

## DRAFTING SPATIAL PLANNING LEGISLATION IN THE WAKE OF BANKRUPTCY: A PAINFUL EXPERIENCE

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**Abstract:** The theoretical research concept underlying this paper is that planning is not solely about producing spatial plans, but also about “designing institutions”, hence that of spatial planning, and the statutory planning framework. Planning laws define the content of a spatial planning system, which apart from imposing rules regarding the use of land, incorporates values and principles. In the context of the 2008 economic crisis, several European countries, Greece in particular, had to redefine their planning system as a pre-condition of the bailout agreements proposed by international creditors. This experience in Greece serves as a case study. An obvious question was whether or not this was a process of Europeanization of the Greek planning system or one of urgent adaptation to exceptional circumstances. A further objective of the paper is to view this process in the context of institutionalization.

The effects of the crisis reached Greece in 2010 and efforts began in 2011 towards an urban and regional planning reform, and intensified when a European Commission Task Force was established to provide assistance. A special committee was formed in 2013, of which the author was a member, to draft a new planning law, in accordance with the Memoranda of Understanding (MoUs) dictated by the “Troika” of the European Commission, the European Investment Bank and the International Monetary Fund.

This paper is structured in three main sections,

- the Theoretical context about institutions, institutional design and the nature of spatial planning systems,
- the role of the law in defining the institution of spatial planning, and
- a case study in which the Greek experience of redefining the system under the conditions of the 2008 economic crisis is presented.

The paper ends with a section of general conclusions.

## Theoretical context: Institutional design, planning systems and relevant literature

The theoretical framework of this paper<sup>1</sup> is that of the theories of institutions and institutional design, and that of the nature of spatial planning systems. The underlying research hypothesis of this paper is that the making of legislation which regulates the structure of a spatial planning system is a case of institutional design. A careful distinction has to be made between the spatial planning system, as a separate statutory entity, which regulates the use of land, and a wider system of sectoral character which impacts on territorial organization, through the official policy for the environment, transport, agriculture, forests, industrial and tourism activity, housing, even education or health and social care. However, strictly speaking, urban and regional planning is a separate professional activity and spatial planning law is a distinct corpus of legislation, as clearly evidenced in the currently produced Greek code of urban and regional planning legislation.

This paper is predicated on the assumption that in the context of the modern democratic state spatial planning is an institution. Its historical origins are fairly recent, but as an institution, it has to be theorized like much older institutions, e.g., education, health care or social welfare. The institution of spatial planning is designed to ensure the organization of space and its use by social groups and organizations, in a way that the public good and social equality are protected and respected. For these goals to be attained, urban and regional planning has to protect the environment, guide human settlement and economic activity, preserve the cultural and natural heritage, and secure a high standard of life quality for all. The imposition of rules towards these ends is not sufficient, unless accompanied by citizen participation and inspired by clear values and norms.

The theory of institutions, particularly under the current of “new institutionalism”, is extensively analysed by a variety of social scientists and philosophers, but also planners<sup>2</sup>. The task of institutional design is equally addressed by a number of commentators<sup>3</sup>. A key lesson emanating from the theory of institutions is that planning is not solely about modifying or preserving territorial structures through a hierarchical edifice of plans and instruments. Planning is also needed in order to transform the very process under which urban and regional plans are produced. Hence, one is entitled to speak of designing the spatial planning institution, i.e., of creating the framework in the context of which spatial – regional or urban – plans, in the conventional sense, are formulated. This is a higher form of planning of far greater dimensions and ambitions.

Planning – or designing – an institution, like spatial planning, is not mere plan-making, as defined by the average planning practitioner. It is rather about redefining a whole structure of

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1. This paper, in a much-expanded version, will appear in a book of the same author under publication by Edward Elgar Publishers. The book includes extensive comparisons of all countries affected by the 2008 economic crisis (Cyprus, Greece, Ireland, Italy, Portugal, Spain) and of their planning systems, before, during and after the crisis.

2. See: Amenta & Ramsey, 2009; Berthod, 2018; Dryzek & Dunleavy, 2009; Furusten, 2023; Goodin, 1996; Janin Rivolin, 2010; Offe, 1996; Powell & DiMaggio, eds, 2007; Shmidt, 2006; Wassenhoven, 2024b.

