



# **GREECE: A MONTH BEFORE THE TRIPPLE ELECTIONS**

**POLITICAL ASSESSMENT**

**16 APRIL 2014**

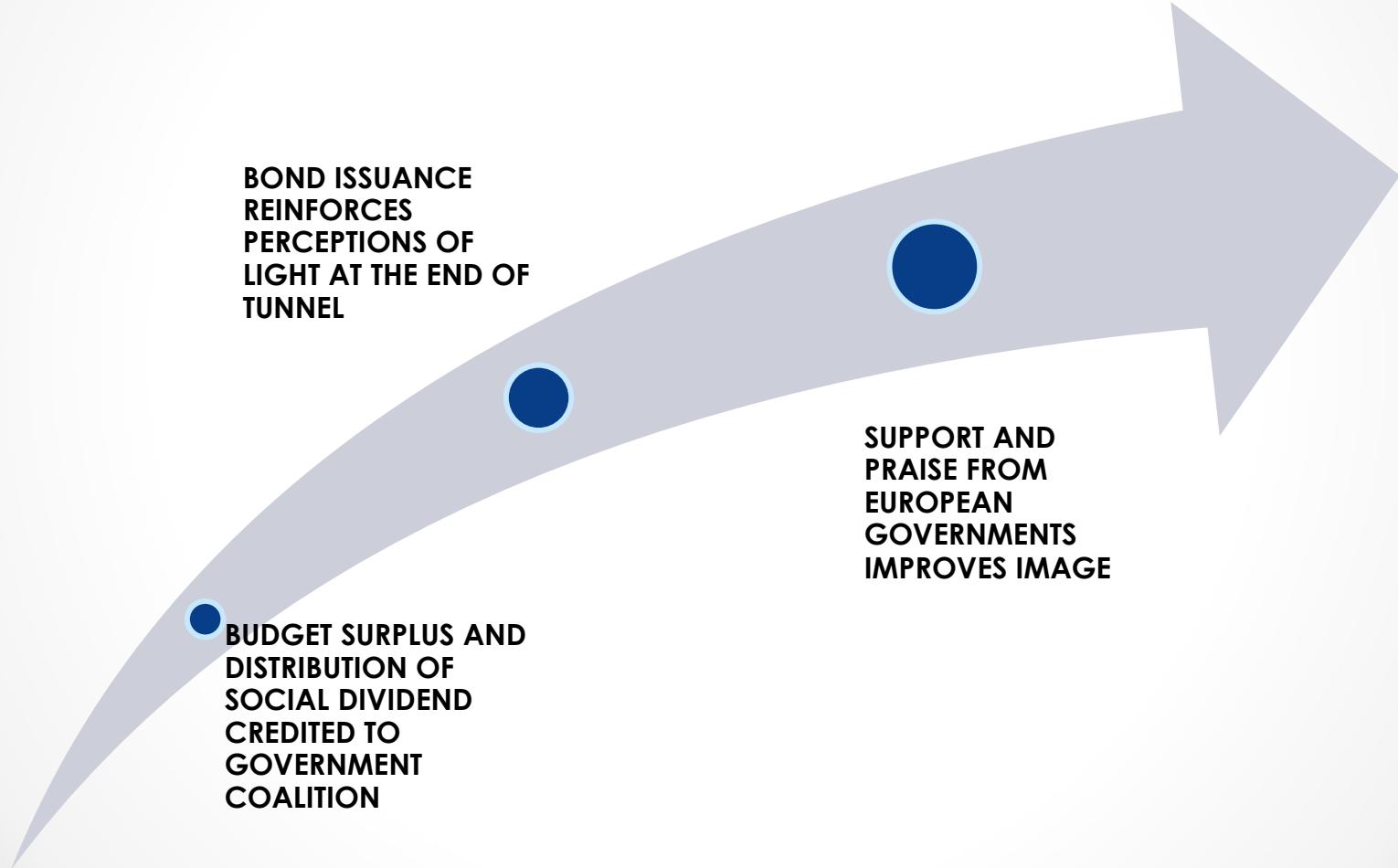
## ON THE WAY TO THE POLLS

- The latest traumatic approval of a new reform package by the Greek parliament leaves a bitter taste both for the coalition government and the opposition. Moreover, it generates more uncertainty about the stability of the current government arrangement and its alternative confirming that the established political system as a whole is immersed in a deep crisis.
- The government majority was questioned on the issue of banking reform while its image was tarnished by the week-long 'debate' on the proper duration of milk. Although the weak link of the coalition is the junior partner PASOK which is in a state of disintegration the New Democracy party is not immune to wrangling revolts and defections.
- The most damaging incident was the staged rejection of the banking restructuring article of the legislation by the ex-prime minister Mr. G. Papandreu. Although he had leaked to the press his disagreement with the specific arrangements and apparently he had expressed his reservations in a telephone conversation with the minister of Finance, he had never indicated his intentions to vote against the article. He had the opportunity to explain in parliament his opposition to the arrangement but instead he preferred to remain silent and landed a blow to the government at the last minute behaving like a suicide bomber on a mission.
- The opposition sank to new lows during this parliamentary debate. They have submitted a censure motion against the Minister of Finance branding him as the "chief executioner" of troika. They had overlooked a slight detail that they were bared by the constitution and parliament's own regulations of tabling a censure motion before a semester elapses from the previous one. Having being overruled on procedural grounds they re-tabled the motion of censure against the Speaker. However, that discussion and vote took place after the vote on the new reform legislation so they lost the opportunity to embarrass the government as their strategy was to delay voting well after the ECOFIN/EUROGROUP meeting in Athens which was scheduled for Tuesday the 1<sup>st</sup> of April.

