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Regimes of Land Dispossession, Crisis, and Uneven Development on Crete's Contested Edge

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Degree of Doctor of Philosophy
The University of Edinburgh
2019
Declaration of own work

I declare that this thesis has been composed by myself and that the work contained herein is my own work. This thesis has not been submitted for any other degree or professional qualification.

Ioanna Papadopoulou Korfiati
Edinburgh, December 2019
Abstract

By examining the political economy of two ongoing investments in land on Eastern Crete’s area of Sitía, this thesis contributes intellectually to the research fields of the geographies of the crisis in Europe and the emerging global phenomenon of land grabs. On Sitía’s mountains, private, highly fragmented land has become the “gateway” to Crete’s increasingly monopolised renewable energy market. Investing companies generate access to production licences for energy projects and secure the control of both new and old technologies through the forcible appropriation of land. On Sitía’s coasts, on a vast, undivided, contested monastery property of the Cape Sídero peninsula, an old-made-new land-deal for luxury tourism has been relaunched within the restructured legal and institutional environment created after the outburst of the 2008 crisis. Produced under narratives of “uniqueness” and “wildness”, Cape Sídero’s undercapitalised landscape has been shaped into a tremendous rent gap opportunity. Despite rushing to “secure” neighbouring stretches of land for two very different productive activities, both touristic real estate and renewable energy land-deals act as mechanisms of transforming productive rural and semi-rural land into terrains of monopoly rent extraction. Both projects are investment plans, yet their inconclusive nature is part of the dispossession process: by perpetuating the idea that the land is “empty” and underperforming in profit-generating terms, waiting for capital to be fixed on it, they submerge the landscape into a state of captivity and rob the place of alternatives.

The dispossession of land becomes possible within the diachronically unstructured, overlapping, fragmentary framework of spatial planning, which creates landscapes with no institutional barriers against the combined efforts of investors and the state. An important part of this thesis has been exploring how the land is appropriated, and dissecting the state’s role in this appropriating process. I argue that two different mechanisms of dispossession are mobilised in Sitía. The private, highly fragmented mountainous land on the mountains is classified as forestry, transferred to the management and the ownership of the state, and leased to renewable energy investors at the “beekeeper price” of just €50 per stremma. This is made possible through the mobilisation of the state’s bureaucratic and normalising powers, which redefine the concept of forest and dispossess through classifying land as such. The large coastal property on the Cape Sídero peninsula, an area of great environmental and archaeological significance, is treated as a private “gap” in the country’s spatial planning system. The creation of such a space of exception, I argue, presupposes the
dispossession of not only of space itself, but also of the way of producing space. I have attempted, finally, to situate the above transformations on land within the ground-level political economic dynamics in Sitía, and to shed light on the ways the investment plans are supported, contested, and negotiated locally.

Overall, this study emphasises the crucial role of land in political economy. By situating a case of land dispossession historically and geographically, in the particular formations that produce it, this thesis dissects the specific mechanisms of dispossession employed by the combined efforts of local networks of power, investors, and the state; it reaffirms the crucial re-regulating role of the latter in theories of dispossession; and it seeks to problematise the dialectic relationship of continuity and discontinuity between crisis and inherited, path-dependent landscapes of uneven geographical development.

**Lay Summary**

In this thesis I have sought to study the forcible appropriation of land in a country in crisis, where investments in land are widely considered a necessary response to restoring financial stability, and are often presented in a positive light by default. My aim was to challenge this perception through a political economic approach on what happens to land—an approach which starts from the perspective that economic decisions concerning land are also fundamentally political ones. Through in-depth engagement with a case of land dispossession in Greece, in Eastern Crete’s area of Sitía, my aim was to examine why and how land is being forcibly appropriated. I argue that Sitía’s land, a crucial resource for the local community’s livelihoods, is forcibly transformed into a profit-generating terrain for two different markets: exclusive, “luxury” touristic real estate on the coasts, and large-scale renewable energy on the mountains. Large-scale investors target private, highly fragmented land on the mountains in order to implement renewable energy projects within an increasingly monopolised market. On a vast, undivided, monastery property on the Cape Sídero peninsula, investors have relaunched a “luxury” touristic resort amidst the severe legislative and institutional changes imposed on the country’s spatial policy after the 2008 economic crash. In both cases, the land is being framed as “empty” or “wild”—put simply, as land which does not generate enough profit. In this thesis I argue that the dispossession of land is only possible because of the direct intervention of the state, which has been increasingly implementing neoliberal spatial policies. The dispossession of land has been intensified and accelerated during the economic crisis, but it does not take place in a vacuum: it is also the outcome of existing social relations and networks of power embedded in land.
The completion of this thesis was only possible due to the generous support of so many people, to whom I am deeply thankful.

My first thanks must go to Tom Slater and Tahl Kaminer. They have supervised this research with tireless enthusiasm, insight, guidance, and challenging ideas. They believed in me when I did not, and they have always been there when I needed them. Their consistent support served to keep my spirits high and push me over the finish line. I will remember our meetings fondly.

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Είναι παιδιά πολλών ανθρώπων τα λόγια μας.
Σπέρνουνται γεννιούνται σαν τα βρέφη
ριζώνουν θηρέφουνται με το αίμα.
Όπως τα πεύκα
κρατούν τη μορφή του αγέρα
ενώ ο αγέρας έφυγε, δεν είναι εκεί
tο ίδιο τα λόγια
φυλάγουν τη μορφή του ανθρώπου
κι ο άνθρωπος έφυγε, δεν είναι εκεί.

Γιώργος Σεφέρης, Επί σκηνής.

***

Our words are the children of many people.
They are sown, they are born like infants,
they take root and are nurtured with blood.
As pine trees hold the wind’s imprint
after the wind has gone, is no longer there,
so words retain a person’s imprint
after the person has gone, is no longer there.

George Seferis, On Stage.
Translated by Edmund Keeley and Philip Sherrard.
# Table of Contents

## 1. INTRODUCTION

1. Greece in crisis and capital’s “return” to land................................. 2
2. From the mountains of Sitía to the coasts of Cape Sídero .................. 8
3. Research questions........................................................................... 12
4. Thesis structure and argument.......................................................... 14

## 2. GEOGRAPHIES OF CRISIS AND LAND DISPOSSESSION

2.1. Introduction.................................................................................... 18

Section A – A Political Economy of Land Dispossession

2.2. Two contradictory geographies of crisis ........................................... 20
2.3. Back to the future: from “primitive accumulation”
    to “accumulation by dispossession”.................................................. 27
2.4. Why land? Fixes, circuits, and rent.................................................. 35

Section B – Path-Dependency and Regimes of Land Dispossession in Greece:
State, Agents, and Social Relations of Capital

2.5. Introduction.................................................................................... 45
2.6. Micro-appropriations as part of a longstanding “social contract”.... 47
2.7. Land under visions of “modernisation”: from the 1990s to the
    “turning point” of the 2004 Olympic Games.................................... 51
2.8. Land dispossession and institutional “diversions” in times of crisis..... 57

## 3. REFLECTIONS ON METHODOLOGY AND ETHICS

3.1. Case study research and the Jameson effect.................................... 66
3.2. Politics, subjectivity, and positionality.............................................. 69
3.3. Documents, texts, and secondary data............................................. 71
3.4. Engaging with people: in-depth interviews.................................... 74
3.5. An ethnographic approach to the “field”......................................... 80

## 4. “IN THE MIDDLE OF NOWHERE”: SITÍA’S UNEVEN GEOGRAPHY

4.1. Remote from what?......................................................................... 84
4.2. A sense of disadvantage: development, underdevelopment,
    uneven development......................................................................... 87
4.3. Land and the local labour market.................................................... 98
4.4. Multiple jobholding and “silent” productive activities on land......... 103
Part I. A Double-Edged Rural Frontier of Dispossession

5. LAND AS GATEWAY TO THE NEW ENERGY MARKET

5.1. Sitanos, the “electric” village ......................................................... 112
5.2. Terna Energy’s “Hybrid” Power Plant ........................................ 115
5.3. Contradictions of the new energy frontier .................................... 121
5.4. Land as a reserve for flexible plans ........................................... 131

6. MONOPOLY LANDSCAPE AND THE “ITANOS GAIA” RENT GAP

6.1. Introduction .................................................................................. 138
6.2. Maps for investors: a “trophy site” and the rent gap .................... 142
6.3. Monastery land and “sacred” development .................................. 149
6.4. Itanos Gaia: residential tourism, scale and access .................... 156
6.5. Bulldozers on the lookout for capital? ....................................... 163

Part II. Mechanisms of Land Dispossession

7. RURAL DISPOSSESSION BY CLASSIFICATION

7.1. Introduction .................................................................................. 174
7.2. Non-regulating as state strategy? The shifting “functionality” of informal land practices ......................................................... 175
7.3. Classifying like a state .................................................................. 180
7.4. Conclusion .................................................................................... 191

8. SPACES OF EXCEPTION: DISPOSSESSION IN THE FORM OF PRIVATE GAPS

8.1. Strategic Investments and ESHASE plans: a new “toolkit” for exceptional spatial planning ......................................................... 194
8.2. Loyalward’s ESHASE plan: Itanos Gaia ...................................... 197
8.3. Contesting Cape Sidero’s ESHASE plan ....................................... 203
8.4. Conclusion .................................................................................... 215

9. BETWEEN CONFLICT AND COOPERATION: CAPTIVE LANDSCAPES

9.1. Introduction: Ghost village ......................................................... 218
9.2. Between conflict and cooperation ................................................ 222
9.3. Structure, agency, and the “ideology of development” ................. 227
9.4. Landscapes on hold ..................................................................... 232

10. CONCLUSION

10.1. Synopsis of thesis ...................................................................... 238
10.2. Continuities and discontinuities: crisis and uneven development .... 242
10.3. The state of dispossession ............................................................ 245
10.4. Dispossession and the “land reserve” ....................................... 251

BIBLIOGRAPHY .................................................................................. 255
APPENDIX A: List of research participants ....................................... 272
APPENDIX B: Map of Crete and key locations of interest ............... 275
# List of Figures

<table>
<thead>
<tr>
<th>Fig 1.1</th>
<th>“Hellenic Republic Asset Development Fund Watch” map .......................................................... 3</th>
</tr>
</thead>
<tbody>
<tr>
<td>Fig 1.2</td>
<td>Prefecture of Lasithi, Eastern Crete .............................................................................................. 8</td>
</tr>
<tr>
<td>Fig 1.3</td>
<td>Terna Energy’s and Loyalward’s investment at the Municipality of Sitía, Eastern Lasithi ............. 11</td>
</tr>
<tr>
<td>Fig 2.1</td>
<td>Non-residential land ownership in Greece ...................................................................................... 48</td>
</tr>
<tr>
<td>Fig 2.2</td>
<td>Agricultural land plots by size class .............................................................................................. 50</td>
</tr>
<tr>
<td>Fig 2.3</td>
<td>Built space in Greece ..................................................................................................................... 50</td>
</tr>
<tr>
<td>Fig 2.4</td>
<td>Regulatory reforms 2010-2014 ......................................................................................................... 59</td>
</tr>
<tr>
<td>Fig 4.1</td>
<td>The Agios Isidoros Monastery at the edge of the Cape Sídero Peninsula ........................................ 84</td>
</tr>
<tr>
<td>Fig 4.2</td>
<td>Municipality of Sitía: Municipal Areas (former Municipalities) of Sitía, Itanos, Léfkí, and Análipsi .................................................................................................................................................................................. 87</td>
</tr>
<tr>
<td>Fig 4.3</td>
<td>Population change in the Municipality of Sitía, 2001-2011 ................................................................ 88</td>
</tr>
<tr>
<td>Fig 4.4</td>
<td>Percentage distribution of Sitía’s population per age category, 2011 .............................................. 88</td>
</tr>
<tr>
<td>Fig 4.5</td>
<td>Sitía, Agios Nikólaos, Ierápetra and locations of interest ................................................................ 89</td>
</tr>
<tr>
<td>Fig 4.6</td>
<td>Existing windfarm investments in the Municipality of Sitía ............................................................ 93</td>
</tr>
<tr>
<td>Fig 4.7</td>
<td>Number of employed per sector in Crete, 2005-2015 ..................................................................... 101</td>
</tr>
<tr>
<td>Fig 4.8</td>
<td>Main categories of land use, Lasithi Prefecture .............................................................................. 102</td>
</tr>
<tr>
<td>Fig 4.9</td>
<td>Mapping of key land cover in the Municipality of Sitía, 2007 ....................................................... 103</td>
</tr>
<tr>
<td>Fig 4.10</td>
<td>Unemployment in the Municipality of Sitía, 2011 ......................................................................... 108</td>
</tr>
<tr>
<td>Fig 5.1</td>
<td>The village of Sitános .................................................................................................................. 112</td>
</tr>
<tr>
<td>Fig 5.2</td>
<td>Solar panel investments above the church in Sitános ................................................................... 113</td>
</tr>
<tr>
<td>Fig 5.3</td>
<td>Terna’s “Hybrid” Power Plant: hydroelectric pumping in Réthymnon and windfarms in Sitía ...... 116</td>
</tr>
<tr>
<td>Fig 5.4</td>
<td>Eastern Láthí, Créte, and the Hybrid Plant’s windfarm installation area ........................................ 119</td>
</tr>
<tr>
<td>Fig 5.5</td>
<td>Surface occupancy of subproject (a): windfarms in Sitía .............................................................. 120</td>
</tr>
<tr>
<td>Fig 5.6</td>
<td>Wind Turbines (part of windfarms and hybrid power plants) in the broader area of Sitía .......... 132</td>
</tr>
<tr>
<td>Fig 6.1</td>
<td>Eastern Lasithi, Crete, and the “Itanos Gaia” project installation area ............................................ 141</td>
</tr>
<tr>
<td>Fig 6.2</td>
<td>The Vái Bay and the Cretan Date Palm forest, Cape Sídero peninsula ........................................... 144</td>
</tr>
<tr>
<td>Fig 6.3</td>
<td>The “narrow strip” that gives the Cape Sídero peninsula the impression of an island .................... 144</td>
</tr>
<tr>
<td>Fig 6.4</td>
<td>“Cretan land will be reborn along with its people” ..................................................................... 147</td>
</tr>
<tr>
<td>Fig 6.5</td>
<td>The Toplou Monastery ................................................................................................................... 150</td>
</tr>
<tr>
<td>Fig 6.6</td>
<td>The Project’s ESHASE Plan limits ................................................................................................. 157</td>
</tr>
<tr>
<td>Fig 6.7</td>
<td>Characteristics of hotel units, Itanos Gaia resort ......................................................................... 160</td>
</tr>
<tr>
<td>Fig 6.8</td>
<td>Distribution of accommodation types per hotel unit (in numbers) ................................................ 160</td>
</tr>
<tr>
<td>Fig 6.9</td>
<td>Minoan five-year financial and trading history ............................................................................. 166</td>
</tr>
<tr>
<td>Fig 6.10</td>
<td>Juxtaposition of Minoan Share Price with investment progress, company announcements and media reports (2014-2019) ............................................................... 167</td>
</tr>
<tr>
<td>Fig 7.1</td>
<td>Terna’s Project budget breakdown .............................................................................................. 182</td>
</tr>
<tr>
<td>Fig 7.2</td>
<td>Key legislative changes affecting Terna’s investment plans ............................................................ 187</td>
</tr>
<tr>
<td>Fig 8.1</td>
<td>Spatial organisation of Itanos Gaia ESHASE plan in zones (table) ............................................. 200</td>
</tr>
<tr>
<td>Fig 8.2</td>
<td>Spatial organisation of Itanos Gaia ESHASE plan in zones (map) ............................................... 200</td>
</tr>
<tr>
<td>Fig 8.3</td>
<td>Key legislative changes affecting Loyalward’s investment plans ................................................... 201</td>
</tr>
<tr>
<td>Fig 8.4</td>
<td>Archaeological findings in the ESHASE Plan’s Zone A1 .............................................................. 209</td>
</tr>
<tr>
<td>Fig 8.5</td>
<td>Areas of archaeological interest according to the French School at Athens .................................. 210</td>
</tr>
<tr>
<td>Fig 9.1</td>
<td>Aerial view of Dionysos Village ................................................................................................. 218</td>
</tr>
<tr>
<td>Fig 9.2</td>
<td>Dionysos Village in its current state ............................................................................................ 218</td>
</tr>
</tbody>
</table>
List of Key Acronyms and Abbreviations

AIM  Alternative Investment Market
EIS  Environmental Impact Study
EMU  Economic and Monetary Union
ESHASE  Special Spatial Development Plan of Strategic Investments
ΕΣΧΑΣΕ  Ειδικό Σχέδιο Χωρικής Ανάπτυξης Στρατηγικών Επενδύσεων
GIS  Geographic Information System
GUP  General Urban Plan
HFSF  Hellenic Financial Stability Fund
HRADF  Hellenic Republic Asset Development Fund
ICSI  Interministerial Committee of Strategic Investments
IMF  International Monetary Fund
ITDA  Integrated Tourism Development Areas
JMD  Joint Ministerial Decision
LPPL  Legal Person of Public Law
LSE  London Stock Exchange
MoU  Memorandum of Understanding
NHMC  National History Museum of Crete
OAK  Organisation for the Development of Crete
ΟΑΚ  Οργανισμός Ανάπτυξης Κρήτης
OAS  Sitia Development Organisation
ΟΑΣ  Οργανισμός Ανάπτυξης Σητείας
OGG  Official Government Gazette
PD  Presidential Decree
PPC  Public Power Corporation
PPP  Public Private Partnership
RAE  Regulatory Authority for Energy
ΡΑΕ  Ρυθμιστική Αρχή Ενέργειας
RES  Renewable Energy Source
SAC  Special Area of Conservation
SAP  Structural Adjustment Project
SEIA  Strategic Environmental Impact Assessment
SHOOAP  Open City Spatial and Housing Organisation Plan
ΣΧΟΟΑΠ  Σχέδιο Χωρικής και Οικιστικής Οργάνωσης Ανοιχτής Πόλης
SPA  Special Protection Area
WTO  World Trade Organisation

1 stremma (plural stremmata) = 1,000 square meters
1

Introduction
1.1. Greece in crisis and capital’s “return” to land

This thesis was written at a very peculiar time, and because of that peculiar time. In 2014, upon my arrival in Edinburgh, the effects of the 2008 debt crisis were taking full effect in Greece. In July 2015, after the now-famous turnaround of the result of the Greek “bailout referendum” by the Syriza Government, which rejected the bailout conditions proposed jointly by the “troika” (the European Commission, the International Monetary Fund, and the European Central Bank), the Greek Government and the European authorities reached an agreement for a third, three-year Economic Adjustment Programme for Greece. Among the long list of measures for the “reform” of the financial sector, the public administration, the labour market, pensions and taxation, the Memorandum of Understanding enforced the confiscation and liquidation, as the creditors demanded, of €50bn worth of national assets.

The effect of the crisis on Greece’s land and property, paired with the role land and property played in the 2008 financial outburst on a global scale, made me realise the centrality of the land question in geography—a field which, when I started this PhD in 2015 as a graduate architect, was largely new to me. “Land is indubitably”, as Brett Christophers puts it (2016, p. 135), “the ‘stuff’ of geography”, and thinking about territory in land and property terms, as Elden (2010) suggests, means that “once ‘land’ exists, so too does political economy, and the latter cannot therefore be understood except in relation to the former” (see Christophers, 2016, p. 135). Not only is land the receiver of capitalistic dynamics in their spatialised form, therefore, but it should be seen as a conceptual vehicle of illuminating these in return. The geographies of change in and on the land have, nevertheless, despite their conceptual prominence, only been situated peripherally in the study of political economy. “Behind all the contingencies and uncertainties involved in the perpetual making and remaking of capitalism’s geography”, as Harvey puts it (2010b, p. 180), “there lurks a singular principle power that has yet to be accorded its proper place in our understanding of not only the historical geography of capitalism but also the general evolution of capitalist class power”: landed developer interests.
Fig 1.1 “Hellenic Republic Asset Development Fund Watch” map

The above map (Figure 1.1), created by the “Hellenic Ornithological Society”,¹ is not interested in the observation of birds. It is instead an observatory of the parts of the property of the state which have been transferred to the Hellenic Republic Asset Development Fund (HRADF) in order to be “developed” and promoted for sale. The HRADF’s “sole mission”, as one can read on the Fund's official webpage, “is to maximise the proceeds of the Hellenic Republic from the development and/or sale of assets”.² The “HRADF Watch” map depicts only 195 of the 412 cases handled by the Fund, emphasising on those of “natural importance”, and not including properties or public companies which have already been or are currently being denationalised. Yet one glance is enough to get an idea of the scale and geographical spread of the state’s prospective land and property deals with those who hold the means to invest—and to remind me why I am particularly interested in the dispossession of land. At a time,

¹ Found in its webpage: http://files.ornithologiki.gr/docs/TAIPED/map.html. A closer look also demonstrates an interesting correlation between the properties to be “promoted” and environmentally protected land; 47 out of the 195 cases are situated within the “Natura 2000 Network”, 41 are situated within a single kilometre range from protected areas; and the 80% of the cases are situated within one kilometre range from the country's coastline.
however, when the dispossession of public property under the immediate effects of the


crisis was increasingly studied by my fellow academics, especially in Athens, the fate of private


to dispossess of public property under the immediate effects of the crisis. The present work turns to the dispossession of private land on Crete’s eastern edge, a semi-rural and “remote”, “silent” part of the country. It attempts to explain how both highly fragmented land on the mountainous parts of Sitía and a large, undivided monastery property on the Cape Sídero peninsula have come to occupy the centre of Eastern Crete’s political economy.

* * *

Spatial planning in Greece has been dramatically restructured during the decade since the 2008 crash. The plethora of state-administered “rescue” mechanisms has resulted in an overproduction of institutional and legislative changes under fast-track procedures and generalised “conditions of exception” (Agamben, 2005), and the emergence of a new “regime of accumulation” has led to the dismantling of labour rights and the privatisation and dispossession of property and common resources, and has in general shaped Greece as a privileged field of neoliberal restructuring (Hadjimichalis, 2014b; Vourekas, 2013). Part of this “regime of accumulation”, as Hadjimichalis puts it (2014b), is capital’s tendency to “return” to the country’s land: investors have been intruding massively into the purchase and leasing of land and the real estate system, looking for privileged positions for, inter alia, high-quality residences and renewable energy developments. The forcible appropriation and redistribution of land is regarded as a key solution to the country’s debt crisis and a moral obligation to the creditors (Lazzarato, 2012), and sets a new paradigm in the relation between fiscal and spatial policy (Klabatsea, 2012).

Land dispossession in Greece, however, as will become clear as the thesis unfolds, “did not commence with the crisis—and will not end with the exit from the Memoranda” (Hadjimichalis, 2014a, p. 505). “Micro-dispossessions” for use-value comprise “a timeless characteristic of Greek society”, with thousands of land-grabs by individuals, businesses, monasteries, and municipalities for cultivation, housing and all sorts of illegal construction in the countryside and urban peripheries (Hadjimichalis, 2014a, p. 505-6). Rather than “the spontaneous, automatic expression of economic facts”, these laissez-faire practices are, as Gramsci puts it, “a form of State regulation” (1971, p. 371): they have historically contributed to the social and geographical diffusion of rent and the formation of a broad small property “class” and a particular regime of social
reproduction which has historically acted as a major field of mitigating social discontent (Dellatsimas, 2004; Mantouvalou, 2005). This regime has been dominant since at least the early 19th century, therefore forging a wide informal societal (including state) consent for its maintenance (Hadjimichalis, 2014b; Mantouvalou, 2005; Tsoukalas, 1986). Since the 1990s, however, the domination of neoliberalism and the upgrade of the economic role of space within an international framework of competitiveness and international appeal between regions reached Greece in the form of a “modernising vision” (Klabatsa, 2012). The growing financialisation, large-scale land-deals, and the preparation for the 2004 Athens Olympic Games led to a shift from micro to macro-dispossessions and from use-values to exchange-values. Land has since been dispossessed by new elites, large developers, banks and monasteries (Hadjimichalis, 2014b).

Greece entered the “rescue mechanisms” at a time when the large-scale acquisition of land and resources by corporate entities was emerging as a growing global phenomenon with yet unknown consequences (Hadjimichalis, 2014b; Land Matrix, 2014; Sassen, 2013b; White, Borras Jr., Hall, Scoones, & Wolford, 2012). On a global level, the land grabbing “fever” is created and legitimised to a vast extent as a result of scarcity menaces in resources such as food, water and energy, as well as predictions of the catastrophic effects of climate change, population growth and extensive urbanisation (Hadjimichalis, 2014b). In Greece, the produced insecurity that spreads also includes the consequences of “finance menaces”: the fear for bankruptcies of all sorts and the public debt have been methodically constructed as a crucial lever of dispossession (Hadjimichalis, 2014b). Since the 1980s, the emergence of “land grabbing”, “contemporary enclosures”, and displacement studies have attracted significant and growing scholarly attention: from political ecology (Calvário, Velegrakis, & Kaika, 2017; White et al., 2012), peasant studies (Jansen, 2015), Marxism and political economy (Oya, 2013), anthropology (Li, 2012) and sociology (Levien, 2013) to the World Bank mainstream economics (2011), the “land grab” debate has been investigated from myriad different angles. While the “global land grab” has become a “catch-all phrase” (Borras Jr. & Franco, 2010, emphasis added), it is no surprise that most efforts focus on cases of dispossession (mainly concerned with bio-fuel and agricultural developments) in the Global “South”: this is where thousands of acres of land have been dispossessed, an unprecedented proportion of people displaced, and livelihoods destroyed. Albeit at a different intensity and

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3 A term often ambiguous and loosely defined, and an “old distinction” that needs an “upgrade and rethink” (see Merrifield, 2014, p. xi; see also Slater, 2017, p. 131).

4 For land seizures and peasant resistance in China, see Walker (2008); for an analysis of regimes of dispossession in India see Levien (2013); Tania Li shifts her attention to Southeast Asia (Li, 2012).
geographical spread, however, land grabs are not confined to the “peripheries” of the global economy. They occur in Europe as well, and for a plethora of different reasons (Franco & Borras, 2013). This geographical gap in knowledge—the absence of a similar wealth of engagement with cases of land dispossession in Europe—I believe signifies, apart from an indisputable (historical as much as ongoing) power geometry of oppression, colonialism, and mere theft between specific territories towards others, an epistemological gap: the unsatisfying theorisation of the relation between capitalism and land dispossession—especially within the conditions of a capitalist crisis of global reach. Land dispossession needs to be analysed from within its relationship with capitalism (Glassman, 2006), and be placed within a wider cartography of uneven development (N. Smith, 1982, 2008b) and creative destruction (Harvey, 2003b, 2010b) that no capitalist economy—no matter how “advanced”—can escape from. Capital behaves, as Don Mitchell puts it borrowing Smith’s imagery (2008b [1990]), “like a plague of locusts circling the globe, touching down hither and yon, devouring whole places as it seeks ever better comparative advantage” (1997, p. 303).

The paradigm shift in the neoliberal project since the early 1970s, leading to the weakening of organised labour, mass privatisations, the dominance of private capital in growth-oriented development and the institutionalisation of new tools of finance capital around the globe, has generated much debate around the fundamental, structural characteristics of the contemporary phase of capitalism—and the conceptual tools needed to interpret its new, defining qualities. To follow the dialectic movements of capital in land markets and the production of space, I relied on the Marxist geographical tradition of political economy, which is heavily influenced by Neil Smith’s (2008) uneven development thesis, and David Harvey’s (2006) work on “spatio-temporal fixes” and capital “switching” to the “secondary circuit”, i.e. the built environment.

In the New Imperialism, David Harvey (2003) interprets the global processes of neoliberal restructuring as the result chronic of problems of overaccumulation since the end of Fordism. In order to get out from profound crises in which expanded reproduction becomes more difficult, the re-appropriation of surplus value from one class to another required new means of accumulation: scouring the earth in its constant search for profitable outlets, capital engages in “accumulation by dispossession”. The latter’s role is to “release a set of assets (including labour power) at a very low (and in some instances zero) cost. Overaccumulated capital can seize hold of such assets and immediately turn them to profitable use” (Harvey, 2003a, p. 149). Harvey’s (2003b, 2004) tremendously 2007, 2012); for a study of the financialisation of informal relations as a consequence of ‘accumulation by dispossession’ in Africa see Julia Elyachar’s book (2005).
influential theory, which follows Rosa Luxemburg’s (2013 [1913]) footsteps on the continuous character of Marx’s concept of “primitive accumulation”, captures a diverse range of contemporary forms of dispossession (including the dispossession of assets such as land) and problematises the dialectic relationship between “predatory” practices of dispossession and the inherent, structural, “silent” relations of labour exploitation in expanded reproduction.

Despite its emphasis on the political violence of dispossession, however, Harvey’s theory lacks empirical clarity, and fails to capture the particular dynamics of dispossession that emerge from specific historical and geographical conditions, and the role of the state and agents of capital within them. The main aim of this thesis is to contribute to this task. As Tania Li (2014, p. 549) puts it,

[...] the so-called global land rush has drawn new attention to land, its uses and value. But land is a strange object. Although it is often treated as a thing and sometimes as a commodity, it is not like a mat: you cannot roll it up and take it away. To turn it to productive use requires regimes of exclusion that distinguish legitimate from illegitimate uses and users, and the inscribing of boundaries through devices such as fences, title deeds, laws, zones, regulations, landmarks and storylines. Its very ‘resourceness’ is not an intrinsic or natural quality. It is an assemblage of materialities, relations, technologies and discourses that have to be pulled together and made to align.

By focusing my attention on the ground-level dynamics of how de-valorised and loosely regulated land is becoming a new market in Greece (Hadjimichalis, 2014b, 2014a), my aim is to foreground the role of the state and investors in enacting intense spatial “restructuring” processes dictated from “above”. Land grabbing in crisis-ridden Greece has been the object of previous study (Hadjimichalis 2014a, 2014b), but an empirical, “socially embodied” (Kaika & Ruggiero, 2015) perspective on Sitía’s dispossessed communities helps inform a hitherto largely theoretical discussion on land dispossession and dissect the specific mechanisms employed by the combined efforts of investors and the state. As I explain in the section that follows, in this thesis I focus my interest on the particular dynamics of the dispossession of private land in Eastern Crete’s Sitía for two very different land uses: renewable energy investments on the mountains; and “luxury” tourism land-deals on the coasts of almost an entire peninsula.
1.2. From the mountains of Sitía to the coasts of Cape Sídero

I first arrived in Sitía in 2015. Eastern Crete in general, and the broader area of Sitía in particular, had caught my attention because of the “Itanos Gaia” land-deal in the Cape Sídero peninsula. Itanos Gaia was one of the first land-deals to be included in fast-track legislation, in 2014, and the plan (at least the one announced by the company) was to complete the resort by 2017. The Itanos Gaia land-deal, however, is far from new: before being relaunched within the “restructured” institutional and legislative framework as part of the reforms after the crisis’ outburst, it had been rejected by the Council of State in 2010—and it first appeared in the area of Sitía as early as 1992. This temporal window of almost thirty years provided, I thought, an interesting ground of comparison of what had changed, on both a local and national scale, after the project’s inclusion in “memoranda” legislation. This land-deal was also of particular interest to me since it involved a massive stretch of land, a property of the Toplou Monastery—technically, therefore, a private property, which had nevertheless a public “face”, and included environmentally and archeologically protected land (which was not-so-protected after all, as it becomes clearer in the empirical chapters of this thesis). Being
one of the most important landlords in Greece, with a mythical (and largely unknown in quantity) fortune in land and property throughout the country, I was keen to explore the Church and its relationship with the state and local networks of power, as the land-deal was negotiated on the local scale—and was affected by the country’s overall situation. Apart from the very interesting nature of the landowner itself, the Itanos Gaia land-deal involved coastal land (the biggest part of an entire peninsula). The coastline in Greece has traditionally been an extremely important part of the country’s political economy, and occupies a special role in local community culture; it might be easier to grasp this if one thinks that Africa, 230 times bigger than Greece, has a coastline only 1.8 times longer than the Greek one (Hadjimichalis, 2014b, p. 18).

Generally speaking, Greece does not possess large assets to allow for large-scale land-deals as the ones in the Global South. However the Greek territory holds a monopoly position as a whole, given the geopolitical conditions and the physical proximity to European, Russian, and eastern Mediterranean markets (Hadjimichalis, 2014b, p. 89). Additionally, physical-geographical characteristics—such as the subsoil, climate conditions, the good quality of agrarian land, the length of the coastline and the number of the islands—are attractive attributes for speculative investors, especially when privileged positions are sought for high quality touristic real estate. Another special category of land characteristics in Greece is related to the large number of historical monuments, the conserved landscape as well as its established reputation (brand name) as an “authentic” Mediterranean destination (Hadjimichalis, 2014b). Note how the company, Minoan Group, introduces the investment site:

The ‘Lonely Planet’ describes Crete as being more like a small country, as well as Greece’s most fascinating and diverse island. ‘Its remarkable history is evident across the island, from the ruins of Minoan palaces to Venetian fortresses, from old mosques and Byzantine monasteries to the cave that is the legendary birthplace of Zeus’. As if written for the project area, Eastern Crete has it all: Minoan palaces, venetian fortress and villas, the birthplace of Zeus and Patriarchate Monasteries. It has the only palm forest in Europe and a unique coastline. A rich folklore tradition is complemented by an agricultural history which developed the products that made the Cretan diet famous for its health benefits. (Minoan Group Plc, 2018)

My stay in Sitía, however, brought to the surface a second source of conflict among the locals, and pushed me to examine the question of dispossession in Eastern Lasíthi more broadly. When asked about the Itanos Gaia land-deal, the locals would always bring up in conversation the question of land grabbing for large-scale renewable energy investments in immediately neighbouring land, on Sitía’s mountainous inland. “Sitía is targeted by”, as Emílios argued from the sunny terrace of his house, “not one but two forms of pressure on land”: 

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The first is about touristic capital, which will seek here ‘virgin’ land to invest on. And the second pressure is, as the environment now is a topic which ‘sells’, that they will try and push the undesirable energy infrastructure of the entire island here. (Int.11/Emílios)

A public presentation of the new Regional Plan of Crete in Sitía in 2015 reinforced my interest in the appropriation of land for energy investments and highlighted the antagonism between these two productive activities (tourism and energy) on a regional scale, and particularly in the area of Eastern Lasíthi. Sitía and its land, I realised, was not only about the sea and the coastal monastery property—but about the mountains too. These mountains are sunny and windy, and therefore, as becomes clear as the thesis unfolds, they are particularly good targets for the implementation of an overwhelming number of renewable energy projects: these projects are pursued, as I learned along the way, from “big” players who compete within an increasingly monopolised energy market. But the Cretan countryside has an important particularity: mountainous land is not only highly fragmented—a typical characteristic of properties across the country (National Bank of Greece 2014)—but also private, due to the island’s different historical path of annexation to mainland Greece after the liberation from the Ottoman Empire, and the differentiated spatial policy established by the interim Cretan State (1896-1913) (Papadakis 2017). A network of informal property and labour relations has therefore flourished there for generations—but the unclear regime of land titles and land use has also produced a landscape which is institutionally vulnerable. What happens to this landscape if there is no market for windy private land in a context of growing interest for renewable energy investments, which makes it highly sought after?

Following Anne Haila’s approach with her work on Singapore as a “property state”, I do not wish to claim that Sitía is a typical, exemplary or representative case of land dispossession (Brenner 2003, found in Haila, 2016, p. xxii). But Sitía’s land is being dispossessed for specific reasons and in specific manners, and I argue that exploring these why and how questions can make our understanding of land dispossession elsewhere richer. Overall, Sitía caught my attention for the following reasons: it is one of the few places in Greece simultaneously targeted for luxury tourism and (renewable) energy alike, two land-uses with tremendously different effects on the landscape; it is coastal but mountainous as well, with highly fragmented private properties on its mountains, contrary to (most of) the rest of Greece, and a powerful monastery owning almost an entire peninsula; it is urban and rural, with a very porous relationship between the two; and finally, it is a place largely “silent” and “remote”, at the edge of the country and the edge of the continent.
I explore the mechanisms of dispossession of rural and semi-rural private land through an in-depth look at two large-scale investments on Sitía’s land. A more detailed account of both the context (Chapter Four) and the ongoing processes of land dispossession emerges over the empirical chapters of this thesis (Chapters Five to Nine). It is here important, however, to introduce the reader to the two investment plans of interest and their peripheral location in relation to the city of Sitía and the main villages of the municipality, as well as Sitía’s UNESCO Geopark and areas of environmental protection (see Figure 1.3. above):
a. Terna Energy, part of the GEK Terna Group, aims to construct a €276.5 million “hybrid” power plant which consists of two subprojects: 27 wind turbines organised in two windfarms, which are situated in the mountainous part of Sitía, and at the heart of Sitía’s Geopark; and a system of pumped-storage hydroelectricity for load balancing in Potamón Dam in the area of Amári, at the Municipality of Réthymnon. For the purposes of this thesis I focus on the dispossession of highly fragmented private land for the windfarms in Sitía, as shown in Figure 1.3.

b. On a neighbouring, undivided stretch of land, Loyalward, part of Minoan Group, has relaunched “Itanos Gaia”: a €267.7 million plan for a luxury touristic resort which involves five “thematic” hotels, a golf course, conference centres, and marinas. The 25,000 stremmata of land, a property of the Toplou Monastery, occupy the largest part of the Cape Sídero peninsula at the north-eastern tip of Crete, which “gives the impression of an island” due to the narrow strip of land connecting the peninsula with the rest of Crete (ECHMES for Loyalward, 2014, chap. 1, p. 7). A previous version of the project, the “Cavo Sídero Resort”, had been rejected by the Council of State in 2010; the land-deal was relaunched in 2012, amid the new legal and institutional environment created after the outburst of the crisis.

1.3. Research questions

This thesis is guided by the following four questions:

i. Why do investors target private land in Sitía? How is land related to the “opening up” of new opportunities for profit and what are the effects of the investment plans on the landscape?

In their exploration of borders and the expansion of accumulation, dispossession and exploitation in a broad sense, Mezzandra and Neilson use the concept of “frontiers of capital” (2013). This term, they argue, “registers capital’s drive to continuously open up new territories (in both the literal and the figurative sense) to re-establish the conditions for accumulation”. This moment of “opening up” interrupts “the linear temporality of transition or development and calls for the repetition of ‘so-called’ primitive or original accumulation, challenging existing boundaries and disrupting established social relationships” (Mezzadra & Neilson, 2013, p. 9). As I explore in Chapter Two, the intellectual project of applying the
concept of a continuous “primitive accumulation” to capitalistically developed landscapes is no easy task. Harvey’s concept of “accumulation by dispossession”, however, establishes a dialectic connection between dispossession and expanded reproduction, and conceptualises capital’s need to make use of a pre-existing “outside”, or to manufacture one. In this thesis I aim to address the manufacturing of a double-edged frontier of accumulation on Sitía’s landscape, and the processes of differentiation that shape the land as a suitable target for capital’s geographical expansion.

ii. What are the specific mechanisms of dispossession employed by investors, the Church and the state, and how are these managed, instigated and negotiated on the ground?

How exactly is the land dispossessed? What are the agents of dispossession in Sitía, and what are their motivations? I approached the local communities and their different systems of value-production as crucial heterogeneous agents who are not just the outcome, but “part of the explanation” (Li, 2014a; Massey, 1984)—they actively facilitate and contest the marketisation and expropriation of their land. What is the role of the Monastery as a landowner? What is the role of the local administration vis-à-vis the investments of interest, and the sociospatial conflict produced locally?

iii. How do these mechanisms inform the role of the state in theories of dispossession?

The in-depth study of two cases of land dispossession in Sitía provides fertile ground for the examination of the role of the state in this process, and thus reflect critically on the way the state is conceptualised in theories of dispossession. Rather than a passive receptor of transformations required by the country’s creditors, the state’s power is shifted, but does not become less (Harvey, 2010b; Loïc Wacquant, 2012). Reaffirming the state’s re-regulating role in theories of dispossession requires a look back, and a historical understanding of the actions the state failed to take apart from the ones that it did take. Why does the state dispossess land, and how does it succeed in so doing? How do state strategies differ on a national and local scale?
iv. How does the crisis and its spatial manifestations interact with inherited, path-dependent landscapes of uneven development?

One of my aims in this thesis is to examine the spatial manifestations of the crisis through its dialectic relationship between rupture and continuity with previous regimes. The dispossession of land does not happen in a vacuum, and it does not happen overnight. How do the severe qualitative shifts in spatial legislation, largely imposed by the “restructuring” effects of the crisis and the Memoranda, interact with the lack of regulation, land titles, and protection across landscapes shaped by the dynamic process of uneven development?

1.4. Thesis structure and argument

This thesis is organised in ten chapters. Following this introductory chapter, which outlines the thesis’ rationale, research aims, and general contribution to existing debates in geography, I move on to Chapter Two, the literature review. This chapter’s Section A first situates the dispossession of land in the particular conjuncture of the crisis in Europe, and discusses the spatial articulation of the latter as a contradictory dynamic between two geographies: a geography of struggle for the distribution of destruction; and a geography of collaboration for the usurpation of the creative outcomes of this destruction. In order to trace the dynamics of dispossession within advanced capitalism, I then return to the Marxian notion of “primitive accumulation”, Rosa Luxemburg’s theorisation of the latter as a continuous phenomenon, and Harvey’s reconceptualisation of the above as “accumulation by dispossession” as part of a new form of imperialism. I conclude Section A by theorising the role of the appropriated asset, land, in the above dynamics. In this second chapter’s Section B, I turn to the political economy of land dispossession in Greece, and the path-dependent, historical and geographical conditions that make it possible. I examine the shifting role of the state, agents and social relations capital in the transition from a regime of micro-appropriations for use-values and small-scale economic activities to the current regime of the large-scale dispossession of land and property within an increasingly neoliberalised institutional and legislative landscape.

Chapter Three provides an outline of my methodological strategy. I first lay out the rationale and motivations behind my research design and epistemological principles, and I defend taking a case study approach. I then turn to the specific methods I employed as well as the ethical dilemmas and practical considerations taken and
negotiated along the way. Taking a reflexive stance, I discuss in detail how I analysed documents, how I interviewed my participants, and how I conceptualise the “field” and the power relations in it.

Chapter Four introduces Sitía under a historical and contextual light, preparing the ground for the in-depth analysis of the two investments of interest in the chapters that follow. My aim is here to situate Sitía within the process of uneven development that shapes the Greek countryside, and the contradictory dynamics of state neglectation, deregulation and marginalisation that shape it as “remote” in space and “behind” in time. Through a look at the local labour market and the multifaceted employment structure, in this chapter I also discuss the informal relations on land and land-related practices, and I highlight the crucial importance of land for the local mechanisms of production and social reproduction.

The core empirical chapters of this thesis are organised in two main parts. In Part I, I dissect the “opening up” of a double-edged frontier of dispossession, aiming to answer why investors are after Sitía’s land. In Chapter Five, I examine specific political economic aspects of the relatively new and increasingly monopolised renewable energy market in Crete, and I situate Terna Energy’s “hybrid” power plant within it. The investing company, as I argue in this chapter, achieves access to Crete’s renewable energy market through the forcible control and monopoly over land, which becomes a gateway to new profits. Chapter Six turns to a large neighbouring stretch of monastery land on the Cape Sídero peninsula, where Loyalward (part of Minoan Group) has relaunched its plans the construction of a “luxury” tourist resort within the new legal and institutional framework created after the outburst of the 2008 crisis. Cape Sídero’s undercapitalised and “wild” landscape has been shaped, I argue, into a tremendous rent gap opportunity.

In Part II I examine how the land is appropriated, and I pay particular attention to the state’s crucial role in this appropriating process. I argue that two different mechanisms of dispossession are mobilised in Sitía. Chapter Seven is an exploration of how the private, highly fragmented land on Sitía’s mountains is classified as forestry, transferred to the management and the ownership of the state, and leased to renewable energy investors at the “beekeeper price” of just €50 per stremma. This is made possible through the mobilisation of the state’s bureaucratic and normalising powers, which redefine the concept of forest and dispossess through classifying land as such. In Chapter Eight I dissect how the large coastal property on the Cape Sídero peninsula, an area of great environmental and archaeological significance, is produced as a private “gap” in the country’s spatial planning system. The creation of such a space of
exception, I argue, presupposes the privatisation not only of space, but also of spatial planning itself—the way of producing space.

In **Chapter Nine** I turn my attention to the ground level political dynamics in Sitía, and I consider how Terna’s and Loyalward’s plans are negotiated, supported or contested on the ground. I explore the divisive effects of the two investment plans in the area, and the reproduction of conflict within the community itself. In a dual, conflicted perception of the landscape’s “captivity”, Sitía’s future is put on hold because the investments are “blocked” by those who oppose them; and Sitía’s future is put on hold because the land-deals and investment plans loom over the land for too long, and rob the place of alternatives.

Finally, by taking a step back, in **Chapter Ten** I return to my overall research questions and I discuss three broad conclusions about the dynamics of land dispossession that contribute to wider debates in the political economic geography.
2

Geographies of Crisis and Land Dispossession
2.1. Introduction

Capital represents itself in the form of a physical landscape created in its own image. (Harvey, 1978, p. 124)

My aim in this chapter is to identify a theoretical framework for the study of the political economy of land dispossession in Greece as it has been significantly transformed since the 2008 economic crash. While the dispossession of land inherently entails a spatial dimension, there is no clearly demarcated literature of dispossession in human geography. This chapter sits, therefore, at the intersection of a number of debates in the literature. It consists of two main parts.

In Section A I attempt to trace a theoretical understanding of dispossession in geography and interpret the grabbing of land as part of a historical necessity under capitalism—a necessity which becomes more prominent during, and because of, financial crises. Despite its radical origins, the “land grabbing” debate has been increasingly absorbed by mainstream, depoliticised, and descriptive perceptions of development (Borras Jr. & Franco, 2010; Levien, 2013), and, as mentioned before, the political economy of land dispossession has mainly been studied in countries of the “Global South” (where, undoubtedly, land dispossession has occurred at an alarming speed and geographical spread). Land dispossession is occurring, however, in “capitalistically advanced” Europe too (Franco & Borras, 2013; Hadjimichalis, 2014b). Behind this geographical gap in the literature lies an analytical and theoretical problem that needs to be dealt with: the need to understand and analyse land dispossession from within its relation with capitalism (Glassman, 2006; Levien, 2013), and to place it within a wider cartography of creative destruction that no capitalist economy can escape from. It is, of course, impossible to achieve such a task with theory alone—but as an act of abstraction, as it is by definition, theory can provide a lens through which one can look for answers, as well as highlight the fact that, once in the “field”, one needs to pose the right questions.

There are three main subsections to this part. I first situate dispossession within the particular conjuncture of the crisis in Europe, and I discuss the contradictory manifestation of the latter in the form of two antagonistic geographies: a geography of struggle for the distribution of destruction; and a geography of collaboration for the usurpation of the creative outcomes of this destruction. In an effort to explore the dynamics of contemporary neoliberal dispossession, I then return to the Marxian notion
of “primitive accumulation” and Rosa Luxemburg’s reinterpretation of the latter as a continuous phenomenon, and to the theoretical contribution of Harvey’s “rediscovery” of the above through the concept of “accumulation by dispossession”. Here I attempt to follow a certain (loose) chronology. Finally, I examine specifically the role of land as an object of dispossession, as well as the coordinated function of rent and interest-bearing capital within land markets.

In Section B I turn to the literature on the political economy of land dispossession in Greece (mainly through the view of native intellectuals), and the continuities and discontinuities between regimes of dispossession before and during the crisis. Here I add the epistemological concept of regimes (Hadjimichalis, 2014b; Levien, 2013) to the theories of dispossession analysed in Section A, which emphasises path-dependency and the crucial importance of place in creating specific historical-geographical conditions that act as more than just context: they play an important role in making dispossession possible. Through an overview of specific aspects of spatial planning and dispossession in Greece, I attempt to outline the profile of the state, the Church, and a wide cross-class alliance in maintaining illegal practices (and practices of “micro-dispossession”), while at the same time exploring the current aggressive marketisation of land and assets in both its continuity and rupture with the pre-crisis regime.
2.2. Two contradictory geographies of crisis

Financial crises serve to rationalise the irrationalities of capitalism. They typically lead to reconfigurations, new models of development, new spheres of investment and new forms of class power. (Harvey, 2010, p. 11)

In 2008, for the first time since the end of the first industrial revolution, global capitalism found itself confronted by the decline of its fundamental laws of reproduction, marking its historical “turn” towards an ultra-reactive, totalitarian direction (Papakonstantinou, 2008). In Harvey’s words, “a world that had earlier appeared to be ‘awash with surplus liquidity’ suddenly found itself short on cash and awash with surplus houses, surplus offices and shopping malls, surplus productive capacity and even more surplus labour than before” (2010, p. 5). The burst of the US housing bubble (which affected stock markets worldwide with extraordinary speed), and the fall of production into deep recession across the world, could not but spark waves of scepticism about the structural, fundamental flaws of the capitalist mode of production. As Paul Volcker, the ex-chair of the Federal Reserve, put it, “I don’t remember any time, maybe even in the Great Depression, when things went down quite so fast, quite so uniformly around the world” (cited in Harvey, 2010, p. 2). Despite the efforts of bourgeois economists, bankers, and politicians to interpret the generalised collapse of financial markets as a simple, surfacy phenomenon of the spread of “self-feeding panic” effect across investors and their lack of faith towards a particular category of assets (such as securitised loans)—which forced them to sell and not buy, in turn leading to price falls—the effects of the crisis on the “real” economy soon became painfully apparent (Harvey, 2010b; Husson, 2008; Sayer, 2015).

In “Restoring Trust in Financial Markets”, the Organisation for Economic Co-operation and Development (OECD), one of the main apologists of the capitalist modus operandi worldwide, identified two main issues as the main causes of the 2008 crisis: the underestimation of the recurrence of crises, along with a weak system of crisis predictability; and the insufficiency of market self-regulation (essentially suggesting that, in principle, Adam Smith’s “invisible hand” can work), which is connected to “trust” issues (OECD, 2009). The issue of “trust” in OECD’s reports is conceptualised within a broader discourse vis-à-vis the lack of market “morality”, and the failure to deal with the “moral hazard” of, for instance, “unhealthy” and overconfident hedge funds (which ended up controlling financial obligations hundreds of times bigger than their initial
capital). I will return to this paradoxical conception of trust and morality further on, as it played a crucial role in legitimising Greece’s role in producing the crisis in Europe, and the plethora of “restructuring” measures to deal with it. The important point here is that, unsurprisingly for this capitalist theory of a capitalist crisis, no structural part of the mode of production was questioned, thus reproducing the extremely problematic—and far from new—invention of a division between healthy, productive capital on the one hand and parasitic capital with the greed, “golden boys”, and speculators that come with it on the other (Skoufoglou, 2013).

The theory of capitalism’s “morality” crisis is closely interlinked with financialisation itself, and the popular accounts of a “healthy”, “real”, economy of capitalists that has fallen to a “bad” financial industry (Knuth, 2015). The role of finance capital has been without doubt extremely important—to an extent that the 2008 systemic crisis has been called a “crisis of financialisation” (Lapavitsas, 2010, 2013). Lapavitsas argues that the enormous expansion of mortgage-lending and the financial sector has produced new forms of extracting profits directly out of the personal income of workers through “finance expropriation”: the latter has led to a new form of contemporary rentiers (Lapavitsas, 2009; Sayer, 2015). But financialisation is, as Harvey has stressed more than once (see, for example, 2004, 2006c [1982]), a part of capitalism’s internal, functional dynamics, and the mechanisms of both rent and interest-bearing capital operate at a recurrent level within capitalism. As I explore further on (in Section 2.3), the coordination between rent and finance capital produces land as an asset with extraordinary potential. The tendency to separate finance from broader economic relations is, as Ray Hudson (2005), and Lee, Clark, Pollard, & Leyshon (2009) have critiqued, no stranger to economic geography (among other fields). Similarly, Peter Gowan (2009, p. 5) calls for the need to “transcend the idea that changes in the so-called real economy drive outcomes in a supposed financial superstructure”. Finance is transformed, in a similar way to how Karl Polanyi (2001 [1944]) depicted the construction of the “economy” as an entity disembedded from other forms of social practice in the 19th century, into a sphere of its own life. This fragmented approach to financial practices and the theory of capitalism’s “morality” crisis was supplemented with the neoliberal myth of wages and pensions too high and civil servants too many—in Greece, these fiscal problems are exactly what “rescue programmes” set out to deal with.

As Skoufoglou (2013) interestingly points out, this short-sighted neoliberal critique could not but bring forward, albeit indirectly, two important assumptions that were proven right mostly in practice: that states and governments, contrary to the supposed
“end of the state” and the non-interventionism prescribed by neoliberal theory (Harvey, 2010b; Loïc Wacquant, 2012), were expected to (and did indeed) intervene by, among other, massively financing the banking system and buying off banks, providing liquidity and guaranteeing debts, and agreeing to and imposing deals and Memoranda of Understanding (MoUs) (Lapavitsas, 2009); and that secondly, contrary to its infamously declared end (Fukuyama, 1992), the return of history itself became blatantly obvious to the bourgeois class, the states, and the dominant economic and political thinkers, as the whole system was, beyond doubt, far from stable (and unable to guarantee stability even in the “advanced” countries of the West). Crises were proven to be a very real, potentially recurrent possibility.

The “return” of the states, politics, crises, and history itself (although none of these ever really did leave) was inescapably accompanied by the return of an intellectual interest in Marx, and subsequently, in Marxist approaches to a theory of crises. Broadly speaking, most Marxist theories accept that what triggered the 2008 crisis was the hypertrophic expansion of financial activities in relation to productive activities, and of “fictitious” capital in relation to “real” capital—simply put, the asymmetric scale of financial requirements in relation to the total value generated (Harvey, 2010; Lapavitsas, 2009). This part of the explanation, organically connected with the creation of overambitious, contagious, speculative bubbles, is not radically different from the one put forward by the dominant bourgeois economic theories. What is dramatically different is the exploration of what it is that caused capital to look for increasingly insecure grounds for its realisation, and how, from the very conditions of capitalist production, periodical crises arise out of necessity. While it is not possible or necessary to reproduce the history of such a debate here, several points are worth highlighting, as they are crucial in understanding the theoretical interpretation of how crises are connected to the explosion of the investment interest in land.

A theory of crisis needs to effectively explain the alternation between periods of both a relative equilibrium between “production and distribution, surplus value creation and realization, consumption and new capital formation, and between production and consumption” (Harvey, 2006c, p. 96)—and of the sudden and violent breakdown of this

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3 The Memoranda in Greece, for instance, were far from an “automatic” or “natural” outcome—they entailed decisive, cohesive acts of state intervention in the economy. The “return of the state”, however, should be far from seen as a return of a neo-Keynesian logic—on the contrary, state interventions were directly associated with extensive privatisations etc. In fact the necessity of state power in protecting financial institutions by “socialising the risks” while “privatising profits” was one of the principles that had already emerged in the 1980s (the New York City mid-1970s fiscal crisis and the 1982 subsequent Mexico crisis) (see Harvey, 2010, p. 10). See also Mezzadra & Neilson (2013).
equilibrium. Several theorists (such as Danielson, Kautsky, and Luxemburg) argued that the decline of real wages in relation to labour productivity is inevitable in the capitalist mode of production, and in turn reduces the consumption capacity of the working class (the “underconsumption thesis”). The absorption of the totality of the commodities produced (along with the realisation of the surplus value that comes with it) therefore becomes impossible (Skoufoglou, 2013). The dominant Marxist crisis theory emphasises, however, overproduction (which leads to excess production capacity) as the decisive capitalist tendency that leads to crisis formation. According to the “overproduction thesis”, the “core” of the crisis lies in the trend of falling capitalist profitability: the failure of capital to invest overaccumulated funds with a satisfactory rate of profit. Each crisis uncovers, broadly speaking, two fundamental underlying contradictions of the capitalist mode of production: the unconstrained, rapid expansion of production on the one hand, and the limitations of consumption (of commodities and means of production) on the other; and the internal contradictions involved in the chronic tendency of the rate of profit to fall (Harvey, 2010b). In other words, despite the important role of finance capital, at the heart of the crisis lies the trend of falling capitalist profitability: the accumulation of a mass of “free” capital in desperate search to be invested at satisfactory profit rates (Husson, 2008). Simply put, a crisis signifies the apparent inability to bring surpluses of both labour and capital into producing socially necessary commodities or services. There are essentially two options here: system-wide devaluations (or complete destruction) of capital and labour, or the absorption of the surpluses. Combined, these two options lead to “creative destruction” (Harvey, 2010b). As I explore further on in this chapter, the crucial need to solve the “surplus capital absorption problem” forces capital to “switch” to the “secondary circuit”, and to continuously scour the globe for new outlets in order to “accumulate by dispossession” (Harvey, 2003b, 2010b).

The theorisation of the falling rate of profit as a long-term tendency within capitalism—a tendency highlighted by Marx himself (Harvey, 2010b)—which leads to crises at its peaks, has an important political implication: it highlights the current crisis as a structural problem of overaccumulation and as a crisis of the strategy of the bourgeoisie: neoliberalism and the dominant ideological narrative of the years preceding the crisis, portraying globalisation and technological innovation as the guarantors of the system’s eternal prosperity were not able to reverse this tendency (Papakonstantinou, 2008). Yet the post-crisis strategy was (and still is) an attempt to put not just capitalism, but neoliberal capitalism back on its feet; in this sense, the crisis is often seen also as a crisis of neoliberalism (Aalbers, 2013). As Neil Smith has argued, neoliberalism “finds itself a corpse. And yet it would be a mistake to underestimate its remnant power” (2008, p. 2).
Following Smith, Manuel Albers stresses the distinction between neoliberal ideology and practice, and how the latter can be very much alive, while the former is declared dead (2013). Despite its ideological and political justification reaching a limit, the neoliberal project of restoring and consolidating class power has deepened and intensified during the crisis; simply put, it “has been fairly successful” (Harvey, 2009; also see Birch & Mykhnenko, 2010).

In Europe, the infectious systemic crash, shaped by the inherent inequalities in the Eurozone’s internal structure, has been translated into a crisis of public debt (Hadjimichalis, 2014b, 2018). In an effort to go beyond mainstream economics and the dominant discourse, which attributed the recessionary tendency of Europe’s economy largely to the loss of competitiveness of the countries in the South, the authors of The Eurozone between Austerity and Default (Lapavitsas et al., 2010) aimed to explore the real causes and manifestations of the debt crisis in Europe. The above study identifies the creation of huge deficits in the countries of the European “periphery” (among which is Greece) as a result of the extended borrowing to save the downstreaming banking sector; and, most importantly, as a result of inherent characteristics in the formation of the Economic Monetary Union (EMU), and by extension the Eurozone itself. The EMU, along with the behaviour of the private sector, has been transformed into an institutional mechanism of building financial surpluses at the “centre”, and especially Germany, and systematic financial deficits at the “periphery” (mostly countries of the European South and East). Deficits in the “periphery” are financed by capital flows from abroad: the latter can be debt-creating (such as bank loans), or non-debt-creating (such as direct foreign investments) (see Lapavitsas et al., 2010).

In looking at the political economy of uneven development in Europe, Hadjimichalis (2018) interprets debt as one the effects of the crisis, rather than one of its causes. He situates, on the contrary, the causes of the crisis in the long-term relations of uneven development in Europe and the uneven structure of the European Union since the 1980s and 1990s, which were established way before the outburst of the crisis—and, unless dealt with, will remain in place after Europe’s “exit” from it. The undemocratic and increasingly neoliberal governance of the EU across multiple spatial scales, which reproduced the unevenness of trade imbalances, trade flows, and debt, did not only contribute to the creation of Europe’s crisis, but also defined its response to it (2018). The latter mobilised the reconstruction, in the politically contested realms of discourse and the “imaginary”, of a “New Southern Question” (Hadjimichalis, 2018); setting aside its global character and historical causes, the depth of the crisis in Southern Europe was attributed, by the dominant elites and mainstream media, to several “regional”
particularities: it was the hypertrophic public administration who was at fault, the “lazy” employees who “lived beyond their means”, the public universities, the unions’ strikes—anything or anyone but the unevenness of development within the European Union or the system of salvation of the big multinational companies and the downstreaming banking sector (Hadjimichalis, 2014b, 2018).

The myth of the collective responsibility for the creation of the debt was automatically linked to the moral obligation for its collective pay-out, having at the same time a class-homogenising effect. Lazzarato argues that debt “acts as a ‘capture’, ‘predation’ and ‘extraction’ machine on the whole society, as an instrument for macroeconomic prescription and management, and as a mechanism for income redistribution” (Lazzarato 2012, p. 29). Soederberg describes “debtfare” as “the power of the societal structures and processes that have normalised, disciplined and naturalised the reality of pervasive debt” (2014, p. 1); “debtfare” is one of the core components of the neoliberal state that contributes decisively towards “the expansion and reproduction of the poverty industry” since the 1990s (2014, p. 46). Lazzarato argues that “if we put aside the content of the relation between creditor and debtor (money), we see that credit does not only solicit and exploit labour but rather “ethical action and the work of self-constitution at both an individual and collective level” (Lazzarato 2012, p. 26).

In this sense, the moral obligation between creditor and debtor was turned into a “frontier”: a mechanism of power which succeeded in specific ways to monitor the social and political behaviour in Greece (Hadjimichalis, 2014b). In the case of Greece the responsibility for the public debt has become collective: the making of the “Indebted Man” (Lazzarato, 2012) has evolved into the making of an “Indebted Society” (Hadjimichalis 2014b). The use of morality in the name of the national duty and salvation has displaced political mobilisation with what Alain Badiou refers to as a politics of continuous obedience (Badiou, 2008a) and fear (2008b), which is complemented with the—still dominant—Thatcherite “TINA” spearhead dogma. The moralistic narrative of the debtor-creditor relationship has subsequently contributed to the legitimisation of the state’s actions and the government’s authority on a national level: the imaginary and discursive construction of guilt and collective responsibility is crucial, as it contributed to the activation of a new form of governmentality over social and political behaviour—a form of regulation imposed but equally internalised by the state. This penal character of the state reflects Wacquant’s (2012, p. 73) conceptualisation of neoliberalism as the “systematic tilting” of the state’s priorities from the Left hand, the protective pole (feminine and collectivising), to the Right hand, the disciplinary pole (masculine and individualising) of the “bureaucratic field”: i.e.
Bourdieu’s (1994) conceptualisation of the state as a set of institutions that control the monopoly of definition and distribution of public goods. I return to the manifestation of the crisis in Greece and its role in the dispossession of land in this chapter’s Section B.