3. See: Alexander, 2005; Bolan, 1996 and 2017; Dryzek, 1996; Goodin, 1996; Smith, G., 2009; Wassenhoven, 2024b.

norms, rules and actions. In the words of Bolan (1996, 510), “designing institutions calls for a different kind of skill and imagination than planning discrete projects, programs and policies ... [P]lanners cannot afford to leave institutional design to a new group of specialists” (see also Wassenhoven, 2022a). To which, Alexander (2005, 213) adds that “institutional design means designing institutions: the devising and realization of rules, procedures, and organizational structures ... [It] is pervasive at all levels of social deliberation and action, including legislation, policymaking, planning and program design and implementation”. As Bolan put it, “we not only design things – we design relationships and experience!” (Bolan 2017, 241). Redefining the whole structure of the planning system through a planning law is a typical case of institutional design. In devising laws, planning operates as a modifier of “institutional technologies”, which “allow the public authority to guide and control the transformation of the physical space” (Berisha et al, 2021). The routine technical kit of the practicing planner is not very helpful in this effort (Wassenhoven, 2022b).

Institutionalization is placed by Graziano and Vink (2013) in the context of Europeanization: “Institutions are classically understood as formal rules, standard operating procedures, and governmental structures. From this standpoint, Europeanization studies have mobilized all strands of the ‘new institutionalist approaches’—historical, rational choice, and sociological”. Following Radaelli (2003), they point out that “Europeanization was defined as a set of, processes of (a) construction, (b) diffusion, and (c) institutionalization of formal and informal rules, procedures, policy paradigms, styles, ‘ways of doing things’ and shared beliefs and norms which are first defined and consolidated in the making of EU decisions and then incorporated in the logic of domestic discourse, identities, political structures and public policies”. They had themselves argued earlier, that Europeanization is a process of “domestic adaptation to European regional integration”.

The comparative study of European spatial planning systems has been the object of a large number of publications<sup>4</sup>. In their study of the Greek planning system, Getimis and Giannakourou (2014) referred to the classification of planning systems adopted by Newman and Thornley (1996), according to which Greek planning was considered as belonging to the Napoleonic family. It was later described, in the EU Compendium of Spatial Planning Systems and Policies, as following the Mediterranean tradition of urbanism, along with the Italian system (European Commission 1997), which sparked the reaction of Palermo and Ponzini (2010, 25), who considered this classification superficial. In the ESPON COMPASS research project the classification is indirect, by using certain criteria, i.e., substantive, purpose, procedural, and administrative. Eight countries have in law a dominant procedural view of planning, including Greece (ESPON, 2018). In the same project a distinction is made between spatial planning and territorial governance: “Territorial governance comprises the institutions that assist in active cooperation across government, market and civil society actors to coordinate decision-making and actions that have an impact on the quality of places and their development. Spatial planning systems are the ensemble of institutions

4. See: Berisha, E. *et al*, 2021; Berry & McGreal, eds, 1995; Dühr, Colomb & Nadin, 2010; ESPON, 2018; ESTIA, 2000; European Commission, 1997; Janin Rivolin, 2017; Knieling & Othengrafen, eds, 2009; Larsson, 2006; Newman & Thornley, 1996; OECD, 2017; Palermo & Ponzini, 2010; Reimer, Getimis & Blotevogel, eds, 2014; Shaw, Roberts & Walsh, eds, 2000; Stead & Nadin, 2009; Tulumello, Cotella & Othengrafen, 2020; Wassenhoven, 2024b; Waterhout, 2008; Waterhout, Mourato & Böhme, 2009; Williams, ed, 1984.

that are used to mediate competition over the use of land and property, to allocate rights of development, to regulate change and to promote preferred spatial and urban form”.

The comparison of planning systems is further elaborated by Berisha et al (2021), who refer to “institutional technologies” which make possible the guidance, control and transformation of space, with constitutional and legal means, administrative tools, and technical knowledge. These “technologies” can follow either a strict “conformative model”, where land development rights are allocated, land zoning is imposed and building permits are granted, or a more flexible “performative model”, which allows greater freedom in decision making.

Over the years, the Greek spatial planning system has been described in a number of publications by Greek scholars<sup>5</sup>. Asprogerakas and Melissas (2023) provide an up-to-date presentation (see also Wassenhoven, 2024b). The planning instruments on the eve of the economic crisis are presented in Table 1. The system had clearly gone through a process of Europeanization, the roots of which were the seminal European Spatial Development Perspective (European Commission, 1999), the Guiding Principles for sustainable spatial development of the European Continent of the European Conference of ministers responsible for regional planning (CEMAT, 2002), and the much earlier Torremolinos Charter (CEMAT, 1983), where planning had been described as follows: “Regional/spatial planning gives geographical expression to the economic, social, cultural and ecological policies of society. It is at the same time a scientific discipline, an administrative technique and a policy developed as an interdisciplinary and comprehensive approach directed towards balanced regional development and the physical organisation of space according to an overall strategy”.

## Role of the law

In theory, planning law is supposed to guide territorial development and the use of land and transmit or impose values and norms. “Systems of law exist to enable structure, order and control over behaviour and to protect or advance certain rights ... [T]he form and management of built and natural environments have been influenced over centuries through the introduction and practice of various types of legislation and the interpretation and application of law” (Sheppard et al, 2017, 22).

