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MMO Working Paper No. 8, Jan. 2006

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Greece: Between "marketization" and social exclusion

by Martin Baldwin-Edwards

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INTRODUCTION

The two European Union anti-discrimination directives passed in 2000 have started to be implemented across the EU, and a draft law was sent to the Greek Parliament in January 2004 for consideration. These directives extend the previous ‘hard’ EC anti-discrimination law from its existing narrow focus on gender to cover discrimination in employment on a variety of grounds, and even more widely prohibiting discrimination on the grounds of racial or ethnic origin in almost all areas of socio-economic relations.

It is argued here, that this policy shift marks a new era in the relationship between the individual and the Union. For the first time, the Union has addressed racial discrimination and its own previous exclusionary policies, as well as establishing formal procedures to deal with discrimination in employment on the grounds of race, ethnic origin, religion, religious beliefs, disability, age and sexual orientation. Although presented simply as rights, these rights constitute the germ of a European ‘social citizenship’ – perhaps analogous to the emergence of welfare states in post-war Europe. In addition, the Charter of Fundamental Rights is clearly a political declaration of such social citizenship, although never actually labelled as such.

In this paper, I try to unravel the meaning of the new laws for Greece as well as for the Balkans more generally. Implicit in this approach is the idea that a policy forged by northern European advanced capitalist economies may well not be appropriate for some less developed countries. In fact, even different levels of economic development may not be the primary issue: *types* of socio-economic development could well be more crucial.

I begin with a brief exposition of the EU directives themselves, and then go on to look at the apparent origins of anti-discrimination measures at the European national level. The subsequent section examines the linkage between economic development, socio-economic structures, labour force participation and the evolution of anti-discrimination measures across the wider Europe.

Finally, the concluding section assesses the likely meaning for Greece and other Balkan countries in dealing with the new anti-discrimination requirements.

A brief comment on methodology is in order here: owing to the general lack of (effective) anti-racism policies and also data on such discrimination, it is necessary for our purposes to focus upon the experiences of anti-discrimination policies dealing with gender. However, there is ample evidence from the few countries which have seriously embarked upon policies for racial and ethnic minorities (e.g. UK, USA), that similar outcomes have been observed as with gender discrimination.¹

THE EU DIRECTIVES

Following the pattern of sex equality regulation, but now with the new legal base of EC Article 13, new anti-discrimination measures have been passed which explicitly address race and ethnic origin (Dir. 2000/43/EC), religion, religious belief, disability, age and sexual orientation (Dir. 2000/78/EC). Furthermore, these directives do not simply replicate the old provisions of gender equality, but introduce “new definitions and understandings of key concepts...[and] pay far more attention to securing effective enforcement”.² In particular, race and ethnic origin receive very high degrees of protection, partly through the emergence of the Jorg Haider fiasco during the discussion period in Council.³

The origin of EU anti-discrimination provision lies in the 1957 Treaty of Rome in the form of protection of women’s pay – inserted in the Treaty on the insistence of France, which had feared unfair competition from other countries which were allegedly less equal in gendered pay differentials.⁴ Twenty years later, the strong Treaty base along with the new political correctness of women’s equality – partly through the political power of the feminist movement – provided the European Commission with fertile ground for enlarging the scope of activities undertaken directly by the EU. Thus, we can analyse this area of policy-making as the direct result of political influences in the process of European law-making, and rather little to do with human or social rights as such. Similarly, the two recent directives appear to have as their origin, political

¹ P. A. RIACH and J. RICH, «Field Experiments of Discrimination in the Market Place», *The Economic Journal* 112 (2002), p. F480-F518.

² L. WADDINGTON AND M. BELL, «More Equal than Others: Distinguishing European Union Equality Directives», *Common Market Law Review* 38 (2001), pp. 587-611.

³ A. TYSON, «The Negotiation of the European Community Directive on Racial Discrimination», *European Journal of Migration and Law* 3 (2001), p. 218.

⁴ D. SCHIEK, «A New Framework on Equal Treatment of Persons in EC Law?», *European Law Journal* 8/2 (2002), p 292.

interest in attempting to legitimate the European idea, to embrace political correctness, and to allow the Commission to indulge in some policymaking. Also, the role of the Starting Line Group⁵ in lobbying at both European and national levels should not be underestimated.

In the same vein as the 2000 Directives, but without legally binding force – at least for the moment – is the EU Charter of Fundamental Rights. Indeed, the Cologne European Council Meeting of 4 June 1999, stated the *raison d'être* of the Charter to be the “need, at the present stage of the Union’s development, to establish a Charter of Fundamental Rights in order to make their overriding importance and relevance more visible to the Union’s citizens”.⁶ The rights are enumerated under six headings – dignity, freedoms, equality, solidarity, citizenship, and justice. They include extensive non-discrimination issues, including linguistic diversity; rights to social security and healthcare; along with more usual rights covered by the European Convention on Human Rights, for example. Furthermore, the Charter is “significant for recognising a number of migration-related ‘rights’ that have not in the past been recognised...the right to asylum, the right to social security and social advantage after moving to another country, third country nationals’ entitlement to equal working conditions”.⁷ Whatever the limitations of its implementation, at least the Charter indicates a policy orientation and it would be difficult to pass legislation in contradiction to it.