The spatial articulation of the crisis in Europe can be conceptualised, in this light, as the merger of not one, but two contradictory geographies (Skoufoglou, 2013): a geography of struggle for the distribution of destruction; and a geography of alliances and collaboration for the formation of a strategy of “rescue” from destruction—as well as the usurpation of the creative outcomes of this destruction. This is a dialectic tension, essentially, between territorial and capitalistic logics of power: according to Harvey (see 2006b, p. 107), this is a contradiction internalised within capital accumulation given “the tension between regionality and territorial class alliance formation on the one hand and the free geographical circulation of capital on the other”. These two logics are closely intertwined but distinct:

By territorial logic, I mean the political, diplomatic and military strategies invoked and used by a territorially defined entity such a state as it struggles to assert its interests and accumulate power in its own right. The capitalistic logic focuses on the ways in which economic power flows across and continuous space, towards and away from territorial entities (such as states or regional power blocs) through the daily practices of production, trade, commerce, capital flows, money transfers, labour migration, technology transfer, currency speculation, flows of information, cultural impulses, and the like. (Harvey, 2006b, p. 107)

The outcome of this struggle defines the unevenness of development between geographical regions, and, in a redistributing rather than generative process, the direction towards which capital flows. In this sense, crises are not only about “production and circulation of value”; they are also about the “destruction and devaluation of capital”6 which generates a necessary “brief pause in the trajectory of compounding growth, serving at the same time as a mechanism of “massive regressive redistribution of wealth” (Harvey, 2014a, p. 233-234). This redistributive process involves the transfer of wealth and assets “from either the mass of the population towards the upper classes or from vulnerable to richer countries” (Harvey, 2006b, p. 43). The de-valorisation and dispossession of land is directed, therefore, to places “left over from bankruptcies and collapses”, which can be bought up “at fire-sale prices by those blessed with liquidity and profitably recycled back into circulation” (Harvey, 2010, p. 246). This will become clearer as this chapter unfolds.

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6 By 2009, the IMF estimated that over $50 trillion of asset values around the world had been destroyed (found in Harvey, 2010, p. 6).
2.3. Back to the future: from “primitive accumulation” to “accumulation by dispossession”

In looking to define the relationship between capitalism and dispossession, Levien (2013) turns to the “main theoretical tradition that has had a theory of dispossession” and can therefore (potentially) provide some answers to its relationship with capitalism. Every Marxist approach to the study of dispossession derives from Marx’s theory of the “so-called primitive accumulation”, in which he identifies the origins of capitalism in the violent process of the enclosure of the English agricultural commons (Marx, 1990 [1867]). In a critique of the “nursery tale” narrated by Adam Smith and the political economists of the time,7 Marx argues in Capital Volume I (1990 [1867]) that the creation of capitalism’s preconditions entails a dual, extremely violent transformation of social relations: the social means of subsistence and production are turned into capital, and the producers are turned into wage-labourers. This historical process of the violent expropriation of the commons (see Perelman, 2000) “frees” the peasantry from their land and means of production, and thus creates a class of wage-labourers “under circumstances of ruthless terrorism” (Marx, 1990 [1867], p. 875). As Nancy Fraser (2014, p. 57) puts it, the labour force is “free” in a double sense: legally speaking, it is able to become part of a labour contract; but it is also “free” from accessing means of substance and production—such as land, and therefore it is not able to abstain from the labour market.

Two points are worth noting here. Firstly, in this transition from the previous feudal order to the “origins” of capitalism, Marx emphasises the use of “extra-economic force” (such as state violence) in both expropriating and repressing the “freed” peasants into proletarianisation (1990 [1867]).8 Levien (2013) here notes an analytical separation in Marx’s work between the aims of “primitive accumulation” and questions of how these could be implemented. In short, while “primitive accumulation” serves as a function necessary to create capitalism’s pre-conditions, there is also the question of the means used as a crucial distinguishing factor between primary and capital accumulation, which entail “conquest, enslavement, robbery, murder, in short, force” (Marx, 1990 [1867], p. 875).

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7 To underscore Adam Smith’s “otherworldly” conception of “primitive accumulation” as an “original sin” confined to some mythical past, Marx used the prefix “so-called” in the title of the chapter devoted to primitive accumulation in Capital Vol I (see Perelman, 2000, p. 25-6).

8 For the relationship between the “two scissor blades” of expropriation and repressive social control see Perelman (2000, p. 14): “Primitive Accumulation cut through traditional lifeways like scissors. The first blade served to undermine the ability of people to provide for themselves. The other blade was a system of stern measures required to keep people from finding alternative survival strategies outside the system of wage labour”.
secondly, as explained by Adnan (2013, p. 91), while capital accumulation is activated “when the surplus from one cycle of production can be invested in the next, resulting in accumulation based on production on an increasing scale”, Marx’s theory of “primitive accumulation” refers to accumulative processes that use “the resources that need to be mobilised at the origin of capitalism, […] before the first cycle of capitalist production can begin”. In contrast to the rest of Capital’s well-structured theory of capitalism, which is defined by notions of motion, fluidity, and continuity, the theory of “primitive accumulation” is, therefore, more of a historical than a logical argument (Balibar, 1979; Perelman, 2000). It is, in a sense, static, defined both spatially (enclosure of commons, clearance of estates and privatisation of property of the Church and state in England) and temporally (situated between the 15th and 18th centuries). These two points—the emphasis on the “means”, and the theory’s static nature—are connected. Perelman interprets Marx’s emphasis on the historically defined nature of “primitive accumulation” as an intended way of distinguishing the extrovert brutalism of “primitive accumulation” processes from the main aim of Capital: the analysis of capitalist production as a system of “silent”, inherent, structural inequality between capital and labour (2000). In any case, for Marx “primitive accumulation” was the “point of departure” of the capitalist mode of production (Marx, 1990 [1867], p. 873): a violent process limited to capitalism’s first appearance.9

In her 1913 treatise of imperialism and global capitalism, The Accumulation of Capital, Rosa Luxemburg begged to differ. Questioning Marx’s definition of “primitive accumulation” as “incidental, illustrating merely the genesis of capital”, Luxemburg (2013 [1913], p. 345) analysed the “primitive accumulation” of land held by non-capitalist societies as an ongoing dynamic of capital accumulation—alongside the exploitation of wage labour in the capital-labour relation prioritised by Marx (Glassman, 2006). As opposed to the “domestic” nature of enclosures, her theory of imperialism develops Marx’s (1990 [1867], p. 918-921) “external” conception of “primitive accumulation” (Marx does briefly discuss aspects of the international expansion of

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9 There a few exceptions to this understanding of the meaning of “primitive accumulation” in Marx’s work. See, for example, De Angelis (2001), who sees “primitive accumulation” in Marx’s work as an ontological condition rather than merely a historical precondition for capitalist production. For De Angelis, the theory of “primitive accumulation” encompasses both the ex novo separation of producers from the means of production and elements of continuity within “mature” capitalism (see also Hart, 2006). As the separation of producers from the means of production happens in both accumulation proper and “primitive accumulation”, the latter plays, therefore, the role of an “extra-economic prerequisite to capitalist production” (De Angelis, 2001, p. 5). Mezzandra also complicates the notion of “origin” in Marx’s work as part of a cyclical, non-linear and non-progressive understanding of temporality in the capitalist mode of production (see 2011, p. 305).
capitalism, with colonialism, the financial system and debt acting as “levers of primitive accumulation”), and outlines capitalism’s inability to survive without the continuous use of force against non-capitalist “outsides”. In contrast to the “classical” Marxist theories of imperialism (such as Hilferding’s, Bukharin’s, Lenin’s and Kautsky’s10), however, which mainly focused on the need of national capitalists to create monopolies through access to new markets, and the political control exerted over these, Luxemburg (2013 [1913], Section III) outlined the organic links between the production of surplus value and the ongoing “primitive accumulation” of means of production, including land, held by outside spheres. She argued, in fact, that capitalist social relations restricted the realisation of surplus value, and thus “external” trade outlets became essential: “the immediate and vital conditions for capital and its accumulation is the existence of non-capitalist buyers of the surplus value, which is decisive to this extent for the problem of capitalist accumulation” (Luxemburg, 2013 [1913], p. 346). This is why capitalism, for Luxemburg, “cannot exist in a pure form, but only in conjunction with non-capitalist systems” (Brewer, 1990, p. 58-59). This inherent necessity of non-capitalist milieus for the accumulation of capital was central to Luxemburg’s theory of imperialism, which she saw as the “political expression of the accumulation of capital in its competitive struggle for what remains still open of the non-capitalist environment” (Luxemburg, 2013 [1913, p. 426]).

Luxemburg’s theory was critiqued for, among other, two main reasons (see Brewer, 1990; Dellheim & Wolf, 2016; Kuhn, 2007). Firstly, her theory was based on a principle of underconsumption (the inability of capitalist surplus to be realised within capitalism because of ineffective demand and insufficient outlets for commodities, as capital accumulates and the capacity for production expands (Luxemburg, 2013 [1913], Section I), which was challenged, as I discussed before, by Marxist theories of crisis which focus instead on overaccumulation as the primary inherent contradiction of the capitalist mode of production. And secondly, in an almost deterministic way, Luxemburg believed that capital would eventually “conquer” the totality of non-capitalist social formations, which were crucial in sustaining its mode of production, and “a string of political and social disasters and convulsions” would lead to “periodical economic catastrophes or

10 Hilferding emphasised the fusing of banks with industry to form finance capital: the latter exported capital in search for new investments. Lenin focuses on how competition between rival firms evolved into competition (and conflict) between states themselves over control of territory and markets; in this sense, exporting capital defined, for him, imperialism as the monopoly stage of capitalism. While for Lenin uneven development fuelled continual competition, Kautsky highlighted the cooperation of national states and cartels in imperialism. For Bukharin, the internationalisation of capital was complemented by a process of “nationalising” capital. See (Dellheim & Wolf, 2016, p. 30).
crises” and ultimately to the system’s collapse (2013 [1913], p. 447). The conclusive words of *The Accumulation of Capital* are indicative of this belief:

Capitalism is the first mode of economy [...] which tends to engulf the entire globe and to stamp out all other economies, tolerating no rival at its side. Yet at the same time it is also the first mode of economy which is unable to exist by itself, which needs other economic systems as a medium and soil. Although it strives to become universal, and, indeed, on account of this tendency, it must break down—because it is immanently incapable of becoming a universal form of production. (Luxemburg, 2013 [1913], p. 447)

Luxemburg’s influential theory of the continuity of “primitive accumulation”, however, and its relationship with expanded reproduction have been since examined by many: Immanuel Wallerstein’s development of a world systems approach (1974); Samir Amin’s writings on global accumulation and the (neo-colonial) relationship between the centre and periphery (1974); the influential issue on *The New Enclosures* from the Midnight Notes collective (1990) and De Angelis’ analysis of “enclosures” (2001); Harvey’s theory of a “New Imperialism” (2003b), to name but a few. While dependency and world systems theories thoroughly explored the political economic relations between the “advanced” capitalistic “core” and “peripheral” economies, they minimised the significance of the dispossession of land and its relation to long-term capitalist development within countries (see Arrighi, Aschoff, & Scully, 2010; Arrighi & Piselli, 1987). The rise of intense neoliberal restructuring since the 1970s, however, generated a “re-discovery” of the continuous character of “primitive accumulation” in both the global “periphery” and the capitalist “core”. The 1980s and 1990s economic “reforms” and extensive privatisations carried out through the IMF’s “Structural Adjustment Programs” (SAPs) in the “South”—which mandated austerity in countries unable to repay their debts (mainly in Latin America and Africa) in order to pay back the banks (Davis, 2004; Federici, 1990; Ferguson, 2006; Harvey, 2010b); the violent intrusion of free market “remedies” to post-Soviet states; Thatcher and Reagan’s privatisations and austerity policies in the “core” (Harvey, 2003b)—a critical analysis of all the above was in search for new conceptual tools.

At the same time, autonomist and feminist contributions, however sympathetic, were keen to complicate “orthodox” Marxist approaches to “primitive accumulation” and its continuity, as their analysis of these processes in the latter comes solely from the viewpoint of an abstractly defined (and largely male) universal industrial proletariat (Glassman, 2006; Midnight Collective, 1990). In *Caliban and the Witch* (2004), for example, Silvia Federici explored the connection between “primitive accumulation” and reproductive labour: the women’s exclusion from waged labour and their subordination to male wage-labourers produced a sexual division of labour and a separate social sphere
of unpaid reproductive work. “The accumulation process”, according to Glassman (2006, p. 622), “has both an extensive (geographical) and an intensive (social) frontier, and thus primitive accumulation encompasses an enormous socio-spatial range of activities”.

Hadjimichalis (2014) cautions that reinterpretations of Luxemburg’s theoretical model cannot be easily applied to current historically and geographically specific phenomena—especially in the capitalistically “advanced” North. There, “successive layers of accumulated capital”, in almost a geological sense (Massey, 1995 [1984]), have already been applied to the landscape, and “capital survives through its own internal contradictions, and through the reproduction of conditions of uneven development between sectors, branches and regions”: the dynamics between equalisation/differentiation are already at play, and new opportunities for capital continuously arise through various forms of what Marx, and later Schumpeter, coined as “creative destructions” (Hadjimichalis, 2014b, p. 26). How does then the idea of a continuous “primitive accumulation” make sense in the context of advanced capitalism?

In The New Imperialism (2003b), Harvey emphasises the importance of the dispossession of various forms of private and public wealth (such as the dispossession of peasant populations, extensive privatisations of property or collective social assets and financialisation) as a predominant mode of accumulation since the early 1970s. The contemporary generalised acquisition of use-values that didn’t previously have the form of commodities and the violent incorporation of their production and distribution processes in the capitalist economy is grasped by his hugely influential concept of “accumulation by dispossession” (2003a), which corresponds to a form of continuous “primitive accumulation” and draws primarily on Rosa Luxemburg’s theory of imperialism (Luxemburg, 2013 [1913]). In contrast to the latter, however, Harvey’s interpretation of the contradictions inherent in the logic of capital accumulation stems from a problem of overaccumulation, rather than one of underconsumption. At its simplest, the fundamental problem of overaccumulation is the lack of enough opportunities for profitable investments (Harvey, 2003b, p. 139): “the capital surplus absorption problem” (Harvey, 2010, p. 26). Harvey argues that the “inability to accumulate through expanded reproduction on a sustained basis has been paralleled by a rise in attempts to accumulate by dispossession” since the mid-1970s (2004, p. 64), to an extent that “the balance between accumulation by dispossession and expanded reproduction has already shifted towards the former and it is hard to see this trend doing anything other than deepening, making this the hallmark of what the new imperialism is all about” (p. 82). At its simplest, capitalism needs to conquer something “outside”
of itself in order to continuously expand and cultivate new markets worldwide: from extractivism, real estate development, dams, slum demolitions, private mega-projects to Special Economic Zones, “accumulation by dispossession” captures a diverse range of contemporary processes of dispossession (Harvey, 2004).

Harvey sees a dialectical connection between expanded reproduction (the expansion of the system through the exploitation of labour and the reinvestment of surplus value) and dispossession, as capitalism can provide markets for additional surpluses through its “own flesh”: “the idea that some sort of ‘outside’ is necessary for the stabilisation of capitalism has relevance. […] But capitalism can either make use of some pre-existing outside […] or it can actively manufacture it.” (Harvey, 2003a, p. 142). The manufacturing of “outsides” is directly connected to Harvey's conceptualisation of the logic of “accumulation by dispossession” as part of a “new” form of imperialism, and the growing competitive tensions between financial markets and entire geographical regions. “Accumulation by dispossession” within neoliberalism—with privatisation as its “cutting edge” (Harvey, 2004)—is an intensive attempt to overcome the structural problems of overaccumulation, which have always been central to the exercise of imperialism, and have been now building up since the end of Fordism (Glassman, 2006). Harvey argues that neoliberalism has led to a qualitative shift that allows for state, institutional and financial alliances to become more “vulgar” and “predatory” than expanded reproduction already is. A “globally interlinked” system of financial markets needed to be constructed for this to be effective, with the gradual removal of geographical constraints on banking, the removal of logistical and technical barriers to global capital flow, and the interlinking of global stock and financial trading markets. This in turn has led to growing competition between the latter, and political pressure for even less market regulation (Harvey, 2010b). The reconceptualisation of a continuous form of “primitive accumulation” as a truly global phenomenon of expropriations, finally, helps theoretically interpret the connection between dispossession and crises, and capitalism’s desperate need to find, destroy, and recreate new terrains capable of absorbing massive surpluses of capital and labour.

The assumption that “primitive accumulation” has already occurred, and accumulation now proceeds as expanded reproduction entails, as Harvey suggests (2004), the “disadvantage” of relegating accumulation based upon predation and violence to a stage

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11 As for example, the 'Big Bang', which linked London and New York—and all the major financial market across the globe thereafter—into a single trading system (see Harvey, 2010, p. 20).
12 For an analysis of the appearance of regulatory control in financial markets as “fiction” see Partnoy (2003).
which is “original”, “no longer relevant”, or “outside of” capitalism. What “accumulation by dispossession” aims to do, then, is to emphasise the continuous character of political violence contrary to the linear logic of its clear separation from the economic violence embedded into class exploitation (see Papakonstantinou, 2008, p. 117). Predatory practices, fraud, and speculation are certainly part of capitalism, and accentuated because of specific junctures of economic and geopolitical competition. But all these are inextricably connected to inherent, structural inequalities well nested within capitalism as a system of production, even in its “clear”, “pure” form Marx painfully emphasised this throughout his work. Hannah Arendt suggests, for instance, that the British bourgeoisie, during the Long Depression of the 1870s, was “forced […] to realise for the first time that the original sin of simple robbery, which centuries ago had made possible the ‘original accumulation of capital’ and had started all further accumulation, had eventually to be repeated lest the motor of accumulation suddenly die down” (Arendt, 1985 [1966], p. 148, cited in Harvey, 2004, p. 69-70). Defining the line that separates expanded reproduction and “accumulation by dispossession”, however, is not an easy task—as Harvey quotes himself, in the words of Luxemburg, “it is often hard to determine, within the tangle of violence and contests of power, the stern laws of the economic process” (found in Harvey, 2004, p. 75). Despite its tremendous ability of capturing contemporary dispossessions of various forms, “accumulation by dispossession” has been criticised as being too broadly defined (see Bailey, 2014; Levien, 2013). By expanding the boundaries of the concept too much, Harvey includes in his concept processes that are a fundamental part of the “already well-established sway of capital” (Brenner, 2006, p. 100). According to Robert Brenner, for example, “it is downright counterproductive to assimilate to accumulation by dispossession, as he [Harvey] does”.

a virtual grab bag of processes—by which claims to assets are transferred from one section of capital to another, exploitation of the working class is made worse, or the state moves to privilege its own capitalists at the expense of others—that are quite normal aspects or by-products of the already well-established sway of capital. (Brenner, 2006, p. 100)\footnote{13 For his response to Robert Brenner see Harvey (2006, p. 164-7).}

Brenner mentions, for instance, that the closing down of unprofitable factories and the loss of workers’ employment and pensions, or the destruction of family businesses by giant corporations, which Harvey “inexplicably” categorises under “accumulation by dispossession”, are “normal” capitalist processes of exploitation (R. Brenner, 2006, p.101).
Apart from being too broad, Harvey’s theory has been criticised for underplaying the role of the agents, including the state, and the means they employ in enforcing processes of “accumulation by dispossession”. I do not see the analytical use of Bailey’s (2014) and Levien’s (2013)\textsuperscript{14} call for a clear-cut distinction between “economic” and “extra-economic” means within the dynamics of dispossession.\textsuperscript{15} I do agree, however, with their critique that the analysis of the state, financial institutions, and agents of capital in Harvey’s work remain \textit{in the abstract}—even though he acknowledges their crucial mediating role in the production of processes of “accumulation by dispossession” as mechanisms of reallocating overaccumulated surpluses of capital and labour (Harvey, 2004); “if states did not exist, then capital would have to create them” (Harvey, 2006a, p. 164). Simply put, while it is clear that manufacturing and conquering “outside” spheres requires some kind of force, and someone to exercise it, “accumulation by dispossession”, to be of analytical use, needs to be situated historically and geographically—in the \textit{particular} formations that produce it. One of the aims of this thesis is to contribute to this task. Inspired by Levien’s (2013) and Hadjimichalis’ (2014b) use of the concept of “regimes of dispossession”, I turn to the specific role of the state, agents, and social relations of the dispossession of land in Greece in this chapter’s Section B.

The tremendous strength of the concept of “accumulation by dispossession” lies, to conclude, in a triple theoretical advancement: it can explain a diverse range of processes of dispossession which spring from \textit{within} advanced capitalist spheres, while at the same time taking into account the uneven geography between them and the rest of the world; it contributes to a dialectical understanding of the role of “fraudulent” and “predatory” practices (the means) \textit{within} and \textit{because of} a system of inherent, structural exploitation; and finally, it emphasises the role of the expropriated asset, land, or resource \textit{itself}—and not solely the transformation of its owner.\textsuperscript{16} But why is land \textit{specifically} a good target of

\textsuperscript{14} Bailey (2014) notes, for example, that it is crucial to distinguish between “the workings of capitalist economy in its quest for profit and the numerous ways in which the state uses extra-economic compulsion to augment and accelerate that process”. Levien (2013, p. 16) stresses that Harvey’s failure to recognise the “means-specific” character of “accumulation by dispossession” undermines the theory’s analytical utility and deeply political nature.

\textsuperscript{15} Replying to this critique, also mounted by Ellen Meiksins Wood (2006), Harvey (2006a, p. 159) stresses that “we are surrounded at every turn with ‘public-private partnerships’ and an incredible interpenetration of state and capital practices (institutionally, politically and even ideologically)”.

\textsuperscript{16} Although the emphasis on this study is placed primarily on the mechanisms of expropriating the asset itself, land, rather than the \textit{products} of this dispossession, an important note is needed here. Dispossession is not only about the land. It changes the labour dynamics of the places capital jumps to. But as Tania Li puts it, some cases of dispossession are defined by another kind of dynamic: places, land, and resources are useful, but the people are not—dispossession,
dispossession, and what are the incentives for capital to be “switched” into investments in land? I attempt to explain this in the following section, by turning to the logic of the “spatio-temporal fix”, and the role of land, rent, and fiction within it.

2.4. Why land? fixes, circuits, and rent

The idea that space has a crucial role in the long-term survival of capitalism is not new; it is by occupying space, as Lefebvre (1976, 1991) kept emphasising, that capitalism was able to be maintained and reproduced on a long-term basis. Lefebvre (2003 [1970]) considered, in fact, that in his contemporary phase of capitalism, the production of (mainly urban) space—which is not exhausted in the production of commodities (items) as described by Marx (although it does include it)—gets critical to the point of overshadowing industrial production. Land, real estate, and infrastructure in cities and their peripheries have always been the receptors of capital surpluses, and, especially through urbanisation, a key pillar in the process of accumulating capital. While in capitalist economies until the start of the 1980s urbanisation was connected to productive investments mainly in industry, this picture changed since the 1990s as a result of a combination of several factors: the de-industrialisation processes in advanced capitalist states of Europe and North America, and the transfer of sectors of production in countries with low labour costs mainly in the “Global South”; the fall of the average rate of profit in industrial investments; and the creation of new financial products. The above contributed to the tendency of capital to “return” towards investments in land and real estate (Hadjimichalis, 2014b).

(a) Uneven development, capital fixing and circuit-switching

Harvey has explored the concept of a secondary circuit of capital since 1982, urging that attention to the later must complement the traditional Marxist focus on the capital-labour relation. Surpluses of capital in the “primary circuit” of commodity production (mainly industrial production), causing chronic crises of overproduction and overaccumulation, are reincirculated in a “secondary circuit” which includes, among other sectors, real estate and land markets (Harvey, 2006 [1982]). The aim of this switch from the “primary” to the “secondary” circuit of capital is to aid production (with capital assets such as factories and office buildings) and consumption, and provide means of

in this case, is detached from any possibility of absorption of labour (Li, 2012, p. 69), or is forced into extremely precarious, low-wage employment by forming a “labour reserve” (Glassman, 2006; Harvey, 2004).
reproduction (housing is a typical example) and means of circulation (such as the banking sector and retail) (Harvey, 2003b; King, 1989; N. Smith, 1982). Switching between circuits can provide what Harvey calls a “spatio-temporal fix” (or “spatial fix”) to the “the capital surplus absorption problem” (Harvey, 2003b, 2006d): a mechanism of temporal displacement of overaccumulated surpluses, achieved through investment of capital into long-term projects (which defer the [re]circulation of fresh capital into the future); a mechanism of spatial displacement, through the geographical expansion of the investment of capital and labour, and the appropriation of new resources “elsewhere”; or a combination between the two. The theory of “accumulation by dispossession” (Harvey, 2004), which I explored in the previous section, is based precisely on the logic of “spatio-temporal fixes”. As Giovanni Arrighi (2004, p. 531) puts it, “accumulation by dispossession” involves a spatial fix that expands the geographical scope of the system of accumulation “through the forcible or fraudulent appropriation of something for nothing, rather than through the exchange of nominally equivalent values”.

The spatial dimension of Harvey’s theory of “fixes” shows, essentially, capitalism’s cannibalistic needs. In a fascinating collision between Marxian theorising and geographical thinking, Neil Smith’s Uneven Development (1990) explores the spatiality of capitalism’s expansion. Each round of capitalist development seems to be associated with distinctive, historically and geographically specific landscapes in which some places and territories are systematically privileged against others as sites of capital accumulation: uneven development is a process inherent within capitalism and fundamental to its reproduction (N. Smith, 1990). The logic behind uneven development creates the possibility of the “locational see-saw”: “the successive development, underdevelopment, and redevelopment of given areas as capital jumps from one place to another, then back again, both creating and destroying its own opportunities for development” (Smith 1982, p. 151). This creative-destructive force is rooted between the never-ending, contradictory dynamic between two fundamental motions: the equalisation of conditions and levels of development, and their differentiation (Smith 1982, p. 142). The tendency towards equalisation emerges from the basic need for economic expansion in a capitalist arena defined by competition; and differentiation occurs along a number of axes: the differentiated environment inherited but mainly produced by capitalism, such as uneven societal development and regional divisions of labour, and differentiated patterns of wages or ground rent surface (see Smith 1982, 1990). The uneven development produced by these opposing tendencies takes place across different scales—from local to regional to global.
It is worth noting that although capitalism’s “fixes” might provide temporal and spatial solutions to overaccumulated capital, they are not a panacea to its systemic crises (Harvey, 2004; see also Christophers, 2011). Firstly, “spatio-temporal fixes” only provide a temporary solution to capitalism’s crises of profitability and overaccumulation—they postpone and export, and function well under conditions of uneven geographical development, but do not solve the capital surplus absorption problem. And secondly, the term “fix” indicates, quite literally, the immobilisation of capital in a \textit{physical} form for a relatively long period of time; capital fixed in land, for instance, “cannot be moved without being destroyed” (Harvey, 2004, p. 65). Investing overaccumulated capital in the “secondary circuit” can therefore give rise to a different form of contradiction: investments in, for example, the built environment can be \textit{too} long-lasting, and fixity, as Marx emphasises throughout \textit{Capital} (1990 [1867]), acts as restrictive barrier to capital’s inherently mobile nature. As Harvey puts it, “capitalist development has therefore to negotiate a knife-edge path between preserving the exchange values of past capital investments in the built environment and destroying the value of those investments in order to open up fresh room for accumulation” (1982, p. 124). Especially in the face of severe problems of overaccumulation, this need for “fresh room” for accumulation, following the logic of Smith’s “locational see-saw”, fuels fierce global competition between territories of capital accumulation: some regions succeed, while more vulnerable others are subjected to “savage” devaluations (Harvey, 2004). In its desperate look for new streams of potential returns, therefore, capital “switches” not only towards more profitable sectors, but also towards more profitable regions.

The study of this “switching” flow of capital is typically oriented to the \textit{urban} built environment, and the role of cities in becoming both sources and receptors of massive surpluses (N. Smith, 1990); less attention, however, has been paid to the increasing capital flows in land markets (Knuth, 2015). As Harvey himself has acknowledged, the dynamics of spatio-temporal fixes have contributed to the contemporary phenomena of dispossession of land (2010). But why is land such a preferential field of speculative activities? Why can the “secondary circuit” siphon off investment from the primary circuit in the first place? As both Harvey (2004, 2006c [1982]) and Gottdiener (1994) remark, Lefebvre’s “urbanisation thesis” failed to effectively demonstrate why capital would want to invest in such a market. The same gap can be found in Hadjimichalis’s (2014b) analysis of land dispossession and the debt crisis in Greece, where he provides empirical evidence of a “switch” to land and real estate, but does not interpret convincingly why this is the case. A better understanding of the reasons for this “switch” towards land requires a return to the concept of rent, and its relation with finance capital.
A profitable affair: rent and interest-bearing capital

The role of finance capital is crucial in the spatio-temporal fix and circuit-switching. As “money capital”—i.e. finance, the “type” of capital with the strongest freedom (Arrighi, 2010; Harvey, 2003b, 2006d)—soars throughout time and space in search for new, highest yielding investment opportunities, its binding to any specific place must therefore be, at the same time, as synoptic as possible. This freedom of finance capital can turn, under competition, as Sarah Knuth (2015) puts it, into compulsion. Especially under the threat of overaccumulation, finance capital typically looks for not only the highest-yielding markets, but also the less-binding ones: “capital at rest is capital(ists) outcompeted, and pools of value devalued” (Knuth, 2015, p. 166). Switching between circuits, as King (1989) argues, may be achieved either “relatively smoothly”, or in the course of a crisis. The contradictory dynamic between yielding high returns and committing as little as possible can shift in a crisis, with capital (including finance) limiting its urge for total freedom and flexibility, and opting instead for circuits with a longer turnover of capital, such as assets and infrastructure (Harvey, 2003b, 2006d).

Focusing primarily on the UK, Brett Christophers (2011) provides compelling evidence of a massive mobilisation of capital’s “secondary circuit” during the period leading up to the 2008 financial crisis (his work focuses on two different analyses of a clear capital “switching” into overall private-sector expenditures and investment in pension funds). Similarly, Hadjimichalis (2014b) shows the phenomenal shift from industrial production to assets of all kinds in the US from the 1980s onwards, with industrial production in 2009 (the first year of the housing “bubble” burst) contributing to the country’s GDP only by 11.2%, as opposed to the 21.5% contribution of the financial sector, real estate, insurances and rents. This shift is also reflected in the fall of the industrial sector’s profitability, which has been steadily lower than the financial sector’s profitability since 1995 (Hadjimichalis, 2014b, p. 36; also see Hudson, 2010). Knuth (2015) urges the need for greater attention in the role of finance in understanding contemporary global land transformations, as the financialisation of land and the built environment is inextricably linked to the above trends. Their value is increasingly circulated as “fictitious capital”—capital invested based solely on the expectation of their future value—but while the future value of the land and property are fictitious, the consequences on the landscape are very

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17 Many large, non-financial corporations started making more profits out of finance than they were making out of “things”. See Harvey (2010, p. 23) on the transformation of General Motors Acceptance Corporation into one of the largest private holders of property mortgages.
The concept of fiction, as I explore in the following section, is fundamentally tied to the very definition of rent.

The border between what is given by nature and what arises as a result of human activity is a particularly hard one to determine, and so is land’s place in political economy (Christophers, 2016). Karl Polanyi (2001 [1944], p. 75) famously referred to land and labour as “fictitious commodities”, while real commodities are “objects produced for sale on the market”. Labour “is only another name for a human activity” and land “is another name for nature, which is not produced by man”. In the Production of Nature, Neil Smith (1990, p. 1) explains the transformation of the use-values found in nature to exchange-values, as capital “employs labour power to invest value in use-values harvested from nature”. In The Limits to Capital, Harvey’s Theory of Rent (2006c [1982], p. 332, emphasis added) attempts to provide an explanation of whether “property in land can ‘produce value’ when land itself is by definition not a source of value”, and most importantly, sets out to deal with the theoretical task of defining a coherent theory of ground rent within the framework of the theory of value itself. Marx classifies land, in the same way as capital and labour, as a fetishistic category (endowed with some sort of illusory powers). As a “subject of human labour”, land is the “original condition” of all production—and can therefore yield a countless number of use values: having a use value is the precondition, as Marx exhaustingly explains in the start of Capital Volume I (Marx, 1990 [1867]), for any product of human labour to acquire an exchange value, and therefore become a commodity. In the Marxian theory of value, landowning, as opposed to labour, is unproductive in value terms. But although land is not a source of value, it can be exchanged as a commodity and has a price: ground rent (Harvey, 2006c [1982]). The latter, capitalised as the interest on some imaginary capital, constitutes the ‘value’ of land. What is bought and sold is not the land, but title the ground-rent yielded by it. The money laid out is equivalent to an interest-bearing investment. The buyer acquires a claim upon anticipated future revenues, a claim upon the future fruits of labour. Title to the land, becomes, in short, a form of fictitious capital. (Harvey, 2006c [1982], p. 367, original emphasis)

As Anne Haila remarks (1988), Harvey succeeds in incorporating the function of finance capital in rent theory through the concept of fictitious capital. The fictitious nature of land titles defines the function of land markets. The latter presupposes, in general, the co-ordination of interest-bearing capital with rent: this coordination facilitates capitalism’s expanded reproduction, as it pushes capital towards the creation of new frontiers of profit. Both forces mainly regulating the price of land—the rate of interest and the anticipated future rental revenues—are tied to future capital flows and
future labour. In this sense, fictitious capital acquires an “activist role” on the land, and even unused land can acquire a price (Harvey, 2006c [1982], p. 367-368). The element of speculation, therefore, is always present in trading land (Harvey, 1982). Speculation is crucial, as it helps overcome the contradiction between fixed capital—Tania Li’s (2014, p. 589) phrase is brilliant in capturing the land’s fixicity: “Land is not like a mat. You cannot roll it up and take it away”—and circulation as a necessity for capital formation:

The barrier fixed capital creates to future accumulation can be overcome only by way of the credit system in general and by the creation of fictitious forms of capital in particular. By permitting fictitious capital to flourish, the credit system can support the transformation of circulating into fixed capital and meet the increasing pressures that arise as more and more of the total social capital in society begins to circulate in fixed form. Fictitious capital is as necessary to accumulation as fixed capital itself. (Harvey, 2006c, p. 269)

Jameson’s (1998, p. 43) reflection on Harvey’s *Theory of Rent* (2006c [1982]) provides interesting insight on how land rents work: “Harvey suggests that for Marx the value of land is something like a structurally necessary fiction. And indeed he calls it precisely that, in the key expression ‘fictitious capital’—‘a flow of money capital not backed by any commodity transaction’”. “This is possible”, Jameson (1998, p. 43) suggests, “only because fictitious capital is oriented towards the expectation of future value: and thus with one stroke the value of land is revealed to be intimately related to the credit system, the stock market and finance capital generally”. Interest-bearing capital is perpetually on the search for enhanced ground-rents, as explains Harvey (2006c [1982]), and fixes land prices accordingly. In anticipation of future surplus value production, new, high-yielding frontiers necessitate land acquiring the “highest and best use” that will last as long as possible (Harvey 2006 [1982], p. 368). But capital doesn’t get fixed everywhere; as Tania Li (2012, p. 68) puts it, “capital incorporates some places and peoples, and ejects or rejects others”—a process which the anthropologist James Ferguson (2006), writing about Africa, described as “hopping”. This “jumping” motion of capital, which

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18 While, as Harvey notes, Marx in general excludes speculation from his analysis of a “pure” theory of the capitalist mode of production, he does provide an interesting example based on the case of house building in rapidly growing cities: the profit from the building itself, Marx notes, is extremely small; “the main profit comes from raising the ground-rent: the ground-rent, and not the house, which is the actual object of building speculation” (Capital Vol III, p. 774-6, found in Harvey 1982, p. 368).

19 In an interesting critique, Brett Christophers (2016) has challenged the concept of land’s “fictitiousness” as analytically flawed, and therefore as a contributing factor to the theoretical side-lining of the land question and rent theory in geography. Investing in the idea of the land’s fictitiousness results, according to Christophers (2016, p. 137), in two negative consequences: the tendency to neglect theoretically the political economy of land, as more attention falls on the “real stuff”—“How, after all, can something ‘fictitious’ be pivotal?” —and at land being looked at empirically in an unsatisfying manner.
is in constant search of the most lucrative opportunities for profit-making, as well as
the landscapes “in captivity” left behind, are an interesting dynamic that I explore in the
empirical chapters of this thesis.

As we have established so far, rent and interest, when put at work together, both serve
capitalism’s task for expanded reproduction: within the dynamics of uneven
geographical development, their coordinated function facilitates capital’s withdrawal
from declining regions and sectors, and its re-direction towards new, high-yielding
opportunities—such as land. In their attempt to address the increasingly decisive role
of finance in the global land grab, however, Gunnœ (2014) as well as Knuth (2015)
highlight an important question vis-à-vis the temporality of the interest of the financial
capital in land, which can produce very diverse serious implications for the livelihoods
of local communities. Investment on land can be characterised by either short-term
speculation by volatile, restless and globally mobile finance capital, the kind of capital
that inflates asset bubbles; or, at the other end of the spectrum, by “long-term ‘neo-
rentier’ monopolisation of land”, with investors applying a longer term-strategy (Knuth,
2015, p. 165): in any case, it should not be assumed that financial capital is necessarily
always geographically footloose. This observation highlights an important incentive for
the “switching” of capital investments towards land, especially under conditions of
financial insecurity: versatility.

In the case of land, as I explored above, the “problem” of fixicity is overcome by
circulating land titles: a fictitious, future-oriented form of capital. This fixicity, however,
does come with advantages. As Gottdiener (1994) points out, property possesses the
simultaneous ability to exist and remain an attractive investment over time
independently of market cycles. This quality, he continues,

arises from the very nature of property. [...] The very same piece of
land, with minimal capital improvements can be utilized in a large
variety of ways—so that pulverised, abstract space presents almost
infinite exchange possibilities for the turnover of land in society. That
is, unlike profits from the primary circuit, the realisation of value in land
occurs because of its low organic composition of capital20 and because
of the ease with which it can be transformed into alternate uses and
then marketed. (1994, p. 188)

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20 The “organic composition” of capital is the ratio of the materials and fixed costs (constant
capital) embodied in commodity production to the value of the labour power (variable capital)
employed. As the equation would suggest, a low amount of capital needed for physical
infrastructure (therefore technology) and materials in relation to labour (wages paid) leads to a
low organic composition of capital. See https://www.marxists.org/glossary/terms/o/r.htm.
An important point is made here. Land is extremely versatile, which can result in its “relentless sale and resale […], along with the conversion to alternate uses in order for the same parcel to be turned over for profit” (Gottdiener, 1994, p. 188); and there are, at the same time, relatively permanent advantages to it (based, for example, on fertility and location) (Harvey, 2006c [1882]). In that sense, land is an asset that can “remain relatively unscathed by, or even benefit from” crises: by holding value in a crisis, it attracts capital that flights from other, more questionable and less “safe” financial products (Knuth, 2015, p. 172). The fact that land is not necessarily “divorced” from productive use has been associated, for example, with food insecurity and a global food regime restructuring (McMichael, 2012). Madeleine Fairburn (2014) also examines the newfound interest of finance capital in agricultural land as a new type of gold “with yield” since 2007—an asset that can be “productive” or “real”, but can also serve as a financial asset. In this sense, land “plays two different economic roles; it is an essential factor of production, but it also acts as a reserve of value and creates wealth through passive appreciation” (Fairbairn, 2014, p. 779). Land of monopolistic quality can also be a particularly good example of a source of wealth through “passive appreciation”. While it is not my intention to provide a detailed analysis of the different categories of rent in Marxian theory, it is, in this juncture, essential to define the concept of monopoly rents. As will become clear as the thesis unfolds, land with “permanent” advantages—such as the windy properties on Sítía’s mountains, and the large, undivided, coastal, sunny Monastery property at the Cape Sídero peninsula—is easily monopolisable.

All forms of landownership exist as monopolies, as they involve exclusive claims to portions of the planet that are not reproducible. This fact constitutes the basis of ground rent and private property, as private individuals can acquire control “over definite portions of the globe, as exclusive spheres of their private will to the exclusion of all others” (Marx, 1992 [1894], p. 615). It is precisely because the land is monopolisable (as it is finite and not reproducible) and alienable that it can be sold or rented as a commodity (Harvey, 2006c). Innovations in communication and transportation fields (as part of the “time-space compression”) have loosened spatial barriers and put landowners into an intensified global competition (Harvey, 2002). This intensification of the competition for higher rents, alongside with the scarcity of “natural monopolies of space and location”, creates the need for capitalists to find places that are in some way even more “unique” (see Harvey, 2002), or else the need to create a monopoly on top of the land’s inherent, existing monopoly. Monopoly rent, in this sense, “arises because social actors can realise an enhanced income stream over an extended time by virtue of their exclusive control over some directly or indirectly tradable item which is in some crucial respects unique and non-replicable”—and therefore scarce, more than any piece
of land already is (Harvey, 2002, p. 94). In Chapter Six, I turn to Neil Smith’s concept of the rent gap, since it provided useful analytical lens to dissect the production of Cape Sídero as a monopoly landscape.

The boundary between what is more special or not about a commodity is, of course, porous, and scarcity might as well be created: the value of land and the ability to convert it into a profitable commodity is a social function, and is produced within the cultural, political, and institutional factors which shape the built environment (Harvey, 2002). The idea of producing a commodity such as land as a social function, or, to put it simply, the fact that there is room for improvement, does not only upgrade the role of land in the “secondary circuit” of capital but the role of the landowners themselves, who “play an active role in creating the conditions that permit future rents to be appropriated” (Harvey 2006 [1982], p. 368). By choosing to treat the land as a financial object (a form of fictitious capital open to all investors), the landowners cooperate with the capitalists to achieve such a task—an alliance between the two typically brings rents to the landowners, and profit to the capitalists (Harvey, 2006c [1982]). Such an alliance, as becomes clear in the empirical chapters of this thesis, creates “channels” of cooperation even between competing capitalists themselves, as they have similar land value-enhancing interests such as, for instance, the common quest for the improvement of the area’s transport networks and infrastructure.

Apart from manipulating location decisions to their advantage under the given conditions of production (Gottdiener, 1994), landowners can act as monopolists by taking advantage of conditions connected to the land from its cultural point of view, i.e. the elements of tradition, symbolic importance, prestige and political influence embedded within it (King, 1989). The role of “heritage” is therefore very important in

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21 In Capital Volume III, Marx (1992 [1894]) distinguishes between absolute rent and two different types of differential rent. Here I refer only to two different (albeit frequently intersecting) cases of realisation of monopoly rent as conceptualised by Harvey: (a) the case of landowners who are in control of land of special quality and can extract monopoly rents from those who want to use it (e.g. in the example of the vineyard producing wine of superb quality, which is then sold at monopoly price). In this case it is not the land itself which is traded, but the service or commodity produced on it (Harvey, 2006c [1982], p. 350; Harvey, 2002); and (b) the land (or resource) can be directly traded upon on the basis of its own uniqueness: “scarcity can be created by withholding the land or resource from current uses and speculating on future values” (Harvey, 2002, p. 2). The second category is connected to the ability of owners in any natural resource industry (that is, an industry with low organic composition of capital) to command a price for that resource regardless of market factors (as the resource itself is an essential ingredient of production)(see also Gottdiener, 1994). This is an important distinction between the role of land in production, and its role as a direct means of acquiring wealth.

22 This is a process that can take time. As investments in the built environment are “credit-based, high-risk and long in the making”, crises related to property markets (such as the 2008 debt crisis) tend to be more long lasting: the financial mess that takes years to produce takes years to unwind (Harvey, 2010, p. 10).
the task of “place-making” for the extraction of profit, especially in the touristic industry (see Ashworth, Graham, & Tunbridge and, 2007; Graham, 2002). In the *Art of Rent*, Harvey (2010, p. 203) emphasises the role of geographical “difference” as an important constitutive factor for the extraction of profit through speculative land investments: “the production of geographical difference, building upon those given by history, culture and so-called natural advantages, is internalised within the reproduction of capitalism”. The “uniqueness” of a place is consisting, apart from physical attributes, of the localised way of life, habits and cultural characteristics embedded into space. Harvey (2010, p. 203) suggests that if geographical difference between territories did not exist, it would have to “be created by both differential investment strategies and the quest for spatial monopoly power given by uniqueness of location and of environmental and cultural qualities”. Herein lies, however, an important contradiction: the commodification of places makes them marketable but also leads to homogenisation: uniqueness is minimised and, consequently, so are monopoly rent advantages (Harvey, 2002). Wolfgang Haug (2005, p. 12) has brilliantly dissected the vicious nature of this cycle: the production of every “aesthetic distinction” is followed by a “mass conformism” to this distinction, and “craving for aesthetic difference then seeks again to escape this mass conformity”. This (re)sets the cycle in motion.
SECTION B – Path-Dependency and Regimes of Land Dispossession in Greece: State, Agents, and Social Relations of Capital

2.5. Introduction

In *Neoliberal Urbanism Redux*, Peck, Theodore and Brenner (2013) explore the effects of processes of neoliberalisation on landscapes of urban development in the aftermath of the 2008 crisis in the form of a “moving map”. The latter pairs the totalising hegemony of market fundamentalism with “other halves”: inherited landscapes of specific social and institutional organisation. Neoliberal restructuring projects are therefore always contextually “embedded”, insofar as they “have been produced within national, regional, and local contexts defined by the legacies of inherited institutional frameworks, policy regimes, regulatory practices, and political struggles” (Brenner & Theodore, 2002, p. 349). This emphasis on path-dependency highlights not only the “variegated” nature of neoliberalism (N. Brenner, Peck, & Theodore, 2010) and its frequently antagonistic “marriage” with local power structures, but also its dynamic, inherently incomplete nature.

What may look like business-as-usual neoliberalism, on an ideological level, can never be only that. Across the global urban system, the widespread adoption of all-too-familiar neoliberal discourses and policy formulations is connected to a more deeply rooted and creatively destructive process of diachronic transformation—one that is mutating the landscapes of both urban development and urban governance. (Peck et al, 2013, p. 1092)

This logic of a dynamic, “actually existing” neoliberalism (N. Brenner & Theodore, 2012) has, however, mostly been applied to the political economic analysis of cities and the urban. On a similar vein but in a rural context, Levien (2013) uses the concept of “regimes” to dissect processes of land dispossession in India. A regime of dispossession, as “an institutionalised way of expropriating assets from their current owners or users” (in a similar way that a *factory* regime extracts surplus labour from workers), consists, for him, of two essential, intrinsically linked components: the state as one of the main agents of institutionalising the expropriation of assets from their owners and users, which is willing to dispossess for a set of purposes tied to particular class interests; and a method of building compliance to this dispossession (Levien, 2013, p. 18). In his call for the development of a sociology of dispossession, Levien (2013, p. 19, original emphasis) emphasises the importance of domestic social structures producing dispossession as a starting point for research: the concept of “regimes of dispossession”, he argues, “forces us to begin not with a global political economic explanation for all dispossession everywhere but with the particular economic purposes driving dispossession in
particular times and places”. While I find his call sympathetic, I believe the relation between global and domestic dynamics of dispossession should be approached in a more dialectical rather than linear way. As Don Mitchell reminds us, referring to Peirce Lewis’ (1979) “Axioms for Reading the Landscape: Some Guides to the American Scene”,

"The argument that landscapes 'make little cultural sense if they are studied outside their geographic [...] context' (p. 24) is incomplete. For it is also true that landscapes make little sense, culturally or otherwise, if they are only studied in relation to nearby surroundings. (Mitchell, 2008, p. 38, original emphasis)"

In his study of land dispossession and the crisis in Greece, Hadjimichalis (2014b) employs the concept of “regimes” to encapsulate both the general tendencies of capital accumulation and the implementation of the acts of grabbing in particular historical and geographical formations. Developed from the work of Gramsci, and his patient approach to historicity and particularity (see Ekers, Hart, Kipfer, & Loftus, 2013; W. F. Haug, 2000; Jessop, 2005; Said, 2000), Hadjimichalis’ (2014b, p. 58-61) use of the term “regimes of land dispossession” aims to contain different levels of analysis: capitalist practices and transnational, national and local regulations of the power that supports them; the analysis of rules and “horizontal” social and cultural practices that allow “everyday” or “conjunctural” grabbing; and finally, the reactions or practices of resistance of the ones who undergo the dispossession—as important actors of Polanyi’s (2001 [1944]) “double movement” and Gramsci’s theory of hegemony (Ekers et al., 2013)—who are frequently mobilised to defend their land from the coordinated efforts of investors and the state to forcibly appropriate it. Gramsci’s political thought is not only useful in terms of thinking about resistance, but also about building consent to dispossession, a theme I explore in Chapter Nine.

Following a loose chronology, the aim of the following sections is to start identifying specific characteristics of a diachronic but by no means static “regime of land dispossession” in Greece through the literature. In this exploration I take into account the historic absence of the institutional role of the state in the regulation of spatial planning; I explore the important shifts leading from a functional regime of micro-appropriations for use-values to the current regime of macro-dispossessions since the 1990s; and I attempt to provide the reader with an overview of the key changes land and property in Greece have been subjected to during the last decade. I consider all the above as part of a system of “capitalist development”—a term which, as Timothy Mitchell (2002, p. 51) puts it, “covers a series of agencies, logics, chain reactions, and contingent interactions, among which the specific circuits and relations of capital formed only a part” (found in Li, 2012, p.71).
2.6. Micro-appropriations as part of a longstanding “social contract”

In January 2014, the National Bank of Greece produced a “Sectoral Report” on Greek land, describing it as “an asset with great potential”, with “an advantageous geographic position” and “several natural characteristics that could lead to significant revenue from more efficient land use” (see National Bank of Greece, 2014, p. 1). The authors highlight two major issues that “hinder investment”: issues of unclear ownership titles, and the lack of spatial planning. Broadly speaking, land in Greece belongs to, or is claimed by, three groups of owners: the public sector, the municipalities and the Legal Persons of Public Law (LPPL) supervised by them; the Church of Greece, monasteries, patriarchates and thousands of LPPL controlling Church and monastery property; and finally, businesses, banks, Greek and foreign private owners and foreign diplomatic missions (Hadjimichalis, 2014b). It is important to stress out that official land registration has been widely contested for years in the country’s modern history. The difficulties of control over the land and the productive activities exercised on it mainly stem from (a) the lack of a complete National Cadastre, resulting in a lack of certainty around land ownership titles, and potentially around a series of undocumented transactions on it, and (b) the unclear regime of land use, which in turn makes the possibilities and restrictions of the activities practiced or planned upon it unclear (Hadjimichalis, 2014b; Vaiou & Hadjimichalis, 1997).

According to estimations of the National Bank of Greece (2014, p. 3), however, the public sector claims the ownership of 60% of the total area of the Greek territory (including forestry land, mountain tops, lakes etc.), while the Church, monasteries and private owners claim 50%. “Even if we assume that there are no unclaimed land plots”, the report subsequently remarks, “the share of overlapping properties (and thus a source of potential dispute) is at least 10% of land (i.e. 13,000sq.km)—an astonishingly large share for an advanced economy, and evidently a huge impediment to land use and development” (National Bank of Greece 2014, p. 3). This massive overlapping of claims over land and property is indicative of the land registration problem in Greece (Hadjimichalis, 2014b), and of the ongoing tension between state and Church. The relation between state and Church has been one of conflict, rupture, and negotiation.

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23 This report focuses mainly on the potential effects that “critical reforms in Greek land market” could have on the country’s touristic sector, estimating “an additional tourism revenue of €8.1bn per year (€6.3bn in extra receipts and €1.8bn in extra investment)” (National Bank of Greece, 2014, p.1), let alone other sectors. Following Hadjimichalis (2014b), I use statistical estimations from the above report with caution. I discuss the question of unreliable statistics in Chapter Four.
since the establishment of the Greek State in the 1830s, and negotiated widely in modern Greece throughout the years following the political changeover in Greece in 1974—following the fall of the military junta of 1967-1974 and the establishment of the Hellenic Republic. One of the most important points of friction has been Church and monastery property—an issue which has recently reappeared in the light of the crisis, and the wider restructuring, privatisation and sell-out of the country’s land and property.

As shown by Maria Mantouvalou’s (2005) explicit analysis, the planning history of Greece since the foundation of the state is characterised by an important contradiction: although a significant number of plans are drafted, and the planning legislation is composed in line with the modernisation laws of the more “developed” capitalist states of Europe, cities and the countryside are in practice developing without following any particular plan. In a dynamic, rapid and spontaneous process of “prosthetic” and self-financed development, small-scale operators, fragmented investments and decentralised building authorities have shaped land and property in a way which is considered “problematic” by domestic and foreign authorities, and by far distant from the desirable “western” standards (Vaiou, Mantouvalou, & Mavridou, 2000; see also Leontidou, 2010). Spatial planning is primarily a process of state intervention aiming to regulate the social relations inherent in the organisation and expansion of space: it is therefore precisely in this relation between the state and society that the interpretation of this “problematic” spatial evolution can be mainly sought (Mantouvalou, 2005).

Dellatsimas (2004, p. 50) points out the following “synthetic” elements of the evolutionary course of the country’s urban and rural space: the extensive role of small private ownership, which has served as an active financial mechanism towards the
construction industry; the relative autonomy of small private property from so-called “big” capital, to an extent which has historically prevented the latter’s significant activation in the production of space in Greece; and the parallel, interdependent, minimal social character of state intervention in, inter alia, space-related fields (such as social housing and infrastructure). The above components of the production of space in the country did not only manage to run across the “elastic” boundary between urban, “within-city-plan” land and rural, “out-of-plan” land, but have also led to the convergence of the interests of a broad spectrum of strata with different social and economic characteristics (Mantouvalou, 1996, p. 55). As opposed to Lojkine’s concept of “monopoly planning” (1977, p. 149, found in Mantouvalou, 1995, p. 48)—which entails the production of space through the centralisation of property ownership, the merger of construction capital with landed capital and, ultimately, the concentration of rent in the hands of a few—the Greek cities and countryside evolved following models of “cumulative” spatial planning instead (Mantouvalou, 1995): the small construction capital, the fragmentation of landed property, the small scale of construction projects, all contributed to a broad social and geographical diffusion of rents (Oikonomou & Petrakos, 2012). The production of space through ad hoc processes has diachronically led to a constant negotiation and search for the social and political parameters of (self)regulating but also of overriding and invalidating spatial planning in practice (Vaiou et al., 2000).

As part of this “cumulative” model, spatial politics were founded on the basis of small private property as the “only healthy base of the national economic politics”: the formation of a broad class of owners-landholders and the necessary fragmentation of the land into small properties (see Figure 2.2) appears, therefore, as a crucial factor of support for the state and the dominant social order. The protection of small property and the integration of larger parts of the population in the small-property “class” through the processes of urbanisation became a major field of mitigating social discontent, and a very important reason why the initial intentions of spatial planning were never followed (Mantouvalou, 2005). Despite the frequently widespread and overtly expressed discomfort around the “messy” operation of the Greek cities and countryside, the arbitrary extension of the urban fabric, the severe lack of infrastructure, and the frequently catastrophic effects on the environment, the landownership-building-planning triptych has acquired a crucial social, political and economic functionality: this long-standing balance has been long sustained due to a widespread social consensus (Dellatsimas, 2004; Mantouvalou & Mpalla, 2004).
Within the above framework, practices of land appropriation for, among other reasons, illegal construction (see Figure 2.3) have constituted an important part of the Greek economy and society with positive results for a wide range of societal groups, gradually forging a wide informal societal consent for its maintenance (Dellatsimas, 2004; Hadjimichalis, 2014b; Mantouvalou & Mavridou, 2005). Illegal construction in Greece has historically substituted a state social housing policy and differs from both the two basic systems that covered housing needs at an international level: regulated (organised) construction (especially implemented in industrially developed countries) and self-construction systems that roofed urbanised populations in peripheral countries (Mantouvalou & Mavridou, 1993). The dispossessions of land has been a crucial part

24 Illegal construction in Greece lacks the organised structure, use of industrial methods of production, standardisation and technical infrastructure typically encountered in organised, regulated forms of housing. While it shares common characteristics with self-construction housing systems (such as “favelas” in Brazil, “campamento” in Chile, “colonias populares” in Mexico, “gecekondu” in Turkey etc.), such as cheap or dispossessed land, cheap local materials and the mobilisation of own or family networks of labour, illegal construction in Greece was
of this illegal housing practice (and subsequently, in many instances illegal labour regime as well). Hadjimichalis (2014a, p. 505-6, original emphasis) highlights that land dispossession in Greece

[… ] did not commence with the crisis—and it will not end with the exit from the Memoranda. It comprises a timeless characteristic of Greek society, with the thousands of grabs of public land by individuals, businesses, the Church, monasteries and municipalities through all sorts of illegal constructions, the invocation of non-existing ownership titles and the timelessly severely lacking interest in the safeguarding of public interest in public property. Under these conditions and since the formation of the Modern Greek state in the 19th century, there have been ongoing processes of land micro-dispossessions by individuals either for cultivation or for housing via squatting in urban peripheries.

“Micro-dispossessions” for use-value have contributed to the social and geographical diffusion of land rents, leading to the formation of a “particular functional regime of social reproduction” which has been dominant for a very long period in Greece, approximately until the start of the 1990s (Hadjimichalis, 2014a, p. 506). Land ownership and the small construction sector have constituted the main structural elements of the post-war mode of development which demonstrates resistance over time, as they are “the product of a historically established relationship between the state and its socio-economic operating environment, a long-term convergence of interests” (Dellatsimas, 2004, p. 51). In the following section my aim is to outline how this diachronically established relationship was challenged by visions of spatial “modernisation”.

2.7. Land under visions of “modernisation”: from the 1990s to the “turning point” of the 2004 Olympic Games

According to Andrikopoulou et al. (2007), the 1990s marked the domination of neoliberalism and the internationalisation of capital in Greece, and the subsequent upgrade of the economic role of space in an increasingly growing network of competition between cities and their peripheries (also see Klabatsea, 2012; Vourekas, 2013). These international and European tendencies reached Greece in the form of a “modernising vision”, which was reflected on the country’s Economic and Monetary Union membership in 1992, and on undertaking the Olympic Games in 1997. This new “vision”, along with the newly introduced European regulations, gradually shaped a new logic in addressing planning and a new paradigm around the production of space more largely integrated in both the urban fabric and the country’s building system and spatial policy (see Mantouvalou & Mavridou, 1993, p. 80-88).
broadly (Andrikopoulou et al., 2007). The growing financialisation, large-scale land-deals and the preparation for the 2004 Athens Olympic Games gradually led to a shift from micro to macro-dispossessions and from use-values to exchange-values, not without resistance:

Land rent stopped being socially and geographically diffused and has been mainly appropriated by the new elites, large developers, banks and monasteries in cases of tourist developments. It was during the 1980s and the 1990s that social and environmental movements and resistance against macro-dispossession took place, often with violent reactions. These are ongoing. (Hadjimichalis, 2014a, p. 506)

Mantouvalou and Mpalla (2004) identify a series of transformations in the fields of landownership and construction: the changing scale of construction companies, with the merger of technical companies in big construction clusters and the emergence of new business forms, but also the upgraded role of the banking sector in the field of development and “exploitation” of property development; the role of the state and local governmental administrations, and their changing relationship with the private sector (in the form of public-private partnerships, often within the framework of infrastructure support projects funded by the European Union); the shifts in tax policies concerning land and the construction sector as part of a new set of fiscal measures (e.g. the imposition of VAT on new buildings, which was contrary to the logic of \( \text{αντιπαροχή} \),\(^25\) as well as the gradual imposition of tax burdens upon private property and the exploitation of real estate); and finally, the increasing dependency of business on the stock market, and the managing of land and property in ways that would favour and empower shareholding (Mantouvalou & Mpalla, 2004).

The above transformations played a catalytic role in the country’s landownership regime, which was so far structured around small landownership. The increasing domination of large capital units of private or semi-private nature, the participation of technical contractors in “innovative” business forms, and the aggressive intrusion of the banking sector in mortgage lending and property ownership, all these led to the concentration of land (Dellatsimas, 2004).\(^26\) The increasing intrusion of various forms of privatisations and the (further) limitation of the participation of the state in the field

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\(^25\) Antiparóhí (Law 3741/29) is a building method widely used in post-war Greece (since the 1950s). In the “antiparóhí” system, a plot is allocated by its owner to a contractor-entrepreneur in exchange for a percentage of the (future) built area. In this peculiar “partnership”, the contractor is in charge of the decision-making, financing and management of the construction process (see Mantouvalou, 1995, p. 56-57).

\(^26\) This shift is reflected in the adoption of a series of laws by the state, such as: Law 2778/1999 on Real Estate Funds and Real Estate Investment Companies; Law 2367/1995 on Financial Leasing of Real Estate; Law 2940/2001 on the Development, Tax and Institutional Incentives for Businesses in the Construction Sector and Other Provisions (Dellatsimas, 2004, p. 56).
of spatial planning were a crucial part of this new “model of development”. The above transformation was frequently expressed in the form of the abolition and merging of public entities, and the introduction of part of their shares in the stock market from the start of the 1990s (Hadjimichalis, 2014b).27 During this decade of “modernisation”, the policies of limiting the property of the state along with the parallel enhancement and financialisation of big private capital were expanded.28 The increasing role of the banking sector was actively connected to the marketisation of land; the development of new (for the Greek standards, at least) financial tools; the (further) liberalisation of the mortgage market (Hadjimichalis, 2014b); and the development of new corporate forms, meant to make the management of property and real estate more efficient (Dellatsimas, 2004).29 Karamanof (2010) remarks that the “self-abolition” of public property, initiated with the privatisation of a series of public entities30 and followed by the massive divestiture of public land for commercial exploitation, was completed with the institutional framework of Public-Private Partnerships (PPPs) (Law 3389/05). PPPs acted as an “entry point” for the violent privatisations that followed after 2010: more than 242 projects of a total budget of €3.12 billion were implemented in the country until 2013 only (Hadjimichalis, 2014b, p. 82). Hadjimichalis adds to the above the crucial dimension of the development of transport infrastructure throughout the country: running across public and private land, the construction of roads and railways was

27 See, for example, Law 2000/92 on the Denationalisation, the Simplification of Clearance Procedures, the Reinforcement of Rules of Competition and Other Provisions, found in Karamanof (2010). Law 2000/92 was later replaced by Law 3049/02 on the Privatisation of State-Owned Enterprises and Other Provisions, which instituted the “Interministerial Committee for Restructuring and Privatisations” [Διυπουργική Επιτροπή Αναδιαρθρώσεων και Αποκρατικοποιήσεων].

28 See, for example, Law 2414/96 on the Modernisation of Public Enterprises and Organisations and Other Provisions, which resulted in the conversion of 31 state agencies and enterprises into Sociétés Anonymes (anonymous companies of limited liability), paving the way for the financialisation of their shares, and the partial or complete privatisation of companies of former public utility today (such as the Hellenic Telecommunications Organisation [Οργανισμός Τηλεπικοινωνιών Ελλάδος] and the Hellenic Railways Organisation [Οργανισμός Σιδηροδρόμων Ελλάδος]).

