



Education and Financial Crisis: The Case of Greece

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Abstract

The financial crisis and the subsequent social change in Greece had a direct impact on the institution of education. This paper presents the effects of austerity on school operation and the measures Greek schools take to overcome problems caused by education cutbacks. The study took place in schools of Eastern Macedonia-Thrace, a region in northern Greece that has been severely hit by the financial crisis. The population of the research was teachers of primary and secondary education and the sample came from 119 schools. 752 teachers answered to a closed questionnaire with some open items stating their views on school operation in times of austerity and mentioning the strategies that schools develop in order to cope with recession. The main finding suggests that school operation and the quality of education in Greece have deteriorated since 2009. However, the study reveals that schools have developed social support systems and new skills to respond to the crisis.

Keywords: Greece, crisis, education, social change.

1. Introduction

The financial crisis led to rapid social change in Greece, with some of its regions, especially Eastern Macedonia-Thrace, severely plagued by poverty and unemployment. This paper presents the findings of a study, regarding teachers' opinions about the effects of austerity on the institution of education in Greece. It also describes the strategies Greek schools develop in order to cope with austerity. The paper is divided into four parts. The first part provides the theoretical framework of social change. The second section explains the methodology used for the research that was administered in schools of northern Greece. The key findings are presented in the third section and conclusions are drawn in the final part.

2. Theoretical framework

2.1. Social change and crisis in Greece

Society is the changing pattern of social relationships. Social change can be defined as the change of social relationships and, according to Jones (1949: 96), it is a "term used to describe variations in, or modifications of, any aspect of social processes, social patterns, social interaction or social organization". The functional theory holds that stability and cohesiveness in a society depend on increased differentiation and mutual dependence (Andersen & Taylor, 2008: 621). In this context, society is conceived as a "complex and interconnected pattern of functions" and change is the by-product of the constant search for equilibrium (Ritzer, 2007: 4370). Changing

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societies can “become increasingly complex” and change in one part of the system may bring changes in other parts (Cooper, 1996: 171). Likewise, changes in a social institution can lead to changes in other social institutions (Little, 2014). A new equilibrium can be found through differentiation (Harrington, Marshall & Müller, 2006: 554) and the formation of new specialized roles, structures and institutions.

- The financial crisis and the subsequent abrupt social change in Greece had a direct impact on the institution of education.
- Schools in Greece face serious operational difficulties that also affect lesson quality.
- Schools adapt to the new financial standards by developing management skills.
- Schools develop new support systems and a new culture of frugality, cooperation and solidarity.

Social change may appear in the aftermath of sustaining social problems and can affect attitudes, institutions and value systems. It can take a “variety of directions and forms”; it can be a painful process caused by shocks and crises, but it can also create new opportunities (Garrona, & Triacca, 1999: 50). Social change can have cultural and psychological implications and brings about shifts in values, learning environments and human behavior (Greenfield, 2016: 84). In the modern world, financial globalization is responsible for the global impact of crises (Bordo, & Landon-Lane, 2010: 29), afflicting world societies. Social movements formed after a crisis can bridge the gap between institutions that cannot cope with social change and people’s needs (Henslin, 2012: 452-453). It can be, therefore, argued that social change nowadays is reinforced by modern world complexity, has both a global and local character and it is systemic in nature, as it can create bigger or smaller-scale chain reactions to individuals, groups, institutions and societies.

The financial crisis, which originated in the United States, spread over Europe and affected seriously the economy of Greece. The structural weaknesses of the Greek economy led to increased foreign lending, growing payments of debt and a vicious cycle of debt accumulation (Michael-Matsas, 2010: 499). The recession affected the Greek society with the highest rates of unemployment ever recorded in Greece (Tsoulfidis, Alexiou & Tsaliki, 2016: 390) and the institution of education with cutbacks and austerity measures (Kantzara, 2016: 46). Between the years 2010 and 2016, there were dramatic changes in the institution of education in Greece. Namely, there were public sector cuts (European Commission, 2016: 5), decrease in government expenditure in education, school mergers and closures, freezing of new appointments, transfers of personnel, increase in the number of students per class and increased number of substitute teacher appointments. There has also been degradation of newly established education institutions established by major educational reforms (Vergeti, 2014: 83).



