

The Grieving Process during the Economic Crisis in Greece

Kotsopoulou Anastasia and Koutsompou Violetta-Irene

Abstract—In life, people face many complicated situations and experience a number of changes either positive or negative. In both cases, people are asked to address them, to make decisions and to work with them in a psychological level in order to accept them and enhance them in their present and future way of life. The main purpose of the presented article is to reveal how Greek people experience and cope with the current unpleasant economic situation in their country. Through the literature review conducted here, as well as through everyday interaction with a large percentage of people, it has been proven that there is a huge difficulty in dealing with the existing circumstances since Greeks are not able to move forward in the steps of the grieving process.

Index Terms—Crisis, economy, grief, loss, survival.

I. INTRODUCTION

The concept of crisis as a multidimensional phenomenon has been attributed variously, even by ordinary people to describe a word, or a state when people encounter a difficult problem arising during a period of upheaval and irregularity or in general when they undergo a critical phase in their lives. In the Greek language, the word crisis comes from the verb “krinw”, meaning to assess, trying to assess an abnormal situation. Specifically, a crisis is a diversion from a condition of regularity and can include gradations of abnormality, ranging from a state of simple disorder to a situation of *uncontrolled* explosive events and the state of chaos and panic. Therefore, a crisis incorporates a threat to the resources and the people, the loss of control and the visible or invisible effects on people, resources and organizations [1]. In order to define the economic crisis concepts from the theory of economic fluctuations are commonly used. According to this theory, economic fluctuations or economic cycles is the phenomenon of repeated variations of the general economic activity observed for a period of years. A crisis may be comprised of three different and distinct stages. The normal life cycle of a crisis proceeds through the following stages:

- Prodromal crisis stage.
- Acute crisis stage.
- Chronic crisis stage.

II. FINANCIAL CRISES IN HISTORY

The great crisis of 1929 is the main reference point for all

economic crises. Its causes were: The imbalance in the U.S. economy, which was caused by:

- 1) The relative overproduction of raw materials for agricultural products which led to falling prices and declining purchasing power of farmers
- 2) The overoptimistic industrial investments in areas such as automobile production and electrical appliances 2

The fragile global economy, due to the fact that:

- 1) The international economy was already weakened by the World War
- 2) American protectionism and the insistence on repayment of all loans that had been given to the European countries worsened the problem.

The chain collapse of companies and banks brought the global economic downturn. At the most critical juncture of the crisis, the unemployed reached 30,000,000. Another major crisis is the oil crisis of the 1970s. Two major oil crises appeared during the '70s. These have highlighted the phenomenon of stagflation, i.e. the coexistence of inflation and increased unemployment. October 17, 1973 was recorded as the official start date of the first crisis, when the members of OAPEC (Organization of Arab Countries – Exporters Oil Organisation Arabic State Petroleum) announced that they would not be supplying oil to those countries that supported Israel during the conflict with Syria and Egypt.

These countries included the U.S., its allies in Western Europe and Japan. Nevertheless, the targeted countries responded by finding new initiatives to reduce their dependence from OPEC countries. Six years later, in 1979, the second oil crisis followed. It made its appearance in the U.S. at the wake of the Iranian revolution. OPEC countries increased their production in order to cope with the situation and the total loss reached 4%. However, there was a widespread panic which boosted the price much higher than expected; this was a result of reduced demand and overproduction, causing OPEC to lose its unity. Oil exporters such as Mexico, Nigeria and Venezuela expanded significantly, while the U.S. and Europe obtained more oil from Prudhoe Bay and the North Sea.

In continuance, by examining what is known as the "Asian" crisis of 1998-1999, one sees that it impacted heavily on the banking system, propelling many Asian banks on the verge of bankruptcy. However, this case involves a local crisis geographically limited, something that differentiates it greatly both from the 1929 crisis and from the present one.

Another crisis in the 1990's is that of the Japanese economy, which had been addressed with partial or full nationalization of banks. It had a long duration and ended in a recession, because the reaction of the Japanese authorities

Manuscript received August 27, 2013; revised October 28, 2013.

