

# The Issues of the Athens Olympic Games

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108 years after they were first held, the modern Olympic Games have returned to Greece, their birthplace. For this country, the nature of the victory is political rather than sporting. The stakes, however, were huge: economic, political and also in terms of credibility for a country with only 10 million people. The first hurdle in the credibility stakes, especially following 11th September 2001 and 11th March 2004, was the security of the Games.

On 29th August, when the Games ended, Jacques Rogge, President of the IOC, declared that Athens had won a gold medal for organisation. But at what a price!

Greece began serious preparations in 2001. Quarrels between factions and political parties stopped. The beautiful and dread Gianna Angelopoulos-Daskalaki was appointed head of the ATHOC (Athens Organisation Committee), obtaining the backing of the PASOK socialist government, politicians as a whole and economic decision-makers. The change in the political landscape in the general election of 7th March 2004, in which Kostas Karamanlis's New Democracy party (ND) won, changed nothing.

The 2004 Games had become a national cause and, in a country where patriotism is not an empty concept, everyone rallied round the flag. Government, opposition, press and the unions united to ensure that everything went well and that there were no dissonant notes. The Athenians were more pragmatic and, as

usual, took their holidays in August, avoiding the crowds of Athens. As for the settling of political scores, this was not to take place until after the end of September, once the Paralympic Games were over.

It has to be said that Greece had been harshly criticised by the Western media. The Greeks would never be ready in time, it was said, since six years were needed to carry out the necessary construction work and Greece had started three years late. Behind these criticisms lay a certain anti-Mediterranean racism.

The critics had not reckoned with the national pride of the Greeks. The Olympic Games had never been so well organised. On the other hand, there was no criticism of the economic and social costs of this sporting megalomania.

In early 1996, Kostas Simitis, the social democrat and ardent European, replaced Andreas Papandreou, the old populist socialist. The new Prime Minister incessantly demonstrated Brussels that his country was no longer the black sheep of Europe. The organisation of the Olympic Games formed part of this plan.

Kostas Simitis insisted on sound organisation, particularly as in the first six months of 2003, his country held the EU presidency and it was in Zappeion palace in Athens that on 17th April 2003 the ten new members signed the treaties of accession to the EU, before the leaders of the fifteen old Member States, the UN Secretary General and the leaders of other candidates for accession to the EU. Finally, the Games made it possible for Greece to slyly evade the siren voices of the US, calling for the Greeks to be part of the coalition against

Saddam Hussein. Giorgos Papandreou, Minister of Foreign Affairs, declined the "invitation" on the grounds that all Greek forces were mobilised for the security of the Games and the combating of terrorism in the country.

There were also domestic political issues at stake. In fact, on 7th March 2004, the Greek legislative elections were set to be a close-run thing and PASOK's socialists wanted to show that they had been able to win the Olympic Games, implying that the ND conservatives would have been unable to achieve as much. The latter, through national honour, did not make the Games into a campaign issue, but simply emphasised the delay in construction work, the budget overspending and the corruption of the Socialist administration. On 7th March, the Socialists were heavily defeated and the ND immediately made public the budget overspending.

Between politics and economics, security problems came along to get entangled in the issues. After the attacks of September 11th, and then of March 11th, there was enormous pressure on Athens. Greece wanted to take sole responsibility for security issues, but US pressure, for both political and economic reasons, was so great that the new government was forced to accept foreign assistance. In order to ensure the security of the Games and the sites, including the Olympic village and the large hotels, 80,000 people were mobilised. The security budget, rocketed sky-high. It was at least ten times the size of the Atlanta security budget. From 650 million euros, it increased to 1.2 billion. And also, on 12th March, the day after the Madrid attacks, Athens officially requested assistance from NATO, which provided air and sea radar cover. On 1st

August the NATO forces Headquarters installed itself on the island of Evia, close to the capital.