# HEADWINDS FOR THE GOVERNMENT PERSIST



## BUT SOME TAIL WIND HAS JUST STARTED TO BLOW

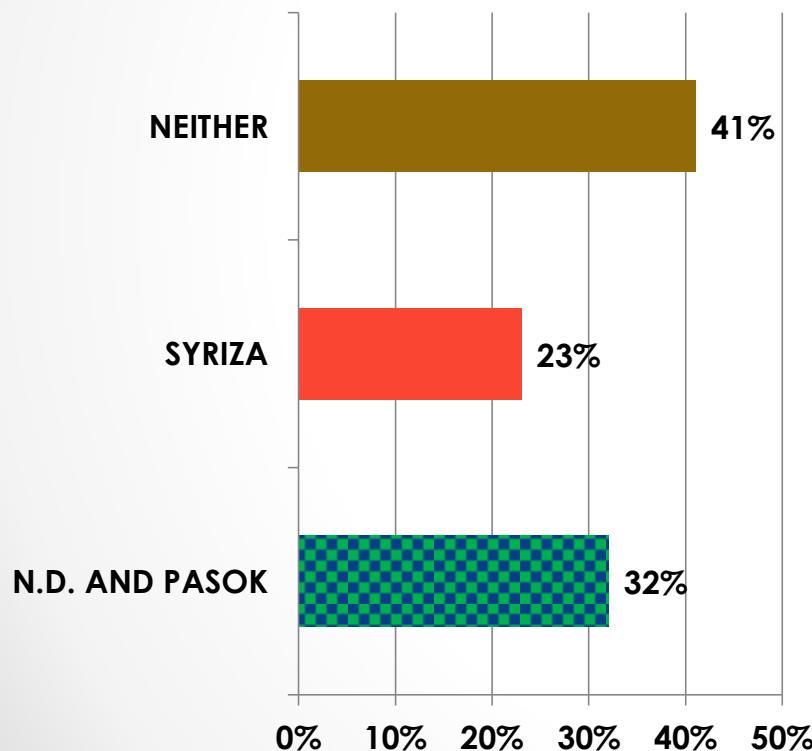


# SYRIZA IS LOSING ITS DYNAMISM

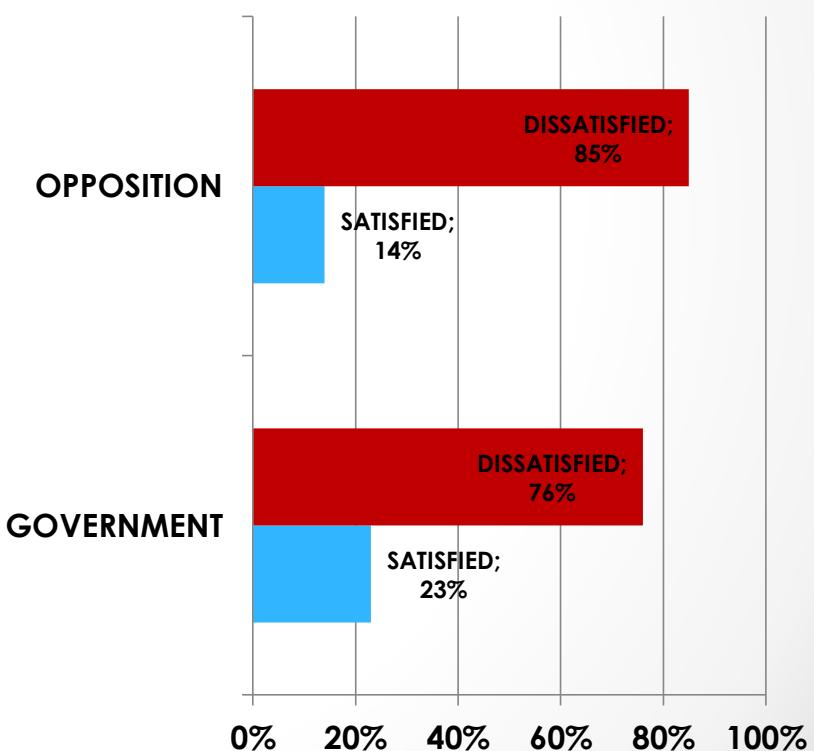