Thus, we can see a clear path to EU regulation of a multicultural, multifaith, and generally minority-enabling Europe. It restates, and arguably enhances, the shared European commitment to human rights, and should make some contribution to checking the rise of xenophobia and blame of the non-European ‘Other’. For some commentators, the Charter “is the ultimate proof of the focal role that EU citizens have come to play in the European integration process”.⁸ Perhaps this latter point is predictive rather than an accurate assessment of recent history; however, as was noted above, three consensual points have revealed themselves in a new political and legislative framework. This framework – affecting all residents (citizens and denizens) of the European Union – constitutes a new European social citizenship, with more meaning and potential than could ever be found in the legalistic formulation of ‘Citizenship of the Union’.

⁵ See I. CHOPIN, «Possible Harmonization of Anti-Discrimination Legislation in the European Union: European and Non-Governmental Proposals», *European Journal of Migration and Law* 2 (2000), pp. 413-430.

⁶ K. LENAERTS and E. DE SMIJTER, «A “Bill of Rights” for the European Union», *Common Market Law Review* 38 (2001), pp. 273-300, cited as Fn. 37.

⁷ S. PEERS, «Immigration, Asylum and the European Union Charter of Fundamental Rights», *European Journal of Migration and Law* 3 (2001), pp. 141-169.

⁸ K. LENAERTS and E. DE SMIJTER, *op.cit.*, p. 300.

THE ORIGINS OF ANTI-DISCRIMINATION RULES AND THE EQUALITY PRINCIPLE

The principle of equality is first noted after the French Revolution in the Declaration of Human Rights of 1789. It reappears in the post-war period in the 1955 European Convention on Human Rights, the International Covenant on Civil and Political Rights, and more recently the European Charter of 2000⁹ (see above). However, it would be a mistake to confuse *equality* with *anti-discrimination* policy, since the latter may require *unequal* treatment and is anyway more concerned with procedures than with outcomes.¹⁰

The first appearances of anti-discrimination policy in the 1950s seem to emanate from two quite disparate sources, and for very different reasons. In the USA, the domestic issue of repression of black Americans and the subsequent civil rights movement led to such policy measures, later extended to women; in Sweden, one of the most homogeneous countries of the world, the ideology of social democracy viewed the inferior status of women as unacceptable and requiring legislative measures. Although starting from the premise of *formal equality*, neither of these two approaches aimed at *substantive equality* or equality of outcomes. While most national constitutions specifically prohibit unequal treatment, only the Italian imposes on the state a duty to intervene to remove obstacles to the participation of workers, i.e. it provides for the principle of *substantive equality*.¹¹ However, the Italian case is interesting in that it focuses upon equality of workers, but not of citizens¹² – thus revealing a very different motivation from the social citizenship ideology of Sweden or the minority rights base of the USA.

For most countries, anti-discrimination arrived relatively recently: these include Spain (1978)¹³, Netherlands (1975)¹⁴ and the UK (1970, 1975)¹⁵. Others, such as Germany¹⁶ and France,¹⁷ are

⁹ E. DOCKÈS, «Equality in Labour Law: An Economically Efficient Human Right? Reflections from a French Law Perspective», *International Journal of Comparative Labour Law and Industrial Relations* 18/2 (2002), pp. 187-196.

¹⁰ H. COLLINS, «Discrimination, Equality and Social Inclusion», *Modern Law Review* 66 (2003), p. 17.

¹¹ R. DEL PUNTA, «What has Equality got to do with Labour Law? An Italian Perspective», *International Journal of Comparative Labour Law and Industrial Relations* 18/2 (2002), pp. 197-214.

¹² R. DEL PUNTA, *op. cit.* p. 201.

¹³ M. R.-P. BRAVO-FERRER and M. R.-P. ROYO, «The Principle of Equality in the Labour Market – Reflections on the Spanish Model», *International Journal of Comparative Labour Law and Industrial Relations* 18/2 (2002), pp. 169-185.

¹⁴ T. HAVINGA, «The effects and limits of anti-discrimination policy in The Netherlands», *International Journal of the Sociology of Law* 30 (2002), pp. 75-90.

¹⁵ C. BARNARD, S. DEAKIN and C. KILPATRICK, «Equality, Non-discrimination and the Labour Market in the UK», *International Journal of Comparative Labour Law and Industrial Relations* 18/2 (2002), pp. 129-147.

¹⁶ U. LIEBERT, «Europeanization and the “Needle’s Eye”: The Transformation of Employment Policy in Germany», *Review of Policy Research* 20/3 (2003), pp. 479-492.

even now lagging behind the rest of the EU and importing principles such as the concept of indirect discrimination or general socio-political awareness of discrimination issues. However, in no country is there an established substantive equality principle: in particular, the USA has high occupational segregation of the labour market, with correspondingly high poverty rates, gender pay gap and income inequality.¹⁸

Some commentators¹⁹ consider there to be a clear tension, or contradiction, between the equality principle and liberal market notions. This may well be true in the case of the principle of *substantive equality*, but in practice no capitalist state has attempted to pursue this seriously. In the case of France, anti-discrimination is seen as primarily a matter of market access and not of redressing factual inequality;²⁰ in Spain, Netherlands and UK the issue is similar, notwithstanding the UK's 1970 Equal Pay Act.²¹ This issue of market access is primarily, although not exclusively, associated with the labour market: from a political economy viewpoint, we can characterise it as expanding the labour force or (in technical terms) increasing the participation rate, most particularly the female and ethnic minority participation rates.