29 Hadjimichalis mentions, for example, the formation of independent SAs for the “exploitation of property” in several public entities, which paved the way for the dispossession of land and property from “big players” in following years. The Hellenic Railways Organisation founded ΓΑΙΟΣΕ in 2001, the Hellenic Telecommunications Organisation founded ΟΤΕ-Estate in 2004, the Greek National Tourism Organisation [Ελληνικός Οργανισμός Τουρισμού] founded ΕΤΑ SA (to which it transferred the totality of its assets: hotels, motels, camping installations, organised beaches and so on so forth) etc. (see Hadjimichalis, 2014b, p. 83).

30 Such as the Public Power Corporation [Δημόσια Επιχείρηση Ηλεκτρισμού], the Athens Water Supply and Sewerage Company [Εταιρεία Ύδρευσης και Αποχέτευσης Πρωτεύοντος], the School Buildings Organisation [Οργανισμός Σχολικών Κτιρίων], the Piraeus Port Authority [Οργανισμός Λιμένος Πειραιώς], the Thessaloniki Port Authority [Οργανισμός Λιμένος Θεσσαλονίκης], etc. (see Karamanof, 2010, chap. 7).
completed under a framework of forced expropriations of land for projects of public benefit. However, the subsequent concession of this infrastructure—along with the land that comes with it—to private operators, or its complete privatisation, was in itself an act of dispossession (2014b).31

The preparation for the 2004 Olympic Games has been widely recognised as a “precursor” of the institutional diversions and aggressive spatial transformations that followed less than a decade later, after 2010 and the Memoranda (Hadjimichalis, 2014b; Kalatzopoulou & Mpelavilas, 2014; Klabatsea, 2012; Zifou, 2012). In the name of the “national goal” of the successful organisation of the Olympic Games “mega-event”, a regime of “urgency” and “extraordinary circumstances” paved the way for the exploitation of public property, and the scheduling and accelerating of projects rejected by planning, forestry, and archaeology authorities in the previous decades (Kalatzopoulou & Mpelavilas, 2014)—a pattern that is by no means confined to Athens 2004 (indicatively, see Jefferson Lenskyj, 2002; Watt, 2013). According to Dellatsimas (2004), the scale of the infrastructure projects and the private sector’s investments contributed in landmarking the 2004 Olympic Games as a “turning point” towards the neoliberalisation of space. The period of taking over and conducting this “mega-event” condensed in time the further neoliberalisation of spatial policies, which branded Athens as an international city and involved the whole country into the logic of “competitiveness” and “developmental potential”; both market-driven tendencies succeeded in gaining the support of wide social groups and entrepreneurial interests, gradually bringing about an important shift to the practices, goals and mentality of spatial planning as a process (Zifou, 2012). The explosion of the construction sector (including major traffic infrastructure projects) during the preparations for 2004 (Mantouvalou & Mpalla, 2004) activated significant changes in the real estate market and the land and building system. These changes favoured the penetration of “big” capital in the construction sector as well as the emergence of new dynamic business ventures: in an effort to stop being a “deviation” from the dominant model of development in the capitalistically advanced European countries, Greece was expected to “modernise”, apart from its infrastructure, its entrepreneurial potential (Vaiou et al., 2000).

Fundamental transformations in the mentality, the practices, and the institutional framework around land essentially favoured the “legalisation” of the dispossession of land in the period from approximately 1990 to 2005 (Hadjimichalis, 2014b). It is mostly

31 This was the case, for example, with the transformation of Attili Odos (3,260 stremmata) and the Eleftherios Venizelos Airport in Athens (12,160 stremmata) into private companies (Hadjimichalis, 2014b).
within this “golden” decade for the Greek construction capital, as Tarpagkos (2010) points out, that major infrastructure was brought to life across the country, especially in the field of technical capital (such as transport, hydraulic, and waste management infrastructure projects). The “successful” course of the construction industry and the activation of technical capital (as well as the increased demand on the scale and completion speed of the projects) was sealed by the continuous and systematic regulatory intervention of the state, and its constant support towards the accumulation of capital by big contractors (Tarpagkos, 2010). All the above increased pressure over land and landownership, with land prices soaring during the period preceding the Olympic Games (Hadjimichalis, 2014b, p. 79).

The period between 1990 and 2005 was also crucial with regards to the import of the property and land belonging to the Church and monasteries into the real estate markets of the country. Contrary to individually owned private land, which is characterised by social and geographical fragmentation to very small properties (National Bank of Greece, 2014), the Church in Greece (similarly to the state) owns big, undivided areas of land (Hadjimichalis, 2014b). Apart from coming in big, unfragmented pieces, land owned by the Church and monasteries often includes (or is in proximity with) forests, forestry areas, and agricultural land which is largely unbuilt. Part of these assets are also regarded as landscapes of high aesthetic value, close to “unique” coasts and mountainous areas, and quite a few are under environmental protection (Natura 2000 Network, RAMSAR Convention). Since the 1990s, growing international demand for such areas, especially among investors in the realm of “high quality” touristic real estate industry (Melissourgos, 2008), has been increasingly driving the Church and monasteries towards taking advantage of the potential exchange value of their land.32 Apostolakis estimates that the Church of Crete owns approximately 130,000 stremmata of land in Crete (2011).

The realisation of this latent exchange value presupposed, however, institutional changes: the latter have been activated since 1993, with the introduction of the concept

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32 One of the biggest political scandals that shook Greece’s conservative government in 2008 was the illegal swap of land between the Vatopedi Monastery (one of the largest and wealthiest monasteries in Mount Athos) and the state. The Monastery swapped 27,000 stremmata of relatively cheap land around Lake Vistonida with “prime” land and real estate of much greater value in Attica, in an illegal transaction which was estimated to have cost the state approximately €100 million. In 2008, Greece’s Supreme Court indicted 14 individuals (including the Abbot and a monk; attorneys; the former head and board members of the Hellenic Public Real Estate Company [Κτηματική Εταιρία Δημοσίου]; the former Agriculture Ministry secretary; the former head of Rural Development Ministry; and the former Legal Council of State Vice President), who were later (in 2017) all declared innocent. See http://www.iospress.gr/ios2008/ios20080907.htm (in Greek).
of touristic real estate in Greek legislation (Law 2160/1993), which was followed by legislation promoting Integrated Tourism Development Areas (ITDA) [Περιοχές Ολοκληρωμένης Τουριστικής Ανάπτυξης] (Law 2545/1997) and, later on, by the concept of Complex Tourist Accommodations (including spas, golf and tennis courses, conference facilities etc.) [Σύνθετα Τουριστικά Καταλύματα] (Law 4002/2011) (Avgerinou-Kolonia, Demertzi, & Klabatsea, 2013). In 2006, a new provision on therapeutic tourism (L.3498/2006) enabled the long-term leasing (up to 99 years) of land and property belonging to the Church of Greece, Crete, the Dodecanese, the monasteries of Mount Athos and the Patriarchate for touristic purposes. Hadjimichalis considers this long-term leasing system of crucial importance for foreign investors, since they needed long periods of time to maximize the profits yielded by their invested capitals (2014b). Since 2008, the General Framework of Spatial Planning and Sustainable Development (Law 2742/99, OGG 128A08) and the Special Framework of Spatial Planning for Tourism (Law 2742/99, OGG 1138B/09) have also been promoting tourist resort “complexes” and touristic real estate in areas of environmental protection (Natura 2000) (which are frequently part of the property of the Church and monasteries), at times including provisions “tailored” to specific investments (Hadjimichalis, 2014b). The facilitation of touristic real estate investments on coastal areas, areas of environmental protection, and forestry land has been further promoted as part of institutional and legal reforms during the crisis. I turn to these in the following section.

2.8. Land dispossession and institutional “diversions” in times of crisis

Apart from a mechanism for social and political behaviour (Lazzarato, 2012), as mentioned already, Sassen (2013a) theorises debt as a tool for promoting broader restructuring as part of the “systemic deepening” of advanced capitalism. In her view, for instance, the well-documented Structural Adjustment Projects (SAPs) implemented by global regulatory institutions such as the IMF, the World Bank, and WTO since the 1980s, did not just yield profits from the Global South in the form of debt servicing; beyond a mechanism of extraction, SAPs acted as mechanisms of structural disciplining and “systemic conditioning” of the affected countries. In his seminal work on Africa “in the neoliberal world order”, James Ferguson (2006, p. 38) has compellingly evidenced how imposing a new neoliberal market order in the form of “structural adjustment” was “supposed to roll back oppressive and overbearing states and to liberate a new vital ‘civil society’. The result was to be a new sort of ‘governance’ that would be both more democratic and more efficient economically”. The 2008 subprime
mortgage crisis subjected countries of the Global North to similar “disciplining”. These “debt-regimes” manage to expand, among other, capitalism’s “operational space”: to forcibly incorporate new terrains into the circuits of advanced capitalism through the sharp increase of land acquisition by investors, with the concurrent expulsion of the people and their “traditional” economic circuits (Sassen, 2013a). In Harvey’s (2010, p. 246) words, state-administered austerity programmes and the IMF are “experts” at orchestrating “the periodic creation of a stock of devalued and, in many instances, undervalued assets in some part of the world, which can be put to profitable use by those with capital surpluses that lack opportunities elsewhere”. Seen from another point of view, the public debt legitimises the authority of external international agencies and organisations within the national territory through the acquisition of national parts of land and property (Sassen, 2013b).

In Greece, the implementation of neoliberal adjustment policies took the form of the “Greek Memoranda Strategy”—a restructuring model which follows not only broader neoliberal principles, but also the domestic particularities and the strategy and incentives of the Greek bourgeoisie (Papadatos, 2014). The transformation of capitalist relations in Greece, apart from imposing restrictive fiscal policy measures—which have gradually stripped off the working class from basic social and economic rights and produced a population of “nouveau poor” (Kaika, 2012)—also includes an astonishing number of policies aiming to “exploit” public (but also private) property mainly through the extensive privatisations of public services, natural resources, land, and real estate (Klabatsea, 2012; Zifou, 2012). The strategy of reversing the recessionary trajectory of the Greek economy and overcoming the fiscal crisis, as argues Zifou (2012), has been directly associated with the need to attract private, mainly foreign investments: the latter are expected to boost regional development and the country’s position in a world map of competitiveness and entrepreneurship. This transformation of the framework of the production of space as part of the country’s “support mechanism” aims to tackle the “malfunctions and ineffectiveness” of existing licensing processes, and therefore provide a new, required “legal certainty” vis-à-vis spatial planning procedures (Zifou, 2012).

Katrougalos (2011) suggests that the totality of the legislative measures imposed on the country under the Memoranda constitutes a “para-constitution” (παρα-σύναψις) (in Hadjimichalis, 2014b, p. 91), as their implementation requires the side-lining of fundamental laws of the Greek Constitution. One crucial diversion imposed by this parallel, para-constitutional legitimacy was, for instance, the inclusion of the loan agreements for the two first Memoranda of Understanding (in 2010 and 2012) under
English (instead of European) Law: the latter primarily secures, as a fundamental principle, the creditors’ needs, and permits their direct intervention in the country’s national affairs in order to claim them (Hadjimichalis, 2014b). As far as land and property are concerned, this means that the creditors acquire the right to confiscate every national asset in case the country does not manage to fulfil its debt obligations (OGG 240/12.12.2010) (Hadjimichalis, 2014b). Secondly, temporality in the voting procedures of the Greek parliament has played a crucial role in the production of this “para-constitution”. A long list of bills and institutional settings were voted under “urgency procedures” with “Acts of Legislative Content” [Πράξεις Νομοθετικού Περιεχομένου] issued by the President of the Republic, invoking “extraordinary circumstances of an urgent and unforeseeable need” (article 44, paragraph 1 of the Constitution of Greece). A great deal of this new legislation, as mentioned already, is directly related to the dispossession of land and property (Klabatsea, 2012). The new spatial planning framework includes a significant number of new laws, Joint Ministerial Decisions (JMDs), and Presidential Decrees (PDs). These modify the management of public property (Law 3986/2011); alter building terms and conditions (Laws 4030/11, 4067/2012); affect private property and the regulation of illegal construction (Laws 3843/2010, 4014/2011); modify the very concept of urban and regional planning (Law 4269/2014); create public and private “Strategic Investments” under “fast track” procedures (Laws 3894/2010, 3982/2011, 4072/2012, 4146/2013); “promote” coastal touristic development (Laws 3894/2010, 3986/2011); impose new rules on property taxation, mortgages and auctions (Law 4223/2013); and incentivise the production of new energy sources (Law 3851/2010). By composing a chronological list of the laws which dramatically transformed the country’s entire regulatory framework from 2010 to 2015 (see Figure 2.4. below), Poulis and Andritsos (2016) observe a rapid intensification of the legislative process, especially in the months following the first Memorandum and the Medium Term Fiscal Strategy; the spatialisation of monetary fiscal policies, which most of the laws result directly from; and the production of an unclear, controversial, fragmentary, flexible legislative framework due to the large number of contradictory revisions, extensions, and provisions in only a four-year period.
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<th>No.</th>
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<tr>
<td>1</td>
<td>3843/2010</td>
<td>Identity of Buildings</td>
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<td>2</td>
<td>3845/2010</td>
<td>Application of the support mechanism for the Greek economy by EU Member States and the International Monetary Fund</td>
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<td>3</td>
<td>3851/2010</td>
<td>Acceleration of the development of Renewable Energy Sources (RES)</td>
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<td>4</td>
<td>3852/2010</td>
<td>Architecture of Local Government and Decentralised Administration “Kallikratis” Program</td>
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<td>5</td>
<td>3882/2010</td>
<td>National geospatial data infrastructure</td>
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<td>6</td>
<td>3889/2010</td>
<td>Financing of environmental interventions, Green Fund, drafting of forest maps</td>
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<td>7</td>
<td>3894/2010</td>
<td>Acceleration and transparency in the realisation of Strategic Investments Law (Fast Track)</td>
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<td>8</td>
<td>3937/2010</td>
<td>Conservation of biodiversity and other provisions</td>
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<tr>
<td>9</td>
<td>3983/2011</td>
<td>National strategy for the protection and conservation of marine environment</td>
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<tr>
<td>10</td>
<td>3986/2011</td>
<td>Emergency measures for the implementation of a Medium-Term Fiscal Strategy 2012-2015</td>
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<td>11</td>
<td>4002/2011</td>
<td>Measures for development and fiscal consolidation</td>
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<td>12</td>
<td>4014/2011</td>
<td>Environmental licensing of projects and activities</td>
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<tr>
<td>13</td>
<td>4030/2011</td>
<td>New way of issuing building permits, construction control, and other provisions</td>
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**Government: PASOK / Prime Minister: G. Papandreou**

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<th>No.</th>
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<td>14</td>
<td>4046/2012</td>
<td>Approves plans for the Procurement Facility between the European Financial Stability Facility (ETCHS), the Hellenic Republic, and the Bank of Greece; the Draft Memorandum of Understanding between the Hellenic Republic, the European Commission, and the Bank of Greece; and other urgent measures to reduce the public debt and the rescue of the national economy</td>
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<td>15</td>
<td>4062/2012</td>
<td>Development of Athens’ former international airport Ellinikón - Project HELIOS etc.</td>
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<tr>
<td>16</td>
<td>4067/2012</td>
<td>New Building Code</td>
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<td>17</td>
<td>4072/2012</td>
<td>Improvement of the Business Environment – New Corporate Form – Trademarks – Real Estate Agents – Regulation of Shipping, Port and Fishing related matters and other provisions</td>
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<tr>
<td>18</td>
<td>4083/2012</td>
<td>Urgent investment projects setting n. 3908/2011 and pd. 33/2011</td>
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**Government: Coalition PASOK-ND-LAOS (Popular Orthodox Rally) / Prime Minister: L. Papademos**

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<td>19</td>
<td>4092/2012</td>
<td>Ratification on 06th September 2012 of the Amendment of Paragraph 1 of Article 3 of Law 3986/2011</td>
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<td>21</td>
<td>4117/2012</td>
<td>Ratification on 31st October 2012 of the Amendment of Paragraph 16 of Article 49 of Law 4030/2011; New way of issuing building permits, construction control, and other provisions (A’249); and other provisions of the Ministry of Environment, Energy and Climate Change</td>
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<td>23</td>
<td>4128/2013</td>
<td>Ratification of 18th December 2012 of the Urgent Provisions for Economic Development of the Country Act and other provisions</td>
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<tr>
<td>24</td>
<td>4138/2013</td>
<td>Urgent Measures of the Ministry of Environment, Energy and Climate Change and other provisions</td>
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<tr>
<td>25</td>
<td>4141/2013</td>
<td>Investment development tools, credit provision, and other provisions</td>
</tr>
<tr>
<td>26</td>
<td>4146/2013</td>
<td>Creation of a friendly development environment for strategic and private investments, and other provisions</td>
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According to Zifou (2012, p. 179), the new “special regimes of spatial planning” are based on the following two key “pillars”: firstly, the creation of new structures of licensing and decision-making vis-à-vis “strategic” investments, in an effort to simplify and override the “cumbersome” and “ineffective” previous system. Apart from the Hellenic Republic Asset Development Fund and the Hellenic Corporations of Assets and Participations mentioned below, the establishment of the company “Invest in Greece S.A.” (Article 4) and its pivotal role in promoting and facilitating Strategic Investments is an indicative example of this (see Chapter Eight). These funds and new decision-making structures, notes Zifou, function “under the rules of the private economy”, and are operated by “committees of techno-economic experts and legal, mainly foreign, consultants” (2012, p. 179). The Hellenic Republic Asset Development Fund (HRADF) [ΤΑΙΠΕΔ] (Law 3986/2011), a limited liability company (S.A.) founded as part of the Medium-Term Fiscal Strategy in 2011, has been the main platform for the privatisation of “state private property” (and the rights over it), which has been irrevocably assigned to it by the Hellenic Republic (see Law 3986/2011, Article 2, Paragraph 7). HRADF’s sole mission is “the maximisation of development by attracting direct investments in infrastructures, energy, real estate and other fields, while achieving additional important benefits, such as job creation, infrastructure modernization and promotion of the necessary reforms” (see https://www.hradf.com/en/fund). Indicatively, the fund is responsible for thousands of acres of beaches and wetlands; water, oil, electricity, and
natural gas assets; ports, national highways, railways, and airports; military facilities and defence infrastructure; post offices and businesses; and thousands of real estate properties in and outside of the country. After the third Memorandum of Understanding (2015-8) and since 2016 (Law 4389/2016), HRADF is part of a new, even wider asset fund, the Hellenic Corporation of Assets and Participations (HCAP). Apart from HRADF and among other subsidiaries, the new fund consists of the Hellenic Financial Stability Fund [Ταμείο Χρηματοπιστωτικής Σταθερότητας] and the Public Properties Company [Εταιρεία Ακίνητων Δημοσίων]; the portfolio of the latter includes more than 71,500 property titles of the state throughout the Greek territory, as well as Olympic Assets and properties of the Greek National Tourism Organisation. Similarly to HRADF, HCAP’s aim is “the implementation of Greece’s investment strategy and economic growth, and the reduction of the financial obligations of the Hellenic Republic”.

The second “pillar” concerns the restructuring of the regulatory framework of spatial planning itself, manifested in the form of “strategic” investments, and “special” plans that affect the investments’ location as well as their planning and building terms (Zifou, 2012, p. 179-180). The state’s strategy for attracting (mainly) foreign investments has been promoted through the creation of a “development-friendly” environment for so-called “Strategic Investments” (Laws 3894/2010, 4072/2012, 4146/2013): the latter are investments implemented by private or public operators (or partnerships between the two) that “produce quantitative and qualitative results of significant importance in the overall national economy and promote the country’s exit from the financial crisis” (Law 3894, Article 1). The criteria for prospective investments to be categorized as “strategic” are purely economic, as they need to exceed €200 million in budget, or create at least 150 jobs, or a combination between the two (Law 3894, Article 1). The incentives granted to “Strategic Investments” include the simplification and acceleration of licensing procedures—a process that allows certain provisions in derogation of the general spatial law. The above institutional diversions, shaping prospects of large-scale investments on land, are complemented by the introduction of a special category of

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34 See http://www.hcap.gr/?q=en/content/public-properties-company-0 and see http://www.hcap.gr/?q=en/content/mission.
small, ad hoc country plans for “out-of-plan” land of investment interest that has been assigned to HRADF. These plans, validated by Presidential Decrees, can be implemented by public or private operators (“Special Plans of Spatial Development of Public Properties”), known as ESHADA (Law 3986/2011), and “Special Spatial Development Plans of Strategic Investments”, known as ESHASE (Law 4146/2013) accordingly). ESHADA and ESHASE plans can define, among other, land uses and building regulations regardless of the existing spatial provisions in the respective areas. The “Itanos Gaia” project in Crete, an aggressive gold mine investment by Eldorado Gold in Skouries, Halkidiki (Calvário et al., 2017), and a massive urban investment of 620ha at the coastal front of Attica (including the old “Elliniko” airport and other important building facilities) have all been categorised as “Strategic Investments”, among many other cases around the country. The “opening up” of investment opportunities over land has had a particularly severe impact on Greece’s coastal land and beaches. I return to the political and economic significance of the framework for Strategic Investments and ESHASE plans in Chapter Eight, since it has played a crucial role in the relaunch of Loyalward’s large-scale touristic investment in Crete’s Cape Sídero.

The institutional transformations during the past decade have also created a favourable environment for the development of the energy, mining and renewables industry through “green grabbing” (Hadjimichalis, 2014b). Examples include the divestiture of the most productive parts of the Public Power Corporation in 2014, which include thousands of acres of land and cubic meters of water throughout the country; the acquisition of land for, and the environmental consequences of transit gas pipelines, which are a typical example of transit infrastructure with no contribution to local-regional development (Hadjimichalis, 2014b); and the dispossession of public and private land for the installation of renewable energy investments (such as the one in Crete), in a process that equates the social and ecological demand for renewable energy with any business activity and method related to it. I return to this last form of land grabbing on Sitía’s mountains in Chapter Seven.

35 Apart from “green grabbing”, Apostolopoulou and Adams (2014) highlight the increasing neoliberalisation of environmentally protected land without any pretence at “greenness”, producing a form of “un-green grabbing”.
36 Such as the Trans Adriatic Pipeline (TAP), running through Greece, Albania and Italy and connecting with the Trans Anatolian Pipeline in Turkey (TANAP) (see https://www.tap-ag.com), and the EastMed offshore/onshore natural gas pipeline, directly connecting East Mediterranean resources to Greece via Cyprus and Crete (see https://www.edison.it/en/gas-infrastructures).
Finally, the crisis of the Greek economy and the impoverishment of the population, high unemployment rates, and the over-taxation of land and real estate have contributed to the collapse of the commercial prices of private land and real estate—a trend which subsequently facilitated the privatisations of public property (Hadjimichalis, 2014b): real estate prices have fallen by 41% from 2007 to 2017 (Vettas, 2018). Additionally, the tax burdening of real estate mainly through the Uniform Tax on the Ownership of Real Estate Property (Law 4223/2013) [ΕΝΦΙΑ] has been destroying the country’s micro-ownership mode of production and social reproduction. Indicatively, the total income from taxation of real estate has been increased from 1.9% of the country’s GDP (€3.6 billion) in 2004 to 3.2% (€5.7 billion) in 2016 (Vettas, 2018, p. 27). Another aspect of the seizure of private land and real estate concerns property-related loans and properties in mortgage (Hadjimichalis, 2014b), with 44.3% of housing loans in 2018 being non-performing according to the Bank of Greece (2018), and hundreds of property auctions (including main residencies) and forced evictions taking place on a weekly basis (see https://www.eauction.gr).

To conclude, the above reflect four distinct fields of exercising the new spatial policy in Greece under the crisis: the attraction of “strategic” investments; the management and “exploitation” of public property; the reorganisation of the broader structure of the spatial planning system; and crucial transformations vis-à-vis the direct or indirect dispossession of private property. I end this chapter with a final crucial observation: for Klabatsea (2012), spatial planning and the changes imposed on it have become a “means of managing” the crisis in Greece, rather than a mere spatial expression of the crisis: spatial legislation has therefore been turned into a tool for achieving economic aims. This qualitative transformation eliminates any dimension of public benefit, social acceptance and environmental protection from spatial policy, and sets a new paradigm vis-à-vis the relationship between fiscal and spatial policy (2012). In this sense, the dispossession of space presupposes, as I explore in following chapters, the dispossession of the means of producing space.
3

Reflections on Methodology and Ethics
As identified in previous chapters, this study examines the specific mechanisms of land dispossession employed by the combined effort of investors and the state through the in-depth lens of a particular case—the broader area of Sitía in the Eastern corner of Crete. This chapter provides a justification of the approach I took in my fieldwork, detailing how my research methodology was designed and implemented, and reflecting on the various ethical issues I had to deal with. My aim is to discuss critically, and through a reflexive stance, the overall logic and philosophy of my methodological approach as well as the research tools I used, while at the same time situating them within broader epistemological and methodological debates in human geography. I begin by setting out some remarks on my epistemological approach and overarching methodological choices. I provide a defence of the case-study approach of this study, and I discuss my understanding of the “field” and “fieldwork”, as well as my position in them. I then turn to discuss in detail the specific methods in which I engaged with people and documents, and I reflect on several practical and ethical considerations I encountered along the way.

3.1. Case study research and the Jameson effect

It is scarcely any longer possible to tell a straight story sequentially unfolding in time. […] There are many reasons why this should be so: the range of modern means of communication: the scale of modern power: the degree of personal political responsibility that must be accepted for events all over the world: the fact that the world has become indivisible: the unevenness of economic development within that world, the scale of the exploitation. All these play a part. Prophesy now involves a geographical rather than historical projection; it is space, not time, that hides consequences from us. […] Any contemporary narrative which ignores the urgency of this dimension is incomplete and acquires the oversimplified character of a fable. (Berger 1974, p. 40)

In his attempt to move beyond the hegemony of historicism in critical social science and its constraining effects on the “geographical imagination”, Ed Soja frequently relies on the above passage from Berger’s “The Look on Things” (1974) to argue for a historical and geographical materialism, and for a radical rethink of the dialectics of space, time, and the social being (Soja, 1989a; Soja & Hadjimichalis, 1979). Building upon Henri Lefebvre’s (1992) hugely influential work on the intertwined relation between the social and the spatial, Soja (1989b) argues for a “sociospatial” dialectic without which it is impossible to complete the “contemporary narrative”; in this sense, the dimension of space is not just an epiphenomenon of the social relations of production, but it actively produces and reproduces them. While this might be obvious

66
in the framework of a human geographical study, it is of fundamental importance to the approach of this thesis to stress out that the space of dispossession is not approached as an empty “container” of land (Hadjimichalis & Vaiou, 2012; N. Smith, 1992) waiting for one land-use or the other, or for one landowner or the other—rather, land dispossession is examined as a dialectic unity of spatial and social relations which are developed across a multiplicity of “actors” who, in this case, are active part of a sociospatial conflict. Epistemologically speaking, Lefebvre’s (1991) famous triad (representation of space, or space as conceived; spatial practices, or space as perceived; and spaces of representation, or space as lived) suggests a holistic approach to the space of dispossession—one that considers both “real” and “imaginary” dimensions of the land, and of the conflict on it. Mapping a geography of land dispossession in Greece would not have much to say without the simultaneous “mapping” of the social meaning attached to it. Methodologically speaking, following an hermeneutic and interpretative human geography (Herbert, 2000; Hoggart, Lees, & Davies, 2002), and looking for the social meaning attached to space, points, as I argue below, towards the importance of place-specific (and subsequently case-specific) research.

While the study of land dispossession within the context of the debt crisis in Greece is a topic initially brought to my attention and brilliantly analysed by Costis Hadjimichalis (2014a, 2014b), and my thesis is heavily influenced by critical geography scholars such as David Harvey and Neil Smith, the methodological strategy of my study emphasises the importance of the “specificity of place”. There often seems to be a “gap” or “incompatibility” between radical geography and ethnographic methods—one that I frequently came across in the bibliography I reviewed. In his concept of “global ethnography”, for instance, Burawoy (2000) criticises Harvey’s (1991) and Jameson’s (1984) interpretations of globalisation as having “homogenising” effects across different geographies—a tension which is also apparent in Anna Tsing’s (2005) conceptualisation of an “ethnography of global connection” (see also Gille & Riain, 2002; Lapegna, 2009). While by no means the global-local dialectic of the ethnographic site is unique to Burawoy’s critique, I found his work on the “extended case method” (1998, 2009) useful twofold: it cuts through geographical scale, by extending from the “micro” scale of the case-study to “macro” processes embedded within conditions of globalised capitalism; and it extends from (theoretically informed) empirical material back to theory. In a similar vein, the problem with the case study approach, as Harvey (2006b, p. 78) puts it, “is to find a way to make sense of diverse, particular and often quite idiosyncratic geographical variations in relation to more general processes of capital accumulation, social struggle and environmental transformation”. This task entails
viewing any particular event set as an internalisation of fundamental underlying guiding forces. The task of enquiry is to identify these underlying forces by critical analysis and detailed inspection of the individual instance. I stand, in short, to learn far more about the urban process under capitalism by detailed reconstruction of how a particular city has evolved than I would from collection of empirical data sets from a sample of one hundred cities. From this perspective we see that all case studies necessarily internalise theory construction. (Harvey, 2006b, p. 86)

Methodologically speaking, my attempt to reconstruct the political economic process of why and how land in Sitía has become the object of dispossession attempts, at the same time, to shed light on the logic behind mechanisms of dispossession in more general terms. It is impossible to reconstruct how Sitía’s landscape changes without recourse to broader dynamics of dispossession and capital accumulation, and to fix local meaning in isolation. Global historical and geographical processes are, as Comaroff and Comaroff (1992, p. xi) put it, “partially indeterminate yet, in some measure, systematically determined; ambiguous and polyvalent, yet never utterly incoherent and meaningless; open to multiple constructions and contest, yet never entirely free of order—or the reality of power and constraint”.

In response to the effects of global dynamics to the notion of place (Gille & Riain, 2002), Massey’s (1991) concept of a “global sense of place” suggests a “locality” that is historically produced in interaction with external connections, while at the same time deconstructing an essentialised and romanticised understanding of it. Such conception of place does not require the “drawing of boundaries” that constructs a counterposition with the outside (Massey, 1991; see also Massey et al., 2009); the world has indeed, in this sense, become “indivisible” (Berger, 1974). As Don Mitchell (2008, p. 38) puts it, “no landscape is local”. Landscapes make little sense if they are studied outside their context, but “it is also true that landscapes make little sense, culturally or otherwise, if they are only studied in relation to their nearby surroundings”. While my research is based on a case-study and “fieldwork”, then, the latter, as Wacquant puts it (2008, p. 9-10),

cannot for a single moment do without institutional analysis, and vice versa—even if one or the other is sidelined or muted at certain moments of the research and its end-product. It must be guided at every step by the methodical knowledge, itself constantly revised and enriched by the first-person study of concrete situations, of the macro structural determinants that, although ostensibly absent from the neighbourhood, still govern the practices and representations of its residents because they are inscribed in the material distribution of resources and social possibles as well as lodged inside bodies in the form of categories of perception, appreciation and action (Bourdieu 1980/1990). This is here a matter not of collecting ‘fresh’ data to compose ‘lively’ illustrations of theories elaborated outside sustained contact with the prosaic reality but indeed of enrolling
ethnographic observation as a necessary instrument and moment of theoretical construction. Despite embedded in a specific historical and geographical context, therefore, the transformation of knowledge in the context of complex social, political and environmental change requires a “totalising strategy” to relate and connect, to situate and interpret each object, phenomena, and events in relation to the wider relations and forces, structures, and determinations that limit and enable their historical existence (Jameson, 1990). Jameson’s (1990, p. 51) concept of “cognitive mapping” provides an imaginary resolution to the postmodern political problem of a de-centred subject that is no longer capable of representing itself in the world, aiming to situate it within “that vaster and properly un-representable totality which is the ensemble of society's structures as a whole”. While this “totalising” understanding of social space can only be an unfinished process, it acts as an epistemological guideline for re-centering the ground-level social dynamics playing out in the researched area within a broader historical and geographical framework of dispossession, and of the dynamics of capital accumulation in general.

3.2. Politics, subjectivity, and positionality

As Erica Schoenberger (2007, p.27) suggests, our personal historical and geographical origins critically shape our identities, and these, in turn, underlie the shape and orientation of our research: fieldwork is, therefore, “at once a political, personal, and professional undertaking” (Hyndman, 2001, p. 262). My own political identity was shaped somewhere in-between my undergraduate years of architectural studies in Thessaloniki; the student struggles resisting the privatisation of public university; the murder of 15-year old Aléxis Grigoropoulos by the police in the “turbulent” neighbourhood of Exarhia, Athens in 2008, followed by “The December” of widespread youth riots all over the country; and the outbreak of the crisis with tremendous, both immediate and long lasting effects on the majority of the country’s population. It was also during these years that my perception of politics became spatialised, or rather, my perception of space was politicised, with every single scale of the “spatial”, as Doreen Massey so famously put it, becoming “not just an outcome”, but also “part of the explanation” (1984, p. 4).

Today, still, there are two main exports of capital from crisis-ridden Greece (Hadjimichalis, 2014a): one is land, which is the object of my research, and the other is a highly educated young generation employed in industry or pursuing further education
all over the world but Greece, such as myself. There is no need to pretend that there is no relation between the subject writing this thesis, and the study’s object; my research is both personally and politically loaded, and so are my motivations. As Sayer (2004) suggests, it is crucial, first of all, to acknowledge our own “lay normativity”: our personal system of valuation, and the moral or ethical standards that contribute in why and how we think about things. Rejecting normativity, however, can be a dangerous path to take: such an approach relies on a strong sense of ethics, and politics without ethics can be dangerously directionless (Sayer, 2007). As there is no such thing as “value neutral” research, reflecting as rigorously and honestly as possible about how politics affect our questions, theory, and methods can only keep us “ahead of the game” as researchers (Schoenberger, 2007, p. 31). Being open about one’s frameworks of reference and presuppositions from the outset does not only shape the kinds of questions one will initially ask: acknowledging subjectivity also leaves space for modifying or challenging these questions according to findings along the way, and therefore for being able to appreciate phenomena in their full complexity (Lund, 2015). I approached, therefore, the present study on Eastern Lasithí’s case as a political project, conducting research in the “field” of a “constructed geography of capitalism” (N. Smith, 1992). Brenner, Peck and Theodore’s (2010, 2012) concepts of “actually existing neoliberalism” and “variegated neoliberalisation” have been largely influential towards this aspect of my methodological strategy.

Apart from one’s political and theoretical baggage, however, one’s gender, colour, age, and national identity also affect the outcomes of the research in subjective ways. Determining these ways is not an easy task. Women are more equally positioned in Eastern Crete in relation to Crete’s generally speaking patriarchal society, as some participants mention themselves (see Chapter Four), and it is not unusual for them to occupy high positions in business circles and the governmental administration. These positions are, however, still male-dominated, and it is not by chance that most of the actors of influence driving Sitía’s sociospatial conflict are men. Entering the “field” as a “well-educated” female who grew up in Athens and now lives in Britain has probably affected the research process in contradictory ways. I believe it contributed to the people’s willingness to help me out and speak to me, while at the same time positioned me, at least initially, as an “outsider” in Sitía despite my Greek nationality. Apart from the question of gender, and some participants’ surprise that a relatively young woman (who is not from Crete) would travel to Sitía alone to conduct research on a controversial topic such as land dispossession, the fact that I was brought up in a big city like Athens reinforced this “outsidedness”. Sitía is, as I discuss in the chapter that
follows, “far away” from the capital’s decision-making centres, and people often assume “Athenians” are too indifferent or snobbish to bother with Sitía.

Doing research in my own country, a place I still consider “home”, especially when being in the privileged position of being funded by a foreign state and university, raised broader questions of “belonging” and positionality—a well-discussed issue in qualitative research (Arksey & Knight, 1999; Kvale, 1996; Legard, Keegan, & Ward, 2003; Mason, 2002; Seidman, 2006b). Following Hyndman (2001), I agree that determining what it is that defines the “field”, and where it starts and ends, is not an easy task: rather than a physical location, the field is rather a network of power relations of which the researcher is but “a small link”, and “the assumption that a field-worker is an outsider and that this position authorises a legitimate space from which to study and record ‘the field’ is epistemologically and politically suspect” (Hyndman, 2001, p. 265). Researching people, interviewing them, and transcribing and translating their words inherently involves an act of representation that requires great care and automatically raises questions of power dynamics. Apart from the outsider/insider discussion, I have also been preoccupied by the distinction between researcher and researched as a relation that cannot be overlooked, but at the same time acts as a loaded binary that reproduces the problematic idea of participants as a “pool” of extraction of some sort of knowledge, or even worse, of the “data” needed for the empirical part of my study. In the sections that follow I discuss specific aspects of how I approached and negotiated such ethical and methodological dilemmas in working with documents and texts, in talking to people, and in my “ethnographic” engagement with the “field”.

3.3. Documents, texts, and secondary data

As the focus of this study is an in-depth engagement with the land conflicts emerging at the broader area of Sitía, my presence and exploration there was crucial for its completion. It is important to note, however, that the exploration of the ground-level dynamics in Crete is a complementary element to my overall analysis. As Wacquant (2008, p. 10) puts it, “field observation, structural analysis and theoretical construction advance in unison and mutually reinforce each other in it, rather than opposing one another in a sterile conflict of priority”. Documents, brochures, texts, minutes, reports of the appeals to the Council of State against investments, explanatory reports to legislation, all these provided not only a way of triangulating my interview material, or situating it in a broader political economic context, but proved to be of significant content themselves. My first step was to collect all the relevant material and “secondary
data” (Kitchin & Tate, 2000) I could find, using the internet as a primary source while still doing desk-based research in Edinburgh. Publicity and media coverage was an easy place to start from: apart from the various sources I was constantly reading online, I subscribed to the weekly local paper “Nea Eparhia” (Sitía’s older newspaper) for two years—this familiarised me not only with what was happening in Sitía while I was away, but also provided me names and context for quite a few participants.

Building knowledge on Sitía’s investments and land-deals was mainly based on material retrieved from the Greek Ministry of Environment, Energy and Climate Change; the National Geospatial Information Infrastructure (EVGEP) as well as the related Geodata platform; state-related think tanks such as “Enterprise Greece” and “Invest in Greece S.A.”; the companies’ online footprint (such as company announcements and financial statements); the investments’ Environmental Impact Studies; urban and national policy documents (part of the current and older legislative frameworks); and regional and town plans retrieved from the Departments of Town planning of the area. Additionally, the National Centre for Social Research (NCSR) in Athens, the Hellenic Statistical Authority (HAS), the Regulatory Authority for Energy and its mapping service, the official website of the Region of Crete, the Municipality of Sitía’s five year “business plan”, all the above, among other sources, proved to be extremely important sources of information. As my awareness of the important actors and debates vis-à-vis the investments of interest grew, so did the list of these sources.

It is important to stress, however, that where I have used this material (especially statistical data) to paint an overall picture of context information such as characteristics of land and property, land-uses, employment rates and similar data, I have done so with caution. As the thesis unfolds, it becomes clear that in Sitía there exists a parallel, “silent” system of land rights and land-related labour networks, which remains largely unaccounted for by official data and documentation. The limited state control over these, as I explain in Chapter Four, stems largely from the lack of a complete National Cadastre and the unclear regime of land use. In the absence of formal records and reliable statistics, in-depth interviews and observation proved to be extremely useful in this respect. Additionally, access to governmental material and official documents and reports regarding the investments of interest (such and Environmental Impact Studies and appeals documents to the Council of State) proved to be a challenge; this is mainly due to the lack of organisation and at parts limited digitisation of documents in official sites of the ministries, paired with the sometimes hard-to-trace and obscure sequence of official acts. Particularly when it comes to the critical review of spatial legislation, the plethora of contradictory, fragmentary and everchanging bills, revisions, provisions, and
extensions to the law (Klabatsea, 2012; Poullos & Andritsos, 2016; Zifou, 2012)—as the reader might trace in my empirical chapters (especially Chapter Six)—was a particularly challenging task. Getting access to hard-to-trace and “grey” material was a task that was largely facilitated by some of the participants themselves: building a relationship of trust with people involved in conflict over land for years, and the fact they had become “experts” on, inter alia, the legal aspects of this struggle, yielded extremely useful information not only in the form of the interviews themselves, but also in the form of access to relevant documents in both paper and digitised formats, as well as recorded minutes from important council meetings and public debates.

Broadly speaking, similarly to how I worked with my interviews, as I discuss further on, I approached texts and documents as material that (re)constructs and (re)produces rather than reports on reality (P. Atkinson & Coffey, 2011). While I did not conduct a systematic discourse analysis, I carefully scrutinised documentary material with a critical scope, keeping in mind that, particularly governmental and company texts contain claims and interpretations that project a specific image to specific audiences, serve multiple aims, and advance, often in subtle ways, specific ideologies (see Hoggart et al., 2002). The Municipality of Sitía’s report on a five-year (2014-2019) “operational business program” (2014) is an indicative example of this. It is, in this sense, following Gardner and Lewis (2000, p. 18), important to “distinguish carefully between (a) documents (which are usually collective statements and as such are the outcomes of complex political and social processes); (b) the beliefs and definitions of individual actors; and (c) the actual activities” undertaken in “developmental” processes.

Finally, I have also given thought to the idea of translation of the literature, documents and interview transcripts as a partial view of a given narrative and as a subjective (re)construction of the writer herself. This thesis would be very different if I was not already a part of this country’s people and habits, and a native speaker of the Greek language. But as much as communication in one’s native language permits the understanding of deeper patterns of thought as well as inherent cultural elements, I had to face the “complexity of translation” (Seidman, 2006b) throughout the whole process of this study. Representing the full sense of the word spoken in another language is demanding and requires a great deal of care (Vygotsky, 1987 in Seidman, 2006b). The word “dispossession”, for instance, as I examined in Chapter Two (Section B), holds a particular meaning within the Greek context of land use and its evolution throughout the years. As J. Overing (in Temple, 1997, p. 607) comments, “it is not the ‘word’ about we should be anxious; we should be concerned, instead, about an ‘alien’ framework of thought which is based upon an ‘alien’ set of universal principles about the world”.
3.4. Engaging with people: in-depth interviews

I want to understand the world from your point of view. I want to know what you know in the way you know it. I want to understand the meaning of your experience, to walk in your shoes, to feel things as you feel them, to explain things as you explain them. Will you become my teacher and help me understand? J. Spradley (in Kvale, 1996, p. 124)

I found the use of the in-depth interview particularly appropriate in looking at land dispossession and conflict around land, as it yielded insights that cannot be quantified, or found in the analysis of documents. Talking to people helped highlight the complexity of the planning, negotiation and possible implementation of the investments, situating them within a much broader chronological and qualitative depth of developmental strategies, plans, decisions, failures and future expectations from the part of the state, Church, investors, and residents. While in-depth interviews derive from different schools of thought within the general field of hermeneutics sociological tradition, such as symbolic interaction, ethnomethodological, phenomenological, structuralist and feminist approaches, all of them emphasise the importance of understanding as a basic epistemological principle, the design and reconstruction of the case study as a crucial point of research, the principle that reality is constructed from different actors (Kvale, 1996). I believe that this open-format type of talking to people “for a purpose” (Burgess, 1984), rather than a pre-determined set of questions, was a better way to “grasp” the interviewees’ point of view, and closer to a process of “meaning-making” as described by Seidman (2006b). While I did prepare interview guides and I carefully considered the topics I wanted to discuss with each interviewee, I found that maintaining a flexible and dialogical approach during interviews did not only produce a “deeper picture” through the exploration of more wide-ranging and complex ideas (Valentine, 1997), but also raised issues that I did not anticipate (Silverman, 2007).

The essence of this thesis is drawn from 38 semi-structured, in-depth interviews I conducted between February and August of 2017 during my stay in Sitía. These were conducted with participants I considered as important “actors” in the two investments of interest. Broadly speaking, participants range from representatives from the local and regional governmental administration (including the Vice Governor of Lasithi, the Mayor and Vice Mayor of Sitía, members of the Town Council, and civil servants in the Forestry and Archaeology Commissions); members from the Administrative Council of the Ecclesiastical Foundation “Panagia Akrotiriani” and the Monastery, representatives from the investing companies; local activist and environmental groups; and residents of
the area in danger of being dispossessed of their land. A breakdown of interviewees, organised in five distinct categories, can be found in Appendix A. At its simplest, I selected the participants of this research on the basis of the following criteria: the degree of their involvement in the decision-making regarding the two investments of interest; and the degree of their involvement in resisting these land-deals and/or being affected by them. In the few specific cases my participants do not fall in these two broad categories, they were selected as individuals who hold specialist knowledge on particular issues, such as, for instance, Crete’s particular landownership regime seen from a legal point of view (see Chapter Seven). Although most of my participants were based in Sitía, which is the broader area’s “centre”, I conducted several interviews across a few villages (Palékastro, Karydi, Sitanos, Ano Zákros, Kato Zákros, Roussa Ekklisia, Myrcene, and Katsidóni) in the surrounding area (see Figure 4.5, Chapter Four), and I had to travel as far as Agios Nikólaos, Kritsa, Heráklion and Athens. A couple of interviews were “go-along”, allowing the participants to guide me within geographical surroundings of interest (Kusenbach, 2003; Moles, 2008). Overall, while the investment sites have specific boundaries, the “field” itself was conceived, for the purposes of the research, in a broader manner. Following Tania Li’s (2007) conceptualisation of a “field of power”, I travelled as far as needed to reach the actors implicated in the practices and ideologies related to the dispossession of Sitía’s land.

Access to most participants was relatively easy, and I was in general largely successful in reaching the people I wanted to talk to. There was, however, a notable exception to this. While I successfully conducted an interview with representatives from Terna Energy SA in their offices in Athens, I could not get an appointment with Loyalward (Hellas) SA, subsidiary of Minoan Group PLC, or any company of the group despite multiple efforts to contact them. After an initial exchange of emails (and after I was asked to provide the title, topic, and abstract of my dissertation), there was no further communication from their part. Apart from this significant disappointment, following the “power” and finding who has a position of authority, political, cultural or economic, is not hard in a place of the scale of Sitía (roughly 15,000 residents), and details of the whereabouts of interesting participants in the surrounding area would quickly emerge through a “snowballing” effect (R. Atkinson & Flint, 2004). This passage from one of the first pages of my field diary is indicative, however, of the nature of these “details”:

This is not going to be easy. The ‘details’ that people give to me are not always as straightforward to me as an outsider—I am seldom given a number and an address I can trace on a map. The people of Sitía navigate around some sort of ‘situational’ map of the town, structured around landmarks such as the kafenio ‘Itanos’, the supermarket ‘Halkiadakis’, the town hall, the cinema, Rania’s shop, the ‘open market square’ etc., all these defined through their relationship with each other.
The extensive use of nicknames of both places and people does not make things easier. For my first interviews, I had to leave the house ridiculously early, walking, for instance, towards the direction I thought the ‘French’ hotel (turns out it has another name officially, but a lot of French tourists stay there, hence the nickname) was, and asking people on my way as I was getting closer (or not). (Field Diary, 18 March 2017)

By the end of my stay I managed to own most of this Lynchian (1960) approach of what seemed to be a collective “mental map” of the place. I am, retrospectively, surprised at (and proud of) the degree of familiarity I developed with Sitía. Sitía’s small scale, however, produced other, more severe complications and ethical issues that I was forced to take into consideration. The fact that in most cases my participants would know each other immediately raised awareness of my presence in the area and, at times, speculation about the motivations behind my research. Especially since I was conducting research on a controversial topic, I therefore had to maintain a fragile balance between being a “neutral” and “objective” observer and sharing my critical perspective on the land-deals, as well as consider the chronological order of the interviews as an important factor in keeping balance between the opposing “camps”; I would otherwise face the risk of being excluded from specific groups of interest. While in some of the cases a confrontational approach (see Knowles 2006) to some interview questions proved to be an interesting way of knowledge-building, in general I found that downplaying the critical aspects of my research hypothesis and avoiding antagonistic discourse (McDowell, 1998) was more productive. In most cases, for example, I (at least initially) avoided the use of the loaded term “land dispossession”, opting for more neutral terms such as “landscape transformation” or “changes in the landownership regime”. It is important to stress that I do not regret, however, the few interviews where I decided to take the risk of sharing the exact scope and nature of my research (this happened mostly when I had met the participant more than once, and towards the end of my stay in Sitía); I was rewarded more than once with fascinating and theoretically challenging discussions, and with the (co)production of knowledge that felt close to what Miller & Glassner (2011, p. 141) describe as a “joint accomplishment” between interviewer and interviewee.

The location of the interviews was always decided by the participants themselves—most were carried out in quiet cafes over coffee, tea, raki or beer. Despite my initial resistance, these beverages were always offered to me by the interviewee; a local hospitality custom in Crete is to never let the “outsider” pay, let alone if she is a younger woman. Interviews, all conducted in Greek (my mother tongue), ranged from forty minutes to three and a half hours, with an average of just more than one hour and twenty minutes. Most interviews were recorded, when I had consent. When I did not—or felt that the use of the recorder made the participant uneasy, or was likely to alter the content or
depth of the conversation I was seeking—I took notes as detailed as possible. Overall, I found the recording of interviews extremely useful twofold. Firstly, it enabled me to focus only in building a rapport with the person across me, facing them and listening carefully to their answers, instead of worrying about “missing” any of the information I would otherwise have to note on paper. And secondly, it gave me the opportunity to listen to the interviews again, making new sense of them based on the knowledge I accumulated as I progressed, and thus breaking the unavoidable linearity of the interviews’ order, and the simple fact that I knew less when I started. On the downside, some participants shared interesting information after I was asked to turn the device off. These “off the record” comments, as well as two interviews with participants who only agreed to talk to me if their identity and our whole discussion was not recorded in any way, are not quoted or traceable in my thesis; they have shaped, however, my broader view of certain aspects of this study.

Upon my return to Edinburgh, I transcribed, partially translated, and coded my interview material in order to identify the themes and topics that would form the chapters of this thesis. These processes entail, again, acts of representation. Apart from the interview being a potentially “instrumental” dialogue, the interviewer also holds “the monopoly of interpretation”, as she/he “maintains exclusive privilege to interpret and report what the interviewee really meant and to frame what an interviewee says in his or her own theoretical schemes” (Kvale, 2006, p. 485). No matter how hard they try to stay out of the participants’ meaning-making process, interviewers cannot but be a part of the interviewing picture (Seidman, 2006b). As I discuss further on, the validity of the produced knowledge is questioned from the participants’ part as well, as they “travel” (Kvale, 1996), reconstructing and contextualising their experiences while communicating them with the interviewer.

* * *

The issue of whether I should consider some of my interviewees as “elites” has troubled me. I found Katherine Smith’s (2006) post-structural problematisation of the distinction between interviewees who are “powerful elites” and “powerless others” as based on inadequate conceptions of power insightful. Following Smith, I agree that power relations in interviews reach beyond simply assigning power to individuals on the basis of their position in a system of structural power: feminist geographers such as Valentine (2002) have contested, in a similar vein, racialised or gendered dualisms of power such as black/white or male/female. In my view, it remains crucial, however, to keep this
relational conception of power in mind, while at the same time to adequately distinguish between agency and power. I consider all of my interviewees as “elites” in the sense that all of them know and rule their own experiences better than anyone does, and that all of them are equally important actors of the story. But the structural binary still stands when it comes to power: removing the “elite” title from people who are in “position of power”, such as for example, governmental officials manages only to release them from their responsibility, rather than empower the rest.

Talking to people provides a way to go beyond structure and consider them, their opinions, mistakes, narratives, or at least what they would tell me as an important part of the capitalist strategy of legitimising and implementing investments on a local level. In a way, I felt I had to deal with “taking on the capitalists as individuals and as a class simultaneously”, and I therefore treated them as a class of “meso-level categories” agents who operated in a specific, contextualised case, but well within much broader structural dynamics (Schoenberger, 2007). As Crang (2002, p. 648) has pointed out, qualitative approaches in geography have shifted attention towards the role of “elites” (rather than studying “the subaltern” only) in producing inequality through “intensive analyses of causal processes”, rather than addressing global processes only through “big data” sets. Agnes (2000), for example, demonstrates the importance of the spatiality of processes of local embeddedness in the production of interest rate swaps, and Kaika & Ruggiero (2015) “unfashionably” shift their research focus to local industrial elites and workers, showing that local struggles over land in Pirelli’s industrial space at Bicocca are relevant to globalised urbanisations.

What I want to stress here is that, as much as interviews offer crucial insight into “elite” strategies, an important issue that emerged throughout the research was whether I could treat the interview material as “information” or “evidence” regarding these strategies, or as the interviewees’ perception about them. At times there is, I find, a thin line between the two. While using in-depth interviewing and qualitative research are increasingly becoming the “new orthodoxy” in human geographical research (Crang, 2002), dealing with knowledge yielded by such methods raises questions of rigorousness and research integrity, and should therefore be used and interpreted with care. I do share, therefore, Elizabeth Dunn’s concern that what people tell about the decisions they make can be radically different from the ways those decisions were actually made, as they provide ex post facto justifications for their decisions and leave out conflicting opinions or attempts to change the course of events, disregard crossroads at which other outcomes might have been generated and generally leave the impression that the decision that was made was the only decision that could have possibly been made. (2007, p. 83, original emphasis)
Indeed, one interview in particular felt like a pre-digested, carefully constructed speech, almost a tape-recorded craft that had been performed to others before me. In other cases, it was not easy to distinguish whether the person sitting across me was articulating an official position or a personal opinion, and the interview would frequently slip from the first to the second as some degree of familiarity (and at times trust) was built along the way. Some interviewees, especially employees working at different departments of the local administration, were keen to make clear that they were not speaking on behalf of their employer, were often critical of the latter’s ideology and practices, and insisted on remaining anonymous. In one case it became strongly apparent that one employee, upon realising that their office was busy upon my arrival for the interview (as we had scheduled it), was becoming increasingly conscious of other employees and officials being within hearing range of our conversation. They rescheduled our interview at a coffee shop after their working hours the same day, in order, as they said, to be able to have a “real conversation”. This particular employee later shared with me that their employer, a high-rank official in the Municipality, repeatedly phoned them and insisted in finding out the nature of my questions and the exact scope of my research.

In certain cases, such as the one described above, I had to be very careful with handling my participants’ anonymity. For consistency’s sake, I have used pseudonyms for all of my participants, even if some did not request to remain anonymous, were openly vocal about the information and opinions they disclosed to me, and were clearly representing an official position (such as, for example, in the case of the Mayor or the Monastery’s Abbot). While I have anonymised everyone, however, I have taken a more flexible approach in describing the interviewees’ role. Where needed, I outline their roles in general terms for reasons of confidentiality; where not, I describe their positions with precision (usually high-rank, outspoken representatives from the local administration, Church, and companies). I believe such flexible approach is important, as concealing from the reader everyone’s role would result in a problematic uncoupling of information and discourse from the exact subject this material came from, and therefore from their politics, interests and motivations.

Particularly when discussing a controversial topic, verifying the reliability of the information I received through cross-referencing and triangulation through as many sources as possible (including documents) was crucial (Lund, 2015; Schoenberger, 1991). I found that talking to people about the same events and approaching some of them more than once can be useful in this respect, and can also reveal contradictions that no documentary evidence can yield. As Emílios puts it, for example,
Yes, but you see...in what kind of deafening contradictions they [the supporters of the investments] are falling into...telling us that we are friends of the English [the company], and that the Abbot, e.g., and the English are enemies, and I am their friend...there's no way to make sense of this. But to understand the contradiction, you must listen to the whole story, if you choose an argument and say, Emílios is an enemy of development. All right, it's fine. Emílios is friends with the English, that's fine too. If you put these two together you see that they don't, don't... stick. But no one ever puts them together. [...] Whether they're consistent or not, they don't care. (Int.11/Emílios)

Apart from listening to the “whole story”, though, it is important to reach beyond the “textual” and dialogical nature of interviews (Kvale, 1996) and try to explore the “cultural externalities” that lie outside the sphere of rational economic decision-making: practical and common-sense knowledge, norms, informal activities and unofficial decisions that inform a “thick” contextual layer of the subjects of research—as Dunn (2007) puts it, place matters to economies. This can only be achieved through an ethnographic approach to the “field”.

3.5. An ethnographic approach to the “field”

While it is important to clarify that my qualitative empirical research is rather being inspired by ethnographic methods rather than being ethnographic itself (it is de facto restricted by the limits engendered in a three-year research study), staying in Sitía for more than six months provided a considerably deep view into my research context. Finding an appropriate place to stay with a formal contract for seven months proved to be a harder task than I anticipated, as most accommodation in Sitía is rented either on longer-term contracts (of at least a year), or on a very short-term basis (typically aimed towards tourists and priced per number of nights) and is therefore very expensive. In the end I rented a small studio with a nice balcony but without a contract—a first sign of the informal relations vis-à-vis land and property which are quite frequent in the area, and which I was, with this housing arrangement, quick to become a part of. The informal networks over land and property is a theme I constantly return to throughout the thesis, as it is directly connected to the current dynamics of land dispossession.

Living in Sitía for these few months gave me some insight on the people’s everyday lives and their dependence on land. I was frequently invited to join groups in kafenia or long walks in the countryside, I was kindly fed and watered at homes, I was brought whole bags of fruit, I picked my own lemons and almonds from the streets, I was taught how to cook local delicacies, I was shown around the local open-air market, I attended as many political and cultural events as possible, I was picked up and driven around and I
took driving lessons myself. I also participated in two specific events which were directly related with Sitía’s Geopark and issues of local and regional development, organised by another researcher in the area in collaboration with the Municipality. Interviewing local children in a participatory workshop about their sense of “landscape justice”, for instance, gave me a broad sense of their and their parents’ understandings of “development” and their perception of Sitía’s exclusion from it, an issue I discuss in Chapter Four. It was also extremely useful in both identifying (and getting introduced to) important potential participants in my own research and getting a sense of the relations and tensions between them, as every member of the community who is interested in issues of “development” tends to attend this type of event, and heated arguments are quick to emerge. Last but not least, facilitating workshops and talks that were of direct interest to the locals was my way of trying to contribute back, even if this was done in small and mundane ways.

Simply attending and observing events also proved to be extremely useful for similar reasons. In particular, two presentations of the new Regional Plan of Crete and consecutive discussions (during the Plan’s consultation stage) in Sitía and Agios Nikólaos (which I was also able to record) proved to be extremely valuable. They significantly contributed to my understanding of issues on a regional level, as well as uncovered the concerns of both officials and residents of Lasíthi vis-à-vis the role of Eastern Crete within that regional level. Although all these cannot be organised or reproduced in a consistent way, they have without doubt contributed in building my “sense of place”, and have given me invaluable insights in the relationships of the people with their land, their attitude towards the local authorities and vice versa, their fears and expectations, and their everyday lives. In retrospect, I think Liisa Malkki (1995) is right to argue that “it may be precisely by giving up the scientific detective’s urge to know “everything” that we gain access to those very partial vistas that our informants may desire or think to share with us” (in Hyndman, 2017, p. 262).

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I wish to close this chapter with a final observation. While all the ethics checklist boxes required for this study have been checked, I have always kept in mind that the technocratic practice of ethical research, no matter how carefully planned, cannot possibly encapsulate the varying contexts and dimensions of ethics in practice (Hopkins, 2007; Valentine, 2005): research is, to a certain extent, a “situated business”, and therefore ethics are “situationally accomplished” (Calvey, 2008, p. 908). Throughout my research I have paid close attention to this informed form of ethics, and I have tried to remain
constantly aware of the political and personal sensitivities of my participants, and to ensure their informed consent, the confidentiality of research material they shared with me, and finally, their safety as well as mine. In analysing my findings, I have tried to represent my participants and their roles and words fairly. I can only hope that the results of their efforts and mine are of relevance to them—and in general. The rest is up to the reader.
4

“In the Middle of Nowhere”:
Sitía’s Uneven Geography
4.1. Remote from what?

**Fig 4.1** The Agios Isidoros Monastery at the edge of the Cape Sídero Peninsula

![Image of the Agios Isidoros Monastery](source: Photo taken by a participant who preferred to remain anonymous, reproduced here with consent.

Sitía is hard to reach, that is certain. A visitor needs to either fly or travel by boat to Heráklion (approximately 10 hours from Piraeus), and then take a three hours coach trip along a badly preserved and extremely swingy road that crosses Sitía’s mountains. That same road provides access to Sitía when one is travelling within the island itself. Alternatively, one could fly directly to Sitía’s (relatively new) airport from Athens—a quite expensive option (due to the lack of demand, especially in the winter), and one that more often than not requires strong nerves, as the (usually) small 40-seat aircraft is very likely to encounter the very strong winds that typically blow the area. I tried reaching Sitía from Athens both ways, each time arriving at my destination dazed and confused. There is also a ferry connection between Piraeus and Sitía, for those travellers who are able and courageous enough to spend possibly more than twenty hours in it. I say “possibly” because I once used this third option to send a piece of luggage to Athens: the ferry arrived five hours late, after 24 hours of travel. My first impression of Sitía was that it is “remote”.

84
On the 17th May 2017, on a Wednesday afternoon, the historian James Hunter gave a talk at the Geography Department in Edinburgh, in Drummond Street’s Old Library, under the title “Wild Land, Rewilding and Repeopling” (2017). I do not wish, here, to draw on the many similarities between the Scottish Highlands and the (also) windswept landscape of Eastern Crete. Such comparison would make a fascinating whole other project. But an anecdote from his talk persistently stayed in my mind, and therefore serves as an entry to this chapter.


I simply want to register the point that that is not what those same places seem to me. Because in my head, and in other people’s heads I guess, not just mine, they’re linked with people.

People like William MacKay. MacKay was born, raised, spent most of his life in Landscape Area 8—in Wild Land Area 35. Neither he, his wife Janet, their children nor their neighbours would have recognised those terms—nor descriptors like remoteness. To them the place was home. Just that.

There’s a story told by Brian Wilson about Donald Dewar visiting Lewis on one occasion. This was back in the 1980s. Brian took him across the island, to Uig, to meet with his mother-in-law, who lived at the very end of the road. And Donald, very much of the view that civilisation stopped at the Glasgow City boundary, and certainly did not extend to the Outer Islands, driving across this, erm, waste, as it seemed to him, no doubt, of the central part of Lewis, and the road getting narrower and more twisty, and eventually arriving at this house—the last home this side of Newfoundland. So, there is Donald, and he says to Brian’s mother-in-law, ‘You’re very remote here.’ And she, an elderly Lewis lady, not trying to be smart, or cheeky, or anything like that, said, with genuine puzzlement, ‘Remote from what?’

* * *

Sitía is certainly remote from the central state decision-makers. In May 2009, the (then) Minister of Development Costis Hadjidakis took part in the inauguration ceremony of a new Steam Power Station in Lasíthi’s area of Atherinólakkos (at the Municipal Area of Léfki, see Figure 4.2), as well as a windfarm in the area of Xirolímní, also in the Prefecture of Lasíthi. Both projects were constructed by the Public Power Corporation of Greece (PPC) [Δημόσια Επιχείρηση Ηλεκτρισμού], and were, as Hadjidakis said, “a decisive step towards in ensuring Crete’s energy efficiency” (Public Power Corporation of Greece).

