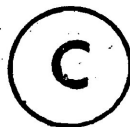


THE CAUSES AND CONDITIONS OF GREEK
TEMPORARY EMIGRATION TO WEST GERMANY
IN THE 1956 - 1976 PERIOD AND ITS CONTRIBUTIONS
TO THE GREEK ECONOMY



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ABSTRACT

In the post World War II period, emigration of labour from the Southern less developed countries of Europe to the more industrialized countries of the North has increased considerably, and it has played an important part in the economic development of both the sending and receiving countries.

The causes of such migratory movements of workers - which are both voluntary and temporary - are to be found in the excess demand for labour in the expanding economies of certain Northwestern European countries, and mainly in the excess supply of labour in the less developed countries of Southern Europe, such as Italy, Portugal, Spain, Turkey, Yugoslavia, and Greece. However, these flows of migrant labour are not only induced by the excess supply of labour in the less industrialized countries, but they are also enhanced by the prospects of higher earnings and the acquisition of new skills in the receiving countries, as well as by the related benefits to the economies of the sending countries which have the common characteristics of shortages in investment funds and chronic balance of payments difficulties.

Despite some obvious social costs, the need and/or desire for emigration in Greece was accentuated by the adverse socio-economic effects of the enemy occupation during World War II, the civil war

that followed from 1945 to 1949, and the occasional political instability of the postwar period, including seven years of military dictatorship from 1967 to 1974.

The present study attempts to examine the part that Greek labour emigration to one particular country, and in this case West Germany (Federal Republic of Germany), has played in the development of the Greek economy in the post World War II period, and more specifically in the 1956-1976 years.

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INTRODUCTION

The temporary emigration of Greek surplus labour to the Northwestern European countries in general and West Germany in particular, has become an economic phenomenon of great importance to the post World War II development of Greece.

Although the temporary migratory movements in Europe are a new phenomenon, forced and voluntary emigration of Greek people has occurred throughout the 3,000 years of their history. In fact, there were periods in Greek history when the population of the territories which make up today the modern Greek State, was equal in size to the Greek ethnic groups that lived outside of Greece.

The causes of this considerable Greek exodus may be found in a variety of factors, including the socio-economic and political conditions in Greece, the many and destructive wars, and the occasional oppression that the Greek people have suffered from domestic and foreign tyrants, and especially the oppression of the long Ottoman occupation that lasted for four centuries, from 1453 to 1828. However, the causes of voluntary emigration may be found also in the long established traditions of the Greek nation and the character of its people, which includes considerable curiosity, restlessness, and a near passion for

self-improvement. It was not in fact just need and circumstance that drove the Greeks across the seas in search of other lands and new fortunes, but their spirit of adventure, which in combination with certain business acuteness and traditional seamanship, has helped them also to develop one of the greatest maritime nations of the world, despite Greece's scarce resources and geographical limitations.

The volume, composition and destination of Greek emigrants in modern times, and especially in the post World War II period has varied according to the changing socio-economic and political conditions in Greece, as well as to the changing conditions and immigration policies of the recipient countries. Greek permanent immigration in the last thirty years has concentrated mainly in Canada and the United States in North America, Brazil and Venezuela in South America, and Australia, South Africa, and Britain (mainly Greek Cypriots). Temporary Greek immigration has concentrated mainly in West Germany, but there has been some temporary immigration also in Austria, the Benelux countries, Sweden, and Switzerland.

According to the Statistical Service of Greece, permanent and temporary Greek emigration from 1951 to 1972 totaled 1,178,000. It is estimated that about 1,500,000 Greek citizens emigrated to foreign lands in the 30 years between 1945 and 1975, which is equivalent to 17 percent of the 8,768,641 total population of Greece in 1971. This post World War II Greek emigration did not only benefit the recipient countries but the Greek economy as well, because it has eased the

unemployment situation, the pressure for arable land and social services, especially in the rural areas of Greece, and it has contributed substantially to the balance of payments and development plans through the remittances of emigrants to relatives in Greece, and the transfer of some of their savings to Greek banks and other financial institutions. Greek emigrants have also invested considerable profits gained abroad in property and industrial and commercial enterprises in Greece. The additional benefits of temporary immigration included also the private and public benefits of improving the education and skills of the Greek workers in general and the female workers in particular, who were thus able to contribute more directly to the development of the Greek economy after their repatriation.

There are of course some social costs associated with emigration which although important, they are very difficult to quantify, such as separation of the family for instance, the relative inferior living conditions and social status in the receiving countries, etc. Nevertheless, whatever the costs, they did not apparently cancel out the important benefits of the temporary Greek immigration in West Germany to the post World War II development of the Greek economy, and especially in the 1956-1976 period. As this study attempts to show, the contributions of that particular temporary emigration to the Greek economy, were of considerable value.

The research work for this study was hampered somewhat by the lack of any major works on the subject of temporary emigration in Europe from the less developed countries of the Continent to the more developed ones. Nevertheless, the challenge and the importance of the subject has made the effort worthwhile, especially because temporary emigration has become one of the major issues in the post World War II development of Europe and its inter-governmental relationships.

The data provided by the Greek and West German authorities and institutions, has been of considerable assistance and encouragement to the researcher, especially in his examination of the various inter-related problems concerning the causes and effects of Greek temporary emigration to West Germany. More specifically, Part I traces the rationale of European temporary emigration, and examines the historical pattern of Greek emigration as well as the perennial economic problems that affected this emigration. Part II examines the causes of post World War II Greek emigration, the particular incentives and composition of Greek emigration to West Germany, and the distribution as well as the conditions of Greek guest workers in that country. Part III examines the problems and the benefits of repatriation versus the integration of Greek workers in West Germany, and summarizes the overall benefits of temporary Greek immigration in West Germany to the post World War II development of Greece.

A variety of research methods have been used in the completion of this study. In addition to a thorough examination of existing relevant literature, and the data provided by Greek and German institutions, the researcher interviewed and had discussions with appropriate West German and Greek public authorities. The researcher interviewed also repatriates in Greece and Greek guest workers in West Germany, and visited places of their work, living quarters, social clubs, and a school for their children.

Finally, the researcher has taken advantage of the fact that he speaks and reads German.

PART I

CHAPTER 1: THE RATIONALE OF EUROPEAN
TEMPORARY EMIGRATION

Temporary emigration from the less industrialized countries of Europe to the more industrialized ones, is not a unique phenomenon of our times. Although such emigration reached its peak in the World War II period for reasons which are explained anon, temporary emigration began to develop parallel to the permanent immigration long before the First World War. In 1851 for instance, there were about 700,000 Irish immigrant workers in Britain doing unskilled work in the British textile and construction industries. Some of those Irish workers remained with their families in Britain, but many others either returned to Ireland or emigrated on a permanent basis to other countries of the British Commonwealth and the United States.

In 1886, France had more than a million foreign workers, mostly Belgians and Northern Italians. When World War I was declared, it was estimated that 161,000 of the 409,000 mine workers of the Ruhr area in Germany were Poles. Before World War I as well as after World War II, Switzerland met its manpower requirements by great numbers of temporary immigrants. Today 16 percent of Switzerland's population are foreign workers, but as early as 1910 they were more than 14 percent of its population.

During World War I, hundreds of thousands of emigrants returned to their countries of origin in Europe. Some voluntarily, others by

force. When World War I was over, the figures of emigration gradually declined, because of the developing economic crisis. Only France, which had suffered severely from the great loss of men during the war, was searching for foreign labour to help rebuild its economy. Special trains brought to France thousands of emigrants from Poland, Czechoslovakia, and Italy. However, when France too was stricken by the Great Depression, most of the foreign workers were sent back to their countries of origin. Germany also had been forced because of the war losses, to recruit foreign workers despite the impending depression. Half a million foreign workers were employed in Germany until 1938 when Hitler reversed the existing policy and sent them back home, only to replace them later, during World War II, by millions of slave workers from many parts of the European Continent.

After World War II, the prevailing impression was that European emigration was over because many experts believed that such migratory movements belonged to passed times, and different conditions. The problem at the immediate postwar years was how the veterans, the former war prisoners, and the millions of refugees, were to be absorbed in the European economies. West Germany alone had within its borders eight million refugees and others from Eastern Europe, who hoped to emigrate to other parts of the world. Some of them did, many returned to their countries of origin, but quite a few apparently remained in West Germany to become eventually the first temporary immigrants to take advantage of the developed manpower shortages and the German economic recovery.

The Marshall Plan aid and the progressive policies pursued by most West European Governments in the immediate postwar period, resulted not only in the economic recovery of West Germany but in the recovery and expansion of most Northwestern European countries. This economic recovery and expansion however, created in its wake a serious manpower crisis which had been caused by an increasing incongruity between demographic and techno-economic developments. This incongruity had produced increasing gaps - surpluses and deficits - between the supply and demand for manpower in certain sex and age groups, which no more could be balanced inside the labour markets of the expanding Northwestern European economies.¹ These developments necessitated inputs of foreign labour to fill the deficits and to balance the surpluses. For political and other reasons however, the preference was for European workers and especially those who came from the surplus labour countries of Southern Europe. It thus began the post World War II temporary migratory movements of Western Europe.

Temporary immigration in Europe reversed to a considerable extent the traditional permanent and semi-permanent European emigration to North America and other parts of the world, because such immigration became more attractive to both the receiving and the sending countries, as well as to the individual emigrants. This was so because in the receiving countries it reduced or eliminated the problems of integrating

¹ Migration in Western Europe, G.A.M.M.A. Institute, Switzerland, 1974.

foreign minorities and the costs of eventual social benefits such as pensions, while for the emigrants of the sending countries, the nearness of their home and family as well as the possibility of early repatriation with new skills and some accumulated personal wealth, was much more attractive than permanent immigration to far away places. Temporary emigration was also preferable to the home government and industry because the anticipated or planned improvements in the economy, required the acquired new skills of the repatriated emigrants as well as the capital they had acquired abroad. Thus, in addition to the immediate contribution that the outflow of the surplus unskilled labour was making to the reduction of unemployment in the sending countries, it was to contribute later to the improvement of the quality of labour and to the investment funds they needed for development.

The inflow of foreign workers even on a temporary basis, created some problems in the receiving countries because of the social costs (such as the rising need for more housing and social services), and the unfavorable reactions of the older population to having so many people of different ethnic and cultural backgrounds living among them.² The benefits of temporary immigration to the receiving countries outweighed however all the costs, for in addition to alleviating the problem of manpower shortages and improving the status of their own workers through the "promotion effect" on jobs and positions, the supplementation of local manpower by foreign workers added not only to the potential aggregate supply but to

² Ethnic, social and religious prejudices still persist in Western Europe in spite of the gradual development of close economic, political and cultural ties among the various West European countries and especially those of the E.E.C.

aggregate demand for consumption and investment as well, (especially when the foreign workers were accompanied by dependent members of their families).³

As the advantages of importing foreign labour were much greater than the disadvantages in the expansive years of the 1950's, 1960's, and even the early 1970's. A number of Northwestern European countries and especially Switzerland and West Germany (F.R.G.), opened their doors to foreign temporary immigrants first from Northern Italy, and later from Southern Italy, and other Mediterranean countries, which have problems of considerable unemployment and underemployment (Portugal, Spain, Turkey, Yugoslavia and Greece).

West Germany especially, began to experience a remarkable economic expansion since 1950, and had achieved full employment within a fairly short period of time compared to other Western industrialized countries. This success however, had created also some serious manpower problems, because the national manpower resources could not any longer meet the rising needs of the rapidly expanding economy. The manpower shortages could not be fully compensated even by far-reaching methods of rationalization and technological changes. Another problem was the unfavorable age structure of the German population due to the great losses of the younger generation during the war and the division of the country into West and East. The only solution therefore, was to import foreign workers - if economic growth and prosperity was to be sustained.

³ E.J. Mishan and L. Needleman. Immigration: Excess Aggregate Demand and the Balance of Payments in *Economica*, May 1966. pp. 129-147. (See also E.J. Mishan, "Does Immigration Confer Economic Benefits on the Host Countries?" in Economic Issues in Immigration. London, 1970).

Especially since 1960, West Germany has received a steady stream of foreign workers who have been provided with fairly steady employment and higher wages than those received in their own home countries, as well as with a variety of fringe social and economic benefits.

The import of foreign labour had from the beginning of its inception been supported by all political parties and the representatives of industry and labour, because they had realized that such a policy was a must for the economic welfare of the country. Perhaps, they agreed with Kindleberger, the American economist, who maintained that the elastic provision of foreign manpower was one of the major contributory factors to the post World War II economic recovery and development of West Europe in general, and of West Germany in particular.

It should be noted also that the intention of West Germany and the other West European countries from the beginning was to have in their countries, the imported foreign workers for a certain period of time as *guest workers (Gastarbeiter)* and not as potential permanent immigrants. In 1973, when temporary emigration to West Germany had reached its peak, the number of foreign workers in that country totaled 2,595,000, but they began to decline gradually in the following years, because the international recession had affected the German economy as well. (See Table 1). In a period of less than three years (September 30th, 1973 to June 30th, 1976), the number of foreign workers in West Germany declined by 658,000 or by 25.3 percent. Workers from Spain came first in the reduction with 41.5 percent, the Italians were

TABLE 1

WEST GERMANY

Number and Percentage Changes of
Foreign Workers (30.9.1973 - 30.6.1976).

(Thousands)

Sending Countries	1973	1973	1974	1974	1974	1975	1975	1976	1976	absol. %	
	30.9	31.12	31.63	30.6	31.12	30.6	31.12	31.3	30.6	change	
Turkey	605	599	605	618	575	553	523	526	527	-78	-12.8%
Yugoslavia	535	514	513	473	435	419	390	390	390	-145	-27.1%
Italy	450	423	416	341	303	297	267	276	276	-174	-38.6%
Greece	250	243	236	235	218	204	186	184	179	-71	-28.4%
Spain	190	183	174	159	139	130	116	115	111	-79	-41.5%
Portugal	85	86	85	82	74	70	65	65	64	-21	-24.8%
Others	480	472	461	423	407	398	386	384	390	-90	-18.7%
Total	2,595	2,520	2,490	2,331	2,151	2,071	1,933	1,938	1,937	-658	-25.4%
Percentage of the labour force.	11.5%	11.4%	11.4%	11.2%	10.5%	10.3%	9.7%	9.8%	9.8%		

SOURCE: Federal Institute of Labour of West Germany.

second with 38.6 percent, and then the Greeks with 28.4 percent, followed by the Yugoslavians (27.1 percent), the Portugese (24.7 percent) and the Turks (12.8 percent).