Perhaps surprisingly, the EU directives have been analyzed by some as possessing precisely this objective:

...non-discrimination as a principle of law secures free market access. Thus it not only guarantees equal treatment of persons, but also equal treatment of products. To be precise, equal treatment of persons...is only guaranteed if and when persons...enter the market.²²

However, the above quotation is ambiguous regarding EU objectives: is the intent to *facilitate* market access and raise labour market participation rates (as demonstrated historically in Sweden, UK, Netherlands, USA *et al.*) or is it more like the Italian system, which has no intention of extending market participation but, rather, aims to secure greater *equality of outcomes* for those already in employment? The distinction is crucial. Recent policy initiatives by the Commission to increase participation rates significantly²³ suggest that law and policy may not be entirely consonant in this matter.

¹⁷ E. DOCKÈS, *op. cit.* p. 191.

¹⁸ J. LAPIDUS and D. FIGART, «Remedying “Unfair Acts”: U.S. Pay Equity by Race and Gender», *Feminist Economics* 4/3 (1998), pp. 7-28.

¹⁹ C. BARNARD *et al.*, *op. cit.*; R. DEL PUNTA *op. cit.*

²⁰ E. DOCKÈS, *op. cit.*, pp. 187, 189.

²¹ C. BARNARD *et al.*, *op. cit.*; p. 131.

²² D. SCHIEK, *op. cit.*, p. 293.

²³ The so-called ‘Lisbon targets’ for 2010

Finally, we should mention the Eastern bloc candidate countries. Although explicit and extensive anti-discrimination policy is absent, all²⁴ except Latvia possess constitutional protection with regard to gender discrimination, and all but Latvia and Poland possess it in respect of racial discrimination or religion/religious belief. Furthermore, all but Estonia and Slovakia have detailed anti-discrimination clauses in the areas of healthcare, education, consumer protection *inter alia*.²⁵ Furthermore, specific legislation dealing with discrimination and handicap can be found in Bulgaria, Hungary, Latvia, Lithuania, Poland and Romania. These vestigial relics of the Communist era suggest that even in the absence of a market economy, full participation in the social economy was an explicit aim of many of the regimes: indeed, this was a participation which seems to have exceeded that for many west European states, since the Eastern bloc had clear coverage of delivery of state services such as healthcare and education.

Social inclusion, or social citizenship (my preferred term), is argued by many²⁶ as a legitimate objective of EU policy, rather than the two narrower views expressed above (namely, higher employment rates versus more equal pay for existing workers). Indeed, a more gloomy prognosis is presented by some²⁷, on the grounds that discrimination on the basis of nationality is specifically excluded from the two EU directives. Without a doubt, the intention of European national governments, when insisting on this exclusion, was to perpetuate highly segmented labour markets, where immigrants are relegated to lower pay and undervalued employment. As Lapidus and Figart point out²⁸, segmented labour markets promote various inequalities along with poverty, and study of them is largely absent from the scientific literature. Thus, it seems unlikely that the EU directives can achieve more than has already been done at a national level, which is largely to increase labour force participation: this topic is examined in more detail below.

²⁴ Namely, Bulgaria, Czech Republic, Estonia, Hungary, Latvia, Lithuania, Poland, Romania, Slovakia, Slovenia.

²⁵ M. BELL, «Measures to combat discrimination in the candidate countries – an overview», in European Commission, Directorate-General for Employment, *Equality, Diversity and Enlargement: Report on measures to combat discrimination in acceding and candidate countries*, 2003, Luxembourg, pp. 12-13.

²⁶ H. COLLINS, *op. cit.*; M. BELL, «Beyond European Labour Law? Reflections on the EU Racial Equality Directive», *European Law Journal* 8/3 (2002), pp. 384-399.

²⁷ See e.g. B. HEPPLER, «Race and Law in Fortress Europe», *Modern Law Review* 67/1 (2004), pp. 1-15.

²⁸ Fn. 17 *supra*.

ECONOMIC DEVELOPMENT AND ANTI-DISCRIMINATION POLICY

The established economic literature²⁹ associates increased female labour force participation with modernization and industrialization, in which increased demand for female workers in services and white-collar work is satisfied by the greater availability of women through increased female educational opportunities and a diminishing household role and fertility rate. At lower levels of economic development, however, it has been shown that female employment actually declines with economic development, owing to reduced work in agriculture and petty trade as these sectors transform into a market economy.³⁰ Thus female labour market participation assumes a U-shape as economic development proceeds, with the positive slope of increased female employment corresponding to the emergence of post-industrial societies with demand for poorly paid, often part-time workers in the service sector. A recent piece of groundbreaking research across 136 countries³¹ shows clearly through sectoral breakdown that the curvilinear relationship is caused by the interaction of two linear ones – declining agricultural employment and increasing service employment. Industrial employment of women remains neutral over time. Thus, a ‘normal’ pattern of economic development is illustrated by the U-shape for Europe, North America and Australia. Two regional/cultural variables show little increase in female employment with development: these are Muslim and Latin American countries. The defining factors are: size of the agricultural sector and women’s share of employment in it; and the size of the services sector and women’s employment opportunities in that.

The European Patterns

Taking into account the above empirical-theoretical advances in knowledge, how does the European history of anti-discrimination policy fit into female participation in the economy? First, we should note that all activity has been post-WWII: this is important, because in WWII women were recruited to work in industry, and this change of socio-economic conditions had massive ramifications, especially in the UK. By the 1950s, it was not clear that collective memory of female work had been lost.

The early Swedish anti-discrimination policy is contemporaneous with its late industrialization; however, the peculiar form of Swedish social democratic capitalism allowed the state to recruit many (part-time) women into the state sector – an option not available to countries with less

²⁹ E.g. G. STANDING, *Labor Force Participation and Development*, ILO, Geneva (1981).