Figure 1. Map of Eastern Macedonia-Thrace
https://en.wikipedia.org/wiki/Eastern_Macedonia_and_Thrace

This paper presents the impact of the financial crisis on education according to the views of teachers in northern Greece and the strategies schools undertook in order to cope with austerity. The study focused on Eastern Macedonia-Thrace, one of the most severely affected

regions by the financial crisis (OECD, 2013: 17), and one of the poorest regions in Greece during austerity (Karantinos, 2013: 5).

3. Method

3.1 *Purpose*

The purpose of the study was to detect how social change afflicted the institution of education in Greece. To achieve this, it investigated teachers' beliefs regarding the effects of the crisis on schools and asked teachers to describe how schools cope with austerity and what strategies they have developed in order to adapt to the new circumstances. More specifically, the study focused on the following research questions:

- In what ways has the financial affected primary and secondary education in Greece during the last years?
- Have schools developed strategies in order to adapt to the changes caused by the crisis?

The key findings present the impact of the financial crisis on the institution of education in Greece (both in primary and secondary education) during the years 2009-2016.

3.2 *Sample*

The population of this research consists of teachers who work in state schools in Eastern Macedonia-Thrace region. The sample represents the 15.4% of state schools in the selected region. Schools were chosen on the basis of the following school selection criteria: geographical spread in the region, school location, school size, school type and school grade.

3.3 *Questionnaire*

A closed questionnaire was distributed to schools, asking questions about all consequences of the crisis on the Greek education system. The questions referred to school operation during the years 2009-2016 and school strategies to cope with cutbacks. The questionnaire also included some open-ended questions aimed at a more in depth data analysis, as the use of quantitative and qualitative data approaches research questions from different viewpoints (Mason, 2011: 271), and better depicts the complexity of human behavior (Cohen, Manion, & Morrison, 2007: 189). Data was statistically processed with the aid of the statistical package SPSS 17.0 for Windows installed at the Democritus University of Thrace, Department of Primary Level Education.

4. Results

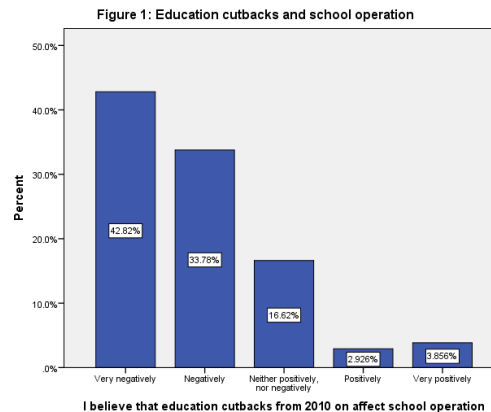
4.1 *Demographic and school data*

The study took place in the selected primary and secondary schools of Eastern Macedonia-Thrace in 2016. The questionnaire was answered by 752 respondents in 119 schools (65 in primary and 54 in secondary education), that represent the 15.4% of state schools in the selected region. In terms of school location, 71% of the questionnaires came from urban, 16% from suburban and 12% from rural areas. More than half (54%) of the responses were from schools with big student population (over 200 students) and 18.8% teach at small schools (less than 100 students). Most teachers and parents who answered the questionnaire were women (70.8%), and

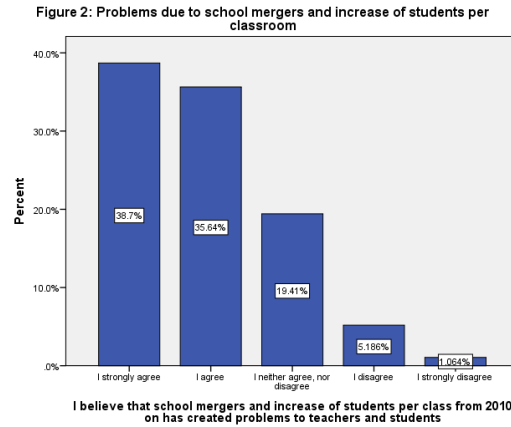
the majority of respondents belonged in the age group 41-50 (44.5%) and 27.7% were below 41 years old.