Nevertheless, the reduction of foreign manpower in West Germany took place gradually and without much trouble, mainly because of the established understanding both in the receiving and sending countries that immigration was to be temporary. Even before the reductions of the late 1970's, it was calculated that only 9 percent of the guest workers lived in West Germany for ten years or longer. The average length of stay in 1973 and before was just over three and a half years.⁴ This indicates that there was considerable voluntary repatriation long before the pressures of recession. In fact, German policy concentrated much more on reducing considerably the number of new emigrants than forcing those already in the country to repatriate. "Clearly", stated a German publication, "the *Gastarbeiter* are not going to disappear overnight. And to be fair, it seems that only a minority think that they should."⁵

The same publication summed up some aspects of the rationale for retaining temporary immigration as follows:

After all, at least three million German workers were able to move up the job ladder between 1961 and 1973 to become clerks and officials. Half of these were lost to industry and the manual trades, transferring instead to the services branch. A million of them took up employment with the State.

Could this have happened without *Gastarbeiter* to step into the vacant slots? The answer, quite definitely, is that it could not. For every one of those jobs left free by the departing Germans was taken over by a foreign worker.

⁴ D. Martin. "Are Foreign Workers Really Necessary?", German International, Vol. XX, No. 9, Bonn, September 1976.

⁵ Ibit.

⁶ Ibit.

CHAPTER 2: THE HISTORICAL PATTERN OF
GREEK EMIGRATION

Tradition and need have made Greece one of the great emigration countries on percentage basis since the beginnings of the modern Greek State in the 19th Century, but the pattern of Greek emigration was affected from time to time by changing conditions both in Greece and the receiving countries.

The modern times' migratory movements of the Greek people started in 1890 with emigration to the United States, which intensified at the turning of the 20th Century. According to official statistics, 15,979 Greek people emigrated during the 1890-1900 period, but these were followed by another 402,000 during the 1900-1920 period, a considerable number of people if we take into account the fact that the then population of Greece was only 5,531,474 inhabitants. The main body of the Greek emigrants belonged to the active population, that is the ages between 15 and 44, and 90 percent of those were men.

The American sociologist Henry Pratt Fairchild in his study regarding the emigration of Greeks to the United States characterized them as "above the mark" from a biological, psychological and mental point of view.

Although Greece was expanding territorially during that period (Ionian Islands, Thessaly, Macedonia, Epirus and Thrace were annexed to Greece) and there was not a significant increase of the

population (according to the available statistics, the annual increase in population varied between 17,000 and 19,000 people, which was an increase of about 7.5 percent per annum). The density of the population, per square kilometer, increased by 2.28 percent (from 34.39 percent in 1889 to 36.3 percent in 1920) and there was a considerable outflow of emigration to the United States.

The Greek social historian, Vassilis Filias, in his essay, "Emigration - Its Causes and Effects" attributes the phenomenon to the poor state of the feudal type of agricultural credit, and its social policy toward the agrarian population.⁷ Therefore, the ranks of emigrants consisted mainly of members of the agrarian population. As a result, the villages lost the best representatives of the country's manpower and those who could become the agents of change and renewal and could provide local leadership. Consequently, not only were the villages denuded by the more dynamic and active elements but also the "quality" of Greek emigrants to the United States dropped after 1911. Less dynamic, less active and less hard working individuals started to emigrate in the ensuing years. They were granted admission to the United States by the American authorities because the work that they were needed for, was usually very hard or very manual.

⁷ See V. Filias. Emigration - Its Causes and Effects. (in Greek), Athens, 1967.

During the 1912 to 1921 period, 55 percent of the emigrants returned home however, to participate in the Greek war effort (Balkan Wars, the First World War and the Greek campaign in Asia Minor). They were also considering the possibility of settling in the newly liberated areas of Greece. After 1922, and till the second half of the 1930's, the rate of emigration began gradually to decline. It is significant perhaps that the population in the cities and the suburbs represented 47 percent of the whole population of Greece in 1940, while it represented only 27 percent of the population in 1920. This internal emigration continued after the World War II years.

There were a number of factors which contributed to the decline of external emigration and the increase of internal emigration. In 1929, the United States suffered the great economic depression. There was a lack of job opportunities and many Greek emigrants returned to Greece and back to their villages. However, after the recovery of the American economy in 1932, 70 percent of those people returned back to America. During the same period, in contrast to the decline in external emigration, there was a sharp increase in internal emigration because of certain developments within Greece. The big cities and particularly Athens and Thessaloniki, became the attraction poles of thousands of young people from the unemployment and underemployment stricken rural areas. Filias attributes this movement to the big cities and the creation

of new urban centres to "the abrupt extension of markets due to the influx of 1,200,000 refugees from Asia Minor; the increased importance and activity of the administrative services; the foundation of a first industrial substructure."⁸ Two other factors may be added, the indifference of the various governments at that time to meet the needs of the rural population and the unproductive structure of Greek agriculture.

After World War II and the civil war of 1945-1949 that followed, and particularly after 1955, Greek emigration has taken new proportions. However, it was a new kind of emigration of guest workers to the Western European countries, which as it was mentioned earlier, wanted to cover their existing shortages of labour from the Southern European ranks of the unemployed and underemployed. Greece responded positively to this demand. Up to that time, emigration to traditional countries of immigration such as the United States, Canada and Australia gradually declined or remained at low levels except for certain short periods of time. The data in Table 2 indicates that the rise of emigration after 1955, was affected by the rapid increase in the flow of emigrants to Western Europe. The number of Greek emigrants to Western European countries rose from 6,713 in 1959 to 87,242 in 1965, whereas departures for overseas countries rose from 13,871 in 1959 to only 29,035 in 1965, mainly for two reasons: First, the American Act of 1922 on "quotas"

⁸ V. Filias, p. 57

TABLE 2

GREEK EMIGRATION

Years	Overseas countries	European countries	West Germany
1955	19,766		
1956	23,147		
1957	14,783		
1958	14,842		
1959	13,871	6,713	-
1960	17,764	26,967	21,500
1961	17,336	39,564	31,107
1962	21,959	60,754	49,532
1963	24,459	74,236	64,662
1964	25,327	79,489	75,343
1965	29,035	87,242	80,569
1966	33,093	53,050	45,494
1967	26,323	15,658	9,730
1968	25,871	23,501	20,201
1969	28,425	62,393	59,000
1970	24,156	68,106	65,293
1971	18,690	42,556	40,057

Source : National Statistical Service of Greece.

had reduced considerably the number of Greek immigrants that qualified under the Act. And second, the temporary nature of immigration in Western Europe had become more attractive to many Greeks who wished to increase their income, but not to leave their country on a permanent basis and spend their lives in faraway places.

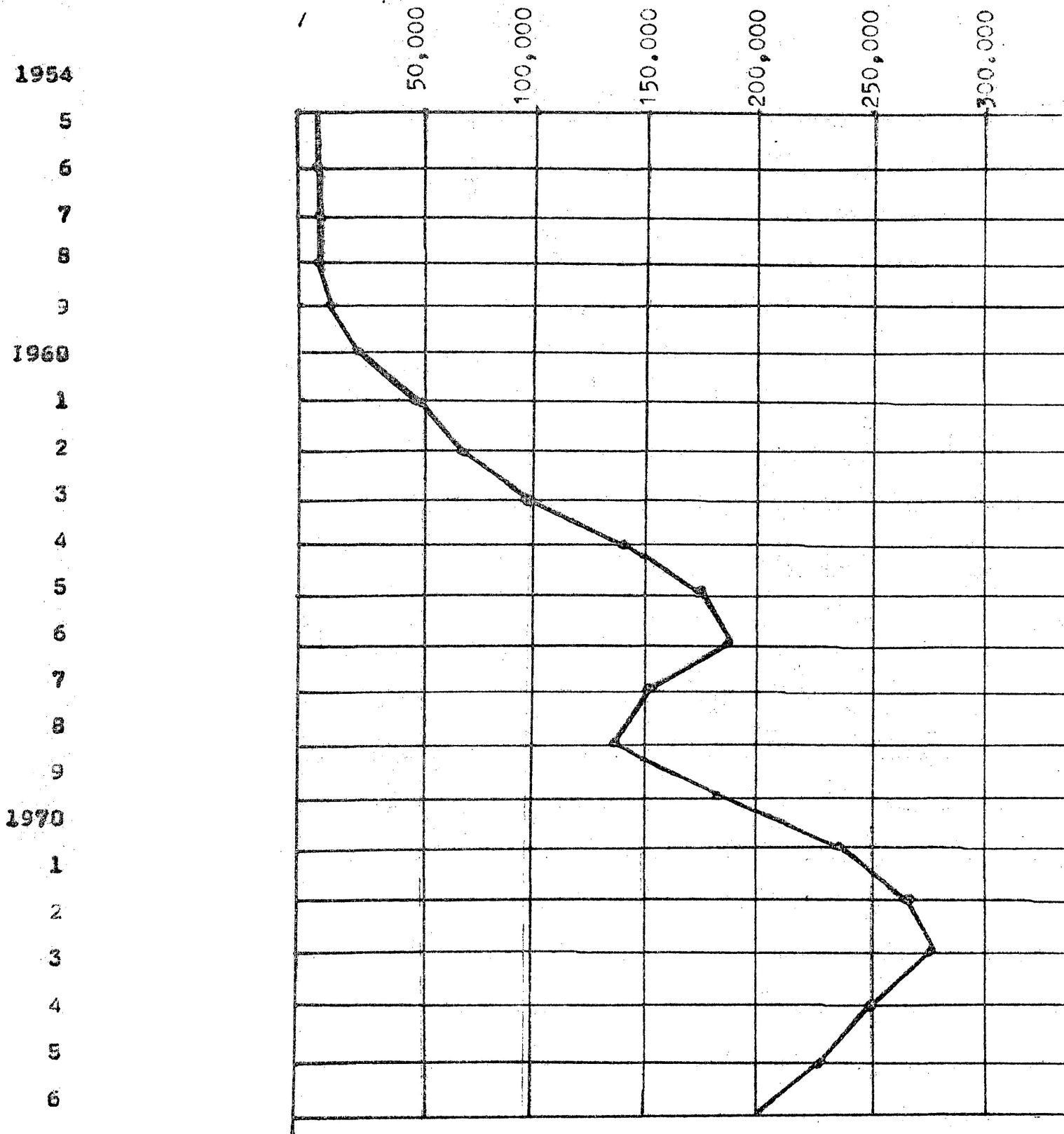
Greek temporary emigration to various countries of Western Europe started a few years after the end of the civil war in Greece, which was over by the beginning of 1950. About 15,000 Greeks emigrated to Belgium to work in the coal mines between 1955 and 1958, but there was no official agreement between the two countries on immigration before 1959, which was followed in the same year by an agreement between Greece and France. In 1960, the Greek Government signed an agreement with the Government of the Federal Republic of Germany concerning the selection of Greek workers for emigration to West Germany and the conditions and terms of their employment. Although unofficial emigration to West Germany had started a few years earlier, the 1960 Agreement marked the beginning of the biggest movement of Greek labour to any country in the post World War II period.

Especially between 1961 and 1971, a total of 535,978 Greek workers emigrated to West Germany, out of a grand total of 606,549 who emigrated to Northwestern Europe as a whole, and compared to the 274,694 of permanent Greek immigrants who emigrated to North America, Australia, and other parts of the world in the same period (See Table 2).

The emigration of Greek workers to West Germany had followed in fact a rising slope till the end of 1973. (See Diagram 1). The following year marked, however, the beginning of a gradual reduction in the number of Greek emigrants which reached a low of 184,199 in March 1976. The number of Greek workers had been reduced by 85,915 (-31.8 percent) within three and a half years. The reduction was due mainly to the general limitation of guest workers in West Germany, as well as by the repatriation encouragement measures taken by the Greek Government. On the German side, the discouragement of foreign workers' immigration became necessary because of the world recession which affected adversely West Germany's economic expansion.

DIAGRÁM 1

EMPLOYMENT OF GREEKS IN WEST GERMANY



SOURCE: Federal Institute of Labour of West Germany.

CHAPTER 3: THE PERENNIAL ECONOMIC PROBLEMS
OF GREECE AND THEIR AFFECT ON
EMIGRATION

Greece may be classified as a commercial rather than an agricultural or industrial country. This classification distinguishes in fact Greece from the other countries in Southeastern Europe. All countries in this part of the World have been experiencing some considerable changes as a result of their industrial development in the post World War II years, but with the exception of Greece, the greater percentage of the population in these countries is still engaged in agriculture. In 1950, five years after the end of World War II, the proportion of the population engaged in agriculture in Albania, Bulgaria, Rumania, Turkey, and Yugoslavia, was about 80 percent while in Greece at the same time was about 55 percent, and it was reduced to 50 percent in the 1960's.

One important contributory factor to the development of this differential is the fact that only about one fifth of the area of Greece is cultivated. The reason for this is that as an extremely mountainous country, Greece has little flat land; only 30 percent is arable and under cultivation, and of the rest, 46 percent is used as rough pasture-land for the grazing of goats, sheep, and few cattle, while the remaining 24 percent is either mountainous scrub-land and thin forests or barren rocky land completely unsuited for cultivation. The timber resources of the thin forests are very limited, having been reduced by centuries

of felling, forest fires (especially during the Nazi occupation: 1941-1944) and grazing by goats. However, some use has been made of the pine forests (the Aleppo pine), which produce resin (used for industrial and other purposes) and firewood. The main timber resources are in the northwest part of the country and especially in the Pindos mountain range.