# THE TWO MAIN CONTENDERS HAVE THEIR FAILINGS

WHICH GOVERNMENT IS BETTER PLACED TO ADDRESS THE PROBLEMS OF THE COUNTRY?



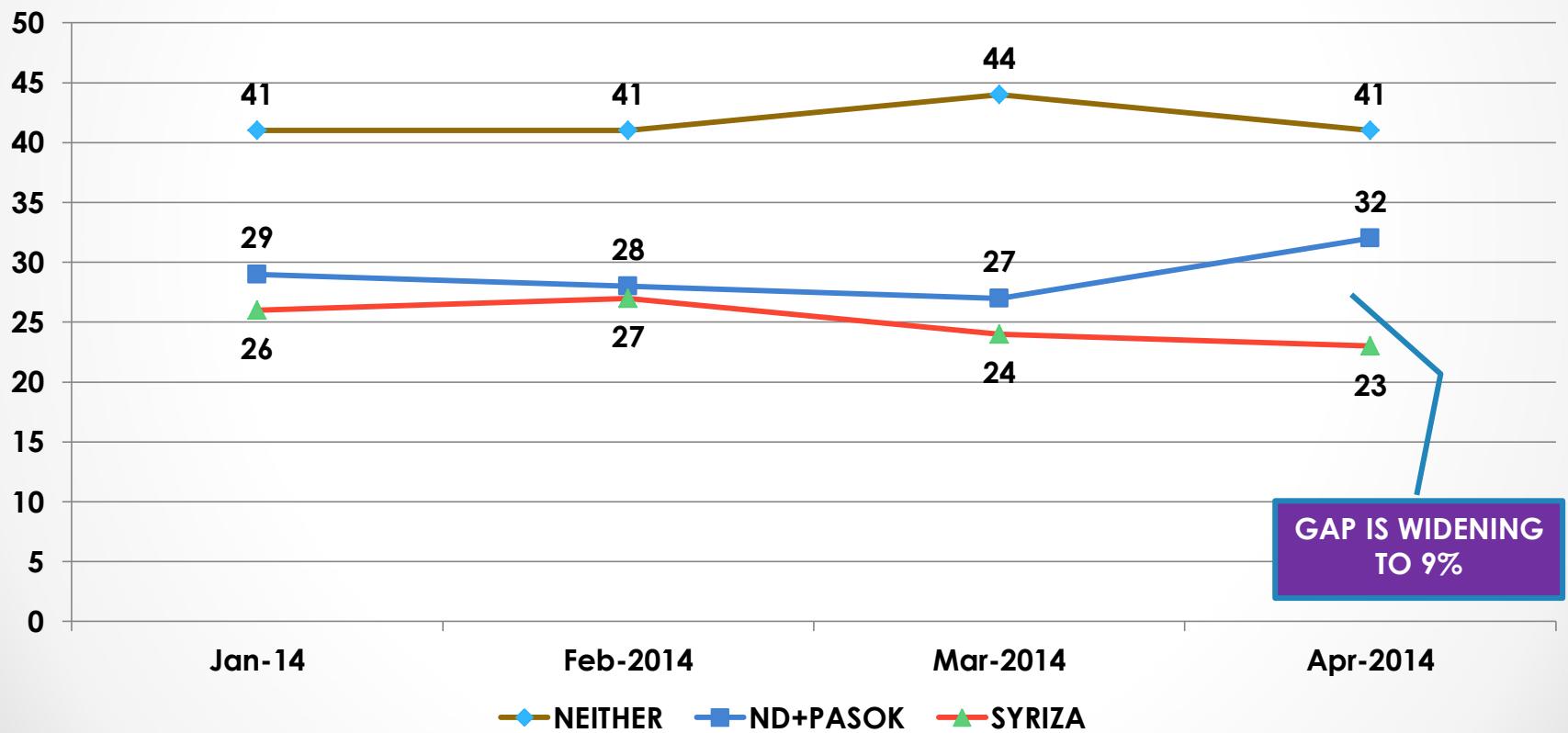
ARE YOU SATISFIED FROM THE WAY THEY ADDRESS THE PROBLEMS OF THE COUNTRY?



