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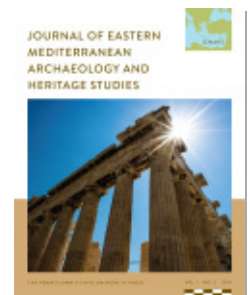
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## The Effects of the Economic Crisis on Greek Heritage: A View from the Private Cultural Sector

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## RESPONSE

### The Effects of the Economic Crisis on Greek Heritage: A View from the Private Cultural Sector

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Howery's article offers a very clear and informative picture of the effects of the economic crisis on the public archaeological and cultural sector in Greece. The public cultural sector, however, is not the only victim of this crisis; Greece's private cultural sector has also suffered a great deal. As the latter is absent from Howery's paper, this short response seeks to remedy this by shedding some light on the effects of the economic crisis on the country's private cultural sector.

Although the Greek private cultural sector is quite large and diverse, including several museums, learned societies, and non-profit cultural foundations, focus will be given on two of the most important and publicly recognized cultural institutions: the Benaki Museum and the Foundation of the Hellenic World. Both have suffered greatly, if not the most, during these long four years of austerity and recession.

The Benaki Museum is the oldest and biggest private museum in Greece, spread over eight different buildings

(Fig. 1).<sup>1</sup> The museum's permanent collection includes a great range of artifacts that trace the development of Hellenic civilization from prehistory to the formation of the modern Greek state. Moreover, the museum owns a collection of traditional Greek costumes, an antique toy collection, a branch devoted to Islamic art, a state-of-the-art conservation laboratory, and a building for temporary exhibitions and cultural events. For the last 40 years, the museum has been under the direction of Professor Angelos Delivorrias, an archaeologist and art historian, and it was under his directorship that the museum expanded to its current size and acquired its diverse character.

Although the Benaki Museum is run by a board of trustees and operates under private law, its main source of funding is the Greek state, which has the a legal obligation to cover the museum's payroll as well as its operational costs. This has ultimately proved to be the museum's biggest weakness. Back in the "good old days," the state gave over €2 million per year to the museum. Since the crisis hit the country, the amount of money has dropped significantly, falling to €842,000 last year (Rigopoulos 2013). This massive drop in state funding has had a very negative impact on the museum and its activities. As Professor Delivorrias has openly admitted on more than one occasion, the museum has had to lay off several members of its staff in order to cope. In 2010 there were 267 people working there, while today there are only 191. Even those who are still employed have had their salaries cut between 20 and 40 percent and also had their hours reduced by 20 percent (Rigopoulos 2013; Daley 2013). As a result, the museum cannot afford to stay open on a daily basis and some of its branches are open to the public only four days per week. The implications of this state of affairs are many: first, a number of researchers and support staff are now jobless, adding to the staggering 27 percent unemployment level in Greece. Secondly, the Benaki Museum is in danger of becoming unable to perform some of its basic functions. According to Delivorrias, the Department of Conservation faces the greatest threat (Daley 2013). Although the Benaki Museum has introduced several schemes in order to attract funds and continues offering a wide range of cultural activities for its visitors, it is clear that without adequate state funding the museum cannot function properly.



FIG. 1  
A view of the main building of the Benaki Museum. (Photo by I. Georganas.)

The second case study is the Foundation of the Hellenic World (FHW; Fig. 2). The FHW is in many ways unique, as it is the only cultural organization in Greece which makes extensive use of cutting-edge technologies in the field of humanities. It was founded in 1994 by Lazaros and Ourania Efraimoglou, an affluent Greek family with origins in Asia Minor. The foundation's mission, as stated on their website, is "the preservation and dissemination of Hellenic history and tradition, the creation of an awareness of the universal dimension of Hellenism and the promotion of its contribution to cultural evolution" (<http://fhw.gr/fhw/index.php?lg=2&state=pages&id=80>). In order to achieve that, the foundation started producing online encyclopedias and other educational websites, which mainly deal with Greek history and archaeology, spanning prehistory right up to the present day (e.g., *Encyclopedia of the Hellenic World* [<http://www.ehw.gr/ehw/forms/Default.aspx?lang=en-US>] and *Hellenic History on the Internet* [<http://www.fhw.gr/chronos/en/>]). Their most innovative project, however, is a series of three-dimensional reconstructions of archaeological sites such as the Athenian Agora and the Asia Minor cities of Miletus and Priene. These three-dimensional reconstructions, which are targeted to both school children and adults, are screened at

the Foundation's IMAX-like cinema, known as the "Tholos." These presentations are offered for a fee and their main characteristic is that they are interactive. This means that there is a museum educator who is "piloting" the audience around the reconstructed site, following different routes each time, and focusing on particular areas according to the audience's demands. Although these shows have been successful with the Greek audience, and especially school groups, their rather inadequate advertising have made them less accessible to foreign tourists and/or scholars visiting Greece. Having said that, it was mostly due to these innovative projects that the FHW became an integral part of the international, and quite prestigious, *Virtual Museum Transnational Network* (V-MUST). Moreover, the FHW is the only private cultural entity in Greece to run its own archaeological excavation (at the site of Halka Bunar, Bulgaria).

