Nevertheless, the new leader Antonis Samaras, who emerged in after the 2009 defeat was known for his nationalist stances in foreign policy issues. Samaras a ND MP since 1977, resigned the party whip in 1993 when he disagreed with prime minister Konstantinos Mitsotakis over the issue of the naming the neighbouring republic as ‘Macedonia’ (Featherstone 1994). His resignation, along with a few fellow MPs, not only brought the ND government down but also contributed to the 1993 election defeat as he founded a splinter party called Political Spring (POLAN). The latter was unsuccessful in the long run and Samaras was eventually slowly re-integrated into ND through a series of political appointments. As the memorandum was not associated with feelings of national pride, and Samaras had the reputation of someone who feels strongly about ‘national’ issues, it would make sense to oppose the bill. This explanation, however, disregards the fact that, although many ND MPs exhibited similar attitudes with

regard to issues of national identity (Nezi, Sotiropoulos & Toka 2010), such views were not shared among those with a liberal background, including Bakoyannis who was Samaras' opponent in his November 2009 bid for party leadership. Samaras' must have felt that if Bakoyannis would have voted against the party line, it would be unlikely that she could have been able to draw other liberal-minded MPs with her. Perhaps sensing that Bakoyannis open disagreement with the party line had more to do with an ongoing personal feud rather than a deep rift in the party, he found it preferable to use the party whip as an opportunity consolidate his leadership within the party and sacrifice a dissenting MP in the process.

To this, we should add an important strategic consideration. In October 2009, ND suffered its worse defeat in parliamentary elections since 1974, while for the first couple of months in 2010 the opinion polls were still giving a considerable lead for PASOK (Gemenis 2012, 109). Perhaps considering that, in times of economic downturns, retrospective evaluations about the economy are expected to hurt the incumbent parties more than the challengers (Nezi 2012), Samaras might have considered that staying firmly in the opposition might have been a sensible thing to do. Nevertheless, since ND is an office-seeking party within the aforementioned cartel, Samaras must have realized that his party would eventually come to deal with similar policy dilemmas as an incumbent. In thinking so, Samaras carefully orchestrated his opposition to the bill in terms of arguing that the memorandum was unnecessarily humiliating and presented a plan (dubbed 'Zappeio') where he outlined what his party considered as an alternative way out of the debt crisis.

Table 1: Voting patterns on the memorandum, May 2010.

	Yes	No	Abstain	Not present
PASOK	156	0	3	1
ND	1	89	0	1
SYRIZA	0	12	0	1
KKE	0	20	0	1
LAOS	15	0	0	0
Total	172	121	3	4

One would expect that the voting instructions of LAOS would have mimicked the ones given in ND. If anything, LAOS was considerably more Eurosceptic compared to ND (Verney 2011) and had a tendency to ad-

vance conspiracy theories regarding ‘foreign interests’ and ‘enemies of Greece’ (Gemenis & Dinas 2010, 190). Opposing the bill would easily fit into the party’s ideological trajectory so the explanation of the affirmative vote should examine the party’s goals. Even though LAOS can be primarily characterized as a vote-seeking party as maintaining electoral results above the 3% is necessary for its survival, the party often exhibited office-seeking tendencies. Its leader Georgios Karatzaferis had twice previously offered his support to ND, once for forming a coalition in the event that the 2007 election would not produce a majority for ND (Gemenis 2008, 97), and once for joining the government in the summer of 2009 when the opinion polls were indicating that support for ND was evaporating. Both proposals were rebuffed by the former ND leader Karamanlis who followed a centripetal ideological trajectory, so Karatzaferis argued that his party acted responsibly hoping to use his actions as a bridge between PASOK and ND. Finally, as expected, both KKE and SYRIZA voted against the memorandum since they were staunch opponents of both the idea of a bailout plan as well as the reforms proposed therein.

4 The 2010 regional elections, November 2010

The vote on the memorandum was followed by an important development within *Synaspismos* (SYN), the largest constituent party of the SYRIZA coalition. In the party’s June 2010 congress, most of the prominent members of the pro-European integration *Ananeotiki* faction walked out of the congress and announced their intention to form a new political party. The dissenters opposed SYN’s proposal to transform the SYRIZA coalition into a party as they felt that they would be further marginalized within SYRIZA, a coalition consisting primarily of parties and activists who oppose European integration as evidenced in the struggle over the list for the 2009 EP election (Gemenis 2010, 355). The issue of European integration was particularly important for *Ananeotiki* cadres who felt that SYN was compromising the party’s long-standing Europeanism. The new splinter party, named Democratic Left, was founded on June 27 and it included four MPs who defected from the SYRIZA parliamentary caucus.