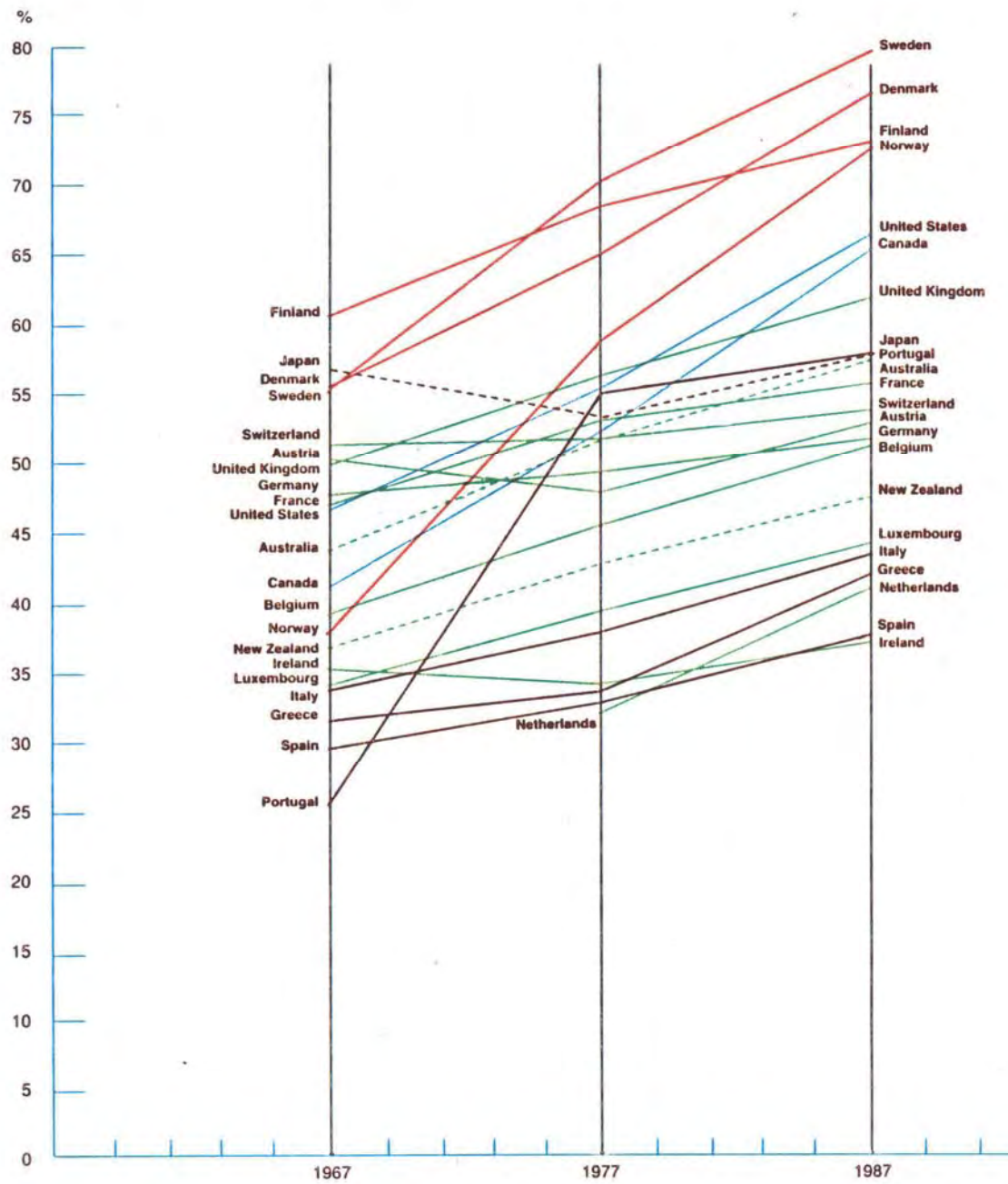
³⁰ R. ANKER and C. HEIN (eds), *Sex Inequalities in Urban Employment in the Third World*, Macmillan (1986).

³¹ E. HAGHIGHAT, «Culture, Development and Female Labor Force Participation», *International Review of Sociology* 12/3 (2002), pp. 343-362.

interventionist state roles. The next appearance in Europe was in the UK, with the Equal Pay Act of 1970. Indeed, this was a significant piece of legislation enacted by the Labour government: in practice, it is not clear that it had much impact at all. The subsequent measures – the Sex Discrimination Act 1975 and the Race Discrimination Act 1976 – had apparently minimal impact in redressing discrimination, but occurred just before the UK's service sector expansion of the 1980s. In the early 1980s the UK manufacturing industrial sector contracted massively, and led to very high male unemployment: the expanding services sector was able to pick and choose its employees, and tended to go for low-pay part-time female workers.