The principal flatlands of the country are the plains of Boeotia, Thessaly, Central and Eastern Macedonia and Thrace. These are also the main wheat producing areas. Rice is also grown in certain flat alkali lands of Peloponessos, near the sea, which were reclaimed in the late 1950's. The rest of the arable land is in the foothills, the soil of which is very well suited for the growing of tobacco (Greece's staple crop), grapes, olives, and fruit. Cotton of competitive quality is grown both in the plains and the low hills, wherever there is adequate irrigation. The favorable climate of Greece and the early introduction of agrarian reforms have helped this fairly effective utilization of the arable land and the accomplished diversification of produce, but the land as a whole, has never produced adequate amounts of all the needed food commodities nor adequate income for the small land-holders.

Concentrated efforts at grain production in the post World War II period, succeeded by 1960 in producing enough to meet the wheat needs of the population. However, in spite of considerable improvements,⁹ the type and volume of agricultural production in Greece, continues to pose

⁹ The rate of agricultural production in Greece has been increasing steadily since 1960 and it compares favorably with many countries of the developed and developing world (See Table 3).

TABLE 3

AGRICULTURE

Index numbers of agricultural production of selected countries.

1963 = 100

Country	Food Items				All Commodities			
	1968	1969	1970	1971*	1968	1969	1970	1971*
Greece	122	129	139	140	114	120	129	130
Egypt	118	119	122	126	116	120	121	125
Austria	104	108	102	107	104	108	102	107
Belgium-Luxemburg	109	118	120	132	108	111	118	130
France	121	116	124	128	120	116	128	127
Germany F.R.,	111	109	110	115	111	109	110	115
Yugoslavia	116	130	113	134	115	128	111	131
Denmark	109	102	98	103	109	102	98	103
Switzerland	112	114	110	119	112	114	110	119
United States	114	114	113	123	109	108	108	116
United Kingdom	109	110	116	123	109	109	116	122
Japan	125	124	122	118	124	123	120	116
Spain	107	109	110	119	106	108	109	117
Israel	142	141	147	152	146	146	151	156
Italy	115	121	119	119	115	120	119	119
Canada	106	105	96	113	106	106	99	112
Cyprus	150	165	156	170	149	164	154	169
Norway	108	102	105	106	108	101	105	106
Netherlands	110	112	125	130	109	111	123	128
Sweden	114	98	107	111	114	98	107	111
Turkey	116	116	124	130	119	119	125	134
Finland	102	109	109	112	102	109	108	112

Source: United Nations Statistical Yearbook, 1972.

NOTE: The food index relates to the production of crops and livestock products for human consumption. The all commodities index includes, in addition, fibres, tobacco, industrial oilseeds, rubber, tea and coffee.

These index series were constructed by FAO by applying regional weights based on 1961-1965 price relationships to the country production figures. Deductions were made for feed and seed used in the production process.

* Provisional data.

the same problem as that of the classical times, the inability of the land to provide enough food for its people, which in the absence of adequate exports, contributed also to an unhealthy imbalance of trade and payments. In terms of value, the imports of food commodities have always exceeded exports by a considerable margin. These adverse characteristics of agricultural production and the import-export imbalance, have driven the Greeks to commerce, as well as to the merchant navy and *emigration*. They have also rendered Greece dependent on foreign capital and external Greek income, especially that which derives from *remittances and gifts of emigrants*, the profits and salaries of ocean-going merchant shipping, and foreign tourism. (See Tables 4 and 5).

An additional peculiarity of the Greek economy, has made the problem more difficult to solve, because whereas imports consist mainly of essential food stuffs, manufactured products, and raw materials, the bulk of Greece's exports have been commodities, which are not basic necessities. In the pre Second World War years, just under 70 percent of Greece's value of exports were in tobacco, wine, and fresh and dry fruits, and although the percentage of other products began to climb in the post World War II period, this kind of exports still constitute an important and yet unstable factor in Greece's trade and balance of payments situation. (See Tables 6 and 7). At times of recession, the foreign customers of such Greek products reduce substantially their purchases, while the volume of products which Greece must import, cannot be reduced substantially without creating a near depression situation at home.

TABLE 4

GREECEBALANCE OF PAYMENTS, 1949-1952

(Million U.S. Dollars)

	1949	1950	1951	1952
1. <i>Current items</i>				
Trade balance (imports c.i.f., exports f.o.b.)	-290.5	-338.8	-296.4	-226.4
Shipping earnings	14.8	20.2	26.6	30.9
Emigrants' remittances and other private donations . .	13.7	18.0	21.6	28.5
Net sales of sovereigns to the public by Bank of Greece . .	- 4.1	- 15.1	- 12.1	- 6.2
Other current items	2.9	- 5.3	- 8.3	- 1.6
Deficit on current account	-263.2	-321.0	-268.6	-174.8
2. <i>Capital and similar items</i>				
Private capital movements. . .	9.9	8.4	5.2	4.6
Reparations.	8.3	29.4	30.9	26.5
Surplus property loan.	- 1.6	- 0.4	- 0.5	- 2.1
UK stabilization loan repay- ment	-----	-----	- 2.8	- 2.8
Import-Export Bank	2.0	-----	- 0.2	- 0.4
UNICEF	2.6	1.9	0.6	-----
Technical Assistance (ECA/ MSA)	-----	2.8	1.6	1.2
ECA/MSA/FOA direct aid	118.6	150.0	143.1	90.3
OEEC drawing rights	136.0	134.6	114.9	14.3
AMAG grants	1.5	-----	-----	-----
'Pipeline movements'	-----	4.2	- 27.5	53.8
Increase in clearing assets or liabilities	- 0.2	- 3.9	2.9	- 0.9
Increase or decrease in gold hoardings	- 0.1	- 3.0	- 10.2	- 6.0
Increase or decrease in foreign-exchange assets. . .	- 13.8	- 3.0	10.6	- 3.7
TOTAL	263.2	321.0	268.6	174.8

Source: Greek Ministry of Co-ordination.

TABLE 6

GREECE

EXPORTS BY COMMODITIES

(Value in Million Dollars; Volume in 000 Metric Tons)

	Annual average 1936-8			1950			1951			1952		
	Vol.	Value	Percent of total value	Vol.	Value	Percent of total value	Vol.	Value	Percent of total value	Vol.	Value	Percent of total value
	Tobacco and Cigarettes	42.8	39.2	47.9	25.5	38.1	42.2	31.5	40.7	40.0	41.4	52.7
<i>Foodstuffs</i>												
Raisins	26.6	3.7	4.5	44.4	14.3	15.8	18.0	6.0	5.9	37.6	10.7	6.4
Currents	79.6	8.6	10.5	43.7	12.1	13.4	46.6	14.0	13.6	48.8	11.0	9.2
Dried figs	17.8	1.5	1.8	19.3	2.3	2.5	10.4	2.2	2.2	13.4	2.6	2.2
Fresh grapes	+	+	+	8.1	2.6	2.9	6.9	1.2	1.2	4.2	0.6	0.5
Citrus fruit	+	+	+	3.0	0.5	0.6	11.7	1.4	1.4	8.4	0.9	0.9
Olive oil	11.7	3.3	4.0	0.7	0.5	0.6	0.2	0.2	0.2	0.2	0.2	0.2
Olives	14.1	2.9	3.5	6.0	3.3	3.7	8.0	3.0	3.0	9.1	2.8	2.4
wine and brandy	41.9	2.2	2.7	17.3	2.2	2.4	19.9	2.4	2.4	15.7	2.5	2.1
<i>Other Exports</i>												
Hides and skins	3.6	2.7	3.3	1.1	2.2	2.4	1.4	3.6	3.5	1.7	3.3	2.8
Chrome ore	46.4	0.6	0.7	9.5	0.3	0.3	23.8	0.6	0.6	30.2	0.9	0.8
Bauxite	+	+	+	65.1	0.1	0.1	180.2	1.0	1.0	301.0	1.6	1.4
Other ores	813.2	3.7	4.5	179.7	2.2	2.4	390.8	5.1	5.0	530.4	8.4	7.0
Forest products ¹	26.0	2.3	2.8	11.0	2.7	3.0	19.9	5.5	5.4	17.4	3.6	3.0
Textiles	2.6	1.5	1.8	0.8	0.7	0.8	5.3	5.0	4.9	7.1	4.9	4.2
Sponges	+	+	+	0.1	2.0	2.2	0.1	2.2	2.2	0.1	1.2	1.0
Emery	+	+	+	8.1	0.2	0.3	10.1	0.5	0.5	7.8	0.2	0.2
Others	---	9.8	12.0	---	4.0	4.4	---	7.1	7.0	---	11.8	9.9
TOTAL	---	82.0	100.0	---	90.3	100.0	---	101.7	100.0	---	119.9	100.0

1. Mainly valonea (used in tanning) and mastic.

Source: Greek Ministry of National Economy.

GREECEBALANCE OF PAYMENTS, 1965-1972

(Thousand U.S. Dollars)

	1965	1966	1967	1968	1969	1970	1971	1972
<i>Capital inflow</i> (1)	224.770	251.961	226.558	285.441	379.810	432.081	655.804	1,063.002
<i>Invisible receipts</i>								
<i>Total</i>	549.395	635.949	659.006	713.974	788.312	949.201	1,292.339	1,599.888
Transportation (2) . . .	163.801	182.541	214.426	243.232	244.021	276.945	369.225	433.477
Emigrant remittances (3)	206.940	234.967	232.067	234.389	277.313	344.559	469.665	571.370
Foreign travel	107.575	143.458	126.768	120.263	149.470	193.556	305.299	392.700
Insurance premiums . . .	2.310	2.198	1.825	2.414	1.854	3.539	3.893	3.173
Government Services (4)	15.882	29.566	33.540	41.130	35.156	32.636	33.362	41.122
Interest, dividends, profits	8.023	6.450	6.235	6.984	9.785	11.484	9.079	26.426
Wages, salaries	2.427	1.791	1.959	3.826	4.569	6.318	10.855	13.802
Miscellaneous (5)	42.437	34.978	42.186	61.736	66.144	80.164	90.961	117.818
<i>Capital outflow</i>	32.868	42.049	62.605	74.388	96.248	126.571	195.389	380.256
<i>Invisible payments</i>								
<i>Total</i>	136.849	154.587	183.974	194.244	240.732	266.895	317.264	402.106
Transportation (6) . . .	18.348	32.708	30.572	30.310	30.240	42.032	62.797	77.693
Foreign travel	41.454	40.613	40.755	42.445	47.905	55.297	73.655	95.798
Studies	6.952	7.291	9.534	9.263	9.771	16.528	19.393	27.238
Other	34.502	33.322	31.221	33.182	38.134	38.769	54.262	68.560
Insurance premiums . . .	5.540	6.993	7.716	8.629	9.688	9.670	8.493	11.469
Government Services (7)	27.698	24.844	38.388	40.592	67.065	45.316	34.724	47.158
Interest, dividends, profits	13.107	18.619	25.165	30.808	39.100	55.882	72.415	82.668
Miscellaneous (8)	30.702	30.810	41.378	41.460	46.734	58.698	65.180	87.320

(1) Including the value of machinery imported under D.L. 2687/53. Not including foreign suppliers' credits.

(2) Including freight, passenger fares, seamen's and ship-owners' remittances, contribution to Seamen's Fund, shipowners' taxes, supplies and repairs.

(3) Including workers' earnings from continental Europe.

(4) Including expenditures of foreign missions and NATO infrastructure.

(5) Including agents' commission, telecommunications, other remittances.

(6) Including passenger fares, supplies and repairs. Since 1966, other expenditure by shipowners.

(7) Including NATO infrastructure, technical assistance and State payments out of Italian reparations.

(8) Including agents' commission, film royalties, subscriptions, salaries and pensions, telecommunications, other.

GREECE

EXPORTS BY COMMODITIES

Summary Data, 1971 and 1972

	Exports	
	Million drachmae	%
<i>Year - 1971</i>		
<i>Total</i>	19.874,25	100,0
Food and live animals	5.031,02	25,3
Beverages and tobacco	3.187,07	16,0
Crude materials, inedible, except fuels	3.734,52	18,8
Mineral fuels, lubricants etc.	182,23	0,9
Animal vegetable oils and fats	170,49	0,9
Chemicals	1.453,35	7,3
Manufactured goods classified chiefly by raw material	4.737,14	24,1
Machinery and transport equipment	367,02	1,9
Miscellaneous manufactured articles	961,41	4,8
Commodities and transactions not classified according to kind	---	---
<i>Year - 1972</i>		
<i>Total</i>	26.125,67	100,0
Food and live animals	6.517,18	24,9
Beverages and tobacco	4.168,15	16,0
Crude materials, inedible, except fuels	3.678,07	14,1
Mineral fuels, lubricants etc.	327,03	1,2
Animal and vegetable oils and fats	390,98	1,5
Chemicals	1.926,00	7,4
Manufactured goods classified chiefly by raw material	6.898,58	26,4
Machinery and transport equipment	610,12	2,3
Miscellaneous manufactured articles	1.609,46	6,2
Commodities and transactions not classified according to kind	0,10	0,0

Source: Statistical Service of Greece.

In the period between the two World Wars, the first serious attempts were made to expand existing manufacturing and to develop new industries. The effort continued in the post World War II period, and especially after the end of the civil strife in 1950. However, the necessary acceleration of the industrialization process has been hampered not only by the lack of effective industrial organization, but also by the lack of adequate sources of energy and raw materials. Hydro and lignite (brown coal) generated energy of adequate proportions did not develop before the late 1950's, and the offshore discoveries of modest oil reserves in the north Aegean did not occur before the late 1960's and the early 1970's. On the other hand, with the exception of some considerable deposits of bauxite, Greece has limited mineral resources, and therefore most of the needed raw materials have to be imported, affecting thus adversely the costs of industrial production, which in turn, have inhibited the rapid expansion of existing export oriented industries and the establishment of new ones. The import of technological know-how, the marked improvement of industrial skills, the more effective utilization of energy resources, and the gradual improvement of infrastructure and tourism since the early 1960's, have contributed to the marked expansion of manufacturing industries and to their increasing importance in the Greek economy (Table 8), while the remarkable success of the Greek merchant shipping has placed Greece among the top maritime nations of the world and provides the country with considerable capital in foreign currencies (Table 9). However, real industrial progress comparable to that of the industrialized countries of Western Europe is not expected before the middle or late 1980's.