This was an important development in many respects. On the one hand, it gave the impression that, despite the fact that the PASOK government was becoming increasingly unpopular in the opinion polls due to the austerity measures which were being implemented, the opposition parties were unable to form an effective opposition to these measures. Beside LAOS which had voted in favour of the memorandum, ND had not yet recovered from the

2009 defeat and the left seemed in disarray. On the other hand, however, the presence of a moderate Europeanist party in the ideological space between PASOK and SYRIZA could open the door for defections among dissenting PASOK MPs and, perhaps also, disgruntled PASOK voters.

The next test for the government were the regional elections which were scheduled for November. The contest featured elections for mayors as well the newly instituted direct election of the 13 regional governors, an office with high visibility but minimal impact on policy-making (Gemenis 2012, 107–108). Although local and regional elections are traditionally seen as second-order elections in Greece as much everywhere else, the government feared that the opposition could effectively transform them into an ‘anti-government’ and ‘anti-memorandum’ struggle. Since the Greek constitution prohibits parties from participating in local and regional elections, the latter take place by creating seemingly independent lists which are nevertheless openly endorsed by parties (Gemenis 2012, 107–108). PASOK therefore feared the creation of the so-called ‘rebel’ lists which would compete against its own officially endorsed ones. Indeed, one of the dissenting MPs expelled in May, Alexis Dimaras, announced that he would contest the most populous Attica region which includes Athens metropolitan area, while another such list threatened to split the PASOK vote in the Ionian Islands region. Moreover, ND had to face some rebels of its own in Crete where a governor candidate was tacitly supported by Bakoyannis and in the Peloponnese where a former ND MP was supported jointly by PASOK and LAOS.

The latter followed a strategy of fielding experienced candidates of its own in some regions, supporting ND candidates in others and a ND rebel played on the image of a responsible party which avoided the extreme anti-memorandum overtones and tried to communicate with both PASOK and ND in order to find a commonly accepted solution for the sake of the national interest. LAOS, however, found difficult to support in the campaign its decision to vote in favour of the memorandum and suffered considerable losses (Gemenis 2012, 112). The left opposition of KKE and SYRIZA fared considerably well, save a SYRIZA rebel list in Attica headed by its former leader who had long expressed his dissatisfaction with the present leader Alexis Tsipras (Gemenis 2010, 356).

The results therefore presented a mixed picture. Although PASOK and LAOS, which supported the memorandum suffered considerable losses, the anti-memorandum camp did not exactly triumph either. Dimaras, who openly campaigned on a ‘anti-memorandum’ manifesto failed to make it to the second round, the moderate former ND rebels fared well, and so did the candidates of the moderate SYRIZA splinter Democratic Left. In the end PASOK managed to control the majority 6 out of 13 regions, while it man-

aged to control the Athens and Thessaloniki municipal councils after being controlled by ND for 24 years. This gave the impression that PASOK left the election relatively unscathed considering the austerity measures that had been implemented.

5 The vote on the midterm fiscal plan, June 2011

At the immediate aftermath of the 2010 elections Bakoyannis announced that she would found a new party. The party which was founded on November 21 and named Democratic Alliance served not only as a vehicle for Bakoyannis' personal ambitions, but also as the latest attempt to create a liberal party headed by an established politician. Within the next two months, four more MPs and one MEP crossed the floor and joined Democratic Alliance reducing therefore the ND parliamentary caucus to 86 members. Within a year, the memorandum vote has not only challenged the popularity of the government and the unity of PASOK, but created visible fissures among the parties that opposed it. With the exception of KKE, both ND and SYRIZA experienced the creation of moderate splinters which challenged the strategies which parties followed up to that moment.

As it seemed that the government might be able to proceed with another round of austerity measures a wave of peaceful protests swept the country. Even though strikes and protests had become a regular occurrence in Athens since the announcement of the first austerity measures months before Greece entered the support mechanism the size of the mobilizations beginning in May 2011 was unprecedented (Sotiropoulos 2012, 32–33). Prompted by rumours (which later proved to be entirely unsubstantiated) that the *indignados* of Madrid have been ridiculing the Greeks for not protesting and being passive to the austerity measures, the Greek *indignados* or *aganaktismenoi* made their entry in Syntagma square in Athens and the sit-ins quickly spread to other major cities across Greece. The protests lasted for more than two months and were largely peaceful until they were overshadowed by a series of spontaneous unorchestrated verbal and physical attacks against individual MPs going about their business around the country.³

³In a study conducted by V. Georgiadou, A. Kafe, Z. Lefkofridi, R. Nezi and C. Pieridis by means of interviews in a sample of 79 *indignados* in Syntagma, it was revealed that 27.3% endorsed the attacks against MPs and a further 34.1% declared that they would not personally engage in such attacks although they do not disagree with the practice (*To Vima*, July 22, 2012).