Across western Europe, the emergence of anti-discrimination measures is intimately connected with increased labour market participation of women. Figure 1 shows this trend, in diagrammatic form, over two decades. As can be seen quite clearly from Figure 1, in 1967 no country had higher than 60% female rate; by 1987 this had risen to 70-80% for the Scandinavian countries. There were more modest increases for the Anglophone countries, and fairly small increases for continental Europe. Thus, both the rate of increase of female labour market participation and the actual level seem to be directly related to the degree of anti-discrimination activism. In other words, anti-discrimination policy should not be seen as an issue of group rights and legal principles, but as an integral part of capitalist development. A further point to note, is that across Europe immigration policy has played a decisive role in affecting the position of women in the economy: those countries which pursued a *Gastarbeiter* policy in the 1960s (Germany, Belgium, Switzerland) as well as those which experienced post-colonial immigration in the 1960s and 1970s (France, Netherlands, UK) were in much less need of female workers. Looking again at Figure 1, it is now much easier to understand why advanced economies such as Germany, Netherlands and France had such low female participation rates at that time. A final category of difference is exemplified by southern Europe with its weakly developed capitalism, or semi-peripheral status, over much of the post-war period. In this case, the modernizing and contracting agricultural sector was creating unemployment, especially of women, and the development of the formal services sector had not occurred (and is still largely absent).

Figure 1
Female participation rates 1967-87



SOURCE: OECD, *Employment Outlook 1988*

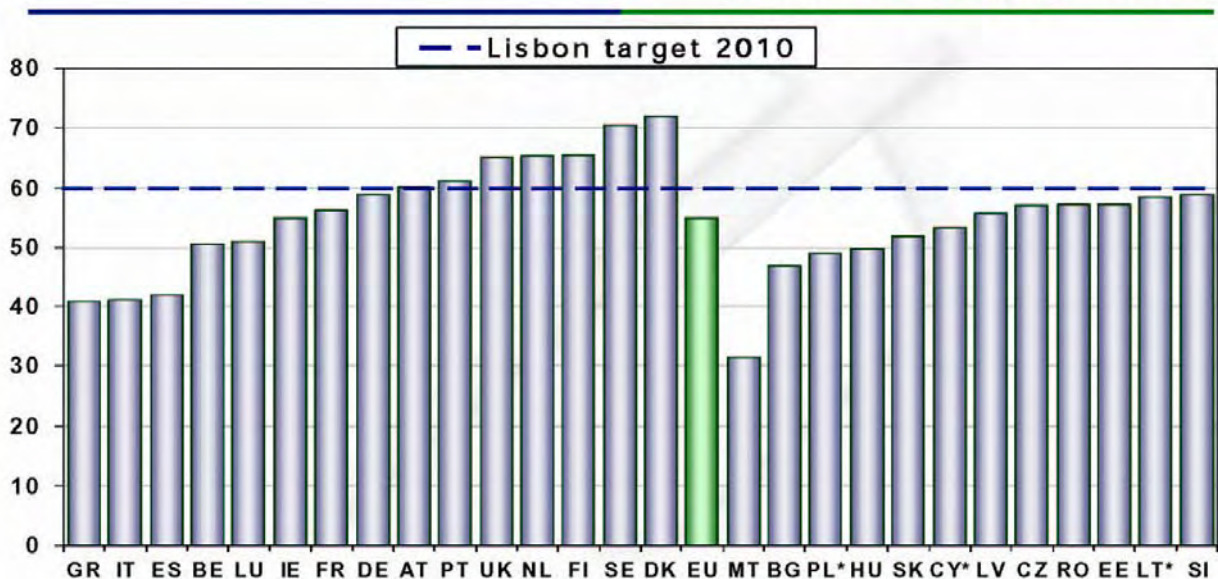
The Eastern bloc countries

Throughout the period of socialist command economy management, there appear to be no data on participation rates, employment rates etc. There is some limited evidence to suggest that throughout the developed Eastern bloc (i.e. excluding Albania and some parts of the former Yugoslavia) there was very high employment of women in all sectors, and most notably in industry – the latter in clear contrast to Western Europe, apart from the WWII period. The evidence presented above on the situation in Eastern Europe is consistent with the important role of women in the socialist economies, and also suggests some limited accommodation of handicapped persons in the labour force. The role of minorities, Roma and religious groups, however, is not something that was consistent with Marxist-Leninist ideology, and we should not expect to find practical measures for these groups.

With the 1989 and subsequent revolutions, economic structures largely collapsed with very high unemployment and therefore fairly meaningless participation rates. It has only been since the late 1990s that any semblance of recovery has been evident, and recent data are now available. These are presented as employment rates³², rather than participation rates, in Figure 2 for both East and West Europe.

Figure 2

Female employment rates, EU-15, 2001 (% working-age population)



SOURCE: *Benchmarking Working Europe 2003*, Brussels: ETUI based on Labour Force Survey Data; * 2000 data.

³² Defined as % of working age population in employment; *participation rates* include those also looking for work.

