

Greek 'Bras de Fer' During Pandemic: Tutorial for Future



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It is a common view that the current situation, which we are asked to deal with, evokes smaller or bigger arguments. There was dogmatism that collapsed, ideological obsessions that were demolished, and Keynes-based policies that take peculiar revenge. At least, this is what has been said by the Greek Deputy Minister of Finance in an interview (Star TV 2020). A *bras de fer* (arm-wrestling) between ideological obsession and the reality revealed by a virus's harmful outbreak. A *bras de fer* that has already led to one undisputed winner, public health and social protection.

It has recently been written that radical reforms need to be put on the table and policies lasting more than four decades need to be changed. In addition, governments should adopt a more active role in the economy while envisioning public services (especially healthcare and social work services) as an investment rather than as a barrier (Financial Times 2020). More recently, Dr Robert Redfield, Director of the U.S. Centers for Disease Control and Prevention (CDC), pointed out that, "One thing has been made clear to me is that we must over-invest in public health. We must make sure our state, local, tribal, territorial health departments have what they need to respond in the future."

Today, Greece's healthcare system performs relatively well regarding its public health (and only public health) response against the coronavirus pandemic, compared to countries with larger GPDs. For instance, according to the 2019 OECD 'Health at a Glance' review, USA spends 16.9% of its GDP on healthcare, Belgium – a country with the population comparable to Greece's – spends 10.8% while the Netherlands spends 9.9%. Greece, according to the same data, spends 7.8% on healthcare, less than the EU average of 8.8%, with its share indicating the room for improvement. On the other hand, Greece performs relatively well in the COVID-19 context, with 144 deaths, or 1.34 deaths/100k population similar to Bulgaria (73 deaths, 1.04 deaths/100k population), Albania (31 deaths, 1.08 deaths/100k population) or Slovakia (24 deaths, 0.44 deaths/100k population), according to the recent Johns Hopkins data (Johns Hopkins University & Medicine 2020). When considering the assumed mid-term or long-term challenges, however, there's still a need for continuous preparations and systematic investment in healthcare human capital.

Furthermore, many external experts warn the Greek administration (at its highest level) about the potential danger of the virus's rebound during the imminent autumn. Dr Nicholas Christakis, the Sterling Professor of Social and Natural Science, Internal Medicine and Biomedical Engineering at Yale University, has highlighted the danger of at least a 75% chance of the coronavirus coming back with a second wave, as it happened during 1918 and 1957 pandemics, and called for extra preparations (Strazewski 2020).

At the same time, one noticeable thing is the level of relative tolerance the EU institutions show regarding each member state's capacity to effectively respond to public health challenges similar to the current one. As a result, domestic officials in Greece must exercise caution on some indicators, such as the share of the national GDP spent on healthcare, which is currently below the EU average – as are the 5.4% employment rate in healthcare and social work as a share of total employment rate (10.1% EU average) and, respectively, the ratio of 3.3 nurses per 1,000 population, while the EU average rate is 8.6% (OECD 2019).

All these coupled with other structural inefficiencies compose the domestic healthcare environment that needs further improvement. To that extent, short-term staffing has been announced recently leading to obvious implications related to newly recruited healthcare staff's adjustment. However, as the coronavirus outbreak seems to be easing and the growth curve has been flattened, past pledges remain.

Additionally, concerted effort must be made to address psychosocial implications of a long-lasting curfew and the deprivation of people's freedom. According to one poll (Interview.com.gr 2020), 70% of the respondents say their mental health status is severely affected by the confinement measures, while in another survey (National Kapodistrian University of Athens 2020) 67% are worried about the national economy's future trajectory.

To that extent, multidimensional aspects must be considered in the context of 'build back better' (Morganstein et al. 2017) process within a dilapidated environment. A process that requires necessary expertise and proper human participation (eg from psychologists and social workers) to ensure productive outcome to the benefit of communities. First and foremost, a part of imminent challenges will certainly be related to employment, an area in which Greece has clearly been underperforming lately. According to 'Ergani,' the domestic employment data provider,

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during March 2020 – prior to the coronavirus outbreak peak – there were 85,276 fewer working positions, which means a negative balance of -41,903 working positions (Ministry of Labour and Social Affairs 2020). According to the International Labor Organization's adverse projections, there will be more than 24.7 million unemployed people around the globe in 2020 (ILO 2020). At the same time, domestic groundless projections initially had been of either slightly above 0% GDP growth (!) (Protothema.gr 2020), or of an up to -3% GDP drop (iEfimerida.gr 2020), or – a few days later – of an up to -4% GDP drop (CNN.gr 2020). Finally, according to the Stability Programme of the Hellenic Republic for the period 2020-2023, officially submitted to the European Commission by the Greek officials, the national economy is projected to drop by -4.7% (Ministry of Finance 2020).

On the other hand, external views indicate that Greek economy will suffer one of the hardest blows in the eurozone. The IMF has projected a - 10% GDP drop coupled with 22.3% unemployment rate (IMF 2020); UniCredit forecasts a -18,6% GDP drop (UniCredit 2020); Handelsblatt said that Greece will see a GDP drop of up to -15% (In.gr 2020); while Eurobank's scenarios show a recession from -6,7% up to -10,6% in combination with unemployment reaching up to 22,8% (Anastasatos et al. 2020).

Notably, Greek Prime Minister has <u>stated</u> that "a -10% [GDP recession] would be a consensus amongst most European countries," moving closer to external projections and at the same time playing down a part of the aforementioned assumptions. To that extent, few months earlier, a National Bank of Greece's release had vividly portrayed the post-election profile of the gradually declining economy, accentuating the primary budget deficit on a cash basis in the first two months of 2020 (prior to the virus era) of €383 million compared to a primary surplus of €832 million in the corresponding period last year – another wound to the so-called government credibility (National Bank of Greece 2020).

As a conclusion, Olga Tokarczuk (2020) has reminded us of the thing we have been denying so passionately: that we are delicate creatures composed of the most fragile material. "We believe we are staying home, reading books and watching television, but, in fact, we are readying ourselves for a battle over a new reality that we cannot even imagine, slowly coming to understand that nothing will ever be the same," she writes. In the midst of this transition process and considering the imminent challenges, we must get ready, starting today, by putting on the table a strategic plan and proving that from this day forward, we will go on learning and being liberated from, anyhow, broken ideological impasses.

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