Title: Suburbanization in Greece: The informal transformation of Maroussi into the economic hub of Athens

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Abstract: Greek cities are a seminal part of the Mediterranean urbanization thesis. Corresponding features include the comparatively belated occurrence of urban in-migration, the particularity of the urban pull factors, and the unplanned nature of urban expansion. The considerable and extensive urbanisation wave note in Greece in the post-war period was part of a wider transformative process, characterized by the shifting economic orientation from a prevailing agrarian sector towards urban-industrial economies. The limited manifestation of internal economies of scale in industrial firms, and the few signs of economies of localisation affecting the spatial pattern of industrial development point to the weight of urbanisation as the major factor in industrialisation. In order to maintain and enhance the urbanization/industrialization process, the authoritarian national leadership of the time eased off regulatory planning controls, tacitly facilitating the rapid yet unordered expansion of cities. The conceptualization of the ensuing urban sprawl as an unsustainable trend occurred decades later, following the country’s return to democracy (1975). The path dependent qualities of urban growth management, however, mitigated the effectiveness of the respective efforts. This paper explores the sprawling tendencies of Greek cities, commenting on the limited ability of the regulatory planning framework to influence and direct urban expansion. The Athenian municipality of Maroussi is used as a case in point. Maroussi was a rural area of the Athenian hinterland, turned gradually into the city’s major economic centre. Fieldwork research in Maroussi underscores the informal qualities of Greek suburbanization. The paper is organized in three. The first part discusses the growth of Greek cities in the post-war years, portraying the popular colonization of peri-urban land. The second part outlines the policy changes introduced since the early 1980s, part of an attempt to delineate urban growth. Key amongst them, the launch of a series of state spatial restructuring reforms, aiming to equip local authorities with the necessary means to control urban sprawl. The third part of the paper looks closely at Maroussi, mapping the process and discussing the consequences of an urban expansion mode based on unhindered market forces and unregulated private initiative.

Key words: Mediterranean city, suburbanization, planning, popular colonization, informality.
**Introduction**

In visiting a Greek city, first impressions challenge preformed expectations. Well-known and historically weighty names such as Athens, Piraeus, Argos or Corinth, to name but a few, come across as primarily modern and relatively featureless places. The further one moves away from the historical centres, the stronger these images get. Greek suburbs appear as a collage of haphazardly assembled buildings, erected in areas where street plans and land uses are not easily decipherable. Yet suburban neighborhoods and public spaces are particularly lively, possessing a social buzz that complements or compensates for their otherwise unappealing traits. In this paper we will look at the Greek suburbs, focusing on the processes which enabled and facilitated their spontaneous and informal make-up. To start with, however, a few notes on Greek urbanization, framing the discussion thematically and chronologically. 

Greek cities are a seminal part of the Mediterranean urbanization thesis. While the distinctiveness of urban trajectories in Spain, Portugal and Greece has been recognized, functional and morphological similarities differentiate the mode of urban evolution in southern Europe from the ideal-typical Northern European urbanization example (Leontidou, 1996). Corresponding features include the comparatively belated occurrence of southern European urbanization, the particularity of the urban pull factors and the unplanned nature of urban expansion (Chorianopoulos, 2002; Munoz, 2003). Centering on Greece, urban in-migration took place primarily in the post-war period. During that time, Greek cities exhibited annual population increases of more than 3 per cent on average, while the urban population increased from 37.3 per cent of the total in 1950, to 55.3 per cent in 1975 (CEC, 1992; UN, 2006). This considerable and extensive urbanisation wave was part of a wider transformative process, characterized by the shifting economic orientation from a prevailing agrarian sector towards urban-industrial economies. However, in contradistinction to the Northern European urbanisation paradigm (Hall and Hay, 1980; Van der Berg et al., 1982), industrialisation was not the key reason driving urban concentration (Leontidou, 1990). When the urban population and employment explosion occurred in post-war Greece, the working population engaged in service activities exceeded that of industry (World Bank, 1984: 221). The limited manifestation of internal economies of scale in industrial firms, and the few signs of economies of localisation affecting the spatial pattern of industrial development point to the weight of urbanisation as the major factor in industrialisation (Chorianopoulos, 2008).

