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THE GREEK DEPRESSION: POVERTY OUTCOMES AND WELFARE RESPONSES

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ABSTRACT

This paper investigates poverty outcomes and social protection developments in Greece over the critical period 2008-2015. The empirical findings reveal a dramatic deterioration of the living and welfare standards of many Greeks, whereas social protection is under drastic reductions as results of austerity policies that are dictated by the Memoranda. Employing a logit model, it is found that poverty reproduction is a pressing matter that portrays contemporary Greece and deserves consideration by researchers and policymakers. In consequence, Greece is boxed in fiscal discipline when public and social spending is most needed to bolster social cohesion and boost economic growth.

Keywords: Poverty, Intergenerational mobility, Social protection, Economic crisis, Austerity, Greece

JEL Classification: I31, I32, I38

Introduction

Against a backdrop of global economic turmoil and uncertainty, Greece is going through a protracted recession with damaging effects on society and on the economy. Some rounded computations indicate that the GDP has dropped by around ¼ since 2010, people facing poverty or social exclusion add up to 36%, joblessness has gone to 25% – and 50% among youth – and one-in-five live in severe material deprivation (i.e. they lack 4 or more of 9 basic items and/or services). Contrary to commonly held beliefs, however, the spiraling and prolongation of the Greek recession is more due to harsh austerity measures than a matter of domestic particularities (Papatheodorou 2014).

It is often said that the definition of "insanity" is to keep doing the same thing repeatedly with the expectation of having different results. If we look at the current situation on a global scale, then this definition is applicable to the one-size-fits-all austerity recipes, which are supposed to deal with the augmenting socioeconomic risks in developed and developing countries. Under the rising influence of the neoliberal dogma, the austerity agenda has been launched with the aim to deal with severe "stagflation" effects of the 1970s crisis (Blyth 2013).

There is accumulating evidence that the adherence to austerity has brought about more problems than it is supposed to fix (see Fitoussi 2012; Krugman 2012). Especially, the neoliberal management of the current global economic crisis exposes some of the intrinsic anomalies of austerity: First, it appears as cure for the economic crisis, which fuels by driving up debts and stalling growth. Second, it has a devastating impact on living standards, more than the crisis itself, mainly through the deregulation of the labor market and the weakening of the welfare state.

Austerity serves as a fiscal and macroeconomic tool to promote the structural adaptation of the Greek economy to the flexible accumulation regime of contemporary capitalism. It is evident that the "internal devaluation" of the Greek economy is underway to facilitate the adjustment process. Nevertheless, the core premises as well as the main results of this adaptation appear to be incompatible with the political prioritization towards an "inclusive growth" as specified in the EUROPE 2020 strategy, which intends to lead to high employment rates and a fairer distribution of growth across the EU.

A direct effect of the austerity measures is that the Greek welfare state has come under serious strain on several fronts (Adam and Papatheodorou 2016). This is occurring at a moment when social policy interventions are most needed both on social equity and on economic efficiency grounds (i.e. to facilitate social inclusion and boost economic growth). The emerging welfare settlement is heading towards an individualization of social risks and a privatization of welfare functions. The aim is to weaken welfare reliance and cut social spending, which have been demonized as contributors to the Greek debt crisis, despite that the empirical evidence do not support this perspective (Papatheodorou 2014).

The welfare reform is following suit the general drift from social protection to social investment (Petmesidou 2003, 2014). The latter has become the main platform by which the social goals of the 10-year strategy are intended to be met by the EU member states. Nevertheless, the social implications are profound insofar as the social investment strategy is designated at promoting the “marketability” of individuals. That way the responsibility in maintaining living standards is being transferred from society to the individuals.