SOURCE: PUBLIC ISSUE APRIL 2014

# BUT OVERALL IT WAS A GOOD MONTH FOR THE GOVERNMENT

Which government is better placed to address the problems of the country?



SOURCE: PUBLIC ISSUE APRIL 2014

## ACROSS THE BOARD ISSUES OF THE TRIPPLE ELECTIONS

- Elections are not solely fought on policies but also on personalities. The lower the level of government the more important is the latter element.
- Elections are highly influenced by sentimental factors. Protest vote is a major driver in elections that do not determine the selection of a government.
- The system of representation is in a crisis with all political parties suffering and credibility of political personnel sinking across the board.
- Electoral mood is in a transition mode. **The old has not yet died and the new has not yet been tested.** Therefore the old has some time left in it.
- Polarization coexists with fragmentation as a coherent synthesis is difficult to achieve among sub segments of the political spectrum both on the right and left of the coalition government.

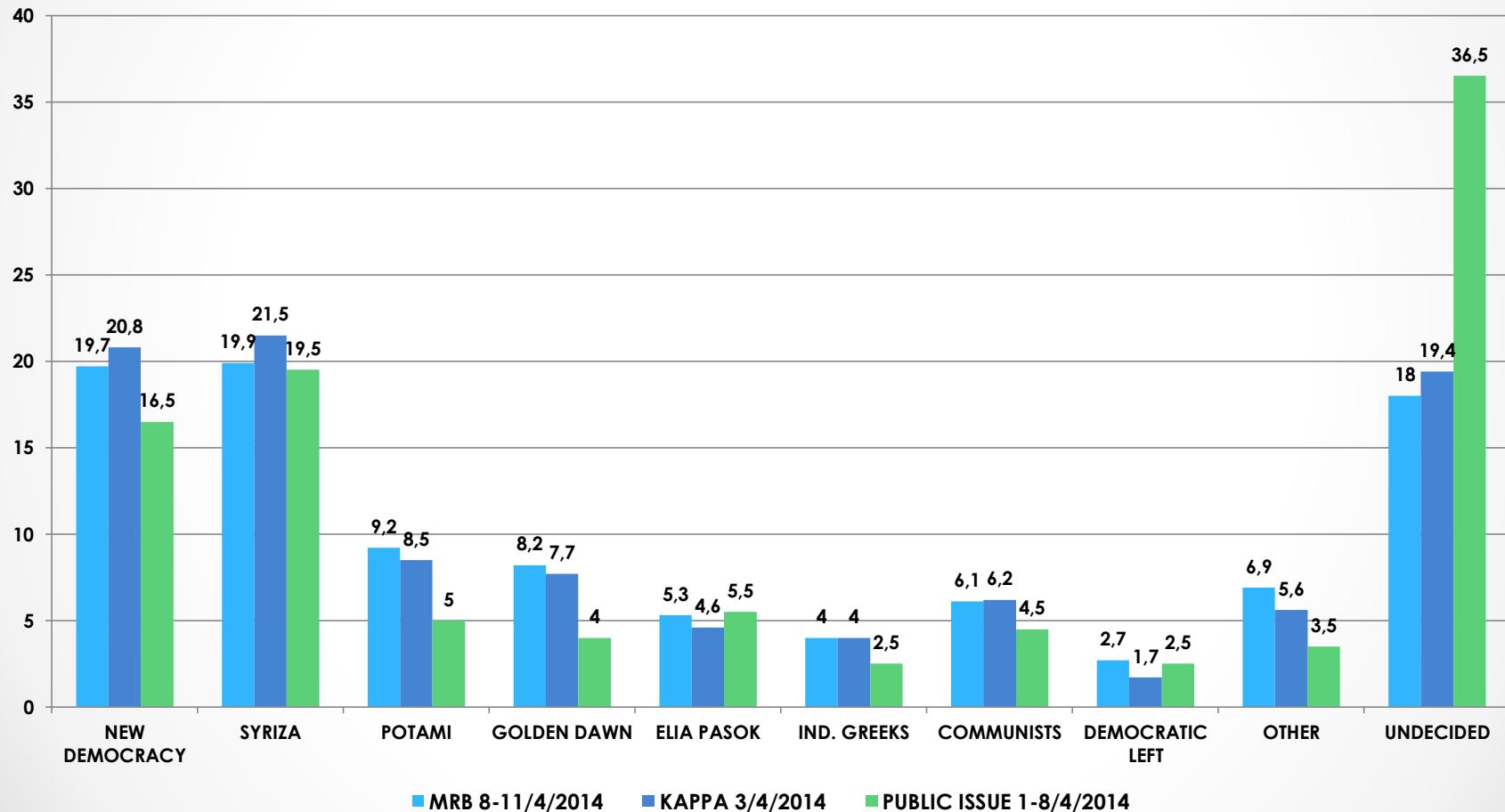
## MUNICIPAL ELECTIONS IN THE MAIN CITIES

- In the 5 main cities the leading candidates in the opinion polls are from the government parties or independents leaning towards PASOK and New Democracy.
- SYRIZA backed candidates are not expected to be elected in any of the 5 major cities and in most of them they will not be able to make it to the second round.
- In Pireas the sudden announcement of an independent pro business candidate is upsetting both the government backed candidate and SYRIZA.