Spatial planning legislation regulates the content, production and implementation of plans arranged in hierarchical order, from the national down to the local level. The acid test of its effectiveness is the approval and implementation of local plans, which determine an array of critical parameters, such as development density, land-use, plot coefficients, building height, and floor ratio in buildable land, which land users and developers have to abide to. In a humorous disposition, Needham (2017) claims that these are the “measurements” that planners work with, as engineers work with “stresses and strains” and doctors with “blood pressure and heartbeats”.

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5. See, e.g.: Defner, *et al*, eds, 2000; Economou, 2000; Giannakourou, 1994; Lagopoulos, 1984; Papageorgiou, M., 2017; Wassenhoven, 1984, 2000, 2022b and 2024b; Wassenhoven, Karka, & Sapountzaki, 2000.

**Table 1.** Greece. Planning instruments according to legislation of the late 1990s

| Type of Instrument   | Area covered  | Responsible planning authority (for the approval)   |
|--|---|---|
| <b>National Policy and Planning</b>  | The whole country   |   |
| General Framework for Spatial Planning and Sustainable Development (i.e. national spatial plan)    |   | Plan prepared by Ministry for the Environment, Spatial Planning and Public Works (YPECHODE) <sup>6</sup> and approved by Parliament.                                |
| Development Plan and Community Support Framework   |   | Prepared by Ministry of Economy and Finance and approved by Council of Ministers, after consultation with European Commission.                                      |
| National Strategy for Sustainable Development  |   | Prepared by YPECHODE (non-statutory policy document)  |
| <b>Spatial nationwide or regional planning</b>   | Country or region   |   |
| Special Frameworks for Spatial Planning and Sustainable Development                                | The whole country. They cover a category of spatial zones (e.g. coasts, mountains, rural areas) or a sector of activity (e.g. industry) | Prepared by YPECHODE and approved by a special committee of ministers after consultation with other ministries.   |
| Regional Frameworks for Spatial Planning and Sustainable Development (i.e. spatial regional plans) | The area of a region  | Prepared and approved by YPECHODE after consultation with other ministries and regional secretariats  |
| <b>Urban planning</b>  |   |   |
| Master Plans for Athens and Thessaloniki   | The Greater Area of Athens and Thessaloniki (the whole region of Attica in the case of Athens)  | Prepared by the Athens and Thessaloniki Master Plan Organizations and approved by Parliament.   |
| Master Plans for other major cities  | The Greater Area of other selected cities   | Approved by YPEHODE, but eventually never produced  |
| Master Plans for other less important cities   |   | Regional General Secretary, but eventually never produced   |
| General Town Plans (GPS)   | The whole of one municipality of more than 2.000 inhabitants  | Regional General Secretary  |
| Plans of Spatial and Settlement Organization of "Open Cities" (SHOOP)                              | The whole of one or more municipalities and communes of rural areas with a population of less than 2.000 inhabitants per settlement     | Regional General Secretary  |
| <b>Local planning</b>  |   |   |
| Various types of local town plans  | Neighbourhood or district level of one Municipality or Commune  | Prefect / or Mayor (with the exception of town plans concerned with the regulation of coastal, sensitive or historical and traditional communes and municipalities) |
| Implementation layout and land adjustment plans  | Neighbourhood level of one Municipality or Commune  | Prefect or Mayor  |
| Zones of land development control (ZOE)  | Peri-urban zones or sensitive rural, coastal and / or island areas  | YPECHODE  |

Source: Wassenhoven, 2024b.

6. Now Ministry of Environment and Energy. Other ministries too have changed titles since the late 1990s.

In the countries which belong to the Napoleonic tradition the legal systems “are based upon statutory laws (laws made by the state) which are codified with the intention of establishing clear legal frameworks within which society can operate. Such laws can only be replaced by enacting new laws” (Couch, 2016, 63). However, the clarity of the legal framework is not always guaranteed, e.g., in the case of Greece. The orthodox conception of planning law may be accurately expressed in planning law textbooks, but reality is different. “Regional and urban planning law can be defined”, writes Giannakourou (2022, 3) with good reason, “as the totality of legal rules, processes and techniques with which we can pursue the regulation of the use of space, in which humans, as individuals and members of society, act and develop. The fundamental concern of regional and urban planning law is the rational distribution and organization of human activities in space”. However, stating noble intentions in the introduction of planning laws is far from sufficient, when an avalanche of laws and amendments dilutes the essence of legislation. The indictment of Grammaticaki-Alexiou (1993, 135), albeit somewhat dated, continues to be valid: “[T]he laws on planning and building are abundant but they are also uncoordinated. The legislator usually faces regional and urban planning problems in a fragmentary manner, with considerable delay and very often by taking hasty measures of doubtful value”. This state of affairs divorces planning law from both planning theory and practice, no matter how much practice has to follow the regulations prescribed by law.