GREECE

MANUFACTURING

Gross domestic product (1) of manufacturing: 1965 - 1972

Million drachmae at current prices

Branches	1965	1966	1967	1968	1969	1970	1971	1972*
TOTAL	25,454	28,507	31,002	34,868	40,828	48,261	54,735	64,168
Food, beverages and tobacco	5.894	6.687	6.676	7.417	8.001	9.120	9.711	10.144
Textiles	4.042	4.208	4.669	5.400	6.048	6.989	7.923	9.770
Clothing	2.821	2.995	3.372	3.584	3.946	4.348	4.689	5.883
Wood, cork and furniture	1.562	1.702	2.087	2.241	2.649	3.033	3.461	4.139
Paper and printing . . .	1.283	1.501	1.581	1.849	2.103	2.509	2.823	3.258
Chemicals	2.414	2.662	3.200	3.595	4.807	5.410	6.360	7.925
Non metallic minerals . .	1.987	2.125	2.246	2.589	2.970	4.087	5.061	5.962
Basic metal industries . .	375	834	1.095	1.435	2.358	3.471	3.888	4.743
Metal m/rs., engineering and electrical goods . .	3.252	3.771	4.099	4.463	5.262	6.133	6.863	8.324
Transport equipment . . .	1.193	1.281	1.165	1.260	1.589	1.895	2.619	3.066
Other	631	741	812	1.035	1.095	1.266	1.337	1.454
% - Percent distribution								
Total	100,0	100,0	100,0	100,0	100,0	100,0	100,0	100,0
Food, beverages and tobacco	23,1	23,5	21,5	21,4	19,6	18,9	17,7	15,8
Textiles	15,9	14,8	15,1	15,5	14,8	14,5	14,5	15,2
Clothing	11,1	10,5	10,9	10,3	9,6	9,0	8,6	8,4
Wood, cork and furniture	6,1	6,0	6,7	6,4	6,5	6,3	6,3	6,4
Paper and printing . . .	5,0	5,3	5,1	5,3	5,1	5,2	5,2	5,1
Chemicals	9,5	9,3	10,3	10,3	11,8	11,2	11,6	12,3
Non metallic minerals . .	7,8	7,4	7,3	7,4	7,3	8,5	9,2	9,3
Basic metal industries . .	1,5	2,9	3,5	4,1	5,8	7,2	7,1	7,4
Metal m/rs., engineering and electrical goods . .	12,8	13,2	13,2	12,8	12,9	12,7	12,5	13,0
Transport equipment . . .	4,7	4,5	3,8	3,6	3,9	3,9	4,8	4,8
Other	2,5	2,6	2,6	2,9	2,7	2,6	2,5	2,3

(1) Gross domestic product is the total value of final goods produced within the Country.

* Provisional data.

MERCHANT SHIPPING: FLEETS OF SELECTED COUNTRIES

Thousand gross registered tons

<i>Country</i>	1966	1967	1968	1969	1970	1971	1972
Greece ⁽²⁾	7.163	7.433	7.416	8.531	10.952	13.066	15.329
USSR	9.492	10.617	12.062	13.705	14.832	16.194	16.774
United States ⁽¹⁾	20.797	20.333	19.668	19.550	18.463	16.266	15.024
United Kingdom	21.542	21.716	21.921	23.844	25.825	27.335	28.625
Japan	14.723	16.883	19.587	23.987	27.004	30.509	34.929
Liberia*	20.603	22.598	25.720	29.215	33.297	38.552	44.444
Norway	16.421	18.382	19.667	19.679	19.347	21.720	23.507
Panama	4.543	4.756	5.097	5.374	5.646	6.262	7.794

Source: United Nations Statistical Yearbook, 1972.

Note: The figures relate to merchant fleets registered in each country on 30 June of the year stated. They are given in gross registered tons (100 cubic feet or 2,83 cubic metres) and represent the total volume of all the permanently enclosed spaces of the vessels to which the figures refer. Vessels without mechanical means of propulsion are excluded, but sailing vessels with auxiliary power are included. Ships trading on the Caspian Sea, not entered in Lloyd's Register, are excluded.

(1) Including the Great Lakes.

(2) Official figures are as follows (thousand gross registered tons): 1966, 7.856; 1967, 8.050; 1968, 9.216; 1969, 11.139; 1970, 13.539; 1971, 15.441; 1972, 19.093. Source: NSSG.

* It is estimated that about one-third of the total tons registered in Liberia and Panama are owned by Greek shipping interests.

There is little doubt that the perennial economic problems, accentuated by the destruction of wars, have contributed to the causes of the increased Greek emigration in the post World War II period. The enemy occupation, and the civil strife that followed, have had an accumulative adverse effect on the recovery of the post war Greek economy, and along with other factors, have contributed to the slow-down of social development. Recovery was hampered at first by the extensive damage which had utterly dislocated Greece's general economic life. The German-Nazi policy of denuding the country of its raw materials, rolling stock and other economic resources during and at the end of the occupation, had been largely responsible for the poor state of the Greek economy after the liberation. With industrial production and trade nearly at a standstill, mass unemployment set in and affected thus a vicious cycle of stagnation and social misery. The cost of living had risen enormously and money - despite the attempts of the British economic aid mission and of the first postwar Greek Governments at stabilization - had lost its value, indeed its very meaning. The inflationary circulation of currency had soared from 11,200 million drachmae in 1940 to 604,570,000,000 drachmae by October 31, 1944. Had it not, in fact, been for the relief provided by BLM (British Military Liaison) and UNRRA (United Nations Relief and Rehabilitation Agency), the privations and famine would have continued as during the enemy occupation.¹⁰

Irrespective of any legitimate criticism of the inadequate measures and the ineffective policies pursued by the many and diverse Greek

¹⁰ See B. Sweet-Escott. Greece: A Political and Economic Survey 1939-53, R.I.I.A., London, 1954. pp. 93-100.

governments that governed Greece from 1945 to 1950, no Government could have solved the serious problems confronting the then Greek economy, which the civil strife had made worse. A series of Government crises complicated the already bad economic and social conditions. The much needed reconstruction was making no headway; the raging civil war prevented the development of any project in a number of areas, while enormous sums of Government and foreign aid funds had to be spent, not only on the war effort, but also in emergency social welfare, since with the unstable conditions debarring capital investment even in the safe areas of the big industrial cities, unemployment had reached the high level of 8.5 percent. Successive Greek governments and the American Economic Mission - which in August, 1948 became known as ECA/Greece (Economic Cooperation Administration) the official organization of the Marshall Plan - tried their best to stabilize the economy by periodically introducing various controls to check inflation (1948-1950 period). During these experimental measures intended to meet urgent needs, the trade unions were asked to refrain from higher wage claims; a wage freeze was to be maintained while the Government introduced and carried out price controls and rationing. The controls, however, proved of little avail, for the cost of living kept rising sharply despite them. Prices soared well above wages, especially in 1948; nor can the blame be wholly ascribed to lack of successful bargaining by the trade unions, as other grave factors beyond their control were affecting the Greek economy in general and the labour market in particular.¹¹

¹¹ See C. Jecchinis. Trade Unionism in Greece, Roosevelt University Press, Chicago, 1967.

The civil strife, political instability, and the lack of effective policies, did not permit economic stability and reconstruction before the middle 1950's, and the take-off to development before the early 1960's. In fact, the economic development achieved since then has been impressive, because in the ten years between 1960 and 1970, Greece has had one of the highest rates of growth in the Western world (See Table 10). Despite inherent weaknesses and the lack of adequate social progress, the economy was stable enough to withstand most of the inconsistencies and inadequacies of the 1967-74 military dictatorship. It has contributed also to the political stability achieved in post dictatorship period, and the acceptance of Greece as the 10th Member State of the European Economic Community. Nevertheless, the inherent weaknesses of the Greek economy, and especially the unsatisfactory economic and social conditions in certain rural areas of the country, continued to be important contributory factors to the desire and/or need for emigration.

TABLE 10

O.E.C.D. COUNTRIES*Gross National Product (at 1963 prices)*

<i>Percentage change at annual rates</i>			
	1960-1965	1965-1970	AVERAGE
Canada	5.5	4.5	5.0
United States	4.8	3.3	4.05
Japan	10.1	12.1	11.1
Australia	4.8	5.3	5.05
Austria	4.4	5.1	4.75
Belgium	5.1	4.8	4.95
Luxembourg	3.2	3.6	3.40
Denmark	5.2	4.4	4.80
Finland	5.2	5.3	5.25
France	5.8	5.8	5.80
Germany	5.0	4.7	4.85
Greece	8.0	7.3	7.65
Iceland	7.1	1.8	4.45
Ireland	3.9	4.5	4.30
Italy	5.3	5.9	5.60
Netherlands	5.0	5.6	5.30
Norway	5.4	4.6	5.00
Portugal	6.5	6.1	6.30
Spain	8.6	6.5	7.85
Sweden	5.3	3.9	4.60
Switzerland	5.3	3.8	4.55
Turkey	4.3	7.0	5.65
United Kingdom	3.4	2.2	2.80

SOURCES: National Accounts of O.E.C.D. Countries, O.E.C.D. Country Surveys, O.E.C.D. Economic Outlook No. 11, 1972, and Secretariat estimates.

PART II

CHAPTER 4: THE CAUSES OF GREEK EMIGRATION
IN THE POST WORLD WAR II PERIOD

As previously stated, the inherent weaknesses of the Greek economy were aggravated during and after World War II by the devastation caused by the enemy occupation and the civil war that followed.

On October 28, 1940, the Italian Fascists had forced Greece into World War II by invading the northwestern part of the country from Albania. The Greek Army drove back the invaders with success and had occupied about a quarter of Albania, before the German Nazis joined in the attack on Greece, through Bulgaria and Yugoslavia (April 1941), and overran the country after nearly two months of fighting. Their German-Italian-Bulgarian occupation which lasted until October 1944, was marked by appalling suffering and heroic resistance. After the end of the war, the Dodecanese islands, since 1911 under Italian occupation, were ceded to Greece.

After the destructive war and three and a half years of enemy occupation, the dislocation of the Greek economy at the time of the liberation in October-November, 1944 was appalling. The Paris Restoration Conference estimated the war devastation in Greece at \$8,500 million of 1945 prices; 1,339 localities and one fourth of all the country's buildings had been destroyed, and there were 1,004,695 homeless and displaced persons; three quarters of the Greek merchant

marine were lost, as well as two thirds of the country's motor vehicles and nine tenths of its locomotives; all railway bridges, along with many railway stations, depots and even railway tracks, were demolished; the roads were in a state of complete disrepair and all the larger road bridges were wrecked; port installations and harbors had been badly damaged or blocked, as was Corinth Canal. Telecommunications, too, had been badly damaged throughout the country; vast areas also of olive groves, orchards, vineyards, cornfields, and forests had been burned down or laid waste; the number of cattle and sheep had been greatly reduced. Worst of all, one Greek in every fifteen had died as a result of the fighting, air-raids, executions, starvation and disease (463,000 people out of a total population of 7,344,860 in 1940).¹²

The efforts of successive Greek governments to affect the socio-economic recovery of post World War II Greece with Allied aid were hampered by the civil strife which followed the liberation. Two attempts, in 1944 and 1946-49, by the Greek Communist Party - actively supported by the governments of the communists block countries - to gain control over the country failed only after prolonged warfare, which caused great losses to the armed forces and the civilian population, and enormous damage to the country, which delayed the work of reconstruction and rehabilitation. In fact recovery did not begin before 1950, and it took at least another ten years to reach the take-off stage of development. The civil war conditions of the 1944-49 years, and their

¹² Greece-Basic Statistics, Greek Office of Information, London, 1949

adverse effect on socio-economic development, caused another exodus of Greeks and set the pattern of Greek emigration from 1951 to 1972, which incidentally, was not interrupted by the military dictatorship of 1967.

The available statistics on postwar Greek emigration indicate that the annual volume of temporary and permanent emigrants did not vary considerably from 1955 to 1961, from 1967 to 1968, and from 1971 to 1972, but it did rise considerably from 1962 to 1966 (especially in 1963-65), and again in 1969 and 1970 (Table 11). The first sharp rise can be explained as a result of the wider opening of the West German labour market to Greek and other South European temporary immigrants, and the second, as a result of the repression and uncertainty in Greece following the establishment of the military dictatorship.

In the final analysis, it may be said that although a number of non-economic factors played an important part in the decision to emigrate either on a temporary or permanent basis, the main propelling force of Greek emigration as a whole was still economic necessity. That is why emigration had received the sanction of successive Greek governments.

As outlined above, following the end of the civil war in 1950, the Greek economy still suffered from shortages in investment funds, balance of payment difficulties, lack of adequate employment opportunities, as well as uncertainty about the future.

TABLE 11

EMIGRATION OF GREEK CITIZENS 1951-1972

(thousands of persons)

Year	Unidentified Immigration*
1951	14
1952	7
1953	9
1954	19
1955	30
1956	35
1957	30
1958	25
1959	24
1960	48
1961	59
1962	84
1963	100
1964	106
1965	117
1966	87
1967	43
1968	51
1969	92
1970	93
1971	62
1972	43
TOTAL	1,178

*Destination and kind (permanent or temporary)
not identified.

Source: Statistical Service of Greece.

In contrast to the continuing economic difficulties in Greece and other Southern European countries, most Northwestern European countries were beginning to achieve full or near full employment, only a few years after the end of the war in 1945. In fact, West Germany (F.R.G.), Sweden, the Benelux countries and Switzerland, were beginning to enjoy their impressive economic boom and graduating expansion, which however, was causing some serious manpower shortages.

On the other hand, Greece and other Southern European countries such as Italy, Spain and Portugal, suffered from considerable unemployment and underemployment, mainly because of persisting economic difficulties. According to the data provided by the Statistical Service of Greece, 23 percent of the Greek labour force in the immediate postwar period was unemployed and/or underemployed. Emigration therefore, became necessary, and Greek emigrants took advantage of the existing opportunities for guest workers in Western Europe, and especially those that existed in the expanding economy of West Germany.