37 Many thanks to Hamish Kallin for inviting James Hunter and recording his talk.
S.A., 2009). Almost ten years before, the location of the Atherinólakkos Station (see Figure 4.5.), several problems with the Station’s Environmental Impact Assessment (EIA), and serious inconsistencies in the legality of the Station’s installation and operation procedure had pushed the inhabitants of Sitía to react strongly against it, and ultimately resort to the Council of State. The latter justified the claimants’ appeal in 2003, and forced the PPC to submit a new Environmental Impact Study. Back in October 2000, from a press conference somewhere in Volos, the then Greek prime minister Costas Simitis referred to the inhabitants’ reactions with disdain: the power station was to be constructed, after all, “in the middle of nowhere” [στου διαόλου τη μάνα38] (104fm.gr, 2005). The Prime Minister’s saying has since become a catchphrase—an indicator and a symbol of the unjust and derogatory way the state treats places as “remote” as Sitía. Seen beyond absolute geographical space, the production of remoteness depends on history and a politics of access, and is a construct of improper infrastructure and connectivity.

In this section I am not interested in painting a historical overview of Eastern Lasíthi. Rather, I attempt to provide the necessary context for the two investments analysed in the following chapters (from Five to Nine) within the broader area of Sitía: a “remote” place at the edge of the country, which has been largely silent in modern history books and news channels. This “silence” is reflected, as will become clear to the reader in this chapter, in the significant lack of historical and geographical literature to draw upon. A political and economic understanding of Sitía can, however, be situated within the framework of the production of the Greek countryside in a broader sense, and the relation of the latter to uneven development—the dynamic process of capital investment, disinvestment and reinvestment which, as Neil Smith (1990) has analysed, plays out across space producing unevenness, and manufacturing “outside” or “marginalised” regions in the way. Situating Sitía within the above dynamics is complemented by empirical material and extracts from my participants’ own sense of their region’s history and geography.

In the first part of this chapter I examine the relation between Sitía’s geographical (physical as well as produced) isolation and the widespread perception of the region’s “underdevelopment” among the locals. My purpose is here to situate Sitía’s historical and geographical evolution within the contradictory dynamics of state neglect, deregulation and informality in the Greek countryside (υπαίθρος [ύπαθρος]), as well as its contested and dynamic relation with the city and its peripheries. Following Vaiou

38 English does not do justice to this expression in Greek, which literally translates to “At the devil’s mother”.

86
and Hadjimichalis (1997), I argue that a broad examination of the local labour market offers a “window” to doing so, as it provides the reader with an understanding of the crucial importance of land for the local mechanisms of production and social reproduction. Put more simply, I am trying to answer: Why has this part of Crete remained relatively “untouched” by capital investment so far? Why do people feel neglected, “underdeveloped” and unfairly treated by the state? Why is access to land so important for the locals?

4.2. A sense of disadvantage: Sitía’s development, underdevelopment, uneven development

Fig 4.2 Municipality of Sitía: Municipal Areas (former Municipalities) of Sitía, Itanos, Léfki and Analípsi

Situated at the eastern corner of the Prefecture of Lasíthi, the Municipality of Sitía, a total area of 684,075km², is the largest Municipality in Crete and the southeast edge of the Greek and European territory. It includes the homonymous city, Sitía, as well as coastal and mountainous villages all spread across four different Municipal Areas:
Itanos, Léfki, Sitía and Análipsi (see Figure 4.2). According to the 2011 results of the Population-Housing Census of the Hellenic Statistical Authority, Sitía’s permanent population amounts to 19,720 residents (26.2% of the total population of the Prefecture of Lasíthi, and 3.2% of the total population of Crete), dispersed between the city of Sitía, and the municipality’s villages and coastal areas (see breakdown in Figure 4.3). The municipality’s population is very unequally distributed (73.6% live in the town of Sitión), therefore producing a particularly low population density per square kilometre, especially in the inland areas: Sitía is the second less populated municipality in Lasíthi, with a 29.21% rate of population per km², as opposed to an average of 41.36% in the prefecture of Lasíthi, and an average of 74.74% in the Region of Crete (Municipality of Sitía, 2014, p. 7).

**Fig 4.3** Population change in the Municipality of Sitía, 2001-2011

<table>
<thead>
<tr>
<th>Municipality of Sitía</th>
<th>Permanent Population Number</th>
<th>Population Change rate (%)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Municipal Area of Itanos</td>
<td>2,429</td>
<td>2,108</td>
</tr>
<tr>
<td>Municipal Area of Léfki</td>
<td>2,009</td>
<td>1,697</td>
</tr>
<tr>
<td>Municipal Area of Sitía</td>
<td>14,418</td>
<td>14,513</td>
</tr>
<tr>
<td>Municipal Area of Análipsi</td>
<td>1,360</td>
<td>1,402</td>
</tr>
<tr>
<td>Total population of Municipality of Sitía</td>
<td>20,216</td>
<td>19,720</td>
</tr>
<tr>
<td>Regional Area of Lasíthi</td>
<td>75,736</td>
<td>75,381</td>
</tr>
<tr>
<td>Region of Crete</td>
<td>594,368</td>
<td>623,065</td>
</tr>
</tbody>
</table>


**Fig 4.4** Percentage distribution of Sitía’s population per age category, 2011

![Bar chart showing the percentage distribution of Sitía’s population per age category, 2011]


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39 Itanos, Léfki and Sitía used to be autonomous Municipalities. They were merged under the single Municipality of Sitía under the “Kallikratis” Program (Law 3852/2010). Análipsi was added in 2011 (OGG 239/A/9-11-2011).
Sitía’s low population density, along with indications of its population decreasing (Figure 4.3) and aging (Figure 4.4), are interpreted by the local and regional administration as direct sign of the lack of capital investment in the area, and subsequently, as a sign of the need for investment in the area. As one can read in the Municipality’s “Five-Year Business Plan (2014-2019)”, Sitía’s low population density “indicates Sitía’s inferiority over other regions of Crete” (Municipality of Sitía, 2014, p. 7, emphasis added). Apart from the local government, however, a sense of Sitía’s inferiority and disadvantage (vis-à-vis the rest of Lasithi and the rest of Crete) was expressed, during my fieldwork, by my participants themselves. This feeling of unevenness mainly stems from, as I attempt to unravel in this section, a combination of three factors: the lack of big investments in tourism, perceived as having positive effects on local and regional development by default; the abundance of investments in energy, renewable or not; and neglect from the part of the state, especially vis-à-vis infrastructure (such as roads) and access to services (such as administrative, health, and educational services). Sitía, as I argue in this section, is not “underdeveloped”: it is unevenly developed. This is obscured behind descriptors such as “remoteness”.

Fig 4.5 Sitía, Agios Nikolaos, Ierápetra and other locations of interest

Source: Edited by the author, using background map and data from https://www.openstreetmap.org.
The Atherinóllakkos Steam Power Station (a plant of a total power of 195.2MW) is a central power station of the entire island’s electrical system. Since its construction, it has played a nodal part in Crete’s energy sufficiency plan, and the PPC’s Operational Plan provides for the future increase of the station’s productive capacity by 100MW (Municipality of Sitía, 2014, p. 22). Zóis is a resident of Sitía, and the Vice President of the Region of Crete’s Committee for the Environment and Spatial Planning. The construction of the Atherinóllakkos power plant, he argues, has “marked the history” of a series of energy projects implemented, or planned to be implemented, in Eastern Lasíthi, as well as the reaction of a large part of the inhabitants against them (Int.30). Based on decisions made by the state centrally,

the Power Plant in Atherinóllakkos, what happened twenty years ago, I believe defined the energy map of Crete for the years to come. On a level of regional, local and central planning, Atherinóllakkos will become the number one energy centre in Crete. It will receive all the gas from Israel, which will be then channelled to central Greece. Under the guise of trying to make Crete self-sufficient in energy, all sort of units will be created here […] windfarms, solar stations, hydroelectric pumps, the [interconnection] cables, the gas…what is Crete supposed to do with all that? (Int.30/Zóis)

I return to several specific issues regarding the extremely complex political economy of the “energy map” of Crete in general, and Sítía in particular, in Chapter Five. Apart from the PPC Steam Power Station, the broader area of Sitía, because of its high solar and wind potential, has become the receptor of a large number of renewable energy investments (already operating or under reviewing procedures) such as solar panels, solar power plants and, predominantly, windfarms (see Figure 4.5). The latter, as I explore below, have been at the heart of controversial responses from the part of the local community.

Sophía is an active member of the Technical Chamber of Eastern Crete, a member of “Ecological Group of Heráklion” and the PanCretan network “EcoCrete”, and a fellow architect engineer. She lives in Heráklion, and frequently gives talks all over Crete and writes publicly about the political implications of planning legislation and developmental conflicts around land, such as the one in Sitía. This passage from her interview gives a sense of the contradictory imaginaries vis-à-vis the first energy investments in the broader area of Sitía:

Back in the 1990s, when I was in the governing committee of the Technical Chamber of Greece [in Crete], we knew that they were making windfarms in Sitía. Nobody really cared, we considered it a pilot thing, a small thing really, and so it was at that time. […] Erm, so in

40 For a map of the National Energy Information System (Ministry of Environment and Energy) see http://aims.cres.gr/grwind150/viewer.htm.
Sitía they were galloping, because the Ecological Group was appealing against the factory of Atherinólakkos, and every single person, the whole Lasíthi, was saying that ‘you found us idiots again, who need the less energy, to burden us with the factory’. Such was the opposition to the plant, that some people back then went as far as to tell them that these renewable energy projects are the antidote, what [they] could even make the factory shut down one day, a completely fake dilemma, a huge propaganda lie…On the other hand, they [the projects] were seen as something pioneering, which was going to happen in their area when it didn’t happen elsewhere. This made them proud because since always, and not rightly so in my opinion, they would feel disadvantaged. (Int.3/Sophía, original emphasis)

Indeed, even the (relatively) recent report of the “Five-Year (2014-2019) Operational Program of the Municipality of Sitía” (2014, p. 25) refers to the “pioneering role” of OAS S.A. (the Sitía Development Organisation) in “taking advantage of” the region’s high wind potential as early as 1993, with the implementation of one of the biggest wind turbines (0.5MW) of Southern Europe in Ziros, which has been active for a period of 26 years. According to Sitía’s municipal report (Municipality of Sitía, 2014, p. 25), the wind turbine in Ziros “has decisively contributed in paving the way for the creation of wind turbines in a local and national level, in making Sitía the first centre of developing wind energy in the country, and Crete the first island exploiting renewable energy sources”. In 2009, OAS installed another two wind turbines in Mare, Ziros (0.9MW and 0.3MW), and since then owns another three wind parks in the broader area of Sitía (5MW, 2.5MW, 2.4MW). In total, there are currently at least 138 operating renewable energy installations (mostly public and private investments in wind and solar parks) in the municipality of Sitía.

The sense of pride about Sitía’s pioneering role in wind energy was quickly transformed into a widespread “sense of disadvantage” which, according to Sophía, is directly connected to the idea of the broader region being “excluded from [other types of] development” (Int.3):

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41 OAS S.A. “is a limited company owned by the four Municipalities of Sitía Province and other bodies representing local authorities, cooperatives and the productive classes of Lasíthi Prefecture and Crete […] The aim of the organisation is to support local authorities, the other bodies involved and the private sector in undertaking and realising development projects and initiatives, and to aid local development”. See www.oas.gr/?lang=en.

42 These were financed by the EU THERMIE programme and the Greek Development Law. THERMIE was a five-year (1990-1994) European Union programme for the promotion of energy technology in Europe. The financial support was aimed at promoting and disseminating advanced and innovative technologies and their market implementation and development strategies. See https://cordis.europa.eu/programme/rcn/168/en.

43 This estimation is based on 2014 data from the Centre for Renewable Energy Sources and Saving of the Ministry of Environment and Energy, found in (Municipality of Sitía, 2014).
That is where the real tragedy lies. This [Sitía] is the best part of Crete, the most cosmopolitan, the people of Sitía are bursting with life, they don’t have the “mountainous syndrome” you can find elsewhere. But they felt they had been excluded from development, precisely because of that myth of development which had prevailed. So, they initially favoured the windfarms. And it is of huge interest, how this has gradually changed. How, precisely because they’ve seen them now, they’ve seen what’s happening to their land,…and because even today, if you take a look at a map of Crete with all the applications and licenses [for energy projects] of all kinds, the most overburdened area is Sitía, which is also Natura 2000 and a Geopark. This is precisely why they now feel affected by the opposite: ‘they found us idiots and they burden us with those things.’ This is very interesting. (Int.3/Sophía)

This “exclusion from development” is predominantly understood as exclusion from tourist development. Loukás, for example, a small landholder in Sitía, considers that the broader region has been “neglected”, as tourism investments are mainly directed elsewhere, such as in the neighbouring area of Elounda in Lasíthi (see Figure 4.5), or the Prefectures of Rethymno and Chaniá. This view is reflected in Sitía’s touristic activity, which, despite having an important role in the local labour market, is significantly less developed than the rest of Crete (see Section 4.3 further on). Loukás argues that the central state, precisely because of the region’s perception as “empty” and “remote”, has demarcated Sitía as a “depository” for unwanted, harmful, “industrial” land-uses instead of tourism, such as power plants, solar power towers and “industrial-scale” windfarms (Int.16). Not only, he stresses, is an overwhelming number of the above planned in Sitía, but the existing projects are also placed inappropriately and inadequately maintained. An indicative example of this, argues Xenophón, an engineer who works at the Atherinólakkos station, is the failure of the PPC to replace the plant’s expensive electrostatic filters, resulting in the production of a “yellow smog” which is visible from areas such as Xerókampos, Zákros and Koutsourás (see Figure 4.5). Upon my visit to Kato Zákros, I was able to see this for myself.

It is here important to clarify that, especially when it comes to renewable energy projects, most participants (with few exceptions) insisted that they consider them necessary—but that most energy investments on land are located in inappropriate places due to the lack of proper spatial planning; are overwhelming in scale and in number (especially given Sitía’s very limited own needs in energy); and are undermining a landscape which bears a high symbolic value, yields a plethora of use-values, and also provides the ground for the realisation of small-scale but crucially important exchange-values. The local labour networks predominantly involve, as becomes clear further on, economic activities largely depending on access to land (such as small-scale tourism, agrotourism, agriculture, stockraising, and apiculture).
### Fig 4.6 Existing windfarm investments in the Municipality of Sitia

<table>
<thead>
<tr>
<th>Investor</th>
<th>Municipal Area/Community</th>
<th>Position</th>
<th>Power (MW)</th>
<th>Activation</th>
</tr>
</thead>
<tbody>
<tr>
<td>Anemoessa Windfarms SA</td>
<td>Agios Georgios, Ahladia, Maronia</td>
<td>Vigli</td>
<td>5</td>
<td>16/12/1999</td>
</tr>
<tr>
<td>Windfarms Kryon SA</td>
<td>Agios Georgios, Ahladia, Kryes, Maronia</td>
<td>Vouvali/Megalo Mouri/Plativola Kryon</td>
<td>10</td>
<td>16/12/1999</td>
</tr>
<tr>
<td>Windfarms Ahdalion SA</td>
<td>Ahladia, Maronia</td>
<td>Agrilida/Veliras</td>
<td>10</td>
<td>16/12/1999</td>
</tr>
<tr>
<td>Aeolos SA</td>
<td>Papagiannades, Handras</td>
<td>Chandras</td>
<td>9.9</td>
<td>01/06/1999</td>
</tr>
<tr>
<td>Rokas Aioliki I&amp;C SA</td>
<td>Mitáto</td>
<td>Platokratia Mitátou</td>
<td>10.2</td>
<td>12/05/1988</td>
</tr>
<tr>
<td>OAS</td>
<td>Ziros</td>
<td>Kaminakia Chordaki</td>
<td>0.5</td>
<td>04/02/2005</td>
</tr>
<tr>
<td>Rokas Aioliki I&amp;C SA</td>
<td>Mitáto</td>
<td>Xirolimni</td>
<td>3</td>
<td>14/05/2004</td>
</tr>
<tr>
<td>OAS</td>
<td>Ziros</td>
<td>Mare, Ziros</td>
<td>1.2</td>
<td>30/07/2009</td>
</tr>
<tr>
<td>Iweco Honos Critis SA</td>
<td>Katsidóni, Mitáto, Stavromenos</td>
<td>Chónos</td>
<td>4.5</td>
<td>20/06/2007</td>
</tr>
<tr>
<td>EN.TE.KA Windfarms SA</td>
<td>Mitáto</td>
<td>Piskopianies/Piskolakos Xirolimis</td>
<td>2.7</td>
<td>14/11/2005</td>
</tr>
<tr>
<td>PPC Renewables SA</td>
<td>Mitáto</td>
<td>Xirolimni</td>
<td>3</td>
<td>- *</td>
</tr>
<tr>
<td>Enercon Hellas SA</td>
<td>Ahladia, Maronia</td>
<td>Plativolo</td>
<td>2.5</td>
<td>27/08/2004</td>
</tr>
<tr>
<td>Wre Hellas SA</td>
<td>Ahladia, Maronia, Kryes</td>
<td>Plativola Kryon</td>
<td>3</td>
<td>16/12/2004</td>
</tr>
<tr>
<td>Windfarms Kryon SA</td>
<td>Agios Georgios, Ahladia, Kryes, Maronia</td>
<td>Vouvali/Megalo Mouri/Plativola Kryon</td>
<td>1.2</td>
<td>11/02/2015</td>
</tr>
<tr>
<td>Rokas Aioliki I&amp;C SA</td>
<td>Mitáto</td>
<td>Gidari/Bigli (extension from Platokratia)</td>
<td>4.8</td>
<td>14/03/2007</td>
</tr>
<tr>
<td>PPC Renewables SA</td>
<td>Palékastro</td>
<td>Moni Toplou</td>
<td>1</td>
<td>-</td>
</tr>
<tr>
<td>PPC Renewables SA</td>
<td>Mitáto</td>
<td>Xirolimni</td>
<td>4.8</td>
<td>-</td>
</tr>
<tr>
<td>PPC Renewables SA</td>
<td>Mitáto</td>
<td>Xirolimni II</td>
<td>5.4</td>
<td>-</td>
</tr>
<tr>
<td><strong>Total Power in MW</strong></td>
<td></td>
<td></td>
<td><strong>82.7</strong></td>
<td></td>
</tr>
</tbody>
</table>

*Information missing from the database

Source: Edited by the author, using data from: https://www.resoffice.gr/file/reg/searchmas.jsp

The striking differences in the historical evolution of this Eastern part of Crete, directly related to Sitía’s perceived “exclusion” from development, is an issue frequently brought up by my participants. Emílios is a civil engineer, a member of the “Ecological Group of Sitía” and the “PanCretan Network of Environmental Groups” (EcoCrete). He has been politically active in Sitía for many years, and has previously served as an elected member of the opposition in the Regional Council of Lasíthi. Emílios argues that Sitía’s both physical and historically produced “remoteness”, which renders the place almost “an island within an island”, has been crucial to the formation of its cultural and political identity, and, subsequently, its relation to development.
I think what determines more than any of this [Sitía’s history] ... is this element of geography, the fact that the shepherd here is a fisherman as well, you cannot find this elsewhere. And this multi-faceted employment, in any case, the familiarity with the life of the city and the life of the village, and the mountain and the sea, ...along with a friendlier landscape—we do not have such high mountains here, as in the rest of Crete—all these have given the people here some particular ...mentality [in French]. They say that here we are more open, and we are, that the position of women is different, much more equal. This is what I think creates the “human geography” of Sitía’s people...if you ask the rest of Crete about the Sitiakos [Σητειακός], they might not say they are distinguished for their bravery, but without doubt they’ll say that they’re open-hearted people, they like to celebrate, they are social. (Int.11/Emílios, original emphasis)

Themis is the President of the “Pancretan Network of Environmental Groups” (EcoCrete), and an elected member of the Regional Council of Lasíthi. According to him, the reasons for Sitía’s visible regional differentiation are both “cultural and geographical” (Int.10). Apart from the fact that Sitía is arguably a difficult place to access, the Municipality’s administrative organisation has also played an important role: traditionally Lasíthi has had three urban centres, Sitía, Agios Nikólaos and Ierápetra (see Figure 4.5); the dynamic of coordination and decision-making is therefore different than the rest of Crete’s single-centred municipalities. Themis considers that there are huge differences. Crete is not uniform, it varies culturally from place to place [...] there are profound differences...as we go further west we have another kind of morphological, anthropological, and historical development...see, centres like Sfakia or Anogia [in the west] for example, these are tougher people, more patriarchally organised families, erm, and this is apparent politically and socially in many ways. They have weapons, and a crime rate which is in general very high. Erm, they have another way of playing music, another way of dressing, another way of speaking, it shows even in the way they dance...than those who are more eastward. From the foothills of Lasíthi and up to Cape Sídero, let’s say, people don’t raise their feet from the ground when dancing, while in Anogia, it is characteristic how high they raise the foot...for the same dance. Also, in Sitía, and generally in Lasíthi, they do not deal with bank robberies and arms trade, nor with the cultivation of hashish. They are, in a sense, better people. From another point of view, they are more assertive, and more compliant. They are more peaceful societies. (Int.10)

Themis argues that the above characteristics have defined the way people respond to prospective land-deals in their area: “here the investors found suitable territory, that is, fewer reactions, and more wind of course, while in other areas they were confronted

44 Plural of Sitiakos [Σητειακός], the resident of the broader area of Sitía. As Emílios explains, “When I say ‘Sitiakos’, I mean [the people] from the Ierápetra Isthmus [to the east] ...this is how they recognise themselves...this part acts as an island within an island”. This appears to be a strongly defined local identity: “That is, recently, when a part of Makris Gialos was severed from the Kapodistrian Municipality, was separated [from Sitía] and was attached to Ierápetra, this was seen as a huge issue” (Int.11/Emílios).
with mongrels! And Kalashnikovs…and there, they very quickly retreat, end of story” (Int.10). Especially given this “softer”, less confrontational side of the local inhabitants’ mentality, Emílios argues that resistance to investments is not enough to explain why eastern Lasíthi has remained relatively “untouched” by large-scale capital investment (at least to the extent it happened elsewhere in Crete). The difficulty of access is also an important explanatory factor (Int.11/Emílios). Themis agrees that Sitía’s “isolation”, produced largely because of the lack of proper infrastructure, is a crucial part of the answer.

Yes, it [Sitía] is underdeveloped. It is the Epirus45 of Crete, let’s say…because there is the geographical part of the story. The Mountains of Sitía are inaccessible. You cannot open big roads there, it is a huge project, very costly, it concerns fewer people. The road between Réthymnon and Heráklion, passing through the mountainous volume of Páilorítis, had similar problems. Nevertheless, the road there was made, even though it was a difficult task…while the road of Sitía-Páphia Ammos, which passes through the Mountains of Sitía, this is…an old road, it has not been preserved, all these years. (Int.10/Themis)

As Stávros puts it, “some infrastructure works must be made here. Even if you are paradise, if there is no road that goes to paradise there is no paradise” (Int.20, original emphasis). The issue of insufficient, incomplete or not properly preserved infrastructure is widely discussed among Sitía’s inhabitants and frequently preoccupies the local press. Themis agrees that the residents of Sitía are indeed in need of specific infrastructure, such as, for instance, a well-preserved road connecting Sitía with the rest of Crete. The existing one is relatively narrow, very swingy, and, primarily, is not adequately preserved. The fact that the Northern Axis Road of Crete (VOAK) runs throughout Crete from Chaniá to Agios Nikólaos, but does not extend as far as Sitía (see Map of Crete, Appendix B) has been a constant source of frustration for the eastern part of Lasíthi. Especially in the Municipality’s villages and smaller residential settlements, the lack of basic services and infrastructure (such as administrative services, secondary and tertiary health care, upper secondary and higher education etc.) forces residents to travel to the nearest urban centres (Municipality of Sitía, 2014). Sitía’s hospital, for instance, presents deficiencies in various medical specialties as well as equipment, forcing patients to travel to Agios Nikólaos or Heráklion to get treated (approximately 1.5- and 3-hours’ drive respectively) (Int.10/Themis). Part of Sitía’s coastal road, connecting Sitía with Palékastro—a vital means of communication for a plethora of villages with the city—was falling apart during my stay in Sitía. According to many interviewees, it had been in such a dangerous state for at least two years

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45 Epirus is broadly considered as one of the poorest and more “underdeveloped” regions in Greece.
Manos, a secondary school teacher, a doctor in international relations, a farmer, and one of the main journalists of the online local newspaper “Sitíapress”, explains that “historically, Sitía has always been cut off […] virtually any road that exists today began in 1965 and was completed with the Junta.” After that, no serious interventions were made” (Int.26).

Generally speaking, roads within the Municipality of Sitía are old, badly preserved, and as a result fail, especially during winter months, to meet basic needs and security standards (see also Municipality of Sitía, 2014, p. 18).

Dimitris is an agronomist, an employee of the Municipality of Sitía responsible for Sitía’s Geopark, as well as a former member of the “Ecological Group of Sitía”. In his view, Sitía “has ‘escaped’ [from large-scale land-deals] so far because the state, until recently, in the 1960s and 1970s, did not have its eyes on Sitía” (Int.4). Comparatively, the neighbouring Agios Nikólaos was much closer to Heráklion’s airport and to a big port. It was, therefore,

much easier for that area [Agios Nikólaos] to develop. And [it was] closer to big urban centres, too. Here, as it became clear along the way, they turned us into a garbage dump. Atherinólakkos [Power Station], industrial-scale renewable energy investments, and no roads, whoever has heard this before? In 2017, to even discuss if the VOAK [northern road axis] will only go as east as Agios Nikólaos. (Int.4/Dimitris)

However, despite the apparent problems with the road infrastructure in and around Sitía, Themis suggests that “there is also a maximalist approach to roads here [in Crete]”, and to infrastructure in general, which is also considered a “sign of” development, or an element of pride (Int.10). He argues that this need for infrastructure, “inherent within the people’s understanding of development” often creates political pressure for unnecessary construction projects. Prioritising funding for the construction of Sitía’s “flashy” airport, for instance, does not make sense if the roads connecting it with various places in the region are badly preserved. But people feel pride about it (Int.10/Themis). I return to the crucial relation between development and infrastructure in Chapter Nine: as Harvey puts it (1982, p. 370), not only investors but also landowners have “strong vested interest in the where and when of transportation investment”: the latter can improve relative location, expand markets geographically and enhance land values.

Oríonas is a member of the “Environmental Group of Palékastro”, and a former elected member of the opposition in the Town Council of Sitía. He is widely known for his

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46 See http://www.Sitíapress.gr/ (in Greek)
47 The military junta in Greece, widely known as the “Regime of the Colonels”, lasted from 1967 to 1974.
radical anti-developmental beliefs and his persistence in resisting large-scale land-deals. He argues that Sfitia has evolved in a different way than the rest of Crete “because it didn’t [evolve]… this non-evolution, the fact that this place was spared…it happened for many reasons, because the other parts [of Crete] were developed [instead], because we are far away, because of the [bad] roads, for various reasons they [investors] let it go. But they left it deliberately, to use it later. It’s no coincidence. […] It is a timed strategy” (Int.2). This is a strategy, according to Oríanas, that also implicates domestic investors: “It’s not just the big hotelier [Loyalward] who comes out of nowhere and says ‘ah, now I’ll tear everything down’” (Int.2). As generations come and go, wealthy Cretan families (such as the “Daskalantonakides”, who own many hotels in the Municipality of Réthymnon) have also bought stretches of land in Sfitia:

They bought it 20, 30 years ago, when it was cheap. When everything was completely ‘untouched’. They bought it not in order to do it [develop the land] now…these people know better. They know that land is a dynasty, it goes on, there’s the next ones on the line, ‘my son, my grandson will do it, I know he will’. This is the way it goes…once one place becomes saturated, they jump to the next. That’s it. So, they wait. But this place has resisted, and we people are happy here, that is has resisted for so many years, that there’s one place left. (Int.2/Oriónas)

Oriónas’ view reflects the dynamics of Crete’s uneven development on a regional scale. In Neil Smith’s dialectical concept of the “see-saw”, and the constant movement of capital spatially and over time, the development of one place is contingent on the underdevelopment of others (N. Smith, 2008b). Sfitia’s spatial and temporal produced “isolation” (a product of differentiation), therefore, is now challenged by capital’s highly mobile nature, and its attempt to “seesaw from a developed to an underdeveloped area, then at a later point back to the first area which is by now underdeveloped, and so forth” (Smith, 2008, p. 197-198). I examine this cycle of undercapitalisation-investment as a form of rent gap through the lens of Loyalward’s land-deal in Chapter Six.

In this section I have examined Sfitia’s geographic produced isolation as the root of a widespread sense of “underdevelopment”, neglection and poor judgment from the part of the state. But “remoteness” has yet another side, and leads to a second, interconnected characteristic: the forceful push towards a self-sufficient society which is directly dependent on land. These two contradictory tendencies are closely related to the structure of employment in the area and the local labour market (Melissourtgos, 2008). I turn to this issue in the sections that follow.
4.3. Land and the local labour market

According to Vaiou & Hadjimichalis (1997), local labour markets can act as a useful “window” in approaching the dialectic relation between the macro and micro scale of the historical and geographical analysis of a region, as well as the specific ways that it fits into the general tendencies of capitalist accumulation and uneven development. A broad understanding of Sitía’s local market is also essential in highlighting the ways in which labour practices are dependent upon access to, and property upon land, and therefore land’s crucial role for existing networks of production and social reproduction.

Emílios talks about Sitía’s geographical “insularity” as an element that has historically created some regional “particularities”, such as a close relation between city and countryside, and a rich, “multi-faced” network of employment practices related to both the mountain and the sea (Int.11):

It [Sitía] is an area from which you can see both mountain and sea, that is, you can hardly find in Sitía, in this part [of Crete], a spot from which you can’t see the sea. This has to do with the fact that the inhabitants are familiar with both hunting and fishing, both the life of the village and the small town, …Sitía has always been the capital of this region: it used to be called ‘the Harbour’. […] Although Sitía is typically a town, due to this isolation, it acquired the characteristics of a larger city, as this insularity forced the whole region to develop a form of self-sufficiency. This is still reflected in Sitía, if you compare it to Ierápetra, which is mainly based on a rural economy, and Agios Nikólaos, which is based mainly on tourism and services…Sitía is a more balanced society, lives all year round, has a little bit of everything. (Int.11/Emílios)

Sitía’s dual relationship with both the city and the countryside is a not an uncommon characteristic across the country. In 1920, 62% of the Greek population lived outside the city. By 1991, just before the massive inflow of immigrants in the country, this percentage had dropped to 28%—a huge demographic transformation in the course of just six decades, with dramatic consequences in the organisation of the collective life of large parts of society (Manolidis, 2009, p. 63). This movement from the countryside to the city was the consequence of a combination of reasons such as economic uncertainty and the promise of better prospects of employment in the city, and war, displacement and widespread political prosecutions during the Greek Civil War and after.48 This wave

48 The tremendous impact of the Greek Civil War of 1946-9 resulted in the evacuation of hundreds of (mainly mountainous) villages by the Greek Government army (backed by the UK and US), in its effort of preventing the recruitment and radicalization processes of the rival Democratic Army of Greece (the military branch of the Greek Communist Party) that relied heavily on guerrilla war in the mountainous countryside. According to historian G. Margaritis, between 700,000 and 850,000 of people were displaced, on top of the largely unrecorded
of internal migration was, therefore, heavily emotionally charged, and of a dual nature: escape and exile (Manolidis, 2009). This dual nature of this “rural exodus” shaped ambiguous limits and close interaction between city and countryside. As Damianakos (2002) puts it, the absence of feudal systems, the traditions of communalist autonomy; the geographical mobility and migratory history of Balkan peasants; the incomplete industrialisation and the different trajectories of nation-state formation; all these led to a regime of unclear boundaries and widespread channels of communication between city and countryside, and challenged the stereotypical polarisation between the two, and the typically “closed” character of agricultural society (Damianakos, 2002).

Despite the porous relationship between city and countryside within the Municipality of Sitía itself, the difficulty of communication with neighbouring regions and the area’s “particular geography” has forced Sitía, as Mános puts it, “to develop some forms of…self-sufficiency” (Int.26). Most villages in the municipality were involved, for instance, in the widespread production of raisins, honey, dairy products, and crops. In the villages of the North Road axis, such as Lastros, Sfaka, Tourloti, Myrcene, and Mouliana (see Figure 4.5), workers were, and still are, absorbed in the gypsum quarry, named ALCI S.A.—named since “the time of the Turks” (after the Turkish word “alci” for gypsum). Since back then, there has always been “some kind of autonomy in these areas. In the inland parts, the land might have been small, mountainous, etc., but it was rich. So, nobody was ever hungry, there was no hunger here. This is why we have a very small percentage of people who left abroad” (Mános, Int.26).

On a regional level, Crete’s economy has traditionally been strong. In 2001, the Region of Crete contributed to the 5.5% of the country’s GDP, showing an increase of 5.1% since 1990. The GDP of Crete showed a considerable increase (75.35%) during the years 2000-2008, in line with the 73.85% increase in the national GDP for the same period (Region of Crete, 2017). In 2008, just before the outburst of the crisis, Crete’s GDP was 5.4% of the national one, or €12,854 mil. out of a national €236,917mil.

Traditionally, the higher populated Regional Unit of Heráklion has been contributing the most in the regional GDP of Crete (52.06%), followed by the Regional Unit of Chaniá (23.07%), Lasíthi (12.89%) and Réthymnon (11.98%) (Region of Crete, 2017). Numbers of leftists who massively evacuated the villages during the previous period of right-wing terrorism. While many inhabitants returned to their villages after 1950, few stayed; survival in the ruined countryside was not only difficult, but still dangerous for the defeated leftists (History of the Greek Civil War 1946–9, 2001, Vivliorama, Athens (in Greek), cited in Manolidis, 2009).

49 With the exception of the village of Skopi, which massively migrated to the U.S. Today their community is bigger in Boston than Sitía (Int.26/Manos).
Due to the lack of data after 2011 (when the last national population, housing and employment census took place), it is hard to estimate the overall trajectory of Crete’s economy (at least in statistical figures) within the core years of the crisis. However, according to 2013 and 2014 data from the Hellenic Statistical Authority, the Region of Crete was the third “wealthier” region of the country (after Attica, and the North and South Aegean), presenting an increase of 1.4% in the GDP per capita from 2013 to 2014 (from €13,584 to €13,773)(found in Naftemporiki, 2014).

Similarly to rest of Crete (see Figure 4.7 below), Sitía’s productive base is predominantly based on trade and tourism, a sector which absorbs approximately 65% of the active population, and secondarily on agriculture, with an emphasis on the production of olive oil, wine and tsikoudia (τσικουδιά), as well as stockraising (a long tradition in the broader area of Sitía, alongside with the production of a range of dairy products), fishing, apiculture, and the growing cultivation of aromatic plants (Municipality of Sitía, 2014). Tourism is a dynamically developing sector throughout the whole region of Crete. As early the 1990s, 40% of the (active) population was directly or indirectly active in some form of touristic activity (Koussi, 2000, found in Melissourgos, 2008, p. 282), while in 2005 the contribution of tourism in the regional GDP reached 13%, after a continuous increase in the number of bed-places from 1991 to 2006 (Region of Crete, 2007). It is worth noting, however, that the development of tourism is not homogeneously distributed throughout the island—an imbalance which, as I discussed previously in this chapter, is perceived by many as “exclusion from development”. In 2011, approximately 2,500 bed-places were recorded in Sitía; as the Municipality’s report emphasises (Municipality of Sitía, 2014, p. 45), this number of beds amounts to “only 11% of the total number of beds in the Prefecture of Lasithí”. This significant unevenness in touristic activity is a matter the municipality of Sitía is determined to solve:

The increase in the number of beds depends on many factors which are mainly related to the implementation of large investment plans in the region, the availability of the necessary investment incentives and, of course, the improvement of transport connections and infrastructure. (Municipality of Sitía, 2014, p. 46)

Apart from the uneven distribution of tourist units across Crete, touristic activity within the municipality of Sitía itself is also highly variated. Out of the total number of beds, 91% are based in Sitía, Palékastro, and Mochlos (Municipality of Sitía, 2014, p. 45). As a result, the municipality’s mountainous inland appears marginalised from touristic activity, which is mainly based on the product “sea & sun” and is therefore

50 Or raki, [ράκι], strong alcoholic beverage distilled from grapes in the Eastern part of Crete.
predominantly developed around the coastal, north axis of the island, and in proximity to the urban centres and ports/airports (Melissourgos, 2008).

**Fig 4.7** Number of employed per sector in Crete (2005-2015)

While it occupies a smaller share in Sitía’s employment (23.15%), at least as recorded, the primary sector plays an important role in the local economy. Despite facing serious problems (such as the small size of plots, the lack of water and the ageing population), Sitía has a “dynamic and extrovert” agricultural productive base, relying mostly on the high-quality olive oil, quality greenhouse crops, thyme honey, aromatic plants (herbs) and livestock products. As far as the use of the land is concerned, 40.17% is grazing land, 38.44% is agricultural, and smaller parts of it are forestry land (18.66%), residential areas (0.54%), and various other land uses (5.70%) (Municipality of Sitía, 2014, p. 46).
As shown in Figure 4.9, rural areas with permanent crops and pastureland are dominant in the whole Lasithi (Hellenic Statistical Authority, 2000). Almost 100% of the olive oil production is of extra virgin quality (Municipality of Sitía, 2014, p. 42), and recognised by the European Union, as many of the products mentioned above, as a product of Protected Designation of Origin (PDO). The 79,000 stremmata of land covered by approximately 1,589,000 olive trees in 2007 are indicative of the important influence of
the production of olive oil in the local labour market (Municipality of Sitía, 2014, p. 43). With minimum temperature transitions, relatively stable levels of humidity and plenty of sunshine all-year round, the mountainous ecosystem of Sitía is also particularly suitable for viniculture. Additionally, despite facing a plethora of problems (such as water scarcity, desertification, and the decreasing numbers of bee farmers), the practice of apiculture in Sitía yields quality thyme honey that is an important supplement to family incomes (Municipality of Sitía, 2014). Finally, Sitía has a long tradition in livestock farming (poultry, sheep, goats and rabbits, but also some pigs and cattle) and the production of dairy products such as cheese, yoghurt, [ξύγαλο] and [στάκα] (Municipality of Sitía, 2014, p. 43).

4.4. Multiple jobholding and “silent” productive activities on land

According to the Agricultural University of Athens, similarly to the rest of Crete, Lasíthi’s labour market is characterised by multiple jobholding for 11-70% of the active population, especially in areas that provide employment opportunities in tourism, other parts of the service sector or the agricultural industry (ETAM & G, 2007). The region’s multisided employment structure was also identified, as early as 1995, in a comparative study of the Prefectures of Kerkira and Lasíthi, with findings showing 73.2% of the latter’s active population being active in tourism as a second job (found in Melissourgos, 2008, p. 285). According to Melissourgos (2008), multiple-job holding in Crete has allowed for a relative retention of the population, as well as income stability—almost all taxpayers in the Prefecture of Lasíthi declare additional farming incomes, mostly coming from the production of olive oil and greenhouse crops. This is reflected in the view of Nikifóros, the Vice Mayor of Sitía. During the “good years”, as Nikifóros estimates, the production of olive oil alone contributed in total “more than €40 million” to the people’s incomes in Sitía (Int.21).

Our region did experience a period of economic prosperity, due to high incomes coming from the agricultural sector, from the olive monoculture. These were different times though, the currency was different, the conditions were different. […] So, this logic of monoculture, and of an easy income generation, either as a main income, for those who were farmers, or as a parallel income…because all of us, truth be told, in this area that we live and do some other professional activity, we all have our small field. People had it as a parallel income, they were doing well. There was no need, in my view, for people to deal with some other sector, apart from agricultural production for three months per year, minimum attendance during the rest of the year, and you had a respectable income, a parallel income. (Int.21/Nikifóros)
The official recording of widespread multiple jobholding, a very common phenomenon in post-war Greece, is an indicative sign of the existence of a whole parallel “silent”, undocumented informal labour network, which spreads out across an equally informal system of property on land and land-use rights. Although the statistical data discussed above can provide a useful overview of Lasíthi’s local economy, I use them with caution. It is crucial to keep in mind that they can represent only part of the local labour markets in Greece, as practices of production and social reproduction often do not fall within the strict boundaries of formal analytical categories (Vaiou & Hadjimichalis, 1997), and existing research datasets are either not enough, or inappropriate for an adequate quantification of the occurring phenomena (Kasimis & Louloudis, 2007). National statistics typically overlook the phenomenon of non-agricultural employment and multiple job-holding, fail to take into account informal labour, and in general underestimate the dynamism and mobility between sectors, as well as the lack of a “strict” division of labour in the countryside (Vaiou & Hadjimichalis, 1997). A typical example of this is the constant misrepresentation of the percentage of women’s and immigrants’ labour, either because of the ambiguity of the census questionnaires, or because of the misconception around the concept of what their labour role is in the first place (especially for women) (Damianakos, 2007). Tsoukalas (2005 [1986], p. 156) notes that most empirical-statistical surveys in Greece are carried out on a basis of traditional categories of employment and classificatory systems which presuppose a dominant and unilateral productive activity, and consequently fail even to pose the correct questions. Additionally, research on the informal and “silent” nature of these productive networks clashes with the conscious effort of the state to conceal and obfuscate them. In the *Genesis and Structure of the Bureaucratic Field*, Bourdieu et al. (1994) analyse the processes of naturalisation, codification, objectification of information as bureaucratic acts of the state in dominating the realm of symbolic production. This is an idea I return to in Chapter Seven, as the mobilisation of state’s bureaucratic and normalising powers redefines the concept of forest as a public good and dispossesses through classifying Sitía’s mountainous land as such.

In looking at local labour practices and their relation to land, it is also crucial to make clear that “informality” and “informal activities” do not constitute a homogenous category, and cannot be therefore treated as such for research or policy purposes. They rely heavily on geographical differentiations, local particularities, traditional or modern forms of production, differences in the modes of employment and the importance and structure of the household sphere and family networks. Despite the above, Vaiou and Hadjimichalis (1997, p. 52) attempt a useful conceptualisation of informal activities
summarised in the following four points, all encountered across the South of Europe: a. “criminal activities” (such as drug trafficking, prostitution, gambling, illicit arms trafficking, trafficking and exploitation of immigrants, illicit trade in antiquities, etc.); b. the profitable exploitation of gaps in the “formal” control/regulation system by individuals and businesses (such as widespread tax evasion, illegal lending of money, and failure to officially register services and comply with labour law); c. the reproduction of “traditional forms of production”, which tend to disappear in “developed” areas, but provide some form of income to certain groups of the population in marginalised regions and cities. This type of informal activity can be encountered in rural areas as well, where construction, craft production, micro-commerce and tourism provide a supplementary income to the agricultural one. This type of often occasional, “unskilled” labour is also largely seasonal (e.g. collection of fruit and vegetables in spring and summer, tourism in summer). And, finally, d. “informal activities related to the restructuring of specific businesses in agriculture, industry, trade and services”, especially in order to increase their “flexibility”. This category is mainly seen as the result of neoliberal restructuring processes, and has been a particularly common phenomenon throughout Greece, especially since the outburst of the 2008 crisis. While not all the above categories are relevant in Sitía’s case, the above framework provides a good conceptual foundation for understanding the types of informal practices encountered in Sitía.

Contrary to the positivist approaches of analysing the Greek countryside, Vaiou & Hadjimichalis (1997) aim to connect the process of productive decentralisation and restructuring of certain regional, “marginalised” parts of the country with the emergence of a peculiar type of “intermediate dynamism” in their economies, which stand between the already “developed” cities and industrial centres of the country. Based on a new model of social reproduction that first appeared in Greece (and the European South in general) in the 1970s, in these regions of “intermediate dynamism”, apart from the low percentages of active population and wage labour employment, we encounter the everyday combination of formal and informal activities, multiple jobholding, the household/family as an important element in production, intense entrepreneurialism, but also poor working conditions, low pay, the lack of social protection, the widespread presence of women in production […] and last but not least, the particular conditions of the absence/presence of central governmental regulations and local interventions, all delimited by the clientelist relations in each case. (Vaiou & Hadjimichalis, 1997, p. 13)

As opposed to the north-European modernisation of rural labour systems (at the heart of which lies a generalised logic of the capitalist optimisation of the investment-labour-income relation), similar restructuring processes in Greece “failed to transform farmers
into a distinct socio-professional category: for the vast majority of Greek farmers, agriculture is not a profession, but a given state of social existence, to which they are subjected due to the lack of credible alternatives” (Damianakos, 2007, p. 58). Kasimis & Louloudis (2007, p. 12) further explain that:

Among other things, the farmer—more often than not producer for the market but also self-consumer, landlord and land labourer, quasi-entrepreneur but also “leader” of family business, supplier to the city but also resident of the countryside, a man [and woman] of nature but also its underminer, clinging to traditional life but also eager for technological innovation—he [and she] did not cease to resist the categorisations of a specific, yet widespread, academic and political formalism.

In Sitía, the above definition of a “given state of social existence” exceeds the limits of the agricultural sphere, and seems to describe the inhabitant of the countryside in a broader sense. In Crete, most of the workers the Hellenic Statistical Authority counts as “farmers” become small touristic entrepreneurs in the summer, as is the case in most coastal areas in Greece (Vaiou & Hadjimichalis, 1997). This multisided employment practice, fundamentally relying on land, is, according to Sophía, connected to traditions of the past:

Look, in Greece, in the most isolated parts, there are remnants of communalism. I mean, that was a way of running the villages and managing common resources in the direction of…you know, this distinction we make between use value and exchange value, such remnants exist, and Sitía is one of the places that still has such traditions, and is one of the most isolated [parts of Greece], it’s easier there, elsewhere in Crete as well, but also there. (Int.3)

This understanding of this often informal, parallel and institutionally “silent” side-system of employment in the area as a “remnant”, however, echoes “stagist” theories of development that could reproduce Sitía as marginalised both spatially and temporally: not just as “remote” in terms of space, but also as “behind” in terms of time. Vaiou and Hadjimichalis (1997) situate Greece’s marginalised but dynamic local economies, which present some sort of “deviation” from the “normality” of a unilateral model of production of northern European economies, not as “underdeveloped” and “delayed”, but as the outcome of a different manifestation of uneven capitalist development in the country. Contrary to “historicist/diffusionist” interpretations that consider informal practices as a sign of “underdevelopment” and “backwardness” of entire regions and their populations (see Harvey, 2006a, p. 72), these particularities refuse to disappear (Hadjimichalis and Vaiou, 2012), and, as seen above, they are seldom adequately researched. As Nancy Fraser (2014, p. 59) puts it, under these parallel informal practices of production and social reproduction,
many households derive a significant portion of their sustenance from sources other than cash wages, including self-provisioning (the garden plot, sewing), informal reciprocity (mutual aid, in-kind transactions) and state transfers (welfare benefits, social services, public goods). Such arrangements leave a significant portion of activities and goods outside the purview of the market. They are not mere residual holdovers from pre-capitalist times; nor are they on their way out.

Apart from a privileged field of concealing informal practices, space is also a structural element of their reproduction. Vaiou and Hadjimichalis (1997) consider that there are two characteristics of the land in Greece which are closely related to the development of informal activities. Firstly, these informal “arrangements” are reproduced by the form of spatial organisation itself. The high fragmentation of both urban and agrarian plots has contributed, as I examined in Chapter Two (Section B), to the formation of a broad class of owners-landholders and reinforced the practice of small-scale, frequently complementary rather than primary activities. And secondly, these activities and the land titles themselves have been reproduced by the “convenient” lack of state control over them. I return to these two issues and their role in the ongoing appropriation of Sitía’s land in Chapter Seven.

Finally, before moving on, it is important to note that the dispersion of small property and the lack of control upon land uses has had contradictory results. On the one hand, it has created a “mosaic” of activities and functions that produce a dynamic and diverse network of employment in the countryside. On the other hand, participation and access to the latter occurs unevenly, and relies on the perpetuation of unspoken laws of opportunism and clientelism, of undocumented and uncontrolled of the exploitation of both land and labour, and finally of the lack of a time or space for workers to develop a collective approach in dealing with exploitative working conditions or articulating common claims (Hadjimichalis, 2014b). Especially in times of aggressive neoliberal restructuring of working conditions and the increasing dominance of “flexible” forms of employment, informal practices produce serious problems: highly mobile, flexible and inadequate working conditions, various forms of tax evasion, illegal practices of all kinds, absence of any form of welfare regulation etc. (see Gialis, Tsampra, and Leontidou, 2017). It is without doubt that it is the inability to enter the “formal” job market in Sitía and the realm of regular wage labour, in combination with the increasingly precarious working conditions in the whole country, which reproduce and reinforce the tendency towards alternative practices of production and social reproduction. Despite most of the local communities of the municipality of Sitía showing relatively high employment rates (85%) in 2001 (see Figure 4.9), unemployment rates have since intensified along with the unfolding of the economic
While there are no official data regarding the rise of unemployment in Sitía in particular (the next country-wide Population-Housing Census is in 2021), in 2014, as recorded by the Hellenic Statistical Authority, unemployment in Crete reached 25.3% (Hellenic Statistical Authority, 2015), a rise which is indicative of growing unemployment tendencies across the island as a whole.

**Fig 4.10 Unemployment in the Municipality of Sitía (2011)**

<table>
<thead>
<tr>
<th>Municipality of Sitía</th>
<th>Number of unemployed</th>
<th>Unemployment rate (%)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Municipal Area of Itanos</td>
<td>104</td>
<td>13.6</td>
</tr>
<tr>
<td>Municipal Area of Léfki</td>
<td>65</td>
<td>10.9</td>
</tr>
<tr>
<td>Municipal Area of Sitía</td>
<td>932</td>
<td>16.3</td>
</tr>
<tr>
<td>Municipal Area of Anáipsi</td>
<td>69</td>
<td>9.5</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>1170</strong></td>
<td><strong>15</strong></td>
</tr>
</tbody>
</table>


Reflecting on the relation between unemployment and informal practices in Sitía, Emílios emphasises that, although they should not in any case be romanticised, such practices can act as extremely valuable assets for the local communities in times of crisis, as they frequently operate outside the market sphere—and are therefore, to a certain degree, independent from its fluctuations. He reacts against “development” as a remedy for all Sitía’s problems. This extract from his interview captures the dynamics of Sitía’s land-based economy as discussed in this section, and therefore serves as its ending point:

> Here, of course, there is another question: how bad is life here? Well, I definitely think that in a society plagued by the crisis for so many years there are problems, but comparatively the problems are diminished, erm, in our region than in others. And this has to do with the fact that there is this friendliness of nature, that society is not fully monetised, that even your wild greens, your snails, your hunting…you can find all this without passing it through the market, erm, all your vegetables and so on, so there are ways out. I’m not saying it’s easy, I’m not saying it’s right, but there are no situations so bad that would force people to find their food in the garbage. And what I have in my mind as an element that, you know, symbolises this difference, is the magatzes [μαγατζές, small warehouse for food storing in Cretan dialect]. The magatzes is a small warehouse for the agricultural products, but is also a space for the feast [γλέντι], the celebration, a space where there is absolutely no bourgeois prescription [laugh] of not dirtying [the place], of not stepping on the carpet, and so on… Sitía’s is full of these, where indescribable feasts take place systematically [laugh]. With a great sense of humour, with mantinades [μαντινάδες], with meals, with appetizers, with violins, with fýres and the like. (Int.11/Emílios)

* * *
In this chapter I have examined a double, contradictory side of Sitía’s physical and manufactured “remoteness”. On the one hand, it has contributed to a widespread sense of “disadvantage” shared by the people of Sitía—a sense which is manifested in the following two contradictory ways: first, a consequence of the “non-development” of the area in comparison to the rest of the Prefecture of Lasíthi (especially the immediately neighbouring areas of Agios Nikólaos and Ierápetra), and the other three Prefectures of Crete in general (Chaniá, Heráklion, and Réthymnon). Secondly, I have explored this sense of “disadvantage” as one of the outcomes of the implementation, or planned implementation, of investments on land that are considered as “harmful” or “destructive” for the important environmental and cultural landscape, and antagonistic to Sitía’s existing labour practices (such as stockraising, apiculture, small-scale tourism and agriculture). I have attempted to situate this perception of the lack of “positive” investments and the abundance of “harmful” others within both the spatial and temporal dimensions of uneven development, which paint Sitía not only as “remote” spatially, but also as “backwards” temporally. On the other hand, Sitía’s isolation has contributed to the development of a small-scale but multifaced and dynamic economy based on land. Contrary to a “stagist” understanding of capitalism, a parallel, frequently “silent” network of land-related productive practices should be seen as a manifestation of uneven geographical development in the Greek countryside. Despite its uneven character, access to Sitía’s land constitutes a crucial means of production and social reproduction for the locals.
5

Land as Gateway to the New Energy Market
5.1. Sítanos, the “electric village”

One day someone appeared. He says... ‘I buy land’. What he was planning to do, he didn't say. The news spread that they wanted to make a snail farm, or something of that sort. It’s wild land, let’s sell it, what can I do with it? Or it’s a field, let’s sell it. At a degrading price. Next to the first [villager] another sold, and another, and another… I should sell as well. [A]fter these were sold, other news spread: they will make, they now say, solar panels. Some were small, fine, they do not affect much…but other investors… [made] massive things, beasts. Without informing anyone, without the people knowing a thing, without somebody to intervene, the municipality, to protect…they brought solar panels almost in the village itself. This person who bought them [the properties], he sold them afterwards—he was a broker, of course. He sold them at exorbitant prices. Why, if we had smelled the rat that this was going to be solar panel investments, we might have sold the land, but: not close to the village—far away; and…the land would have been at least sold expensive. This is how Sítanos, my village, was choked with huge things, all around. (Int.35/Márkos)

Fig 5.1 The village of Sítanos

Source: Photo by the author.
Sítanos is situated eighteen kilometres away from the town of Sitía, in the 600m high mountainous area of the Municipality of Sitía. Since 2008, the locals call it “the electric village”: a name which is indicative, as will become clear throughout this section, of the overwhelming number of past and future investments in energy. Márkos is the chairman of the cultural association of Sítanos. As he explains, the village is now small, of around thirty permanent residents, most of whom are quite old (Int.35). Sara, a landowner in Sítanos, stresses that the village is, however, still “alive”, as many of the villagers who have moved to Sitía retain their crops and olive trees on land inherited from their families, and frequently commute to take care of them (Int.37). Hárris is an elected member of the Town Council of Sitía (part of the opposition), and his wife owns family land in the nearby village of Katsidóni. He has kindly offered to drive me around Sítanos and the surrounding villages. Hárris drives me around Karydi, where the Geopark’s information centre is co-housed with the centre of speleological research at the village’s old primary school. The broader plateau, because of the karstic nature of the subsoil, forms a widespread system of sinkholes and important caves and gorges (Municipality of Sitía, 2014). This particular geology is the main reason why the area

was proclaimed a part of UNESCO’s network of Global Geoparks in 2015 (Int.9/Hárris).

Similarly to many inhabitants of the region, Hárris considers that Sítanos and the surrounding settlements should be officially preserved, and that, given the speleological, archaeological, and geological interest of the area—all of which amount to a “decent package”—locals could develop alternative forms of small-scale tourism, such as, for example, tourism of scientific or educational nature (Int.9). As we drive further up, Hárris points towards several windfarms that can now be spotted on the horizon. As we approach Sítanos, the first solar parks appear on both sides of the road: “all these, on the right, on the left, they are a burden to the people here. And these are small, very small, just three, four stremmata of land each” (Int.9, original emphasis). Now Sítanos is facing a bigger threat than solar parks: “Terna [Energy]…they presented a plan, they conducted an environmental study […], and next to the solar panels now the windfarms start. And they are massive” (Int.35/Márkos).

Yánnis, a local landowner in Sítanos, explains that Sítanos, along with Karydi, Zákanthos, Skaliá, Mitáto, Chónos, and Ano Zákros form what is considered the “heart” of Sitía’s Geopark (Int.36/Yánnis). A large part of the land surrounding us, he argues, is hard to cultivate due to the predominantly dry-warm climate of Crete, which dominates in this eastern part of the island. Despite the difficult conditions and the fragile water supply, the villagers retain crops and olive trees and have a long tradition in viniculture (they produce old varieties of wine and raki) (Int.35/Márkos). These cultivations are often anhydrous: such is the problem of water scarcity in these villages, that in the past “there wasn’t even enough to drink” (Int.35/Márkos). It is important to note that the broader region of Eastern Crete is under, or in immediate danger of desertification because of its dry-warm climate (Kapetanaki-Briassouli, 2015; Special Secretariat for Water - Ministry of Environment and Energy, 2015), and has also been

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52 As one can read in UNESCO’s webpage, Geoparks are “unified geographical areas where sites and landscapes of international geological significance are managed with a holistic concept of protection, education and sustainable development. Their bottom-up approach of combining conservation with sustainable development while involving local communities is becoming increasingly popular” (see http://www.unesco.org/new/en/natural-sciences/environment/earth-sciences/unesco-global-geoparks/).

53 Nikos is an experienced member of Sitía’s Speleological Group. He argues that in Sitía there are approximately 800 caves (450 are documented) in the Municipality, out of a total of 10,000 in the whole country (Int. 28). But while many already visit the “active and running” speleological centre of Karydi, Nikos stresses that there is no support for such small-scale and community based touristic activities from the part of the local government—the municipality prioritises investments from “big” players instead (Int.28).

54 In 1996, a water well was drilled in Sítanos; this solved the village’s immediate needs in water, and allowed for the cultivation of vegetables (Int.35/Markos).
characterised as a CORINE biotope. As the area is under “slow degradation”, the CORINE programme urges for the “current land-use to remain as it is”.

Apart from olive trees and crops, the villagers practice apiculture and extensive livestock raising in the surrounding mountains. Most properties on Sitía’s mountains are private and commonly used as pasturage, as it is “common practice”, as Hárris notes to my surprise, “for the landowners to rent their land out to shepherds and get rent in the form of cheese. [These are] private pieces of land, but without titles. Without any property titles. Any transactions related to them are therefore informal” (Int.9/Hárris). As I explored in Chapter Two (Section B), spatial politics in Greece have been diachronically characterised by a wide state and societal consent vis-à-vis informal property and landownership regimes. I return to this issue in Chapter Seven, where I show how informal land titles and practices on Sitía’s privately owned land play an important role in the ongoing appropriation of land and the disruption of the labour practices on it.

In the sections that follow I turn to specific political economic aspects of the increasingly monopolised “green” energy market in Crete. After giving an overview of Terna Energy’s “hybrid” power plant, I situate the latter within a system of fierce internal competition between “big” investors for a share in the country’s relatively new and extremely profitable renewable energy market. I argue that investing companies generate access to new profits, secure control of both new and old technologies and monopolise production licences through their forcible access and monopoly over land.

5.2. Terna Energy’s “Hybrid” Power Plant

Ranging from Central and South-eastern Europe and the US to North Africa and the Middle East, GEK TERNA Group’s activity “spans from construction, energy production and supply, concessions, waste management and mining activities to Real Estate development & management” (Gek Terna Group, 2018). The group claims to

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56 Gek Terna Group consists of Terna, Terna Energy, Terna Mag, and is also part of Heron. Terna is the construction company of the Group. Terna Energy produces wind, hydroelectric, solar, waste-to-energy and biomass projects. Terna Mag is a magnesite and magnesia producer exploiting Euboea’s “world class” magnesite deposits (GEK TERNA Group, 2018). Heron was established by GEK TERNA, ENGIE (ex GDF Suez), “the largest independent electricity producer and supplier in the world” became a shareholder in 2009. QATAR PETROLEUM (through QPI GAS & POWER OPC.), another global leader in the energy sector, also acquired a holding in the share capital of the HERON II power plant in March 2014. Heron
have made investments of €2 billion in the last five years (over €1.5 billion “in the crisis”, as they emphasise), with “the current construction backlog of the group reaching €1.8 billion and the total installed capacity of the group’s energy plants exceeding 1,500MW” (Gek Terna Group, 2018). Terna Energy holds a “leading position” in the Greek energy market, with approximately 6,000MW of renewable energy projects in operation, under construction or in an advanced stage of development (2018). In Crete, Terna Energy aims to construct, among other plans, a €276,500,000 “hybrid” power plant (an analytical breakdown of the budget estimate can be found in Chapter Seven, Figure 7.1) consisting of two counterparts: subproject $a$, a system of two wind farms (27 wind turbines in total) producing energy at a rate of 89.1MW, both situated in the mountainous part of Sitía, Lásithi (this is the renewable energy part of the project); and subproject $b$, a system of pumped-storage hydroelectricity for load balancing in Potamón Dam in the area of Amári, Réthymnon, producing a so-called “guaranteed power” of 50MW. The hydroelectric system involves the existing dam as the system’s “lower” reservoir, and the construction of a new, “upper” reservoir of 1,200,000m³ in the Harkia area of Réthymnon (Enveco for Terna Energy, 2016). In this thesis I mainly focus my attention on the forcible appropriation of land for subproject $a$—the windfarms in Sitía.

Fig 5.3 Terna’s “Hybrid” Power Plant: hydroelectric pumping in Réthymnon and windfarms in Sitía

Source: Edited by the author, using information from (Enveco for Terna Energy, 2016)

Terna’s power plant is, as has been covered by the media (see, for example, cretedoc.gr), the biggest “hybrid” combination of wind parks and pumped-storage hydroelectricity in Europe (a claim made by Terna Energy’s Chairman, George Peristeris, himself) and a “typical example of a successful public-private partnership (PPP)” between Terna Energy and the Organisation for the Development of Crete was the first private Group to operate in the Greek liberalized electricity market (it constructed and is operating the first private power plant in Greece since 2004) (see http://www.heron.gr).

57 Froudia, Lygias, Plativolo, and Troula, Halkias, Korfi mountaintops.
S.A. [Οργανισμός Ανάπτυξης Κρήτης] (OAK). The PPP between OAK and Terna Energy is a typical example of the allocation of projects funded with public money (such as the Potamón Dam and the existing, also publicly funded, power grid of the island) to private investors for long-term “exploitation”. OAK was founded in 2013 and is a “governmental organisation” supervised by the Greek Ministry of Economy, Infrastructure, Marine and Tourism—in short, a publicly funded body that belongs to the state. OAK is in charge, inter alia, of Crete’s hydraulic infrastructure, part of which is the Potamón Dam in Rethymno (of a water capacity of 22.5Mm³). As one can read in the Environmental Impact Study (EIS) of Terna’s “hybrid” project, in 2010 OADYK (now OAK) proclaimed the conduct of an open competition for the “Energy Exploitation of the Potamón Dam – Study, Financing, construction, management and exploitation of a Hybrid Power Station” (Enveco for Terna Energy, 2016). The Potamón Dam was, however, designed, publicly funded, and licensed for a completely different reason: “the irrigation of the Réthymnon plain and the reinforcement of the water supply of the Municipality of Réthymnon” (Organisation for the Development of Crete (OAK), 2018). According to the Coordinating Committee of Réthymnon against “Industrial-Scale RES” (2018), an activist group reacting against the “pharaonic” energy investments planned throughout Crete, “all the environmental permits granted so far exclusively concerned such use [irrigation and water supply], and prohibited its change, or the execution of any other project” (2018; see also Sfakianaki, 2017).

