



POLICY BRIEF No 2019/16, MAY 2019

Greece Loses “Its Mind” Greece’s Medical Brain Drain during 2016-2018

Maria Kiotsekoglou

Key points

Following the years of severe austerity measures and economic recession, a notable number of medical workers, mostly including physicians of all specialties, has emigrated from Greece. It is estimated that about 470,000 young doctors have fled the country during the years of profound economic crisis (2008-2016). Moreover, considering the shortages of the staff in the country’s hospitals, it is believed that the medical staff will not be enough to correspond to the public’s needs. This policy brief focuses on the economic factors, responsible for the leakage of medical staff from the country while also briefly referring to the consequences such a problem has.

Given the toll the aforementioned phenomenon has taken on the economy, this policy brief makes three suggestions regarding the issue:

- The rise of the personnel’s salaries in public hospitals
- The improvement of the work conditions of doctors
- The investment in education

Maria Kiotsekoglou is an undergraduate Student of the Department of International and European Studies, University of Piraeus.



Πανεπιστήμιο Πειραιώς
University of Piraeus
Τμήμα Διεθνών & Ευρωπαϊκών Σπουδών
Department of International & European
Studies

Jean Monnet Chair
EDUTRIP
European Union's Education, Training
Research and Innovation Policies



Co-funded by the
Erasmus+ Programme
of the European Union



Εργαστήριο Εκπαιδευτικής
Πολιτικής, Έρευνας, Ανάπτυξης
και Διαπανεπιστημιακής
Συνεργασίας
erdic.unipi.gr

Introduction

Lately, Greece has become one of the biggest exporters of human capital within the EU. 31,4% of the highly educated citizens have left the country during the years of the crisis, 6% of which have left in 2017, according to Eurostat.

According to the Athens Medical Association, 1,500 certifications are given annually to doctors who wish to work abroad (281 in 2018) with their main destination being UK (118 certificates), meanwhile 17,000 doctors (along with engineers) leave per year. Additionally, recent studies have shown that the economy lost about €50 billion due to the emigration of these high-skilled workers, for the education of which about €8 billion were invested.



Implications

Among the most crucial consequences the problem already has, the decline of the financial magnitudes and the decrease of wages (which also means that the tax base shrinks) are of high importance. This issue also brings about an existent fear of the healthcare system collapsing, as the medical workforce continues to move abroad.

Furthermore, the technological delay of the country (the migrating doctors invest in the technological advancement of the host countries) and the aggravation of its demographic problem will certainly end up having a remarkable sociopolitical cost.

The fact that some countries suffer from the so called ‘brain drain’, while others have reversed it to ‘brain gain’ (Germany tackled labor shortages by employing 25,000 Greek doctors) poses a great threat to the EU’s ambitions to a harmonized market without skills or other differentiations.

Thus, this is where the new cohesion policy of the Union comes in handy. The EU Agenda 2020 is a good opportunity for Greece to counter the problem of ‘brain drain’, given that about €11bil. will be distributed to the country.

Further Analysis

- *Economic Overview*

According to the Hellenic Statistical Authority, during the third quarter of 2015 and 2016, respectively, when the economy was unstable, the GDP fluctuated between –2% to –0.5%, resulting in the reduction of the government’s expenditure on the healthcare system to 2,245\$ per capital.

However, even though the country has lost about 13% of its GDP in the few past years, according to the Bank of Greece, ever since the last quarter of 2016, the economy has reached a stable, if not positive growth rate (0%-1.5% between 2016-2018).

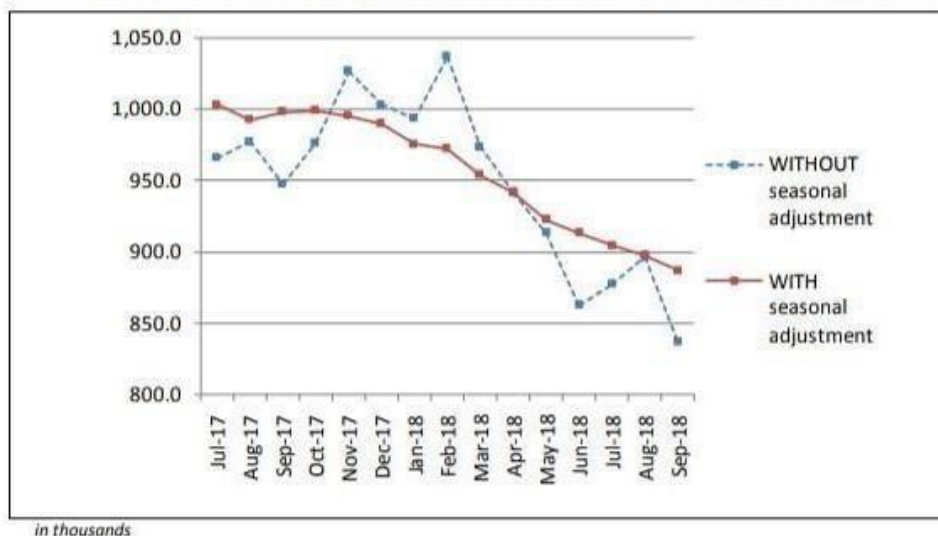


Despite the slow but steady rise and the government's efforts to increase the GDP by 3%, young doctors remain adamant to return to their country of origin. This notion is certainly linked with the high unemployment rate the country is facing, especially among the younger age groups (Greece has the highest rate in the EU at about 19%).