Table 2: Voting patterns on the midterm fiscal plan, June 2011.

	Yes	No	Abstain	Not present
PASOK	154	1	0	0
ND	0	83	0	2
SYRIZA	0	9	0	0
KKE	0	21	0	0
LAOS	0	15	0	0
Dem. Left	0	4	0	0
Dem. Alliance	0	0	5	0
Ind. ex-PASOK	0	3	0	2
Ind. ex-ND	1	0	0	0
Total	155	136	5	4

When the government brought the midterm fiscal plan on a vote in the parliament on June, it had become clear that support for the government had virtually evaporated. A cabinet reshuffle on 17 June could not contribute in changing the climate. Those who saw their quality of life deteriorating from the repeated cuts in salaries and pensions, the tax hikes, the spiralling unemployment (especially among young people) and the increase in crime, had been transformed into angry crowd which threatened to storm the parliament building. Georgios Lianis a PASOK MP resigned the party whip after making known that he did not agree with the proposed plan. Considering another MP who resigned the whip a few months earlier the PASOK parliamentary caucus was reduced to 155 members. Samaras' continuing his tactics instructed his 85 MPs to vote against the bill. They all complied apart from Elsa Papadimitriou who hours before the vote announced her intention to leave the ND caucus and vote in favour citing the need to avoid the country's quick default. Sensing that public opinion had turned violently against those who supported the memorandum, Bakoyannis and her four Democratic Alliance MPs decided to abstain, whereas Karatzaferis made a U-turn and joined the parties of the left which all voted against. With an additional PASOK MP voting against the party line, the midterm fiscal plan was voted on a narrow 155 in favour/136 against majority.

6 The vote on the Papademos coalition government, November 2011

After the vote on the midterm fiscal plan it was apparent that the bills brought by the government were akin to hot potatoes which none of the parties in the opposition were willing to support. PASOK suffered tremendously in the opinion polls and so did the parties which had supported or tolerated the bills in one way or another. The lack of pro-government consensus, however, worried the European leaders. In particular, the fellow conservative leaders in the European People's Party expected from Samaras to show leadership and support the austerity measures that came with the loans to Greece, for they have been painfully rallying about them back in the parliaments of their respective countries.

Playing on the responsible leader image, Karatzaferis tried to broker an agreement between Papandreou and Samaras, to form an extraordinary coalition government of 'national unity' which would address the country's most pressing problems. His effort, however, was merely an unsuccessful bid for office which was not taken seriously, at least compared to the neighbouring Italy where a consensus around the formation of a technocratic cabinet. When another package of austerity measures was brought to the parliament on October 20, the voting patterns were similar to those of the midterm fiscal plan a few months earlier, save the fact that another PASOK MP and former minister, Louka Katseli, who voted against the party line and subsequently expelled from the parliamentary caucus.

Papandreou then came up with a highly controversial proposal: to bring Greece's bailout plan to a popular referendum. Apparently, the idea was to rally for as much of the opposition's support possible by thinking that few would like to be responsible of the country's default in the event of a rejection of the bailout. Foreign leaders in the eurozone, however, castigated Papandreou for his bold proposal by arguing that it would jeopardize all their efforts thus far. Moreover, politicians and law experts were not sure if Greece could put the ongoing bailout through a referendum or whether the referendum should be really about Greece exiting the eurozone or even the EU. Most importantly the proposal for a referendum triggered fissures within PASOK with another MP declaring her resignation from the parliamentary caucus reducing PASOK's representation to a hairsplitting majority of 152 MPs. Papandreou then abandoned the idea of the referendum and called for a parliamentary vote of confidence in his government. His government received 153 votes, including the one by Katseli who returned to the PASOK caucus.