## REGIONAL ELECTIONS

- Regional administrations are crucial for the functioning of the economy as they have considerable competencies especially regarding investments backed by EU funding.
- From the 13 regions of Greece at least 10 are expected to go to government backed candidates and there are indications that all 13 may at the end go to pro government candidates.
- SYRIZA will have difficulty even to succeed electing a candidate in one region.

# LATEST POLLS FOR EUROPEAN ELECTIONS



## THE DAY AFTER

- The difference between the two main parties is expected to be narrow in the range of 1% to 2% in the European elections.
- Therefore, there will not be a strong political message in favor of SYRIZA.
- The appearance of new political parties and movements at the national and municipal levels is likely to have a major impact on the future structure of the political system.
- The parties of the government coalition are expected to gain about 27% to 32% of the popular vote and perform well in the regional elections. **They will claim that stability has prevailed but the fragility of the system is increasing.**

## A FINAL WORD OF CAUTION

- Accidents do happen in politics and on the run-up to the elections we have seen already on the part of the government the so called Baltacos gate which had a temporary impact on ND standing in the polls.
- On the SYRIZA side acrimonious procedures to select the candidates for the European Parliament and horse trading between the factions has unnerved the leadership.
- Therefore, a word of caution is necessary. There are at least 40 difficult days ahead and mistakes can easily change the direction of the polls.