The authors are with the Psychology Department, City University of Seattle, Athens Site (e-mail: a.kotsopoulou@cityu.gr).

came too late. The delay in intervention caused this crisis to have similarities with that of 1929. However, it also varies both from the current crisis and from that of 1929 because of its local character. One more crisis is that of 2000-2001 with the explosion of the Internet "bubble", which caused a drop in stock prices similar to that in 1929.

We observe that the current crisis is more serious and closest to that of 1929, as it affects the core of the banking system causing bank failures. Indeed, the current crisis seems to have similarities to that of 1929. In just three weeks the stock markets lost about 20% to 25% of their value. Also, the 1929 crisis was global, affecting all financial markets. Due to globalization, the current crisis appears to be even more serious than that of 1929. Globalization enhances the dynamics of a financial crisis and affects global economic activity much faster. But putting globalization aside, the reason we must eliminate a repeat of the crisis of 1929 is because we live in a different environment than the 1930s.

III. WHAT DISTINGUISHES THE CURRENT CRISIS

The first element that differentiates the current crisis from that of 1929 is the economic policy applied. Judging from the reactions of monetary and fiscal authorities worldwide, it seems the lesson of the 1929 crisis was well understood by the fact that there is a worldwide coordinated response of economic policies.

The second element that indicates the great difference between the two crises is that the size of governments in terms of public expenditure and taxes is now much larger. For example, the size of the U.S. government was 10%, while today it exceeds 30%.

The third element which accentuates the difference between the current crisis and that of 1929, and also an additional danger that the current crisis burdens us with is the penetration of financial activity in everyday life. The percentage of households that currently has access to credit is much larger than that of the 1930s. Almost every person in western societies has a credit card. The interlocking of fiscal and actual economic activity is now much greater.

The international economic crisis of 2007 is a global situation threatening economic recession on the wider financial and banking sector and which originated from the United States of America. This crisis comes 78 years after the last great crisis of 1929 and previous oil crises. It followed the outbreak of market problems in sub-prime mortgage and the reckless use of structured investment products which depended directly on the ability of repayment of the loans being produced. Many scientists argue that what is needed is a new government intervention, in addition to developing plans to resolve the crisis before it is extended to the wider economy of the states concerned.

The main causes of the emergence and development of the current economic crisis are:

- Excessive use of Capital (Leverage).
- Improper grading credit risk (Bond Ratings)
- Remuneration of executives in the financial sector (Bonus)
- Incentives for excessive housing loans, irrespective of the credit risk of the borrowers ("Capital", Issue 222, pp. 54-60).

- Mortgage lending for house purchase without participation of the borrower.

IV. PSYCHOLOGICAL EFFECTS OF CRISIS

It is known that this time the rates of depression in Greece as well as the consumption of anxiolytic and antidepressant drugs are constantly increasing. But this did not start from scratch. Before the crisis depression and antidepressant use showed an upward trend, a result of living conditions, perceptions of consumer goods, the absence of free time, loneliness and isolation, etc. People passed abruptly from one day to another at the other end, the risk of survival, unemployment, income in freefall .the threat of survival; the cracks in the construction of social identity and the impossibility of mourning are elements that increase rates of depression.

V. SURVIVAL

The different levels of needs on Maslow's hierarchy are discussed as follows:

- 1) Physiological needs: These are biological needs which consist of the need for oxygen, food, water, and a relatively constant body temperature. They are the strongest needs because if a person were deprived of all needs, it is these physiological ones that would come first in the person's search for satisfaction.
- 2) Safety needs: When all physiological needs are met and are no longer controlling thoughts and behaviors, the needs for security can become active. While adults have little awareness of their security needs except in times of emergency or periods of disorganization in the social structure (such as widespread rioting), children often display the signs of insecurity and the need to be safe.
- 3) Needs for love, affection and belongingness: When the needs for safety and for physiological well-being are satisfied, the next class of needs for love, affection and belongingness can emerge. Maslow states that people seek to overcome feelings of loneliness and alienation. This involves both giving and receiving love, affection and the sense of belonging.
- 4) Needs for esteem: When the first three classes of needs are satisfied, the needs for esteem can become dominant. These involve needs for both self-esteem and for the esteem a person gets from others. Humans have a need for a stable, firmly based, high level of self-respect, and respect from others. When these needs are satisfied, the person feels self-confident and valuable as a person in the world. When these needs are frustrated, the person feels inferior, weak, helpless and worthless.
- 5) Needs for self-actualization: When all of the foregoing needs are satisfied, then and only then are the needs for self-actualization activated. Maslow describes self-actualization as a person's need to be and do that which the person was "born to do." "A musician must make music, an artist must paint, and a poet must write." These needs make themselves felt in signs of restlessness. The person feels on edge, tense, lacking something, in

short, restless. If a person is hungry, unsafe, not loved or accepted, or lacking self-esteem, it is very easy to know what the person is restless about. However, it is not always clear what a person wants when there is a need for self-actualization.