This is based on “capacitating” policies rather than “compensating” ones, with the aim to achieve higher labor productivity and labor force participation, thus far ignoring the low-paid and often precarious jobs that lead to “in-work poverty”. “In-work poverty” has rapidly risen to 19.2% in 2015 showing an increase by 7.3 percentage points since 2010 (the year signifying the real impact of the global crisis on the Greek economy).[1]

Historically, Greece is a peculiar case in which there is a “paradox” in social policy patterns and poverty outcomes. Despite increases in social spending over the last two decades, the relative poverty rate remained quite unchanged (hovering around 20-23%). Dafermos and Papatheodorou (2011) offer an explanation that focuses on the structural inefficiency of the social protection system to adequately allocate income as well as the residual impact of scarce other social benefits and services (i.e. family/child, housing, welfare, unemployment, etc. provisions in cash and in kind), which have shown a broad redistributive effect in northwestern EU countries.

Greece’s social protection has huge gaps and relies to a large extent on the subsequent familism, whereas it is heavily centered on old age and survivor pensions, which amount to 63.9% of the total social expenditure, while at the same time, fertility rates have been stagnating at 1.34 births per woman due to changing cohabitating patterns and inadequate family/child friendly policies. The large pool of unemployed further heightens the burden on the social budget. A pressing matter in Greece is the low level of female labor force participation (46% in 2015) reflecting the reproduction of a gendered pattern of labor division and serious lack of institutional opportunities as well as supportive public policies.

[1] Most figures presented in this section were derived from Eurostat: http://ec.europa.eu/eurostat/data/database.

However, Greece exhibits a second "paradox". The Greek state is strong in terms of the control over social relations in production, but quite weak in distributing welfare to its vulnerable members (Petmesidou 2014). The lack of an institutionalized social solidarity (or class consensus) acted as a main barrier to promote social cohesion at crucial times after the fall of the military Junta. The Greek society features particularistic traits that facilitated the formation of broad clientelist networks over the allocation of resources (affecting social policy patterns to a large extent). Thus, a divide in the Greek society is apparent among those who have access to the clientelist networks and those who are devoid of it, for the most part based on political and bureaucratic criteria.

Some basic socioeconomic determinants mentioned above account for the last position of Greece by 3.66 on the Social Justice Index, when the average EU-28 value is 5.75 and Sweden outperforms with 7.51 (Schraad-Tischler and Schiller 2016). This is a worrying finding considering how much the social cohesion of the Greek society lags in terms of social capital, inclusion and mobility. Main reasons for that relate to the huge gaps in social protection domestically as well as the imbalance among North and South in the EU area, for instance as to the perceptions on solidarity and redistribution within and between member states.

The rest of the paper is structured as follows: in the following section, we present some empirical estimates on poverty outcomes and social policies from a comparative perspective. Next, we discuss the implications of the socioeconomic change on poverty reproduction matters and estimate the parental background effect on offspring's poverty outcomes in Greece by employing a binary regression model. Finally, we summarize the main empirical findings and discuss some policy implications.

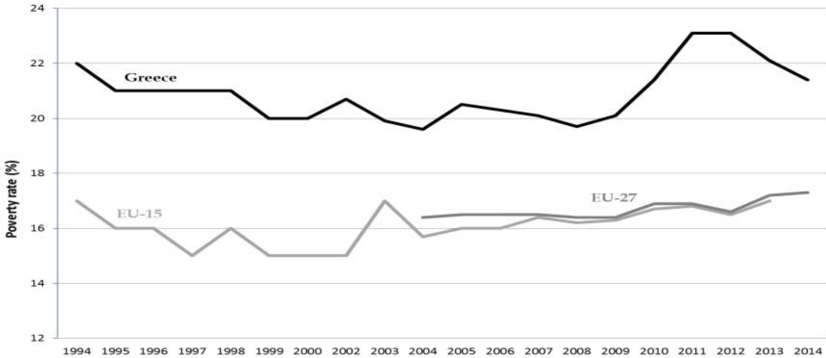
Empirical estimates on poverty and social protection

The analysis in this section utilizes ECHP and EU-SILC data from the Eurostat's surveys that have been conducted in EU countries since the mid-1990's. These surveys provide comparable data and estimates on income, poverty and living conditions of the population. In Greece, these surveys were conducted by the Hellenic Statistical Authority (ELSTAT). The most recent available data are those collected by the 2015 survey and refer to 2014 incomes. In the poverty figures, we use the year that incomes refer to and not the year that each survey was conducted.