Sensing that his government had reached its limit merely two years after it was brought to power, Papandreou announced to president Karolos Papoulias his intention to form a wide coalition government. President Papoulias coordinated the coalition talks by inviting the opposition parties. On the one hand, Samaras, who had since revised his ambitious proposals in ‘Zappeio II’ and considered the pressure from his fellow leaders in the EPP to abandon the politics of unqualified opposition, agreed to support a government under the leadership of Lucas Papademos, a former vice-president of the ECB. Apart from the cabinet portfolios received by ND, Samaras’ major payoff was the promise that the duration of the coalition government would not be more than six months and that elections would be held thereafter. Moreover, in order to minimize the electoral cost associated with incumbency during times of crisis (Nezi 2012), he asked from those ND MPs holding cabinet portfolios to resign their seats. This way ND would not be technically a member of the coalition government. This way Samaras hoped that his party would emerge as the winner in the subsequent election either by commanding an outright majority or as the senior partner in a coalition government. What escaped from Samaras, however, was that blame attribution in the theory of economic voting is not based on such technical details. For all intents and consequences, ND was part of the Papademos coalition government. Karatzaferis, on the other hand, placed fewer demands but insisted that the government should contain as many politicians possible and only a limited number of extra-parliamentary technocrats. In addition, Bakoyannis announced that Democratic Alliance would support the Papademos government without a formal or informal participation in the cabinet. The cabinet was particularly big compared to its predecessors, with ND contributing two ministers, one deputy-minister and three junior minister and LAOS with one minister, one deputy-minister and two junior ministers, a considerable office payoff considering the small size of the party. Conservely to the Monti cabinet in Italy, Papademos cabinet could only loosely be labelled as technocrat, however. The ratio of six (including Papademos) out of 48 members was just slightly higher than the four out of 36 in the first Papandreou cabinet, implying that portfolios were allocated primarily on the basis of party considerations.

On 15 November the Papademos government passed an investiture vote with 255 MPs in favour including the votes of PASOK, ND, LAOS and Democratic Alliance, and many dissenters from PASOK and ND who had resigned the whip or otherwise expelled from the parliamentary caucuses. Once again, two MPs of PASOK and Panos Kammenos from ND voted against the party line and were expelled by the party leaders.

Table 3: Voting patterns on the Papademos coalition government, November 2011.

	Yes	No	Abstain	Not present
PASOK	148	2	0	2
ND	83	1	0	1
SYRIZA	0	9	0	0
KKE	0	18	0	3
LAOS	16	0	0	0
Dem. Left	0	3	0	1
Dem. Alliance	4	0	0	0
Ind. ex-PASOK	2	5	0	0
Ind. ex-ND	2	0	0	0
Total	255	38	0	7

7 The vote on the second memorandum, February 2012

In the beginning of 2012 Papademos, having previously reached an agreement with the PASOK, ND and LAOS leaders, negotiated the terms of a major restructuring of the Greek debt which involved a face value writedown of 53% through the Private Sector Involvement (PSI). The troika, however, did not trust the commitment of the Greek government to stick to the conditionality which accompanied the memorandum and requested for a new agreement to be placed on a parliamentary vote. The second memorandum was associated with severe budget cuts and tax hikes and when the terms were leaked to the press, a snowball of resignations and exit from the Papademos government ensued.

Amidst a new wave of protests, two PASOK ministers resigned, followed by the resignation of all LAOS members of the cabinet. The latter orchestrated the quick exit after spending less than two months in office as it realized that the cost of incumbency was far greater than initially expected. This was particularly true when the opinion polls suggested that the neo-Nazi organization Golden Dawn could emerge as a serious competitor on the immigration and nationalism dimension, threatening therefore the electoral survival of LAOS. The vote for the second memorandum on February presented once more voting instructions which tested the limits of party discipline. Both PASOK and, this time, ND instructed their MPs to vote in

Table 4: Voting patterns on the second memorandum, February 2012.

	Yes	No	Abstain	Not present
PASOK	129	12	4	7
ND	63	20	0	1
SYRIZA	0	9	0	0
KKE	0	21	0	0
LAOS	2	0	0	14
Dem. Left	0	4	0	0
Dem. Alliance	3	1	0	0
Independent Greeks	0	2	0	0
Ind. ex-PASOK	0	6	0	0
Ind. ex-ND	2	0	0	0
Total	199	74	5	22

favour of the second memorandum. 22 PASOK MPs and 21 ND MPs voted against the memorandum or abstained. Papandreou and Samaras expelled all 43 of them within minutes from the conclusion of the procedure. Ironically, Samaras expelled his MPs for exactly the opposite reason for which he expelled Bakoyannis about two years before. Karatzaferis, instructed his MPs not to be present for the voting but two of his former ministers showed up and voted in favour of the memorandum. They were later resigned their seats in a gentlemen's agreement which enabled LAOS to replace them with the next in the party list and subsequently joined ND. Nine of the MPs expelled from ND joined Kammenos in a new party (Independent Greeks) with a Eurosceptic profile bordering on conspiracy theory. Katseli, who was expelled from PASOK for a second time in four months, led another new party (Social Agreement) which included an additional eight expelled PASOK MPs. From the remainder MPs expelled from PASOK, two joined SYRIZA, six joined the Democratic Left, while Dimaras later negotiated a place in the Independent Greeks ticket.