Many Greek emigrants left Greece not just in order to take a job (any job). They left in order to take advantage of *better* job opportunities, to gain valuable experience or to learn a trade, and sometimes to benefit from the higher educational and training standards of Western Europe.¹³

¹³ See Vassilis Filias. The Emigration of Greek Workers to West Germany Its Consequences, in Essays on Migration, Athens, 1967.

Most of the emigrants came from the ranks of the underemployed of the rural areas. Men and women who did not only wish to make a living but to acquire some experience and knowledge which could contribute towards a better and more interesting future, because the problems of the agricultural sector did not (at the time) promise or give hopes for a better tomorrow.

The reasons for the emigrants pessimism may be found in the fact that the rural areas of the country were fraught with serious socio-economic difficulties. The density of the population of Greece was still not high (64 persons per square kilometer in 1961) compared to the other Balkan countries, but the density of the rural population in relation to the arable land available, which was only 29.5 percent of the total, was very high and thus it created some serious problems such as inadequate land distribution, improper use, and inadequate income yielding.

The total cultivated area had increased considerably since 1928, when there were only 12,452,980 stremas¹⁴ under cultivation. In 1939, the land under cultivation reached 27,000,000 stremas; in 1951, 32,500,000 stremas, and in 1961, 37,700,000 stremas. However, the good fertile land was much less, and irrigated farm lands did not exceed more than 5,500,000 stremas. According to a sample survey carried out in 1950 by the Government, 28.5 percent of the then existing farms were very small farms (1-10 stremas), 56.9 percent were small farms (10-50 stremas)

¹⁴ One strema is 1,000 square meters.

and only 14.5 percent belonged to the category of large estates. Nevertheless, it was not quite clear how many of them were really arable or how they were distributed among the rural population. The latter problem was aggravated further by the dowry system which fragmented and complicated land ownership.

Therefore, the uneconomical distribution of the limited agricultural lands of poor soil and yield, had contributed to increased unemployment and underemployment among the rural population of the country.

During the 1961-1970 period, productivity had increased in agriculture due to the mechanization of cultivation and the greater use of fertilizers. The number of tractors for instance had increased from 24,533 in 1962 to 95,342 in 1969. In spite of the resulting productivity increases, however, income from occupations in agriculture was diminishing compared with incomes derived from industry. During the 1951-1970 period, national income increased by an average rate of 6.48 percent per year. Although the average annual rate increase of the industrial product was 10.3 percent, the average annual rate increase of the agricultural product was only 3.8 percent. Especially, during the period of 1967-1970, the annual average increase in agriculture was not more than 1.8 percent. The decrease in agricultural income compared with that of other sectors of the economy was partly due to the developed tendency of accumulating and investing capital in the industrial urban centres and especially in the district of Athens (in spite of measures taken by the Government for the decentralization of economic activity).

Furthermore, there was a continuous deterioration of the exchange terms of trade for agricultural products. The agricultural products price-support levels were either falling or fluctuating widely in that period. The exports of basic agricultural products - such as tobacco, olive oil, currants and wheat - had dropped in quantity and relative value. On the other hand, the exports of other agricultural products and by-products such as - cotton, fresh and preserved or canned fruit and vegetables - had increased. These increases, however, did not contribute enough to make up for the loss that agricultural incomes suffered from the drop in the export prices of the other products.

There is no doubt that there was a direct relationship between the deteriorating situation in agriculture and the increasing rate of external and internal emigration during that period. In 1961, 51 percent of the active population was occupied in agriculture. In 1967, the percentage diminished to 48 percent, and in 1971 it had been reduced to 40 percent. Those engaged in agriculture produced correspondingly 28 percent of the gross national product in 1961, 23 percent of the GNP in 1967 and 20 percent of the GNP in 1971.¹⁵ According to the records of other Southern European countries (France and Italy), if the position of the rural population was to improve, the percentage (proportion) of those occupied in agriculture should not have surpassed the percentage (proportion) of their contribution to the GNP. The fact that the percentage of the Greek active population occupied in agriculture was surpassing their percentage contribution to GNP, leads to the conclusion that

¹⁵ Statistical Service of Greece Report: 1972.

there was still considerable underemployment in agriculture in 1971. Many farmers and agricultural workers were working only three to four months per year. The situation was further aggravated by the introduction of new forms of cultivation and the use of modern agricultural machinery.

An important contributory factor to external emigration was also the wage differentials that existed between Greece and the receiving countries. Although the main reasons for emigration were unemployment, underemployment and poor living standards in 1960, research conducted in 1970 showed that the reasons for emigration and the low rate of repatriation were also closely related to the existing wage differentials between Greece and the Western European countries, which attracted also many urban semi-skilled or unskilled workers.¹⁶ In spite of the fact that the wage rate per hour increased in Greece by 129 percent in the period between 1961 and 1971, the average wage rate per hour for instance in West Germany was three times higher than the one in Greece in 1972.¹⁷ As long as the income differential between the two countries was large enough to more than offset the cost of moving and the premium of uncertainty, some Greek workers continued to show preference for the insecure but well-paid jobs in West Germany than the more secure but low-paid jobs in Greece.

Other socio-economic incentives for emigration, included the emigrant's desire to further improve his or her social and economic position, expressed in a variety of ways: endeavour to secure money for marriage, for the purchase of a house, to become the owner of a larger agricultural holding, to cover the educational expenses for their

¹⁶ Greek Centre of Planning and Economic Research Report: 1971.

¹⁷ Ibit, 1974.

children or even to meet the expenses of a serious illness occurring to a next-of-kin or a close relative, etc.

In addition to the above reasons, a number of non-economic factors played an important part in the Greeks' desire to emigrate. The tendency for instance, to imitate other peoples, the desire to acquire "luxuries", the attraction exerted by more exotic or interesting foreign lands, of "something new", the search for new experiences and sometimes the sheer love for adventure, and even envy for the success of those who had already emigrated. First-hand information for instance, based on the experience of friends, relatives and fellow countrymen, was often a strong incentive for emigration. In this respect, the Greeks were not acting differently than other Europeans. In a poll of Dutch emigration, for example, it was found that "the structure, volume, and trend of annual Dutch emigration are in great measure determined by the presence of fellow nationals who emigrated previously to the different countries of destination".¹⁸ The history of postwar Greek migration indicates a similar situation.

In the final analysis, it may be said that the desire to improve occupational skills, to learn a trade, and more generally, to acquire knowledge (even in the vague form of seeing the world) have been less dominant incentives to emigrate than the economic ones. Nevertheless, these factors played an important part in the propensity to return back home earlier and contributed thus more directly to the economic development of Greece in the post World War II period.

¹⁸ M. Zanartu. "Immigration and Development", International Migration, Vol. I, Geneva, 1962. p. 92.

CHAPTER 5: THE INCENTIVES AND COMPOSITION
OF GREEK EMIGRATION TO WEST GERMANY

Greek migration to Western European countries and especially to West Germany in the postwar years was better organized than previous migratory movements. The recruitment and selection of would-be temporary emigrants was undertaken by a German Manpower Committee which was situated in Athens. Those who led the way to temporary immigration in West Germany were people who possessed little or no land, and the untrained or unskilled workers of the cities; but the composition of immigrants has changed with time. Table 12 shows the occupational composition of would-be emigrants in 1962 and 1970, and the considerable drop of the unskilled emigrants.

The most important change from 1962 to 1970 has been the considerable increase in the absolute number of farmers who emigrated. The cause for such an increase is to be found in economic pressures existing at that time in the rural areas as previously outlined.

It was mainly the farmers' poor income from the cultivation of their limited land holdings which was often insufficient to maintain tolerable living standards for themselves and their families. Furthermore, the Greek governments at the time did not apparently pay adequate

TABLE 12

THE OCCUPATIONAL COMPOSITION OF GREEK EMIGRANTS TO WEST GERMANY

	1962		1970	
	Number	%	Number	%
Farmers	6,203	7.35	28,510	30.8
Unemployed	23,571	28.0	42,066	45.0
Industry, handicraft workers	47,267	55.6	15,723	17.0
Unskilled workers	40,431	48.0	2,385	2.6

Source: Statistical Service of Greece

attention to the small farmers' problems and did not do much to improve their situation. The argument of the farmers was that government incomes and price support policies, applied occasionally in their favor, constituted among other things, a form of compensation for being the suppliers of manpower to the other sectors of the economy as well as being the major contributors to economically desirable emigration.

Although the number of industrial and skilled workers, who emigrated abroad, was reduced considerably in 1971, (as it can be seen in Table 12), it was not however insignificant. If we take into consideration the fact that the majority of them were skilled or semi-skilled workers, their departure from the labour market in Greece could not but create some significant shortages. The concern of the interested parties was not unjustified when a rather large number of skilled workers decided to emigrate because of the higher wages they could get in West Germany and the other highly industrialized countries of Western Europe.

On the other hand, emigration had contributed to alleviating the unemployment problem. The number of the unemployed who emigrated had been steadily increasing until 1970. According to the Statistical Services of Greece, 13,733 unemployed migrated in 1959; 23,571 in 1962; 26,327 in 1968; 38,630 in 1969 and 42,066 in 1970.

After 1959 and together with the sharp rise of general emigration to Western Europe, there was also a considerable increase in the emigration of women. Although the mobility of unmarried women was less than that of

men, the number of Greek women, who emigrated to West Germany for work, increased considerably from 1960 to 1972. (See Table 13). The desire for such emigration derived not only from the need to provide some additional income to their parental home back in Greece through their remittances, but also to provide funds for a dowry and thus secure marriage.

The number of Greek women working in West Germany in 1977, amounted to 42.4 percent of the total number of Greek emigrants.* In fact, 37.7 percent of West Germany's total labour force were women and 8.1 percent of them were foreigners. Significant among the foreign female workers, the Greek women workers had the highest percentage (42.4 percent) in relation to the number of men, even higher than the German women (38.4 percent), which indicates that not only necessity, but the social and cultural changes that were taking place in Greece had been contributing to such a significant exodus of female workers. It was significant also for the future development of Greek society and economy because after their return, married or not, all those women were to contribute to the enlargement and improvement of the Greek labour market as well as to the purchasing power of the average Greek family.

The majority of women who emigrated in the period under examination, belonged according to the official statistics, to the category of the unemployed in Greece; 81 percent in 1965, 88 percent in 1966, 75 percent in 1969. Most of these women came from the rural areas of the country, and although they were termed as unemployed,

* The Statistical Report on the number of German and foreign women in the labour force of West Germany was prepared in 1977 by the Federal Institute of Labour.

TABLE 13

GREEK WORKERS IN WEST GERMANY

1960 - 1972			
Year	Men	Women	Percentage of Women
1960	11,479	1,526	11.7%
1961	-	-	-
1962	49,610	20,796	29.5%
1963	65,375	40,928	38.5%
1964	95,708	47,547	33.1%
1965	114,250	64,901	36.2%
1966	116,130	75,372	39.4%
1967	87,202	62,849	41.9%
1968	81,006	58,757	42.0%
1969	102,503	75,351	42.3%
1970	132,056	97,701	42.5%
1971	149,884	111,032	42.6%
1972	152,155	115,987	43.3%
1973	-	-	-
1974	-	-	-
1975	-	-	-
1976 (June)	102,980	75,820	42.4%

Source: Federal Institution of Labour of West Germany

they were in fact helping their relatives and especially their husbands, fathers and brothers in the cultivation of the family lands. Nevertheless, outside their immediate family environment and simple land cultivating work, most of them could not be employed even in semi-skilled jobs because of their low levels of education.

According to official Greek and German statistics, only 14.1 percent of the Greek emigrants in the 1970-1973 period had some kind of skill when they arrived; the rest of the 85.9 percent were mainly unskilled. The 87.3 percent of the Greek skilled immigrants were men, (that is 19.6 percent of the total number of male immigrant workers) and only 12.7 percent of the Greek female emigrant workers, (that is 4.5 percent of the total number of female emigrants).

The 73.1 percent of the total Greek emigrant workers were married; 61.4 percent of the married workers were men, (that is 73.3 percent of the total number of male emigrants), and 38.6 percent of the female workers were married women, (that is 72.8 percent of the total number of female emigrant workers). (See Table 14).

Finally, it appears from Table 15 that Greek emigration from 1960 to 1973 amounted to 4.3 percent of the total population of Greece and 11.6 percent of the economic active population, 10.0 percent male and 15.7 percent female, which was a very significant change in the pattern of emigration.