Employing the broadly used poverty threshold of 60% of median equivalized disposable income, we found that since the mid-1990s the relative poverty rate in

Greece has been hovering around 20% to 23%, far above the EU-15 average (or even the EU-27one) figures (Figure 1).[2] The socioeconomic blast with the crisis has marked an upsurge in the poverty indicator. Even with the slight drop since 2012, the socioeconomic situation does not allow much optimism. The reason why the poverty rate persists across time is part and parcel with the huge gaps in social protection that we outlined in a previous section. Old-fashioned social policy substitutes in Greece with a design on poverty reduction are no more an option – e.g. the public sector as an employer. Thus, Greece needs to devise new policy instruments to deal with chronic and intergenerationally transmitted poverty.

Figure 1: Poverty rates in Greece and the EU, 1994-2014 (1995-2015 surveys) (Poverty threshold is set to 60% of the national median equalized income)

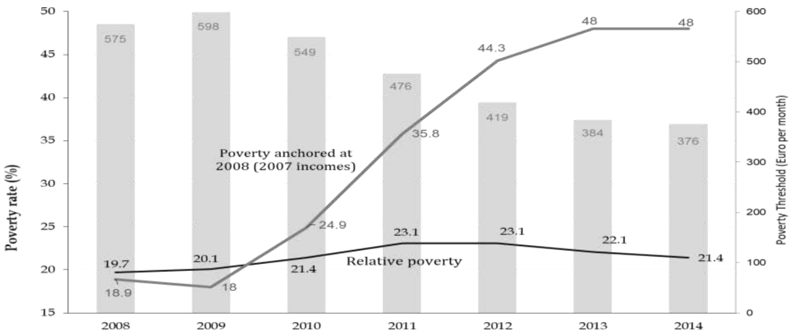


Source: Eurostat

Nevertheless, this relative poverty index is not appropriate for capturing changes in standard of living, particularly during the economic recession. As mentioned above, this index is calculated as a percentage of each year's national median income and therefore it is affected by changes in the incomes of those in the middle of the distribution. Indeed, since 2010, incomes in Greece have been reduced dramatically as has the poverty threshold. As portrayed in Figure 2, the poverty line dropped radically from 598 euros per month in 2009 to 376 Euros in 2014. This is a 37% reduction that reflects the major decrease of median incomes in Greece during the same period.

[2] The disposable income is the total income of all household members minus the direct taxes and social security contributions. The modified OECD scale is used to make households of different size and composition comparable. This scale weighs with 1 the first household member, with 0.5 each additional adult and with 0.3 each child.

Figure 2: Poverty in Greece, 2008-2014 (2009-2015 surveys)