More specifically, the highest unemployment rate is noted among women and youngsters between 15-24 years old who live in rural regions (e.g. Macedonia and Aegean) which is about 45%.

The part-time and the temporary employment rates are at 9.6% and 6.1%, accordingly. In addition, according to the President of the Athens Medical Association, 28% of the member doctors are either unemployed or self-employed (specifically 2.100 doctors).

Graph 4: Number of Unemployed Persons - Adjusted and Non-adjusted Estimates



Source: Hellenic Statistical Authority

- *Labor Conditions*

Nevertheless, the constant changes in the public medical sector, in addition to the unsanitary conditions in hospitals and the long working hours tend to drive away many young physicians. The Medical Association of Athens and Piraeus claims that 20% of the positions in hospitals are vacant. Precisely speaking, the shortages of the country's core hospitals waver from 30-90 vacant positions.



In spite of the shortages, according to the Panhellenic Medical Association, there is also a high possibility that new dismissals of medical staff will be carried out at the end of 2018 (art.26, Law 4461/2017). Such an unstable public sector, where it is unsure if doctors will continue to work at the end of the day, is more likely to turn away aspiring doctors abroad than to keep them in.

On top of that, Greece is one of the countries with a record of long working hours. According to studies, about 44% of the employed claim that they work 40-47 hours/week, while the 26% is working for +48 hours/week.

geo	time	2010	2011	2012	2013	2014	2015	2016	2017
Denmark		38.8	38.9	38.8	38.8	38.8	39.0	38.7 ^b	38.7 ^b
Germany		41.8 ^b	41.9 ^b	41.9	41.7	41.5	41.4	41.3	41.2
Estonia		40.9	40.8	40.9	40.8	40.8	40.8	40.5	40.5
Ireland		39.7	39.8	39.9	40.1	40.3	40.4	40.5	40.6 ^b
Greece		43.7	43.7	43.8	44.1	44.2	44.5	44.6	44.4

Source: Eurostat

Lastly, when it comes to the working conditions, the country's public hospitals are ascertained to be in an unfavorable state. The healthcare system suffers from lack of advanced medical instruments, used for the facilitation of doctors and nurses whilst the hospital rooms are usually unsanitary for the patients and the medical staff, alike.

- *Wages and pensions*

One of the main disadvantages of working in the Greek labor market is the lower disposable income in comparison to other European countries. In other words, both salaries and pensions have suffered from a remarkable diminution during the last years.

Regarding its earnings, Greece is placed near the bottom of the list, according to OECD at about 26,000\$ in 2017. When it comes to doctors (either in the public sector or self-



employed), it is estimated that the hourly wages are about 2,5€/hour. In addition, the government's expenditure on the healthcare for 2019 is estimated around 5% (7% in the EU), whilst the expenditure for hospitals and the staff is about €1,2mil.

As far as the pensions are concerned, according to law 4578/2018, the insurance contributions for doctors and new scientists will be reduced to 13,33%, accordingly. Lastly, recent studies demonstrate that in 2018 the country's annual spending for healthcare was reduced by €853mil., in comparison to 2016.

Recommendations

- *Increasing the salary*

After years of deficit concerning the country's GDP, it has become apparent that, since 2016, Greece has entered a state during which the government's budget displays a surplus. As a consequence, the administration could begin by extending the doctors' hourly wages and then by re-evaluating their average salary on yearly basis. In other words, a careful approach regarding the issues at hand should be taken into consideration while the economy is on the rise.

Hence, Greece will appear more appealing not only to those who have abandoned the idea of returning to their country of origin but also to new medical firms who wish to operate in the country. Besides, by attracting new firms, the high tax rate will be balanced out since the cost will be evenly distributed among the taxpayers.

- *Improving the work conditions*

Compared to other members of the EU, the doctors in Greece are obliged to operate under inhuman conditions. Considering the fact that for the past years the government has been spending less on the health sector, the healthcare system is not provided with the essential means to function properly. These include the appropriate technological instruments that are used for operations or simple examinations, and programs to evaluate the patients' condition.

Furthermore, new inquiries indicate that the system is lacking ordinal quality assurance schedules whilst it has been noted that public hospitals are the ones causing infections, most of the time, instead of combatting them. It is estimated that about 230 – 450 diseases and infections are occurring in the country's hospitals per month.

Therefore, in the framework of EU's agenda 2020, Greece could use the funds provided to buy medical equipment and establish a modern and sterilized work environment.



Additionally, with the support of the European Commission (“Task Force on Better Implementation”), the process of investing said funds will be facilitated and the cohesion policy will be fulfilled.