The aforementioned theory may be applied to the roles of organizational cultural and human resource management in improving employee's performance despite some criticism or limitations of the theory. While some research has shown support for Maslow's theory, others have not been able to substantiate the idea of a needs hierarchy that is considered to be influenced by Western culture, and thus cannot apply to all scenarios [2].

The economic crisis threatens clearly much of the population to the dominant application of human life: survival through work. The continuous and prolonged fear that people will lose even essential goods, the threat of danger as dignity, autonomy and self-esteem, as well as the inability to address this risk by the same person, is a major cause of depression.

VI. THE SOCIAL IDENTITY

In the past 10 years, social perceptions in Greece, although erroneously correlated money with self-esteem, safety, self-realization. Even though this is not proved true, many Greeks still have this social obsession for expensive homes, cars, brands, etc. (consumerism), continue to integrate the elements of their social identity, thus experiencing depressive feelings.

VII. GRIEF

Grieving is necessary and inevitable, when we experience minor or major changes and any losses in the course of our lives. Nowadays most Greeks did not have the opportunity to mourn the major upset in their lives. Elizabeth Kübler-Ross [3], in her book "On Death and Dying", was the first author in the stages of mourning which, as estimated by the author, runs every man, whether to accept his own death, or to address the death of a loved one.

- Shock and denial
- Anger and Anger
- Grief and Pain
- Negotiation
- Depression and introversion, removal by destination
- Serenity and acceptance

The shock and denial stage is "natural defense mechanism" [4] of man to be able to endure the unpleasantness. Parkes [5] highlighted the regulatory role played by the refusal to mitigate the emotional impact has the death of a partner in the bereaved. Anger begins with the awareness of the fact, now when the refusal is not feasible, since most death is a state final. Questions of why me, why in my man is common at this stage. Anger erupts in different directions and has a variety of recipients, family, doctors, God [6] and even the dead himself, which is charged abandonment [7]. The negotiation takes the form of dialogue with the dead [8].

Grief comes as a result of pain that feels survivor of the

void left in his life, the death of loved one. During this period the mourner presents various reactions and experiencing mixed emotions like loneliness, anxiety, guilt, and anxiety, often expressed through physical symptoms. The fifth stage includes a wide range of emotions which have the characteristics of depression. There is loss of appetite, insomnia [9], loss of interest in common and difficulty concentrating [10]. The isolation and introversion are often the necessary preparation, the lobby for acceptance, and the starting point of a new beginning. Apart from anything else, the mourning is characterized as a very personal situation, in the sense that each person experiences it differently and reacts in his own special way. According to Worden, [11] there are four general categories of symptoms

- Feelings
- Physical Symptoms
- Perceptual processes
- Behaviors

Emotions contained within the normal are: sadness, anger, guilt, anxiety, loneliness, helplessness, shock, relief, fatigue, numbness. Depending on the type of loss of these feelings are common and is often visible by the people and the environment. The physical symptoms are present: pain in the chest, neck discomfort, pain and discomfort in the stomach, dry mouth, lack of energy, muscle weakness, hypersensitivity to sounds, and difficulty in breathing. Similarly, we have problems and perceptual ability: disbelief, confusion, intense preoccupation, difficulty sense of time and space and illusions. Finally, the most important and severe symptoms occur in behavior: sleep disturbances, impaired appetite, ambivalence, social exclusion, dreams with the deceased, avoids discussions about the deceased, hyperactivity, crying, visiting places that remind the deceased guard objects / her etc.

All these are some of the most common symptoms experienced by those who experience a loss or bereavement. It does not mean that we are experiencing all these symptoms, nor that anyone experiencing them all is worse than someone else. This classification helps to understand what is happening and whether this is normal [12].

