# LOCAL GOVERNMENT: THE NECESSITY FOR MAJOR MOVES TAKEN WITH CAUTION AND COURAGE

The Interview of Professor Const. GE. ATHANASSOPOULOS to Mr. Michalis GIOKAS

- Mr. Athanassopoulos, it is well known that you are an expert when it comes to matters of Local Government of a National and European level and that a major part of your scientific work deals with the organizational, the financial sector as well as with Local Government subsidies<sup>1</sup>.

Please tell us your opinion: the independence of the Local Government is a positive development or not?

- First of all I would like to thank you for the honor of considering me "an expert on matters of Local Government" and I would like to congratulate you on the major publication of your Association. The matter concerning the "independence" or if you prefer the "detachment" of the Local Government of A' and B' degree from the Central Administration, is very complex and thorny. The Practice followed on the particular matter in Greece, is one-sided and fractional. For many decades, the jurisdictions granted from the Central Administration to Local Governments were insignificant, secondary and circumstantial depending on the pressures and on the overall political situation of the Country. To continue with, during the last 15 years the politics of the Central Administration, granting a lot of jurisdictions to the Local Government, has emerged rapidly but without "transferring" the relative funds, thus making these jurisdiction feasible in practice.

I estimate, that the L.G. must get "autonomous" and "independent" from the Central Government to the degree that it does not question the essence of the unity and cohesion of the State.

In Greece this "golden mean" has not being materialized yet, because the State of

<sup>1.</sup> This interview was republished in DROMEAS Magazine (9th issue) which is published by the Cultural Association Marathon.

Athens or our Central Prime Ministerial system as I call it, desires to control all local levels.

According to my opinion, in all cases, major steps are been taken towards independence, but at very slow rates...

- To what degree does the development of the Local government of First Degree depend on that of the Second? In other words how does the Local Government of B' degree, depending on its preferences (having the character of a political party or other) or on its probable indifference, can "stall" or promote the development of a Municipality.
- As you know well Mr. Giokas there is no "typical" dependence between the two levels of Government. Given the incomplete Greek legislation on the particular matter, the situation does not leave room for much optimism and that, because the second level will "acquire", due to its major political influence that it will exert in the future, ( the debate on the abolishment of the Regional Director has all ready started...) the capability to interfere in affairs which at times, even "slightly", go beyond the administrative boundaries of the Communities and Municipalities. If you also add into this, the debate between the Parties and the incapability of providing with Executives the Services of smaller Communities and Municipalities, then things always get to complicated since the pressure falls on smaller levels. Unfortunately, in Greece various regulations, which are very common in Member-States of the European Union, have not come into force; based on these regulations the upper most level goes in accordance with the lowest and it supports it in many ways and not only after petition, but also by personal initiative..
- Then, since things are like that, how can a Municipality for example promote its affairs?
- Despite the rigid and strict network of the currently valid regulations on matters of Central Administration, of Prefectural Government and of Organizations of Local Government of the A' degree, there is still room for a Municipality to act "independently", always within the legal bounds. That way, a Municipality in its effort to break through the "walls", that others have constructed all around it, in its ignorance, can use new law structures like for instance Municipal Enterprises, Inter-Municipal Collaborations, also to borrow not only from the Greek Consignment and Deposits State Bank (which does not grant loans to the Organizations of Local Government at the best rates..) but also from foreign sources (e.g. the European Bank of Investments, Private Banks etc.). Concerning the latter, I remind you the policies on matters of loan granting that the Municipality of Athens follows, at the absence of the Central Administration; furthermore the Municipality of Athens has proceeded in raising a new loan which amounts to 25.000.000 drs with a fluctuating interest rate (around 14%).