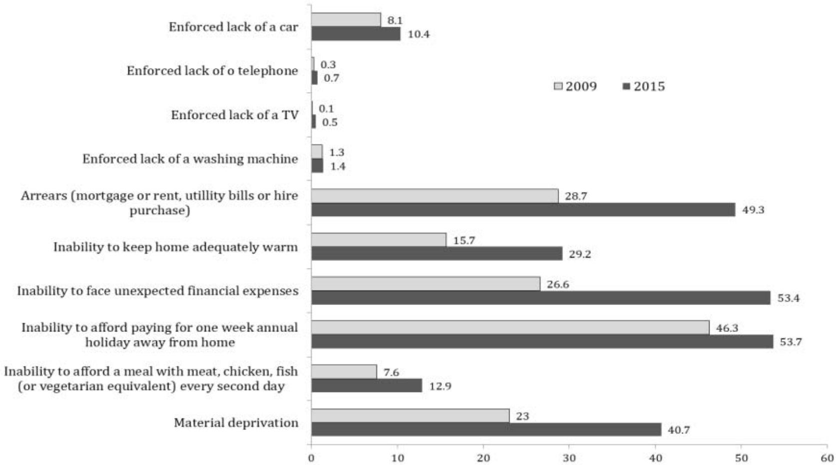


Source: Eurostat

The picture is getting even more critical when the at-risk-of-poverty rate anchored at a fixed moment in time is employed in the analysis. This rate is defined as the percentage of persons in the total population who are at-risk-of-poverty anchored at a fixed moment in time (base year) and adjusted for inflation and differences in purchasing power. Employing a poverty threshold based on the 60% of the median equivalized disposable income of 2008 survey (2007 incomes), we found that the living standards of the Greek population have dramatically deteriorated since 2009. The results show that the at-risk-of-poverty rate anchored at 2008 has rocketed from 18% in 2009 to 48% in 2013 and 2014. More than half of the Greek population in 2013 and 2014 had the same low standard of livings as the 18% of the poorest population had in 2009. These estimates are indicative of the catastrophic effect of the crisis and of the austerity measures on people's living conditions in only 4 years. It should also be emphasized that in just one year (from 2010 to 2011), the proportion of the population that were living below the 2008's poverty line increased by 11 percentage units. This is the year when the austerity policies were introduced following the three-party memorandum of understanding signed by the Greek Government and the Troika (EC, ECB and IMF).

Beyond monetary poverty, material deprivation rate could help shed more light on the deterioration of the living standards in Greece. This is an alternative to income poverty index provided by Eurostat that measures people's inability to afford a number of items and expenses, necessary for maintaining a certain level of living. It refers to items considered by most people to be desirable or even necessary to have an adequate life. This indicator distinguishes between individuals who cannot afford a certain good or service and those who do not have this good or service because they do not want or do not need it. People are considered materially deprived if they cannot afford three or more of nine items and expenses such as payment of mortgage, rent, utility bills, etc., payment of unexpected but necessary expenses, proper food, adequate heating, one week annual holiday and access to durables. As illustrated in Figure 3, those materially deprived in Greece rose to 40.7% of the total population, marking a dramatic increase of 77% (or almost 18 percentage points) since 2009. Focusing on individual needs, we notice that people are not deprived of certain durables such as TV, telephone, washing machine or car since most households possessed these items before the recession. However, more than half of the population in 2015 have difficulties in facing unexpected financial expenses and cannot afford a week's holiday. Also, one out of two persons are unable to pay mortgages, rent payments, utility bills and so on. Additionally, one out of three persons are unable to keep their home adequately warm while 13% of the population cannot afford a proper diet.

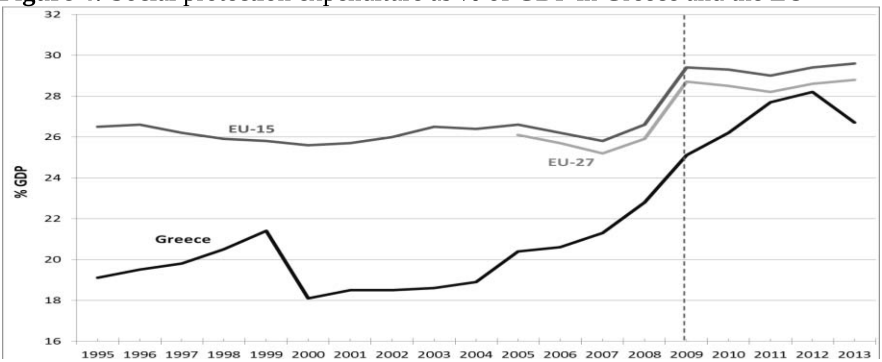
Figure 3: Material deprivation in Greece, 2009 and 2015 (% of total population)