Planning theory, practice and law are in fact closely related and interactive. There are complex feedback loops which tie them together. This intimate relationship is eloquently discussed by Alterman (2017), who speaks of the three themes of planning theory, implementation analysis and planning law, and describes them as the beacon, the compass and the scale: “Planning law is the scale – the proverbial symbol of justice. It helps planners to balance contending goals and interests. However, what is considered appropriate or just also differs from country to country”. This last point is fully confirmed in the case of Greece, where the role of planning has to be perceived in a historically and politically defined context of state-citizen relations. It is also reminiscent of a point made by McAuslan, who “adopts an understanding that law is at once an instrument and a process; that is, a sociopolitical arena where conflicts are expressed, take place, and can sometimes be resolved” (Fernandes, 2021).

### **Case study: The reform of Greek spatial planning law**

The 2008 US-born financial crisis soon expanded to Europe and hit violently the Greek debt-ridden economy in 2010. Soon afterwards, historians and political scientists began recording the events and recalling the repeated schisms and bankruptcies of modern Greece<sup>7</sup>. On the verge of a new bankruptcy, the government turned for assistance to international lenders and the Troika consortium was formed to provide assistance through the European Stability Mechanism. The European Commission set up a Task Force to provide technical assistance for the necessary reforms. The years 2010-2012 were marked by two successive MoUs, in fact funding agreements, and by hectic efforts to attract foreign investment,

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7. See: Beaton, 2020; Clogg, 2021; Dertilis, 2016; Diamantopoulos, 2017-2018; Gallant, 2017; Kalyvas, 2015; Kostis, 2018; Pappas, 2015; Tsoulfidis, 2015

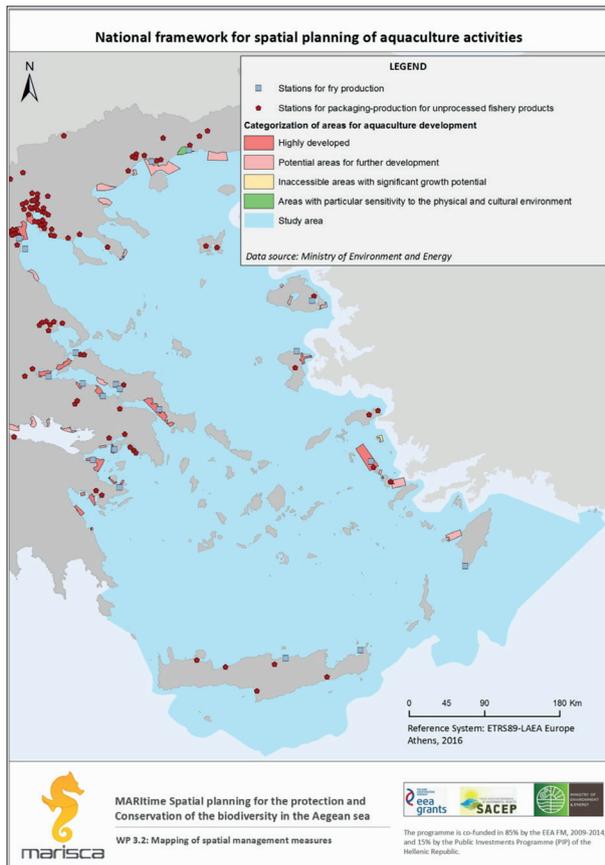
to develop public land properties, and to promote economic recovery. The MoUs imposed prerequisites (compulsory deliverables), including a cadastral survey and spatial planning reform. The creditors demanded the support of entrepreneurship, the fight against bureaucracy, and the elimination of time-consuming administrative procedures, including spatial planning processes. Soon, as a result of these demands, the country entered a phase of social troubles. In 2015 a left-wing government came to power and was on the verge of making a Grexit from the EU. Eventually a third MoU, was signed. A new socio-political schism appeared. “Once again”, wrote Beaton (2020, 385), “the tectonic plates were shifting ... [A] new political alignment had suddenly emerged ... [T]he new fault line transcends and replaces the traditional face-off between right and left”. During the crisis the economy shrank dramatically and GDP declined sharply. The effects continued unabated for several years.