Urban economic structures in Greece, therefore, differ substantially from the ideal-typical manifestations of urban industrial restructuring. Accordingly, the deindustrialisation and disurbanization trend noted in Northern European cities in the 1970s was not manifested in the
Greek urban system (Cheshire 1995). As seen in Figure 1, the majority of cities in the country continued uninterruptedly to exhibit population gains, albeit at a lower rates during the last three decades (Petrakos and Mardakis, 2000; Turok and Mykhnenko, 2007).

This divergence, however, does not shed light on the unregulated traits of urban expansion noted in the country. In accounting for this, the respective literature underscores the overriding goal of rapid economic development, a dominant political preoccupation that sidestepped the emergence of a concerted spatial planning framework guiding urban growth. In its absence, cities grew disorderly, shaped up by the options available to the in-migrants in their search for viable housing and work-related answers.

**Figure 1: Urban growth rates in Greece 1950-2005**

![Graph showing urban growth rates](image)

Source: (UN, 2007 and 2008)

**Urban planning and sprawl in post-war Greece**

Throughout the post-war era the country’s territory was divided into the following distinct spatial planning zones:

a) Urban areas where development was regulated via a formally approved and territorially bounded town-plan.

b) National heritage sites of physical or cultural significance where development was strongly regulated.

c) The remaining territory where land uses were not defined, and in which development was generally permitted (Christofilopoulos, 2007).

A national spatial planning framework, aiming to provide strategic guidelines in accordance with key social or environmental objectives was not endorsed. Instead, a series of five year
development plans were formulated and implemented, consisting mainly of an attempt to support the growth of the manufacturing sector in particular regions (Papadaskalopoulos and Christofakis, 2003). In this frame, uneven development trends were expected to be tackled through growth-related spillover diffusion (Andrikopoulou and Kafkalas, 2004). In the absence of a strategic spatial plan prompting the physical organisation of the country’s territory, and of local plans defining land uses in peri-urban areas, cities could only expand in areas unprepared to accommodate any new activities and uses. Notwithstanding, development pressures in such areas were facilitated and encouraged in order to speed up urbanization (Andrikopoulou, Getimis and Kafkalas 1992: 218). Housing stands as a prime example of this.

‘Housing’: A private initiative

Intense urbanization entailed acute housing needs. The share of housing directly built by the public sector, however, remained at low levels throughout the 1960s and the 1970s, estimated at approximately 1.6 per cent of the total (Gaspar, 1984: 227). This, together with the incapacity of the private sector to meet expanding demand created an acute shortage of houses. Under these circumstances, a number of controversial interwar policies were sustained throughout the post-war era, paving the way for a construction boom in peri-urban land through the relaxation of planning regulations and controls.

To start with, based on an interwar Act on joint land ownership in condominiums (GGN, 1929), freeholders were allowed to exchange their property rights for a negotiable number of flats in a future building that was going to be created on their land. The practice of selling property in exchange for flats, the so called *antiparochi* system, proliferated rapidly in the post-war years for the following reasons:

a) Negotiations between landowners and developers were unregulated and hence flexible, well suited to the traits of a construction industry dominated by small scale entrepreneurs.

b) The cost of land-value per apartment was substantially reduced making owner-occupancy and affordable housing solution.

c) Flats could be sold before their construction, minimising the entrepreneurial risk of the whole operation (Wassenhoven, 1984).

Regarding the peri-urban zone, an interwar spatial planning Act (GGN, 1923) aiming to facilitate the re-settlement of approximately 1.2 million refugees of the Greek-Turkish war (1919-1922), was also left virtually intact throughout the post-war era. According to this, the
construction of new buildings in areas beyond the town plan limits was formally permitted, allowing for a limited set of restrictions concerning the size of the new structures (Christofilopoulos, 2007). In order to further assist urbanization, the unofficial parceling of peri-urban land into housing plots, while formally prohibited, it was tacitly accepted and taxed by the state. As a result, a turn to self-build constructions, primarily apartment blocks, and owner-occupation has been detected in post war Greek cities (Getimis, 1989). For the lower financial strata of the urban population, though, that could not afford to participate in the formal housing market, the search for a realistic way out of the housing crisis took the form of self-built unauthorized constructions on the outskirts of cities, the so called authéreta, a solution that often resulted in substandard houses, and in settlements lacking basic infrastructure. Regarding illegal housing, however, it has to be noted that this was predominantly a question of unauthorized constructions and not of land property rights, which were in most cases legally owned by the settlers (Garcia-Ramon and Hadjimichalis, 1987; Leontidou, L. 1994). All the same, the post war quest for rapid urbanization tended accordingly. Public utility companies were obliged, until 1985, to provide their services to all houses, including those that were constructed without planning permission (Getimis, 1989).