Source: Eurostat

Social protection system and the relevant spending are considered crucial factors in alleviating poverty and deprivation and in explaining differences in these figures across countries (Papatheodorou and Dafermos 2010; Dafermos and Papatheodorou 2012, 2013a; Papatheodorou and Missos 2013). One would expect that the dramatic deterioration of living standards in Greece since the early 2010, would lead to a rise on relevant social expenditures, as a response to the increased needs for social protection. However, dominant neoliberal rhetoric at national and international levels have considered social protection and the corresponding spending as a demonic contributor to the economic crisis due to its impact on public depth (see Papatheodorou 2014). This rhetoric accused social protection as particularly generous compared to the country's economic growth. Thus, cuts in social protection expenditures were legitimized as a basic ingredient of austerity policies, leading to a further weakening of the country's already feeble social protection system (Adam and Papatheodorou 2016). As illustrated in Figure 4, social protection expenditures in Greece as percentage of GDP has always been well below the average figures for total EU (EU-15 and EU-27). So, no extreme social spending has ever taken place in Greece, but rather an inefficient allocation of the limited recourses due to serious drawbacks and imbalances of the social protection system. What is striking is that during the economic crisis, when the country experienced a huge demand for social protection due to the massive increase in unemployment, poverty and deprivation, social expenditures as percentage of GDP have remained lower that the corresponding average figures of the total EU. This is even worse if we take into consideration that during this period the country's GDP was reduced by almost 25%.

Figure 4: Social protection expenditure as % of GDP in Greece and the EU

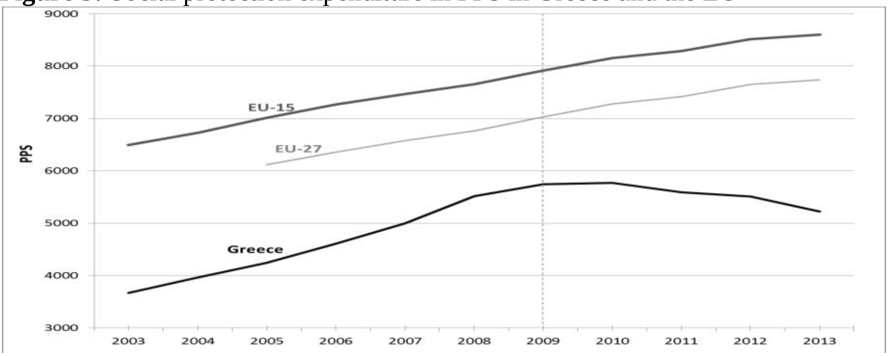


Source: Eurostat

It becomes more indicative if we show the figures concerning the social protection expenditures per inhabitant in PPS (i.e. by taking into consideration differences in purchasing power). As we can see in Figure 5, social expenditures per inhabitant has been significant lower in Greece than the average corresponding figures for total EU (EU-15 and EU27). Even more, since 2009 (during the crisis) social expenditures per inhabitant have been further reduced considerably in Greece while the corresponding figures for average EU-15 and

EU-27 have increased. In other words, social spending of Greece in real terms has been in constant decline since the eruption of the global economic crisis. On the contrary, the EU averages have been on the rise without major fluctuations. One point that needs to be stressed is that the Greek welfare state was never really the culprit for Greece's economic collapse. On the contrary, it became victim of the austerity strategy, which dictates drastic cuts and restructuring in social spending. In the dominant neoliberal paradigm, social protection expenditure has been considered as a contributor to economic crisis and not as an organic part of macroeconomic policy that could have a crucial role in economic growth. Studies have shown that the fiscal multipliers of social transfers are considerably high in Greece (Dafermos and Papatheodorou 2013b). This was admitted by the IMF, which acknowledged that wrong estimates of fiscal multipliers were used in the design of austerity programs. It follows that cuts in social expenditures not only weaken the social protection system but could also have negative effects on the country's public debt viability.