At this point, I would gladly inform you, that in the years to come the ways of concentrating funds for the final payment of loans that any Municipality can raise at the

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## ΤΑ ΧΡΗΜΑΤΟΔΟΤΙΚΑ ΚΙΝΗΤΡΑ ΣΤΟ ΘΕΣΜΙΚΟ ΠΛΑΙΣΙΟ ΤΗΣ ΠΕΡΙΦΕΡΕΙΑΚΗΣ ΑΝΑΠΤΥΞΗΣ ΣΤΗΝ ΕΛΛΑΔΑ

Αθήναι, 1993

### Κωνσταντίνος ΓΕ. ΑΘΑΝΑΣΟΠΟΥΛΟΣ

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#### Η ΔΗΜΟΣΙΟΤΗΤΑ

ΕΠΙΚΟΙΝΩΝΙΑ ΔΗΜΟΣΙΕΣ ΣΧΕΣΕΙΣ ΑΝΘΡΩΠΙΝΕΣ ΣΧΕΣΕΙΣ ΔΙΑΦΗΜΙΣΗ ΚΟΙΝΗ ΓΝΩΜΗ ΠΡΟΠΑΓΑΝΔΑ ΜΕΣΑ ΔΗΜΟΣΙΟΤΗΤΑΣ ΝΟΜΙΚΕΣ ΡΥΘΜΙΣΕΙΣ ΠΡΟΣΩΠΙΚΗ ΠΡΟΒΟΛΗ

> ΣΤ΄ ἐκδοση Αθήναι, 1996

present time, including the Municipality of Marathon, the loans will be covered by revenues stemming from, the Communal Framework of Support, the Program of Public Investments, the increased State subsidies, also from the systematic collection of debts of third parties owed to the Municipality, from the introduction of regulations within its administrative boundaries concerning the controlled parking of vehicles etc..

- If things are like that, then, why is there an "unwillingness" by the Organizations of Local Government to turn into such procedures?
- -For many reasons. I must point out rapidly some. To begin with, from the thousands of Executives of the OLGs, whom I call "uncalculating and innocent lovers" of the local Administration and Development in general, only few know these mechanisms and these procedures. For example how many know the privilege that the OLGs have to raise loans from the European Bank of Investments, that has its headquarters in Luxembourg? Then, how many from the LGOs have in their service Special Consultants and Collaborators to "seek for" these capabilities of further financial support from National, Communal or other sources? And even if some Eligible Rulers have the appropriate information on proper time, how many of them will "dare" to proceed to the necessary actions, especially when these bear a political cost and may result to the discontent of the Members of the Community? Also what is worth noting is that the results will show in the long run.
  - Then, what could be done about it?

- Many things could be done. And the first thing that should be done immediately is the formation of mechanisms of informing all: Inform the Central Administration, the Prefectural Government, the LGOs of the A' degree on the State's own responsibility, also inform the Citizens on the Local structures' responsibility. For many decades I declare the necessity that KEDKE can form mechanisms concerning its own information and the information of its Members and to expect for the relative kind gesture from the Central Administration... For many years I emphasize the necessity of using our university's potential in favor of Local Structures... And I must not forget to mention the total absence of the Media from the relative procedures, especially the Public Mass Media, which constantly "feed" the party's friends, being indifferent to the implications to follow.
- Professor Athanassopoulos with all these things that you have already mentioned you get into the core of the problems and this causes bitter thoughts, which I admit that I prefer than total ignorance on the matters. But lets get to a different subject. Our Magazine called DROMEAS, is a cultural Magazine. According to your opinion, can culture and cultural activities enhance a local economy? In other words should they be considered as products to be exploited? Or they only address to a minority, therefore being irrelevant to the progress of this Country?
- Thank you for making me this important question. The Culture in general in relation to the local spatial dimension acquires a major significance, due to its association with the area that is being "produced". For instance we use the term Greek Culture. But what does a person understand from this term? I thing that the term includes (and is formed from) the Civilizations of the Aegean, Crete, Mycenae. Olympia, Delphi, Marathon, Athens etc., and the People that were born and lived in these particular regions. I am afraid that political matters in general, which at times may acquire "commercial" and "economic" dimensions, haven't being the subject of essential study as they should...

One Research which was conducted three years ago by the Greek Enterprise of Local Government and Development (EETA) for the Central Government of Greek Municipalities and Communities(KEDKE), having as a subject the political activities of the Organizations of Local Government (OTA)- which I fear is the first and only one-has not yet being published... And I feel sorry to indicate that considerable amounts of money, stemming from foreign sources, intented for the political activities of the OTA are not being used...

- Finally, isn't there a "cure"?
- Certainly there is. Actually since ancient times: It is evident in the ancient. immortal, through the ages, Greek Spirit: "Get to know yourself" and "Make no more than what you should". And this was later on adopted by Christianity: Know the truth and the truth will free you.