The author of this paper, as chairman of a 2012 law drafting committee of the Greek Ministry of the Environment (MinEnv), had personal experience of the production of a new planning act under immense pressure. His records of this process provided the material for this paper. According to the 2<sup>nd</sup> MoU, the government had to “insert flexibility, acceleration and simplification in planning and land-use legislation to facilitate business development and investment”. This was to be achieved by reducing planning levels, tools and development controls, simplifying and speeding-up plan making, revising procedures, facilitating private initiatives, abolishing unnecessary regulations, introducing tailor-made, project-related land-development plans, and accelerating land registration and cadastral surveys. As a result, the government had already reformulated its economic policy, which, among others, provided for a revision of planning legislation and updating of forest legislation<sup>8</sup>. The main problems identified in this context included over-regulation, planning levels’ overlaps, legal complexity, neglect of economic realities, excessive restriction of economic freedom and lengthy processes. The production of a new code of legislation was among the necessary reforms, but it had to wait until a committee of experts was formed in 2020, of which this author is a member, and is to be finalized in 2024. New instruments for large projects were given priority and relevant legislation had been enacted at the very beginning of the crisis, before 2012.

Following national elections in June 2012, a coalition government was formed and the process of producing new planning legislation took a new turn, under a different political leadership in MinEnv. In August, a new working group continued the work, with the assistance of an EU Task Force. Two issues became the main source of disagreements. One was the levels of planning to be maintained; the other concerned the introduction of a new instrument of “special urban plans”, to facilitate investment initiatives, since the amendment of urban plans at municipal level was notoriously time-consuming. It must be reminded that in the CEMAT Guiding Principles it had been stressed that “private investments are among the driving forces of social, and therefore of spatial, development. One of the most significant tasks of spatial planning policy consists in providing private investors, in accordance with the objectives of planning policy, with forward-looking development perspectives and planning security” (CEMAT, 2002).

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8. Greece: Memorandum of Understanding on Specific Economic Policy Conditionality. Draft of 9 February 2012 (Q3-Q4 / 2012).



With regard to the nationwide special spatial frameworks (e.g., for industry, tourism etc.), one opinion, voiced even by the MinEnv directorate of regional spatial planning, was that they should be made redundant. The majority of the group members argued that these frameworks had proved their value. Ultimately, MinEnv issued a declaration, significantly in English, entitled “Proposed reform of the spatial and urban planning system”, which promised a “reduction of the number of successive plans from 7 to 5”. The ministry launched a consultation process and in autumn 2013, i.e., a whole year later, a draft law was circulated, according to which the nationwide special spatial frameworks were abolished and the special urban plans were omitted!

Of far greater consequence was the intervention of the Troika, which put a series of questions and asked for point-by-point answers, while sharing the concern for the existing “very lengthy, expensive and

reactive national planning process”. The Troika closed its commentary with a suggestion for the continuation of the law drafting process. “In view of the large number of ministries and agencies subject to provisions of the law, a thorough inter-ministerial consultation approach is crucial. It is important that thorough consultations take place with all relevant stakeholders, including those responsible for strategic investments and the development and privatization of public assets ... We propose setting up a steering committee chaired by the Ministry of Environment and consisting of key concerned government entities ... This committee would have the task to review and revise the draft law within a strict time line, such as three months. The steering committee could draw on advice of reputed experts for spatial planning”.

The proposal of the Troika led to the setting up of two committees, made up of high-ranking officials and political appointees, civil servants, advisors and experts chosen to represent the EU Task Force. The first was the Spatial and Urban Planning Committee (SUPC) on the draft law on spatial and urban planning and the second was the Committee on a draft law on forests<sup>9</sup>. The first committee was convened in February 2014 and continued its deliberations in ten meetings until June. The second committee was convened in May 2014 and continued until July in seven consecutive meetings. Ministries and public agencies represented at these meetings, apart from MinEnv, included the ministries of Finance, Tourism, and Devel-

9. The author was a member of both committees as a representative of the EU Task Force. Prof. Dimitris Economou (University of Thessaly), an enormously experienced planner, was also representing the EU Task Force on the first committee.

opment, the Prime Minister's Office, the Hellenic Republic Asset Development Fund, and, more specifically, the Ministerial Secretariats and/or Directorates of Spatial Planning and Urban Development, Public Real Estate, Tourist Infrastructures and Investment, Industrial Location, Development and Coordination, Forests, and State Accounts. For the purposes of the present paper, the draft law on forests was a side issue, although the forests' committee discussions, like those of SUPC, provided traumatic evidence of bitter conflict between government departments. It may not be an exaggeration to argue that the whole process became a tense tug-of-war between the Ministry of Tourism and the MinEnv Forests' Secretariat.