The irrigation and water supply projects were never completed, and the fact that the “energy exploitation” of the dam was finally contracted to Terna in 2012 shows, as argues Sfakianaki (2017), that only big private “players” can undertake projects of such scale (through PPPs or not) in the current financial, political and legislative context. As many interviewees have highlighted, in practice OAK exists and is still active because of the partnership with Terna Energy (Int.36/Yánnis; Int.37/Sara; Int.3/Sophia; Int.35/Márkos): “if the project ceases to exist, they [OAK] cease[s] to exist” (Int.36/Yánnis). The response of Sitía’s Mayor is indicative of this. The participation of a private body, he argues, “allows a public organisation that has no revenue […] to create a revenue—for the benefit of the local communities, even if the private part of the partnership, as it always happens, gets the highest percentages” (Int.5). Márkos claims that the involvement of an organisation of the state provides political

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58 OAK was founded in 2013 through the merger of OADYK (Organization for the Development of Western Crete), OANAK (Organization for the Development of Eastern Crete) and the public authorities EYDE BOAK (Special Service of Public Works for the Northern Road Axis of Crete) and EYDE Aposelemi (Special Service of Public Works for the Aposelemi Dam). See https://oakae.gr.
legitimisation for an otherwise clearly private investment, which takes advantage of public infrastructure, as well as water: “they involved OAK in there as well, with a share, so they can press more firmly. But it is Terna [which controls the dam]” (Int.35). As Oréxis, an active member of the “PanCretan Network Against Industrial-Scale RES”, suggests, the partnerships of this type entail a “deep ethical” question: “They [OAK] made a project for irrigation. They didn’t even make the irrigation network! And they go ahead and prioritize the pumped storage?” (Int.22).

Tânia is a civil engineer, and Ter na’s Director of Hydroelectric Projects. She has been representing the company in all official requests and public appearances, and was the one to sign the contract with OAK on behalf of Terna Energy. Tânia argues that, according to the company’s estimations, the dam’s water in Amári is more than enough to support the area’s water supply and irrigation needs and the function of the hydroelectric pump (Int.38). It is here important to note that OAK covers the irrigation needs of approximately 10,000 stremmata of cultivated land, while the Potamón Dam was designed and approved (but was never completed) in order to cover the irrigation needs of 25,820 stremmata (Special Secretariat for Water-Ministry of Environment and Energy, 2015, found in Sfakianaki, 2017).59 The hydroelectric pump will require, the company argues, 700,000 cubic meters of water which are recycled—they are returned to the dam. However, as one can find in the 2012 documentation of the (at least 25 years long) contract between Terna Energy and OADYK (now OAK), the latter is legally obliged to provide 2,000,000m³ of water, which should always be available for use according to the investor’s needs (Contract Between Terna Energy and OADYK, 2012, p. 4). Despite the company’s claims, therefore, Sophía, a regional planner and member of the Technical Chamber of Eastern Crete, thinks that “hybrid” power plants “are extremely dangerous, as apart from energy they dip into the water too” (Int.3). The PPP between Terna and OAK seems to be a typical case, as Harvey puts it, “in which the public sector bears all of the risk and the corporate sector reaps all of the profit”(Harvey, 2006, p. 25). Apart from the PPP between OAK and Terna Energy, however, state support towards Terna’s plant has also been manifested, as I explore further on, in the form of generous state “compensations”.

If implemented, the two windfarms in Sitía will occupy a surface area of at least 6,872,604m², and require the opening of 21,248,99m of new roads (Enveco S.A. for

59 In total, the agricultural land in Crete amounts to 2,554,000 stremmata out of which only 1,079,093 were irrigated in 2000. Across the island, irrigation needs amount to 85.32% of the total needs in water (439,618,000 cubic meters per year) (see Special Secretariat for Water-Ministry of Environment and Energy, 2015, p. 47).
Terna Energy, 2016, see breakdown in Figure 5.5). The 27 wind turbines along with the necessary supporting works fall into a part of the Municipality of Sitía (Municipal Areas of Itanos, Léfki and Sitía) with rare geological formations (limestone rocks) and an important natural, speleological, archaeological and cultural landscape. The opposing residents believe that this specific part of the Geopark could “stand as a Regional Natural Park (Speleological and Cultural) on its own”, and that it could be suitable for small-scale “educational, athletic, scientific and touristic activity” (Opposing Residents of Sitía, 2017, p. 2).

**Fig 5.4** Eastern Lasíthi, Crete, and the Hybrid Plant’s windfarm installation area

Fig 5.5 Surface occupancy of subproject (a): windfarms in Sitia

<table>
<thead>
<tr>
<th>Individual parts and facilities</th>
<th>'Froudia-Lygias-Plativolo', Sitia (Windfarm 1)</th>
<th>'Troula-Halikiass-Korfi', Sitia (Windfarm 2)</th>
</tr>
</thead>
<tbody>
<tr>
<td>General</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Average altitude</td>
<td>580m</td>
<td>710m</td>
</tr>
<tr>
<td>Land plot</td>
<td>3,258,905m²</td>
<td>3,613,699m²</td>
</tr>
<tr>
<td>Power</td>
<td>49.5MW</td>
<td>39.6MW</td>
</tr>
<tr>
<td>Windfarms</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Number</td>
<td>15</td>
<td>12</td>
</tr>
<tr>
<td>Power</td>
<td>3.3MW each</td>
<td>3.3MW each</td>
</tr>
<tr>
<td>Height</td>
<td>84m</td>
<td>84m</td>
</tr>
<tr>
<td>Rotor diameter</td>
<td>112m</td>
<td>112m</td>
</tr>
<tr>
<td>Installation Bases</td>
<td>100 x 55m</td>
<td>100 x 55m</td>
</tr>
<tr>
<td>Occupancy area</td>
<td>82,500m²</td>
<td>66,000m²</td>
</tr>
<tr>
<td>Control Centre building</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Dimensions</td>
<td>19,00 x 13,00m (building’s plan)</td>
<td>19,00 x 13,00m (building’s plan)</td>
</tr>
<tr>
<td></td>
<td>4,000m² (land plot surface)</td>
<td>4,000m² (land plot surface)</td>
</tr>
<tr>
<td>Road Construction Works (Access to and between windfarms)</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Length</td>
<td>Opening of new roads of 16,030.94m &amp; maintenance of roads of 4,666.25m</td>
<td>283.36 m improvement of existing roads, construction of 5,218.05m of new roads and maintenance of roads of 734.62m</td>
</tr>
<tr>
<td>Width</td>
<td>5m</td>
<td>5m</td>
</tr>
<tr>
<td>Surface</td>
<td>87,907.15m²</td>
<td>29,254.43m²</td>
</tr>
<tr>
<td>Road Construction Works (Access to High Voltage Pylons)</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Length</td>
<td>4,848.8m</td>
<td></td>
</tr>
<tr>
<td>Width</td>
<td>4m</td>
<td></td>
</tr>
<tr>
<td>High Voltage Pylon</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Occupancy area</td>
<td>12,062.75m²</td>
<td></td>
</tr>
</tbody>
</table>

Source: Edited by the author, based on data found in (Envaco for Terna Energy, 2016, chap. 1, p. 2).

The prospective windfarms installation area will occupy a large semi-mountainous area in the central, western and southwestern part of Sitia’s Geopark (part of UNESCO’s network of Global Geoparks since 2015), and in close proximity to Sítanos, Karydi, Adravásti, Skaliá, Mitáto, Chónos, and Ano Zákros (see Figure 5.4). Some of these are traditional settlements (dated before 1830 and protected by Law 3028/2002), mostly saved unaltered, and include important archaeological sites, Byzantine ecclesiastical monuments, and fountains of which only few have been officially declared (Opposing Residents of Sitia, 2017). As I explore in Chapter Seven, informal practices on Sitia’s...
land, as well as state “failure” to implement measures of environmental and archaeological protection, produce an extremely vulnerable landscape—a landscape with no institutional barriers to dispossession.

The “hybrid” power plant is currently at a standstill. In 2016, the project was unanimously rejected by three community assemblies in Sítanos, Karydi and Zákros (Int.36/Yánis). Villagers approached by Terna’s spokesmen did not grant the company access to their properties, and the company’s (legally questionable) attempt to set up a wind monitoring mast failed after being confronted with a local uproar (Int.36/Yánis). While the local authorities in power are in general clearly in favour of any kind of “developmental investment” in the area, such was the mobilisation and pressure from the opposing locals that the town council of Sitía “was forced”, as the Mayor put it himself, to reject the investment unanimously as well (Int.5/Mayor). Shortly after the wind monitoring mast incident, Terna publicised the project’s Environmental Impact Study (EIS), and the inhabitants concentrated their efforts in examining the company’s argumentation and finding flaws in it, and preparing their case for the consultation stage. In 2018, after almost two years of relative stillness, the Region of Crete evaluated and rejected Terna’s plans—in a rather heated regional council meeting in Heráklion. Town and regional council decisions, however, are only of advisory nature; any final decision on the plans’ fate lies centrally, in the hands of the Ministry of Economy and Development, and is still pending.

5.3. Contradictions of the new energy frontier

Terna’s hybrid power plant is promoted as a “project beneficial for Crete, and the Greek society more broadly, because it is here to substitute imported fuel: oil” (Int.38/Tánia-Terna Energy). It is precisely because of the imported oil, Tánia argues, that Crete has a very high energy cost, of approximately €500 million per year, more than €330 per megawatt hour (Int.38). The “hybrid” project goal, is, as she claims, to partially substitute Crete’s thermal units. But the high cost of the power plant, burdened by the need for expensive, imported technological equipment, makes it a “mediocre” investment for the company: “people say Terna will make a ton of money out of this, but…the internal rate of return for this project is only about 15%” (Int.38/Tánia-Terna Energy). With 25% own company funding and 75% of loans, which in Greece are “extremely painful, you’ve got charges, prepayments in closed accounts, you’ve got high interest rates…this is not such an appealing project for the company” (Int.38, original emphasis). In combination with the people’s strong
reactions against the windfarms in Sitía, and the “expensive innovative technology”, Tánia claims that “the company is troubled. This is not a project that you’ll say…I will make no matter what in order to make profit” (Int.38). Why are investors getting into all this trouble to carry out such a demanding and costly project?

With the promise of substituting imported oil and bringing the cost of Crete’s energy down, and as part of a discourse that equates the social and ecological demand for renewable energy with any business activity and method related to it, Terna’s hybrid power plant is promoted as a “beneficial project” for Crete and for the whole country (Int.38/Tánia-Terna Energy). I argue that it is part, however, of a system of fierce internal competition between “big” investors for a share in the country’s relatively new and extremely profitable “green” energy market. As I explore in the following section, companies such as Terna generate access to new profits, secure control of both new and old technologies and monopolise production licences through their forcible access and monopoly over land. Land is, for them, a mundane but indispensable asset. The political and geopolitical dimensions of the question of energy production in Crete are extremely complex and beyond the interest and the capabilities of this thesis. It is essential, however, to examine several specific aspects of the political scenery of “green energy” in Crete; these contribute to the overall understanding of both the state’s and the investors’ tactics when it comes to the licencing procedures for, and the installation of renewable energy projects, and consequently the appropriation of land to do so.

While there are several proposed plans for its interconnection with mainland Greece, Crete is still an autonomous grid island, and is currently widely considered a “renewable energy-saturated” system due to the volume of “green”—and therefore unstable—energy already produced on the island (Regulatory Authority for Energy, 2007; Sfakiánaki, 2017). This is important, argues Sophía, as it sets a limit to the number of windfarms (and renewable energy projects in general) that can be installed in Crete’s autonomous system without destabilising it; all new projects must therefore provide a plan for dealing with the excess energy when the wind blows (or the sun shines), but the demand for energy is not sufficient (Int.3). This limit creates, therefore, a question of “internal competition” between energy providers to reach the licencing stage for their renewable energy investments in the first place, as only companies which do offer a plan for excess energy use or storage are given the possibility by the Regulatory Authority for Energy (RAE) to install new windfarms in Crete—since the island, as

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RAE is an independent administrative authority, established on the basis of the provisions of Law 2773/1999, which was issued within the framework of the harmonisation of the Hellenic Law to the provisions of Directive 96/92/EC for the liberalisation of the electricity market (see http://www.rae.gr/old/en/).
mentioned above, is considered to be “renewable energy-saturated” (Int.3/Sophía; Int.32/Pávlos). Apart from the installation of new wind farms, the output (and, consequently, the profitability) of existing windfarms is also at stake. Wind power from companies with existing windfarms can be inserted into the system as long as power stability can be maintained by the conventional power system administrators, but

if they [the power grid system administrators] see that this limit is exceeded, or if the demand drops, they turn them [the wind turbines] down…therefore we see, out of a windfarm with five turbines, only two spinning. Now, what I’m describing is completely overturned when the system administrator says that they’ll prioritise new projects over the older. The older companies…are furious! So, the companies with ‘hybrids’ have achieved a competitive advantage for themselves, and a considerable blow to the others. (Int.3/Sophía)

Competitors claiming production licences from RAE for new renewable projects, or seeking to maximise the profits from existing underperforming ones (or both) are, therefore, essentially left with two options: they can either remove the existing “disadvantageous” barrier of Crete’s power autonomy by implementing a submarine interconnection cable from Crete to the mainland themselves; or offer a storage option for the excess “green” energy. Terna Energy, as I discuss in the following sections, has plans for both.

(a) Submarine interconnection plans

The fierce competition between multiple interconnection plans between Crete and mainland Greece, some of which are already claiming production licences from RAE, is indicative of how much profit is at stake (on a level that by far exceeds the energy market of Europe, let alone the domestic one). Evidently, only “big” players can undertake the technologically advanced and costly task of designing and constructing long submarine interconnection cables. Interconnection plans include, for example, the “Eurasia Interconnector” cable, aiming to connect Israel, Crete, and Cyprus—a cable of a total length of 1,500km, a 2,000MW capacity and a €3 billion budget (energypress.gr, 2016). ADMIE (the country’s Independent Power Transmission Operator) alone has proposed two separate interconnection plans in its 2019-2028 ten-year plan (see http://www.admie.gr). The first is the so-called “small” interconnection between Crete and the Peloponnese (which consists of two cables of a carrying capacity of 200MW each, and is planned to be implemented by 2020). This “small” interconnection plan promises to secure the island’s electrification needs (especially during the “peak” summer months, when demand for energy is high) and lower the

123
costs of the currently expensive (mainly oil-based) production of energy in Crete. It is worth noting that ADMIE’s “big” cable, a project of a €713.3 million budget, is “the largest in operation or undertaken study of an AC [alternating current] power interconnection worldwide” (see http://www.admie.gr).

62 It is not by chance that in 2016 the “State Grid” Chinese colossus bought a significant part of ADMIE’s (the country’s Independent Power Transmission Operator) shares (24%) as part of its extremely ambitious “Global Energy Interconnection” plan (energypress.gr, 2016).

63 The National History Museum of Crete, as becomes clear in Chapter Eight, also acts as an unofficial consultant to the Licensing Authority of investments’ environmental studies: the Decentralised Administration of Crete.
he is concerned about the investors’ motivations and the future of Crete’s “very unclear energy landscape” (Int.32). Both Terna’s and Elica Group’s plans included a bidirectional submarine interconnection cable, and, according to Pávlos,

this is how RAE granted the production licences to them. That is, the initial licence says: ‘I will give you permission for 1000MW of wind turbines, provided that you make a cable’. They couldn’t get the permission otherwise, because Crete is a saturated system. But…1000MW is still nowhere close to Crete’s needs…Crete needs around 850, 850MW at its peak, right? So, the 1000MW are clearly intended for export. (Int.32, original emphasis)

Issuing production licenses for these plans involved, as Pávlos explains, “claiming land in about thirty positions [for wind turbines] each. All over the place” (Int.32). Sophía argues that, apart from the strength of the wind, these positions were also picked “on the basis of who their [the investors’] collaborators were, their local collaborators” (Int.3). She mentions that in Chaniá, for instance, at the western part of Crete, “everyone was upset by the plans of Elica Group, which included windfarm projects there…but he [Copelouzos, the owner of the Group] went down to Chaniá, there were some meetings,…and, all of a sudden, the mayors stopped reacting against [these plans]…I don’t know how he convinced them, or what he promised to them” (Int.32/Sophía). I return to the crucial role of the local authorities in Chapter Nine. What is of particular interest here is, however, that the investors’ criteria for “securing” the windfarm installation areas, as Sophía puts it, “did not always seem to be the smartest” (Int.3). Pávlos agrees that

they were putting turbines…here, there, in the Samariá Gorge itself. When I had looked into it, out of the 1000MW Copelouzos was requesting, immediately, by default, without even properly researching it—because they [the prospective windfarms] would fall into a national park, a[n][archaeological] zone A, a zone x, etc., etc.—a 15% was automatically ruled out; they were instantly down to 850MW! It is certain that the rest of the procedure would rule out another 15%, and so there’s 700MW left […] Copelouzos and the like of course know this, but they don’t care.” (Int.32, original emphasis)

In total, Sophía explains, at least four different companies (Copelouzos Group, Terna Energy, ADMIE, and PPC [Public Power Corporation] Renewables [ΔΕΗ Ανανέωσης]) ended up claiming production licenses for renewable projects which also included interconnection cables (Int.3). In this effort to create renewable energy and cable combination “packages”, Sophía goes on, and as the availability of suitable windfarm positions was increasingly dropping, the “rush” for land “was becoming more

65 The Gorge of Samariá, a major tourist attraction, is situated in the UNESCO recognised World’s Biosphere Reserve and National Park of Samariá, in the Lefká Ori (White Mountains) in Western Crete, Chaniá.
and more damaging, increasingly involved Natura 2000 areas, and the whole thing was a complete degradation” (Int.3). In 2014, Terna and Copelouzos Group submitted Environmental Impact Studies for their projects (including an interconnection cable each, in combination with 285 and 361 windfarms dispersed all over Crete respectively) (Argyropoulos & Co for Terna Energy, 2014; Enveco for Elika S.A., 2014). Sophía argues that “at this point, Terna had already ‘detached’ the two windfarms in Sítia from the interconnection cable ‘package’ and had ‘attached’ them to the Hybrid Plant, so that they [Terna] could take part in OAK’s competition [for the exploitation of Potamón Dam]” (Int.3).

What has happened since then [2015] is tragic. The new Regional Plan [of Crete] was incomplete, then there was the new Memorandum, elections, chaos. And each of these two [Terna Energy and Copelouzos Group] sent a letter to the Regional Administration, the one with greater audacity than the other, saying: ‘don’t go ahead with reviewing these plans, as the projects’ technical characteristics might change’. This is paranoia. Having worked in the Directorate of Environment and Spatial Planning myself, I know very well that if the parameters of a project change substantially, the Ministry [of Environment & Energy] must require a new Environmental Impact Study, or important modifications [of the initial study]! It was clear that everyone, investors and the state, were playing the ‘game of delays’. The Ministry, the Environmental Inspectorate, they were the ones that had the responsibility to say: ‘if you’re not certain about them [the submitted projects], gentlemen, withdraw them and resubmit them when they’re ready!’. That’s the least they should have done. (Int.3/Sophía, original emphasis)

The point of this “game of delays”, Sophía stresses, was to allow the investors to hold on to their projects’ approved production licenses, and with them the land, within an everchanging and very unstable political and legislative environment: “the Regional Plan was pending, they [the investors] did not know what to expect from Tsipras [the then Prime Minister] and his Ministries, the country was negotiating with the creditors, we were under capital controls, and so on so forth”(Int.3/Sophía). In an effort to increase their chances for licencing and funding, Terna Energy and Copelouzos Group merged their individual projects in 2017 and registered them as a single project (Investment Project EIPP-20160074) in the so-called “Juncker Plan”: the European Investment Project Portal (Int.3/Sophía; Int.32/Pávlos). This plan involves a submarine interconnector cable departing from the area of Korakiá in Réthymnon, and arriving at the Acharnes Extra High Voltage Centre in Attica.

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Pávlos agrees that Terna Energy and Copelouzos Group were “primarily interested in the issuing of the production licenses and in announcing they are starting the implementation of their project, and re-evaluate whether they would actually implement the project, or part of it, later on” (Int.32, original emphasis). Apart from getting access to production licences for renewable energy projects and securing the land, however, Pávlos considers, crucially, that the energy “package” projects in Crete also serve as a means for “big players” to gain access to the production of “conventional” forms of energy: the investors (Terna and Copelouzos) are aiming to get access to the Base Transceiver Station in Korakiá, where the state’s natural gas strategy for Crete involves the implementation of a new Thermal Power Station.67

That’s the burning issue for them, that’s the big deal for them. Every big investor of this sort makes a deal, and says that ‘I, according to my business plan, need to produce that much energy. Now…because it might not be windy, because the PPC might stop me, because, because, because, I want to be able to substitute a percentage of this energy with a thermal unit’. So they actually produce thermal energy, but you and I pay it as renewable. Although in theory they say this percentage cannot exceed 15%, in practice it is…80%, 70%? Which just means burning natural gas, whatever, LNG [Liquefied Natural Gas], etc. This is the burning issue for them, while we pay for the renewables. They don’t care about a single wind turbine. But to get themselves into the thermal station ’game’, they say ‘we want to make renewable energy projects, and we need the base station to support them’. (Int.32/Pávlos, original emphasis)

According to Pávlos, competition for technological advancements, therefore, does not only serve the purpose of increasing productivity and creating new markets, but also acts as a prerequisite for claiming production licences and monopolising projects based on older, yet extremely profitable technologies. The financial ability (which only few “big players” possess) to implement a submarine interconnection cable, or to offer a storage plan for the excess unstable renewable energy, acts as a medium for investors to access the renewable energy production market. The latter can act, in turn, as a medium to also access “conventional” energy units—whose production is paid, however, by consumers at a high, “green”, cost. In the section that follows I turn to how Terna’s Hybrid Plant fits in the above dynamics.

67 A project which, according to a recent press release by the PPC (23/05/2019), will be part of the implementation of the natural gas import strategy for Crete. In Korakiá, in Rethymno, the PPC plans, in collaboration with the Hellenic Gas Transmission System Operator (Desfa S.A.), the creation of an LNG Terminal Station along with the supporting gas transport infrastructure.
By offering storage plans, “hybrid” and solar power plants have been increasingly achieving production licences in Crete (Sfakianaki, 2017). Terna’s “hybrid” power plant promises to deal with the instability generated by the absorption of unstable wind energy in an autonomous power system (when it is windy, but there is no sufficient demand) by balancing the insufficient demand through the function of the hydroelectric pumping system itself (Enveco for Terna Energy, 2016). Excess energy from the windfarms in Sitía’s mountains will be used to pump water from the “lower” to the “upper” reservoir of the hydroelectric system at the Potamón Dam in Réthymnon. The water can then be returned to the “lower” reservoir at a time selected by the power administrator, producing hydroelectric energy when needed (Enveco for Terna Energy, 2016). Paradoxically, however, each of the two subprojects are connected autonomously with Crete’s electric grid, essentially rendering the “hybrid” nature of the power plant just a logistical “junction” of two different energy systems (Sfakianaki, 2017): many refer to the plant, therefore, as a “pseudo-hybrid” project (Int.22/Oréstitis, Int.3/Sophía, Int.32/Pávlos). Pávlos expresses his disbelief in “their ability to predict this [the logistical balance between the two systems] every day. I give up. I am just not convinced” (Int.32). Oréstitis suggests that, although publicly challenged, the company has not given convincing answers to many “technical issues”, such as why, for instance, the investors would not position the windfarms next to the hydroelectric pump in Potamón Dam, but insist on a “logistical” junction instead. The only thing they take into account, according to Oréstitis, is where the wind is stronger, and, “the more technical the problem, the less the people can touch upon it” (Int.22).

What is certain, however, is that the 50MW of power for the production of eight hours’ worth of electricity is already being “guaranteed” by the regulations: the project’s production licence from RAE (Regulatory Authority for Energy, 2014, p. 6) states that “the priority rate of integration of the hybrid power plant’s RES units is set at 100% of the requested storage energy from the plant” (Sfakianaki, 2017, p. 2). As Oréstitis exclaims, the above is “Speculation! I don’t get this. What if there’s no wind? Guaranteed power! What if there’s too much wind? Guaranteed power!” (Int.22). As one can read in the project’s Environmental Impact Study, this priority contributes to the company’s yearly (gross) income of €59,868,330 (Enveco for Terna Energy, 2016, chap. 2, p. 2).68 It is precisely due to the 50MW of “guaranteed” power it will deliver

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68 Out of which 3% (€1,796,050) will be distributed between the municipalities of Sitía, Réthymnon and Amari, and the “Green Fund”. The objective of the latter is to “stimulate growth through protecting the environment and providing administrative, economic, technical
that the power plant is granted the same state “compensation” that conventional power plants are granted: €6,350,000 per year (at a price of €127,000/MW/year, times 50). The energy produced by the wind farms is priced at €173 per megawatt hour, generating an income of €50,170 per year. The power delivered by the hydroelectric pump system is priced at the even higher price of €236/MWh, adding a sum of €53,468,160 to the total gross income (Enveco for Terna Energy, 2016, chap. 2, p. 2). As Sfakianaki suggests (2017, p. 2), it is useful to compare the above pricing with the price (per megawatt hour) currently paid by household consumers via electricity bills: €94.6 per hour. It is worth noting, however, that the high price of electricity due to the high pricing of existing renewable energy projects is a burden dispersed to the people through electricity bills.

Oréstis takes a look at an electricity bill lying on his desk.

By taking a closer look to my electricity bill, what do I find out? That in about a single year, we give one billion through the ETMEAR fee, the RES fee! Right? So... out of the €321 of this bill, for instance, I pay €84 for the guaranteed wind turbine that turns, if it turns, because the power network can’t withstand it all, and blah, blah, blah. It’s about 20-25%! So, we have paid seven billion since 2010... for the turbines not to produce any electricity—because in Crete many don’t. (Int.22, original emphasis)

Electricity in Crete, largely produced by thermal units, is already expensive—costing about 2.5 times more than in mainland Greece (Sfakianaki, 2017, p. 3). But why are they (Terna Energy, Elica Group, ADMIE, etc.) proposing interconnection cables in the name of, precisely, reducing this high cost, while at the same time “burdening” the island with another high “hybrid” cost? This is one of the most striking contradictions in the argumentation aiming to legitimise “hybrid” power plants in Crete, which takes different forms depending on whether the companies have proposed an interconnection plan with mainland Greece or not (Int.3/Sophía; Int.10/Themis). For example, one of the strongest arguments expressed in the Environmental Impact Study of another hybrid power plant, against which the locals appealed in 2014, was that since Crete has an autonomous energy grid, the “hybrid’s” storage system

and financial support for programmes, measures, interventions and initiatives to improve and restore the environment and combat climate change” (see Law 3889/2010). OAK, according to the contract with Terna Energy (Regulatory Authority for Energy, 2014), will receive €2,006,000 per year).

69 Special Duty of Greenhouse Gas Emissions Reduction, which is “destined to the payment of the electricity producers from Renewable Energy Sources (RES). It constitutes our contribution to the reduction of greenhouse gas emissions through the promotion of RES” (see https://www.dei.gr/en).

70 This project was submitted for licensing by the French EDF, and involved two hydroelectric pumping systems in the area of Azilakodasos (the largest forest of a rare species of holm oaks in Crete, situated between Heraklion and Lasithi) and 106 windfarms.
(hydroelectric pumping) makes possible an increase in the contribution of renewable energy projects, which is of course seen as positive (Int.3/Sophía). In Terna’s case, however, the argument is different, since the company has proposed an energy interconnection cable plan as well:

in short [Terna], they say: ‘it [the hybrid power plant] has an important contribution now, and will also be useful after the interconnection!’ Which makes absolutely no sense, especially since you are supposed to pay such an expensive price per kilowatt hour for the storage part of the plant. (Int.3/Sophía, original emphasis)

If—or rather, when—Crete is eventually connected to the mainland power grid, the first companies to take advantage of this would be the ones already operating underperforming renewable units. In the long run, however, all renewable energy providers would maximise their profits through the removal of the barrier of the system’s autonomy, which now sets a limit to how much “green” (therefore unstable) energy can be inserted in the system. The latter explains why Terna Energy is proposing a “hybrid” plant power and an interconnection cable. Sfakianaki considers this as “solid proof that the main aim of the interconnection is, in the end, not reducing the cost of electricity, as they argue, but maximising the penetration of windfarms into the system for export’” (2017, p. 3). Similarly, Themis considers the “hybrid” plants to be complementary to these export plans: “the investors think, ‘we can produce electricity, and send it anywhere as long as we can store it’…since these projects are approved by the state, why wouldn’t they undertake them?” (Int.10, original emphasis). Sophia agrees that the investors

will make profit out of this anyway. It is the state, in the end, that should not be benefiting from paying so much for electricity, and from giving access to land and water as well [for the hydroelectric pump], if they intend to make the interconnection cable anyway. If they were thinking in terms of…rationality, and in terms of public interest. They are despicable, those who allow these things to happen, but there is the logic that we can’t cut any chance from anyone, otherwise this is not a ‘free market’, and that’s that. And so on. What do they care? (Int.3/Sophía)

The investors’ newly found interest in renewable energy, and the state’s regulation of this new market in an increasingly monopolised direction turn land, as I conclude in the following section, into a “reserve” for flexible plans.
5.4. Land as a reserve for flexible plans

As they are “compensated at an extremely high price”, Sophía stresses, “we suddenly see fourteen ‘hybrid’ power plants scheduled in Crete” (Int.3). Three hybrid plants, of a “guaranteed” power of 85.20MW, as well as 120 wind turbines, have already reached the licensing stage to conduct an Environmental Impact Study, and for two of them appeals to the Council of State have been submitted and are pending. Another eleven, of a total “guaranteed” power of 206MW and 120 wind turbines, have been granted production licences by RAE (including Terna’s one). More projects of 377MW of power, 188 wind turbines and solar panels of 60.30MW are also under consideration (Sfakianaki, 2017, p. 3). The overwhelming majority of the aforementioned projects, Sophía suggests, is planned by “big” investors such as Terna Energy or the French EDF, along with a share of local investors. The latter act as subcontractors. What do they do? They know the place, they have the necessary relations with the local services, they chase the licences, or even, … some even manage to reach the construction stage, and then they sell. Erm, in the meantime, the big players such as Terna have already started ‘securing’ the land, and as soon as they have paid the [licensing] costs off, they have in fact achieved the first license for a very big project. We appeal. What is impressive, however, is that they do not seem in a rush to implement it. (Int.3/Sophía, emphasis added)

Investors only start to think seriously, as I previously explored, about the political circumstances, the trouble caused by the people’s reactions to their plans, and the degree to which the legislative framework is completed in their favour after they reach the first licensing stage for their projects, which already involves, however, “securing” stretches of land. Terna, for instance, merged its plans for windfarms in Sitía with the hydroelectric pumping as soon the legislative framework provided a way to do so. As Sophía puts it, “they [the investors] have nothing to lose so far [until the first licensing stage]” (Int.3). It is worth noting that the legislative framework is still unstable and is always subject to change, especially given the fact that “hybrid energy projects” are a relatively new addition to the Greek renewable energy regulations (Int.3/Sophía; Int.38/Tánia-Terna). Temporality is, therefore, a crucial element in accessing the licencing puzzle of a “free market”: by stretching the flexible legislation, mixing technologies, creating logistical “junctions”, modifying their plans, rushing forward or creating delays accordingly, the investors’ goal is to implement the most profitable project at the most profitable “moment”.

131
This is, according to the opposing locals, evident in Terna’s Environmental Impact Study for the “hybrid” plant: while they consider some of the mistakes and shortcomings they have identified to be intentional, the rest highlights, as Yannis, a landowner in Sitanos, puts it, “a sense of great haste and sloppiness” in the submission of the study (Int.36). Several technical details (such the wind turbines’ dimensions and MW power), for example, as well as licencing documentation approved by RAE for the “hybrid” project, are based on the company’s earlier windfarm project plans (before they were merged with the hydroelectric pumping in the Potamón Dam, and becoming a part of the “hybrid” plant instead), which involved, however, the same land (Opposing Residents of Sitia, 2017). Whatever its exact plans might be, Sophia explains, Terna Energy “uses positions that have been secured since 2010 in Sitia, they’re taken, they’re reserved” (Int.3). Despite the flexibility discussed above, therefore, land is the one factor that stays stable: the investors need to ground their plans, fictitious or not, somewhere. Windfarms, in particular, need to be grounded somewhere windy.
There are two important points to be made here. Firstly, the potential for extracting monopoly rents comes, in this case, because social actors (in this case renewable energy investors) control land related to a particular resource (wind, and water), which is used in relation to a particular activity (windfarms). This activity produces electricity of a particular quality (here “green”), which is either sold at a monopoly price, or in any case, provides the rentier with monopoly “entitlements”: in short, in this case, “the monopoly price creates the rent” (Harvey, 2002, p. 2). The evaluation of the commodity’s quality, which defines the commodity’s monopoly price, is, of course, the product of multiple factors. Apart from the very real and urgent pressure from climate change, one important factor is the “green” narrative developed around the renewable nature of the energy produced. It is also important to note that land (and the resources and rent that come with it) can be directly traded. In this chapter I have showed how the title to the land is associated with the ownership of one of RAE’s production licences—this can be traded too, and the fate of the land tied to it depends on the outcome of this trade. I turn to the mechanism of how the land on Sitía’s mountains is dispossessed in Chapter Seven, where my aim is to explore what happens if all the windy land is private, and not for sale in the market.

And secondly, the drive of both the investors and the state for renewable technology should not be considered a positive step in the quest for sustainability and progressive social change by default; both the motivations behind and the effects of investments often fall far from that. In Capital Volume I (1990 [1867]), Marx conceptualises that, because of the pressure exerted over individual capitalists under condition of competition, they have no choice but to maximise profit if they want to remain in business. “Under free competition”, he writes, “the immanent laws of capitalist production confront the individual capitalist as a coercive force external to him” (Marx, 1990 [1867], p. 381). By looking at things “as a whole”, then, “it is evident that this does not depend on the will, either good or bad, of the individual capitalist” (Marx, 1990 [1867], p. 381). Forced by competition, individual capitalists are driven to outcompete their rivals. Technological innovation is one way to achieve this. As Harvey (2010, p. 167), taking up Marx’s thesis on the “coercive laws of competition”, explains, “the innovative capitalist gains an extra profit, extra surplus-value, by selling at or close to the social average while producing at a rate of productivity far higher than the social average”. As the rest of the capitalists try to follow suit, “the new method of production is generalised” (Marx, 1990 [1867], p. 436). Despite its ephemerality, this gap between the innovator and its competitors is crucial for the former’s quest for enhanced (relative) surplus-values. Although this is a competition between rival capitalists, the interests of the whole capitalist class are served in the long run.
In the case of Crete, investors, subjected to the coercive laws of competition, drive technological innovation forward. Whether in the form of ambitious underwater, intercontinental cables or in the form of “green” energy storage, companies compete for their share in the new renewable energy market. Especially under conditions of limited demand for renewable, unstable energy (as, as explained above, Crete’s system is autonomous, and therefore there is a limit to how much unstable energy can be inserted in the system), investors with inferior technology are unable to achieve production licenses from the Regulatory Authority for Energy in the first place. What is interesting in Crete’s case is that investors in the renewable energy market go into competitive trouble not only in order to increase productivity, and therefore profit, but also to get access to the new energy market. By increasing both productivity and access, individual innovators “open up” the way for the capitalist class as a whole. In Crete, for instance, when it comes to the question of access, the implementation of a submarine cable, a project which would raise the barrier of Crete’s energy autonomy, would allow for smaller investors to implement new windfarms, or run their existing underperforming units at full capacity. As I explore further on in the thesis, individual innovators use their influence to also push the legislative frontier by creating legal precedents that produce convenient institutional frameworks for other investors to come.

It is crucial to highlight that my aim here is by no means to question the socially and ecologically necessary and increasingly urgent need for renewable energy, especially in light of the present and future catastrophic effects of climate change. But the Marxian concept of competitors driven by the “laws of coercive competition” (apart from questions of demand and supply) is an important one, as it contributes to an important subsequent observation. The constant incentive for the maximisation of relative surplus (simply put, the type of surplus value yielded by machines), is the driver behind capitalism’s technological dynamism. Far from an external, “deux ex machina” force, Marx interprets the drive for technological innovation as an endogenous characteristic to capitalism (Harvey, 2010, p. 169). As an internalised dynamic within the logic of capital, the innovators’ technological leaps ahead of the pack, as mentioned above, benefit the whole capitalist class.

In Sitía, this technological “fix” is directly related to the acquisition of land. In this chapter, my intention was to highlight the role of land as a means for “big players” to access production licences for both “green” and conventional energy investments within an increasingly monopolistic market. By using publicly funded infrastructure and by “securing” a large number of highly fragmented stretches of land that they can merge
and use as a reserve, investors modify flexible plans around the rapidly changing legislation, picking the most profitable “moment” to implement the most profitable investment plan. This results, as I explore further on in the thesis, in the transformation of productive (or potentially productive) land into captive landscapes: landscapes waiting in “limbo”.
Monopoly Landscape and the “Itanos Gaia” Rent Gap
6.1. Introduction

‘The important thing’, he [the investor] tells me, ‘is that Crete is a separate piece from Greece, it is…the ocean liner of the Mediterranean’. ‘It is a special place’, he tells me, ‘your land plot is the best in Europe, because it is in Crete, because it is virgin and we will use it as we please, and because it is a single piece of land and is not closely adjacent to other plots…we are not afraid that we’ll make something, after all our studies, and then somebody else will come and make a farm next to us, or some industry, and destroy it indirectly’. Third, ‘to find such a stretch of land in another part of Greece or elsewhere, an area of 25,000 stremmata, you’ll have to negotiate with at least a hundred people, landowners, and there’s no way you will come to an agreement’, he tells me. One last reason is that ‘this piece of land belongs to the Church, and we have another level of trust to the Church: whatever we are discussing is valid, while the other, the private landowner, might be constantly going back on their word’. (Int.23/Stamatios)

The simple question I had just asked the Abbot over a cup of coffee in the “Itanos” café on Sitia’s main coastal road was: “why do you think the investors insist so much, after all these years?” In his answer Father Stamatios managed to lay out, in a single paragraph, the essence of this section. The land is “virgin” and Crete is a “special” place; the land is a single property which belongs to the Church; and it is large, undivided, and isolated from other plots. The combination of the above, as I argue in this chapter, creates some of the fundamental conditions for the production of a rent gap, and the potential for investors to extract monopoly rents. Making profit, as I hope will become clear to the reader as this thesis unfolds, does not necessarily entail building Loyalward’s touristic resort—the dispossession of the land itself, produced as a place of extraordinary potential, is a vital part of this process. The aim of the present section is to explore what makes possible the opening of a frontier: the production of a lucrative opportunity for profit related to land.

In contrast to Terna’s case, which involves the appropriation and merger of multiple small, fragmented, private properties, dispossession here involves a single, large, undivided area of 25,000 stremmata of land; a property of the Toplou Monastery (Moni Toplou). The land is currently targeted by the English company “Loyalward Plc” for the creation of a project named “Itanos Gaia”: a “high-quality” resort of combined luxury tourist units, a golf course, and other facilities. Loyalward is headquartered in London and is a wholly owned subsidiary of Minoan Group Plc (ECHMES for Loyalward, 2014, p. 7-8). Minoan Group, a “Travel and Leisure” company listed in the Alternative Investment Market (AIM) of the London Stock Exchange, is active in the field of tourism and leisure services, and “plans the construction, development and exploitation of luxury hotel complexes” in the
Mediterranean (ECHMES for Loyahward, 2014, p. 7-8). The investors promise employment, economic benefits and competitiveness to the local community, as does the Toplou Monastery, which holds the disputed ownership of the contested land. A first form of the Itanos Gaia project, the “Cavo Sidero Resort”, or the “Moni Toplou investment”, as the locals frequently refer to it, was originally announced in the mid-90s. This initial plan involved the construction of 7,000 beds, three golf courses, a conference centre and other facilities in a “complex” resort of six touristic villages (Melissourgos, 2008). Alongside the progress of the investment plans during the years, several important processes were taking place. Firstly, a longstanding dispute between the state and the Church over the land’s ownership was legally resolved, in favour of the latter, in 1999. Secondly, important changes occurred in the country’s framework of spatial regulatory intervention: the land was recognised as an environmentally protected area within the Natura 2000 programme, while at the same time the Special Plan for Tourism and the 2003 Regional Plan of Crete were institutionalised. The latter allowed for this region of Crete only forms of “mild tourism development” that were deemed “absolutely necessary” (Presidential Decision 25291, OGG B-1486/2003, par. C. 3.4.2).

Finally, opposition reactions started to rise. The latter consisted of publications in the local and national press and public debates, including an “apocalyptic” public meeting in January 2006, which reflected fierce criticism towards the investment (see Melissourgos, 2008). The long-term debate generated has continuously revolved mainly

\[\text{\footnotesize Due to its unprecedented scale, the Cape Sidero case has been the object of previous study. An unpublished doctorate thesis by Melissourgos (2008) has mainly examined the potential socioeconomic and environmental impact of the initial “Cavo Sidero resort” project though a comparative study with Spain’s example of large-scale touristic development at the Costa del Sol. Despite being extremely thorough and detailed, Melissourgos’ study does not examine the investment as a case of dispossession; the research is situated within human geography but mainly focuses on tourism studies and local-regional development. Additionally, the study’s timing (published a decade ago) does not allow the author to take into account the second investment plan (“Itanos Gaia”) and the political economic context of the crisis. Nevertheless, Melissourgos’ thesis has been a very valuable source of historical information on the investment’s initial stage and the power dynamics of the stakeholders involved in it. Another, smaller-scale study published in the Journal of Sustainable Tourism (Andriotis, 2008) has examined the integrated nature of the initial “Cavo Sidero Resort” and also draws some initial conclusions on its potential environmental and socioeconomic impacts. An unpublished master’s dissertation (Tslelemegkou, 2016) is the only study (known to the author) that deals with the investment’s new phase (the “Itanos Gaia” project). Although providing useful technical and legal information on the project, this thesis draws conclusions solely on the basis of documents and bibliography and is therefore quite limited in scope. Finally, K. Pediaditi also undertook qualitative research in Sitía on behalf of the Landscape Research Group in summer 2017. Taking an activist stance, her research was mainly interested in mobilising participatory practices in the local community vis-à-vis Sitía’s newly founded UNESCO Geopark, with the purpose of reversing “landscape injustices” in the area. She did not engage, however, with an in-depth analysis of the structural causes of uneven development and the political economic conditions that make it possible.}\]
around the following three issues: the contested ownership of the land; the project’s effects on the landscape’s important environmental and archaeological heritage; and finally, the socioeconomic impact on Sitía and more broadly, on a regional scale. In parallel to these opposition reactions, several studies (some academic) were published on the subject: they severely questioned the legal substance of the contract between the Church and the company (Kontemeniotis, 2007), and the environmental, social and economic impacts of the investment (Melissourgos, 2008). The increasingly strong critical voices resulted in the successful appeal to the Council of State in April 2007 by the environmental groups of Crete and a group of citizens from the town of Sitía. The Council of State’s decision (No. 3920) in 2010 cancelled the approval of the Environmental Impact Assessment Study, and by extension the whole project was called off (2010). The initial “Cavo Sídero Resort” plan was rejected, among other reasons, on the grounds of having similar (residential) characteristics to an Integrated Tourism Development Area, which was, at the time, not allowed in the area. The Council of State’s decision (2010) also reflected the fact that the project was granted licensing authorisation despite the lack of an appropriate level of spatial planning framework for the area.

Loyalward returned with the revised, smaller-scale and more “sustainable” “Itanos Gaia” project in 2010, amongst the outburst of the serious effects of the crisis in Greece and the signing of the First Economic Adjustment Programme. The project was successfully recognised as a “Strategic Investment” by the Interministerial Committee of Strategic Investments (ICSI) in 2012 (Decision No. 17/20-09-2012), followed by the drafting of an “ESHASE plan”\(^\text{72}\) in 2013 (Decision No. 23/13-11-2013). The latter was made possible within the intense social, political and economic processes of institutional and legislative “restructuring” that the company both instigated and “stretched” its plans around. I analyse in detail the investment’s legislative framework as it stands today, as well as the decisive role of the important changes it was subjected to since 2008, in Chapter Eight.

\(^{72}\) ESHASE Plans (or “Special Spatial Development Plans for Strategic Investments), are a form of “exceptional” private spatial planning which regulates “special purpose areas” as defined by Law 4146/2013. I analyse these plans in detail in Chapter Eight.
Fig 6.1 Eastern Lasithi, Crete, and the “Itanos Gaia” project installation area

The dispute over the ownership of the land between state and Church; the sociospatial conflict produced in Sitía—a topic which still dominates local public debates; and the return of the company with a new name and revised project just two years after the outburst of the debt crisis, all these contribute to the land-deal’s great symbolic and political importance. The investment’s long history, spanning more than twenty-five years, provides fertile ground for the examination and understanding of both continuities and discontinuities in the role of the state, investors and locals before and after the outburst of the crisis.

In this chapter my aim is to paint an overall picture of the land-deal. I first examine the conditions that produce Cape Sídero as an undercapitalised landscape, and as one with monopoly qualities—and therefore great potential for profit-making. Despite the
absence of a clear cycle of disinvestment, and a significant population to be displaced from the land itself, I argue that the dispossession of land in Cape Sidério’s case can be conceptualised under the logic of a rent gap. I pay particular attention to the shifting role of the state and the landowner—the Toplou Monastery and the Charitable Foundation “Panagia Akrotiriani”—in producing Cape Sidério as a “trophy” site for investors. Finally, I examine local concerns on the investment’s speculative nature, and the potential effects of plants alone on Sitía’s landscape.

6.2. Maps for investors: a “trophy site” and the rent gap

The Cape Sidério peninsula includes important landmarks such as the unique in the Mediterranean palm-forest of Vái, the Toplou Monastery, and the archaeological sites of Palékastro and Itanos. The peninsula has 28 kilometres of mostly rocky coastline, secluded bays and inlets, and natural vegetation in the interior hills such as thyme and marjoram (Minoan Group Plc, 2015). Although the 25,000 stremmata of land do not include the Vái bay (see Figure 6.1), the latter is an important touristic landmark of the area (see Figure 6.2) and attracts thousands of tourists during the summer months: it is renowned for the largest natural palm forest in Europe, featuring the rare Cretan Date Palm (Phoenix Theophrastus), which is native in the Eastern Mediterranean (ECHMES for Loyalward, 2014). The environmental value of the Vái palm forest was a decisive factor towards the integration of the wider area in the Natura 2000 European network of protection: the municipality of Sitía includes six different zones (Sites of Community Importance and Special Protection Areas) of the Natura 2000 network, which in turn include protection zones for the area’s ornithofauna.73 The land also includes numerous historical and archaeological sites, many of which are under protection regimes.74 Among the most important are the ancient city of Itanos (Erimoupoli)—which includes ruins of a Doric city, an Acropolis and an Athena sanctuary—and the archaeological zone of Zákros and Palékastro, which includes an ancient Minoan city and palace, a graveyard and a Zeus sanctuary. Moni Toplou itself is a monastery of the 14th century

73 GR4320006 (North-eastern edge of Crete: Dionysades islands, Elasa, Cape Sidero and Maritime Zone), GR4320008 (Koufonisi island and Coastal Maritime Zone), SPA 4320009 (North-eastern edge of Crete), SPA4320011 (Dionysades islands), SPA4320017 (Koufonisi island, Kavaloi islets and other islets), and SPA4320016 (Mountains of Zákros) (Eionet, 2018).

74 This was made possible by Law 4179/2013, which allows the inclusion of land subject to special protection regimes (such as sites of archaeological or historical interest) within Organised Receptors of Tourist Activities. I examine the crucial role of the state and legislative changes in detail in Chapter Eight.
of important history, architecture and decoration (Melissourgos, 2008). Among the archaeological sites many are recognised (under Laws 1469/1950 and 1650/1986) as “Landscapes of Outstanding Natural Beauty” [Τοπία Ιδιαίτερου Φυσικού Κάλλους]. Finally, in 2015 the broader area was included, as already mentioned before, in UNESCO’s network of Global Geoparks.

Nikifóros, Sitía’s Vice Mayor, is clear in expressing his views on the Geopark as “a growth level for the region, a trademark. We are on the world map now, everybody knows us. We have UNESCO’s stamp, a brand name on top of us. We must exploit this; we must capitalise on it. [...] We have to create a visitor’s ‘package’” (Int.21). From a different point of view, Oríonas reflects on the controversial outcome of the demarcation of areas of environmental protection, echoing the contradictory relation between capitalism and conservation as discussed by Brockington, Duffy and Igoe (2008). The Natura 2000 Network as well as the Geopark, Oríonas argues,

are ‘fillet’ areas that indicate to any investor where to go and build. They are, essentially, maps for investors. Let’s say you’ve got loads of money, you’re an investor. And you say, ‘I want a place to invest in’. Where will you go? You’ll find a place that is ‘virgin’, that will be a new destination. The new destination is now our place. Oh, how nice, we’ve got hikers, we’ve got footpaths, we’ve got sea, we’ve got mountains, we’ve got antiquity, we’ve got caves, we’ve got, we’ve got. All these are what the investor will promote. (Int.2, emphasis added)

Indeed, Align’s report (a research company employed by Minoan Group in 2018 to enhance their search for investors, as I explore further down in this chapter) on the quality of the investment “site” reflects this view. “In essence”, as Align Research states on behalf of Minoan Group (2018, p. 8, emphasis added), “this is a private Cretan estate and the largest such site in the Eastern Mediterranean. [...] There is little doubt that this site is a real trophy asset due to its picturesque location, size and the fact that it has remained unspoilt for years as [it] has been owned by the Church”. By looking at valuations of other hotel and resort developments in the Mediterranean (through peer comparisons with a site on the island of Kea and the Astir Palace Resort at Vouliagmeni, in Attiki), Align Research suggests the following (conservative, as they clarify) estimation of the value of the site in Cape Sídero:

In 2011, at the time of the Fast Track application which successfully led to granting of the Presidential Decree, property specialists CBRE valued the project on a development appraisal basis at around €100 million. CBRE confirmed that valuation in 2012. In the latest presentation, the board is suggesting a mid-range valuation for the Crete Project of €65m and a corridor of €55m-95m. (2018, p. 21)
Fig 6.2 The Vai Bay and the Cretan Date Palm forest, Cape Sidero peninsula

Source: Photo panoramas by the author

Fig 6.3 The “narrow strip” that gives the Cape Sidero peninsula the impression of an island

Source: Photo panoramas by the author
It does not take much imagination to understand why a place such as Cape Sídero can be easily “packaged” into an “new” attractive tourist destination. One should not be “trapped”, however, to thinking that place-branding, and the consumption of a “pristine” and geographically “different” landscape is enough to explain how the opportunity for profit through monopoly rent extraction is produced. A retrospective look at Neil Smith’s rent gap thesis is necessary here. Technically speaking, the rent gap is the disparity between the actual (capitalised) ground rent an owner makes out of a parcel of land (under its current use) and the potential ground rent that they could make if (what economists and planners call) the “highest and best use”, which in turn will produce the highest returns, is applied (N. Smith, 1979, 1996). The bigger the gap between the two, Neil Smith argued, the greater the opportunity, at least in cities, for extracting profit from land (which spurs the process of gentrification) (for an "anatomy" of Smith's rent gap thesis, see Slater, 2017). One or potentially several subsequent circles of gap (and value) creation and closure can lead to, as a rich body of geographical literature points to (indicatively, see Kallin & Slater, 2014; Lees, Wyly, & Slater, 2010; Slater, 2009, 2017) dramatic changes in the built environment, population class and reputation of whole residential areas.

The production of rent gaps is, however, by no means exclusive to urban space (Darling, 2005; Hines, 2010; Lees et al., 2010; Phillips, 1993, 2004). Eliza Darling (2005), in her study of New York State’s Adirondack State Park, applies Smith’s concept of rent gaps to a case of “wilderness gentrification”. Her research explores fundamental differences between rural and urban gentrification, and the determination of what constitutes “undercapitalised” ground rent in the city and the “wilderness”. These differences, she argues, subsequently result in different geographical expressions of gentrification, and different forms of disinvestment at play (Darling, 2005). It is not my aim here to analyse Cape Sídero as a case of gentrification. But adapting the logic of Smith’s thesis to a rural context, despite entailing several challenges, provides crucial insights in understanding the production of Cape Sídero’s rent gap. The logic of a rent gap, I believe, is fundamental in understanding why the investors are after the Monastery’s land, and therefore explains the incentives for “opening up” a new market. As Darling notes,

It is a different story in the wilderness, largely because of the kind of rent that is being capitalised. What gets produced in the process of urban gentrification is residential space. What gets produced in the process of wilderness gentrification is recreational nature. (2005, p. 1022, original emphasis)

The process of producing “recreational nature” instead of “residential space” opens up two issues. First, a great deal of the literature on rural (and not only) gentrification (see, for example, D. P. Smith, 2002) emphasises consumption (the land as something to be
culturally consumed) as the motor force behind changes in rents and land use (Darling, 2005)—as opposed to explanations which focus on production instead. This critique of the emphasis predominantly on demand (rather than supply) provides useful insight in the study of the production of Cape Sídero’s rent gap. As Neil Smith (1979) was at pains to stress, a rent gap is produced by the flow of capital into and out of the built environment, rather than (only) the flow of people. Secondly, and in connection to the first point, the disinvestment-reinvestment cycle typically observed in urban settings might take a different turn in the “wilderness”. I turn to these two interconnected issues in the sections that follow.

In the case of Cape Sídero, the land’s “uniqueness”, “virginity” or “wildness” are concepts that portray the same piece of land but serve simultaneously two different, albeit intersecting, purposes. Firstly, the idea of “wilderness” acts as a method of “branding” the land and producing it as an elite tourist destination, under the promise of offering something “unique” and “scarce”: *this land is a product (or an experience) one cannot find elsewhere, that few people can access, that few people have accessed.* The very concept of monopoly rents, as I have established in Chapter Two, is based on the notion of scarcity. The Mayor’s take on “developing” the coasts of Cape Sídero is indicative of this idea: “If we take advantage of our beaches in the correct way, we have the opportunity to develop a sort of ‘solitary’ tourism: pristine beaches which are difficult to access” (Int.5/Mayor). This reflects the broad shift of the Mediterranean (and global) touristic product since the 1990s: the production of destinations of “Fordist” mass consumption have been coexisting with new, “post-Fordist” forms of specialised, personalised, flexible and exclusive forms of tourist “experiences” (see Melissourgos, 2008; Milne & Ateljevic, 2001; Sigala & Christou, 2014; Torres, 2002).

Secondly, however, the use of the term “wilderness” suggests an “underproductive” landscape, a landscape “untouched” by capital as much as by people. Productivity is here, of course, low only in terms of yielding profit, and in rent-generating terms; such conception of productivity completely excludes the importance of (only) use value-generating labour, or, in a broader sense, of the landscape’s cultural importance as a collective product, as a “repository of memory”, and as a site “of and for identity” (Mitchell, 2008, p. 42). A landscape of the likes of Cape Sídero is, in short, both *undercapitalised* (as opposed to underproductive) and of great place-making potential.
The broader area of Sitía, as I examined in Chapter Four, is produced under the myth of remoteness and underdevelopment. The Cape Sídero landscape is described, by the Regional Plan of Crete itself, as a “remarkably intact time capsule” (Revision and Specialisation of the Regional Plan of Crete, 2012, Stage B.1, Issue 9). Key to the manufacturing of landscapes as “unproductive”, “underproductive” or simply “empty” spaces is the colonial narrative of terra nullius (“nobody’s land”) which, apart from a legal doctrine of exclusion (Margaret Davies, 2007), serves the wider purpose of imposing a “potent developmentalist narrative” for the incorporation of social and physical spaces which might have so far challenged commodification processes by not producing profitable enough (if any) exchange-values (see Makki & Geisler, 2011, p. 3). The state, as I explore in Chapters Seven to Nine, has had a critical role in performing and imposing the above dynamics. What is important for the argument at present, however, is the disruption, in this type of setting, of the typical disinvestment-reinvestment cycle encountered in urban environments. What is it that draws capital to one location versus another? It is a mechanism (typically disinvestment in inner-city neighbourhoods, in the case of urban gentrification) which indicates, as Darling (2005, p. 1022) puts it, “an undercapitalisation of ground rent, which acts as the ‘magnet’ for reinvestment. In essence, disinvestment creates a vacuum by acting as a sort of gravity well, pulling capital
towards landscapes that are ‘underused’ in rent-generating terms”. In the “wild”, however, while the gap between actual and potential rent land still exists, disinvestment is not necessarily the defining factor of undercapitalisation. With New York State’s Adirondack State Park in mind, for example, Darling (2005, p. 1022) argues that

undercapitalised land in the wilderness might instead be defined as undeveloped shorefront property, or, alternatively, developed shorefront property that is rented year-round to the local workforce for low house rents rather than seasonally to tourist consumers for higher house rents.

This helps interpret Cape Sídero’s undercapitalisation. Large parts of the hilly land are currently used for grazing, while the few lowland areas are used for agricultural purposes, especially organic crops, olive tree plantations and vines (Int.23/Father Stamatios-Abbot; Int.2/Oríonas; see also Melissourgos, 2008). These cultivated areas constitute a network of μετόχια, small farms belonging to the monastery; these are informal, but are the only residential units that can be found dispersed across the land (Tselemegkou, 2016), as urban sprawl is mainly restricted around Sitía and Palékastro (Melissourgos, 2008). Some agricultural activities are practiced by private farmers in cooperation with the monastery (such as the VioSitía cooperative, which produces olive oil and wine), while others are practiced solely by private farmers, who lease land from the monastery (a small banana plantation, a small palm-tree nursery, and vegetable greenhouses) (Int.23/Father Stamatios-Abbot; Int.4/Dimítris). While the amount of rent extracted from the farmers by the monastery remains unknown, several participants (Int.24/Kátia; Int.2/Oríonas) as well as Father Stamatios himself (Int.23) pointed towards the charitable nature of these leases, and therefore the very low or even symbolic nature of rents. The landowner, the Toplou Monastery, has had an important role in producing such an undercapitalised place—but has also actively reinforced the conditions that shape it as a “magnet” for investment. I turn my attention to the monastery’s shifting role in the section that follows.

Before moving on to the crucial role of the Monastery as a landowner, an important note is needed here. Undercapitalisation and the production of landscape of monopolistic qualities I have explored in this section are not enough to explain Cape Sídero’s rent gap. The emergence of a rent gap, as Neil Smith (1996, p. 65) puts it, typically occurs because of a cycle of devalorisation in space, brought about by disinvestment. “But it also possible”, he continues,
to conceive of a situation in which, rather than the capitalised ground rent being pushed down through devalorisation, the potential ground rent is suddenly pushed higher, opening up a rent gap in a different manner. This might be the case, for example, when there is rapid and sustained inflation, of where strict regulation of a land market keeps potential ground rent low, but is then repealed.

Although in Cape Sídero’s case there seems to be no need for disinvestment, the 2008 crisis has played a crucial role in the devalorisation of land around the country as a whole. In Planetary Rent Gaps, Tom Slater (2017) has contemplated the idea of scaling the concept of a rent gap “up”, making it a part of the broader mechanisms of capitalist development at play globally. In a similar vein, by “jumping scales”, Antonis Vradis (2014, 2017) shifts the analytical logic of Smith’s rent gap from the city to entire territories and nations: devalued and depreciated by austerity, Greece has been restructured to maximise the inflow of capital in its national territory. The depreciating role of the crisis has led to an estimated 41% drop between 2007 and 2017 (Vettas, 2018).

Both undercapitalisation and the crisis have been actively reworking the opening up of rent gaps across the country. Rather than a falling capitalised ground rent, in Cape Sídero it is the re-regulation of the spatial legislative and institutional framework that has made investing on land easier, and has also contributed in spreading the assumption that land in Greece is, under the effects of the crisis, cheaper and easier to invest on. As becomes clear further on in this chapter, this assumption has been crucial in keeping Cape Sídero’s rent gap open. I turn to the state’s spatial strategy in Cape Sídero and the fundamental restructuring changes in the legal and institutional framework in Chapter Eight.

### 6.3. Between public and private: monastery land and “sacred” development

How are landscapes made empty and wild so that anyone can come and claim them? (Tsing, 2005, p. 5101)

In 1991, the 25,000 stremmata of land were donated from the Toplou monastery (out of the 30,000 stremmata of its total property) to the charitable Ecclesiastical Foundation Panagia Akrotiriani, which was created the same year by the Archdiocese of Sitia and the monastery itself as part of the latter’s “developmental” vision for the land (Int.23/Father Stamatios-Abbot, also see www.imis.gr). As Father Stamatios explains, “the first job to be done…was to set up the Foundation Panagia Akrotiriani. We [the Monastery] gave a large stretch of 25,000 stremmata to this company [the Foundation], and we asked, through an international competition we organised, for
the area to be studied [by investors], and for suggestions about what could be done with it” (Int.23).

**Fig 6.5** The Toplou Monastery

Source: Photo by the author.

It should here be noted that the ownership over the land in Cape Sídero had already been long contested by both the state and the Church, with this antagonistic claim acting as a constant source of conflict between the two. After a lengthy legal dispute since 1985 (before the creation of the Foundation and the transfer of the land), the ownership of the entire property (except for the palm-forest of the Vái bay) was finally officially attributed to the monastery in 1999 (*after* the land’s transfer to the Foundation).75 The creation of the Foundation “Panagia Akrotiriani” and the transfer of the land to it have been interpreted by many as an active measure (of the Monastery) of securing the control over the land from reform policies aiming to transfer part of the property of the Church of Greece to the state in the 1980s (Int.20/Stávros, see also Anipsitakis, 2007; Melissourgos, 2008).76 Such was the intensity of the dispute between state and Church over the land’s ownership that many (such as Stávros, the former Mayor of Itanos), consider that the legal recognition of the monastery as the rightful owner of the property was one of the *primary goals* of the whole investment process (Int.20/Stávros). By examining the time sequence of events, Melissourgos

75 A detailed description of the legal dispute between state and monastery can be found in Melissourgos’ thesis (2008) and Kontemeniotis’ legal analysis (2007).
76 See, for example, Laws 1700/1987 and 1811/1988.
(2008) notes that the monastery was involved in the creation of the Foundation, the transfer of the land, the launch of the international contest, and the completion of the negotiations with Loyalward before the resolution of the legal dispute over the land’s ownership. In the political economic context of the state’s “entrepreneurial turn” at the start of the 90s, Stávros stresses, the prospect of an investment of “national interest” of such an unprecedented scale functioned as a medium of applying political pressure on the legal dispute over the land’s ownership (Int.20). Ilías, an employee at Lasíthi’s Directorate for the Environment, argues that “part of the scandal with this particular case is whether it [the land] belonged to them [the Monastery], and whether, because of the political pressure that existed around this particular investment, the courts essentially ‘gave’ the land to the Monastery, and not to the Greek state” (Int.8).