4.2 Effects of the financial crisis on the institution of education

According to the majority of teachers, cutbacks in education sector since 2010 have influenced negatively (33.8%) and very negatively (42.8%) school operation (Figure 1). In contrast, only 6.7% of the respondents were positive and 16.6% were neither positive nor negative. It is, therefore, indisputable that, in teachers' views, the financial crisis has had negative repercussions on the institution of education in Greece.



Respondents who had negative and very negative views were asked to explain in which areas educational cutbacks affected schools. As their open answers suggest, education cutbacks in schools have severely deteriorated school operation and have also had a negative effect on human resources and the learning process. More specifically, they report shortages in resources, such as stationery and books, teacher and school staff shortages, fewer opportunities for professional development, disdain of the teaching profession, bad working climate and worse working conditions. They also observe negative consequences on learning outcomes due to class malfunctioning, lack of students' motivation, cutbacks on educational programmes and school trips and underfunctioning of educational supporting structures. The following answer of a high-school teacher is representative. According to him, *“the effects refer to a) the moral and emotional debilitation of the workforce (teachers), b) the inactivation or shortage of material-technical infrastructure and media (development of new books, equipment/teaching aids, school buildings, teacher training etc.) and c) the coverage of vacancies”*. Similarly, an upper high-school teacher in an urban area said that *“schools need classrooms with projectors and internet access. Only then will the lessons be interesting and exploratory”*.



Regarding school mergers (Figure 2), 74% of the respondents agreed that mergers and increase of the number of students per classroom created problems to teachers and pupils, with only a very small percentage disagreeing. In the open question that followed, asking teachers who answered positively to define specific problems being caused (Table 1), 32% of them reported teachers' inability to focus on each student's needs and 31.2% of them referred to classroom management difficulties. Also, a lot of respondents mentioned that students' behavior problems have increased, many teachers work to more than one schools and more teachers suffer from stress and fatigue. Some respondents were also worried about the reduction of established posts for teachers, as a direct impact of austerity politics. According to a high-school teacher, there is *"difficulty in teaching, in communication, in students' understanding and performance in classrooms of 26-27 students. School closures in remote areas have a deterring effect to disadvantaged social groups, leading them to school dropout. Mountainous villages [are] at risk of depopulation"*. A kindergarten teacher in the Regional Unit of Xanthi stated that *"the teachers can't have enough time to fully respond to pupils' learning needs. The accumulation of many children in a classroom creates many problems: narrowness of space, hygiene, [children] don't have time to participate in the lesson, small-scale conflicts between children"*. A primary school teacher in an urban area mentioned that *"there are now schools with more students than those (they can house) they were designed [to house]"*.

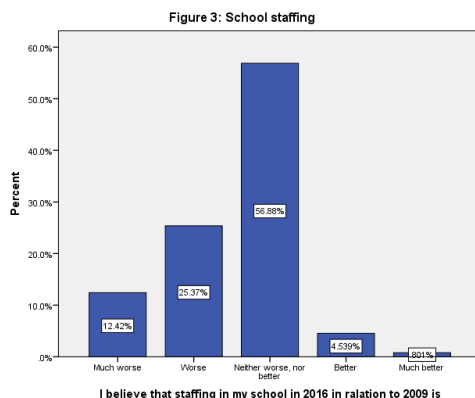
Table 1. Problems created by school mergers and students' increase per classroom

		Responses		Percent of cases
		N	Percent	
What problems do mergers and increase of student number per classroom cause to teachers and students?	Inability to focus in students' individual needs or inclination (personalized learning)	235	32.0%	50.4%
	Classroom management difficulties	229	31.2%	49.1%
	Problems with students' behavior in the classroom.	71	9.7%	15.2%
	Students and teachers are "on the move"	98	13.3%	21.0%
	Stress and fatigue of teachers	42	5.7%	9.0%
	Less teachers' appointments due to less posts	60	8.2%	12.9%
Total		735	100.0%	157.7%

Also, music schools, which are secondary education schools specializing in the study and training of music, appear to be severely affected by the financial crisis. According to a representative answer, *"every year, there are teacher shortages for music subjects [...] inability*

for the school to buy stationery and music equipment, inability to [financially] cover the need for concerts and events”.