Of far greater interest from the perspective of spatial planning were the deliberations of SUPC. From the start, the MinEnv Secretary General stressed that the draft law must be ready for public consultation within a month and that it would be submitted to Parliament in two months. An initial draft had been distributed earlier, with the indication "final". It was much shorter than earlier versions and included only four levels of planning: National spatial strategy as a statement of principles, regional spatial frameworks, municipal local urban plans, and local layout plans, although the exact terms varied. However, the proposal for special urban plans which had been debated before was ignored and the special nationwide spatial frameworks (for industry, tourism, aquacultures, alternative energy sources etc.) were abolished, a point which caused immediate objections. With the national planning level being limited only to broad strategic guidelines, the abolition of these frameworks would leave a vacuum. This author reminded the committee members of a report produced by a working group of the Institute of Local Self-Government (ITA, 2006), which included a proposal for a "parallel", ad hoc planning process to be applied in special local cases. He proposed a generalized version of a local fast track process to enable quicker and easier amendments of statutory local plans. In the hope that local authorities would be empowered to approve local plans, a hope which proved futile, he also proposed the adoption of a system similar to the British ministerial call-in powers, to avoid dubious decisions at the local level, and advocated a simplification of the production of municipal urban plans, the installation in the municipalities of a permanent monitoring and information system, and a simplification of the planning brief for new plans. In a message, shortly after the first meeting, the MinEnv Secretary General indicated that the nationwide special spatial frameworks would be maintained and that the process of urban plans would be simplified.

The discussions in subsequent meetings dragged on, often concentrating on tedious problems of terminology, in spite of the tight schedule. Warnings were voiced that the promised new generation of urban plans would take several years to materialize. By the end of the third meeting, the emerging consensus was that the planning system should include four planning levels, special urban plans should be introduced, and the regional spatial frameworks should include guidelines for all municipalities and designate areas of town plan extensions. Disagreements soon resurfaced, because of remaining ambiguities in the draft bill. A dispute followed, once again, regarding the nationwide special spatial frameworks and, in particular, the regional frameworks, of which even the necessity was disputed. This meant that the discussion took a step backwards. The doubts about the regional frameworks seemed to be related to past experience, to the inability of the central administration to coordinate them and, possibly, to the influence exerted by elected regional authorities. The committee had clearly reached a stalemate, which under the pressure of the circum-

stances had to be overcome. It was becoming clear that the real problem was not the number of planning levels but rather the pathology of planning processes.

A long series of reversals and counter-reversals of direction followed, throwing the SUPC meetings into disarray. There were repeated disagreements concerning the planning hierarchy, the frameworks at national level and the number or structure of plans at local level. The changes of opinion were confusing and caused considerable delays. The number of planning levels kept changing for no apparent reason, always of course under the pressure of the Troika. It was only at the sixth meeting that the matter seemed to be settled and a text of the bill was agreed. The terminology was destined to change once again later on, but the committee expressed relief because a convergence of views was at last evident. The text would now be processed by legal experts before consultation and submission to Parliament. Overall, the outcome was satisfactory, but certain issues such as land use categories were left for another bill. However, it took four more meetings to reach the end of the process, because of a rather “byzantine” discussion on nomenclature and terminology. The draft law on spatial and urban planning was uploaded for electronic consultation on 8 May and then submitted to Parliament on 17 June 2014. It included chapters on various additional issues, which at the end were left to be dealt with in a separate bill. The final law was voted in Parliament on 25 June and published as Law 4269 / 2014 in the Government Gazette (No 142 A / 28 June 2014). The title was “Spatial and Urban Planning Reform – Sustainable Development”. On the day following the voting in Parliament, in a memo to the Minister of the Environment, this author outlined the positive aspects of the new law.

The reduction of planning levels from seven to four was enthusiastically hailed by the political leadership of the day. As already explained, it was an insistent demand of the Troika, but fuelled a conflict of opinion which made consensus impossible (Wassenhoven, 2018, 367-371). The new law did not have a favourable reception in the press. The new policy approach, it was written, is flexible but lacking stable rules. Its main objective is to support business interests, with scant references to environmental and landscape protection. The latter remark was of course true, because environmental protection was not within the ambit of the new law. Three planning academics also made a scathing comment. They castigated the act for being unscientific, anti-environmental, and, ultimately, anti-developmental, while hiding behind a pretext of orderly and rational logic. Instead of focusing on environmental protection, social resources, urban revitalization, localities, democracy and planning, it only cared for investment activity in a neoliberal logic.

## **Case study conclusions and the aftermath**

The left-wing government which took power after the January 2015 election had the clear intention to cancel the provisions of Law 4269 / 2014, especially those concerning the special urban plans. The country’s creditors’ reaction was categorical. In the third MoU of August 2015 the following paragraph was included: “On land use, by September 2015<sup>10</sup>, the

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10. MoU between the European Commission acting on behalf of the European Stability Mechanism and the Hellenic Republic and the Bank of Greece. 19 August 2015.