TABLE 14

Greek Emigrants to West Germany
Over the Period of 1970-1973

Emigrants	TOTAL		MEN			WOMEN		
	Number	%	Number	% Ratio as for		Number	% Ratio as for	
				Total	Men		Total	Women
Total emigrants over 1970-1973	101,617	100.0	62,261	61.3	100.0	39,356	38.7	100.0
a) <u>Age:</u>								
16-21 years old	11,467	11.3	1,862	16.2	3.0	9,609	83.8	24.9
22-30 years old	48,104	47.3	32,204	67.0	51.7	15,900	33.0	40.4
31-40 years old	32,444	31.9	21,217	65.4	34.1	11,227	34.6	28.5
Older than 40 yrs	9,602	9.5	6,978	72.7	11.2	2,624	27.3	6.2
b) <u>Occupational Status</u>								
Skilled	14,002	14.1	12,221	87.3	19.6	1,781	12.7	4.5
Unskilled	87,615	85.9	50,040	37.1	80.4	37,575	42.9	95.5
c) <u>Family Status</u>								
Married	74,294	73.1	45,638	61.4	73.3	28,656	38.6	72.8
Unmarried	27,323	26.9	16,623	60.8	26.7	10,700	39.2	27.2
d) <u>Educational Level</u>								
Illiterate	4,014	4.0	1,629	40.5	2.6	2,385	59.5	6.1
Graduate of Primary Schools	93,061	91.6	57,397	61.7	92.2	35,664	38.3	90.6
Graduates of High Schools	3,795	3.7	2,569	67.7	4.1	1,226	32.3	3.1
Graduate of Technical Schools	625	0.6	568	90.9	0.9	57	9.1	0.14
Graduates of Universities or Junior Colleges	122	0.1	98	80.3	0.2	24	19.7	0.06

Source: Greek Ministry of Labour

TABLE 15

EMIGRATION IN RELATION TO GEOGRAPHIC REGIONS OF GREECE

Geographic Regions	Population (1971 Census)	Economic Active Population	Emigrants Over 1960-73 Period	Emigrants Population of the Region	% RATIO FOR: Population of the Region	Economic Population of the region
THRACE	329,580	137,060	35,670	9.3	10.8	26.0
MACEDONIA	1,890,700	728,560	156,851	41.1	8.3	21.5
EPIRUS	310,320	113,020	45,129	11.8	14.5	39.9
THESSALY	659,920	250,220	33,671	8.8	5.1	13.5
CENTRAL GREECE	3,532,320	1,255,800	57,861	15.2	1.6	4.6
EUBOEA						
PELOPONNESE	986,920	387,460	20,404	5.4	2.1	5.3
IONIAN ISLANDS	184,440	75,500	8,272	2.2	4.5	11.0
AEGIAN ISLANDS	417,800	146,080	8,646	2.3	2.1	5.9
CRETE	456,640	190,180	14,812	3.9	3.2	7.8
TOTAL	8,768,640	3,283,880	381,316	100.0	4.3	11.6
MEN	4,280,060	2,369,740	236,313	62.0	5.5	10.0
WOMEN	4,488,580	914,140	145,003	38.0	3.9	15.7

Source: Greek Ministry of Labour

The same table shows also that while emigration from the Greek Islands and the Peloponnese was only 14.0 percent of the total emigration, the percentage for Northern Greece (Macedonia, Thrace, Epirus) was much higher at 62.2 percent. More specifically, the emigration over the above period from Epirus was 14.5 percent of its total population and 39.9 percent of its economic active population. The respective rates for the other two regions were 10.8 percent and 26.0 percent for Thrace, and 8.3 percent and 21.5 percent for Macedonia. According to the 1961 census, the inhabitants of these three regions constituted the 31 percent of Greece's total population.

This marked increase of emigration from the northern provinces of Greece in the period under examination, created some political and economic problems mainly for two reasons. First, because the military leaders and some of the politicians objected to the "thinning" of the population in the frontier areas for security reasons (since Greece has frontiers with Soviet Block countries in the North, and frontiers with Turkey in the Northeast with whom she is in dispute over Cyprus and the Aegean). And second, because the economic development of Northern Greece and especially of Macedonia could not reach its full potential without an adequate labour supply and the enlargement of the domestic market for goods and services. In fact, the official policy of recent years has concentrated on the effort to make repatriation more attractive for many Greek immigrants and especially those who came originally from Northern Greece.

CHAPTER 6: THE DISTRIBUTION AND CONDITIONS OF
GREEK GUEST WORKERS IN WEST GERMANY

As a result of the favorable economic developments in Western Europe, there was a sharp rise in the migratory movements of Southern European workers to the Northwestern European countries, and especially to West Germany. It was in this country that about 70 percent of the Greek migrant workers - who have moved on a temporary basis to Northwestern Europe - have worked at one time or another and for various lengths of time since 1955.

From 1956 to 1976, about 75 percent of the Greek workers in West Germany had settled in the main industrial areas of the Northern Rhineland - Westfalia, Baden - Wurtemberg, and North and South Bavaria. The 184,199 Greek workers working and living in these areas in 1976 were distributed to the various industrial centres as per Table 16. Furthermore, according to the data of Table 17, the number of those who were registered as unemployed was small compared to those of the employed, and that the total of all those registered as guest workers constituted 56 percent of the total number of the Greek citizens living in West Germany. The rest of the 44 percent were members of the workers' families, students, self-employed businessmen and others.

The corresponding distribution of Greek workers according to branches of employment in 1973, indicates that the majority of those employed were found in the metal industries and manufacturing, not in

TABLE 16

DISTRIBUTION OF GREEK WORKERS IN THE VARIOUS AREAS OF WEST GERMANY

<u>Industrial Areas</u> (<u>Bunderlauder</u>)	<u>Greek Workers</u>		<u>Greeks Living in West Germany</u>	
	<u>Number</u>	<u>Percentage</u>	<u>Number</u>	<u>Percentage</u>
Schleswig - Holstein	4,924	2.7	9,200	2.6
Southern Saxony - Bremen	9,361	5.1	18,500	5.2
North Rhineland - Westfalia	63,286	34.3	123,600	34.9
Essa	18,203	9.9	35,100	9.9
Rhineland Area - Pfalz - Saarland	3,618	2.0	8,100	2.3
Baden - Wurtenberg	49,437	26.8	89,500	25.3
Bavaria	31,154	16.9	61,700	17.5
Berlin (West)	4,216	2.3	8,000	2.3
TOTAL	184,199	100.00	353,700	100.00
Men	105,987	57.50	187,400	53.00
Women	72,212	42.50	166,300	47.00

Source: F.R.G. Statistical Service,
F.R.G. Institute of Labour.

TABLE 17

EMPLOYMENT OF ALL FOREIGNERS - GREEKS IN WEST GERMANY

YEAR	ALL FOREIGNERS		GREEK EMIGRANTS		UNEMPLOYED GREEK EMIGRANTS	
	NUMBER	% TOTAL LABOUR FORCE	NUMBER	% TOTAL EMIGRANT LABOUR FORCE	NUMBER	% TOTAL GREEK EMIGRANTS
1954	72,906	0.4	548	0.6	-	-
1955	79,607	0.4	637	0.8	-	-
1956	98,818	0.5	953	0.9	-	-
1957	108,190	0.6	1,822	1.7	-	-
1958	127,089	0.6	2,838	2.2	-	-
1959	166,829	0.8	4,089	2.4	-	-
1960	279,390	1.3	13,005	4.6	-	-
1961	584,916	2.4	46,525	9.5	-	-
1962	629,022	3.1	70,406	11.2	-	-
1963	773,164	3.7	106,303	13.7	-	-
1964	902,459	4.3	143,165	15.7	-	-
1965	1,118,616	5.3	179,151	16.0	234	0.13
1966	1,243,981	5.8	191,502	15.4	667	0.35
1967	1,013,862	4.7	150,051	14.8	2,511	1.7
1968	1,018,859	4.9	139,763	13.7	582	0.4
1969	1,365,635	6.5	177,854	13.0	268	0.15
1970	1,806,805	8.5	229,757	12.7	512	0.22
1971	2,128,407	9.8	260,916	12.3	1,578	0.6
1972	2,284,502	10.5	268,742	11.7	2,347	0.9
1973	2,488,930	11.0	250,000	10.0	2,214	0.9
1974	2,309,680	11.0	225,000	9.6	8,156	3.5
1975	2,033,260	10.1	203,600	9.8	17,849	8.1
JUNE 1976	1,937,194	9.8	178,800	9.2	9,749	5.4

Source : Federal Institution of Labour of West Germany.

the services. (See Table 18). More specifically, 87.7 percent of these were to be found in mechanical engineering, steel and automobile industries, electrical manufacturing, building and construction, textiles, and the clothing trades. Holding a job in any of these branches of economic activity presupposes some previous training and acquired skill in the sending country, or the ability as well as the availability for training, and the acquisition of skill in the receiving country. However, it would be unwise to conclude from the existing data that most Greek workers held skilled jobs. It only proves that the majority of Greek workers were not employed in the menial jobs of services or the unskilled jobs of public works.

The record of temporary immigration in Western Europe indicates in fact that the majority of foreign workers held positions and jobs at the low level of the occupational hierarchy. This was so because the foreign workers were taking the low grade jobs vacated by the native workers, who were the first to benefit from the favorable economic developments in their own country through the offered retraining and upgrading programmes.

It is also true that technological change had helped to alleviate some labour shortages, but there are certain branches of industry and services where technological change comes slowly or never. It is usually in these sectors of the economy where unskilled jobs are offered to immigrant workers. It is also often true that many immigrant workers are incapable of taking any other type of work, because they lack the required technical qualifications, and in many cases they take a long time

DISTRIBUTION OF GREEK WORKERS IN WEST GERMANYAS PER BRANCH OF EMPLOYMENT1970

<u>Branch of Employment</u>	<u>Men</u>	<u>Women</u>	<u>Total</u>	<u>Percentage</u>
1. Agriculture, Stock Breeding, fishing, etc.	377	176	553	0.2
2. Mining and Quarrying	2,869	158	3,027	1.1
3. Metal Industries	78,178	54,883	133,061	49.6
4. Manufacturing	45,483	43,527	89,010	33.2
5. Building and Construction	10,508	555	11,063	4.1
6. Public Administration	2,911	6,617	9,528	3.5
7. Services	2,761	5,728	8,489	3.2
8. Commerce, Banking and Insurance	6,584	4,670	11,254	4.2
9. Transport and Communications	1,764	659	2,423	0.9
	151,435	116,973	268,408	100.00

SOURCE: F.R.G. Institute of Labour.

to learn the language of the receiving country. As most of the Greek workers came for instance from the rural areas of Greece, and from agricultural occupations, they lacked at first, the required qualifications to take up any skilled or semi-skilled jobs.

According to a special labour market survey undertaken by the appropriate German authorities in 1974,¹⁹ the average net monthly income of foreign workers in West Germany, amounted to 1,128 DM²⁰ for men and 885 DM for women. Generally, remuneration in German industry is determined by collective agreements and varies according to branch, specialization, sex and experience. Some working conditions, including hours of work, are determined also through collective agreements. The weekly hours of work in the middle 1970's were 42 to 40 in most industries and services. Overtime was not compulsory except in certain branches of industry and the services, where longer hours of work have become necessary.

German workers usually avoid overtime work, but in contrast, Greek workers volunteered for considerable overtime to increase their income and accumulate as much money as they could in the shortest time possible in order to return home as early as possible. This sort of effort however, has had some adverse effects on the health of some Greek immigrants.

¹⁹ Markplan Forschungs Gesellschaft Fur Markt Und Verbrauch, Bonn, 1974.

²⁰ 1 Canadian dollar = 1.5 DM

The majority of Greek workers in West Germany did not become members of the German trade unions although they enjoyed their protection.²¹ It is estimated by the authorities that only about 20 percent of them belonged to trade unions in the middle 1970's. The German trade unions did not in any way force the foreign workers either to join or not to join. As far as the Greeks were concerned, this policy suited their background and mentality. The attitude of the majority may be explained as the result of the following influences:

- a) as trade union membership is not compulsory, they do not have to belong;
- b) the majority of them have come from the rural areas of Greece where there are no trade unions, and there is no working class consciousness;
- c) the temporary character of their immigration inhibits long term associations with local institutions; and
- d) Greek and German authorities and agencies could provide them with adequate protection and the social services they were entitled.

Despite the limited participation, however, the experiences of those Greek workers who became members of the German trade unions as well as members of works' councils in industry have contributed after repatriation to the development of trade unionism in Greece and the improvement of working conditions.²²

²¹ The IGM (Metal Workers Federation) has established a special department to deal with the problems of foreign workers.

²² See C. Jecchinis. "The Contribution of Trade Unions to the Social and Economic Development of Modern Greece" in E. Kassalon's and U. Damachi's The Role of Trade Unions in Developing Societies, I.I.L.S., Geneva, 1978.

The record indicates that the Greek workers in West Germany whether they were members of trade unions or not, were fairly well protected. The social security system applying to the workers from any E.E.C. (European Economic Community) country - which was a very favorable one²³ - applied also to the Greek workers, although at the time under examination, Greece was not a member. The Greek-German Agreement on emigration, however, provided similar protection. Under the agreement, any insured person who transferred his or her residence requirements from Greece to Germany and vice-versa, was entitled to claim social security, unemployment and medical benefits, and family allowances. Thus, the Greek worker has been able to enjoy considerable security and protection while working in West Germany, and has acquired retirement and other benefits which are applicable either in Germany or in Greece. A comparative analysis of the German and Greek legislation concerning social benefits, indicates also that both the quantity and quality of these benefits were superior in West Germany.²⁴

However, in spite of all the advantages of working in West Germany, life for the average Greek worker is difficult. According to a Greek researcher, most Greek workers abroad face serious difficulties of adaptation because of the following:

²³ J. Doublet. "The Social Consequences of Migratory Movements in Europe", Symposium on Migration for Employment in Europe, I.I.L.S., Geneva, 12-15 October 1965.

²⁴ Ibit.

- a) mobility among Greek people in general is considerably less than that of the Western European countries, because of different family and socio-cultural traditions;
- b) the average Greek, and especially the one who comes from the rural areas of his/her country and has little direct contact with foreign countries;
- c) the average Greek farmer is not afraid of hard work, but he is not accustomed to factory discipline, which he resents;
- d) the average Greek is closely related to the nature, climate, customs, and entertainment of his country; and
- e) Greek food and entertainment is not easily found everywhere abroad, and Greek workers find considerable difficulty in adapting themselves to the new conditions.²⁵

More specifically, part of the problem of adaptation may be found in the lack of understanding the language of the receiving country. Although courses in the German language are given free of charge to potential and actual guest workers, only a minority of the Greek workers have taken advantage of these courses. There are however some legitimate excuses for the poor attendance. Many foreign workers have complained for instance, that the courses offered are too theoretical or advanced, and that there is little effort to teach practical simple conversation.

According to a report prepared by the German Federal Institute of Labour in 1972, only 10 percent of the Greek workers could speak German well, 38 percent spoke fairly well, 38 percent spoke poorly, and

14 percent did not speak German at all. These percentages however, have improved with time according to another report published in 1976. Still many Greek workers encounter problems when they have to deal with representatives and officials of the various Government agencies and departments, as well as the managers of the enterprises where they work.

More often than not, the services of an interpreter are used in the communications between Greek workers and the German authorities and company managers. A lot depends however, on the ability and character of the interpreter (in many cases it is a young student) - who has to smooth out all sorts of misunderstandings, and especially those that may develop between Greek workers and their immediate supervisor. Whatever the outcome of a particular confrontation, frustration lingers on, especially when a worker is not selected for a training or upgrading scheme mainly because of his or her inadequate knowledge of German.