Finally, Greece concluded agreements with Albania, Macedonia and Bulgaria for multilateral monitoring of the northern borders, which became a military zone. The same was done with Israel, Turkey and Italy for the surveillance of maritime borders.

But behind the anti-terrorist fight lay concealed an economic issue, which was won by the US. It was a highly sophisticated communications system. In plain language, it was necessary for all those involved in the security of the Games to be linked in real time to each other via encrypted communication. This was the famous "C4I" system (Command control communication computer intelligence), which at the end of July was only 80% operational. To put this highly complex system in place, a consortium had been set up: the SAIC with the Americans, General Dynamics and Honeywell, the German Siemens and the French EADS, for the hardware. For software and telecommunications, Nokia, Thomson and Motorola fought for it.

For the Greek state, these Olympic Games were an opportunity to modernise the Athens conurbation, Attica and the country as a whole. In fact, infrastructure works were undertaken on a colossal scale: motorways, roads, intersections, bridges, trains, metros, trams, the modernisation of hospitals, hotels, museums, telecommunications, airports and border posts, renovation of the capital's façades, construction of pavements, etc. At the outset, the budget for this work was in the order of 4.6 billion euros, of which 1.8 billion was solely for ATHOC (construction of sporting facilities, the Olympic village, hiring of floating hotels, etc.). But as it often happens in these pharaonic projects, the budget went sky-high. The final budget was to approach 9 billion euros. It was known that everything directly or indirectly dependent on the Games was 100% financed by the Greek state, whereas major infrastructure work was cofinanced by the EU, from 10 to 40% depending on the construction sites.

European aid was to rise to 2.9 billion euros (including the work begun earlier on the metro system and the Spata-Athens airport).

The budget rocketed for two main reasons: the cost of the security programmes and the construction delays. The delays led to widespread use of sub-contractors which, because of the delays, increased the level of their tenders, making fine profits along the way while under-paying their employees. And also, hundreds of construction machines had to be hired urgently in western Europe. And also, the use of sub-contractors inevitably led to security problems regarding workers and to defects.

Almost 100,000 jobs were created. The construction sites were short of labour and the Greeks employed huge numbers of Albanians and Kurds. In view of the delays, however, workers from Southeast Asia and sub-Saharan Africa had to be brought over, too. This did nothing to improve the security of work on the sites. To overcome the delays, the workmen worked in three 8-hour shifts, 24 hours a day. In Sydney, two workmen had died. In Athens, at the beginning of August, while the press was talking about forty deaths, a top official in EKAV (the Greek first aid service) stated that in one year, 108 deaths had been recorded by IKA (the Greek social security body). Now, the deaths recorded by IKA concern Greek and Albanian regularised workers. Knowing that the deaths of illegal workers are not declared, it is easy to imagine the worst. By the end of May, almost 4,500 workmen had already been injured.

The foreign workers had contracts stipulating pay of 35 euros per eight-hour working day. In reality, they were paid 24 euros for ten to twelve hours per day. The state bore full responsibility for this huge financial cost, not the private sector, as had been the case for the most part in Atlanta. In autumn 2004, all the economic indicators went into the red, after a calm period from 1996 to 2000. Under the EU's convergence criteria, public debt must not exceed 60% of GDP. In January 2004, Greece was at

103%, and in September at 112%. As for the budget deficit, which must not exceed the fateful 3% ceiling, it was 2.8% in January 2004, 3.3% in June and 5.3% in September. In July, experts in Brussels had also initiated an excessive deficit procedure, demonstrating that Athens had been doctoring its figures since 2000.<sup>1</sup> Now the Greeks were worried. Who was going to pay? Obviously, the taxpayers. It would of course be necessary to pay off the loans and the debt interest, and the country would be in debt for 20 to 25 years. The General Consumer's Federation of Greece (INKA) already feared that inflation would take off again in the autumn. Officially, inflation was at 4-5%. According to the trade unionists, it was 12%. Price increases have affected bars, restaurants, clothes, meat and dairy products. The tourism industry has also pushed its luck too far. Inflation in the tourism sector has been reflected this past summer by a 20% drop in visitor numbers.