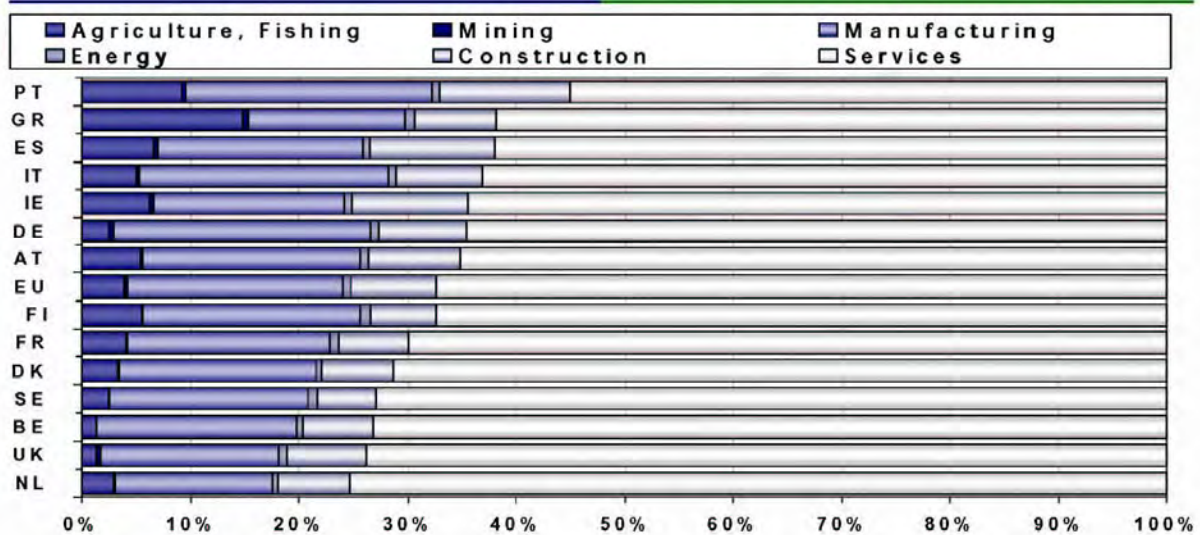
Socio-economic Outcomes

From Figure 2, we can see that even after massive economic restructuring in the 1990s, Eastern Europe has female *employment rates* comparable with continental Europe, that is, higher than southern Europe and below those of UK, Holland and Scandinavia. (Presumably, the *participation rates* of Eastern Europe are comparable with the North of Europe, owing to the still high unemployment in these countries.) The outliers in this figure, therefore, are the three southern European countries of Greece, Italy and Spain.

This brings us back to the sectoral issue of employment, and level of economic development as identified in the international literature described above. How complete has been the modernization of southern European economies, with respect to the development model of Haggstam? Figure 3 shows employment by sector for EU countries, 2001.

Figure 3

Employment by sector of activity in 2001 (% of total employment)



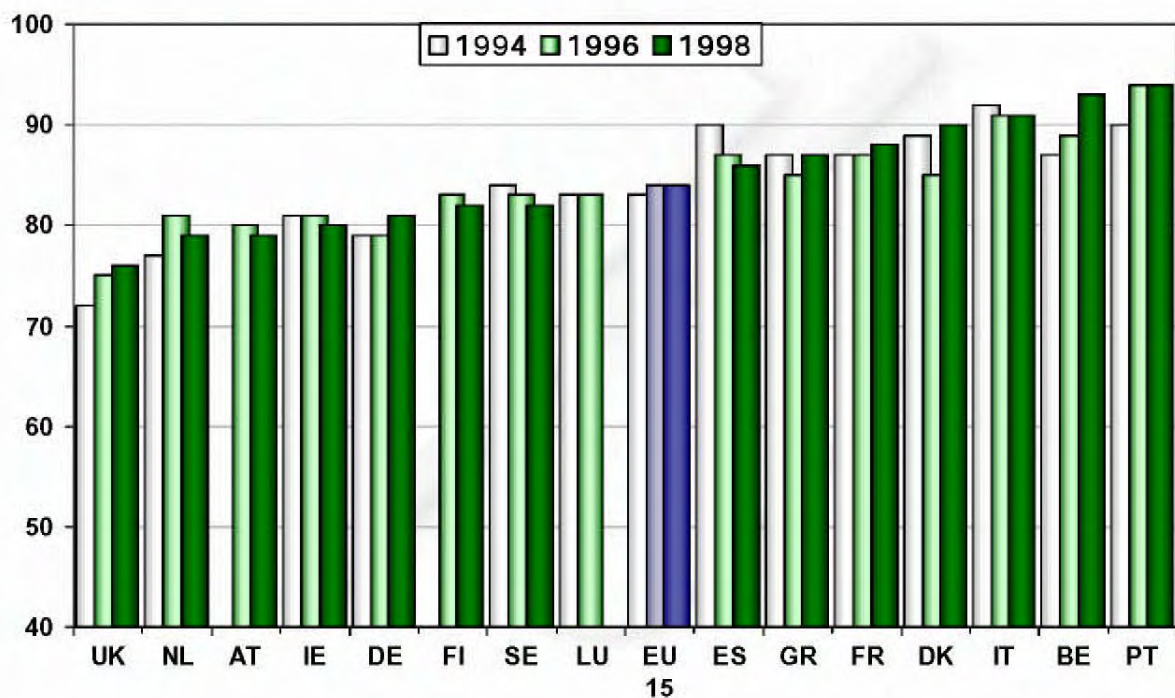
SOURCE: *Benchmarking Working Europe 2003*, Brussels: ETUI

We can see that agricultural employment in Greece especially, is extremely high; whereas services employment is low in Portugal, Greece, Spain and Italy. Thus, it is possible to conclude that the transformation of these economies, into advanced capitalist forms, has not occurred. The much-needed services sector employment opportunities simply do not exist in southern Europe. What have been the consequences of this? One of the perhaps surprising outcomes of this

restricted female employment is that the gender pay gap is lower in these countries, as shown in Figure 4. This is principally because many of the service sector jobs in northern Europe are part-time or badly paid, although frequently suiting women with household and family obligations. Another surprising outcome is shown in Figure 5, showing income distribution inequalities. Here, we see that with the exception of Italy, it is the southern European countries with the most unequal income distribution. The cause of this is open to contention, but is probably linked to the dependence of most households on male employment along with the heavily segmented nature of southern European labour markets. Additionally, we might note the high unemployment of women and young people in all of southern Europe, and exceptionally high unemployment of medium and high-skilled people in Greece and Spain³³. These factors, along with extensive black economy activity and employment of (illegal) immigrants indicate major structural differences between the southern European countries and the rest of the EU.