Government will reconvene the inter-ministerial spatial planning committee, with participation of the independent experts. Based on its advice and in agreement with the institutions, the Government will propose in October 2015 a timebound roadmap for selected improvements of the spatial planning law, including on parts of the land use categories, and for the full adoption of secondary legislation by June 2016 in order to ensure that the legislation effectively facilitates investment, and streamlines and shortens planning processes while allowing for the necessary safeguards. If there is no agreement on the necessary changes, the 2014 spatial planning law will be fully implemented (key deliverable). The authorities will adopt the Presidential Decree on forestry definitions by December 2015 and fully implement the forestry law by July 2016. In addition, the authorities will by February 2016 adopt the legal framework for nationwide cadastral offices on the basis of the business plan, the experience of the two pilot offices and recent technical assistance advice and ensure adequate financial independence and administrative capacity of the cadastral agency (key deliverable)". The use of the designation "key deliverable" was significant.

A new inter-ministerial committee for spatial planning was formed which included external experts, including the present author. The committee met six times in 2015 to discuss a new draft law. The ministry's clear intention was to scrap the special urban plans, or at least make them subordinate to the local urban plans. The creditors' reaction was emphatic. According to a note of the Troika distributed to the committee members on 8 March 2016: "The establishment of Special Spatial Plans", as the special urban plans were labelled in the new draft law, "is one of

**Table 2.** Greece. Hierarchy of plans, after the economic crisis.

|   |   |
|---|---|
| <b>National Spatial Strategy</b><br>(indicative policy statement)   |   |
| <b>Special Spatial Frameworks</b><br>(statutory nationwide plans, e.g., for industry, tourism, renewable sources of energy, fish farming, minerals, islands etc.) |   |
| <b>Regional Spatial Frameworks</b><br>(statutory regional plans for 13 regions, under elected regional authorities, and for maritime spatial planning areas)      |   |
| <b>Local Town Plans</b><br>(statutory plans at the level of one or more municipalities or municipal departments)  | <b>Special Town Plans</b><br>(statutory plans at local level with legal status as Local Town Plans)<br><br>Plans for special purpose zones ("organized activity containers" and areas for strategic investments or public real estate properties) are placed in the category of Special Town Plans, but regulated by their own legislation. |
| <b>Layout Implementation Plans</b><br>(statutory plans to implement Local and Special Town Plans, on a land cadastre map)   |   |

Source: Wassenhoven, 2024b.

the major innovations of the law to facilitate investment. It is possible that technical improvement is needed, but these constitute a major reform that needs to be preserved". The new law did not differ substantially from its predecessor and the special urban plans survived, with a requirement that an advance approval procedure would be followed<sup>11</sup>. Their possible use was extended to initiatives of urban renewal, environmental protection or rehabilitation following natural disasters. This possibility proved useful much later following the 2018 disastrous wildfire that hit the suburb of Mati in Attica. The decision in 2020 to use the new tool in the tourist islands of Mykonos and Santorini, instead of a local urban plan, was controversial to say the least.

Still, Law 4269/2014 came to an inglorious end, since most of its articles were cancelled by the new Law 4447/2016. The irony is that yet another law of the same year amended certain clauses of Law 4269, which theoretically had ceased to exist, simply because certain urban plans had already been updated and approved on the basis of Law 4269. Law 4447 was itself amended again in 2020 and 2021. The endless race of amendments continued in full swing. What remained for this author is the captivating experience of a journey in turbulent times. The Greek planning system, according to Law 4447/2016, as later amended, had the structure which appears in Table 2. Local and special urban plans have to follow the guidelines contained in the nationwide special spatial frameworks.

## General conclusions

The process of drafting new spatial planning legislation in the conditions of a severe economic crisis and of a threatening prospect of bankruptcy was not only a painful experience, but also a lesson which brought to the surface all the weaknesses of the Greek planning system. Working on a new planning law was in fact a planning exercise in itself. "Institutional planning and design" is a form of planning with wide repercussions for the subsequent formulation of individual policies and plans. This was hopefully convincingly shown in the example of a new spatial planning law (Law 4269/2014), which was supposed to become the overall framework of subsequent planning activity, but was in fact abolished two years later. In the claustrophobic environment of an "invited space", the members of the working group or committee convened to prepare a bill for submission to Parliament should have realized that they were acting as "agency" charged to change the "structure" of the planning system and that they were therefore engaged in a sort of process of "structuration" (Giddens, 1984). The neutral observer of the process, to the extent that he/she could keep a distance, would be quick to discover all the chronic defaults of lack of vertical and horizontal coordination among units of government, ambiguities and discrepancies, inefficiencies of planning tools, sclerotic attitudes, obstinacy, fear of change, deeply rooted suspicions, and ideological biases. Yet, there was also an underlying sense of pragmatism and compromise inclination which ultimately prevailed, albeit under unbearable external pressure. It was an example of planning "rescaling" not in the trivial sense, but rather in the sense of decision-making under the shadow of the outside force of the country's creditors. To the extent that circumstances allowed, the process was a task of "discursive deliberation" in