VIII. GREEKS, GRIEF AND THE ECONOMIC CRISIS

Grief is a natural response to loss. It's the emotional suffering you feel when something or someone you love is taken away. The more significant the loss, the more intense the grief will be. According to the stages of grief, explained above, it can be clear that Greek people passed the shock and denial phase at the very beginning of the economic crisis. They did not want to believe that such a situation came upon them. From one day to another, their lives changed, they lost their trust and confidence to the government and generally in the political system (systemic corruption). The upcoming reductions in salaries and pensions, the drop in economic activity exacerbate the loss. The stage of anger is the one Greeks still experience in their everyday lives. Anger comes as a result of the realization of death, in this case, this feeling begun to express itself through the discussions people have in their everyday lives, the numerous blogs through which they

express the feelings of irritation, and annoyance. Furthermore, continuing protest demonstrations take place in almost every day in Athens, the capital city of Greece. The feeling of anger is simmering inside the majority of Greek people and by extension does not make them either happy or psychologically healthy. The worst thing is that Greeks have realized that even if they protest finally no positive result will come up.

The negotiation stage is expressed through the infinite television talks and broadcasts with economists, politicians, sociologists, professors and writers talking about possible solutions concerning the decapitation of Greek economy and of course, at the end of the discussions the only element that takes place again is anger and nothing essential occurs. The next stage is depression which Greeks experience everyday and in many different ways, for example, the suicides which hit record levels increasing by 25 percent from 2009 to 2010 and by an additional 40 percent from 2010 to 2011 [13], of homelessness that increased by 25 percent from 2009 to 2011. Along with the pre-crisis and “hidden” immigrant homelessness, a generation of “neohomeless” now exists who include those with medium or higher educational backgrounds who previously belonged to the social middle class [14], of beggars, of robberies, a general crisis of values, there is no respect in human life, people can be assassinated by Greeks or foreigners for a small amount of money, unemployment, poverty, social deregulation, rise of neofascism. More specifically, unemployment had already more than doubled within the first three years of austerity and reached 25.4 percent in August 2012. More than half of the population between 15–24 years old is unemployed, while thousands of jobs have been lost under conditions of insufficient social protection. Given the continuation of the crisis, the new unemployed become the chronic unemployed, strangling of the lower middle class, traditionally consisting of small and medium sized enterprises.

A great number of such enterprises (family-owned or not) were unable to survive declining consumption, lack of liquidity, and emergency taxes. More than 65,000 of them closed down in 2010 alone, resulting in a “clearance” of such enterprises and disaffecting the people dependent on them [15], migration of younger, highly educated people has risen (“brain drain”), while those studying and living abroad are discouraged to return to Greece, and those who previously would have stayed, are now leaving [16], deterioration of public health evidenced by reduced access to health care services and an increase of 52 percent in HIV infections from 2010 to 2011 [13],[17]-[18]. Drug prevention centers and psychiatric clinics have closed down due to budget cuts.

Under these circumstances, it is natural and logical for the large percentage of Greek population to become depressed and disappointed. As far as the acceptance stage is concerned, it can be referred that Greeks have understood and accepted that they have lost the prosperity, the welfare and the economic sense of safety they have lived. They also have admitted that they are not able to change the present conditions so they not only keep in mind the past era of comfort but also they remember the mistakes they made in order to avoid future ones.

IX. CONCLUSION

For each new economic measure suspended the process of mourning, most people return again in the state of shock (paralysis, numbness, weakness acceptance), followed by experiencing feelings of worthlessness, thoughts of doom, hopelessness, and most important: a sense of helpless human, passivity and inability to find the same individual solutions. The result is experiencing depressive feelings, unable to make out and find a new balance.