Difficulties of adaptation occur also among the members of the immigrant workers' families and create long term problems. There are no problems in cases where a young couple emigrates from Greece without children. However, when there are children in the family (which is often the case) problems begin to develop soon after the emigrants arrive in West Germany. If the children for instance, are left to the care of the emigrants' parents or other close relatives, their education and general upbringing may not be carried out properly because the relatives do not often have the authority, the means and the knowledge required. If

on the other hand, either parent stays behind in order to take care of the children, the couple often comes close to a breakdown of their relationship especially when the time of separation is prolonged. As a result of such disruptions in family life, there have been many cases which ended in divorce, adding thus to the weight of the social costs of emigration.

The best solution for the emigrant parents of course is to take their children with them to West Germany and bring them up there. This has been the case of most married emigrants with children, but even in these cases, there are problems. The most prevalent one is the education of the children. The German Government has tried to solve the problem by establishing special elementary schools in most cities where there are large concentrations of foreign workers. There are a number of elementary schools for Greek children in the major German cities and even a high school in Munich, which attempt to meet the educational needs of an increasing number of Greek immigrant children.²⁶

In fact, the special schools for Greek children have developed with the cooperation of the Greek Government, which had sent 750 teachers to West Germany in the early 1970's. The educational programmes of these schools however, are based on German programmes and requirements. Most of the subjects therefore are taught in German. This creates problems in the average Greek family, because the children speak German at school and only Greek at home. In addition to creating some barriers between

²⁶ Special Report on Guest Workers' Children, German Federal Institute of Labour, 1972.

children and parents, the dual speaking and learning confuses the children, and as a result they often can not speak well neither in German nor in Greek. The latter creates more problems for them when they return to Greece, where they have to attend Greek schools.

In general, it may be said that favorable working and living conditions in West Germany have contributed to the well-being of the Greek temporary immigrants in spite of certain social costs, and that some of the benefits in fact continued to be enjoyed after repatriation.

PART III

CHAPTER 7: REPATRIATION VERSUS INTEGRATION

It has been reported that "out-migration" was very high among foreign workers in West Germany, but there is little evidence to indicate how many went actually back to their own country or moved to another.

Most of the Greeks however, consider their emigration to West Germany as a temporary solution to their problems. They usually declare that they would stay in West Germany so long as Greece is not in a position to offer them opportunities from employment. In a survey conducted by the Greek periodical "Epoches", only a small number of those questioned, declared that they would stay in West Germany for an indefinite period of time.²⁷

It is estimated that approximately 25 percent of the total temporary emigrants repatriate every year. However, a large number of those who declare themselves as temporary emigrants become eventually permanent immigrants. The length of stay, though, is not easily determined.

It has been argued that the length of stay of foreign workers in West Germany or in other Western European countries is also a paramount factor in the success of any arrangements for the vocational training of emigrant workers. If a migrant worker receives no vocational

²⁷ Epoches, Athens, January 1965. p. 20.

training in the real sense, one might argue that the longer he or she stays in a foreign industrially advanced country, the higher the training effect will be. This effect will, however, decrease after a certain length of time. It is difficult to determine when the optimum of training is achieved. It depends very much on the individual, and in particular on his or her capabilities, on the type of job he or she is engaged, and on the organization of work, etc.

It has been maintained that a period of about three years is probably the optimum. After three years, the emigrant worker will have acquired considerable experience in working in an industrial environment, will have adapted himself or herself to the new working conditions, and will have achieved sufficient basic industrial knowledge and abilities. Another reason that supports this view is that ties between the worker and his or her home country will not have been broken after a stay of three years. The longer his/her stay, the higher the probability that ties will weaken and finally not exert any influence upon him/her to return home. The duration of the stay abroad is closely dependent on whether the male emigrant worker especially, takes his family with him or not. The chances of his staying longer are much greater, if his family has come with him.

The other important factor is vocational training, which is mainly of particular interest to the country of the emigrant's origin and partly to the interest of the emigrant himself and his employer.

It is generally accepted that through the vocational training process of the emigrant, the employer will get some of the qualified personnel he needs, while the emigrant will be able to increase his income and get greater satisfaction from his job in the receiving country, than if he remained an ordinary unskilled worker.

The difficulties that an emigrant faces when entering vocational training should however, not be underestimated:

- a) the necessity of sacrificing time and money;
- b) the problem in attending training courses in a foreign language;
- c) the sociological and cultural barriers that the emigrant encounters in the process.

As in many cases, immigrant workers set for themselves the primary aim of merely earning as much money as possible in the shortest possible time; they are seldom willing to make the sacrifices of time and income that is demanded by the process of vocational education and/or further training. The willingness to stay only one, two or at the most three years abroad, or the tendency to change jobs frequently, limit the training possibilities.

Although there is considerable enthusiasm at the beginning and the desire to overcome all those difficulties, the statistics show that the number of drop-outs from vocational training courses is relatively high among immigrant workers. Part of the problem is the length of the training courses, which frequently is out of proportion to the

length of time for which foreign workers intend to stay. In West Germany, the required duration is two years for semi-skilled workers and up to three years for skilled workers. Another discouraging factor is that most training courses are intended for young people without family responsibilities. The immigrants are usually older, frequently married, almost always with family responsibilities, and there are few who emigrated with any other intention but to earn money as quickly as possible and return home. Some immigrants also say that they do not wish to feel bound to any employer by the training they receive. (In West Germany, there are many "in-plant training" systems, where there is a close link between the firm, its training programme, and its employment policy).

The structures and methods of vocational training are also not well adapted to the standards, special needs and motivations of foreign workers of rural backgrounds, who make up the majority of the immigrant groups. A training programme cannot be properly understood and assimilated unless it is especially designed for the workers for whom it is intended (there are for instance some marked cultural and educational differences between German and Greek workers).

The attitude of employers in West Germany about vocational training is also not very encouraging. A large number of firms feel that it is not their interest to offer foreign workers any training which would take them out of the unskilled jobs for which immigrants are mostly needed. They are mainly interested in getting the type of

labour that is no longer available in the home labour market. Others feel that it is enough to give them some "on the job general training" from which every factory worker can benefit, however uneducated he or she might be. There is a considerable difference between learning the few movements needed to work on a semi-automatic machine or to occupy a post on an assembly line, and the training that is needed in order to hold a skilled job. Sometimes too, because of the low standards of their general education and their opposing motivations, immigrant workers are not very promising training material, even for gradual and very limited training programmes.

In the areas of training, the acquisition of skills and employment, the Greeks fared a little better than most foreign workers in West Germany. According to the available statistics, 40 percent of the Greek workers in that country were unskilled in 1972, while 52 percent were semi-skilled, and 8 percent were skilled. The criteria for the definition and classification of the various categories of workers however, is rather vague, and therefore, it may be assumed that some of the semi-skilled were really unskilled workers whose job however required some considerable experience and responsibility.

In spite of the better than most employment situation for the Greeks in West Germany, their basic tendency for repatriation did not change. Generally, voluntary repatriation is the counterpart

of voluntary emigration. The causes for the former are similar to those of the latter: personal reasons, a favorable or unfavorable change in the economic situation in the sending and/or the receiving country, politics, manpower and immigration policies, and other. Personal reasons as well as the improvement of the economic and political situation in Greece during the middle 1970's, have only increased the strong desire for repatriation that already existed among the Greek workers. In fact, the number of Greek emigrants who repatriated began to increase long before the changing situation in West Germany as a result of the more recent international recession. The changing situation in Greece has also played a part, because the measures taken by the Greek Government not only discouraged emigration but also encouraged repatriation. The Greek Government for instance, instructed the Bank of Land and Construction to establish branches in various cities of West Germany for the purpose of building a special savings fund, which encouraged Greek workers to save under favorable terms for the eventual purchasing of a house, after their return to Greece.

The Greek authorities provided also constant information concerning vacancies and employment opportunities in Greece, and a new law lowered the import duties for returning emigrants who had worked abroad for more than two years. The latter measure was designed for the purpose of facilitating the import of the emigrants' personal and capital goods.

The Greek Government's policies on repatriation were far from perfect, but they were fairly successful, if one is to judge from the increased volume of repatriation. The record shows that the increased volume of repatriation created some problems of readjustment in the Greek labour market, but no major upheavals. The problem in fact was due more to the inherent weaknesses in the organization of the local Greek labour markets than in the increased volume of repatriation, because although Greece still experienced considerable underemployment in the rural areas of the country, many industries and services suffered from manpower shortages in the late 1970's, and had to import foreign labour from Pakistan and the Middle East. Many repatriated emigrants did not only bring their newly acquired skills and knowledge, but also considerable amounts of savings, which they invested in property or in business.

The development of both emigration and repatriation patterns from the late 1960's to the middle 1970's, indicates some considerable fluctuations. These fluctuations reflect in fact certain changes that occurred in the German labour market which in turn had influenced accordingly the employment and emigration of Greeks. The most important change occurred in 1967-1968 when West Germany experienced a short recession, and which in turn affected adversely immigration. After the recovery, emigration to West Germany rose again till early 1971, when it began to decline again steadily. The steady decline reflects

the effects of the international recession of the middle 1970's (which has also affected West Germany), as well as the changing policies and conditions in Greece which encouraged repatriation and discouraged emigration.

Table 19 shows the pattern, volume, and composition of repatriation. It is noteworthy that the number of repatriated young people has increased over time. This is perhaps significant because young people are becoming more demanding, and they would have never left West Germany unless they had to (for family reasons or because of changing conditions in Germany), or because there was a definite improvement in the political situation and the social conditions in Greece since 1973. Greek workers enjoyed working in West Germany because of its superior wages and social services, but because of the social costs of immigration as well as their attachment to the climate, landscape, and easier-going mode of living of their country, they prefer to return at the expense of their standards of living. Nevertheless, they continue to strive for better conditions this time at home, and they try to influence attitudes and policies there, according to their experiences abroad.

The repatriated workers do not only look for higher wages, but also for an improved social climate similar to that which they have been accustomed abroad, which was dominated by contrasting political and social beliefs and activities in a fairly free

TABLE 19

EMIGRATION AND REPATRIATION OF
IMMIGRANTS IN WEST GERMANY

<u>Year</u>	<u>Total of Emigrants</u>	<u>Total</u>	<u>Repatriation</u>			<u>Workers</u>	<u>Percentage of Workers</u>
			<u>Under 16 Years Old</u>	<u>16-64 Years Old</u>	<u>Over 64 Years Old</u>		<u>%</u>
1968	53,107	29,043	21.6%	77.2%	1.2%	20,001	68.9%
1969	87,884	24,394	23.2%	74.8%	2.0%	15,989	65.5%
1970	94,307	30,259	23.4%	75.0%	1.6%	19,836	65.6%
1971	71,064	40,119	25.1%	73.4%	1.5%	25,499	63.6%
1972	51,083	48,060	29.5%	67.3%	3.2%	27,982	58.2%
1973	36,102	48,807	31.1%	64.8%	4.1%	27,014	55.3%
1974	29,960	48,732				26,375	54.1%
1975	18,196	65,709				33,183	50.5%

SOURCE: Federal Statistical Service of West Germany.

environment. Generally, the repatriated workers and members of their families have become more "open", more liberal and tolerant. Partly because of changes in their social outlook, more than often, they do not return to live in their village of origin.

Although most of them did not join trade unions in West Germany, all of them however, have acquired at various degrees a new social conscience and a stronger sense of personal self-respect. The most important lesson that they have learnt is that workers irrespective of their skill and occupation, have rights as well as responsibilities.²⁸

The acquisition of certain special skills however, creates some serious problems for the returning workers. Workers with skills and experinces in the advanced sectors of industry cannot find a job in Greece because many branches of industry are either less developed than those of West Germany or are not developed at all. The latter include sophisticated electronics and the auto industry.

There are three solutions for those workers of special skills: (a) they may return home and take up a lower grade job, (b) they may start their own business, and (c) they may remain in West Germany. In many cases, they decide to stay abroad because their German employers encourage such decisions with offers of special benefits and promises of advancement.

There are no studies conducted as of yet, which give a fairly complete picture of Greek emigrants' repatriation. Nevertheless, the

28 See: V. Filias. "The Emigration of Greek Workers to West Germany and Its Consequences", Essays on Greek Migration, Athens, 1967.

reports and limited statistics indicate that, where those who return go and what they do depends on a variety of factors. It depends for instance, on the age and the family situation of the individual, his or her skill and experience, financial position, origins and contacts at home. The younger ones tend to live and work in the cities, and some of them re-emigrate to West Germany - especially those who are married to German citizens - and other parts of the world, if they experience disappointments in their work and social life.

The majority of the older ones, and especially those of retirement age, return to their region of origin, although not necessarily back to their home village. Table 20 indicates that in 1974 and 1975, nearly 75 percent of the repatriated workers returned to their regions of origin (Macedonia, Thrace, and Epirus). According to the same Table, the immediate re-employment in Greece percentage wise was low. Such statistics however, are misleading, because it obviously takes some considerable time to find the job that the repatriated worker is willing to take. As the repatriated emigrants have accumulated savings, and have acquired a taste for jobs with good working environments, they are more selective and demanding. Furthermore, a lot of them are no longer interested in working for others. They prefer to become self-employed as independent craftsmen, property owners and shopkeepers. They also tend to settle in the larger towns of their region of origin where

TABLE 20

REPATRIATED WORKERS ENTITLED TO UNEMPLOYMENT
COMPENSATION AFTER WORK IN WEST GERMANY:
THEIR DISTRIBUTION BY REGIONS AND PERCENTAGE
OF THEM EMPLOYED IN GREECE

<u>Regions of Greece</u>	<u>1974</u>		<u>1975</u>	
	<u>Repatriated Absolute Number</u>	<u>% Absolute Number</u>	<u>Repatriated Absolute Number</u>	<u>Employed Absolute Number</u>
Attica and Islands	1,585	8.8	2,241	471
Central and West Macedonia	5,525	30.8	7,289	272
East Macedonia and Thrace	5,177	28.8	7,668	331
Thessaly	1,853	10.3	1,916	202
Epirus	2,417	13.5	2,426	10
Peloponnese	786	4.4	930	39
Crete	613	3.4	726	34
Total	17,975	100.00%	23,196	1,395
		6.6%	100.00%	5.9%

SOURCE: Greek Employment Organization.

there are certain elementary comforts, prompt medical care and hospitals, better educational facilities for their children, and a higher variety of entertainment. They maintain contacts with the home village, but only for the purposes of spending vacations there and in order to keep an eye on the family property.