In the question about school staffing (Figure 3), the majority of respondents (56.8%) had neutral views about the placement of staff in empty school posts in 2016 compared to 2009, which means that schools had already had school staffing problems before the crisis.



However, 48% of the teachers reported deterioration of school staffing in 2016 due to belated and insufficient recruitment of substitute teachers, shortages in specialized personnel and freeze of permanent staff recruitments (Table 2).

Table 2. School staffing

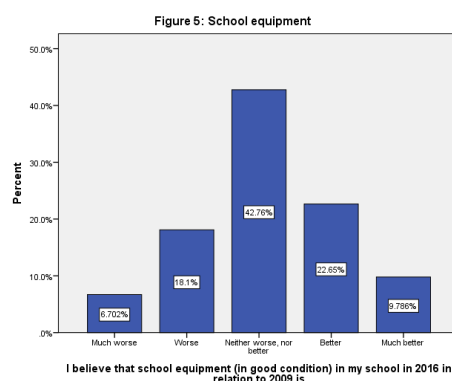
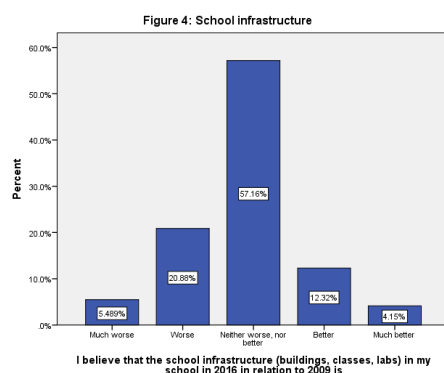
		Responses		Percent of Cases
		N	Percent	
What are the staffing problems in your school?	Teacher recruitment freeze	17	5.3%	6.9%
	Shortages of specialized personnel	110	34.2%	44.9%
	Belated and few substitute teachers' appointments	155	48.1%	63.3%
	Other answers – vague answers	40	12.4%	16.3%
Total		322	100.0%	131.4%

The problem of staffing is more serious in rural areas, as, according to a primary school teacher in Samothrace island, “*there are teacher shortages for the all-day school, the remedial teaching programme and for the subjects: 2nd foreign language, ICTs and music*”. There is also underfunctioning of supportive services that improve learning outcomes due to teacher shortages and late appointments. Such services are the Integration Classes and Parallel Support for special education pupils and the Reception Classes for the instruction of Greek to pupils who are non-native speakers. As stated by a primary school teacher in the Regional Unit of Kavala: “*there was a long delay in substitute teachers' appointments for the Integration Class and the Reception Class. As a result, students do not have the support they need in time. The same applies for the Parallel Support service*”. Also, a teacher in a kindergarten stated that “*there is no special education teacher for the Integration Class*”. Finally, serious staffing problems exist in upper high-schools that prepare students for the national university entrance exams. Many respondents claimed lack of teachers (or even very late appointments) in specific fields for both compulsory and elective courses and assignments of courses to teachers of different subjects, degrading the quality of secondary education.

On the other hand, school infrastructure, including buildings, classes, labs, gyms and yards (Figure 4) in 2016 was neither worse nor better than in 2009 according to the majority of teachers (57%). However, 26.3% believe that school infrastructure has worsened and the minority of respondents (16.5%) said that it has been improved. This finding shows that the financial crisis

hasn't affected so much school facilities. Yet, it seems that schools with infrastructure needs during the years of crisis, face problems in dealing with them.

Similarly, the crisis seems to have little effect on school equipment (Figure 5), as, according to the majority of teachers (42.7%), schools' functioning equipment in their schools has neither worsened nor improved. There is, also, a considerable amount of teacher (38.6%) who stated that school equipment in 2016 was better than in 2009. Yet, 24.8% of teachers answered that it has become worse. Respondents' diverse answers signify the differences that exist among schools in Greece, with some schools still in need of equipment, and others fully equipped.