Urban expansion has been assisted by the availability of public transportation that lightened workplace proximity concerns. The popular colonization of the urban hinterland, however, was primarily shaped by private initiative, developed unhindered in the regulatory void left deliberately in place by the national and local level planning authorities. The national governance traits in this period shed light on the reasons behind this distinct political stance.

**The politics of informal urban expansion**

Post-war political realities in Greece were particularly turbulent. Time-framed by the Civil War (1945-1949) and the military dictatorship (1967-1974), a series of authoritarian administrations blurred goal-setting processes, whereas political legitimacy was primarily searched for in the short benefits of rapid economic growth. Urbanization served this goal adequately. In the 1950s and the 1960s, for instance, investment in housing accounted for 40 per cent of the gross total of private investment in the country, while informal economic activities in urban areas were estimated at 25 per cent of GDP at factor cost (Ioakimidis, 1984: 42-43; Wassenhoven, 1984).

At other equally pragmatic levels, the promotion of self-built owner-occupied dwellings aimed at controlling wage rising pressures deriving from the high accommodation costs due to housing shortages. Also, tolerance by the respective national and local authorities of unplanned
or unauthorized housing provided a temporary solution to the urgent housing requirements of the in-migrants, while it allowed consequent political exploitation of the issue. The legal recognition of informal or squatter settlements, and their integration into town plans prior to national elections was a common occurrence in post-war Greece, part of an attempt by the authorities to establish political consent via dependence to governing parties planning decisions (Leontidou, 1990).

Figure 1: Unauthorized housing, comically depicted in the national press

![Unauthorized housing, comically depicted](image)

Source: (Filipidis, 1990: 202)

Counter-arguments calling attention to the long-term costs of unordered urban expansion did exist. Political repression, however, was combined in Greece with a mode of administrative centralisation aimed at arresting the surfacing of opposing political voices. In this light, participatory processes engaging stakeholders or interest groups in policy-making platforms were virtually absent during this period. In point of fact, even collective negotiations and agreements were effectively non-existent as trade-union representation was either restricted or utterly prohibited (1967-74). Authoritarian rule was also reflected locally. Municipal income was collected on behalf of the respective local authorities by the Ministry of Finance placing, in return, strict controls on local spending. More characteristically, the national authorities appointed mayors and public sector officials at the local level, impeding the articulation of local interests (Chlepas, 1997). The spatial implications of this stance were soon noted. At the national level, the lack of a strategic spatial planning perspective guiding growth was manifest by the concentration of 57 per cent of the country’s urban population in just one city,
Athens, by the late 1970s (CEC, 1992). Focusing on Athens, spontaneous urbanization driven by self-promoted housing strategies had a strong effect upon the physical and functional facets of the respective urban environment, characterized by: a) high densities and insufficient public spaces in central areas; b) suboptimal land-use in the hinterland; c) environmental degradation and private car transportation dependence; and, d) noteworthy distortion of the cultural and natural topography (Economou et al., 2007; Leontidou et al., 2007).

The re-establishment of democracy (1975) initiated significant changes in the way spatial processes were approached and handled in Greece, marked by the establishment of Ministry of Spatial Planning and the Environment (1980). The conceptualization of the ensuing urban sprawl as an unsustainable trend occurred some years later, triggering a belated reaction to uncontrolled development.