What is significant however, is the fact that the younger skilled and semi-skilled workers, who returned to Greece, have maintained their interest in industrial work, because it is from those younger qualified workers that Greek industry can hope to meet some of its urgent needs in skilled manpower. A survey conducted by the Athens Centre of Social Sciences in 1966 in collaboration with the Ministries of Co-ordination and Labour, found that of the repatriated workers interviewed, 76.8 percent declared that not only did they wish to remain in Greece, but they also wished to work in Greek industries.²⁹

²⁹ E.C. Vlahos. "Emigrant Workers Returning to Greece From West Germany", Kenoniologik; Skepsi, Vol. I, No. 1, January 1966. pp. 125-126.

CHAPTER 8: THE BENEFITS OF TEMPORARY EMIGRATION
TO THE POSTWAR DEVELOPMENT OF GREECE

It is hoped that the costs and benefits of temporary emigration - and especially the latter - have become apparent in the preceding analysis of the causes and conditions of temporary Greek emigration to West Germany in the 1956-1976 period. Nevertheless, a comprehensive assessment of the benefits (both private and public) to the economic development of Greece in the period under examination, becomes necessary in the process of reaching some meaningful conclusions, and to help indicate more clearly the path to future related policies.

The preceding analysis has indicated that the most obvious private benefit occurring to the migrant Greek worker in West Germany came from the higher real earnings that he or she received in that country. The higher earnings of the migrant workers reflected themselves in improved living standards of the worker himself and of his immediate family. Furthermore, some private gains have occurred to those emigrants who acquired new skills while working in West Germany, because they have thus enhanced their employment opportunities in the receiving country as well as in Greece after their return. Higher earnings, combined with the improved skills, enable emigrants to increase their savings which allows them before and after their return home, to acquire goods and services that improve their economic and social status.

The educational benefits to other members of the emigrant's family in the receiving country, have been contributing also to private gains, and eventually to the public gains of the home country.

As outlined in the preceding analysis, Greece as other less developed countries of Europe, has been hampered in its economic development partly because of shortages in investment funds and chronic balance of payments difficulties. The emigrants' remittances, therefore, are one of the most important benefits to the economy of Greece, which coupled with the investment funds that emigrants bring with them at repatriation, provided a considerable boost to the acceleration of the economic development of Greece. In fact, the major direct benefit of emigration in the period under examination was the inflow of emigrants' remittances, which supplemented also the incomes of the economically weaker population groups, (especially in the rural areas of Greece where the relatives of the emigrants were located).

The data in Table 21 indicates that about 94 percent of the inflow of remittances (through the Greek Postal Service) came from Greek temporary immigrants in West Germany. According to another source (the Federal Bank of West Germany), the remittances and other transfers from West Germany to Greece in the 1960-1974 period were as follows:

TABLE 21
EMIGRANT REMITTANCES*
THROUGH THE POST OFFICE ONLY

<u>Year</u>	<u>From All Receiving Countries</u> (In Drachmaes)	<u>From West Germany</u>	<u>Percentage</u> <u>of Total</u>
1970	2,376,491,492	2,252,041,551	94.8%
1971	2,916,832,151	2,765,655,405	94.8%
1972	3,210,834,342	3,044,731,798	94.8%
1973	3,680,744,931	3,492,568,066	94.9%
1974	3,484,147,258	3,286,543,014	94.3%
1975	3,811,148,465	3,543,898,985	93.0%
1976	4,595,563,127	4,287,410,556	93.3%

* In Greek Drachmaes (1 Canadian Dollar = 33 Drachmaes).

SOURCE: Greek Postal Service.

Remittances From West Germany to Greece, 1960-1974.

1960	50,000,000 DM	1968	300,000,000 DM
1961	50,000,000 DM	1969	400,000,000 DM
1962	100,000,000 DM	1970	600,000,000 DM
1963	200,000,000 DM	1971	750,000,000 DM
1964	250,000,000 DM	1972	850,000,000 DM
1965	350,000,000 DM	1973	900,000,000 DM
1966	400,000,000 DM	1974	900,000,000 DM
1967	350,000,000 DM		

The above data indicates not only that those transfers were substantial from 1960 to 1974, but that they also followed an upward trend until 1973. All sources indicate in fact, that emigrants' remittances from Western Europe to Greece - and especially those from West Germany - rose rapidly and substantially from 1960 onwards.

In spite of some difficulties in accommodating a number of Greek repatriates who acquired certain skills in the heavy industry of Germany, which did not correspond to the needs of the Greek economy especially in the early 1970's, the skills and knowledge that most of the emigrants acquired abroad, has helped to improve the quality of the home labour force. It has also reduced the costs that the Greek Government and industries would have had to meet if some of the industrial workers they needed and employed had not been trained in West Germany.

The other direct benefit to the Greek economy of the temporary emigration to West Germany, was the outflow of the surplus labour, (especially in the 1960's) which contributed to the reduction of unemployment and underemployment, and reduced thus their direct and indirect costs. Partly as a result of the various contributions that emigration has made to the economic development of Greece, there was a marked acceleration of growth from 1956 to 1967, when GNP increased by an average annual rate of 7.5 percent. There was some slowdown during the years of the military dictatorship from 1967 to 1974, and began to rise again in 1975 and 1976, in spite of the international recession. The GNP increased by 5.6 percent in 1975 and 6.1 percent in 1976. During the same period, there was a considerable improvement in labour incomes. The average annual increase in real terms of hourly earnings in manufacturing was 10.2 percent over the 1975-1977 period compared with 2.9 percent in the E.E.C. countries. There were similar pay increases for other categories of wage earners in the nonagricultural sectors. The result was that labour's share in nonagricultural income rose from 46.2 percent in 1973 to 52.5 percent in 1977.³⁰

Furthermore, the combination of benefits from emigration, tourism, shipping, and the industrial expansion achieved since 1956 (industrial production according to O.E.C.D. increased by 9 percent per annum), reduced further the rates of underemployment and unemployment. Underemployment

³⁰ X. Zolotas. Report for the Year 1977, Bank of Greece, Athens, 1978. p. 21.

in the rural areas remained a problem, but the average rate of urban unemployment in the 1970's was reduced to an average of about 2.5 percent.³¹ The per capita income rose steadily in the same period, and from \$410 in United States currency in 1960, reached \$2,353 (U.S.) in 1976.³²

Although emigration and the improvement of economic conditions in Greece contributed to the reduction of unemployment, the lack of any increases in the labour force during the same period should not be underestimated. The labour force in relation of the total population of the country consisted of 42.8 per cent in 1951; 43.4 per cent in 1961; and 42.1 percent in 1970. This was due to the low natural growth of the population in addition to the effects of emigration. The death rate experienced a considerable drop compared with the pre-war period as well as compared to other Mediterranean countries and even the developed countries of North-western Europe (it was 7.9 per 1,000 in 1966 compared, for instance, with Portugal's 10.7 per 1,000 and with Denmark's 10.1 per 1,000). Reductions in the death rate as a result of decreases in infant mortality and the mortality of the aged, were offset by substantial reductions in the birth rate. The birth rate in Greece in the post World War II period followed a downward course. In 1940 it was 24.5 per 1,000, and in 1966 it went down to 18.5 per 1,000. The downward course of the birth rate has been attributed to a number of factors, including rises in the economic, social and educational levels of the people, a considerable increase in the urbanization of the population, and effective birth control.³³

³¹ See O.E.C.D. Economic Surveys, Greece, Paris, 1979.

³² U.N. Statistical Yearbook, 1978.

³³ Athanasiou, S., "Manpower Planning in Greece" in Clough, D.J. and Others (Eds.), Manpower Planning Models, The English Universities Press, London, 1974.

Finally, the contribution of the repatriates to the economic development of Greece through their increased purchasing power and effect on final demand, will have to be considered. Increased purchasing power and a change in tastes and buying habits has caused faster changes in the structure of demand in Greece than the corresponding changes in the structure of production. The adaptation of the latter to the changes of the former was slow because such adaptation required levels of human and capital investment that Greece did not have available in the late 1960's and early 1970's. Therefore, the faster changes in the structure of demand than the corresponding changes in the structure of production, resulted in the short run shortages of some goods and in corresponding higher prices, contributing thus to inflation. Inflation fluctuated from the record high of 30 per cent during the last year of the military dictatorship in 1973 to an average of 14 per cent in the 1974-1976 years. However, remittances, transfers, and repatriation as a whole, have facilitated in the long run the structural changes in production that the Greek economy has undergone in the late 1970's.³⁴

³⁴ X. Zolotas, pp. 9-14.

Furthermore, the Greek Government has realized that the benefits of emigration are decreasing and the costs increasing function of time, because of the increasing demands for labour at home. In other words, they are beginning to be aware of the fact that the longer the stay of the Greek workers abroad, the greater the difference will be between social costs and benefits, especially in the 1980's. It is in recognition of this problem that, the 1978-1982 Greek Five Year Plan has been designed. It has attempted for instance to solve this problem by creating the preconditions for new job opportunities in Greece for the repatriated workers, as well as favorable investment opportunities for their savings.³⁵

Efforts have been made also at the improvement of training programmes and facilities in Greece, and the establishment of occupational guidance services, whose purpose is not only to advise young workers on the potential employment opportunities in Greece during the 1980's, but also to persuade some of those who intend to emigrate that the quality of life at home, after Greece's entry into the E.E.C., will be better than that of the guest worker in West Germany. It will take however, at least five years to show whether the efforts of the Greek Government have succeeded in reducing the desire as well as the need for emigration.

³⁵ See "The Five Year Development Plan, 1978-82", Greek Centre of Planning and Economic Research, Athens, 1979.

CONCLUSIONS

Although there were some strong non-economic causes for Greek emigration since the early years of the modern Greek State in the 19th Century, the most important contributory factors to the recorded considerable exodus of Greeks, were to be found in the perennial weaknesses of the Greek economy. Greece, just as other southern and southeastern countries of Europe, has suffered from underemployment, shortages in investment funds and balance of payments difficulties.

Traditionally, modern Greek emigration has been of the permanent or near-permanent nature, and it has concentrated mainly in migratory movements to the United States and the British Dominions. However, in the last twenty-five years, it has changed considerably, both in nature and direction: from the permanent to temporary, and from the traditional receiving countries of North America to those of Western Europe.

In the immediate post World War II period, the volume of Greek emigration increased considerably because of the destruction in Greece, caused by the war, enemy occupation, and the civil war that followed. Poor economic and social conditions forced a great number of Greeks, and especially those from the rural areas of the

country, to seek employment and better fortunes abroad. In the late 1950's however, the nature of Greek emigration began to change. The causes remained the same, but now more Greeks - just as many emigrants from the other less developed countries of Southern Europe - began to take advantage of the developing opportunities in the expanding economies of Western Europe and especially that of West Germany, which suffered from certain manpower shortages.

The opportunities for employment and economic improvement that existed in West Germany for the foreign workers were however temporary, because it was the policy of the host country to keep them there only as long as they were needed. Thus, temporary emigration benefited the host country as much as it benefited the sending country, if not more, because it solved the host country's manpower shortages problem, and contributed to the occupational promotion of the domestic labour force, without creating any eventual population pressures and long term social burdens. The additional benefit for the host country was the fact that the so-called "guest workers" and their families, contributed also to the expansion of the German domestic markets by increasing aggregate demand.

On the other hand, emigration to Western Europe from the Southern Europe countries, including Greece, became more attractive because it was not only voluntary and temporary, but also easier and less distant. The latter was important to most Greek emigrants with close ties at home, because the nearness of the receiving country gave

them the chance for constant return visits. The Greek temporary immigrants, working as guest workers in West Germany, could visit from there, their country and relatives quite often during the tenure of their stay in the host country. This was possible because they could take advantage of the fairly generous statutory holidays with pay and/or the temporary layoffs, or even leave of absence to visit home, (which was less than one thousand miles away) through the relative low cost of travelling by car, train or bus.

Many intended Greek emigrants preferred the temporary immigration in West Germany because, *inter alia*, the periodic visits home kept them well informed on developments there, and gave them the opportunity to prepare for their return and re-establishment. Repatriation became thus the objective of most Greek immigrants in West Germany, soon after they felt that they had improved their financial and occupational status, and that they could now take advantage of the employment and business opportunities that began to develop in Greece in the 1970's.

Temporary emigration had also some important direct benefits to the development of the Greek economy, in addition to the private benefits accrued by the emigrants abroad. Although there were some private and public costs attached to all forms of emigration, including that of temporary emigration to West Germany, (separation of the family, inferior social status at the host country and job uncertainty), the benefits outweighed the costs in the short run.

On the private side of the benefits, the most important ones were the higher earnings for the emigrants, an improved standard of living for themselves and their families, acquisition of new or better skills, further educational opportunities and increased savings. Furthermore, the substantial number of emigrant female workers, and the exposure of both sexes to progressive social conceptions in Western Europe, tended to contribute to a change of attitudes at home and to the development of progressive social institutions.

The benefits to the Greek economy came from the substantial remittances of the emigrants (which became an important contribution to the balance of payment improvement), a relief for the under-employment problem in the rural areas of Greece, an increase in the capital capacity, and improvements in the quality of the labour force. Although the periodic visits and the repatriation of emigrants inflamed somewhat inflation, because they increased demand for certain products that the existing production capacity could not meet, they did contribute however, to the expansion of the domestic market and to further industrial development.

Greek temporary emigration to West Germany made thus a positive contribution to the economic development of Greece in the post World War II period, and especially in the 1956-1976 years. There are however, some dangers in the continuation of large scale emigration, because its benefits are expected to decrease and the costs to increase function of time, especially now that Greece will have to meet the challenges of the

1980's associated with its full membership in the European Economic Community. It will be so because the forthcoming membership in the E.E.C. will require, *inter alia*, that Greece improve and retain its human resources in order to develop further and more efficiently the industrial sector, and make thus its nonagricultural products more competitive in the Common Market. It is in recognition of this necessity that recent Greek Government policies attempt to discourage emigration and encourage repatriation.

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