

## COUNTRY PROFILE



## Greece

GLOBAL RANK: 34th of 104



Greece ranks less well in Economic Competitiveness (43rd) than in Comparative Liveability (32nd). It ranks 34th overall. Good education and health-adjusted longevity are important to Greece's success.

## ● BACKGROUND

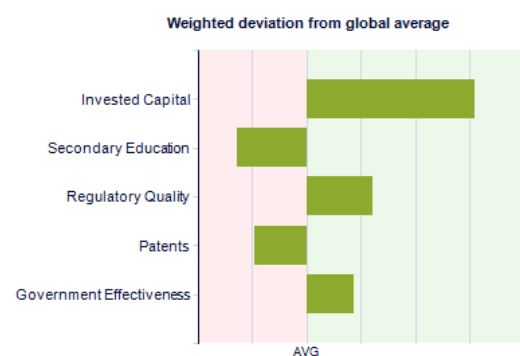
Greece is renowned for its rich cultural heritage, and since its emergence as a democratic nation in 1973 it has experienced rapid economic modernisation. However, its economy is still hampered by a relatively high degree of dependence upon imported energy, faltering international competitiveness, and a large current account deficit. Tourism is a major contributor to GDP and a mainstay of many rural areas. Government efforts to reform Greece's pensions systems, labour laws, and state education system have met with heated popular opposition. The 2004 Olympic Games stimulated economic growth and brought much-needed infrastructural upgrades to Athens, but at an estimated cost of 9 billion euros.

## FAST FACTS

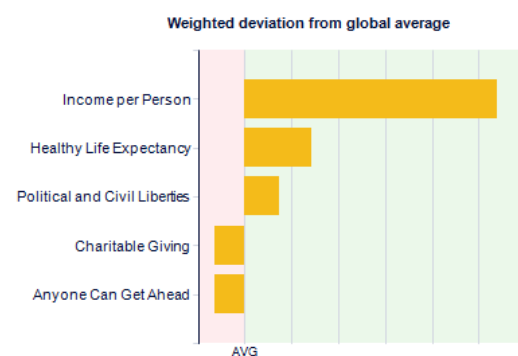
<b>Population:</b>	10.7 million (2008 est.)	<b>FDI (net inflow):</b>	1.34% (2006 est.)
<b>Life Today</b>	6.3 (2007 est.)	<b>Exports</b>	6.54% (2006 est.)
<b>GDP (PPP)</b>	\$324.6 billion (2007 est.)	<b>Imports</b>	19.15% (2006 est.)
<b>GDP (Growth)</b>	4% (2007 est.)	<b>Unemployment:</b>	8.3% (2007 est.)
<b>GDP (per Capita)</b>	\$29,200 (2007 est.)	<b>Life Expectancy</b>	79.52 years (2008 est.)
<b>Political System:</b>	Parliamentary Republic		
<b>Foreign Aid:</b>	No data		

## ● KEY SCORE DRIVERS

## ECONOMIC COMPETITIVENESS



## COMPARATIVE LIVEABILITY



Despite a large public sector and a negative trade balance, Greece saw GDP levels rise by approximately 4% per year between 2003-2007. The country joined the European economic and monetary system in early 2001. It has consequently become a net recipient of aid, receiving subsidies worth 3.3% of GDP per year, although this does not translate into a high dependence score, because the Index weight on aid is very small at Greece's level of income.

Foreign trade and investment only account for roughly a quarter of GDP, reducing the country's openness score. Levels of investment in research and development and in worker education are among the lowest in the EU-27, which produces mediocre scores for innovation. The number of patents filed is notably low.

Greece's ranking in the Comparative Liveability Index is over ten positions higher than its rank in the Economic Competitiveness Index. This strong Comparative Liveability performance is accounted for by Greece's substantial protection of political rights and civil liberties, as well as high average incomes in line with other Western European countries.