**Contemporary urban policy: Path dependent constraints**

The new approach to spatial regulation that emerged in Greece in the 1980s did not involve the launch of a strategic planning framework set at the national level. The continuous growth of cities (Petrakos et al., 2000), and the concomitant urban environmental degradation, rendered intervention in urban agglomerations an urgent priority. The respective policy, announced in 1983, focused on the introduction of detailed land-use plans in informally built-up peri-urban settlements (Karidis, 2006). Urban expansion, in turn, was to be held back through mapped zones, aptly termed Settlement Control Zones (SCZs), defining the permitted land uses in the urban hinterland (GGN, 1983). Figure 2 depicts this policy arrangement, highlighting its alignment towards urban containment.

**Figure 2: Settlement Control Zones (SCZs)**
Additionally, in the country’s two major cities, Athens and Thessaloniki, a Master Plan was drafted (1985) stating the medium to long term objectives of land use planning in the respective regions. This move was followed by the establishment of two national government advisory agencies, one in each city, overseeing and directing the respective local authority actions (GGN, 1985). Acknowledging the necessity of urban intervention marks a turn of events in Greek spatial planning. The challenges involved in controlling urban expansion, however, were underestimated.

Decades of speculative enterprise and popular inventiveness had shaped a distinct pro-growth dynamic capable of contesting change. To start with, land-ownership has been strongly associated with the unhampered prospect of future development opportunities, whether entrepreneurial or in the form of self-build accommodation. When the first ever urban agglomeration limits were presented by the national authorities (1983), therefore, the move was fiercely opposed. Citizens, interest groups and local authorities alike acted concertedly, calling for a looser framework of urban planning restrictions. Consequently, countrywide projections of 16,000ha of peri-urban space proposed to be incorporated into the respective statutory urban plans (1983), stretched to approximately 45,000ha in 1985, expanding the urban limits accordingly (Getimis, 1989: 85). Even so, the respective authorities were ill-equipped to perform their new regulatory duties. Basic land management tools, such as the national cadastre, or mechanisms that monitor land-use change were absent. More importantly, the particularities of state spatial organization hampered effectively the implementation of urban planning reforms.

Up until the mid-1990s, the only directly elected tier of local administration in Greece comprised of approximately 6,000 municipalities and communes, a number suggesting a high degree of territorial fragmentation. Moreover, 54 Prefectures and 13 Regions, both administrative levels directly accountable to national authorities, completed the picture of this strongly centralized state spatial contour. The limited range of urban planning powers assigned to local authorities, and the absence of a higher tier of local political administration coordinating their actions, arrested the local articulation and implementation of spatial planning goals. A series of state spatial restructuring attempts launched in the last two decades aimed at addressing this deficiency. In the process communes were abolished and municipalities were amalgamated twice; initially to 1,034 units (1997) and more recently to 325 (2010). The coordination of municipal actions was originally assigned to the prefectural authorities, turned political in 1994. Prefectures, however, were recently abolished (2010) and their co-ordinary
role has been assumed by the regions, transformed into political authorities with a directly elected chair and council (MoI, 2010). The decades’ long search for a scalar contour capable of facilitating local administration confused the division of spatial and urban planning responsibilities amongst government tiers, leading to a regulatory limbo. Nowhere was this trait more apparent than in Athens, the peri-urban areas of which were the main carrier of Greek urban growth (Leontidou et al, 2007).

In the eastern parts of the Athenian hinterland, for instance, in an area called Messoghia, the respective Settlement Control Zoning scheme was instituted in 2003, almost twenty years since the introduction of the city’s Master Plan (1985). During the last two decades, Messogha received significant inter-local functions, such as the Athens International Airport and the city’s ring road. Improved transport infrastructures was followed by a marked increase in population figures, a process that transformed in an unplanned fashion a notably rural setting to a suburban landscape (Chorianopoulos et al, 2010). As a result of governance shakeups and successive municipal border restructurings, however, town plans in Messogha have yet to be informed by the respective zoning scheme, prolonging the post-war conditions of informal urban dispersal (TCG, 2013). It is in this context of underdeveloped spatial planning tools and regulatory confusion that the growth of an Athenian suburb, Maroussi, is going to be explored.