REFERENCES

- [1] G. Panigirakis, *Modern Administrative Public Relations*, Benou publications, Athens: Greece, 2001
- [2] P. S. Richards and A. E. Bergin, “Handbook of psychotherapy and religious diversity,” Washington, DC: American Psychological Association, 2000.
- [3] E. K. Ross, *On Death and Dying*, Harlow: Prentice Hall & IBD, 1997.
- [4] T. D. Eliot, “War bereavement and their recovery,” *Marriage and Family, Living*, vol. 8, pp. 1-5, 8, 1946.
- [5] C. M. Parkes, *Bereavement: Studies of Grief in Adult Life*, London and New York, (Penguin edn. 1975), 1972.
- [1] C. M. Parkes, *Bereavement: Studies of Grief in Adult Life*, London and New York, (Penguin edn. 1975), 1972.
- [6] P. A. Lichtenberg, *Remembering Becky, Omega*, vol. 21, pp. 83-89, 1990.
- [7] L. Keane, *Love and Grief: The Dilemma of Facing Love after Death*, Jessica Kingsley Publishers, 2005.
- [8] C. M. Parkes and R. J. Brown, “Health after bereavement: a controlled study of young Boston widows and widowers,” *Psychosomatic Medicine*, vol. 34, pp. 466-491, 1972.
- [9] S. R. Shuchter and S. Zisook, “The course of normal grief,” 1993, in M. S. Stroebe, J. W. Worden, *Grief Counseling and Grief therapy: A Handbook of the Mental Health Practitioner*, (4th ed.). New York: Springer, 2009.
- [10] W. Sroebe and R.O. Hansson, Eds., *Handbook of Bereavement*, New York: Cambridge University Press.
- [11] A. Kotsopoulou *et al.*, *Grief*, Forthcoming book, 2013.
- [12] K. Alexander *et al.*, “Health Effects of Financial Crisis: Omens of a Greek Tragedy,” in *the Lancet*, vol. 378, no. 9801, pp. 1457-1458, 2011.
- [13] A. Ada *et al.*, “The configuration of homelessness in greece during the financial crisis,” *Conference Presentation*, 6th European Research Conference, Homelessness, Migration and Demographic Change in Europe, Pisa, 16 September 2011.
- [14] M. Nick, “Greece –A Year in crisis: examining the social and political impact of an unprecedented austerity programme,” *International Policy Analysis*, Friedrich Ebert Stiftung, June, 2011.
- [15] M. Harris, “Is Greece a failing developed state? Causes and socio-economic consequences of the financial crisis,” in Konstantina Botsiou, (ed.), *The Global Economic Crisis and the Case of Greece*. Berlin: Springer, pp. 77–88, 2011.
- [16] B. Eric, *Games People Play*, Diodos Publications, Athens, 1996.
- [17] G. Pinteris, *Our Psychology with Money*, Kastaniotis Publications, Athens: Greece, 2000.



Anastasia Kotsopoulou received her Ph. D in Education and Psychology from the Institute of Education-University of London in 2002. She is the Head of the Department of Psychology and coordinator of the programs MACP and BAAP of City University of Seattle, Athens Site since 2008. She is the founder and supervisor of the counseling center of City Unity College in Athens. Her experience includes working with children with autism (Lovaas method), children and adults with behavioral problems in the counseling center at the University of London, but also in other counseling and psychological centers providing psychological support to abused women, children, and people with addictions. Her primary research interests focus on the use of background music that accompanies the study of students. Her research interests include the use of music in various aspects of our lives, for example at work, driving, shopping malls, supermarkets, etc. She has also studied the process of mourning and the effects of losses in everyday life. She is the owner of “Modern Support Center” that specializes in providing individual and group

sessions for adolescents and adults, in particular on issues of self-esteem, behavioral problems, panic attacks, anxiety, depression, divorce, grief and loss. She is Chartered Fellow of the British Psychological Society since 1997. In 2011 she has been awarded the title of Associate Fellow for her contribution in the field of Psychology. She is married and has three children.



Koutsompou Violetta-Irene holds a BA in English and Psychology (2007) from the State University of New York, USA, a Masters degree in English and Comparative Literature (2009) from the University of Indianapolis, USA, an accredited Certificate in TEFL (2007) and a Diploma in Counseling Psychology (2013) from City Unity College, Athens, Greece. She is currently working on an MA in Counseling Psychology with the City University of Seattle, USA.

Her areas of interest and concentration are psychology of child development,

children's literature and its impact on the cognitive development, depression, grief and loss, stress management, second language acquisition, postmodern literature, women's psychology and writings, book editing and writing. She has worked in private language institutions since 2005; she was interested and worked with children with special learning difficulties such as dyslexia, as well as with children with behavioral problems in the language classroom. She is currently conducting a qualitative research concerning postnatal depression. She is married and has one child.