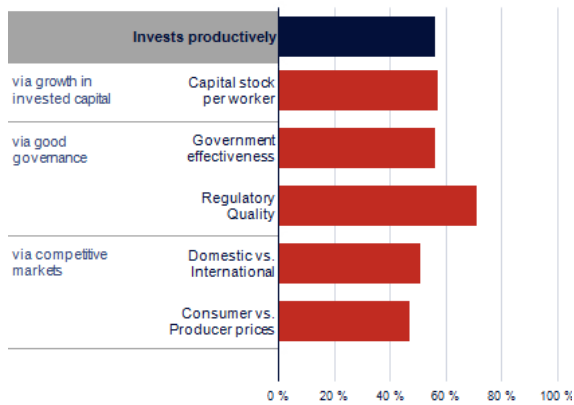
The health-adjusted life expectancy for Greece is extremely good at 71 years, but the troubled pension system is in need of dramatic reform. Scores for community life are poor by comparison with the rest of the region, with Greeks among the least likely to volunteer or give to charity. Only 7%<sup>9</sup> of respondents in to the Gallup World Poll had volunteered in the last month. Other elements that are

Greece also trails the rest of Europe on other key economic indicators such as public debt, current account deficit, inflation and unemployment. However, there are a number of signs of hope that are likely to have an important influence on future growth. The quality of governance is high, in terms of both regulatory quality and efficiency, although it still trails the leading countries in Europe. Levels of capital investment are also well above the global mean and Greeks show considerable entrepreneurial spirit, with the region's highest rates of business ownership.

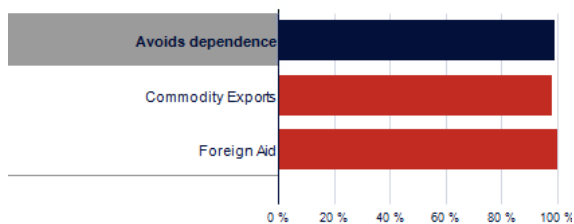
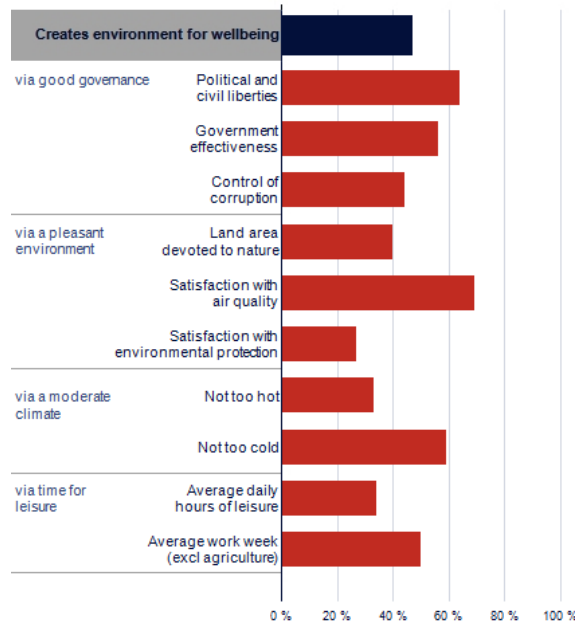
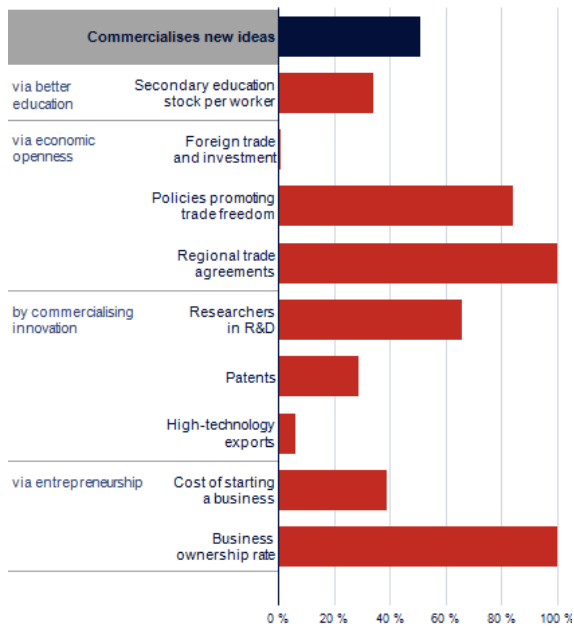
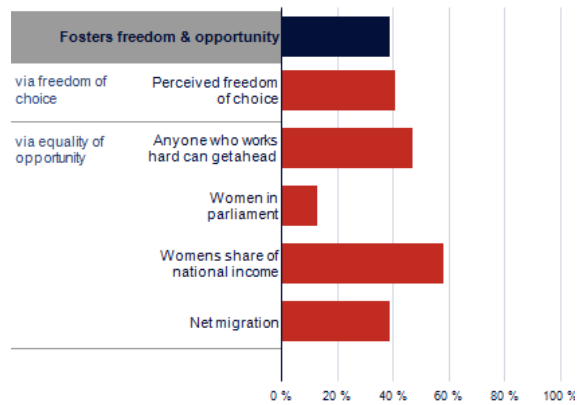
detrimental to Comparative Liveability include poor environmental protections and limited religious freedom.