**Maroussi: The end of a small city**

Maroussi appears on the map in early 19th century as a small and tightly knit community, situated 11 km northerly of the city of Athens. Two separate creeks on the northern and eastern sides outlined its boundaries, creating a distinct sense of place. The relatively flat surface of Maroussi and the fine-grained quality of its soil shaped local activities, oriented towards farming and clay artisanship. In the following decades, the area’s socio-economic traits and urban form were by and large retained.

Up until the late 1960s, Maroussi had a small-scale centre of shops and stores catering for the daily needs of its residents. For all other purposes, business and services, Maroussin residents had to travel to city-centre Athens. Further from the town’s shopping centre, a series of low density neighborhoods were to be found, comprising of single and two story dwellings. Houses were built in relatively small plots of land (150-800m²) surrounded by gardens. Green spaces, farms and woodland complete the picture of Maroussi’s features, adding to its relaxed atmosphere (Politopoulos, 1995; Tsagaratos 2001).

From the time Maroussi was established as a municipality (1925) up until the late post war era, the city kept on growing demographically. In the post war decades, in particular, the
population of Maroussi increased twofold, reaching approximately 30,000 people in 1971 (see Figure 3).

![Figure 3: Population growth in Maroussi (1836-2011)](image)

Source: ELSTAT (2013)

Proximity to city-centre Athens, adjacency to the prestigious suburban areas such as Kifissia and relatively low land prices shed light on the residential appeal of Maroussi. The transformation of the area from a tranquil settlement into a suburb, however, took place without a comprehensive spatial or town plan, defining land uses and preparing the area for the influx of new inhabitants.

**Planning Maroussi in the post-war era**

The first spatial intervention in Maroussi took place in 1878, focusing solely on redrawing the street layout of the city centre (Municipality of Maroussi 2001). Subsequently, urban growth was guided by the aforementioned inter-war ‘town planning’ Act (1923), rendering development in peri-urban areas, practically uncontrollable. Since then and for more than fifty years, new neighborhoods would spring up informally in various parts of Maroussi. It was only after a firm reality had been established on the ground that the planning apparatus would intervene, incorporating in an *ad hoc* manner the newly built areas into the town plan (Interview M3). Post-hoc intervention did not leave much space for improvements. The town grew disorderly. Services were haphazardly allocated and transportation and utilities infrastructures did not meet local needs. More characteristically, in the absence of a strategic spatial planning vision for the area, and of tangible urban planning means and goals, Maroussi
stood defenseless against a number decisions made by the national planning authorities that altered its fate. Key amongst them is the opening up of a new arterial road linking the centre of Athens with the northern suburbs of the city.

Kifissias Avenue was completed in the late 1960s, passing right through Maroussi. What was particular about ‘Kifissias’ is that real properties along the sides of the road were relatively large, enabling the location of major functions. Space availability, limited planning restrictions and proximity to central Athens created a potent development combination, readily available to be exploited. A decision by the military dictatorship (1967-1974) to alter the so called ‘building coefficient’ in Maroussi (1968), expedited the development process as it allowed for larger and higher buildings to be constructed in the area (GGN, 1968). Since the late 1960s, a number of national government organizations and private sector businesses transferred their activities alongside ‘Kifissias’ in an attempt to upgrade their services and avoid the already congested centre of Athens. The dominant structure of the Greek Telecommunications Corporation initiated the move, relocating its headquarters in ‘Kifissias’ in the early 1970s. Major public and private hospitals (Hygeia, Mitera, Iatriko) and retailers followed soon, endowing the area with supra-local and national functions. Subsequent developments in the urban planning realm did not mitigate this trend, hypothecating Maroussi’s suburban prospects.

**1980s: Transformation continues apace**

In an attempt to safeguard environmentally sensitive areas and listed buildings from uncontrolled development pressures, a planning law instituted in 1979 the ‘transfer of development rights’ (TDR). According to this, the right to construct a building on a piece of land could be moved from a location where development is restricted to a site where development is encouraged (GGN, 1979). The law, however, did specify or define the ‘receiving’ zones of these ‘transferable rights’. As a result, developers purchased building rights from landholders with properties in protected areas and transferred them to potentially profitable locations. In the ‘receiving’ sites, the newly acquired building rights were simply added to the existing ones, maximizing the size of buildings and reducing the overall costs per unit (office or apartment) constructed (Triantafilopoulos and Alexandropoulou, 2010).