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11. Following a 2019 amendment this procedure concerns only the location and boundaries of the area addressed by a special urban plan and not the nature, purpose and regulations of the plan.

which the committee members, at least some of them, could appreciate some of the qualities that a planner must possess, as mediator, negotiator and initiator of innovation. Planning in an age of turbulence and uncertainty was right in front of them to teach them a valuable lesson. Whether the outcome provides evidence of Europeanization is debatable. The conditions of asphyxiating pressure by the Troika were not an example of smooth transition. Yet, it is clear than in all countries affected by the crisis there has been a clear trend towards a rational, top-down system of planning, in spite of the obvious differences of administrative structures.

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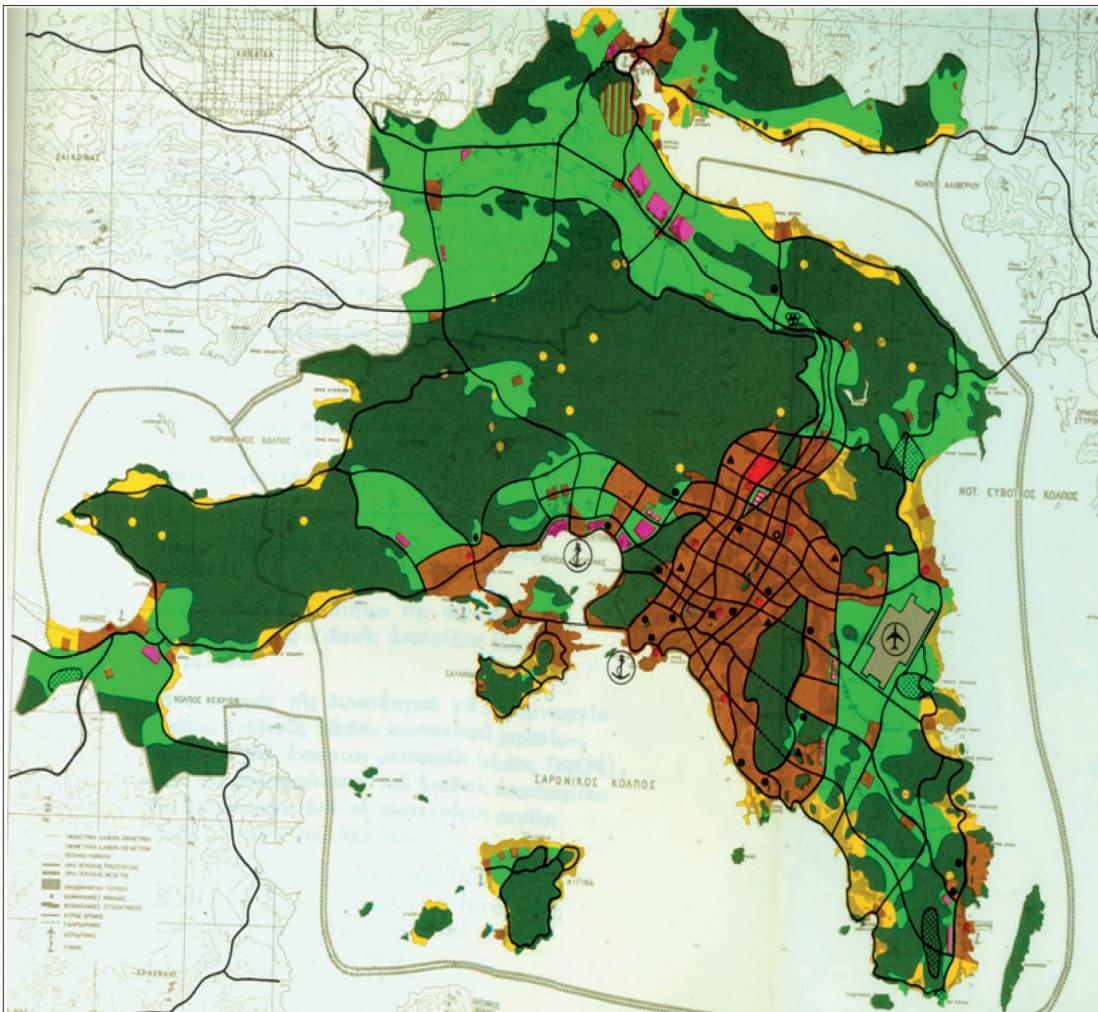
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A comprehensive map of land-use destinations in Attica with the new international airport. Residential settlements are illustrated in brown, yellow means "holiday homes", violet depicts the industrial areas, red includes the national directional centres. Natural reserves and cropland were illustrated respectively in dark green and light green



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