The last question explored school capacity to financially cover specific operational needs, such as heating oil use, payment of bills and stationary material purchase (Figure 6). Teacher responses show clearly the incapacity of schools to cope with their operational costs. More than half of the respondents (63.4%) state the difficulty schools face to accommodate their operational needs and 21.5% of them declare a lot of difficulty in dealing with their operational expenses. 30.6% of the teachers do not observe any change in school finances and only a small minority answered that their schools can cover their operational needs with ease. In the open question that followed, teachers were asked to pinpoint specific examples of schools' needs that are underfinanced (Table 3). Most teachers declare shortages in stationery materials, such as copy paper and printer toners and difficulties in paying off heating oil in their schools. As a consequence, many schools have reduced the use of heating oil in a region that has a long winter period. Also, a lot of schools have problems in fixing and maintaining their existing infrastructure and equipment, are unable to buy new equipment and have difficulties in paying off bills (electricity and telephone) and cleaning products. A teacher in a rural primary school stated that they have "difficulty in buying heating fuel, copy paper and other materials for activities. Difficulty in funding theatrical performances and cultural events".

Most teachers reported that schools resorted to cost savings and have reduced operational costs. In many cases, parents bear the burden of school stationery material, such as copy paper. Also, the bad economic situation in Greek families has made schools reduce school trips and organize less educational events. All in all, teachers clearly state that Greek schools cannot afford their expenses during the years of the crisis, that also affects the quality of education.

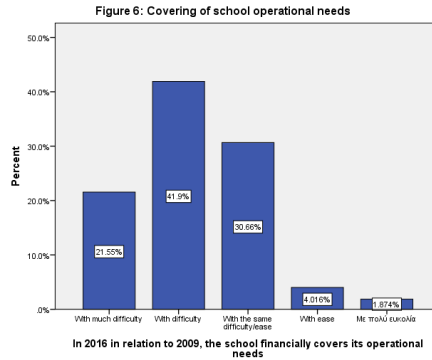


Table 3. Specific problems schools face

		Responses		Percent of Cases
		N	Percent	
Specific cases showing schools' inability or difficulty to cover their needs.	Heating oil pay off – Reduced use of heating oil	222	29.3%	56.2%
	Stationery material purchase	275	36.3%	69.6%
	Fixing, repairing, maintaining infrastructure/equipment	78	10.3%	19.7%
	Equipment purchase	83	10.9%	21.0%
	Pay off bills and cleaning equipment/detergents etc.	61	8.0%	15.4%
	Infrastructure	22	2.9%	5.6%
	Other answers – vague answers	17	2.2%	4.3%
Total	758	100.0%	191.9%	

4.3 How schools adapt to the financial crisis

In the previous section, respondents provided answers regarding the problems schools in Greece face due to the financial crisis. In this section, teachers and parents were asked to explain how schools cope with the crisis and what measures they take in order to deal with the problems they experience in their schools (Table 4). Findings show that in most cases schools resorted to cost savings in order to cope with cutbacks on their annual budget. More specifically, schools have reduced operational costs, as, for example, they buy less copy paper and have reduced extra educational material printing. Also, the crisis affected school events and trips, as parents are not always willing to pay the cost of a school trip. As a result, some schools have reduced school trips and organize less educational events, as, for example, going to the theatre.

Secondly, 24.4% of the teachers said that schools receive sponsorships from associations and organizations for their events and operational needs. The most common source of finance comes from parents' associations either via direct sponsorships or via co-organization of events. Other sources of finance are provided by local administration, the church, institutions, companies, NGOs and local stakeholders. A high-school teacher in a suburban area said that the school receives "sponsorships from companies and the municipality, brunch by "Niarchos Foundation" [and] help from the church".

Schools do not only receive financial help, but they also provide financial and material assistance to underprivileged pupils and their families. Specifically, teachers and parents reported that schools and teachers' boards often help pupils in need and their families. Assistance can vary from purchase of snacks and stationery to pupils, to clothes and food donations to families. The following answer of a primary school teacher is representative, as she mentioned that the school *"helps by distributing fruit, mainly, to all pupils. It reduced its expenses and [reduced] the snack prices at the school canteen. It finds affordable prices for school trips and reinforces recycling of stationery and toys"*. In many cases, respondents said that the school is paying the fees for school trips and educational activities, when a family cannot afford them.