Greece ranks first amongst the EU-27 on inward migration. Immigrants make up nearly one-fifth of the work force, although a large number occupy unskilled jobs. The sense of opportunity that migrant workers evidently perceive is not matched by Greek citizens, who are among the most cynical in Europe when it comes to thinking that anyone can get ahead through hard work. Meanwhile, with only 66%<sup>9</sup> reporting satisfaction with freedom of choice, Greece competes with Turkey and Hungary for the unenviable title of Europe's worst-scoring country on this indicator.

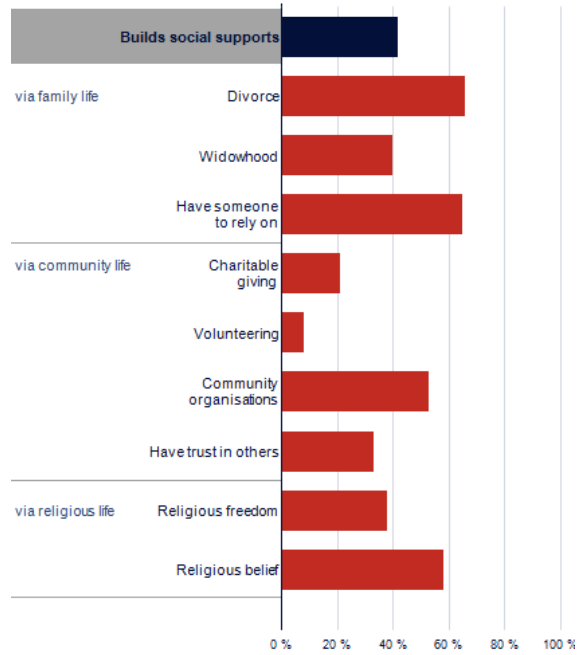
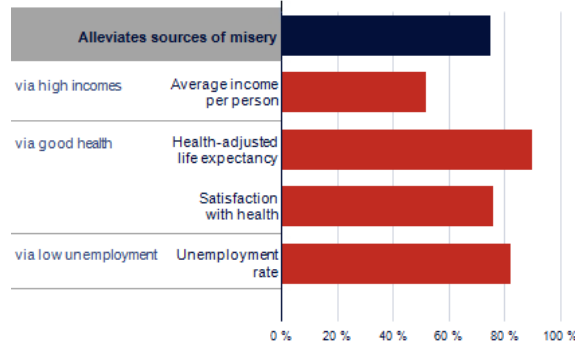
## ECONOMIC COMPETITIVENESS: SCORECARD



## COMPARATIVE LIVEABILITY: SCORECARD



All subindicator scores in the Index are shown unweighted, expressed as a percentage of the score for the best-performing country in the Index. Indicator scores (in dark blue) are derived from the weighted average of relevant subindicators. For more information on how the subindicator scores are weighted to produce indicator scores and an overall Index score and ranking, see Chapter Two of this report.



**References:**

<sup>9, w</sup> See [www.prosperity.com/references.aspx](http://www.prosperity.com/references.aspx) for further details including date of survey, sample size, and margin of error.