Athens thinks, however, that it can extricate itself. With regard to tickets, it will be hard. ATHOC is proud to have sold 3.5 million tickets as against 3.2 in Sydney. But it had expected to sell 5 million. And also, some of the tickets were sold off cheaper. As for return on investments, this will not be easy. Certainly, the transport infrastructure will speed up Attica's development. But the tourism sector is very fragile. The tiniest terrorist bomb can spoil a whole season and, let us not forget, prices have rocketed in a country which has since the 1970s been used to mass tourism at low prices. And also, the sports facilities will need to be managed. The cost of maintaining these facilities has been estimated at 140 million euros per year.

To sum up, in the short term the Olympic adventure is likely to leave a bitter taste in the mouths of the country's citizens. Since the end of September, the marriage of convenience between the left and right wings broke up. Giorgos Alogoskoufis, Minister for the Economy and Finance, revealed the doctored figures of the Greek economy, pointing the finger at the previous Socialist government. He did not do this through the

<sup>1</sup> In 2000, Athens reported a 2% deficit when it was in fact 4.1%, in 2001 and 2002 1.4% instead of 3.7%, and in 2003 1.7% instead of 4.6%.

#### WINPEACE 2003-2004

The WINPEACE network was created at a time of open conflict between Turkey and Greece over the sovereignty of an island in the Aegean. It consists of representatives of non-governmental organizations from both countries and is designed to work for reaching peace between them.

The main emphasis of this network, something that can be applied in other cases of hostility and conflict, is to promote dialogue and to bring the different peoples together by working on joint projects. The year 2003 began with an initiative proposed by members of WINPEACE. It organized a trip to Baghdad with a group made up of international personalities to assess the situation and to promote peaceful solutions to problems between Iraq and the United States. Humanity demands alternative methods of conflict resolution other than acts of violence; it also demands absolute protection for the women and children as part affected by the decision taken. Violence brings a caul-

dron of hate and revenge, in this case with the entire Arab world, decreasing any chance of stable international relations. The emphasis must be on the primacy of values, norms, ideas, laws and ethics.

In the years 2003 and 2004, youth workshops were set up to train young people from Greece, Turkey, and the divided island of Cyprus on conflict resolution techniques.

This has been highly successful and creates the opportunity for the younger generation to understand methods of peace-keeping. Participants continue to communicate extensively through group e-mail and the youth workshop website that has been created by student members and WINPEACE alumni, themselves

In the area of Katabouroun, near Smyrna, Turkey, Greek and Turkish women worked together on an Agrotourism project which, in addition to generating income, empowered women. Working together with the rural women allows us to explain our belief that

women must extend their influence into areas of international relations. Security must depend on a commitment to joint survival rather than on the threat of mutual killing and destruction.

We lobbied on both sides for a decrease in the defense budget by 5% the first year, a tendency that should have continued for many years thereafter. The beginning of a process of arms reduction has a psychological impact and makes a political statement itself – that governments are acting in good will. Some time after our campaign started the Greek government made a decision to withdraw its order for a Eurofighter airplane. The Turkish government postponed its decision to acquire \$19.5 billion worth military procurements. This is the beginning of a disarmament process much desired by women.

Margarita Papandreou  
Coordinator Winpeace

goodness of his heart, but because he had made his calculations. The debt caused by the Olympic Games meant it was no longer possible for the ND government to keep its electoral promises, which added up to 11 billion euros.

Reform of the civil service, health insurance, unemployment insurance and an increase in direct and indirect taxes were unofficially being studied and the privatisation of public services was to be speeded up.

Olympic patriotism will cost Greece dear, at the very moment when EU aid is about to be redirected towards central Europe.