The Monastery’s court victory is indicative of the financial and political power of the Church in the country at the time, a power which, as I examined in Chapter Two (Section B), is ongoing (Hadjimichalis, 2014b). Stávros, the former Mayor of Itanos, was initially positive to Loyalward’s investment. He had an active role in negotiating with both the company and the Monastery, and persistently demanded the institutional involvement of the local state in any decision-making vis-à-vis the land’s future. He sheds important light on the Monastery’s motivations, and outlines the power balance between the investors and the Church as part of a “win-win” land-deal:

The English are exposed. They don’t have a penny, they are brokers, they are straw men, they are people who had to meet this profile...they succeeded, the Church did, to have the right-wings, leftists and centrists, to have them all united behind this prospect of ‘development’, and to slowly win battles at various levels, in the courts, etc. The goal has been achieved, erm, they [the monastery] are absolutely dominant when it comes to the question of property, irrevocably, at least legally—I wouldn’t say morally, but this has been achieved, and now it’s a question of achieving whatever else they can. So... the Church used the English in that respect, and in turn they have been extracting their pensions, for so many years, from the shares, and you can see, every time we had a decision of the regional council...peak! They have all secured profits. (Int.20/Stávros, original emphasis)

Stávros’ view on Loyalward is indicative of a widespread sense of the company’s unreliability, a factor which is considered important in the investment’s “failure” to implement the touristic resort so far. This view, along with the stock market pension-extraction strategy expressed at the end of his quote, are crucial questions I examine further on in this chapter. Apart from the “primary goal” of clearing up the property conflict, as outlined by Stávros (Int.20), the creation of the Foundation acted as a way of putting forward the monastery’s “developmental” vision for the area. In quite an unsurprising pairing (within the context of Greece, at least) of religious institutions
with entrepreneurialism and profit-seeking business activities (Hadjimichalis, 2014b), it would be, as the Abbot emphasised in our interview, a “sin to leave the land unexploited”:

All this area belongs to the monastery. We donated it…we set up a foundation. And, we gave all that land…there was a contest in order to develop a big touristic unit which would, on the one hand, help to develop the area, but, above all, act as a lever for the whole region. Because without that, the place didn’t have any other possibilities. […] Of course, the first goal was, with any development project done, to not harm the environment. (Int.23)

It should be noted, also, that the objectives stated in Panagia Akrotiriani’s Founding Act (07.12.1991), only referred to the cultural, religious, educational and rural development of the land: there was no mention of any intention for the touristic and residential development of the entire property (see Kontemeniotis, 2007, p. 1). Despite the Monastery’s declared aim of implementing projects of public benefit as part of a broader social contribution, its unspoken pursuit is frequently identified as the enlargement of its social, political and economic influence over Sitía (Anipsitakis, 2007). But as Father Stamatios argues himself, the creation of the Foundation and the transfer of most of the monastery’s property acted, at the same time, as a measure of “disconnecting the direct involvement of the monastery with business activities” (Int.23). The latter was “something”, as the Abbot continues, “that would not be right, and that they [those opposing the investment] could accuse us [the monastery] of” (Int.23). This “moral” disconnection between the monastery and any “business activity” was, legally speaking, reflected in the transfer (in the form of donation) of the 25,000 stremmata of land from a public entity (legal entity governed by public law) to a private one (legal entity governed by private law). This crucial transformation is, in itself, an act of dispossession.

Two additional important dimensions of this land-deal should be noted here: since the moment of its creation, the Foundation has been headquartered in the Monastery itself, rendering the separation between the two solely a legal technicality; and secondly, both the Foundation and the Monastery were identified—by the plethora of my interviewees—in the face of a single person, the “mastermind” behind the investment: the Abbot Father Stamatios (Int.2/Oríonas; Int.20/Stávros; Int.19/Mariléna). Oríonas points out that the dominance of his role is also reflected in the monastery’s lack of

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77 Kontemeniotis (2007) provides compelling evidence, from a legal point of view, a series of improprieties regarding the establishment of the Foundation “Panagia Akrotiriani” and the transfer of the land from the Monastery, as well as the contract signed between the Foundation and Loyalward in 1995 (2007, see chap. A, p. 2). The Company did never respond to Kontemeniotis’ critique (Ios, 2008).
any administrative, typically hierarchical, structure: “there is no council in the Monastery, there are not even monks: he [the Abbot] manages everything by himself” (Int.2). In short, therefore, land belonging to a Legal Person of Public Law (LPPL) was transformed into private; but it has been since largely managed by a public, very influential figure. If we account for the initial landownership dispute between the state and Church, another layer is added: the land was, potentially, a property of the state, and despite the finality of its legal substance, the dispute between state and Church is ongoing, as Stávros notes, through part of the community’s collective memory (Int.20). In a sense, “Itanos Gaia” is technically an investment on private land—but land largely performed as public.

The performance of the land’s public role does not practically translate, of course, to any higher degree of democratic participation or social aim vis-à-vis the land’s future—it achieves, however, to enhance the landowner’s agency among the local community, as well as build unreasonable expectations for the investment’s potential (positive) socio-economic impact on Sitía. The composition of the Foundation’s Administrative Council is very interesting in terms of this. Stávros, the former Mayor of Itanos, points out that the Administrative Council excludes the local municipality’s elected representatives, while at the same time including two members who, as described in the Foundation’s Articles of Association, are “pious and reputable members of the local community” (Int.20, see also Kontemeniotis, 2007, p. 3). The municipality, as Stávros goes on,

has always, formally, been an outsider. [The Foundation has] such conservative articles of association. Just imagine, Ioanna, this big investment, which would be an economic giant in Crete, is implemented, depending on a single person, a person appointed by the Archimandrite… a single person could appoint anyone [in the Foundation’s AC], a ‘pious’ person to be in charge of everything. My view has always been that the local community should have a say through its representatives. By not accepting every Mayor [but only the ones sympathetic to the land-deal] … they didn’t even want an ‘eye’ in there, who would check [on what they decide], let’s put it this way. (Int.20, original emphasis)

This results in representatives from the local governmental administration taking part in the Foundation’s Administrative Council stripped off their institutional role—whether a mayor would or would not be part of the Council, for example, would therefore depend on their relationship with the Monastery, and their positive or negative stance towards the investment. The fact that the current Mayor is indeed part of the Foundation’s Administrative Council is indicative of the cooperative, albeit

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78 For an estimation of the impact of the initial stage of the investment, the “Cavo Sidero resort”, on the area’s local and regional development, see Melissourgos (2008).
unofficial, relationship between state and Church on a local level: the Mayor, argues Stávros, has been “one of their own since the start of his career” (Int.20). Related to this is also the “sabotaging”, from the part of the monastery (and the local state), of the formation of an Independent Management Operator, which should be (according to Directive 92/43/EEC of the European Union) in charge of Sitía’s Natura 2000 zones of protection (a big part of the 25,000 stremmata at stake) (Int.20/Stávros). I return to the question of the incomplete framework of environmental protection in Chapter Eight.

Kátia argues that the performance of the land-deal as a public project is also related to the long-term engagement of the Abbot in other projects of public nature within the community (Int.24). Reflecting on why the Monastery insists in pursuing the investment, she provides an interesting insight.

I believe he [the Abbot] insists because he is a capable man, multi-talented, with a lot of love for the place. I believe that he, as many monks and priests do, [...] wanted to be active with their land, with the products produced by their monasteries. The Abbot’s vision for the development of the area was not initially a bad [one]...I mean, it is as part of that same vision that they [the Monastery] produced the biological wines, and the olive oil, and so many good things happened. This same vision caught him up in this story, and in the first, initial years he might not have been aware of the problems. And I think that when they started to appear [the problems], precisely because he is a very clever man, I think he certainly saw them too, and this is an almost…spiritual matter, a matter of ego: it is not easy to say ‘I was wrong, this is not right’, especially when you are…at this age, at this position. This is, I believe, very common in political matters...so many make mistakes and they do see, in hindsight, what was not right...but they do not dare to [acknowledge it], …not even to themselves. (Int.24/Kátia)

An interesting argument is suggested here. The pursuit of “visions” is not always based on decisions of rationality—not even economic rationality. Áléxis agrees that

From our experience, [...] we now know what it all means, the shares, the ‘Ponzi schemes’, the golf courses, we have seen these things happening around, in many places...and, all things considered, I do not think that this is something the Abbot wants 100%. He may have wanted 100% to make sure that this area does not belong to the state, but belongs to them. (Int.34)

This “private but public” character of the project is manifested though several other dimensions analysed throughout the course of this section: the promotion of the land-deal as the only possible “lever” for Sitía’s development (Int.23/Father Stamatios-Abbot); the company’s scientific “collaboration” with the National History Museum of Heráklion; the “strategic” nature attached to the investment’s legal frame (see Chapter Eight); the investor’s promise of “protecting” and “highlighting” the archaeological findings enclosed within or in close proximity to the land
(Int.17/Louisa); and the selective collaboration of the Foundation Panagia Akrotiriani only with those members of the local administration who were supportive to the land-deal, stripped off their official role. It is, however, the shift in the monastery’s role that has predominantly contributed to the production of a rent gap in the area.

The Toplou Monastery initially played an important role in producing a landscape that remained undercapitalised and “untouched” for a long period of time. In combination with the legal conflicts between state and Church over the ownership of the land since the 1980s, the perception of the monastery as an agent of power and a landowner “not to be meddled with”—and therefore to be avoided as a business partner in prospective investments on the land—created a landscape “unfriendly” to investors. Emílios argues that geographical reasons are not enough to explain why the land was “spared” from large-scale land-deals so far: “it wasn’t just about the distance, it’s about the existence of a vast ecclesiastical property” (Int.11). Dimitris’ take on why the neighbouring Agios Nikólaos was “developed” touristically to a much larger extent than Sitía is indicative of this:

> Apart from Agios [Nikolaos] being near the airport [of Heráklion], near a large port…there was clearly ‘easier’ land there, because the biggest part here belongs to the Monasteries, right? Who would dare to come here and claim [land] then, …right? (Int.4)

As soon as the ownership dispute was resolved, however, the Monastery’s role changed from a landowner to be avoided to one that guarantees, as the introductory quote to this chapter illustrates, “trustworthiness” to the investors: “one last reason [why the investors insist] is that, because this piece of land belongs to the Church…, we have another level of trust to the Church” (Int.23/Father Stamatios-Abbot). The Church’s “trustworthiness” as a business partner is also related to, firstly, the “opening up” the of the competition for the land’s “development” to an international market—and, therefore, to investors potentially unaware of the full extent of the influence of the Church in Greece. And secondly, it should be situated within the context of the gradual formation of the narrative of Greece’s “statism” and of the “demonising of the private sector” (Int.5/Mayor): if the state, one of the two main landowners of large stretches of land in Greece (Hadjimichalis, 2014b) was (in the 1990s) unwilling or unable to cooperate with private “developers”, land-deals with the Church, with its extensive wealth in land and property in “unique” and “unspoiled” locations across the country, was the only option left available. I dissect the role of and the narratives about the state in Chapter Nine.

It is within the above dynamics that the Foundation, “under the leadership of the Abbot himself” (Int.10/Themis), acted as a vehicle of “promoting” the land’s touristic and
residential “exploitation” by launching an international contest. In the following section I turn to specific elements of the “Itanos Gaia” investment itself, which contribute to a better understanding of the production of Cape Sídero’s rent gap.

6.4. Itanos Gaia: residential tourism, access and scale

In 1998, the private limited company Loyalward fulfilled the requirements and agreed a land Concession Agreement for a leasing period of 80 years. In this “agreement” between the investors and the monastery, as one can also find in Kontemeniotis’ (2007) critique, Themis argues that

the terms, the aims of the Foundation were...a very low-profile development for the benefit of the local community, such as kiosks for shade, some small park, some small pathway...these were the kinds of things you would understand from the phraseology. Now, how this thing was then...given to a company to make seven 7,000 beds and three golf courses for us here, was completely irrelevant. But legally speaking you couldn’t say many things on this, because the Foundation’s purpose can be interpreted in many ways...it was just scandalous. (Int.10)

Nowhere close to a “low-profile” development, the original project (the “Cavo Sídero Resort”), a €267.7million Integrated Tourism Development Area [Περιοχές Ολοκληρωμένης Τουριστικής Ανάπτυξης] (see Chapter Eight), included the construction of six touristic villages of a total capacity of 7,000 beds (including hotel rooms, suites, furnished apartments and furnished villas following an architectural model based on the “Cretan Village”) three golf courses, a conference centre, an athletic centre, an environmental centre, as well as other facilities developed in six different positions (Melissourgos, 2008). The revised “Itanos Gaia” project is, in comparison to the company’s initial plan, a significantly smaller investment in terms of carrying capacity: it includes one golf course (instead of three) and 1,936 beds. These will be distributed throughout five “thematic” hotels of five and six stars (ECHMES for Loyalward, 2014). Despite the new project’s smaller capacity, however, the investors claim the exact same land: 25,000 undivided stremmata for a project, as

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79 “Agreement of Land Use, Touristic Development and Exploitation”, for an initial period of 40 years (starting from the Agreement’s “activation”, and automatically renewed for another 40 years. This Agreement has not been officially “activated”, and therefore the Company has not paid the initially agreed financial compensation (£5 million) to the Foundation (see Kontemeniotis 2007, p. 53). Additionally, the opposing side claims that Loyalward was selected under unclear circumstances (two more companies took part in the contest), and that the company was in agreement with the Monastery before the contest was even launched (Int. 11/Emilios, Int.20/Stavros, see also Melissourgos (2008) and Kontemeniotis (2007).
Lambros puts it, “which could be implemented in a significantly smaller area” (Int.29). I turn to the importance of the property’s scale further on.

**Fig 6.6 The Project’s ESHASE Plan limits**

According to Loyalwards’ plans, each different hotel, positioned in five distinct locations (see Figure 6.6), will be framed by a range of various “activities”: apart from the heathland golf course (which “will include the latest techniques to encourage the regeneration of eco-systems and their wildlife”), the resorts will include spas, sports facilities, restaurants, small shops, etc. The Itanos Gaia plan also involves the
construction of wastewater treatment plants, a desalination station of 3,570 m², and additional support infrastructure (such as solar panels and wind turbines) (ECHMES for Loyalward, 2014). The latter, loosely defined in terms of locations and spatial dimensions, will, as is emphasised by the company, contribute to the sustainable operation of the resort and in both water and energy self-sufficiency (Minoan Group Plc, 2015). The company promotes the Itanos Gaia project as “a new landmark for tourism in Greece”, which will provide “extremely high standards, both in terms of the service offered and the environmental credentials” (Minoan Group Plc, 2015). It is clear, as has been analysed by Melissourgos (2008) for the initial “Cavo Sídero Resort” project, that the new project falls along the same lines of the new paradigm of “niche”, exclusive market of complex tourist facilities that seek to differentiate their services from the island’s overdeveloped “mass tourism destinations” (such as the coastal areas of Mállia or Hersónisos in Crete). Father Stamatios emphasises that all our hotels, five small hotels, will have no more than 350-400 beds. But it will be high-class tourism, of five and six stars. And it will include villas for rent. Also, it is important that one or two hotels will be open all year round, and this is important—as all the weight falls from May to October, and then…during the rest of the year there is no tourist activity whatsoever. (Int.23)

The widening of the rent gap is, in this way, achieved twofold: first, temporally, by extending part of the resort’s function into winter months. The year-round operation of the resort is also being promoted by the implementation of the golf course, a highly controversial plan in terms of environmental sustainability (especially given the region’s extremely fragile water supply) (Int.11/Emílios, Int.4/Dimitris, Int.8/Ilias). Secondly, it is achieved by adding villas (furnished apartments) of a residential nature—a tendency which was clearly stated in the company’s plans for the “Cavo Sídero Resort”, the investment’s former version (Int.23/Father Stamatios-Abbot, see also Melissourgos, 2008; Tselemegkou, 2016). As Align Research puts it (2018, p. 9), “the resort will represent a new level of luxury on Crete”:

There is planned to be a mix of luxury villas and apartments rather than traditional large hotel buildings for two reasons. Firstly, this is the mix of accommodation that has been found to most appeal at upscale developments. Secondly, apartments and villas can be sold/long leased to potential individual buyers of holiday properties thus reducing the capital required to build out the project and optimise the return on equity.

According to the company, the desalinated water will be used for the irrigation needs of the golf course and communal spaces (ECHMES for Loyalward, 2014).
Therefore, while the potential consumers of the Itanos Gaia resort are in general visitors, outsiders to the area (with profit generated through the extraction of high, but short-term rents from many different consumers), the project’s partially residential nature aims simultaneously at a more permanent, and therefore potentially higher-class clientele. This becomes evident when one takes a look at the project’s accommodation plans (which follow the specifications of both the Greek National Tourism Organization as well as international requirements according to the stars category) (see Figure 6.7). “Itanos Gaia” includes the following types of accommodation units: hotel rooms (55-88m²), suites (78-215m²), and furnished apartments ranging from 88m² to 305m². The “residential” units occupy, in total, more than half (374 out of 649) of the total accommodation units (see Figure 6.8). I return to the transformations of the spatial legal regime that allow for such “residential” exploitation of the land in Chapter Eight.

The 1,936 beds are distributed across the following five “thematic” hotels: Daphne, which focuses on athletic tourism (golf) and ecotourism; Althea, which provides spa and thalasso therapy facilities; Eteocrete, the resort’s “cultural” hub; Anthemis, which offers services of “gastronomical” tourism; and Thalassa, which focuses on water sports such as windsurfing and scuba diving (Tselemegkou, 2016).

The hotels’ names are of interest. Hamilakis (2014) points out the frequent use of concepts and mythological references to antiquity to describe things which are irrelevant or contrary to the references’ original meaning; place-making in Cavo Sídero depends heavily on the strategic use of antiquity and mythology—a typical touristic strategy across the country. This is reflected even on the names of the project (“Itanos Gaia”), the umbrella company (“Minoan”), and the five hotels themselves (Daphne, Althea, Eteocrete, Anthemis, Thalassa). From gastronomy and herbs to music and sea practices, from art and architecture to antiquity, every possible aspect of the place’s history and geography has been categorised, translated and distributed across the project’s parts. In an appropriating rather than dialogical relationship to its surroundings, “Itanos Gaia” manipulates the geographical “difference” of place and transforms it into an experience of monopolistic quality. Such experience is exclusive, and its provider holds complete control over it.

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81 The governmental department for the promotion of tourism in Greece (www.gnto.gov.gr).
**Fig 6.7 Characteristics of hotel units, Itanos Gaia resort**

<table>
<thead>
<tr>
<th>G.B.R. * plot</th>
<th>Hotel name</th>
<th>Focus**</th>
<th>Category</th>
<th>No. of beds</th>
<th>No. of accommodation units</th>
<th>Building area (m²)</th>
</tr>
</thead>
<tbody>
<tr>
<td>I+II</td>
<td>Daphne</td>
<td>Athletic tourism and ecotourism</td>
<td>5 stars (mixed)</td>
<td>430</td>
<td>153</td>
<td>23,330</td>
</tr>
<tr>
<td>III</td>
<td>Althea</td>
<td>Spa and thalassotherapy</td>
<td>6 stars (furnished apartments)</td>
<td>337</td>
<td>93</td>
<td>20,412</td>
</tr>
<tr>
<td>III</td>
<td>Eteocrete</td>
<td>Cultural activities</td>
<td>5 stars (mixed)</td>
<td>429</td>
<td>165</td>
<td>21,617</td>
</tr>
<tr>
<td>IV+II</td>
<td>Anthemis</td>
<td>Gastronomic tourism</td>
<td>5 stars (mixed)</td>
<td>367</td>
<td>136</td>
<td>18,941</td>
</tr>
<tr>
<td>V</td>
<td>Thalassa</td>
<td>Water sports</td>
<td>6 stars (furnished apartments)</td>
<td>373</td>
<td>102</td>
<td>20,098</td>
</tr>
</tbody>
</table>

** Total 1,936 649 104,397

* General Building Regulation

** Daphne includes restaurants, bars, a multi-purpose hall, a golf club, a restaurant and shop etc.; Althea includes indoors pool, a sauna, a rejuvenation, thalassotherapy and wellness centre, a gym, ‘thematic’ restaurants, “healthy food” bars, cafes, shops etc., as well as tennis courts and a sports club at the south-eastern edge of the plot; Eteocrete includes multi-purpose and exhibition halls, cafes, meeting spaces, shops, children’s recreational facilities, natural and cultural pathways and walks; Anthemis includes swimming pools, a spa, gyms, a library, athletic activities and a multi-purpose hall; and, finally, Thalassa includes thematic restaurants, a bar, a multi-purpose hall, a library, a sauna, small shops, and sports facilities such as windsurfing, scuba diving etc.

Source: (Tselemegkou, 2016), edited by the author.

**Fig 6.8 Distribution of accommodation types per hotel unit (in numbers)**

<table>
<thead>
<tr>
<th>Accommodation types</th>
<th>Daphne (5 stars)</th>
<th>Althea (6 stars)</th>
<th>Eteocrete (5 stars)</th>
<th>Anthemis (5 stars)</th>
<th>Thalassa (6 stars)</th>
<th>Itanos Gaia (in total)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Rooms</td>
<td>75</td>
<td>0</td>
<td>99</td>
<td>68</td>
<td>0</td>
<td>242</td>
</tr>
<tr>
<td>Suites</td>
<td>12</td>
<td>0</td>
<td>12</td>
<td>9</td>
<td>0</td>
<td>33</td>
</tr>
<tr>
<td>Furnished apartments*</td>
<td>66</td>
<td>93</td>
<td>54</td>
<td>59</td>
<td>102</td>
<td>374</td>
</tr>
</tbody>
</table>

** Total 153 93 165 136 102 649

Source: (Tselemegkou, 2016), edited by the author.

Scale, as well dealing with a single investor, also play an important role in the production of exclusion. Practically speaking, the fact that the land is an undivided stretch, a single property, means that the investors do not have to deal with many individual landowners. But providing the entire area to a single investor also means that in this way, as Father Stamatios argues, the investors “won’t have to worry about the neighbours spoiling it”. He reflects on preserving the scale of the property as a way of “protecting” it:
[T]his is why we gave the total 25,000 stremmata to a single company and we did not, for example, do the same for 5,000 stremmata. We avoided this because it would overburden the area, that is...if we brought five different companies in...it would be impossible to manage the burden on the area. [...] My motivation is...was, because I'm in charge of this land, of the monastery, ...I thought it was a sin to have 30,000 stremmata, with 2,000 goats grazing in there, which destroy the vegetation, and the area not to be protected. (Int.23)

Overgrazing (from the Monastery’s goats) is considered to be an important threat to the site, leading to the degradation of the soil and flora (Int.4/Dimitris, see also Anipsitakis, 2001). The Abbot concedes, however, that “the goats are indeed our own”. “But”, he continues,

there are quite a few shepherds in there. There is a lack of control and accountability in the area...when such an area is not...policed, it cannot be supervised by anyone...tomorrow one might go and light up a match, and burn everything down, the plants, the flora, the fauna, everything. Already in our area, because there are antiquities, ...there are illegal excavations. But when there is an [investment] interest in the area, since it will have financial gains, it will give some funds to the protection of the archaeological sites. Or to make a study on the Vái palm-forest, for its protection. (Int.23)

These are views that the company seems to share. Louisa, one of Loyalward Hellas’ employees, stresses that “they [the company] ... do not want to intervene, they do not want to destroy” (Int.17). Giving the entire land to a single investor, she argues, provides control over what is going to be built and is, therefore, “better, in comparison to having one individual, let’s say a small private investor, and you, and me, and whoever else it would be” (Int.17/Louisa). But protection, seen from another point of view, is associated with control and enclosure (Brockington, Dan; Duffy, Rosaleen; Igoe, 2008). Dealing with a single investor reinforces their control over the land, as it serves as way of dealing with competition around the property and securing the monopolistic quality of the land. Over a cup of coffee at Heráklion’s port, Sophía notes that the question of access becomes, under such circumstances, an important one: apart from the qualities of the property itself, accessing whatever cannot be enclosed within it, but lies at its immediate periphery—such as the coasts and the sea, sites of archaeological interest, and “natural” landmarks (such as the Vái palm-forest) is also capitalised upon. In referring to archaeological sites, for instance, Sophía argues that

this [the question of access] is a very important parameter, because even if they were not...[protected], they are left like islands within a private sea. That is, they suddenly become somebody’s backyards. If, in Athens, let’s say, you find an archaeological site between apartment blocks, that’s fine. But if you are to allow building activity around an archaeological site you’ve already known of for years, you need zones of protection around it, and access! Access. After all, in the city, you
don’t usually have the property of a single owner, and the constant threat of them exerting their rights. (Int.3)

In a similar vein, Fánis, the coordinator of Geoparks in Greece, notes that the question of access applies to the function of Sitía’s Geopark itself:

The investment itself looks positively at the Geopark, as it considers that it provides…an added value to the region, and would like to take advantage of it. And it states, essentially, that the pathways will be open from its own property, that they will not close the paths, and will also, in theory, develop activities in cooperation with the Geopark itself. In this sense, the investment is not considered as antithetical to the operation of the Geopark. If these apply. They are just intentions, or statements they have made. If it’s a blocked area, if the access to the area is blocked, and the coastal paths, or the ones which cross through, then we’re in trouble. (Int.31, original emphasis)

The question of access can even take the form of visual control over a landscape. The unified character and the scale of the property are here crucial for the extraction of rents from the “view itself”, as the investors are able to promote even the visual monopoly over a unified “whole” (see Hadjimichalis, 2014). As Anipsitakis puts it, “right there [the Cape Sídero peninsula], you can see the same sky, the same sea, but also the same land as the Minoans” (Regional Council of Crete, 2014). Aléxis’ perception on the view question is strikingly different:

When you live in a place for a long time, as me, for example, who I live in a house with a great view […] it’s hard to explain, but…the view is something that can’t…it has no end, it’s almost draining. And for this reason, it can satisfy you…even if you have, let’s say, a 90 degrees angle [of visibility], and not necessarily 360. There is some sort of greed in…wanting to see everything. Seeing in every direction doesn’t make you happier. (Int.34)

Finally, the art of place-making involves, apart from the appropriation of whatever stands in this unified “whole”, the (neo-colonialist) appropriation and control over the knowledge around it itself. This becomes evident in interviewing Louisa. She argues that

the company has been really studying to find out what’s out there, in terms of flora and fauna…and we are the ones who…‘enlightened’ them [the locals], so that they learn about all this variety, […] we are the ones who had divers check the waters, the water currents, all these…that is, there has been a tremendous study, a study of great volume. […] They [the company] want to highlight them [the archaeological sites] so you will be able to visit them, to see what’s out there…you go and see stones, fine, but how do you know what they actually are about? Do I, do you, does anyone of us know what these are? And you will know, they [the company] will tell you, this is your history, they will tell you what’s what. (Int.17, original emphasis)

* * *
Loyalward’s investment plan in Cape Sídero is a project, as has already become clear, that spans over a period of three decades. My aim in the section that follows is to take a step back and examine the implications and the long-term effects on the landscape of a project that has not been implemented. Or has it? In the following section I engage with a widespread perception of the speculative nature of Loyalward’s land-deal in Cape Sídero.

6.5. A stake in the “game”

I think…the land itself, beyond the productive activity planned to be implemented on it, is an important factor in their ‘game’. That is, we’re not talking about the old, bourgeois capitalist anymore […], there is, here, a strong stock market element involved in the game, a game with very ambiguous effects on the landscape. (Int.11/Emílios, original emphasis)

Referring to the “Englishmen at Toplou”, Sophia stresses,

> It’s a fact that they are playing stockbroking games…we’ve been aware of this for years. But whether they are only playing at the stock market, it’s not that easy to say. […] Every single step, every licensing step raises the stock market value. (Int.3/Sophía, original emphasis)

Sophía’s and Emílios’ views are indicative of a wide perception in Sitía that Loyalward, the “Englishmen”, have been profiting out of their shares in the London Stock Exchange market for years. This perception is frequently paired with the view that Loyalward is, at the same time, an “unreliable” company, which does not possess the capital or the capacity to bring an ambitious plan such as “Itanos Gaia” into fruition. A close look at the company’s profile over the years can yield some insight on the above views. What are the investments’ effects on Sitía’s landscape so far? The following section’s aim is to paint an overview of the company’s strategy since its early years in Crete.82

(a) Significant moments from the company’s history: shares, announcements, and potential “partners”

In the late 1980s, Simon Berry and Peter Choulman arrived in Crete: they were both working as real estate agents in the UK and were on the lookout for land suitable for prospective investors (Ios, 2008). The Toplou Monastery, as has already become clear,

82 For the brief exploration of the company’s early years in Crete, the studies of Melissourgos (2008) and Kontemeniotis (2007), as well as the excellent pieces of investigative journalism by the research group Ios (2008) have been particularly helpful.
was at the same time looking for ways to “exploit” the vast piece of land in the Cape Sídero peninsula (of Ottoman descent and at the time, unclear ownership)—as the land, as I have mentioned before, was also contested by the state. As their paths crossed, the Abbot created the Foundation, and the real estate agents created the company, which later evolved into an investment group. According to Kontemeniotis (2007), Loyalward Limited was founded in 1991 (two years before the “international contest” for the project was launched by the Foundation) with the aim of exploiting the land in Cape Sídero for tourism.

It is common practice for a large group to create a subsidiary company to deal exclusively with a single project, “only in this case there was no group, no parent company, no financial or business background, nothing” (Ios, 2008; see also Kontemeniotis, 2007). The company was created from scratch by four people, with Peter Choulman and his wife in charge—the “headquarters” were their house in Sussex, and until 1999 the company did not have a single employee (Kontemeniotis, 2007, p. 6). Later, Christopher Egleton, William Cole (both accountants) and Timothy Hill (an architect) joined the company as shareholders. Egleton and Hill are still part of the Group’s Board of Directors until today. In 1999, the “parent company” Minoan Group was created, and it immediately absorbed Loyalward Limited entirely. The new name, “Minoan”, was chosen, as Christopher Egleton stated to the shareholders in August 2005, in order to “clearly express the nature of the company’s activities and confirm their geographical focus, while promoting a stronger corporate image” (see Kontemeniotis, 2007, p. 11). The company offices were transferred to Scotland (to Egleton’s accounting office), were later moved to London and were also operating a mailbox at Kent, with company phones and fax being registered at William (Bill) Cole’s house. In 2000, Egleton, Cole and Hill founded two more companies: Loyalward Leisure and Loyalward Hellas.83 The latter is based in Athens, has proper offices and seems to be sufficiently staffed (see also Melissourgos, 2008). As mentioned before (see Chapter Two), I contacted Loyalward Hellas twice. However, after an initial exchange of emails with Timothy Hill, and after I was asked to provide the title, topic, and abstract of my dissertation, there was no further communication from their part.

According to Kontemeniotis’ report (2007), all the companies which are part of Minoan Group declared, at least until 2007, that they work exclusively for the interests of the project in Crete, and therefore have no revenue. Their activities were funded by the issue

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83 Tyrrenium Limited (founded in 1999, and formerly called Loyalward Italia) was also part of Minoan Group (25% belonging to Minoan Group and the rest of the shares to Peter Choulman and his wife Diana Choulman). This company was dissolved in 2007 after failing to implement a project similar to the one in Cape Sídero in Sardinia (Kontemeniotis, 2007).
of shares for various services, loans etc., which resulted in “the expansion of their capital without a corresponding increase in their financial capabilities”—the main asset Minoan had was the contract signed between the Foundation and the company itself in 1998, which was mortgaged to secure loans. Shares were initially issued through Off Exchange (OFEX) (now owned and operated by PLUSmarkets) (Kontemeniotis, 2007, p. 74), which provides, since 1995, “a way for shareholders to deal in the shares of small companies that do not meet the stringent requirements of Alternative Investment Market (AIM) and the London Stock Exchange (LSE) official list” (see https://moneyweek.com/glossary/ofex/). In May 2007, Minoan Group was listed in the Alternative Investment Market of the LSE. The latter is still considered a “high risk” market, since it is not subject to strict regulations (e.g. regarding the listed companies’ amount of capital, financial outcomes, profitability, etc.). Minoan’s financial statements often included, at least until 2007, a special note from the auditors, who stated that the company’s creditworthiness and viability are under “fundamental uncertainty” (Kontemeniotis, 2007, p.74). As I explore further on, Minoan’s current financial situation still seems to be inversely proportional to its ambitious plans.

Despite the Council of State’s rejection of Loyalward’s plans in 2010, Minoan Group continued insisting on its grandiose plans for Crete. As I explore in Chapter Eight, the timing was favourable to this decision, as the severe legal and institutional “rearrangements” in Greece were starting to produce new tools for the expropriation and (re) commodification of land. In 2012, “Itanos Gaia” was characterised as a “Strategic Investment” (Law 3894/2010) (ECHMES for Loyalward, 2014). The same year, Minoan took over the Scottish agency Stewart Travel Centre for £545,000, after having already acquired a 19.9% stake in summer 2011: the declared aim was, still, to support the “long term commitment to the Project [in Crete]” (Company Announcement 12 March 2012). Minoan’s new subsidiary, Stewart Travel Limited (STL), had since been an important source of operational revenues for Minoan (until its sale in 2018), and “was developed to provide some diversity and near-term cash flow in the company” (Align Research for Minoan Group, 2018, p. 16): the Company, as Egleton put it, “made significant progress in its twin objectives of the creation of a widely based travel and leisure business, and the realisation of value from the Project” (Company Announcement, 2 April 2012).

In 18 March 2014, Minoan was “pleased to confirm” that a Plenum of the Greek Council of State “has unanimously approved the draft Presidential Decree, with no dissenting opinions, which was signed off by the President of the Council of State” (Company Announcement). From 2014 to 2017, the Presidential Decree on the “Itanos Gaia” ESHASE plan was issued, the project was included in the draft plan of the new Regional
Plan of Crete, and the appeals against the Presidential Decree were dismissed by the Council of State.

The positive impact of these events on Minoan’s price share, and the share going up, was typically followed by the issue of new shares in order to raise capital (see Figure 6.10). Apart from the highly fluctuating share price, a close reading of Minoan’s financial statements and announcements throughout the long-term involvement of the company with the “Project” yielded two significant recurring observations: firstly, the overly enthusiastic language used at the occurrence of positive events, which was always reassuring shareholders for the project’s bright future; and secondly, the frequent mention (in almost every single company announcement) of the company’s “negotiations” with potential partners. Commenting on the first, Emílios questions “the extent to which they are interested in a ‘real’ economy and ‘real’ investments, which I might not like anyway, but I do ask the question; or whether they are interested in showing that they want to do something, and increase their shares in the stock market just by promoting plans. Maybe it is something in between” (Int.11 Emílios, original emphasis).

On the 26th of November 2014, for example, Egleton was announcing that:

This is one of the most important days in the history of Minoan as we near the successful completion of a long journey. After its review by the Greek Council of State, the issuance of the Presidential Decree is expected in the near future. At this point, for the first time, there will be a secure environment in which the Project can be brought to fruition in order to maximise value to shareholders.

(Company Announcement)

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**Fig 6.9 Minoan five-year financial and trading history (in £’000s)**

<table>
<thead>
<tr>
<th></th>
<th>2013 (A)</th>
<th>2014 (A)</th>
<th>2015 (A)</th>
<th>2016 (A)</th>
<th>2017 (A)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Revenue</td>
<td>9,217</td>
<td>5,932</td>
<td>6,816</td>
<td>7,317</td>
<td>8,700</td>
</tr>
<tr>
<td>Operating Expenses</td>
<td>5,416</td>
<td>5,306</td>
<td>6,523</td>
<td>7,261</td>
<td>480</td>
</tr>
<tr>
<td>Net Operating Profit/Loss</td>
<td>-1,172</td>
<td>-1,036</td>
<td>-1,620</td>
<td>-2,272</td>
<td>-2,516</td>
</tr>
<tr>
<td>Profit/Loss per share</td>
<td>-0.78p</td>
<td>-0.61p</td>
<td>-0.89p</td>
<td>-1.19p</td>
<td>-1.23p</td>
</tr>
</tbody>
</table>

On the 31st of March 2017, the company reported the circulation of news regarding the rejection of the appeals by Greek media: “the Group is well positioned to capitalise on the transformational event of securing the Presidential Decree in Greece […] the next twelve months are likely to be the most value enhancing in the Group’s history”. On the 27th of April 2017, the media reports are mentioned once more: “Once the Greek Supreme Court’s confirmation is received”, stated Egleton, “the Company can at last
start realising the potential of this major asset”. Similarly, on the 26th of July 2017, Egleton was stating that:

Following the dismissal of the Appeals against the Presidential Decree granting Outline Planning Consent for its Project in Crete, and the continued increase in the profitability of its travel business, the Group is about to enter the most rewarding period in its history.

Note how announcements before and after this same event reflect on Minoan’s share (see Figure 6.10). Every “positive” event is followed by an issue of shares and equity (share dilution leads to the share per price dropping) as the group capitalises on the good news. Apart from the frequent use of positive language, however, Minoan’s announcements have been also constantly referring to “ongoing discussions” or “negotiations” with potential partners. This suggests, along with the positive language as mentioned above, an effort to provide shareholders with reassurance that the company is actively working towards the project’s implementation, and therefore the (further) capitalisation on the land-deal. On the “Reports and Financial Statements” for year 2013, for example, the Chairman states that: “It is intended to explore all possible avenues open to the Company including the progression of a number of ongoing discussions with potential joint venture partners and operators as well the instigation of discussions with other parties who have registered their interest in participating in the Project” (Company Financial Reports). Or, on the 31st of March 2017: “Discussions continue with various potential partners including, inter alia, Hotel Operators, Joint Venture Partners, Financiers and Investors to consider the best route for the project to deliver maximum value for shareholders” (Company Announcements). On the 26th of June 2017, after the dismissal of the appeals against the project’s Presidential Decree, as one can read in Minoan’s announcement,

the Company can now accelerate the development of the Project, which will include, inter alia; the continuation of negotiations for joint venture arrangements with hoteliers, investors, partners and other parties […] It is also likely that, with the announcement of the dismissals, a number of previously silent observers will wish to become involved, as has already occurred.

The identity of these “potential partners” in the company’s announcements has never been clarified, and no partnership so far seems to have come to fruition. But keeping the investment plans going only works if faith alone on what could become of the land is sustained.
Bulldozers on the lookout for capital?

The company’s recent (but also long-term) trajectory (see Figure 6.8.) and announcements clearly indicates that they are in no position whatsoever to implement five luxury hotels, a golf course, and a series of supporting infrastructure on 25,000 stremmata of land. Since December 2017, company announcements started mentioning the disposal of the main source of Minoan’s “working capital”, Stewart Travel Limited, in an effort to pay down the Minoan Group’s debt. This would “allow the management team to concentrate its efforts on optimising value from the Crete Project on behalf of its shareholders” (Company Announcement December 2017). In March 2018, the company announced that “an experienced corporate advisor with an understanding of Greece has been appointed to assist in the process”. On the 27th of April 2018, Minoan confirmed the appointment of Align Research (Align), which “has initiated research coverage on the Company”. Align’s purpose, as defined in their website (see http://www.alignresearch.co.uk/about-us), is twofold:

- to increase awareness amongst investors of investment opportunities we perceive to have exceptional risk/reward profiles and then to completely align (hence the name) ourselves with existing investors in those companies and any new investor that acts upon our coverage. Unconflicted, completely transparent, ‘eat your own cooking’ research.

On the 20th of September 2018, Minoan Group finally announced the conditional sale of STL, which was purchased by Zachary Asset Holdings Limited (ZAH) for the disposal of the entire share of STL for £6,564,520, a transaction which leaves Minoan with a debt of £900,000 to ZAH (Company Announcement, September 2018). Despite the downward trend in their shares and the lack of an operational income, Minoan’s announcements still attempt to reproduce positive future prospects for the investment in Cape Sídero. One significant change in the content of the company’s announcement is, however, of particular interest. On the 20th of September 2018, for example, Egleton stated the following:

With the disposal of Stewart Travel with its historic contribution to the Group’s overheads the Company will be seeking additional funding in the near term in order to continue to meet its costs and to advance the Project. Such funding may take the form of equity and/or debt finance ahead of a realisation of some or all of its interest.

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84 This transaction arranged for ZAH to loan STL £1,487,000 in order to repay intercompany debt (due from STL to Minoan), therefore creating the new debt of £900,000: “It is the intention of the Directors to look to refinance this when an opportunity to do so becomes available in order to reduce the Group’s financing costs and to release the security for other possible debt based financing” (Company Announcement, September 2018).
The partial implementation of the projects has been one the fears of many of the opposing residents of Sitía. Kátia, a local archaeologist, suggests, for example, that taking a “phased approach” vis-à-vis the investment in Cape Sídero might be the only way for the company to actually implement the project:

If the bulldozers do come to Cape Sídero, I don’t know if they will, that is…I don’t believe they have the capital to bring anything, but let’s say they bring bulldozers in to find capital. This is my worst fear, all these fifteen years I’ve been living in this area: that at some point the bulldozers will come in, they’ll start turning the place upside down, crashing whatever you see around, and then they’ll go away. They will not be able to do a single thing, and they’ll leave the place like that. This is my worst fear. Yes. They will open roads, they will dig, they will flatten, they will ruin, they will destroy, they will pour concrete, and they will leave. This is my worst fear, because, in the hope of finding more money by making a start, they might be willing to take this risk. (Int.24/Kátia, original emphasis)

Risk is closely linked with opportunity. But, as Harvey puts it, “if capital does move out, it leaves behind a trail of devastation” (2002, p. 66). The above analysis suggests that Minoan’s goal could only be speculating on the land, with no actual intention in investing any capital. From the examination of the company’s actions, financial statements and announcements over a period of thirty years, it becomes clear that this is a company which was created for the project in Crete; has had no significant activity on other projects (with the exception of its activity on the travel and leisure sector, with was developed with the declared aim of supporting, once again, the project in Crete); and finally, the company has been able to continuously sustain itself and issue new shares solely on the basis of a single contract signed with the Foundation in 1998, and the promise of capitalising on what Align Research characterised in their report, as discussed earlier in this chapter, as a “trophy site” (2018, p. 8). The Mayor himself—a member of the Administrative Council of the Foundation—expresses his concerns on the above:

They [the company] remain because at the moment they’re trading on the stock market, London’s parallel market, and they also have, as a board of directors, some responsibilities towards their shareholders…they might be also afraid of a legal involvement with their shareholders if they say that ‘we’re not interested anymore’, but, in addition, they’ve got nothing to lose! The members of the board are not losing anything. The company is capitalising on a deal that has been made. The members of the board have been getting their salaries for years, and they have capitalised on the deal by fluctuating their share price. They haven’t lost anything, nor have they been deprived of the possibility of having an income. They
have some revenue, they’re stockbrokers. The one who is deprived is the local society, and there’s also the defamation [Sitía’s] that now exists to [other] potential investors. Quite frankly, it’s the local community that has lost. (Int.5/Mayor, original emphasis)

Themis’ thoughts on the company’s announcements and overall aims and strategy is interesting, so I here quote him at length:

They look forward to obtaining licenses here, so they can build, do whatever is required by law, and then attract investors. Because they do not have that kind of capital. They are a listed company, but…their market share goes up with every decision, yes, a little, and for only a little while. Last time…the company’s latest announcement, despite the ‘enthusiasm’…you could sense some sort of depression, let’s say. Yes, they did win the appeal—but ‘because of the crisis we won’t be able to invest directly’. Such was the spirit of the announcement. But […] they don’t care if the investments don’t do well! What is important is that capital was *circulated*, money went somewhere, it wasn’t lost. Erm, so, in this respect, they don’t really care, especially the Englishmen, but Terna as well, if their plans are viable economically. What matters is that ‘we will invest some money, circulate capital, make the project, and the state promises to give us a share of the investment, or buy electricity at a very good price, etc.’ […] This is why I think…only some part of these projects will be made, and some part not, and whoever is the stronger player financially will make more. (Int.10, original emphasis)

Themis mounts an important argument vis-à-vis the crucial role of the circulation of capital and the continuity of its flow—a point frequently emphasised by Harvey (2010). The circulation of capital “is inherently risky and always speculative” (Harvey, 2010, p. 52), and as the speed of this circulation determines who can accrue higher profits (Harvey, 2010, p. 41), capital fixed in one place might be *synoptic* (Knuth, 2015), or not happen at all. The sustained *assumption* that, in its see-saw movement, capital will swing towards the Cape Sídero peninsula, is enough to keep the rent gap open.

* * *

In this chapter I have examined the dispossession of land in the Cape Sídero peninsula under the logic of a rent gap, and the role of both the landowners (the Monastery and the Foundation) and the investors in producing the landscape as a place of extraordinary potential. The land in Cape Sídero, I have argued, in not “untouched” by people but by capital, and the landscape’s undercapitalisation, along with its monopoly attributes, act as a magnet for investors. I have also examined why the shift of the Monastery’s role since the 1990s, and its ambiguous role as a (contested) private landowner but a public actor in Sitía, have contributed to the production of Cape Sídero as a monopoly
landscape. The role of the property’s scale has been crucial, since it is directly connected to the promise, from the part of the investors, of a “unique”, exclusive, touristic experience—an experience that exploits even the monopolistic control over the landscape’s view, and paints the investors as benefactors who “uncover” knowledge on the place’s history, and promote, in the form of sponsors, Sitía’s environment, culture and archaeology. If implemented, specific characteristics of Loyalward’s touristic resort aim at widening the rent gap in a dual way: temporally, by promoting the year-round function of the resort; and, in the name of representing a “new level of luxury” in Crete, by promoting the individual selling/leasing of touristic villas to residents rather than visitors. Finally, by taking a step back and looking at Minoan Group’s strategy in Cape Sídero for a period of almost thirty years, I contemplated the idea that making profit does not necessarily entail building the resort. The dispossession of the land itself, along with the promise of exploiting the landscape’s great profit-making potential, have so far kept the rent gap open, and the company has yielded profits solely on the basis of its existence.
Rural Dispossession by Classification
7.1. Introduction

Through the framing it imposes upon practices, the state establishes and inculcates common forms and categories of perception and appreciation, social frameworks of perceptions, of understanding or of memory, in short state forms of classification. (Bourdieu, 1994, p.13, original emphasis)

The aim of this chapter is to dissect the role of the state in the dispossession of land on Sitía’s mountains. If the two previous chapters explored why investors need land in Sitía, I here turn to the question of how the land is appropriated. I examine the specific mechanism of dispossession employed by the state and investors to forcibly appropriate land on Sitía’s mountains. This mechanism entails, as it becomes clear in this chapter, the mobilisation of the state’s bureaucratic and juridical powers over the definition of forestry land as a public good.

As I have mentioned before, land on Crete’s mountains is not only highly fragmented—a typical characteristic of properties across the country (National Bank of Greece, 2014)—but also private, due to the island’s different historical path of annexation to mainland Greece after the liberation from the Ottoman Empire, and the differentiated spatial policy established by the interim Cretan State (1986-1913) (Papadakis, 2017). In the first part of this chapter I pay particular attention to the shifting role of the state at both local and national levels: the absence of a national cadastre and formal land titles; the neoliberalisation of the Archaeology and Forestry Commissions; and the inadequate or problematic implementation of existing frameworks of environmental protection. What happens to this “vulnerable” landscape if there is no market for windy private land—in a context of growing interest for renewable energy investments, which makes it highly sought after? It is precisely within the dialectical relation between historical continuity and rupture with the previous regime that I here explore the state’s crucial re-regulating role: the transformation of Sitía’s landscape is made possible through the mobilisation of the state’s bureaucratic and normalising powers, which reinvent and redefine the concept of forest and dispossess through classifying land as such. As I examine in the second part of this chapter, highly fragmented, private and windy properties on Sitía’s mountains are classified as forestry land, transferred to the management (and potentially the ownership) of the state and leased to renewable energy investors at the “beekeeper price” of just €50 per streemma.
7.2. Non-regulating as state strategy? the shifting “functionality” of informal land practices

[I]t must be made clear that laissez-faire too is a form of State “regulation”, introduced and maintained by legislative and coercive means. It is a deliberate policy, conscious of its own ends, and not the spontaneous, automatic expression of economic facts. (Gramsci, 1971, p. 371)

As I explored in the second part of Chapter Two, spatial politics in the modern Greek state were founded on the basis of private property as the only “healthy base” of the national economic politics (Mantouvalou, 2005). Especially in agrarian and semi-agrarian settings, however, private property was never fully realised: land is more than a means of production that can be valued economically, and its valuation cannot be reduced to the “singularity of private property” (Levien, 2013). In Crete, land spatialises a long line of inheritance within the same family, neighbourhood or community, and locals often take customary laws for granted. Emílios, a member of the Ecological Group of Sitía, and formerly an elected member of the Regional council of Lasíthi, explains that properties on Sitía’s mountains are technically private but, in most cases, not treated as a financial asset: land is seldom in the market to buy or sell, and property boundaries are frequently defined by approximation: “sometimes shepherds are the only ones who know property boundaries and specific whereabouts” (Int.11). In other words, most locals on Sitía’s mountainous inland lack what Anne Halla (2016, see also 2017) has called the “property mind”: they do not have “a culture of property”, knowledge around or interest in land markets and rent—these issues (and the issue of formal land titles in the first place) were brought upon them by the appropriation efforts of investors and the state. These informal property and labour relations on Sitía’s land, which have been coexistent with (if not necessary for) fully marketised and regulated spheres of capitalist society (Fraser, 2014) for years, have been so far largely overlooked by the local and the national state: as I explored in Chapter Two (Section B), the lack of a National Cadastre results in uncertainty around land ownership titles and the series of undocumented transactions on it; and the unclear regime of land use makes, in turn, the possibilities and restrictions of any activities practiced or planned on it unclear. As Xenophon, an architect engineer and resident of Sitía puts it, “the Greek state did never know what its own property is, it never learned, it never wanted to learn, and it still does not know. They do not have data here” (Int.12). In this section I argue that both the informal practices on Sitía’s mountainous land, and the “failure” of the state to effectively “protect” archaeological sites and areas of environmental importance produce a landscape with no institutional barriers to dispossession.
These practices of “non-regulation” are part of the state’s “overlooking” strategy: the latter has served a long-term and cross-class “functionality”. “Any landscape”, as Don Mitchell (2008, p. 35-36) highlights, “is (or was) functional”: produced through the investment of capital in it, landscape can potentially yield (or serve as a site for the realisation of) exchange-value; and, landscape establishes the necessary conditions for the reproduction of the labour power required for the above. As part of this double functionality, the contradictory dynamics of state neglect, lack of regulation and informality in the Greek countryside have so far served the needs of both social reproduction and capital. The landscape’s functionality is, however, a dynamic process, and it shifts to accommodate capital’s changing needs. In Sitia, the largely undercapitalised landscape attracts generalised pressure for various kinds of large-scale, often speculative investments on land (with touristic real estate and energy investments as the tip of the spear).

One manifestation of the largely unregulated, fragmentary framework of spatial planning is the state’s inadequacy to “protect”. The broader area of Sitanos includes important archaeological sites of which only few have been officially demarcated (such as a Minoan villa and a Minoan settlement, as well as a Minoan peak sanctuary). Yannis, a landowner in Sitanos, argues that state “failure” to officially demarcate important archaeological sites on Sitia’s mountains is part of a systematic and planned undermining of this area to make the creation of these [wind]farms possible from 2005 onwards. There is, here, a collusion with the Archaeological Service itself. Which also consists of people, right? It’s not an impersonal service....they declared and demarcated some Minoan villas as far as Klimataria [...] and there they stopped. From there and up, where the place is full, they did not do anything. Anything! (Int.36, original emphasis)

Danae is a hotelier from Zákros, an elected member of the Town Council of Sitia (opposition), and an outspoken member of the “PanCretan Network Against Industrial-Scale RES”. She agrees that “we do not know why the process [of officially recognising settlements as traditional] stopped a few years ago. Why isn’t Katsidóni [declared as] traditional? Why isn’t Karydi traditional? If they were, specific distances would need to be maintained—so the 27 wind turbines would not fit” (Int.6). It should be noted, as claims Yannis, that the declaration and the provisional demarcation of the archaeological sites located within the Municipality of Sitia was a prerequisite for the Ministry of Culture to approve the General Urban Plan (GUP) of the Kapodistrian

85 Proclaimed in 1976 and 1979 accordingly.
Municipality of Sitía in 2007, a plan which still applies today (Int.36/Yánnis). But back then, argues Sara, a landowner in Sitanos, some of the Geographic Information System (GIS) maps which accompanied the GUP did not even show the villages, the village [Sitanos]. They [the Municipality of Sitía] did not even include … the archaeological sites, the ones that were declared. And since then, on goes the story… everybody pretends they don’t understand. So—what did the investor see? Pastures! They saw a place with an excellent wind potential, and nothing else. A wasteland”. (Int.37, original emphasis)

Kátia is an archaeologist in the Prefecture of Lasíthi. She is working on short-term contracts for the Ministry of Culture, and has conducted an on-site autopsy for Terna’s investment. She argues that the way the Archaeological Commission works appears not to always be a matter of conscious political decisions from the part of the state (Int.24). Therefore, while it is hard to prove that the Archaeological Commission necessarily planned to leave Sitía’s archaeological sites and findings unprotected, what is certain, she argues, is that such negligence derives from the neoliberalisation of the state itself. Kátia explains that the area of Sitía, at least in terms of Byzantine and medieval archaeology, has had the following “misfortune”: when the first photovoltaic parks were installed in Sitanos, the archaeologist in charge “was responsible for half of Crete! This is how Sitanos was given away [to investors]”, despite having, right at the middle of the village, a temple with a dome, which is extremely rare in medieval and byzantine archaeology (Int.24/Kátia).

And every day they [the Archaeology Commission] had 20,000 applications for evaluation, with people waiting for their answers…there is such terrible understaffing that many archaeologists are forced to give away some cases from their office desks [decide whether they should be protected or not without an on-site autopsy]. […] Of course, you can go looking for archaeological sites to use them against something [an investment] if you want to. So…if you think there’s a problem [with an investment], the law says specific things, but …it also comes down to the personal interest of the archaeologist, and how much they will look into a case. Many people have given up, because you, as a local archaeologist… even if you or your boss says no to an investment, the matter is then off your hands and goes centrally, where it bumps into a fast track [law] and…end of story. (Int.24/Kátia, original emphasis)

Even several stages before the decisions reach a central authority, however, Kátia argues the problems start from the in-situ inspections of the archaeological landscape by the companies themselves, which are supervised by a local archaeologist. Kátia claims Terna sent an archaeologist, “first of all, obviously, so they can communicate” with the local Archaeology Commission (based in Agios Nikólaos), and secondly as a political decision on behalf of the company to appear as a responsible investor (Int.24). In December 2016, the Archaeology Commission of Lasíthi accepted Terna’s Environmental Impact...
Study with minor requests for change, as the project’s installation area does not fall within the protection range of declared archaeological sites and findings (Archaeology Commission of Lasíthi, 2016). The Commission’s decision report mentions that upon commencement, Terna’s construction works should be supervised by an archaeologist selected by the Commission (under Law 3028/02, Article 37), and the cost of this supervision included in the project’s budget (2016). An on-site autopsy on behalf of a German company planning a solar thermal power plant in nearby area of Fournia (a “fast-track” investment), however, highlights effectively what Kátia argues is “common company practice” in the area:

We’re talking…madness. We are driven there, a colleague from the prehistoric section and I, we step out of the jeep, we look under our feet: ceramics. We look at each other, we exchange a glance…supposedly someone who is not entirely ignorant, or someone who believes the archaeology [commission] can be a threat to them, erm, they don’t drive the archaeologist and stop the car where there are findings, they are supposed to have some understanding of the place! Which means they’re either entirely ignorant, or they’re not threatened at all. […] Also, I told him …I had previously spotted from the maps some points that could be of interest, some old buildings, and he goes ‘why should we go there?’ […] He was somebody from the company, an engineer, a topographe. He is supposed to take you there and explain…which means, if you haven’t studied beforehand where they’ll take you, I mean geographically, I believe there are scams of this scale out there… I have asked investors many times to take me to places they try to avoid. (Int.24, original emphasis)

In a similar vein, the Independent Operators meant to be established by the state in order to clearly define and regulate the neighbouring Natura 2000 environmentally protected areas were never set up. I return to this issue in Chapter Eight, as it directly affected the successful authorisation of Minoan’s land deal in the Cape Sídero peninsula. Additionally, according to Fánis, the coordinator of Geoparks in Greece and a geologist at the Natural History Museum of Crete (NHMC), Geoparks do not have any legal substance in the national legislative framework. In theory, only the 2011 “biodiversity law” (Law 3937) foresees the operation of Geoparks in the form of regional or national parks. In practice, however, the legal recognition of the parks as Geoparks (under Law 3937/2011) presupposes a “legislative procedure” which involves the submission of a ‘special study’ which has not been defined for any of the Geoparks in Greece:

The specifications of this ‘special study’ are not provided. Nobody knows what this study is about. And as many times as it has been requested from the Ministry, through the Forestry Commission, to determine the nature of these studies, no answer has been received. So, … there’s no clear framework to follow, and there is some sort of…, erm, cumbersomeness from the Ministry itself. The Ministry clearly doesn’t want to go ahead with this. (Int.31/Fánis)
Determining the above legislative procedure, as Fánis explains, would include defining which areas are protected and what land uses are allowed in them, would possibly protect existing property over the land and, in any case, would at least impose some restrictions on “developmental” investments within the Geopark’s limits. Despite its lack of legal substance in the national legislative framework, locals argue the Geopark could act as “a barrier, as a counterweight to the big investments in the region” (Int.31/Fánis), and, as opposed to Terna’s proposed investment plan, create a prospect of long-term employment in the area. Terna’s plans, according to the opposing residents of Sitía’s mountains, will not only fail to create substantial jobs, but will instead act as “underdevelopment”, as they pose a serious threat to the type of touristic activity already existing in the broader area of Sitía (such as agrotourism, hiking, speleological, archaeological, religious tourism etc.); and to the very existence of the Geopark itself (Opposing Residents of Sitía, 2017). In addition, locals fear the potential negative impact of Terna’s windfarms on the area’s fragile water supply, and on the land’s ongoing desertification (Opposing residents and organisations of Sitía, 2016a).

Following capital’s changing needs, informal land rights and practices, and the “lack of” regulation in environmental and archaeological protection are a part of the neoliberal project of “reengineering” rather than “dismantling” the state (Loïc Wacquant, 2012). Wacquant (2012, p. 71) situates neoliberalism’s core in “an articulation of state, market and citizenship that harnesses the first to impose the stamp of the second onto the third” and urges analytical attention to all three. He employs Bourdieu’s (1994) concept of “bureaucratic field” as a powerful tool for understanding the “remaking of the state as stratification and classification machine”—a machine which operates at neoliberalism’s core. In Bourdieu’s conception of the “bureaucratic field”, as Wacquant puts it elsewhere (2010, p. 200), the state is construed “not as a monolithic and coordinated example, but as a splintered space of forces vying over the definition and distribution of public goods”. In the following sections I explore a combination of state strategies that not only produce a landscape with no institutional barriers to dispossession—but actively re-regulate the legislation and its practice.
7.3. Classifying like a state\textsuperscript{86}

Terna is a colossus…a multinational. The state considers this land as forestry, so…it is forestry, it belongs to the state, and for a small price Terna takes it and does its job, and they never ask me, the owner. […] They have their own ways, so they don’t bother to buy. (Int.35/Márkos)

“What is interesting with the energy projects”, Sophía stresses, “is that they function according to the ‘whoever secures the land first’ rule. Therefore, since 2010, when some legislative issues were taken care of, or even since 2008, in the prospect that they would be taken care of, big stretches of land were involved in deals with listed companies” (Int.3). Although Terna has achieved a production licence and conducted an Environmental Impact Study (EIS) for its “hybrid” power plant, it has not dealt with ownership issues of the “secured” land yet. This is indicative of the simple fact, as Sara (a landowner in Sitanos) puts it, that investors take land for granted: “they [Terna] have been planning investments for ten years now, on land which they haven’t even checked if it’s public or private…they just say, I’ll make my project there! They are certain they will get it” (Int.37, original emphasis). I here aim to unpack where this certainty derives from, and I pay particular attention to the role of the state in providing that certainty.

Large investments have already been implemented in the area, including more than 90MW worth of windfarms (Municipality of Sitía, 2014). The ease with which companies acquire land seems to be shared as a widespread perception amongst my interviewees. Thános is the general director of OAS (the Sitía Development Organisation) [Οργανισμός Ανάπτυξης Σητείας], as well as the headman of the village of Katsídóni. He argues that Sitía is already “saturated, not only in terms of the energy produced but also of spatial planning”, since large stretches of land are already occupied by renewable energy investments (Int.33/Thános). The first wind turbine was placed in Ziros by OAS, followed by a few more installed by the PPC (Public Power Corporation) near the Toplou Monastery, and later the company Enercon in the area of Achiádia. As I discussed in Chapter Four, when the investments first appeared, people accepted them with a “mix of curiosity and interest”, as these were the first wind turbines in Greece. According to Thános, initially no one had negative reactions, as opposed to the current widespread negative sentiment vis-à-vis large-scale renewable energy investments (Int.33). He argues that there are qualitative differences in the way the first energy investments were initially carried out in the area. Back then, the companies contacted the locals “like humans”, they paid fair prices for the land, and they made topographical

\textsuperscript{86} This subtitle, inspired by James Scott (1998), comes from Emma Saunders, with profound thanks.
plans. Ironically, for some, identifying the exact location of their properties and creating formal contracts served as a way of securing their properties later, against the ongoing dispossession efforts of both investors and the state (Int.33/Thános). This reflects a clear shift in the role of the RES industry in the country, which escalated from small-scale and often state-led investments in the 1990s to widespread large-scale renewable energy investments within a generalised narrative of “green growth” and the gradual liberalisation (and oligopolisation) of the domestic energy market (Laws 2244/1994 and 2773/1997). As Sophia argues, the large scale of Terna’s investment (and the investments in energy in the area) is indicative of the degree of the penetration and dominance of “big players” in the field (Int.3), an issue I examined in Chapter Five. The growth of the “green” energy market comes, unsurprisingly, with the consolidation of a “green” regulatory frame around it: I am here interested in how spatial legislation and its implementation by the local government has come to instigate these changes, and has dramatically penetrated the existing regime of small-scale, largely informal and not fully realised private ownership of rural productive land.