- *Investing in education*

The €35bil. supplied to the strengthening the Greek economy (EU Agenda 2020) could be utilized for the improvement of the tertiary education of doctors. The present postgraduate course does not provide the students with a specialization in emergencies, for example. In a similar way, internships and practices in hospitals are not based on unified guidelines which complicates matters and results in a prolonged bureaucracy, while it also deteriorates the status of the state’s healthcare.

Last but not least, since one of the cohesion policy’s main goals is to promote social and economic cohesion through education, the government should exploit of “Youth Employment Initiative” program, provided by the EU. In this way, young doctors but also anyone searching for a job will be aided by the state, instead of being turned away to other countries since the program brings forth new opportunities for those out of work.



References

Available budget 2014-2020, *European Commission* (retrieved from: https://ec.europa.eu/regional_policy/en/funding/available-budget/)

Average Wages (2018), *OECD* (retrieved from: <https://data.oecd.org/earnwage/average-wages.htm>)

Enhanced Surveillance report – Greece (2018), *European Commission* (retrieved from: https://ec.europa.eu/info/publications/enhanced-surveillance-report-greece-february-2019_en)

Europe needs to tackle brain drain across its regions by investing in education (29.11.18), *European Commission* (retrieved from: <https://cor.europa.eu/en/news/Pages/Europe-needs-to-tackle-brain-drain.aspx>)

Greece explores longer-term perspectives towards strengthening emergency medical services (3.12.2018), *WHO* (retrieved from: <http://www.euro.who.int/en/countries/greece/news/news/2018/12/greece-explores-longer-term-perspectives-towards-strengthening-emergency-medical-services>)

Greece will struggle to reverse 'brain drain' (2/8/2018), *Oxford Analytica* (retrieved from: <https://dailybrief.oxan.com/Analysis/GA236556/Greece-will-struggle-to-reverse-brain-drain>)

Koutsos G. and Valvis Y. (2017), Healthcare in Greece, *Deloitte* (retrieved from: https://www2.deloitte.com/content/dam/Deloitte/gr/Documents/life-sciences-health-care/gr_healthcare_in_greece_noexp.pdf)

Labor market information (11/2018), *European Commission* (retrieved from: <https://ec.europa.eu/eures/main.jsp?catId=2589&countryId=GR&acro=lmi&lang=en®ionId=GR0&nuts2Code=%20&nuts3Code=®ionName=National%20Level>)

Mourmouras J. (30/10/2016), Recent monetary and financial developments in Greece, *The Bank of Greece* (retrieved from: https://www.bankofgreece.gr/Pages/en/Bank/News/Speeches/DispItem.aspx?Item_ID=395&List_ID=b2e9402e-db05-4166-9f09-e1b26a1c6f1b)

Mpimpi M. (2018), At record levels the unemployment of the doctors in Greece (retrieved from: <https://www.in.gr/2018/04/02/greece/se-epipeda-rekor-anergia-ton-giatron-stin-ellada/>)

OECD Economic Surveys – Greece (April 2018), *OECD* (retrieved from: <https://www.oecd.org/eco/surveys/Greece-2018-OECD-economic-survey-overview.pdf>)

Panagopoulos J. (30/8/2018), Big shortages in specialized doctors at the hospitals, *CNN Greece* (retrieved from: <https://www.cnn.gr/news/ellada/story/144734/megales-elleipseis-se-idikeyomenoys-giatroys-sta-nosokomeia-20-oi-kenes-theseis-stin-attiki>)

PMA's concern about the doctor's dismissals (11/12/2018), *Panhellenic Medical Association* (retrieved from: <https://www.pis.gr/>)

Reduction of insurance contributions and other provisions, *E-Legislation* (retrieved from: <https://www.e-nomothesia.gr/kat-ergasia-koinonike-asphalise/nomos-4578-2018-phek-200a-3-12-2018.html>)



Πανεπιστήμιο Πειραιώς
University of Piraeus
Τμήμα Διεθνών & Ευρωπαϊκών Σπουδών
Department of International & European
Studies

Jean Monnet Chair
EDUTRIP
European Union's Education, Training
Research and Innovation Policies



Εργαστήριο Εκπαιδευτικής
Πολιτικής, Έρευνας, Ανάπτυξης
και Διπλανεπιστημιακής
Συνεργασίας
erdic.unipi.gr



Schellinger A, (2017), Brain Drain-Brain Gain: European Labour Markets in Time of Crisis, *The Friedrich-Ebert-Stiftung*, 16-17 (retrieved from: <http://library.fes.de/pdf-files/id/ipa/12032.pdf>)

Smith H. (2016), Greek economic migrants increasing, while joblessness soars, *The Guardian* (retrieved from: <https://www.theguardian.com/world/2016/jul/03/greek-economic-migrants-increasing-while-joblessness-soars>)

State of health in the EU – Greece (2017), *OECD* (retrieved from: https://ec.europa.eu/health/sites/health/files/state/docs/chp_gr_english.pdf)

Thrifty the health budget for 2019 (19/12/2018), *Panhellenic Medical Association* (retrieved from: <https://www.pis.gr/>)

Youth Employment Initiative, *European Commission* (retrieved from: <https://ec.europa.eu/social/main.jsp?catId=1176>)