Developers employed this regulation to the greatest possible advantage. One developer, in particular, Babis Vovos, used both TDR and *antiparochi* provisions, triggering a chain reaction that was to transform Kifissias Avenue into the Athenian economic centre.

“What did Mr Vovos do? He would approach landholders and, in exchange for the freehold, he would offer them a reasonable amount of money, plus full property
rights for 80-90 per cent of the floor space that was going to be constructed on their land. Naturally, they would agree, left wondering where his return would come from. Vovos, then, would transfer development rights from other areas and double the size of the building, securing his profits” (Interview M1).

During the 1980s, extensive parts of ‘Kifissias’ were build or converted by the respective developer into office blocks (e.g. «Atrina Center» 1980) and shopping centres (e.g. Agora», 1987), rendering Maroussi the nickname of ‘Vovopolis’. Simultaneously, the Olympic Stadium of Athens was constructed in the area (1982), in time to host the 1982 European Championships in Athletics. While the ‘Transfer of Development Rights’ was deemed by the Supreme Administrative Court of Greece as problematic enough to be suspended (1994), the presence of the Olympic Stadium in Maroussi initiated a new series of events that further altered Maroussi’s traits.

**Maroussi on the global spotlight: The 2004 Olympic Games**

The 1990s started promisingly on the urban planning front. Eight years since the national authorities called municipalities to present a comprehensive town plan for their area of jurisdiction (1983), and six years since the Athenian Master Plan was put in place (1985), Marousssi introduced a blueprint aiming to control land-uses and (re)design the urban environment (1991). The story of the city, therefore, would have been different, hadn’t Greece won the bid to host the 2004 Olympic Games.

Maroussi appears in the Olympics’ bid portfolio as the centre-place of the games. The presence of the Olympic Stadium in the area and the pivotal transportation role of Kifissias Avenue were key to this choice. Building on these infrastructures, the Olympic Games bid planned the creation of new sports grounds in the area and a series of major transportation networks. The creation of the Athens ring road, in particular, was to intersect Kifissias Avenue in Maroussi, creating a hub capable of channeling trains, busses and traffic to all directions in the region (see Image 1).

‘Kifissias’ in the 1990s was turned into something that resembles a highway, slicing Maroussi into two. Then, along came the other highway, Attiki Odos [*the Athens ring road*]. Maroussi isn’t one municipality anymore. There are four different areas there that don’t even connect properly with each other (Interview M2; See also Map 1)
The locational, construction and co-financing particularities of Olympics’ related venues and physical infrastructure projects were laid down in two independent Acts, that assumed a prevailing status over all other planning regulations applicable to the areas in question (GGN, 1991; GGN, 1999). The respective enactments were also affixed to the city’s Master Plan. In this process, the city’s urban plan was blatantly ignored. The socio-economic impact of these decisions were also severe.

Image 1: Maroussi’s Transportation Hub

Source: skyscrapercity.com

Maroussi isn’t a suburb anymore. It is the financial centre of Athens. Most major entrepreneurs who lived in the northern suburbs \([\text{of Athens}]\) moved their companies here \([\text{in Maroussi}]\) during the last decade. With the new roads and all that, they can come here in no time (Interview M2).

In fact, the number of companies operating in Maroussi more than doubled in the last twenty years, reaching 3,500 in 2011. A total of 85 per cent of them are engaged in tertiary sector activities (finance, insurance and real estate), employing an equal percentage of the total workforce employed in the area. Out of the 46,000 people working in Maroussi today, however, only a third is also dwelling in the area (Municipality of Maroussi, 2008: 128-129). Almost half of the people you see in the streets during any working day they don’t live here \([\text{in Maroussi}]\). They don’t have a say in what’s happening in the area and I doubt if they care to know. But what I think it’s even more important is that with all this coming and going, the sense of place is lost (Interview M1).
Map 1: A city divided into four.

Source: (Tsagaratos, 2001).
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