8 Conclusions

In contrast with other Southern European countries, as Italy and Portugal, Greek political elites failed to achieve consensus regarding the economic crisis. During the first years of the economic crisis the prime minister George Papandreou looked like he was on the stage alone abandoned in several cases

even by his own party. PASOK was the only party to support both the first bailout package and the mid-term plan while most of the parties opposed the austerity measures dictated by the eurozone and IMF. Whenever parties in the opposition supported any of the bills associated with the austerity measures only did so reluctantly, whereas their decision to do so was dictated by strategic considerations regarding their goals. For Bakoyannis and Democratic Alliance, such choices were dictated by the opposition to (what they considered to be) Samaras' populist trajectory. For Karatzaferis and LAOS, the consensual choice was dictated by the need to present the image of a responsible party which could take part in coalition talks as a credible partner.

Consensus politics emerged at the first talks for a 'national unity' coalition government. Nevertheless, these started only after the EU put pressure on the Greek political parties, and especially ND, so as Greece to enact an emergency funding package. The idea was that an oversized coalition government would be needed in the case of MPs walking out of their parties in their refusal to vote for unpopular austerity measures. The EU pressure aside, it was clear that the coalition government was dictated less by the need to work out a way out of the crisis and more as a tactical compromise regarding the primary party goals: PASOK, which was interested in remaining in office, agreed to enter the coalition negotiations only after it became clear (after the narrow vote of confidence) that the resignations of its MPs would bring the government down. ND accepted to enter the government reluctantly only after important concessions, such as the agreement to call for an election (thinking that ND would win it) in less than six months. Finally, for LAOS it was the perfect opportunity to emerge as a credible party and shed the image of the radical right outsider.

Nevertheless, the choices to support, or even become part of, the government were quickly abandoned when parties realized how costly it was in terms of votes. LAOS pulled out of the government within less than two months while Samaras argued that, technically, ND was never part of the government in the first place. The 2012 elections confirm this as PASOK and ND suffered considerable losses: ND lost an additional 1,100,000 votes since 2009 and the 2009 election was already their worst performance since the party was founded in 1974, while PASOK lost almost a double that amount and finished third, a first since 1974. LAOS and Democratic Alliance were also punished as they did not make it to the 3% threshold. Conversely, the opposition that opposed the government, the troika and the austerity measures in terms of an anti-capitalist, populist or conspiracy discourse were amply rewarded. SYRIZA was catapulted from 4.6 to 16.78%, the neo-Nazi Golden Dawn from 0.29 to 6.97% while Independent Greeks earned 10.61% far above

what would be expected from a newcomers splinter party.

In contrast to Italy and the Monti government, the brief consensus politics that emerged during the coalition were unable to stabilize the financial and political situation in Greece. Instead, they became the trigger which imploded the cartel party system. Taking into account all party splits since the 2009 election, the measure of effective number of parties at the legislative level was raised to 4.17 from 2.59, which is the highest since 1951 let alone 1981 when the two-party system was consolidated. The May 2009 election confirmed this implying that Greece might be experiencing a transition similar to the one experienced by Italy in 1992–94. Similarly to Italy, however, the electoral system provided the incentives for parties and voters to converge around two poles: ND and SYRIZA. In the June 2012 election both of these parties earned more than 10% each at the expense of smaller parties such as Independent Greeks, LAOS, KKE and the Ecologist Greens. Moreover, Bakoyannis announced the suspension of Democratic Alliance and her support for ND after Samaras offered her to head the party’s nationwide list (which implies a seat in the parliament). It seems therefore that whatever consensus politics emerged during the crisis could quite possibly lead, with the help of an electoral system which awards a 50-seat bonus to the first party, to a continuation of majoritarian politics under different party labels.

Table 5: Number of Effective Parties, 1981-2012.

Year	EffN _v	EffN _s	Seats
1981	2.69	2.09	300
1985	2.58	2.15	300
1989 June	2.73	2.40	300
1989 Nov.	2.56	2.32	300
1990	2.63	2.37	300
1993	2.63	2.17	300
1996	3.07	2.36	300
2000	2.64	2.21	300
2004	2.66	2.19	300
2007	3.02	2.62	300
2009	3.16	2.59	300
2012 (Papademos gov.)	-	4.17	300
2012 May	8.95	4.83	300
2012 June	5.20	3.76	300

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