Figure 4

Gender pay gap in the EU



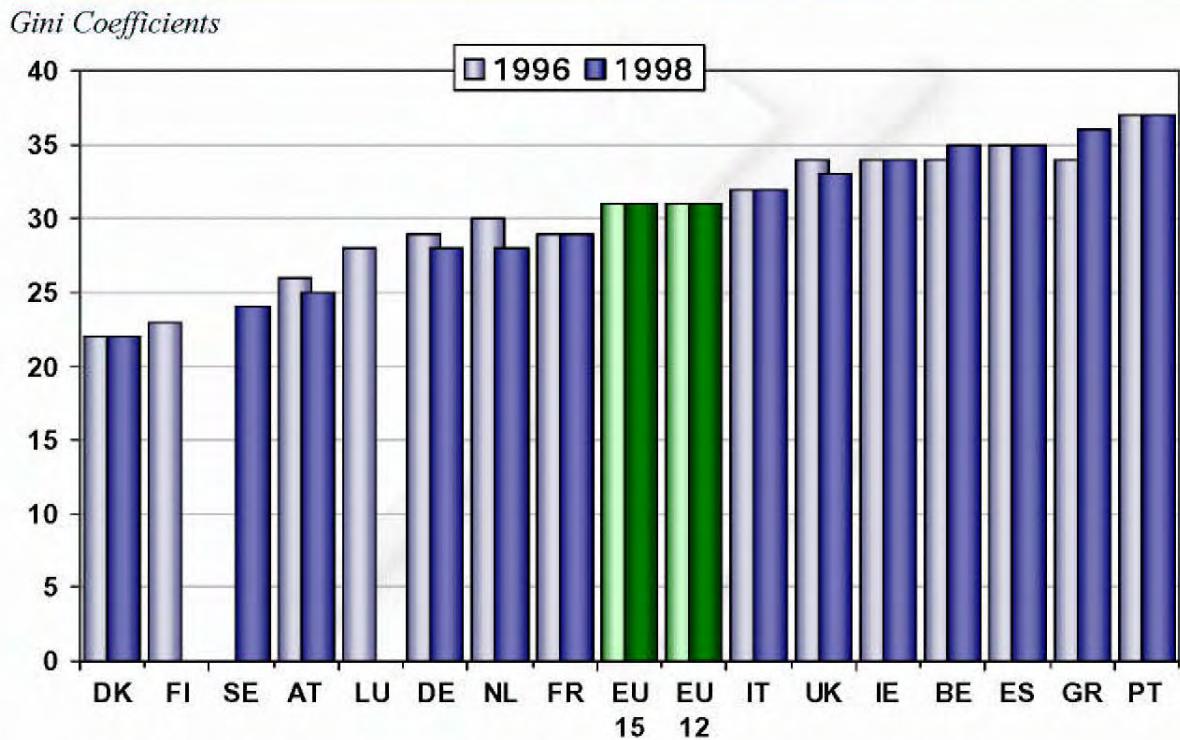
SOURCE: *Benchmarking Working Europe 2003*, Brussels: ETUI

³³ M. BALDWIN-EDWARDS, «Southern European Labour Markets and Immigration: A Structural and Functional Analysis», in *Εργασία 2002* [Employment 2002], Athens: IAPAD, Panteion University [in Greek], pp 157-174. Available in English as Working Paper, at:

http://www.mmo.gr/pdf/publications/mmo_working_papers/MMO_WP5.pdf

Figure 5

Degree of inequality in income distribution



SOURCE: *Benchmarking Working Europe 2003*, Brussels: ETUI

To summarize, we can identify several patterns of economic structure and labour market across the European Union. These are shown in Table 1 below. With some partial exceptions (Belgium and Italy tend to have variant characteristics, for several reasons), there is a clear positive relationship between the extent of anti-discrimination measures, female employment, the gender pay gap and the extent of the hi-tech services sector; and these all have a negative correspondence with income inequality. The only qualification to this argument lies in Scandinavia, where income inequality is low and the gender pay gap is not so large. This would appear to reflect the underlying philosophy of social citizenship, an integral part of social democratic ideology; its practical implementation may lie in the state sector along with more effective institutionalization of equal pay in the private sector.

Table 1

European patterns of labour market and anti-discrimination structures

	Female participation	Income inequality	Anti-discrimination measures	Hi-tech sector	Gender pay gap
Scandinavia	<i>High</i>	<i>Low</i>	<i>Strong</i>	<i>Large</i>	<i>Medium</i> □ <i>small</i>
UK + Netherlands	<i>High</i>	<i>High*</i>	<i>Strong</i>	<i>Large</i>	<i>Large</i>
Continental Europe	<i>Medium</i>	<i>Medium</i>	<i>Medium</i>	<i>Medium</i>	<i>Medium</i>
Southern Europe	<i>Low</i>	<i>High</i>	<i>Weak</i>	<i>Small</i>	<i>Small</i> □ <i>medium</i>

Note: * medium level for Netherlands

WHAT CHANCE OF ANTI-DISCRIMINATION MEASURES IN GREECE?