Néstoras occupies a high position in the department of Protection, Administration and Management of Forests in the Decentralised Administration of Crete. “The crucial element for investors”, as he puts it, “is whether the land is suitable for windfarms. Investigating the question of property is secondary for them” (Int.27). As one can read in Terna’s Environmental Impact Study (EIS), the positioning of the windfarms on Sitía’s mountains was based on the “optimal exploitation of the wind potential and the optimal energy efficiency of the wind turbines”, the distance between wind turbines for various technical reasons etc. (Enveco for Terna Energy, 2016, chap. 1, p. 8-9). Despite the windfarms being placed at the heart of Sitía’s Geopark, and within bird protection areas and important archaeological findings, the “special consideration” given to “issues related to the natural environment” in designing the project (Enveco for Terna Energy, 2016) is emphasised throughout. What is striking, however, is that in the EIS’s list of selected criteria for the proposed installation area (Enveco for Terna Energy, 2016, chap. 1), not once do the authors refer directly to the question of land, and issues of ownership over it—a significant absence which was also reflected in my interview with the project’s representatives (Int.38/Tásia-Terna). The consideration of costs over the question of land is also indicative of the ease with which investors can acquire properties. Pávlos argues that

what is terrible…is that studies suggest that the cost of the land for such an investment must not surpass, you don’t even discuss it, if it goes over 1%, 2% at maximum, of the total investment budget. These are studies on RES sustainability … several have fallen into my hands. If you’re thinking of investing in wind turbines, it [the study] is telling
you not to even think about it if the cost of your land exceeds 2% of the total cost...as a basic principle. All the fuss is about them going from 2% to 1.5%, or to 0.5% or so! (Int.32)

Pávlos’ view is reflected in Terna’s subproject’s budget breakdown: a total of €7,500,000 is foreseen for “environmental rehabilitation, land acquisition and unpredictable factors” (Enveco for Terna Energy, 2016, chap. 4), all bundled together at the bottom of the list (see Figure 7.1). This represents, in total, only about 2.7% of the €276,500,000 estimated total investment cost. Apart from bringing land-related costs down, the investors need to find available land. How is this achieved if there is no land on the market for sale?

**Fig 7.1 Terna’s Project budget breakdown**

<table>
<thead>
<tr>
<th>Object description</th>
<th>Cost (€)</th>
</tr>
</thead>
<tbody>
<tr>
<td>A. Study and licencing procedure</td>
<td>5,500,000</td>
</tr>
<tr>
<td>B. Subproject (b) – Réthymnon</td>
<td>150,000,000</td>
</tr>
<tr>
<td>B.1. construction of civil engineering works</td>
<td>77,000,000</td>
</tr>
<tr>
<td>B.2. supply and construction of electromechanical equipment</td>
<td>68,000,000</td>
</tr>
<tr>
<td>B.3. subproject and interconnection</td>
<td>5,000,000</td>
</tr>
<tr>
<td>C. Subproject (a) – Síthia</td>
<td>111,000,000</td>
</tr>
<tr>
<td>C.1. Supply and installation of wind turbines</td>
<td>102,000,000</td>
</tr>
<tr>
<td>C.2. subproject and interconnection</td>
<td>9,000,000</td>
</tr>
<tr>
<td>D. Road construction works</td>
<td>2,500,000</td>
</tr>
<tr>
<td>E. Environmental rehabilitation, land acquisition and unpredictable factors</td>
<td>7,500,000</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td>276,500,000</td>
</tr>
</tbody>
</table>

Source: (Enveco for Terna Energy, 2016, chap. 4)

The investors’ drive to cut down land-related costs and find available land helps explain why the Regulatory Authority for Energy (RAE) has, for example, given permissions for the installation of windfarms on several islets around Crete, most of which are part of the Natura 2000 network of environmental protection. As I explain further down, these are leased by the state to investors for just €50 per stremma. Pávlos argues that companies prefer them as these are public land, and ‘they say: “So, what? It’s just a rocky islet’...while we consider that if the Aegean has one particularity, it is precisely this multiplicity, this archipelago of islands, which works as a natural workshop”’ (Int.32). Pávlos does not believe that environmental protection should be “external to people”: protected areas should be able to accommodate productive activities. In this case, however, the installation of windfarms would result in “flattening these islets completely down, a terrible degradation”, so that the investors can push further down their already “humiliatingly low” land acquisition budget (Int.32/Pávlos). Dimitris adds that “it is not
by chance that RAE has defined Dionysades,87 the most important breeding ground of Mavropetritis [Eleanora's falcon] in Greece, 17-18% of the world’s population is breeding there… as a wind turbine designated area, and the Ministry of Environment has accepted it. It is very easy to sell [these islets] out, with zero procedures, nothing. Could be done tomorrow morning” (Int.4). The appropriation of islets is indicative of the way the state treats public land. But how are local landowners dispossessed of their private land? As I argue in this Chapter, in a state that is desperately eager to give land away in the name of “development”, transforming private land into public becomes an act of dispossession. Speaking about Sitía’s mountainous properties, Thános argues that

the contemporary ‘investors’, these…neophytes, Terna and the like, they come here in the form of a conqueror, and [they] go and classify areas…because you know, all over here the mountains are all private, from our grandfathers, and even if people don’t have contracts, everybody knows their own [land], right? And let the state say whatever it wants. They go and classify [land] as forestry in the form of conquerors. […] And forestry areas are public land. They declassify the areas [from private agricultural], they go to the forestry authorities, they pay the public fee etc., and they say, ‘I’ll make a windfarm’. And they don’t care about anything. Inevitably, therefore, the local community will react. (Int.33)

This “conquering” mechanism can be stripped down to two discrete state strategies: the first exploits the relationship between forestry land and ownership rights over this land; and the second transforms the meaning and role of the forest as a public good. The following sections aim to dissect these two interlinked state strategies.

(a) From private land to public forestry land

Yánis, a landowner in Sitanos, explains that “this land belongs to the same families since the Turks left, and nobody has challenged, until now, the ownership regime over the land and the land titles” (Int.36). But a crucial change in forestry legislation, he argues, has altered the definition of forestry land to begin with. Indeed, a Presidential Decree in 2016 (No. 32/16) included in the legal category defined as “forestry” land by Law 998/1979 (Article 3) areas of phryganic vegetation (grassland areas), which are very common in Crete (and the Greek islands in general) (see PanCretan Network Against Industrial-Scale RES, 2012). Yánis argues that this change of definition was crucial, as it resulted in properties on Sitía’s mountains being massively classified as forestry land, and the latter “is now automatically transferred to the public sector” (Int.36). I turn to

87 The Dionysades is a small group of islands off Sitía on the northeast coast of Crete. See map in Appendix B.
the relation between land classified as forestry and the question of ownership over it in the section that follows.

All forestry land in Greece is considered by presumption public: there is, therefore, a direct association of the nature of the land with the ownership rights over it. But Crete, the Ionian Islands, the Cyclades and the Dodecanese are exceptions to this general rule. In Sitía, the classification of land as forestry should not directly affect land ownership issues due to Crete’s peculiar landownership regime. While the liberation from the Ottoman Empire and the foundation of the modern Greek State is situated chronologically in 1821, different regions of the country were attached to mainland Greece gradually, with a series of international agreements and protocols. Following the Cretan Revolution in 1896 and before its annexation by Greece, the island went through the transitional stage of the autonomous Cretan State (1896-1913), which led to a different landownership regime when it comes to, inter alia, forests, forestry and grassland areas (Papadakis, 2017). The Cretan Civil Code resulted in legal particularities, but also in a different “psychology” when it comes to landownership in Crete, which involves strong elements of family inheritance rules instead of legal titles (2017). On the verge of the Empire’s collapse, many Ottomans sold their rights on land, the so-called “tessaruf” [τεσσαρούφ], as titles of full ownership, in violation of the Ottoman law. These titles mainly involved agricultural land, as well as the so-called “wilds” [νεφέζοι]: uncultivated land within forests, forestry and grassland areas, mainly used for pasture and logging (Papadakis, 2017). The Cretan Civil Code (following the lines of Byzantine-Roman instead of Ottoman law) introduced provisions which favoured the widespread usucaption over agricultural land and “wilds”, and essentially transformed the “tessaruf” to private properties. Due to these particularities, the ownership of forests, forestry and grassland areas in Crete was later, contrary to the rest of Greece, not considered by presumption public—this results in the majority of properties on Cretan mountains being private. Therefore, in case the land is contested, in theory the state, similarly to private individuals, needs to prove its ownership over the land (Law 998/79, Article 62).

The law allows private owners to apply to the competent courts and claim back the ownership of the land (through a lengthy legal procedure) if they have legally transposed contracts. This process does not necessarily affect the classification of the area as forestry—the land, therefore, can be recognised as a “privately-owned forest”. Even though forestry classifications do not directly affect land ownership issues, however, in practice any privately owned area classified as forestry is claimed by the state as public forestry land (PanCretan Network Against Industrial-Scale RES, 2012).
Yánnis agrees that the law “does have a loophole” which technically allows the private landlords to prove the land belongs to them,

but how can the villagers in Sitía ever prove that all this land on the mountains is theirs, and that they have been using it for grazing and apiculture since the time of their great-great-grandparents, without any contract? How can they ever prove this land belongs to them, when the legislation does not even provide for oral testimony? (Int.36)

Símos, a landownership lawyer based in Sitía, has come across many cases of private landownership disputes over his career. He argues that this Cretan particularity is “in practice not respected, which results in individual landowners being forced to turn instead to expensive lawsuits against the state to recognise it as private grassland or forestry…which can take years, because the state exhausts all the steps… I had one case in Zákros which lasted twelve years. In the end we were right, but for twelve years the man could not use the land as he wanted” (Int.25/Símos, original emphasis). This is an issue, Símos argues, the state should have dealt with. Once again, the state is conveniently incompetent in dealing with this matter. Pávlos argues that

this is not solved. There are court rulings of three kinds. Some [judges] are judging on the basis of Cretan law, which justifies these people, others judging on the basis of national law, and say no, [the land is] granted to the public by presumption, and then there are also intermediate, mediocre approaches. […] It depends on the judge you fall on. This is a huge issue, and no one dares to touch it. (Int.32)

The pressure exerted over the outcome of court proceedings is related to the shifting role of the forest as a public good. In practice, any privately-owned area which is classified as forestry land or grassland is claimed by the state as public forestry land: it can then be leased to renewable energy investors for a “public” fee of €50 per stremma, the so-called “beekeeper price”.

(b) From public forestry land to renewable energy investments

It is precisely the private nature of Sitía’s mountainous land, as Orionas, a member of the PanCretan Network Against Industrial-Scale RES, points out, that creates the need for “legislation that essentially allows for the state to get the landowner out of the way. As simple as that” (Int.2). This legislation, although intensified and supplemented with new regulatory measures during the 2008 crisis, has been facilitating “green” investments as early as 2001 (Law 2941), when they were prioritised as “projects of public interest” (and included in forestry legislation as equivalent to military projects). They can since be implemented within forestry areas regardless of the implementing
body (private or public): the law provided a legal title of land use which is still valid even if the land is legally recognised as privately owned. In practice, according to Sophia, this means that investors can implement renewable energy developments anywhere they like, if the area is “forestry”, or classified as such by the Forestry Commission (Int.3). Expropriations of privately-owned land were made possible, and the Forestry Commission is since entitled to expel from the area and impose sanctions on shepherds. In 2006 (Law 3468, a first form of “fast track” law), crucially, the question of scale was introduced in the legislation: “large-scale” investments (of at least 30MW of power and €30 million budget) are since prioritised (OGG A-129). In continuation of Law 2941/2001, the 2008 “Special Framework for the Spatial Planning and Sustainable Development for the RES” (RES-SFSPSD) “imposed the implementation of renewable energy projects literally in every corner of the countryside” that didn’t have a Presidential Decree for protection, while at the same time excluding built space and existing touristic facilities (Sfakianaki, 2012). Indeed, the RES-SFSPSD framework (Article 6) does not define as incompatible with renewable energy projects “National Parks, protected natural formations, preserved monuments of nature, protected landscapes and areas of eco-development” (Law 1650/1986, Article 19), as well as areas designated as “Important Bird Areas” (IBA 2000 and European Directive 92/43/EC). At the same time, the Special Framework for the RES largely excludes built space and touristic areas from the installation of renewable energy investments (see RES-SFSPSD, Article 6), therefore promoting the implementation of large-scale investments in the countryside (Sfakianaki, 2012).

Prior to the commencement of any work related to the installation of their projects (windfarms, but also photovoltaic parks, hybrid power plants, related works, roads, etc.), the investing companies apply to the competent Forestry Commission for the land to be classified. This process does not require the applicants to produce titles of land ownership or the owners’ consent; any company can apply for the classification of any stretch of land anywhere, regardless of who owns it. It is therefore common practice for prospective investors to apply for the classification of areas much larger than necessary for their immediate needs in order to secure their future plans in the region (PanCretan Network Against Industrial-Scale RES, 2012). As part of the legislative “reforms” during the crisis, the whole process has been accelerated: according to Law 3851/2010 (Article 12) the classification act, requested by the company, is now issued
by the Forestry Commission as a matter of priority—within a single month from the application submission.\(^8\)

**Fig 7.2** Key legislative changes affecting Terna’s investment plans

<table>
<thead>
<tr>
<th>Law</th>
<th>Year</th>
<th>OGG</th>
<th>Title</th>
<th>Main Effects</th>
</tr>
</thead>
<tbody>
<tr>
<td>2941</td>
<td>2001</td>
<td>201 A</td>
<td>Simplification of procedures for the establishment of companies and the licensing of renewable energy sources enterprises and other provisions</td>
<td>Prioritises renewable energy investments as “projects of public interest” regardless of the implementing body. They can since be implemented within forests and forestry areas, even if the land is legally recognised as privately owned. Allows for expropriations of privately-owned land.</td>
</tr>
<tr>
<td>3468</td>
<td>2006</td>
<td>129 A</td>
<td>Generation of Electricity using RES and High-efficiency Cogeneration of Electricity and Heat and other provisions</td>
<td>Establishes the promotion of the production of electricity through renewable energy sources and clarifies the framework for various forms of the latter. Promotes “large-scale” renewable investments of more than 30MW and €30 million budget.</td>
</tr>
<tr>
<td>RES-SFPSD</td>
<td>2008</td>
<td>2464 B</td>
<td>Spatial Framework for the Spatial Planning and Sustainable Development for the RES</td>
<td>Imposes the widespread implementation of large-scale RES projects in the countryside, including “National Parks, protected natural formations, preserved monuments of nature, protected landscapes, areas of eco-development and important Bird Areas”.</td>
</tr>
<tr>
<td>3851</td>
<td>2010</td>
<td>85 A</td>
<td>Accelerating the development of Renewable Energy to address climate change and other provisions on jurisdiction of the Ministry of Environment, Energy and Climate Change</td>
<td>Upgrades renewable energy investments to projects of the “highest importance” for the country, binding authorities to reject appeals. Further strengthens the Special Framework for Renewable Energy Sources to make it superior over other legislative planning provisions.</td>
</tr>
</tbody>
</table>

Source: Edited by the author, using data from Official Government Gazettes (OGGs) 201 A, 129 A, 2464 B, and 85 A.

Símos argues that speed is an important incentive for investors to avoid seeking contact with individual landowners: “they ask for the land to be classified, and since it will be classified as forestry, or grassland, they go to the state and lease it. And they bypass, let’s say, the question of ownership. Because…they think, this is an immediate form [of ownership]. Otherwise…what, wait for ten, twelve years? For the court to decide if it’s private or public? No way” (Int.25/Símos, original emphasis). According to Law 3851/2010, however, the classification act (after its lawful disclosure) has the presumption of legality: this means that the environmental licensing of the renewable energy projects can go ahead and be completed, regardless of any objections filed by

\(^8\) The classification act from the Forestry Commission (following the procedure provided for by the article 14 of the forest Law 998/1979) then needs to be published in Diavgeia (see http://et.diavgeia.gov.gr/) and in a local newspaper, and to be posted in the Town Hall for 30 days.

187
alleged owners, and regardless of the outcome of the objections requested. Pávlos points out that it is also common for companies to follow “a middle ground solution” in order to avoid delays by preventing landowners from taking legal action (if they can afford to):

They [the forestry commission] classify [the land] as public forestry, but then...here comes the investor, and they find you, who owns [land in] the mountain, and they say I'll give you five thousand a year, okay? Who will say no? It's a proper income. Ten thousand, I don't even know how much. Black money. (Int.32)

Néstoras agrees that “apart from seeking our permission [from the forestry commission], investors also function out of sight, they have their own ways to ‘appease the spirits’, which, yes, mainly involves informal payments” (Int.27). Taking advantage of the relative ignorance of the inhabitants-owners, companies secretly approach them and offer them long-term rents, or sign with them contracts of questionable validity: their aim is to secure their consent until the project is installed. Later, when the area has been classified as forestry, the companies might sooner or later stop paying the former owners (if they ever did), since the land has now been transferred to state administration (PanCretan Network Against Industrial-Scale RES, 2012). I seek clarification from Sophía. It is convenient for companies to use the “classification mechanism”, she stresses,

because in this way they have nothing to do with the individual, to whom they might have offered €500 per stremma, but they have to deal with the state instead, a much easier task with so much public forestry land around. [...] In Crete it’s a bit more complicated, but they are based on the fact that the people have no titles, and so they will pay only €50, the ‘beekeeper price’. And the state will gladly give it to them and will not bring any objection. As opposed to the others [landowners], who may beg them, pressure them, or bind them with a contract so they are forced to pay much more. So why should they [the investors] deal with the private owners and not with the state that promotes this as policy anyway? (Int.3/Sophía)

Apart from the importance of judges with regards to Crete’s peculiar landownership regime, the role of the local administrative authorities is crucial in interpreting and implementing the law before the case goes to court (if it ever does). Therefore, apart from the strength of the wind, the investors pick land “on the basis of who their local collaborators are” (Int.3/Sophía). Yánnis argues that the dispossession of land through the “classification mechanism” is a matter of “collusion between the state, and the municipality, with the various mayors etc., and big investors. This is crystal clear” (Int.36). Corruption within the local administration was identified by many participants as an important dimension of this “collusion”. According to Méntios, for instance, who is in danger of losing his land in Sitanos, “palms are being greased here…everything is accomplished through that. The forestry inspector came here and told me my own land
is forestry. But everyone around here knows that it’s not! And because my late father-in-law planted a single eucalyptus, and five oleander plants… it became a forest” (Int.15).

While corruption and political clientelism and have diachronically played a very important role in the operation of Greek capitalism (see Hadjimichalis, 1987; Tsoukalas, 1986), the “classification mechanism” and its implementation is the outcome of, as Sophía puts it, more “structural shifts”. Her view is quoted at length, as I believe it sheds light on how the state’s operation penetrates individual action:

I would formulate this differently; that in that way there is now a strong incentive to turn properties into forestry land. Which means that, even if they don’t grease their [state employees’] palm … this situation where the employees, when you went to request the classification of your land—and they felt the pressure that you wanted them to classify it as agricultural, and then the mayor or a member of the parliament would maybe call to pressure them, this whole mentality of ‘let’s get rid of some forests for the people [so they can use them]’ is suddenly overturned. Now they will either pressure or request them for the opposite, for the one thing that the whole propaganda says, along with Ms. Bribili [former Minister of Environment], and then the Council of State as well, that is the useful thing to do for the social interest (int. original emphasis). So, in this way, the climate is reversed, there’s an incentive created. (Int.3/original emphasis)

Spatial policy involves both a material and symbolic element—in Sitía, what changes (apart from the law) is the symbolic role of the forest, as a “public good” that is, as it stands, “not green enough”. Renewable energy investments therefore bear a symbolic weight that kills two birds with one stone: the land is “developed” and investment capital “flows in”, and the forest becomes greener. The above presupposes a transformation in the very definition of what constitutes forestry land to begin with. Apart from changes in the legislation itself, the interpretation of whether land is forestry or not via in situ autopsies, which often falls on the shoulders of a single civil servant, is a crucial part of this transformation. In this sense, the state’s “neoliberal reengineering”, as argues Wacquant, employs, among other institutional logics, “the trope of individual responsibility as motivating discourse and cultural glue that pastes […] various components of state activity together” (2010, p. 72).

This “siege ring” of the state and companies around the land is primarily a class conflict, since most of the people who own it are unable to afford the expenses of a legal dispute. In theory, private landowners can object to the classification of their land as forestry; but in practice the process is costly, and takes time—on average, it takes more than five years for the objection request to be discussed by the Primary
Commission alone. For the objection process to stand a chance of winning, the applicant needs (apart from hiring a specialist lawyer) to produce, beside property titles or the proven usucaption over the land, a special photo interpretation of the 1945 or 1960 aerial photos of the area (from the Hellenic Military Geographical Service), based on which the Forestry Commission decides on the nature of the land. In short, thousands of euros are required for the lawyers’ fees, photo interpretations etc. for an “extremely dubious vindication” (PanCretan Network Against Industrial-Scale RES, 2012).

Let’s say you have a piece of land, on the mountain. And from which you get, from the shepherd who raises stock there, ten pieces of cheese per year. This is the rent. To claim this land and make it officially yours, and go to court in accordance to the loophole in the forestry law that allows you to claim it, you first need to make a topographical plan. For a topographical plan of hundred acres, the topographer will ask at least for €10,000. Plus, the contract, plus the tax, plus, plus. So…practically, this thing is confiscated. It’s practically confiscated! [...] These acres of land…in a very easy way, are given to the big investors, we are talking about pieces of millions of square meters. [...] So, here comes Terna, and says, how much do you want for your piece of land? Yes, yours, how much? And they think, ‘it’s gone anyway, since I can’t afford to claim it’, so they agree on a price, and some people give their land away. (Int.36/Yánnis)

Apart from producing a class conflict between the investors and the villagers, however, Yánnis thinks that the company tactics of “buying” land reproduces and reinforces class divisions between the inhabitants themselves, as their need to take or not the “breadcrumbs” offered by the company in return for their land varies. It also “produces consensus. It breaks the reaction front […] because some need this money, and they will give them [their land], and thus the infighting will begin” (Int.36). For some, the everyday dependence on land means that the loss of it can even lead to displacement. Local landowners are, essentially, left with two options: to simply give the land away, if they cannot afford the legal costs of attempting to claim it officially; or to forcibly sell it at extremely low prices. Aléxis is an agriculturalist and organic farmer who lives in Myrcene, a small village on the north axis of the Municipality of Sitía. He has been actively resisting large-scale speculative developments in the region. The people who do “sell”, he argues, are more likely to be either those who do not live in the villages anymore, and have lost their attachment to the land, or the ones that

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89 Within sixty days from the publication of the classification act, interested parties may lodge objections to the competent Forestry Commission, challenge the classification and request the examination of the case by the Primary Committee for Forestry Disputes, and if necessary, by the Secondary Committee or the Council of State (PanCretan Network Against Industrial-Scale RES, 2012).
have to give it away in a moment of financial stress and are unable to fight for it (Int.34/Aléxis).

Sophia argues that “until recently in historical time, a tradition was…, [it was] defeat, if you were forced to sell your property. They had a funeral, that is, if something had to be sold” (Int.3). In Sitía, as in many rural and semi-rural places all over Greece, getting detached from the land is much more than a question of money. Aléxis’ concluding words struck me, and thus serve as this section’s ending point.

Our ancestors here, but also elsewhere, sowed barley even on the cliffs. That is, you could have even a single-metre wide terrace, yes, and even there, within this metre, they would go to sow, they would go to poke around, wherever there was just a tiny bit of soil. And… I think that our ancestors, from what I’ve heard from my folks, my grandparents, they didn’t have a hard time, they weren’t hungry here, but they were also always out and about. To sow, to prune, to do this and that, to give olive oil to get a sack of flour, and so on so forth. […] I just wanted to conclude that it’s not common at all in the people’s psychology to … ‘give land’. (Int.34)

7.4. Conclusion

In this chapter I have demonstrated how the “functionality” of Sitía’s mountainous land has shifted from generating use-values and small-scale economic activities to acting as a terrain of waiting for pending large-scale renewable energy investments. This transition entails a contradictory transformation of private, highly fragmented property (mainly) for use-values to public property for exchange-values—it is precisely the land’s forcible incorporation in the public domain that leads to its full marketisation. This transformation reflects the state’s crucial role in literally providing the ground for large-scale renewable energy investments within an increasingly monopolistic market. What is of particular interest is the mechanism of land acquisition itself—a mechanism set in motion to overcome the absence of Sitía’s windy and private properties from the market as assets that can be bought and sold. This mechanism presupposes, I argue, the state exerting its monopoly power over the definition and distribution of public goods.

The transformation of private productive land into public forestry land, accomplished through the mobilisation of the state’s juridical and bureaucratic power of land classification, takes shape in a local mechanism of interpreting and enforcing the law. This transformation is made possible within a generalised narrative of “development” which has been dramatically intensified within the past decade of crisis and aggressive
“reforms”. I was here mainly interested not in analysing the formulation of the new “green” “motivating” discourse around land per se, but rather in exploring the power of the state to act on these new narratives through adjusting old, well instituted tools; creating new categories of thought translated into law under conditions of “urgency”; and shifting existing definitions to meet new ends. This chapter also reaffirms the crucial role of the state in the political economy of land dispossession and sheds light on underexplored forms this role is manifested in. Far from a monolithic and passive receptor of regulatory changes imposed overnight and from “above”, the state of dispossession emerges as a political process in motion: a process that is defined both by structural forces and the individuals that embody them—and the continuous tension between the two. For this frequently incoherent but clearly re-regulating state, forestry land is not “green” enough. It is given away to renewable energy investors in the name of the “national interest” in exchange for the public “beekeeper fee”, in a fix that involves the “forcible or fraudulent appropriation of something for nothing, rather than the exchange of nominally equivalent values” (Arrighi, 2004, p. 531, emphasis added).

This metamorphosis takes advantage of the local landowners’ informal relations with their land. The incomplete realisation of private property, combined with the state’s historical unwillingness to solve these issues though the effective implementation of its spatial policy, have been so far part of a certainly uneven, but in many ways functional regime of social reproduction in rural or semi-rural areas of the country (Vaiou and Hadjimichalis 1997). But as Marx (1990 [1867]) was at stress to show, capital is “value in motion”, and the landscape’s “functionality” shifts to accommodate capital’s changing needs. In Sitía’s case, an unwritten form of “social contract” between the state and the people is aggressively shifting from a mechanism of social reproduction to one of dispossession: in the absence of land contracts, clear property boundaries, registered land uses, and effective layers of protection, private land, so far used predominantly for use-value, becomes an easy object of speculation for big investors and the state. The incomplete realisation of private property further complexes its inherent contradictions: so far providing the space for crucial social reproductive networks to flourish, the locals’ “loose” understanding and practice of property has now turned violently against them.
Spaces of Exception: Dispossession in the Form of Spatial Gaps
The big changes in the legal regime allow big investors to do what they want easily, legally, by bypassing spatial plans, either regional or special plans. But there are also more subtle changes in other, smaller laws, which allow processes that were so far illegal. These are not all dictated by the ‘Troika’. I think…the big change in the state is that it assists in making things permanent by legalising them. What we used to see as spatial crimes are now legal spatial crimes. […] But the big changes create something like…holes to the existing spatial system, within which they [the investors] can practically do whatever they want. (Int.8/Ilías, original emphasis)

In Chapter Five I explored the production of the opening of Cape Sídero’s rent gap, focusing on why the investors insist on the implementation of a project such as “Itanos Gaía” on this specific landscape. In this present chapter my aim is to dissect the institutional shifts that allowed, since 2010, the privatisation of the spatial planning of whole areas characterised as “strategic”—such as the Cape Sídero peninsula. In Sitía these shifts found fertile ground in previous local (and regional) spatial arrangements, promoted by the local elites’ long-term quest for the region’s “development”. I first give an overview of the new spatial policy “toolkit” that mobilises the dispossession of land in the form of “spatial gaps” in the country’s spatial planning system. I then move on to explore how these legal and institutional changes made the relaunch of Loyalward’s investment, “Itanos Gaía”, possible (and resilient to local opposition) since 2012. The analysis of the opposing residents’ legal contestation of Loyalward’s “private plan” in Cape Sídero through an appeal to the Council of State has been a crucial tool in understanding the rationale of not only the crucial changes in the law itself, but also in the broader political processes that surround it.

8.1 Strategic investments and ESHASE plans: a new “toolkit” for exceptional spatial planning

“Itanos Gaía” was characterised as a “Strategic Investment” (Law 3894/2010) by the newly formed “Interministerial Committee of Strategic Investments” (ICSI) [Διυπουργική Επιτροπή Στρατηγικών Επενδύσεων] in 2012 (Decision No. 17/20-09-2012) (ECHMES for Loyalward, 2014). According to ICSI’s decision, the maximum allowable building (and coverage) area (for the whole plot) has been set to 108,000 m², while the number of beds amounts to 1,936, as the company is “always aiming at achieving a small environmental footprint, and the sustainable operation of tourist units” (ECHMES for Loyalward, 2014, chap. 1, par. 2). The law on the “Acceleration
and Transparency of Implementation of Strategic Investments” (Law 3894/2010), more widely known as the “Fast Track Law”, was voted in 2010, in the context of establishing a “new national model of development” which, legally speaking, was translated into an aggressive institutional reform of spatial planning (see also Chapter Two, Section B). With the Fast Track Law, the government’s goal was to provide

the international and Greek investment community with a stable and transparent set of investment rules, procedures and administrative structures for the implementation of large-scale public and private projects. The Law aims to abolish critical obstacles that have inhibited major investment in Greece. Bureaucracy, the complexity of legislation, and lack of transparency, all of which today deter investors and significantly delay the implementation of large-scale projects, are being eliminated. The objective of the Law is the development of investment plans that create long-term and wide-ranging positive results and that have a significant beneficial impact on the National Economy. (Enterprise Greece, 2018)

In short, “the Fast Track law streamlines the licensing procedure for Strategic Investments, making the process easier, smoother and more attractive” (Enterprise Greece, 2018). The establishment of the company “Invest In Greece S.A.” (Law 3894/2010, Article 4), later part of “Enterprise Greece”, has had a pivotal role in promoting and facilitating Strategic Investments. Invest in Greece was “designed to assist foreign investors and enterprises to do business in Greece, to contribute to the outward looking orientation of the Greek economy, to attract foreign investment, to troubleshoot issues related to the public administration, and to provide key investment and business information” (Enterprise Greece, 2018). According to Law 3894/2010, “Strategic Investments” are investments implemented by private or public operators (or partnerships between the two) that “produce quantitative and qualitative results of significant importance in the overall national economy and promote the country’s exit from the financial crisis” (Article 1). In order to speed up the authorisation procedures of a prospective investment, the decision on whether it is accepted as “strategic” (after the submission of the company’s application to Invest In Greece) needs to be produced within two months, with the expiry of this time limit being “a disciplinary offence to be attributed to the competent official” (Law 3894/2010, Article 22, par. 2).

90 Law 3894/2010 was modified-supplemented by Law 4072/2012 (Improving the Business Environment); Law 4146/2012 (Creation of a Development Friendly Environment for Strategic and Private Investments and Other Provisions); as well as Law 4269/2014 (Spatial and Urban Planning Reform – Sustainable Development). See Figure 8.3.

91 Which replaced the former Hellenic Center for Investment [Ελληνικό Κέντρο Επενδύσεων] (Law 2572/96).

92 Apart from Invest in Greece, Enterprise Greece also incorporated HEPO (Hellenic Export Promotion Organization) and the Hellenic Foreign Trade Board (see https://www.enterprisegreece.gov.gr/en/about-us/profile).
The criteria for prospective investments to be categorised as “strategic” are purely economic, as they need to exceed €200 million in budget, or create at least 150 jobs, or a combination between the two (Law 3894/2010, Article 1). Loyalward’s investment plan in Cape Sidero amounts to €267,000,000, and promises the creation of 1,200 (direct) jobs (ECHMES for Loyalward, 2014, chap. 2, p. 6). The incentives granted to “Strategic Investments” include the simplification and acceleration of licensing procedures: this is a process that allows, for within-city-plan investments, certain provisions in derogation of the general spatial law. For both within-city plan and out-of-city investments, for example, “exceptional” legal arrangements can, for “reasons of overriding public interest” (Law 3894/2010, Article 7), allow project-specific building regulations (concerning minimum distances, maximum heights, permissible project site coverage ratio, plot ratios, etc.) solely by virtue of a Presidential Decree (at the request of the project owner). Similarly, concessions for the use of coastal land, the seashore and the adjacent sea area may be granted to the Strategic Investment owner by virtue of a Joint Ministerial Decision at the request of Invest in Greece (Law 3894/2010, Article 8). Law 3894 also made possible the expropriation of private real estate or land plots (including forestry areas) and the creation of in rem property rights by virtue of a Joint Ministerial Decision—any such expropriation is examined and implemented as matter of “the utmost urgency and major importance” (Article 10, par. 7, 8). Finally, the law has made clear that Strategic Investments might qualify for special tax treatments (Article 25, par. 4). While not all the above legal arrangements are relevant in Cape Sidero’s case, they are indicative of the overall function of Law 3894. It is important to note that under Law 4146/2013 (“Creation of a Development Friendly Environment for Strategic and Private Investments”), the Fast Track Law “has been enhanced and broadened, simplifying (even further) the licensing procedure” (Enterprise Greece, 2018). In a striking pairing of the country’s immigration policy with Strategic Investments, Law 4146 introduced “the granting of residence permits for executives of Strategic Investments and their families”, facilitating the stay of third-country investors (Enterprise Greece, 2018).

Attracting “strategic investments and the financing and construction of large developmental projects” required the creation of a “development-friendly” environment and the adaptation of the legal toolkit to the new, “upgraded” economic role of planning (Explanatory Report to the draft Law 3894/2010). This new toolkit includes a new category of “exceptional” spatial plans, which are, once again, validated by Presidential Decrees and implemented by both public and private operators, or partnerships between

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93 See also Law 4251/2014 (“The Immigration and Social Integration Code and Other Provisions”) and the Greek Golden Visa Program: “Residence Permit by Investment”.
the two (Law 3894, Article 24). In the case of private operators, as is the case in Cape Sidero, these plans are called “Special Spatial Development Plans of Strategic Investments” (known as ESHASE plans) (Law 4146/2013). In practice, ESHASE plans create “special purpose areas” for which they can define, among other, land uses, building regulations and measures of environmental protection regardless of the existing spatial provisions in the respective areas. While ESHASE plans are supposed to be “in harmony with” the directions set by the approved Regional, General or Special Frameworks, they are not pursuant to the latter: the law has made clear (Article 24, par. 5, 6) that any arrangements approved by Presidential Decree can, if necessary for the planning and the “integrated development” (ολοκληρωμένη ανάπτυξη) of Strategic Investments, “override any other opposite or different regulations set by General Urban Plans, Urban Control Zones, city plans and land use plans” in the respective area. The adoption of ESHASE plans therefore marks a crucial change in the hierarchical structure of the spatial planning system in general, so far defined by Law 2508/1997 (“Sustainable Residential Development in Urban and Country Settlements and Other Provisions”) for at least 15 years. Law 3986/2010 has granted ESHASE plans a leading role in planning, as their approval through Presidential Decrees can override, as examined above, existing spatial arrangements. I return to the question of spatial hierarchy further on, as it was crucial in providing the legal ground for the authorisation of Loyalward’s ESHASE plan in Cape Sidero.

8.2. Loyalward’s ESHASE plan: Itanos Gaia

The inclusion of the Crete Project in Fast Track and the Greek Government’s reaffirmation of its support for the Project despite the recent appeals are very positive. The current conditions in Greece and the continuing liberalisation of planning and privatisation laws augers well for the realisation of the Project and for other opportunities. (Company Announcement 25th of March 2013)

In Loyalward’s ESHASE plan for the Itanos Gaia project, the permissible land uses and building regulations were based on the “guidelines” provided by the Open City Spatial and Housing Organisation Plan (SHOOAP) [Σχέδιο Χωρικής και Οικιστικής Οργάνωσης Ανοιχτής Πόλης (ΣΧΟΟΑΠ)] of the Municipal Area of Itanos (former Municipality of Itanos) (OGG 498, 2.10.2009)—a Local Spatial Plan, which, as becomes clear further on, was already designed to accommodate specific investments planned in the area. According to the SHOOAP plan of Itanos, 4,983 stremmata of the Foundation’s land are included in zones of protection (coastal, environmental, archaeological). The remaining 15,455 stremmata are categorised (by the SHOOAP) as a zone of “Mild-
Sustainable Development”. Based on these general guidelines, the Itanos Gaia ESHASE plan is organised in two broad spatial zones (Zones A and B) (see Figures 8.1 and 8.2).

Zone A (“Tourism – Recreation”) includes the project’s main tourism and leisure facilities, along with the resort’s supplementary facilities. The zone’s total area of 9,295,932m² (37.21% of the total 24,984,814m²) consists of two subzones: subzone A1 (Tourism Facilities), an area of 7,534,881m², and subzone A2 (Supporting Activities and Facilities), an area of 1,761,051m², within which the construction of any accommodation facilities is not allowed: according to the investors, this subzone will mainly include land uses of “ecological and cultural” interest that will be “open to the public”. It should be noted that in the SHOOAP plan of Itanos, building is allowed in 15,455 stremmata out of the total 25,000; the ESHASE plan’s Zone A (in total 9,295,932m²) therefore covers only but a part of it. I return to this note further on, as it is important.

Zone B, a “Special Zone of Protection of the Natural and Cultural capital and Nature-based Recreation”, occupies a total area of 15,688,882m² (62.79% of the total 24,984,814m²) which consists of five subzones (planned in coordination with the protection zones set by Itanos’ SHOOAP plan):

- subzone B1 (approximately 5,000m² wide), which includes the watershed area of Vái; subzone B2 (4,604 stremmata wide), which sets conditions for the protection of the area’s “natural capital”; subzone B3 (1,631 stremmata), which includes “areas of archaeological interest”; subzone B4 (2,762 stremmata), which includes protected forestry areas (the relatively new Law 4280/2014, however, has rapidly redefined and to a large degree withdrawn the protective framework upon forestry land, by aligning forestry legislation to fast track tourism

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94 According to article 11, paragraph B of Law 3986/2011, this zone can include: a. tourist accommodation (main or not, complex tourist accommodation, etc.), b. special tourist facilities (conference centres, golf courses, hydro-treatment facilities etc., c. tourist ports-marinas, d. residential units, e. service shops, f. sports facilities, g. cultural facilities, h. religious spaces, i. communal spaces, j. catering spaces, k., refreshment areas, l. parking facilities, m. exhibition space installations, n. any other relevant uses that do not alter the property’s general purpose (ECHMES for Loyalward, 2014, chap. 3, p. 23).

95 “Possible” facilities are mentioned as: organic crops, a small environmental centre, a botanic garden of endemic species, visitor information centres, traditional professional workshops (for the promotion of local products), a first aid station, and an outdoor theatre (ECHMES for Loyalward, 2014, chap. 3, p. 25).

96 This zone can include: a. open-air organic farming, controlled extensive grazing of livestock and the necessary facilities (warehouse, shelters), b. installation of light infrastructure for the area’s marking and environmental information for visitors, c. projects and activities aimed at preserving and protecting the area’s ecosystems, d. archaeological excavations, e. maintenance/restoration of existing buildings (provided that the hydrogeology of and the aesthetics of the area are not adversely affected, f. maintenance and improvement of the existing road network and the opening of new, and h. the construction and transit of technical infrastructure networks (ECHMES for Loyalward, 2014, chap. 3, p. 31).
legislation); and finally, subzone B5 (1,709 streemmata), which sets the minimum distance of tourist facilities to 50m from the defined coastline (and to 100m where the coastline has not been delineated), as well as regulates the allowed building height in relation to their distance from the shore. While activities planned for Zone B are restricted by a relatively strict protection framework, the latter does not entirely exclude building facilities (under conditions), as well as other, supporting infrastructure that falls within the permitted land use.

The overall objective of the “Special Spatial Development Plan of Strategic Investment” (ESHASE) for Loyalward’s Itanos Gaia project is the creation of an “organised receptor of tourist activities”: a single area developed on the basis of uniform design and spatial planning criteria in order to function as an organised site for the development of, primarily, tourism and leisure activities as well as other, supplementary activities (Law 4179/2013) (Council of State, 2015; ECHMES for Loyalward, 2014, chap. 1, p. 2). The ESHASE plan for Itanos Gaia is also of “model” character according to the “Special Framework for Country Planning and Sustainable Development for Tourism” [Έιδικό Χωροταξικό για τον Τουρισμό] (OGG B-3155), since it includes “innovative” facilities and technologies (e.g. desalination plants) and activities of “ecological and cultural nature”, and a very low Plot Ratio throughout (ECHMES for Loyalward, 2014, chap. 1, p. 3). The classification of the ESHASE plan as an “organised receptor of tourist activities” is important, as the latter are institutionally governed by a series of potentially applicable provisions. Law 4002/2011 (Article 8, par. 2), for example, allows the long-term transfer of rights over properties which are part of the hotel complex to third parties (e.g. the long-term lease of furnished apartments in Itanos Gaia in the logic of a residential rather than clearly touristic resort, as I discussed in Chapter Six). The proportion of furnished apartments that can be sold or leased can normally not exceed 30% of the total built surface area of the “organised receptor of tourist activities”; if, however, the Plot Ratio does not surpass 0.10 or 0.05 (as is the case for Itanos Gaia), this percentage increases to 40% or 60% accordingly (Law 4276/2014).

97 “Plot Ratio” refers to the ratio of the building floor area to the land area in a given territory.
**Fig 8.1** Spatial organisation of Itanos Gaia ESHASE plan in zones

<table>
<thead>
<tr>
<th>Zone A: Tourism - Recreation</th>
<th>Area in m²</th>
<th>%</th>
</tr>
</thead>
<tbody>
<tr>
<td>A1. Tourism Facilities</td>
<td>7,534,881</td>
<td>30.16%</td>
</tr>
<tr>
<td>A2. Supporting Activities and Facilities</td>
<td>1,761,051</td>
<td>7.05%</td>
</tr>
<tr>
<td>Zone Subtotal</td>
<td>9,295,932</td>
<td>37.21%</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Zone B: Special Zone of Protection of the Natural and Cultural capital and Nature-based Recreation</th>
</tr>
</thead>
<tbody>
<tr>
<td>B1: Protection of the Vái Watershed Area</td>
</tr>
<tr>
<td>B2: Special conditions for the protection of Natural Capital</td>
</tr>
<tr>
<td>B3: Areas of Archaeological Interest</td>
</tr>
<tr>
<td>B4: Forest Areas</td>
</tr>
<tr>
<td>B5: Protection of Coasts</td>
</tr>
<tr>
<td>Zone Subtotal</td>
</tr>
<tr>
<td>Total</td>
</tr>
</tbody>
</table>

Source: Table found in (ECHMES for Loyalward, 2014, chap. 3, p. 21), edited by the author.

**Fig 8.2** Spatial organisation of Itanos Gaia ESHASE plan in zones

Source: Map found in http://www.kathimerini.gr/, edited by the author.
### Key Legislative Changes Affecting Loyalward’s Investment Plans

<table>
<thead>
<tr>
<th>Law</th>
<th>Year</th>
<th>OGG</th>
<th>Title</th>
<th>Main Effects</th>
</tr>
</thead>
<tbody>
<tr>
<td>3852</td>
<td>2010</td>
<td>87 A</td>
<td>New Architecture of Self-governing Entities and Deconcentrated Administration (Kallikratis Programme)</td>
<td>Major reform of the country’s administrative divisions, and redefinition of self-governing units and methods of electing institutional bodies and their powers. Shifts the relationship and hierarchy between different levels of planning (General Urban Plans, SHOOAP, Regional Plans etc.).</td>
</tr>
<tr>
<td>3894</td>
<td>2010</td>
<td>204 A</td>
<td>Acceleration and Transparency of Implementation of Strategic Investments (Fast Track Law)</td>
<td>Sets the terms and conditions of the licencing procedures for “Strategic Investments”, and streamlines their licencing procedure by “making the process easier, smoother and more attractive”.</td>
</tr>
<tr>
<td>3937</td>
<td>2011</td>
<td>60 A</td>
<td>Biodiversity conservation and other provisions (Biodiversity Law)</td>
<td>Redefines the framework of protection and management of the environment (including, inter alia, areas of protection, coastal areas, and forestry land) in more flexible terms.</td>
</tr>
<tr>
<td>3985</td>
<td>2011</td>
<td>151 A</td>
<td>Medium-Term Financial Strategy 2012-2015</td>
<td>Regulates the process of private urban planning of public assets through ESHADA Plans (Special Plans of Spatial Development of Public Properties), aiming to “exploit” the latter through “strategic investments”.</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>amended by</td>
<td></td>
</tr>
<tr>
<td>4072</td>
<td>2013</td>
<td>86 A</td>
<td>Improving the Business Environment</td>
<td>Introduces ESHASE Plans (Special Spatial Development Plan of Strategic Investment) as well as other “facilitating” provisions for investments of overriding public interest. ESHASE plans create “special purpose areas” for which they can define land uses, building regulations and measures of environmental protection regardless of the existing spatial provisions in the respective areas.</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>amended by</td>
<td></td>
</tr>
<tr>
<td>4146</td>
<td>2014</td>
<td>90 A</td>
<td>The creation of a Development Friendly Environment for Strategic and Private Investments and other provisions</td>
<td></td>
</tr>
<tr>
<td>4179</td>
<td>2013</td>
<td>175 A</td>
<td>Simplifying procedures for strengthening entrepreneurship in tourism, restructuring of the Greek Tourism Organisation and other provisions</td>
<td>Introduces the simplification of required procedures to promote entrepreneurship in tourism, and facilitates organised and complex investments in the sector. Redefines types and categories of tourist activities and contributes to the production of a particularly flexible framework for the exploitation of land.</td>
</tr>
<tr>
<td>4269</td>
<td>2014</td>
<td>142 A</td>
<td>Spatial and Urban Planning Reform–Sustainable Development</td>
<td>Aims to bind the fragmentation and ambiguity created by the continuous inflow of frequently overlapping pieces of legislation (such as Laws 3986/2011, 3894/2010, 3982/2011, 4146/2013) into a coherent whole. Implements changes in the hierarchy between spatial plans, leading to the centralisation of planning.</td>
</tr>
</tbody>
</table>

Source: Edited by the author, using data from Official Government Gazettes (OGGs) 87 A, 204 A, 60 A, 151 A, 152 A, 86 A, 90 A, 175 A and 142 A.
Apart from its impact on the potential “residential” nature of the investment, the area’s approved Plot Ratio is significant in itself. Loyalward promises to apply a maximum 0.05 Plot Ratio for the first 2,000 stremmata of land, scaled down to 0.03 for the next 2,000 stremmata, and further down to 0.01 for the rest of the area (ECHMES for Loyalward, 2014, chap. 2, p. 13). This building to plot ratio is, however, applied to the area covered by the ESHASE plan as a whole. Rena Kloutsinioti is an urban and regional planner and the coordinator of drafting the new Regional Plan of Crete (2017). Her comment on Loyalward’s investment plan (interview to left.gr, 2014) is of particular interest:

I want to point out two things. The entire peninsula is currently being occupied with obscure activities, uses and functions […] a total of 2,000 beds and a golf course do not require 26,000 stremmata, and here we have to be very careful about how to consume the least possible space for the investment so that the rest can stay as it is, rural, hiking, immersed in nature. Their study, however, designates uses everywhere, and evidently the Plot Ratio is so low when it is applied to such a vast area. Imagine, hypothetically speaking, the application to the whole of Attica of a very low Plot Ratio—it allows, in the end, building two-three Manhattans. […] The Region of Crete must make sure that no additional Plot Ratio will be required in five years, and that there will be no further requirement for additional activities than those declared now either.

While the project’s building facilities cannot exceed 108,000m² in total (ECHMES for Loyalward, 2014, chap. 1, p. 2), the area within which building is allowed according to the ESHASE Plan is 9,295,932m² (Zone A). The maximum building facilities therefore cover approximately just 1.16% of Zone A. The remaining 9,187,932m², alongside the fact that the area’s SHOOAP plan allows, as mentioned before, “mild touristic development” (including building) in an even bigger area (15,455 stremmata), strongly encourages the possibility of a second wave of investment if the first proves to be profitable (especially given that the company’s initial plans, the Cavo Sídero Resort, included 7,000 beds instead of 1,936 and three golfs instead of one). The reservations about a potential outspread of the touristic and supporting facilities have been expressed even in the otherwise relatively positive review of the project’s Strategic Environmental Impact Assessment (SEIA) by the Region of Crete (2014). Finally, Align Research has made this possibility very clear to potential future investors on behalf of Loyalward:

We know that the Crete Project is a trophy site and there are few such opportunities today in the Med. The vast size of this untouched site and the low build density does provide the real possibility of Phase II and Phase III developments at a later stage, which must be at the minds of all potential partners. (Align Research for Minoan Group, 2018, p. 25)

Apart from Zone A, the “mild” and non-built character of Zone B is also in question (Int.11/Emílios; Int.2/Oríonas; Int.20/Stávros), since it includes a large number of
supporting projects such as the opening of a road network; technical infrastructure facilities (electrical and water sewage system, renewable energy projects, a desalination station etc.); a heliport; and last but not least, sports facilities including an 18-hole golf course (ECHMES for Loyalward, 2014). Sfakianaki (2013, par. 3) highlights that

We may have been talking about ‘mild tourism’ for years now, and we encounter institutionalised areas of ‘mild tourist development’ in spatial and urban plans, but there is neither an official definition or standards for what ‘mild tourist development’ is and should be. Usually it is a deliberate game, whereby what is only considered as ‘mild tourist development’ is the reduction of very high plot ratios foreseen for out-of-plan tourist facilities.

As has become clear so far, the new institutional framework consists of a complex combination of laws and provisions which redefine the content and meaning of spatial concepts themselves, the building conditions and constraints, and, overall, the ways in which space is planned and regulated. But they also define the ways in which these spatial plans can or cannot be contested.

8.3. Contesting Cape Sídero’s ESHASE plan

In 2016, 140 opposing residents and organisations from the local area submitted an appeal to the Council of State against the Presidential Decree which authorised the Itanos Gaia ESHASE plan. The appeal was rejected in 2017, authorising the Itanos Gaia ESHASE plan and paving the way for Loyalward to move on with the investment in Cape Sídero. Four years before, in 2013, the local opposition had been forced to withdraw yet another appeal to the Council of State. Themis is the president of EcoCrete, the PanCretan Network of Environmental Groups, and an elected member of the Regional Council of Lasíthi. He argues that the difficulties of accessing information was one of the main reasons for the “weaknesses” and the lack of legal arguments and their proper justification in the opposing locals’ second, unsuccessful appeal to the Council of State. Appealing to the Council of State, essentially against the state itself, is all the law allows opposing parties to do; the appeal was therefore aimed against the Presidential Decree which activated the ESHASE plan in Cape Sídero, rather than the investors or the investing plan themselves. Themis clarifies that, technically, one can appeal against the private company too, but “nobody has ever done this.

It is…an extremely difficult juridical struggle, and it is something unprecedented, to…try and find openings in the civil penal code in order to appeal. You can’t say ‘I don’t like it’! What we do, in this appeal, is essentially use a legal weapon given to us by the state, and essentially the arguments we try to make are not political, or that we simply don’t agree with that kind of development. They are legalistic
stuff… ‘such paragraph of the law says that, which is in disagreement with what the investor wants to do here’, etc. They might as well be completely irrelevant to us, we might not care about some of this stuff at all.” (Int.10)

The local opposition filed, therefore, an appeal against the state—but, as Themis argues, a private body (Invest in Greece) was the one handling the case and holding crucial information about it:

We formally requested, in three different ways, to get our hands on the rationale of the decision, the dossier, the content of the file. And they denied it in writing, saying it is ‘an industrial secret’. ‘Invest in Greece’ did. Because ‘we are a private company’, they told us, ‘a private law…so you can’t, you can’t invoke access to environmental information. We are not the state’. Okay, that was something we were kind of expecting but it was too much…it was unprecedented. These were new morals to us. (Int.10)

Themis’ view on Invest in Greece is indicative on the organisation’s role in “handling” Strategic Investments, and the privatisation not only of space but of spatial planning: the way of producing space. The documents examined below, but also the political processes surrounding the appeal, contribute to the further understanding of how the privatisation of planning of an entire area was made possible, and of the role of local authorities in it. Apart from the privatised handling of the dispute through Invest in Greece, Themis considers the unequal access to funds as an extremely important decisive factor in the outcome of such juridical conflicts:

Investors of such scale usually work with a good law firm, good lawyers, usually more than one, who look for potential issues beforehand…knowing they could get into this kind of confrontation. And…this is an investment which, at least at its initial stage, was worth €1.2 billion. On the other hand, you have some environmental groups that can’t even afford…the rent for an office, let’s say. Erm, and we do use expensive lawyers, good ones, to have some chance of getting what we want. Last time, our lawyer, who gave us affordable prices, said ‘fine, but I go to court and I’m alone, and I have to face an army of lawyers and engineers, of every kind of specialty, each of whom has been paid ten times what I have […] the difference between us is obvious’…There is no state support in these cases, for citizens’ organisations aiming to confront decisions around environmental issues, or land rights, and want to use a legal instrument, there is no such thing as ‘I fund them, so that they are on equal footing’. (Int.10)

From the part of the company, the appeal’s withdrawal was met with an enthusiastic announcement from Christopher Egleton: “We are delighted by today’s outcome and believe that this illustrates the new reality that exists in Greece. This result reaffirms the Project’s Fast Track status […] The Greek government has expressed its intention to move forward quickly with strategic investments it considers vital for the country” (Company Announcement 5th of April 2013).
In 2016, the third appeal against the Itanos Gaia ESHASE plan was centred around two main arguments: the legality of the framework of ESHASE plans itself, on the grounds that it violates the principle of spatial hierarchy and unity in spatial planning as stated by the Constitution (Article 24, par. 2) and is, therefore, unconstitutional (Opposing residents and organisations of Sitia, 2016, p. 9); and the incomplete and inadequate framework of protection for the areas of environmental protection (NATURA 2000), as well as the failure of the Strategic Environmental Impact Assessment (SEIA) to address the project’s potential impact on them. Additionally, according to the opposing side, the contested Presidential Decree should be annulled because it violates Article 24 of the Constitution, which also protects the cultural environment (apart from the natural one), as well as the legislation on the protection of antiquities and cultural heritage in general (Law 3028/2002). I turn to these three interconnected issues below.

(a) A stand-alone approach to spatial planning

Law 4269/2014 (Spatial and Urban Planning Reform – Sustainable Development) has had a pivotal role in the completion of the reforms adopted by previous laws (such as Laws 3986/2011, 3894/2010, 3982/2011, 4146/2013), aiming to bind the fragmentation and ambiguity created by the continuous inflow of new, frequently overlapping pieces of legislation into a coherent whole—a whole that would, at the same time, provide institutional substance to previous laws and bills widely criticised as unconstitutional (Perpinia, 2015; Poulios & Andritsos, 2016). According to Law 4269/2014, the new “National Spatial Planning Strategy” defines two “levels” of spatial planning: a first level of “strategic” nature, and a second level of “regulatory” nature. In the first level, regional plans are downgraded and subordinated to spatial planning at national level (and differences between the two, according to the law, can be resolved by ministerial decision); in the second level, “Special Spatial Plans” (which include ESHASE plans) acquire the same hierarchical position with “Local Spatial Plans” (which include SHOOAP plans). In the Appeal Report to the Council of State, opposing residents stress that it is obviously spatially absurd for an ESHASE plan, covering a minimum space in relation to the area covered by a Local Spatial Plan, namely an entire Kallikratis municipality, to acquire the same legal weight (!) as a Local Spatial Plan. (Opposing residents and organisations of Sitia, 2016, p. 15, original emphasis)

The legal opinion issued by the Council of State on Loyalward’s ESHASE plan in 2015 essentially confirms and justifies the above “exceptional” nature of ESHASE plans, as
the latter “are capable of helping the economy of the country in general, but also contribute to directly addressing the current economic crisis” (Council of State, 2015, found in Opposing residents and organisations of Sitía, 2016, p. 15). The Council of State’s decision also highlights the “special economic and developmental” nature and aims of ESHASE Plans, which differentiate them from the “normal” spatial planning system of the country (2015). These changes in the hierarchy of spatial plans and the increasing powers granted to strategic plans of “supralocal importance” (Explanatory Report to the draft Law 4269/2014, p. 11) confirm the centralisation of, and the standalone – sectoral approach to planning (Perpinia, 2015). In short, a Special Spatial Plan (the Itanos Gaia ESHASE plan) has acquired the power to modify, driven solely by economic-fiscal parameters, an institutionalised overall system of land-use planning. The appealing side therefore regards the plan as unconstitutional, on the basis of violating the principles of spatial hierarchy and unity in spatial planning as set by Article 24 of the Constitution (Opposing residents and organisations of Sitía, 2016, p. 17).

In their appeal against the project’s ESHASE plan, opposing residents argue that the latter should be annulled as it also violates the 2003 Regional Planning and Sustainable Development Plan of Crete (Opposing residents and organisations of Sitía, 2016b, p. 6). The applicants highlight, among other, the Regional Plan’s emphasis on the protection of the area’s “natural and cultural capital”; the promotion of “mild touristic development” in specified areas only (mainly in mountainous areas and at a distance from the coasts); the delimitation of a “tourist development control zone”; and the exclusion of building in out-of-plan areas, especially in archeologically and environmentally fragile areas (such as NATURA 2000), which should be immediately demarcated in accordance with the current environmental legislation (Opposing residents and organisations of Sitía, 2016b, p. 7). The appeal report claims that the Itanos Gaia ESHASE plan should be annulled as it violates the 2003 Regional Plan of Crete, since the project involves touristic development which is out-of-plan, is not “mild”, is too close to the coasts, and falls within areas of environmental protection for which the legal regime of protection, as discussed further on, has not been properly completed.

It should be noted that at the time of the Council of State’s (rejecting) decision on the appeal against the Presidential Decree authorising the Itanos Gaia ESHASE plan (June 2017), and since 2012, a new version of Crete’s Regional Plan was in the making. Themis argues that the 2003 Regional Plan created some barriers to the older version of
Loyalward’s investment. In the new Regional Plan, however, albeit pending,⁹⁸ “the terms are now formulated in ways that leave possibilities open”, and in any case, do not reject any investment: “everything that we’ve heard of, that somebody wants to make here, they formulate it so it can get in the plan, as a possibility” (Int.10/Themis).

Sfakianaki’s public presentation of the Regional Plan (while it was still at consultation stage, in 2015) in Sitía confirms this view, while at the same time contextualising it within the broader reform of spatial planning in the country in the last decade:

During all this time that the [new] Regional Plan of Crete was in the making, since 2012, there was a simultaneous, parallel adoption, at a staggering rate, of laws meant to “tidy up” energy issues, tourism issues, and to modify the law about urban and regional planning itself. My question as to why the Regional Plan [of Crete] was delayed was answered by the planners themselves, who were trying to ‘harmonise’ it with all these changes, [to check] if plans and the relation between them make sense, etc. To put it bluntly: there was no bill in the last few years which did not say, in its explanatory memorandum, that the main goal is to tie everything together so that it can withstand appeals that one might make in the future…all this “tidying up” was meant to shut down all the loopholes of reaction, so that investments can go ahead smoothly. (Sfakianaki, 2015)

In combination with the Special Plan for Tourism, Sfakianaki argues that the new Regional Plan of Crete essentially “leaves the possibility open”, in Eastern Lasíthi, “for as many ‘[Moni] Toplou’ investments can fit” (2015). The positive impact of the new Regional Plan of Crete on large-scale land-deals is reflected in the company’s reaction, as expressed here by Christopher Eagleton:

I am delighted with the inclusion of the Project in the draft new Regional Plan. Although not essential for the Presidential Decree to be issued, the Project’s inclusion substantiates the Council’s decision. Publication of the draft new Regional Plan has the effect of adding security to the planning regime for the local area by denoting zones for tourism, hotels etc., allowing the Group to cement its plans for the future of the Project. (Company Announcement 17th of April 2015)

Apart from the 2003 Regional Plan of Crete, the local opposition claims that the project equally violates Itanos’ SHOOAP local spatial plan, as some of the supporting interventions proposed in the ESHASE plan’s Zone B are not compatible with the restrictions set by the SHOOAP plan’s Area of Special Nature Conservation (Zone II, II.2.4.3.II). Despite the above, it is worth noting that the Itanos SHOOAP plan, as argued by some interviewees (Int.3/Sophia; Int.20/Stávros) is a local plan that was, broadly speaking, developed in line with investment plans for the area, and has therefore played an overall positive role in the approval of the Presidential Decree for the Itanos Gaia ESHASE plan in 2017. In his study of the investment’s earlier phase (Cavo Sídero

⁹⁸ It was finally approved in November 2017, OGG A-260, after years of delay during the consultation stage.
Resort), Melissourgos (2008) provides compelling evidence suggesting the “crucial role” of local spatial plans (such as the SHOOAP plan, which was completed in 2008 and became official in 2009) “in the planning of large investments, either through regulations they impose for land uses, building and environmental protection […], or through the promotion of private planning, which is a prerequisite to some investments” (2008, p. 375). Referring specifically to the Cavo Sídero Resort, Melissourgos (2008, p. 376) highlights that “the planning principles related to tourist development are really impressively identical in the company’s Environmental Impact Assessment and the study for the SHOOAP plan […] it seems that the study for the SHOOAP plan has fully adopted the company’s [Loyalward’s] planning principles”. Melissourgos’ study (2008, p. 381) suggests that the SHOOAP plan was even able to modify the limits of the area’s Natura 2000 zones according to the investors’ needs. The above highlight how the political pressure for investments in the area was translated in the drafting of local plans, and the power of local authorities to affect the plans’ content and overall purpose. I turn to the motivations of the local “authorities” and the role of local networks of power in Sitia in Chapter Nine.