Figure 5: Social protection expenditure in PPS in Greece and the EU



Source: Eurostat

Social implications in poverty reproduction

The transition from the ideal type of inclusive society to the one of active society, that is the steady transition from welfare to workfare policies from 1980 onwards, is a sign of welfare state retrenchment in the western countries (Petmesidou 2003). Over the last years, the concept of social investment has been pointed out by social researchers (e.g. see Esping-Andersen 2005) and has been placed at the epicenter of the political rhetoric and practice on a Pan-European scale, although with distinct differentiations as to the way and degree of implementation across countries (Bouget et al. 2015). Social investment is influenced by the "human capital" theory as elaborated by Becker and Tomes

(1986) and is centered around pro-active policies that focus on the cognitive and human capital development of children, to enable them as adults to cope with the new social risks of the postindustrial era (Petmesidou 2014).

From a social policy perspective, a major change refers to replacing decommodification policies (universal and citizenship-based benefits and services) with activation policies (childcare, education, training, lifelong learning) aimed at reinforcing employability to facilitate the insertion in the flexible labor market. Nevertheless, this development means that society is transferring the responsibility to the individual to deal with the social problems (poverty, deprivation, joblessness, marginalization, etc.).

The emphasis given to the individual and not to social structures (i.e. broader social groupings) entails that the existing institutions and the implemented policies are aimed at forcing the largest possible active population to insert themselves in the labor market (youth, women, handicapped) usually under adverse conditions (e.g. working poor). Still, the "hollowing-out" of social protection along the increase in individualized social risks in the modern era transforms the meaning of life into a risk management process.

The socioeconomic risk became evident once again with the outburst of the economic crisis in 2008, which the dominant rhetoric considers narrowly as an US subprime mortgage crisis that disrupted the banking system (e.g. Lehman Brothers) rather than a systemic-structural problem. Over the next years, the crisis had reached global proportions and affected the EU and, particularly, Greece in the form of a sovereign debt crisis. To a certain point, the causes of the crisis can be tracked to domestic irrationalities and rigidities, but they vastly lie in the systemic imbalances and distortions of global capitalism.

The outbreak of the economic crisis found the developed countries willing to promote neo-Keynesian type of expansionary policies as an explicit form of credit system recapitalization (Ortiz and Cummins 2013). This led commentators to even proclaim the end of the neoliberal era, although practically this outcome is not corroborated, given that supranational and national bodies embrace contractionary economic measures that are governed by harsh austerity, as the Great Recession has been unfolding across developed and developing world (Papatheodorou 2014).

From a quantitative standpoint, the implications of the economic crisis on social mobility have not been investigated in depth, due to the lack of critical data. The assessments of the impact of recession on that matter move towards two counteracting directions. One perspective stresses that the income coming from social transfers increases faster than the income coming from the market, insofar as the latter is more susceptible to the effects of the economic crisis. Yet, the recession entails more (jobless and lower-income) families falling below the poverty line. Thus, the net effect of the two offsetting trends is not easy to be estimated for the time being.

Still, estimation is that a boost of the demand in the economy may come about by rises in incomes through social transfers. In fact, such policies may lift the demand if the beneficiaries are families with a high marginal propensity to consume, but face credit constraints by the banks, that is, families lying at the low and lower-middle levels of the income scale. By contrast, increasing the incomes of the well-off families may not contribute to increasing the demand, given that these families already have or are able to easily acquire money from the banks. Based on this line of reasoning, raising the incomes particularly of poor families with children through welfare state provisions is claiming a significant position in the policy agenda in an era of profound skepticism around the future welfare of human societies.

Moreover, the implications of the economic crisis on intergenerational mobility are expected to preoccupy on a great scale the social researchers soon. Intergenerational mobility is measured with the correlation of the socioeconomic attainments between parents and children (when they become adults). In the EU, this correlation is varying among countries, as the Nordic countries stand out with a relatively low correlation, whereas the South-European and the Anglo-Saxon countries exhibit a relatively high one (Causa et al. 2009; Causa and Johansson 2009).