We have already seen that Greece qualifies as a southern European country, in terms of the characteristics of anti-discrimination and labour market development. However, we can also identify some Balkan features of economy and society, which distinguish Greece from Italy, Spain and Portugal. A hint of these characteristics is shown by the still overlarge agricultural sector employment, which figures massively understate actual employment because of the extensive informal and semi-formal employment of immigrants in Greek agriculture.³⁴ It is not the extent of the primary sector which is itself the problem – after all, Spain had such an issue until quite recently – but rather the socio-political implications associated with it.

Over the 1990s, agricultural employment in the Balkan countries ranged from 17% in Croatia and Slovenia, through 35% in Bulgaria and Romania, up to 58% and 65% in Albania and Turkey.³⁵ Paul Aligica considers the economic systems in the South Eastern Europe region to be a form of ‘economic dualism’,³⁶ which has both direct and spillover effects on the political economy and on state policies. In this analysis, he characterizes the agricultural sector as the *traditional sector*, with social exchange mechanisms predominating; and the *modern sector* as

³⁴ For the most recent empirical survey, see: CH. KASIMIS, A. G. PAPADOPOULOS and E. ZACOPOULOU, «Migrants in Rural Greece», *Sociologica Ruralis* 43/2 (2003), pp. 167-184.

³⁵ P. D. ALIGICA, «Structural constraints: implications of economic dualism for the development and international integration of South Eastern Europe», *Journal of Southern Europe and the Balkans* 5/3 (2003), p. 306.

³⁶ *Ibid.*

those activities which have moved to a market system with modern forms of socio-economic organization, such as uniformity, modern production and distribution techniques.³⁷ The traditional sectors, according to Aligica, are associated with a specific cultural and behavioural pattern, with a nationalist political culture tending to support authoritarianism and collectivism, alongside animosity to individual rights and to ethnic and religious diversity and differences. Thus, the political culture is shaped and *reinforced by a specific economic background*: resistance to change is not caused by irrational attachments to particular values, but by deep and powerful structural forces prevailing in the region.

These cultural features, so succinctly described by Aligica, constitute the major difference between Greece and the other southern European countries. Hostility to individual rights has been well-documented for Greece,³⁸ and is a curiosity in modern Europe. Antagonism and absolute intolerance of the Greek Roma feature regularly in reports³⁹ on Greece, alongside the difficult relations with Muslims left over from the old Ottoman Empire. Reports of racial intolerance and general xenophobia seem to arise consistently from Eurobarometer polls of Greeks, yet openly hostile racist acts are almost unknown – in contrast to the rest of Europe. In line with this, some commentators⁴⁰ have noted the gap between negative social stereotypes and individuals' reported personal experiences of immigrants. Yet another aspect of this dualism is the consistent exclusion and maltreatment of migrants and minorities by state authorities, alongside a generally more tolerant Greek public.⁴¹

So, what chance for anti-discrimination policy to operate effectively in Greece? The Greek labour market is highly segmented, still with little competition and usually permanent jobs for those in employment. However, over 40% of Greeks are self-employed and small family firms predominate. Interpersonal social networks (clientelism) pervade the society and economy, with informal codes of conduct prevailing. Thus, the formal rules of a modern market economy – most of which are laid down in Greek law – are continuously and systematically challenged or refuted. Here lies the real power of the traditional sector, in opposing modernization and markets.

³⁷ Ibid., p. 301.

³⁸ e.g. A. POLLIS, «Eastern Orthodoxy and Human Rights», *Human Rights Quarterly* 15/2 (1993), pp. 33-56

³⁹ see various reports of Greek Helsinki Monitor (<http://www.greekhelsinki.gr>), and the European Roma Rights Centre (<http://www.errc.org>)

⁴⁰ M. BALDWIN-EDWARDS and C. SAFILIOS-ROTHSCHILD, «Unemployment and immigration in Greece: attitudes, perceptions and realities», *South European Society & Politics* 4/3 (1999) pp. 206-221

⁴¹ M. BALDWIN-EDWARDS, *Racial Violence: Analytical Study, Greece*. Prepared for RAXEN network, 2003, European Union Monitoring Centre on Racism and Xenophobia. 62 pp

Immigrants, ethnic and religious minorities, and other social ‘misfits’ cannot participate on equal terms in the Greek labour market nor do they participate in Greek society. This is a structural expression of exclusion from the traditional social networks, and is apparently actively supported by the great majority of Greek people. Although the agricultural sector continues to decline in the number of employed Greeks, as in the rest of southern Europe⁴² it is sustained by the work of a large number of (illegal) immigrants. Although the services sector (and to a lesser extent, hi-tech) continues to grow with increased employment opportunities for Greek women, formal child-care facilities are the most inadequate in Europe and immigrant child-minders have become the fashion. Thus, it is not possible to describe employment in Greece as market-based: it is based on social networks, which systematically exclude non-Greeks and Greek ‘misfits’ from everything except the worst types of jobs. However, it would be inaccurate to describe this situation as either racist or discriminatory: essentially, it consists of social exclusion. In Greece, discrimination (in the positive sense) is the route to employment and status; it is difficult to conceive of the meaning of anti-discrimination in such a context.

For the time being, immigrants and other minorities in are caught in a sort of limbo, between the traditional exclusionary values of the ‘old’ Greece and the yet-to-happen marketized Greece. How, and when, this modernization might occur is not a matter for conjecture from social scientists – it is an issue best left to the Gods.

⁴² M. BALDWIN-EDWARDS, «Semi-Reluctant Hosts: Southern Europe’s Ambivalent Response to Immigration», *Studi Emigrazione* 39 (2002), pp. 27-47.