Table 4. School strategies to cope with the crisis

		Responses		Percent of Cases
		N	Percent	
How does the school respond to the financial crisis?	Sponsorships	292	24.4%	44.0%
	Help to underprivileged students and their families	226	18.9%	34.1%
	Cost savings	463	38.7%	69.8%
	Volunteerism	53	4.4%	8.0%
	Revenues via events	149	12.4%	22.5%
	Other answers – vague answers	14	1.2%	2.1%
Total		1197	100.0%	180.5%

A teacher in a rural primary school in the Regional Unit of Xanthi referred to *"school fundraisings for children with financial problems, cooperation with the Parents' Association for helping students in need (food, clothes), teachers' financial help to students [in order to participate to] school trips"*. Moreover, 12.8% of the respondents answered that schools have revenues through events, such as bazaars with handcrafts and lotteries. As stated by a kindergarten teacher in the Regional Unit of Drama, parents frequently *"bear the burden of (the school's) daily expenses"*. Finally, 4.7% of the respondents referred to the increase of volunteer work, especially of teachers and parents, by means of extra teaching hours, fundraisings, repairs and constructions. A primary school teacher and parent in the Regional Unit of Drama mentioned that *"the school saves money via events and relies on volunteer work by individuals for specific needs coverage"*. To sum up, the financial crisis had both negative and positive effects on schools. On the one hand, schools have reduced their expenses and participate in less educational activities outside their premises, which can have an impact on the quality of education. On the other hand, schools have formed stronger bonds with parents and the local community that contribute to school needs, and have also developed social solidarity.

5. Discussion

The study that took place in primary and secondary education schools of northern Greece reveals the deterioration of schools' operation as a result of the financial crisis. Social change has affected the educational system in Greece by degrading schools' operation. During the years 2009 and 2016, the quality of education in Greek state schools seems to have worsened as overcrowded classrooms restrict the implementation of personalized learning and student-oriented teaching strategies, whereas classroom management problems are very frequent. Similarly, poor school finances are responsible for fewer education projects, field trips and events that serve as complementary activities to traditional learning and greatly benefit the educational process. In a parallel manner, schools face serious operational difficulties related to lesson quality (e.g. due to shortages of stationery materials), students' health (e.g. due to reduced use of heating fuel) and the security of the whole student and teacher community (e.g. due to difficulties in the restoration of damages). The quality of school infrastructure and equipment seems not to be influenced by the financial crisis. This is probably due to the fact that many schools improved their

infrastructure and equipment via European operational programmes, during the previous years. Finally, it seems that the crisis has severely hit education structures such as Music Schools, all-day schools and remedial education. As a result, it is evident that the financial crisis in Greece has brought about crisis in education. All these abrupt changes in the institution of education in Greece, caused by the recession, have urged schools to differentiate and develop strategies and initiatives in order to adapt to the new circumstances.

6. Conclusions

The Greek financial crisis has had a direct impact on the institution of education. The study that took place in Eastern Macedonia – Thrace, a region that was been severely hit by austerity, revealed negative as well as positive effects of the financial crisis in Greek schools and their strategies to cope with education cutbacks. To sum up, social change has affected the institution of education in Greece, as repercussion of the financial crisis, clearly showing the interconnection of social institutions. In the new reality, schools adapt themselves, deploying strategies and forming support systems to cope with recession and the problems it has caused on school operation and their human capital. Specifically, schools adopt a more human approach by developing solidarity and new support systems for students in need and their families. The crisis, therefore, spurred the inauguration of social initiatives in the field of education in an attempt to alleviate some of its negative consequences on children and their families. Schools, also, try to form partnerships with the local community and exploit available funding resources and opportunities, in order to counteract budget cutbacks. As a result, schools, also, gradually develop entrepreneurship and management skills, in an attempt to ensure their regular operation and maintain or even improve the quality of their educational product in times of crisis.

Disclosure statement

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