Up until recently, the sources of the foundation's money were several: dividends from bank stocks that the organization owns, sponsorship from two major Greek banks, revenue from the foundation's cultural center, funding from the European Union (EU), and money out of the pocket of the founders. When the crisis hit Greece in 2009, one of the first things to go were the dividends paid



FIG. 2

A view of the Research Center of the Foundation of the Hellenic World. (Photo by I. Georganas.)

by Greek banks.<sup>2</sup> As these dividends were the foundation's main source of income, the organization immediately started facing severe financial problems. The first measure taken in order to cope with the new economic reality was to force a month of unpaid leave to all members of the staff. This measure lasted for three years and it was apparently unsuccessful. The management then started firing people and also decided to enforce pay cuts ranging between 10 and 18 percent. In February 2013, the FHW closed down the Department of History and Archaeology, firing the vast majority of the remaining research and support staff. From the approximately 160 people who worked at the FHW in 2011, less than 80 are still employed today. The latter have not been paid for over five months (Kleftogianni 2013).

In contrast to the Benaki Museum the FHW has been quite secretive about the layoffs and its overall response to the effects of the crisis. As a result, very few people in Greece are familiar with the horrid situation at the foundation and the effects on its workforce (both past and present). The massive decrease in staff as well as the complete closure of a vital department like that of History and Archaeology have had tremendous effects not only on the foundation itself, but on the private cultural sector of Greece as a whole. The FHW has been one of the most successful cultural bodies in obtaining funding from the EU, and at the time of the Department of History and Archaeology's closure (whose members were mostly responsible for running these EU-funded projects), there were several projects still running; their fate is less than clear today.



In difficult times like these, EU funding is of paramount importance as it not only sustains jobs, but also create new ones. By firing those who were bringing in EU funds and were responsible for the successful completion of EU-funded projects, the FHW have shot themselves in the foot. Moreover, the apparent lack of a coherent course of action renders the survival of the organization (at least in its present form) questionable.

The aforementioned case studies are clearly indicative of the dire situation of the private cultural sector in Greece. Although the financial crisis is mostly responsible for this, it should be mentioned that things could have been better if private cultural sponsorship, donations, and patronage were more widespread in the country. As Delivorrias has put it, “new money in Greece has never been renowned for its cultural and intellectual pursuits. There used to be a middle class that had a vision of modernization and of a different kind of Greece. This class is now gone” (Rigopoulos 2013). Also, professional fundraising is still underdeveloped in Greece compared to the United States and some Western European countries, making things even more difficult.<sup>3</sup> Unless this situation changes, the future for some of these private cultural institutions is bleak. The state should give more incentives when it comes to funding culture, such as tax incentives on the consumption of culture (mostly value-added tax reductions for buying cultural goods), tax reduction for individual and corporate donations, and so forth.

In conclusion, I believe that we should start treating the cultural heritage and infrastructure of Greece as a whole. The public and the private sectors must come closer to each other. Ideas, experiences, and technological know-how should be exchanged and freely shared. Collaboration between them is the only way forward.

### Notes

1. Although the museum technically belongs to the Greek state, it is autonomous and free to implement its own administrative policy.
2. According with the provisions of Article 1 of 1.3723/2008, Article 28 1.3756/2009 and the Circular of the Ministry of Economy and Finance 20708/B/1175/23.4.2009, all credit institutions participating in the Greek government liquidity program may distribute dividends only in the form of newly issued shares (<http://www.eurobank.gr/online/home/generic.aspx?id=25&mid=785&lang=en>).
3. For more information, see the European Parliament’s report from 2011, entitled *Encouraging Private Investment in the Cultural Sector* ([http://www.europarl.europa.eu/meetdocs/2009\\_2014/documents/cult/dv/esstudyencourprivinv/esstudyencourprivinv.pdf](http://www.europarl.europa.eu/meetdocs/2009_2014/documents/cult/dv/esstudyencourprivinv/esstudyencourprivinv.pdf)).

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## RESPONSE

### Cultural Heritage and Historical Memory in Danger: Some Notes on Greece’s Situation

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What has been going on in Greece for the past four years is not just the result of the economic crisis in a poor or nearly bankrupt country; it is more reminiscent of colonial times. When everything started in 2010, the public debt was 120 percent of the total gross domestic product, while now, after three bail-out attempts, the public debt is around 172 percent, unemployment is at 27 percent (with youth unemployment at 58 percent), and many young scientists are forced to leave the country to find a job. These policies look more like a big social experiment. The truth is that in the name of the global economic crisis and public debt, and with the International Monetary Fund acting as a Trojan horse, austerity measures have undermined public services, the overall welfare of the nation, and the social