How can this variation across countries be explained? Given that genetic and behavioral traits are irrelevant to cross-country comparisons, the attention is turned to the endowed assets from the family of origin and the public policies with redistributive impact that greatly affect the socioeconomic outcomes and achievements of individuals in adulthood (Papatheodorou and Papanastasiou 2010; Papanastasiou et al. 2016). Especially, the comparative stance of countries on intergenerational social mobility patterns point to diversity (and/or non-linearity) accounted for by several macro-level factors among which the social protection system has been shown to be highly decisive (Nolan et al. 2011; Papanastasiou et al. 2016; Papatheodorou and Papanastasiou 2010).
The way the welfare state is being restructured is a confounding factor in the patterning of intergenerational social mobility across the EU. We have seen many public anti-poverty investments in education with poor results in

intergenerational social mobility patterns so far in developed countries (Greece is no exception). On the effect of the crisis on intergenerational social mobility itself, precise estimates cannot be made, given the unavailability of relevant and comparable data in most countries. The findings of recent empirical research, nonetheless, suggest cause for concern (Avram and Canto 2016).

The latest estimates we can get on intergenerational social mobility matters in Greece are just prior to the crisis. By utilizing the EU-SILC 2005 data on the intergenerational transmission of disadvantages, it is possible to derive estimates on the parental background effect on offspring's poverty outcomes. Obviously, such effects can be lasting, stretching over generations, until important milestones intercept the intergenerational asset transmission. The logit model employed in this analysis has the poverty indicator as a response variable and a set of control variables as illustrated in Equation 1:

$$P\left(\frac{Y=1}{X=x_i}\right) = \exp(\beta_0 + \beta_1 x_i) + \varepsilon \ \ (1),$$

in which Y is the poverty risk, xi is a set of predictor variables (among which the father's occupation acts as proxy of parental background) and ε is the error term following a Bernoulli distribution with n = 1. As control variables, we use father occupation, child occupation, family type, locality and longterm health status.[3] The weighting procedure is based on the personal intergenerational cross-sectional weight. The N (4,494) was chosen by covariance patterns to accommodate the goodness-of-fit of the model. By using the quasi-R^2 variance estimators we concluded with the following variables and findings. The results in Table 1 are presented in odds ratios.

Before controlling for covariates, the parental background as proxied by the father's occupation statistically significantly affects an adult's poverty risk in Greece. After that, this effect prevails among the extremes on the occupational ladder from a statistical point of view. This finding can point to several (societal and political) directions, but it is evident that individuals from low social status

[3] The coding is the following:

- Father occupation: higher skilled non-manual, lower skilled non-manual, skilled/unskilled manual
- Child occupation: higher skilled non-manual, lower skilled non-manual, skilled/unskilled manual)
- Family type: single vs two-parent family
- Locality: local/non-local
- Chronic illness: yes/no

families need to strive harder to make ends meet compared to ones from higher social status families.

Occupation always matters and counts as a good approximation of incomes (and even more when the intergenerational correlation coefficient amounts to 0.32, as shown in Greece). On the other hand, in countries with more equitable social protection systems (e.g. the Netherlands and the Nordic countries), it is evident that most low socioeconomic background adults have better chances in promoting their socio-occupational life (d' Addio 2007).

Recent estimates on that matter can be found on Papatheodorou and Papanastasiou (2010) and Papanstasiou et al. (2016). The empirical estimates indicate a cross-country pattern in intergenerational social mobility and social protection across the EU. Some countries like the ones of the social-democratic welfare regime emphasizing in tackling poverty, deprivation, discrimination, etc. have managed to lessen income inequality and, thus, enlarge the opportunity structure. So, poverty reproduction in such countries is intercepted by mitigating the intergenerational channels of poverty transmission in private and public spheres through appropriate social policy interventions.

Table 1: Logit model on poverty reproduction before and after controlling for covariates (Greece, 2005)

Poverty risk	**Odds ratio**	**Robust std. err.**	**P>z**
Before covariates test			
Father's manual work	1.744	.057	.000
Father's lower skilled non-manual work	1.246	.059	.000
After covariates test			
Father's manual work	1.302	.049	.000
Father's lower skilled non-manual work	1.054	.055	.317
Child manual work	2.940	.107	.000
Child lower skilled non-manual work	1.905	.076	.000
Single-parent family	1.312	.081	.000
Non-locality	1.708	.105	.000
Chronic illness	1.116	.020	.000

Source: Authors' elaboration of microdata from EU-SILC 2005 UDB

Another matter that deserves consideration (among the various variables we controlled for in preliminary analyses) is the importance of locality for poverty reproduction, holding all other parameters constant. Moreover, contrary to some beliefs, individuals from single parent families, especially headed by women, face a statistically significant poverty reproduction risk in Greece, holding other parameters set. So, our data driven analysis shows that family and social origin matter a lot in Greece in terms of an adult's poverty and welfare outcomes. Why this might be the case and what needs to be done in political sense is topic of the concluding section.

Concluding remarks and policy implications

The empirical findings demonstrate the dramatic worsening of the living standards of a large chunk of the population in Greece over the years of recession and austerity. By employing alternative indicators, it becomes evident that people's wellbeing in the country has been critically hit since 2010 onwards. The figures from our analysis reveal the devastating socioeconomic impact of austerity, delegitimizing the dominant development and modernization tool that runs through the neoliberal dogma.

In Greece, the poverty-related problems have accumulated, and social protection is becoming of a residual type as dictated by the Memoranda (e.g. Minimum Guaranteed Income). By focusing on extreme sorts of poverty, decision-makers shift the attention from promoting total welfare, or even from the large pool of the less well-off in the country, to the extremely poor. However, our analysis has shown that poverty and deprivation have reached critical levels even among the main body of the Greek population (especially the middle strata). These policies cause a systematic transformation of the Greek welfare system to a liberal one, where social protection aims almost exclusively to alleviate severe deprivation through means tested policies. As other studies have shown, means tested policies are less efficient in utilizing the available resources for reducing poverty and for upholding peoples' well-being (Papatheodorou and Dafermos 2010; Dafermos and Papatheodorou 2012, 2013a).

We have also shown that poverty reproduction is a critical matter in the Greek society (Papatheodorou 1997; Papatheodorou and Piachaud 1998; Papatheodorou and Papanastasiou 2010). If poverty and deprivation keep rising, then even more individuals and groups will face accumulated disadvantages and even pass them on to the next generation. To avoid the transmission of poverty across generations and reduce the cost in terms of future interventions, emphasis needs to be put on implementing a welfare mix to provide in-cash and in-kind provisions to vulnerable individuals, families and groups based upon universality and citizenship.

The socioeconomic implications of heightened poverty and deprivation are profound not only for social welfare and cohesion, but also for the utilization of the potential of individuals coming from less well-off families. This translates into losses in income for individuals as well as losses in cohesion and advancement for the Greek society. Furthermore, due to their high fiscal multipliers in Greece, social transfers could play a critical role not only in supporting people's well-being but also in macroeconomic policies for promoting economic growth and public debt viability (Dafermos and Papatheodorou 2013b).

Nevertheless, the recent changes in welfare provision due to austerity lead to a depoliticization and desocialization of poverty, inequality, deprivation, unemployment, etc., insofar as the responsibility for sustaining living and welfare standards is being transferred from society to the individuals. Thus, the individualization of social protection is underway to reduce the so-called "welfare dependency" and curtail-restructure social spending amid crisis and austerity in Greece.

Reinforcing the social protection system to mitigate the upsurge in poverty and deprivation is a strategic goal for the Greek and EU authorities both on social equity and economic efficiency grounds. Yet, the evolving crisis and the subsequent austerity policies have led to opposite results of wide welfare state retrenchment. Overall, the contradiction between worsened poverty outcomes and weakened social protection does not allow much optimism over welfare developments in Greece.

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