The importance of the new legislative framework for spatial planning and the revised hierarchy between plans is confirmed by the project’s Strategic Environmental Impact Assessment (SEIA) itself. According to the latter, the ESHASE plan covers the void which had been identified by the CoS 3920/2010 plenary session with regards to the appropriate level of second-level planning, which was missing during the licensing period of the project in Cape Sídero. The proposed ESHASE plan also responds to the rest of the criteria set out in the above decision regarding the compatibility of second-level planning to first-level planning. […] the proposed ESHASE plan is in line with both the directions of spatial planning both on a national level (General Spatial plan, Special Plan for Tourism) and on a regional level, as these were specified and clarified by the Itanos SHOOAP plan. (ECHMES for Loyalward, 2014, chap. 2, p. 37)

In 2010, the Council of State had rejected the Common Ministerial Decision (CMD) [KYA 5.02.2007] which approved the environmental licensing of the company’s first project (the “Cavo Sídero Resort”) based on two main arguments: at the time of the CMD’s decision (in 2007) there was no appropriate spatial planning of second level (land-use level); and the company’s project violated the guidelines set by the Regional Plan of Crete (first level planning), which promoted the “mild” tourist exploitation of the area (Council of State, 2010). As I demonstrated in this section, both the SHOOAP plan (active since 2009) and (mainly) the ESHASE plan provided the basis on which the Council of State authorised the new, Itanos Gaia plan in 2015 (Council of State, 2015), as well as rejected the appeal against it in 2017 (Council of State, 2017).
Apart from its “stand-alone” approach to spatial planning, the opposing side claims that the Itanos Gaia ESHASE plan violates Article 24 of the Constitution, as well as the legislation on the protection of antiquities and cultural heritage (Law 3028/2002), since it approves the realisation of a series of projects within or near areas of great archaeological significance. The ESHASE plan fails to take into account, contrary to relevant legislation (Law 3028, Articles 2, 3, 4, and 6) the existence of important archaeological findings in the following areas which fall within the project’s Zone A1: Travouni, Agginarokefalo, Magatzes-Alatopatela, Atzikiari, Vái and Gyalies (Zone A1); and Crystalo-Vamies and Stephanes (Zones A1&A2) (Opposing residents and organisations of Sitía, 2016c).

The findings in the above areas are the outcome of a decade of research in the area both by the French School at Athens,99 a foreign archaeological institute operating in Greece and independent researchers (such as Oliver Rackham and Jennifer Moody) (Opposing residents and organisations of Sitía, 2016c). While the above findings have not been officially designated as archaeological sites, they are dated before 1830, and are therefore directly protected by law (without the need to issue any administrative act) (Council of State case-law 3028/2002). As I examined in Chapter Seven, the serious understaffing of the Archaeological Commission as well as the increasingly centralised decision-making vis-à-vis large-scale (let alone “strategic”) investments makes opposition to the inclusion on such findings in private spatial plans extremely difficult.

### Fig 8.4 Archaeological findings in the ESHASE Plan’s Zone A1

<table>
<thead>
<tr>
<th>Area</th>
<th>Main Findings</th>
</tr>
</thead>
<tbody>
<tr>
<td>Travouni</td>
<td>Six archaeological sites which include a stone-built circular structure preceding the Hellenistic period; Hellenistic-Roman settlements with rooms, water tanks, fencing walls and terraces; a Hellenistic-Roman tower; and traces of activity of Minoan, Archaic-Oriental, Classical, Early Byzantine and Ottoman period.</td>
</tr>
<tr>
<td>Agginarokefalo</td>
<td>Five archaeological sites which include Hellenistic-Roman defensive and housing structures and traces of agricultural and livestock activities of Greco-Roman and Byzantine origin (agricultural terraces, walls, stone-fences, shells)</td>
</tr>
<tr>
<td>Crystalo-Vamies</td>
<td>Six archaeological sites which include buildings of Final Neolithic-early Minoan habitation; the temple of goddess Demeter along with rich excavation findings (such as clay figurines of the 7th – 2nd century BC, lamps and excellent quality pottery); an important part of a Greco-Roman road (600m of 2.20m width); traces of agricultural activity; ceramic material of the Final Neolithic, Late Minoan, Archaic-Oriental, Classical, Hellenistic and Roman period.</td>
</tr>
</tbody>
</table>

99 For the archeological research of the French School of Athens on Itanos see http://prospection-itanos.efa.gr.
Magatzes-Alatopatela

Three main archaeological sites including a very well-preserved habitation site (Final Neolithic-Early Minoan I period) of remarkable architecture and abundant pottery; traces of ancient and medieval agriculture (terraces); ceramics from the early Geometric period; and a rectangular building.

Atzikiari

Five archaeological sites including a Minoan residence; a Hellenistic wall; a Late Roman-Byzantine farm; a Venetian-Ottoman residence; Byzantine-Venetian-Ottoman rural activity with cultivation terraces, fencing walls, dams and ceramics.

Source: (Opposing residents and organisations of Sitía, 2016c)

Fig 8.5 Areas of archaeological interest according to the French School at Athens (École Française d’Athènes)

Source: http://prospecition-itanos.efa.gr/?action=text&text=Presentation_Zone

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The Natura 2000 network of environmental protection, as promoted by the wider objective of the EU for increased environmental protection,100 includes Special Protection Areas (SPAs) [ζώνες Ειδικής Προστασίας] and Special Areas of Conservation (SACs) [Ειδικές Ζώνες Διατήρησης]. The Itanos Gaia project site is entirely located within a protected area of the Natura 2000 network, the GR4320006 SAC Zone “North-eastern Edge of Crete” (a total area of 13,072.50ha), and a significant

part of it falls within the boundaries of the GR4320009 SPA Zone “Dionysades islands, Elasa, Cape Sidero and Maritime Zone” (3,756.00ha) (ECHMES for Loyalward, 2014).

The appealing residents consider that Cape Sidero’s ESHASE plan should be annulled on the basis that the Natura 2000 framework of protection has not been adequately completed in Greece; and the ESHASE plan was never subjected to a proper assessment of the potential impacts on Natura 2000 sites, against the principles set by the EU Council directive (92/43/EEC). The latter’s embeddedness in Greek spatial legislation (Common Ministerial Decision 33318/3028/1998, B-1289, and Law 3937/2011) introduced the obligation of setting conservation objectives for the Natura Areas, as well as demarcating the exact boundaries of SACs: “these conservation objectives are, in accordance with the relevant provisions, measurable, appropriate for each zone, comprehensive and coherent, and integrated—along with conservation measures—in the relevant management plan, following an assessment of the data for each area” (Law 3937/2011, Article 8). These objectives, along with the exact demarcation of SACs, have not been completed in Greece—they are, however, a crucial component of the effective protection of the Natura 2000 zones. In the case of Cape Sidero, the appealing residents and organisations of Sitia claim that “failure to define them makes it impossible to establish a conclusion regarding the adverse effects of the project implemented within their limits” (2016a, p.12). It should be noted that the above shortcomings were identified from the European Commission itself, which highlighted the violation of Directive 92/43/EEC by the Hellenic Republic by issue of a relevant reasoned opinion in February 2016 (Opposing residents and organisations of Sitia, 2016a, p. 13).

Therefore, while the current legislative framework for Natura 2000 areas does not prohibit the development of a project which is not directly linked to the management or the protection of the protected areas, an appropriate assessment of its effects on the site would presuppose the adoption of conservation objectives. The latter would also include the drawing up of “Management Plans” for both SAC and SPA areas, which are meant to define the measures required for the conservation and the management of the site; draw up agreements between the various stakeholders involved; assess the conservation status of the listed habitats and species; assess the impact of any development projects, etc.101 No such Management Plans have been established for Cape Sidero’s Natura 2000 areas, and their existing characterisation as areas of

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protection does not specify the types of habitats and species encountered, and does not include maps with their exact limits. The 2003 Regional Plan of Crete (OGG B 1486) also highlights the need for drawing up Management Plans for the Natura 2000 areas as a matter of priority (Opposing residents and organisations of Sitía, 2016b, p. 7). Interestingly, as noted in the appeal to the Council of State, “it should be emphasised that the competent Ministry has failed to make institutional use of existing relevant studies,\textsuperscript{102} which had been drawn up for the region and were entrusted by its [the Ministry’s] own initiative, upon recognising the necessity to do so” (Opposing residents and organisations of Sitía, 2016a, p. 13-14, emphasis added).

Apart from the incomplete framework regarding the Natura 2000 areas, the appealing side also contests several ambiguities in the project’s Strategic Environmental Impact Assessment (SEIA) study itself. The Itanos Gaia ESHASE plan violates, according to the appealing side, both procedural and substantive elements of the legislation regarding the SEIA study (or Strategic Environmental Assessments in general) because of the following reasons: first, following Law 3986/2011 (Article 12, par. 2), the consultation and disclosure stage of the SEIA, a fundamental process the study should be subjected to, was limited only to the relevant Regional Council (and completely excluded the process of consulting the competent authorities). The consultation of the SEIA study with the public was also “drastically” limited—contrary to Directive 2001/42, Article 6, which highlights the need for wide public consultation particularly for large projects that affect the future of a place in the long-term (Opposing residents and organisations of Sitía, 2016b, p. 11). And secondly, according to the appealing side, the SEIA study has the following “significant defect”: it fails to show, both in text and map, even a rough and general layout of the project’s buildings, facilities, and exterior infrastructure plans. The requirement for such a layout is even adopted by the otherwise “aggressive” Law 3986/2011 (Article 13) on ESHASE plans. The above defect renders the examination of any alternative layout solutions (by virtue of Directive 2001/42, Article 5) “groundless and problematic” (Opposing residents and organisations of Sitía, 2016b, p. 12). Here Vanna Sfakianaki returns (see Chapter Six) to the crucial question of access. While this is a Strategic Environmental Impact Assessment (SEIA) study (as opposed

to an Environmental Impact Study, which is more detailed by nature, and has not yet been implemented for the Itanos Gaia project), Sfakianaki argues that

they [the company] do not even describe where the projects will be made, but only where they won’t. The ESHASE plan includes sites of archaeological and environmental interest. The public roads are very few, and access will necessarily be provided by a private [road] network, without the access to non-customers being guaranteed. We will end up having places of public interest enclosed in private space, like private collections. [...] They ask for a SEIA to be blindly approved, for the Presidential Decree to be issued, and later we will all find out what works will be done and where exactly. (interview to left.gr, 2014)

Finally, another major omission of the SEIA study is the failure to consider other projects planned in the same area, and estimate the potential cumulative effects on the landscape (which is also required by Law 3986/2011, Article 2) (Opposing residents and organisations of Sitía, 2016a). Sophía’s response to the latter helps dissect the overall logic and politics of SEIA and EIS studies, and is therefore worth quoting at length:

Everything is merely a pretext; I am now convinced of that. But I’ll explain why. When the Strategic Environmental Assessment Directive came out, I was really interested […] but these Environmental Impact Studies, the way they are…is different from what they told us initially they would be, namely that the researcher examines real alternatives, including the zero [null] solution, and the politician then takes a decision. If you take a small piece [of land] every time and do an EIS study on that only, you’ll always conclude that the [environmental] impact is nothing, that only a mere 0.000-something % is affected. But if you do a SEA study, and restrict, let’s say, the cumulative impact to 2% [of the area as a whole], you set boundaries. And they didn’t want to set these boundaries for investments. This explains why, first, the Directive is loose; second, the researchers can impose very few restrictions; and third, the evaluation forms do not even include the appropriate indicators…there is no way of including such information in the technical reports. Therefore…one needs to really understand how all this game played with the EIS studies and the shady SEA studies works, to see that all of it ends up being a mere pretext. […] The EIS studies say... “this is the project”. We don’t touch it! First things first, the researcher will not get paid if they say no to the project. So, de facto, and given that this is an increasingly privatised process, erm, everybody have in their minds that they need to find how to do what will be done anyway, at best how it will disturb less people, or how to get measures to reduce the impact. Because the project will be done. (Int.3/Sophia, original emphasis)

Ilías confirms the above. He is an employee of the Directorate for the Environment of Lasíthi, and in charge of reviewing prospective investments’ EIS studies. The

103 Such as, for instance, another touristic resort of 2,510 beds planned in the neighbouring area of Cape Plako by the company “E.T. Anaptiksis Anatolikis Kritis S.A.”, which also falls within the boundaries of the Natura 2000 zone - Special Area of Conservation GR4320006.
Directorate’s role is advisory to the Decentralised Administration of Crete,104 the licensing authority (for the investments’ environmental studies). According to Ilías,

As far the Decentralised Administration is concerned, where I have more experience, they don’t have an environmentally friendly attitude, even though they are a directorate of environment. In Lasithi they have approved every single investment, all of them! They haven’t rejected one…how is that possible? They have not taken a single decision that says, ‘we reject the project’, not one. Also, they don’t know much about Natura areas, even though the law, Law 4014, says they’re in charge. If they get a study that falls within a Natura 2000 area, they send it to the Natural History Museum of Crete [for evaluation]. But the law appoints them as responsible. (Int.8/Ilías, original emphasis)

The informal role of Natural History Museum in Heráklion as a consultant to the environmental department of the Decentralised Administration itself is of interest. As Dimitris puts it, their participation as researchers in the investment’s Environmental Assessment, along with the Polytechnic School of Crete (see ECHMES for Loyalward, 2014, chap. 1, p. 9), has played an important role in legitimising the Itanos Gaia project among the locals, as well as making their case for “protecting the environment” stronger:

After they saw the reactions, and that they’re losing in court [in 2010], the Englishmen said ok, we will comply with whatever Natura [2000] says. What does Natura say? “Mild” forms of development. Fine. So, they did the following trickery: they commissioned the University of Crete to study the area. Geological mapping, flora, fauna, the whole package. (Int.4/Dimitris)

Pávlos argues that the museum was “very negative” towards Loyalward’s initial plan, the “Cavo Sídero Resort”. Apart from the potential serious environmental impacts, from a human geographical perspective, to go and build another Sitía…, because this is what it [the initial investment] meant, with 7,000 beds, which in turn means 15,000 people, the same as Sitía’s population. It meant building a second Sitía next to the existing Sitía…it just didn’t make any sense. (Int.32/Pávlos)

However, when the new investment form, Itanos Gaia, was launched, Loyalward approached the Museum as a potential “external consultant” in drafting the project’s Strategic Environmental Assessment (SEA). The museum, according to Pávlos,

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104 The Decentralized Administration of Crete is an organisational level of the Hellenic Public Administration and was established in 2011 under the new Hellenic Administrative division (Law 3852/2010: “Kallikratis” Program). According to paragraph 1, article 101 of the Hellenic Constitution “The state administration is organised according to a decentralised system” and the local authorities. According to paragraph 1 of article 102 of the Hellenic Constitution “The administration of local affairs belongs to the 1st level (Municipalities) and 2nd level (Regions) local Authorities.” Thus, the establishment and operation of the Decentralized Authorities is a Constitutional Mandate. The institutional framework of the Decentralised Administration of Crete is defined in the Presidential Decree 136/2010. See https://www.apdkritis.gov.gr/en.
accepted this role in an effort to minimise the project’s environmental impacts, since they considered that the project would be approved, similarly to Sophía (Int.3) and Iliás (Int.8) above, by the licensing authority: the Decentralised Administration. While the Decentralised Administration requests the Museum’s advice on SEAs and Environmental Impact Studies, according to Iliás, “where they [the Decentralised Administration] disagree, they won’t listen to them [the Museum], and they frequently approve environmental studies without even a field visit, even if we [the Directorate for the Environment of Lasithi] ask for it. It just approves the licenses” (Int.8). The above analysis highlights not only the by default approval of any investment on land by the authorities in charge, but also a series of improprieties in the ways this approval is granted.

* * *

In this chapter my aim was to dissect the institutional and legal conditions that make possible the implementation of land-deals of the scale and importance of Loyalward’s investment in Cape Sídero in the form of “spatial gaps” in the country’s spatial planning system. By privatising the way of producing space, and tailoring access to the development of tourism to “strategic” investors, the state has institutionalised, in the form of ESHASE Plans, planning systems of “strategic importance”. These plans, I have argued in this chapter, create spaces of exception: they have been given the power to override “regular” local spatial plans (plans that regulate spatial relations for entire municipalities) and regional plans (plans that do the same for entire regions); and they provide strategic investors with extraordinary rights. “In the end”, as Emílios puts it, “the investors make the legislation they want” (Int.11). These qualitative shifts in legislation, as I have showed through the process of the Itanos Gaia land-deal’s contestation, do not only fortify strategic investment against local opposition, but also authorise a private body (Invest in Greece) to handle the legal contest on behalf of the state. This produces a “new regime of governing”, which involves “the subordination of formal government structures to new institutions and agencies, often paralleled by a significant redistribution of policymaking powers, competencies, and responsibilities” (see Swyngedouw, Mouladert, & Rodriguez, 2002, p. 556). Additionally, similarly to the dispossession of land on Sitía’s mountains, which I examined in Chapter Seven, the incomplete framework of archaeological and environmental protection has shaped Sitía’s landscape as a convenient target for Loyalward’s investment, and are therefore being turned, despite being public goods, into exclusive experiences for exclusive customers.
9.1. Introduction: ghost village

**Fig 9.1** Aerial view of Dionysos Village

Source: Google Earth.

**Fig 9.2** Dionysos Village in its current state

Source: Photo by the author.
We are sitting with Nikos at the busy roof garden of “Itanos” hotel, centrally located in Sitía’s bay. Public presentations of investment plans in the area always take place here, he explains, at the hotel’s events hall, right next to the lobby. When Michalis Trohanas came to present the plans for his “Dionysos Authentic Resort” (part of his umbrella system of companies named “SoE”) to the people of Sitía in the 1990s, Nikos was here, as were many of his neighbours. In a place like Sitía, largely neglected by both state and investors so far, the overall sense was that something, finally, was starting to move.

When Trohanas came here and they had a presentation [about Dionysos Village], on one side of the room they were giving the presentation, and on the other side…they were selling…they were taking deposits from people, based on a plan. Without having done a thing! I was very impressed. He knew how to do marketing, this guy. He was selling air. First…they brought charted coaches from Thessaloniki, with those who wanted to buy houses at SoE, who would invest. And they did, people who worked all their lives abroad, in Germany especially, ‘I made this my life dream’, they said, ‘I’ll come to Greece, I’ll invest here’. When it [Dionysos Village] opened the first year…you should have been there. In principle, it was still a construction site. The dust…your eyes, your skin was dusty, your teeth smudged, as if…you were working in the mud and carrying clay all day! Terrible conditions. Dust would sit on your eyelashes. Terrifying. And yet people were still buying. And they weren’t just buying…I remember, for instance, as maisonette of 120 [meter] squares, he sold it for, in drachmas back then, over 80, 90 million…you could instead buy four blocks of flats. […] But they had told her [the woman buying] that it would be profitable, because ‘we will rent it when you’re not there’. Ghost village. How can anybody stay there? (Int.28/Nikos, original emphasis)

The Dionysos Authentic Resort is one of the first private village planning implemented in Greece. It stands to most of the inhabitants of Sitía as a blatant reminder of what they call the “Trohanas scandal”: a Ponzi scheme strategy of extracting capital through touristic housing speculation in the 1990s. Michalis Trohanas, a public (and by now cult) figure in Greece and the former owner of AEK, a big football club based in Nea Philadelphia Athens 105. Trohanas designed and chaired “SoE” Group: a labyrinthine system of companies organised through a “pyramid-like” system of recruiting shareholders based on the following system: if every “investor” (or member, or shareholder, or partner) is obliged to “bring” with them at least another two, then a pyramid structure is created; whomever is “senior” sits at the top of the pyramid and earns more (Ios, 1995a). Within the end of the 1990s’ wider “boom” of a multiplicity of stockbroking games in Greece, which promised widespread, rapid multiplication of

105 Trohanas is mainly known for his involvement in the scandalous sell-off of his controlling share of AEK to the British company ENIC (which in turn off loaded its shares on Netmed Hellas) for €2.4 billion in 1997.
what minimal (or not) initial sum was injected, Trohanas managed to convince more than 20,000 shareholders to invest in Dionysos Village from 200,000 drachmas up to a few millions each (Ios, 1998). The logic of this form of accumulation of capital “from many to one” was simple: every single “investor’s” profit relied upon the influx of funds from new depositors. In a 1995 interview to *iospress*, Dimitris Tsaldarakis, a “mechanical engineer – analyst – programmer” and a close associate of Michalis Trohanas who was growing sceptical of the scheme, acknowledged that:

from 1993 I haven’t seen any productive investment. I’m not saying this whole story is a scam, since it hasn’t yet been proven judicially as one. But if I compare SoE to a typical pyramid-like company, I can say that these companies offer directly specific items and the money stays in the company. Whilst in SoE, money is transferred from the shareholders through the companies to the central company, and, most importantly: no dividend has been given so far to the stakeholders, no construction has been carried out, no supplying organisations have been organised. (Ios, 1995b)

More than twenty years later, Dionysos Village was the only project that the SoE group carried out (it was completed in 1997), acting for years as the showcase and bait for new members-stakeholders to invest. Long periods of legal disputes followed, in a desperate effort of the micro-stakeholders to claim their money back. The company changed its infamous name from SoE to “New Concept S.A.”, connected once again to a system of private equity firms, and holding new companies defined numerically (“Business Laboratory Number One S.A.”, “Business Laboratory Number Two S.A.”) or geographically (“Business Laboratory of Crete S.A.”, “Business Laboratory of Thessaly S.A.”, and so on) (iospress, 2007). Today, the “Dionysos Authentic Resort” still stands in decline. In September 2016, an extension of 367 acres to the initial private settlement was signed on behalf of the company “Mantagu Hotel S.A.”, with no apparent results so far.

The story of “Dionysos Village” is interesting twofold. Firstly, it gives a sense of the “entrepreneurial turn” of the planning policy of the country in the 1990s, as well as the concurrent promise of a supposedly more “democratic” distribution of earnings through financial engagement with the private sector. And secondly, it shows the effects of speculative investments in land, and the fate of private, artificial villages, places detached from existing social settlements. Their “failure” holds, as I argue in this section, the landscape in captivity.

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220
One of the questions that may have occurred to the reader of this thesis throughout the last chapters, and a question which has troubled me throughout carrying this research out, is: how can I study and apply theories of dispossession to two investments that have not yet been implemented? Can I talk about the effects of investment plans on Sitía’s landscape and its people even if the investments are not actually there? In Chapters Five and Six I examined why the investors need land in Sitía. Investors get to access highly fragmented land on Sitía’s mountains through production licences for both “green” and conventional energy investments within an increasingly monopolistic market; and they manage to secure a long-term deal on “high quality”, geographically “different” land suitable for luxury touristic developments in the “untouched” Cape Sídero peninsula. In these two cases, land, with its monopolistic attributes, serves as a means to two very different markets. In Chapters Seven and Eight I examined how the land for these investments is being appropriated by the investors and the state, and my aim was to dissect the institutional and legal “restructuring” which enables different mechanisms of land dispossession. This final empirical chapter takes a step back and attempts to consider the potential long-term effects of these plans on the landscape, and the sociospatial conflict produced locally. I discuss the above mainly through the perceptions of Sitía’s people.

In some of my very first, off-the-record interviews in Crete (which were very discouraging at the time), a recurring comment was: “What are you doing here? There’s nothing to study here. [The] situation has been the same for thirty years, and if you come back in another thirty it will still be the same”. This “stillness”, however, has been of great interest to me, and therefore serves as the backbone of this chapter. The causes of this stillness are at the heart of Sitía’s conflict: one side (the “authorities”, as will become clear further on) argues that “nothing happens” in the area because of the local opposition to the investments, and their perseverance in contesting this type of “development” by filing appeals to the Council of State; and the opposing locals believe, on the contrary, that it is precisely the speculative nature of the investments that puts the landscape on “hold”—and prevents the development of alternative, smaller-scale, productive uses on land, some of which are already practiced and constitute a crucial part of the people’s livelihoods. Both Loyalward’s and Terna’s investments have not yet been implemented. But these investment plans, as I argue in this chapter, already do have effects on Sitía’s landscape.

In the first section of this chapter I engage with the dialectic relationship between competition and cooperation between the investors themselves. Through the voice of my interviewees, it becomes clear that, while both tourism and “green” energy investors compete in a rush to “secure” neighbouring stretches of land, the interests
of the capitalist class are promoted a whole through common “channels” of cooperation. I then turn my attention to the ground level political dynamics in Sitía as the different plans are changed, adjusted, and delayed, and the landscape is submerged to a state of “captivity”.

9.2. Between conflict and cooperation

Upon the Council of State’s 2017 decision to dismiss the opposing side’s appeal against Loyalward’s “Itanos Gaia” ESHASE plan, Themis stresses, “all the local newspapers reported in Sitía was how the investment is proceeding at last, the investors having won this legal battle”; this “battle” was portrayed, from the start, as a conflict between investors and “ecologists”—“while in reality there was a pile of residents of the area on the one side, and the state on the other” (Int.10/Themis). In this section I am interested in exploring the power dynamics vis-à-vis Loyalward’s and Terna’s investments at the grassroots: Sitía’s local community itself. “This is a phenomenon I have noticed”, Themis remarks:

there’s an area where there are plans for something which is portrayed as ‘developmental’. There’s a large-scale project for which, if one looks closely, one finds many traps, many ‘buts’. But the public opinion is in favour [of the investment]: because this is cultivated through the local papers, the local investor community…they finance, say, the local football team, what’s more popular than this? This is what happened in Sitía. Or, they donate money to a team that works on an environmental or social project. Now, we’re talking about very little money, funny amounts…but the news spread! It is commented on by society…or, in any case, by the president, the vice president, the secretary of the club, their family, their children, all of them do the job at the grassroots, at the people’s level. Loyalward also opened an interview office for you to find a job…in their project, when it would be ready. They rented an office, had posters outside, and you went there and felt that ‘I can submit a job application here’…all this in times of unemployment. What I’m saying is that they make these moves and shape the public opinion in their favour. When they don’t do that, the way they should, to the extent they should, they have problems very soon. (Int.10)

Themis’ reflection on the production of compliance to “developmental” investments echoes the dialectic relationship between force and consent in Gramsci’s work. The exercise of hegemony, according to Gramsci (1971, p. 248),

is characterised by the combination of force and consent, which balance each other reciprocally, without force predominating excessively over consent. Indeed, the attempt is always made to ensure that force will appear to be based on the consent of the majority, expressed by the so-called organs of public opinion—newspapers and associations—which, therefore, in certain
situations, are artificially multiplied. Between consent and force stands corruption/fraud (which is characteristic of certain situations when it is hard to exercise the hegemonic function, and when the use of force is too risky). This consists in procuring the demoralisation and paralysis of the antagonist [...] either covertly, or, in cases of imminent danger, openly.

The concept of hegemony in Gramsci’s work refers to the ability of the ruling class to govern through a combination of material coercion and active or passive consent—an ability which relies upon the elites providing moral and intellectual leadership (see Calvário, Velegakis, & Kaika, 2017) and convincing subordinate classes of the universality of the dominant class interests (Gramsci, 1971). Gramsci developed these concepts referring to “historical blocs”—relatively stable political alignments between classes; these concepts, therefore, according to Levien (2013, p. 22), do not align with the politics of dispossession, which is

a short-term process that cuts both classes and political alignments […] At rock bottom, regimes of dispossession need not produce consent, enduring political allegiance, or transformations in the subjectivities of the dispossessed; they just need them to get off the land. (emphasis added)

Sitía’s case shows otherwise. While I agree with Levien’s critique that the politics of dispossession affect people of different classes and political alignments across specific geographical areas, the successful outcome of land-deals depends on the ability of a network of power operating in the local; their norms, values and institutions are internalised and become what Gramsci termed “common sense” (Calvário et al., 2017)—this becomes clearer as the chapter unfolds.

The local opposition against the Presidential Degree authorising the Itanos Gaia ESHASE plan (see Chapter Eight), and the conflict this opposition caused, brought to light, argues Themis, the local networks of power that operate in Sitía (Int.10). The process of initiating and carrying out legal procedures against Loyalward’s investment involved engaging people and organisations of Sitía into signing the appeal. In practice, as explains Themis, this is not an easy task, as every person (or body) signing needs to go to a notary with their ID, address, and national insurance number, and pay a significant sum in order to empower the lawyer to be their representative in the case (Int.10). Despite this quite complicated procedure, “around two hundred people signed the appeal…we never expected this. This shows something. It shows that there are many more than those two hundred who share this view, because not everyone can go…and follow this difficult procedure” (Int.10/Themis). Apart from the cost and the technicalities, part of the difficulty is that, if you do sign the appeal, “your name is sort
of...attached to the case with iron nails, let’s say that [...] fingers were pointed to the applicants in a very provocative way”:

they would publish their names in newspapers, and they would say ‘these are the people who hold the place backwards’, very overtly, on the radio as well. I myself had a radio debate with the Mayor of Sitía. [...] And he was telling me publicly, ‘we know who you are’, ‘we will write your names in the paper’, ‘you will see what will happen to you’… he was not careful at all …the reporter had to tell him, ‘Mr Mayor, be careful with what you say’! [laugh].

According to Themis, in Sitía there is “a mechanism of control, of power, which is formed by a group of people who meet, and make decisions”:

These people relate to various economic interests. They are the board of the monastery's Foundation, which is precisely of that nature. They are representatives from the Church, the bishop, the Monastery’s abbot, the Mayor of Sitía, who is also the president of OAS [the Sitía Development Organisation], they are various people who play a business role, and a political role, and a religious role, they are what we call the ‘authorities’. They are a decision-making board, a group of people which, so to say, ‘sets the game’ in their area. (Int.10/Themis, original emphasis)

Themis argues that the Administrative Council of the Foundation (Panagia Akrotiriani) has acted as such a “vehicle” for creating and managing business “games” in Sitía. When it comes to touristic investments, the incentives and the benefits of the “authorities” and the social circles that surround them quickly become clear. Nicolia, the president of Trade Administration of Sitía, and an owner of a small business herself, insists that Loyalward’s project is “a big investment, which will boost the whole region…and will encourage others, if in the end it is made, to come invest in our area. Evidently we want touristic development” (Int.13). Tássos is a hotelier, the president of the Hoteliers Association of Sitía, a member of the Foundation’s Administrative Council, and a member of the Management Committee of Sitía’s Geopark. In a similar vein, Tássos agrees that “we want these investments because they help deal with unemployment, they bring development to the region and the region is advertised, and next to them we will work too, as other professions will as well” (Int.7). The “trickle down” effect of large-scale (and potentially all-inclusive) touristic investments in Sitía is certainly debatable, as Melissourgos (2008) has showed for Loyalward’s initial plan, the Cavo Sídero Resort—but in the case of energy investments, the motivations of the local “authorities” remain largely unclear. Why do they promote, simultaneously, two clearly competitive businesses—one which “sells” the “untouched” and “pristine” landscape of Eastern Lasithi, and another with disturbing effects on the above “product”? Themis’ answer sheds important light on this contradiction:

Sitía has a traditional bourgeoisie which is very dynamic, but is small in numbers...erm, and it also works through the Foundation with
different perspectives in mind: different companies, people, personalities, with various plans. In any case, the goal is to develop itself and grow. We can all see that the area’s touristic potential comes into conflict with the windfarms, the ‘hybrid’ plants, the solar thermal plants and all the rest. These two don’t get along. And these people are not in favour of all of these…but they accept everything to a certain extent, because they are all ‘developmental’ investments, and for them to be made roads have to be made, and there’s improvements to infrastructure. […] The energy investments are the result of alliances between different interest groups, which support one another through the same ‘channels’: same engineering and consultancy companies, same lawyers, secretaries in ministries, deputies, erm, members of the parliament, and agents in politics and society in general. They form alliances, and each one tries to manoeuvre things in a way that grows their circle of influence. Many times, these circles overlap. Their products might be competitive, there will be some conflict there but nothing too dramatic, it will not break the alliance between the two. (Int.10)

Themis believes, therefore, that only some of the investments will be made: “only whoever is a very strong player financially will make it, and this is why we hope the investment in Cape Sídero will not go ahead” (Int.10). In Síitia, the Foundation “appointed this [Christopher] Egleton guy and the company [Loyalward] because they supposedly had the know-how, or so they promised, at least. They just didn’t manage to find someone who can actually afford to invest, but…they [Loyalward] are within their sphere of influence” (Int.10/Themis). The case is different, Themis argues, with another similar investment by Dolphin Capital Investors106 in the neighbouring area of Cape Pláko:

with Dolphin they can’t ‘play game’…this guy [the investor] moves on his own. They can’t bring him in their team, so that they can play the game together…this is why they don’t even deal with it…they consider it as a foreign body. They can’t stop it [the Cape Pláko investment] because…this is another interest group, which shares some of the common channels, and so they try to find a balance…one does not seem to bother the other, let’s say. But both teams did work together […] they cooperated towards the construction of the airport, and other infrastructure they need, say roads, harbours, etc. (Int.10)

Before returning to the crucial role of local power dynamics further on, the question of capitalist cooperation is worth examining here. In Chapter Five, I explored the dialectic relationship between competition and cooperation in the case of energy investments, as the “coercive laws of competition” drive individual capitalists towards

106 Dolphin Capital Investors (DCI) operates in partnership with Joannou & Paraskevaides Group through the company Etairia Anaptiksis Anatolikis Kritis S.A. In 2018, DCI disposed its interest in this project, the “Plaka Bay Resort” (2,510 beds on approximately 4,000 stremmata of land) to its minority partner, Iktinos Hellas S.A. (see http://www.dolphinci.com/wp-content/uploads/Dolphin-Capital-Investors_SitiaBay_19012018.pdf).
technological advancements in order to remain in business by increasing their productivity and surplus-value, and also, in the case of Crete, by getting access to the “green” energy market in the first place. The logic of this argument, however, could be scaled-up to the broader dynamics of competition-cooperation for land within the same region. Both Terna’s and Loyalward’s investments have profited, as I examined in Chapters Six and Seven, from crucial changes in the legislation that severely affect the institutionally vulnerable pre-existing landscape. But the networks of power on the local scale can also produce positive outcomes for both investors. The common quest for infrastructure is a good example of this. As Harvey stresses, landowners (who treat their land as a financial asset) actively shape the geographical structuring and restructuring of the region they operate in:

Consider transportation relations. The stimulus to revolutionise these arises out of the need to diminish the circulation time of commodities, to extend markets geographically and so simultaneously to build the possibility for cheapening raw material inputs, expanding the basis for realisation while accelerating the turnover time of capital. If rent depends upon relative location, and the relative location stands to be transformed by improved transportation, then transport investment stands to enhance land values in areas proximate to it. Landowners stand to gain (or loose) accordingly. They have a strong vested interest in the where and when of transportation investment. They may even be willing to promote it at loss (preferably by using other people’s money or through the agency of the state) in order to benefit from enhanced ground rents. (1982, p. 370)

In Sítía’s case, investors in control of the land have vested interests in specific forms of infrastructure. Terna Energy is actively pursuing the opening up of 21,249.44m of new roads as part of the supporting infrastructure for the installation and maintenance of the windfarms on Sítía’s mountains (see Chapter Five, Figure 5.5), an investment in infrastructure which the company regards as a positive intervention in the area (Int.38/Tánia-Terna). Minoan Group, on the other hand, was emphasising to its shareholders in July 2018 that “one of the key points regarding the project’s progress” is “the steady improvement in the travel infrastructure of the area. The main road along the North Coast running from the capital, Heráklion to Sítía in the East has been significantly improved and journey times have been reduced considerably”. Additionally, “Sítía International airport, which is adjacent to the Site, is fully operational taking flights from various European cities and experiencing a major increase in international flights” (Company Announcement 31st July 2018).

The local government and Sítía’s “authorities” view the improvement of existing infrastructure and the creation of new as both a magnet for investors, and a positive result of investments. Marina is the Vice Regional Governor of Lasíthi, and a civil
engineer. Reflecting on Loyalward’s investment, the local opposition to it, and the role of infrastructure, Marína argues that

we must not shut the door on big investments in the region in such an easy way…we can’t afford to do this anymore. We need to support, in every way possible, every single job opening. Any job. Also, our region has been the receptor of many public investments, there’s the airport, there’s the port, some parts of the road network have been improved…this means that the state has invested in this place, so this place is responsible for delivering back. […] This place, the residents, all of us, we are all responsible, and we need to make good use of what has already been done here. (Int.14, emphasis added)

The state’s role in providing necessary infrastructure is, Marína’s quote suggests, only the one end of an exchange relationship between the state and an entire region: facilitating any investor interested in Sitía’s land, has become, therefore, a matter of collective responsibility. By extension, opposition to investments is directly painted in a negative light: “Private investments have a design behind them, work has been done, erm, money has been invested. We [the local government] cannot be, private investments, and public investments as well, cannot be prey to local interests” (Int.14/Marína, emphasis added). In a similar vein, according to the Mayor,

this…statism that we have had so far has led to the results we now all have to put up with. This is where a big, major cause of the financial situation of our country lies, right? The fact that we are demonising, we have been demonising the private sector is what led us to this point. (Int.5/Mayor)

This view is of particular interest vis-à-vis a broader shift in the relation between the state and private capital, and the intrusion of the latter in the local government’s spatial strategy. I turn to this issue in the section that follows.

9.3. Structure, agency, and the “ideology of development”

Emílios argues that the main incentive of the local government and the group of “authorities” in supporting land-deals in Sitía, their motivating force, as well as the source of their influence, is ‘the cohesive fabric of the ideology of ‘development’. They exist politically because they have this simplistic—and simplistic means, at the same time, more easily digestible—perception that ‘we, the good guys, are trying to unblock investments while they, the bad guys, are trying to prevent us from doing so’, and ‘let’s do something in this place, whatever that might be, instead of nothing’” (Int.11/Emílios, original emphasis). Emílios’ reflection on the above situates the evolution of this “obsession with development” historically:
All this changed in just three decades...this ideology has passed from one end to the other; I think what makes it interesting is the fact that these are the same people, who once were the protagonists of Andrea Papandreou's populist 'we won't become Europe's servants', who now say 'we will sell everything, we will give them land and water so that they come here and do what they want'. This 'we won't become Europe's servants' thing was related, I think, to a statist ideology, the idea that the state will do it all, and that a private investor is, generally speaking, a bad thing. The public sector was, back then, the main receptor of bribery and 'special favours', because beyond that statist ideology, or part of that ideology was that, by committing yourself to a political party [e.g. Andrea Papandreou’s party], you expected a position in the public sector in exchange. Over time, the narrative was transformed to: 'I'll be a successful politician again if I can get my voters to work', with the difference that 'I won't get them a position in the public sector, but I'll appoint them to the businessperson who will make the big investments here'. And now this politician's 'rivals' are the 'bad ecologists, bureaucracy, the bad legislation and so on...If I manage to get these over with, the sources of our bad life, there's going to be investments, and there's going to be jobs'. But all these are, I think, so cheap, so short-sighted...as if we live only for the next day. What happened with Dionysos Village has not become a lesson. (Int.11, original emphasis)

Sophia complicates the above picture by stressing the crucial role of the country’s shifting administrative organisation in reinforcing this “ideology of development” in Crete. She stresses that the historical and geographical evolution of local governmental structure, as well as the crucial relation between spatial planning, development, and administrative organisation are essential in understanding the local politics of the ongoing land dispossession in Sitía (Int.3/Sophia). A decisive factor in the decision-making structure of the country is, she argues, the constant transformation of administrative entities, typically evolving through the merger of small communities and municipalities into larger divisions, which have diachronically been constantly dismantled just to be merged again in a different way. In Crete, the “Kapodistrias” reform (Law 2539/1997) divided the previously larger territorial entities run by “district councils” (Law 2218/1994) into five municipalities each. Due to the lack of a single district council, the area “was left”, as Sophia puts it,

with five competing mayors, who each wanted to pursue their own agenda! With a few exceptions, this was not beneficial for the region. These transformations every few years, these different administrative divisions, prevented the creation of relations, never left enough time for things to mature. Mayors work on a four-years term basis, and they want to see benefits in the area quickly to secure votes for the next four-year term, and they are asked to operate with these

\footnote{Andreas Papandreou served three terms as prime minister of Greece (from October 1981 to June 1985; form June 1985 to July 1989; and from October 1993 to January 1996). He founded and led the social-democratic PASOK (Panhellenic Socialist Movement).}
constant reforms in the background; all these lead to an ever-chaotic situation. (Int.3)

In 2010, the “Kallikratis” reform (Law 3852/2010), with the unification of even bigger areas, “had even more tragic results—it alienated whole areas from the municipality, and as a result, external actors could have a bigger influence, freedom to control things, to suggest things, for regional conflicts and antagonisms to flourish, and it was an easier sphere of influence for the European Union. This is indicative of why scale matters” (Int.3). Sophía argues that in these larger administrative sections, the lack of immediate relations between the elected and the locals, which would also encourage the latter to be more active, made also possible interventions in the region’s interest from business lobbies. In theory since 1997, but in reality, at least five years later, the SHOOAP Plans were also institutionalised (Law 2508/1997), and through them the state tried to impose “developmental programmes” locally, on a country and urban planning scale. I examined the role of Sitía’s SHOOAP Plan in providing fertile ground for the authorisation of the land-deal in Cape Sídero in Chapter Eight. Apart from the largely unstructured, fragmentary framework of spatial planning, as I have previously explored (Chapters Three, Six), the investments on Sitía’s land therefore came to be implemented within the everchanging scenery of administrative structure. Sophía suggests that, overall, this institutional framework of planning and shifting governing structures was intentionally left unstructured:

Who ever tried to structure it? who showed decisiveness in implementing anything in the opposite direction? Any country planning law that existed in the post-war period was never, never implemented, and suddenly they froze everything in the 90s to make new, convenient planning laws—and authorised these instead. These are tragic stories; what kind of state are we talking about then? A state that intentionally does not exercise its role (Int.3, original emphasis)

The role of the local government and Sitía’s “authorities” should be therefore situated in the dialectic relationship between individual agency and structure—as well as the historical relations inscribed in the latter: “I agree that persons do play a role. Nevertheless, I believe that […] everyone receives mechanisms so consolidated that it’s not easy to intervene, they receive ‘strongholds’ from the previous long-standing governance which are hard to touch upon. These still exist, independently of the fact that one should criticise them [the local government] for their efforts, and how inappropriate these are” (Int.3). Apart from the question of administrative division, the role of town and regional councils

is solely advisory in many things. They have no decisive responsibility in the kind of issues you and I are discussing here. The responsibilities they do give them are essentially … mockery. All the
important stuff, whatever is big and has to do with country planning, the environment, all the big issues...they can only act as advisory boards. Now with the latest environmental law they made, the Decentralised Administration here doesn’t have many powers either...most are gathered in the Ministry. Windfarms of more than 300MW, or far from the power grid, solar power plants, ‘hybrids’, all these are controlled from above. (Int.3/Sophia)

Zóis, the Vice Chairman of the Environmental Committee of the Region of Crete, confirms the above view.

[E]specially when it comes to the big investments, the design comes from a central level. Well, you already know that our decisions are of a consultative nature. Sometimes we go there, and we debate, we clash, we fight each other, people come, and objections are raised, and problems are created, and there’s shouting, and so on. And we make a decision by majority. And then it [the decision] goes further, for instance to the Decentralised Administration, where the person ‘planted’ by each respective government comes and changes it. And when you say, ‘why did you change it?’ the response is ‘because your role is consultative, and this thing [the investment] needs to be done’. And it needs to be done, because it has been discussed at a central level, and Mr. Peristeris [Terna Energy’s Chairman], for instance, has paid a visit to the Minister of Planning, the Minister of Environment, and they, together, have moved forward with it. (Int.30)

Oriónas suggests that the centralisation of decision-making, however, and the local authorities’ limited role in central-state decision-making reinforces and confirms their “developmental” role on a local scale. Apart from the fact that they believe in these investments, “the fact that it’s not easy for them to have a say makes them even more compliant. We are dancing to the rhythm of Memoranda, so…I don’t think anyone, any local ruler, can say that ‘we are against these investments.’ No chance, they’ll get them” (Int.2). Navigating beyond their structural limitations, the local authorities exhaust their power in consolidating a local mechanism of control. The above helps explain the rationale behind the marginalisation of any local opposition to large-scale land-deals:

Erm, these things […] are so obvious...you can’t read them in a newspaper article, but they’re apparent, the society here knows them, the interest groups...we call them ‘mafias’, they’re not exactly mafias, well, they don’t use criminal methods, they don’t do executions…but they can execute you financially if needed. And socially, of course. (Int.10/Themis)

Oriónas’ story provides an example of what this “social and economic” execution can look like. As part of campaigning for the collection of signatures against the Presidential Decree enabling Loyalward’s ESHASE plan (see Chapter Eight), he invited the members of Sitía’s Professionals’ Association (the Administrative Councils of the Hoteliers, Trade, Hospitality Associations etc.) to two meetings in Palékastro, in order to inform them about the goals and rationale of the appeals.
Most of them agreed to sign the appeal. But as soon as this was announced, and the news reached the Monastery, one of the Abbot’s people who works for the restaurant in Vái, he went nuts, he threatened the professionals. He threatened their shops, the owner of a supermarket, and a greengrocer, and so on, because the Monastery’s restaurant gets supplies from them, and so they told them, ‘if you sign, it’s over’. […] The professionals then came back here, and told me I deceived them, and they took their signatures back—instead of having the courage to tell me what happened. […] They are completely under the spell of the Mayor and the Church. (Int.2/Oríonas, original emphasis)

The above dynamics are apparent in Stéfanos’ view. He is the former community leader of Palékastro and was one of the first members of the Foundation’s (Panagia Akrotiriani) council for Loyalward’s Cavo Sídero Resort. He has also been acting as a broker for a solar thermal plant investment in Sitía’s area of Fournia (which has also been included in fast-track legislation). According to Oríonas, Stéfanos is “one of the main defenders of the investments here, he is stirring things up for the company, Loyalward, he is their protector here, their man, he is in favour of every investment here…whatever I’ve ever done to fight against them, he is right next to me fighting for the exact opposite” (Int.2/Oríonas, original emphasis). Stéfanos was passing by while I was visiting Loyalward’s office in Palékastro. Elsa, Loyalward’s secretary (the only employee of the company in Sitía), invited him in for a cup of coffee—“he’s one of our own”, she told me. He was quick to jump in the discussion.

You will not understand. So, listen. We are a very strange area…we’ve missed the train with tourism, because of the obsessions of certain people around here. If you ask me, two-three people would do the job, beat the shit out of them, it wouldn’t cost much, you give half a grand to two Albanians and they beat the shit out them. Ok, let’s get to the point. The result is that all these other areas in Crete have been developed except for here. […] Some people here, the within-brackets ‘ecologist’—because apart from filing objections against everything they’ve done nothing to show their ecological sensitivity, that is, no beach cleaning, no tree planting, or any other interference in the area…they don’t have any role to play whatsoever in society. They only have objections. Objections here. Objections there. For the construction of Sitía’s airport. For the port. For the Local Spatial Plan. For every developmental project. And…with the Greek legislation being a freaking nuthouse, whomever is out of their minds can protest, file an appeal, and keep an investment captive for thirty years. 27 years, and nothing has been done. (Int.18/Stéfanos)

Stéfanos’ quote highlights two important interconnected dimensions of the sociospatial conflict in Sitía that are at the spearhead of the local opposition’s “demoralisation” strategy: the first has to do with “defending” or not the environment, and how the discourse around the latter has become a key aspect of the conflict around investments in Sitía; and the second has to do with the idea of opposing investments as “holding” and entire landscape “in captivity”. In the section that follows I explore
two contradictory views of the landscape’s “captivity” which lie at the heart of Sitía’s sociospatial conflict: the first marginalises the local opposition to investments for stalling “development”, and therefore holding the region’s prosperity back; the second considers that it is instead the investors’ long-term, flexible and ambiguous plans for the land which submerge Sitía’s landscape in a state of captivity.

9.4. Landscapes on hold

One of the things that has changed since the outburst of the crisis, Themis argues, is that “defending the environment, especially after the outburst of the crisis, has now become everyone’s rhetoric”:

The energy investor says they’re doing the ‘hybrid plant’ for the environment, for climate change. The ones doing the hotels say, ‘my research is exemplary, I’ll make an ecological paradise of this place’. The Mayor, ‘we’re doing everything for the environment’. So…this thing with the environment has lost part of its meaning. All you’re left with is a claim that all of the above are faking it, and that they’re actually doing business as usual. But if you make this claim here, you instantly become part of a political rhetoric that’s considered extreme, very lefty, very anarchist and so on….if you claim that you can’t have that kind of growth and protect land and natural resources, you can’t reach out to many people, whilst if you go around with a green bucket and flowers, it’s easier: ‘Let’s go collect rubbish from the beach! Let’s plant trees! Let’s have a sponsorship event with a refreshments company!’, that’s hell of a lot easier. We’ve kind of missed that train, and now we find ourselves in this peculiar threshold where…those of us who actually represent a social and ecologic political logic are being increasingly marginalised. (Int.10, original emphasis)

The Geopark has become, as Orfonas puts it, “another yet contradiction for the authorities to overcome […] on the one hand they support it, but on the other hand they have never really supported it. He [the Mayor] has even put obstacles in its way, so many obstacles” (Int.2). People in the area, however, increasingly realised the positive impacts of the Geopark on tourism, and its potential deterrent impact on the implementation of energy investments—which, they also realised, do not create jobs, and come at the expense of other productive activities. The “authorities”, therefore, “were forced to back it [the Geopark] up…the Mayor, you should know this, has always been, and will always be on the side of the investors. Never with the people’s needs, and the real interests of this place. He has proven this, and he has been pretty clear about it” (Int.2/Orfonas, original emphasis).

The marginalisation of those challenging big investments on land takes shape in Stéfanos’ idea of the landscape’s “captivity”, which is based on the argument that it is
because of the opposing residents’ resistance that investments in Sitía have not materialised, and as a result the broader region has remained “underdeveloped” (see also Chapter Four). I visit Artémis in his office in Sitía’s centre. He has been running Sitía’s main newspaper, “Nea Eparhia”, for more than 30 years: the paper, he argues, has been interested in and writing about the “Englishmen’s” investment “since they first set foot here” (Int.1). Referring to the opposing residents, Artémis argues that:

What did they do, in the end? They managed to give to this company an alibi, that ‘we can’t move on [with implementing the investment] because of the appeals.’ And I told them! I wrote to them: ‘don’t appeal now. Leave them. And let’s see, will they proceed? Or are you backing them up with these appeals, and they’ve got an income without spending a penny?’ Now, since the CoS rejected the appeals, there’s no obstacle anymore. If they’ve got capital, as they say, they should be getting to work tomorrow morning. But I’m telling you, Ioanna, you’re going to come back to this place and ask me again, and still nothing will have been done. Because they don’t have the capital, they’re brokers. […] And we, here, find ourselves trapped in a landscape in captivity. (Int.1/emphasis added)

As I examined in Chapter Six, this is an argument sometimes expressed even by the “authorities” and their circles of influence themselves. Emílios argues that “even the ones who do want the investment, who are against people like me, erm, don’t trust the Englishmen” (Int.11). Despite his mistrust for the latter, the Mayor, however, still considers the reactions against Minoan’s investment as a “defamation” of the area to future potential investors (Int.5). The local opposition against investment and the filing of appeals is mobilised, according this argument, due to a range of different motivations. One of the arguments, Emílios stresses, is connected to Loyalward’s “failure” to invest any capital in the Cape Sídero project so far:

And then they build the next argument, that we [the “ecologists”] are the Englishmen’s pawns [laughs], and that we create delays for them so that they can keep not implementing anything. But our answer to that is: we don’t want our place to become an experiment! We’re afraid of another Dionysos Village, we’re afraid that they will go ahead and make a mess, plant a few unfinished structures to grab a few more shareholders and leave the place with…such scars on the landscape. (Int.11/original emphasis)

The motivations of those opposing Loyalward’s and Terna’s investments, according to the “authorities” argument, also involves them serving, within a “logic of extreme localism” (Int.11/Emílios), the interests of capital interests of other, competing regions of Crete such as Heráklion or the neighbouring Agios Nikólaos, which would profit from the broader area of Sitía remaining “underdeveloped”. Nikifóros, the Vice Mayor of Sitía, argues that as smaller investments on land are excluded within an
increasingly monopolistic market of both tourism and energy, some local landowners and small entrepreneurs adopt a hostile approach towards big investments:

The big players are coming here because...they have a broader approach to entrepreneurship, and to the estimation of what benefits a place might yield, and so they pick the place. We here, the ones who live here, perhaps out of habit, maybe because we see the same place every day? We can't correctly assess the potentiality of this region. It has tremendous potential. Otherwise, why would the ones who come here come here? [...] And yet, what prevails is the logic of 'since I can't [implement an investment], then no one can'. (Int.21, original emphasis)

In this light, contesting Minoan's investment is seen by the local administration as an undemocratic practice:

You can't just appeal to the Council of State because the decisions taken by the whole body, with proper argumentation, are not right for you. And keep the whole area captive. For the Moni Toplou investment, for instance, everyone, all the local communities have taken positive advisory decisions. And yet, some people don’t accept this...direct democracy, the opinion of the many, and they appeal. Well that’s unfair. The legislator does provide you with such right, but it is morally unfair. 20,000 people say 'yes'. And ten people say 'no', appeal against it and hold it [the investment] back, why? (Int.21/Nikifóros, original emphasis)

Finally, the opposing side is accused of selfishly enjoying the “peace and quiet” of Sitía because they are well “settled” themselves, i.e. they’re employed and well-off, and therefore they do not worry about the creation of jobs through investments in land.

The latter, according to Emílios, builds on the cultivation of an inverted relationship between the ideology of “development” and class. This inversion “is an important component of the narrative of those who want to sell everything out”:

Who are their enemies? They’re the “settled ecologists”, so they call us, who want a “virgin” land because we don’t need jobs. Ok. [...] Who prevented Dionysos Village from happening? What happened to the people working there? How many did get jobs and were never paid? Or is there maybe something better than that? Let’s find it. Something that is best suited to the place, and protects both the place and society? If they want to create enemies, they will find plenty of different things to say. I, for once, I am considered as “well-off”, right? But nobody knows what I’ve got in the bank, the debt I’m in, or what kind of struggles I’m going through. They don’t care, they just paint this picture for you. (Int.11/Emílios)

Put together, however, the “authorities’” arguments fall into “deafening contradictions”:

They tell us that we are friends of the English [the company], and that the Abbot, e.g., and the English are enemies, and I am their friend...there’s no way to make sense of this. But to understand the contradiction, you must listen to the whole story, if you choose an argument and say, ‘Emílios is an enemy of development’. All right, it’s fine. ‘Emílios is friends with the English’, that’s fine too. If you
For those opposing the investments, the idea of the landscape’s “captivity” takes a different dimension. The investors’ long-term speculation on land, apart from preventing the development or continuation of other land practices, is also connected to the cultivation of an absence of (and the non-search for) alternatives. Such is the dominance of this “ideology of development” amongst the local government, that Emílios argues that, similarly to religion, “it is based on faith. Whoever has a different ideology is not necessarily a fraud, they believe in another, for me mistaken, system of values. What is annoying is that they don’t want this debate about alternatives to go public, the Church doesn’t as well. They avoid it” (Int.11, original emphasis). Emílios, for example, through his role in the Regional Unit of Lasíthi, has been trying to organise a conference to discuss possible alternative plans for the area based on examples throughout Greece and globally for years; he believes Sitía and its surroundings could become a “naturalist-cultural park” such as Olympia in the Peloponnese, or Delphi in Phocida.

And then let’s decide, but we first need to know [the alternatives]! When the others [the ‘authorities’] don’t even get into that debate, they sabotage it, vote negatively on organising a conference, as the Mayor did, for example, who was then in the Regional Unit of Lasíthi. He was completely negative, his role was… that’s it: obscurantist, obscurantist! (Int.11/Emílios, original emphasis)

Sophía agrees that “when it comes to [Monastery] Toplou’s land, different, alternative investments or solutions were never examined. The place could have been turned into a national park, divided into zones with different degrees of regulation”:

The Natura 2000 area of Cape Sídero includes, in its southern part, villages and land that is cultivated, and is very productive. [...] I think you have to practice activities within environmentally protected areas, to let the local community evolve, and not tie its hands… they could have even extended the city plan of Palékastro, kept the cultivations, and examined what else one can do to facilitate a national park… the monastery could still have a profit from that, and so could the Municipality, which should have some profit anyway. There are alternative ways of increasing [tourist] traffic, but within limits. They wouldn’t have to ban stockraising, but to regulate it. These are things that could be done. (Int.3/Sophía, original emphasis)

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In this chapter, by taking a step back, I reflected upon how Terna’s and Loyalward’s investments, promoting competitive plans with different effects on the landscape, are negotiated, supported or contested on the ground. In a dialectic relationship between structure and agency, a local group of authorities—part of the local administration, the Church and local entrepreneurship circles—have imposed, following the dominant paradigm set by the central state, the “ideology of development”. The consolidation of this ideology involves the marginalisation of those who think differently, as I examined, in various contradictory ways that navigate between force and consent. The ideas and practices of this type of development are, however, not always a conscious strategy from the part of the state, and they should not be attributed to the workings of individuals alone—the latter are receiving, as Sophía puts it, “established, structural mechanisms” (Int.3) within which they navigate. The point of the above is not to strip them of the responsibility for their politics, but to understand and situate their power in its historical continuity. Once again following Gramsci,

> [It] is not enough to know a set of relations existing at a given moment as if they were a given system, one also needs to know them genetically—that’s to say the story of their formation, because every individual is not only a synthesis of existing relations, but also the history of these relations, which means the résumé of all the past. (Ekers, Hart, Kipfer, & Loftus, 2013, p. 7)

The aim of this section was, finally, to explore the divisive effects of the investment plans in the area, and the reproduction of conflict within the community itself. In a dual, conflicted perception of the landscape’s “captivity”, Sitía’s future is put on hold because the investments are “blocked” by those who oppose them; and Sitía’s future is put on hold because the land-deals and investment plans—eventually materialised or not—loom over the land for too long, and rob the place of alternatives.
Conclusion
This thesis has traced the unfolding of land dispossession in the context of a country in crisis. I have investigated the political economy of two large-scale land-deals in neighbouring stretches of land in Crete’s easternmost tip: Sitía, and the broader area of Eastern Lasithi. I have examined the opening up of a double-edged frontier of accumulation that relies on land: “luxury” touristic real estate on the coasts and renewable energy on the mountains. The former turns “wild”, “untouched” undercapitalised land at the edge of the peninsula into a landscape with extraordinary potential for monopoly rent extraction; the latter leads to the appropriation of highly fragmented private land—a precondition for investors to access production licenses for large-scale “green” projects within an increasingly monopolised energy market. Through an in-depth, qualitative institutional and legislative analysis, paired with crucial insights from my participants’ involvement in and understanding of the transformation of land in their region, I have attempted to dissect not only the causes that drive dispossession, but also the specific mechanisms that are mobilised to make it possible. I have explored how these causes and these mechanisms are instigated, coordinated, negotiated and contested by the state and by local networks of power. But I have also made clear that what is happening to Sitía’s coasts and mountains cannot be explained without recourse to dynamics that stretch far beyond the borders of Crete. In this conclusion my aim is to reflect critically on the overall scope, analysis and findings of this thesis and discuss the latter within overarching debates on the geographies of land dispossession. I first provide a synopsis of the main argument in its historical and intellectual context. I then discuss some overarching points that highlight the broader contribution of this study along with its limitations.

10.1. Synopsis of thesis

Throughout this thesis I have attempted to trace a theoretical understanding of dispossession in geography, and situate the grabbing of land as part of a historical necessity under capitalism—a necessity that manifests itself not only in capitalist “peripheries” but in the “advanced” economies of Europe as well, where successive “layers” of capital have already long shaped the landscape in specific ways. In light of the severe financial crisis at the beginning of the twenty-first century, I have situated Greece within the particular conjuncture of two antagonistic geographies, produced by the dialectic tension between territorial and capitalistic logics of power (Harvey, 2006b): a geography of struggle for the distribution of destruction; and a geography of alliances and negotiation for the formation of a response to this destruction. The latter produced
a strategy of both “rescue” and of redistribution of the creative fruits this destruction bears. Land is, despite its peripheral location in the study of these dynamics, not just a key receptor of capital’s changing trajectories—but an important part of the explanation of how these dynamics take shape.

The land question in modern Greece has been central to the country’s political economy well before the crisis and the Memoranda. I have attempted to investigate the ways in which the shifting circulation of capital in land markets interacts with path-dependent, inherited landscapes of specific institutional and social organisation, which are continuously being shaped by the dynamic process of uneven development. Through an overview of the changing regimes of land dispossession in the country, I have outlined the diachronic role of the state, the Church, and a wide cross-class alliance in maintaining illegal practices of “micro-appropriation” of land and property (Hadjimichalis, 2014a) which have been dominant since at least the early 19th century. As part of a “cumulative” and “prosthetic” model of spatial planning, the fragmentation of land and property, the small size of construction capital and the limited scale of its operations have contributed to the social and geographical diffusion of rents (Mantouvalou, 1995; Oikonomou & Petrakos, 2012). This longstanding regime has been challenged, especially since the turn of the century, by the increasing marketisation of land and the consolidation of its role as a financial vehicle. The increasing scale of land-deals and construction projects on land; the penetrating role of the banking sector and the emergence of new financial tools and business forms; the changing relationship between the state and the private sector; all the above contributed to the “modernisation” of the country’s entrepreneurial potential, and the intrusion of “big” capital in land, property, and the construction sector. Through a dialectic relationship of rupture and continuation with the previous land regimes, these shifts have been accelerated and systemically deepened as a result of the mechanisms of fiscal “disciplining” imposed by the country’s creditors after the outburst of the crisis. From the facilitation of “strategic” investments and the “exploitation” of public and private property to the reorganisation of the broader structure and hierarchies of the spatial planning system, space has been transformed into a way of managing the crisis. The dispossession of land is the goal; the dispossession of the means of producing this land is the way to get there.

These fundamental transformations have been changing the form of not only the country’s cities—but also of their peripheries and the countryside. In Greece the relationship between urban and rural is porous, and the limits between the two are ambiguous. In Sitia these unclear boundaries and the widespread channels of
communication between the city and countryside have challenged the typically “closed” character of agricultural society (Damianakos, 2002, 2007). Both coastal and mountainous, Sitía’s multifaceted economy is based on small-scale tourism and agriculture, with a wide network of production (of olive oil, wine and raki, crops, stockraising and dairy products, fisheries and apiculture) dispersed over the mountainous inland and the coasts. These productive activities frequently rely on a parallel, “silent” network of informal relations which has flourished on the land for generations. Access to this productive and reproductive network is certainly uneven, as I hope was made clear in Chapter Four—but the land’s high fragmentation has so far led to the diffusion of not only the profits but also the means of subsistence from the practise of small scale, mainly agricultural activities. Even in the case of Cape Sídero, where the land has long been concentrated in the hands of a single owner—the Toplou Monastery and the closely linked Foundation “Panagia Akrotiriani”—the peninsula has been diachronically used for small-scale agricultural activities, apiculture and grazing which have been so far providing the locals with a crucial (often supplementary) income and means of subsistence. Apart from a push towards a relative economic autonomy and a multifaceted employment structure, Sitía’s both physical and manufactured “remoteness” has shaped its historical and geographical evolution differently than the rest of Crete. The lack of proper infrastructure and connectivity (the result of state neglect and a politics of access) and the lower population density have shaped Sitía’s land as the “depository” of the island’s “unwanted” energy infrastructure, and its inhabitants share a widespread feeling of exclusion from (mainly touristic) development. “Empty” and undercapitalised land is becoming, therefore, the target of a double-edged frontier of “accumulation by dispossession”: “green” energy is taking over the mountains; “luxury” tourism is taking over the still “pristine” coasts.

These coasts are not “empty” nor “virgin”: they are undercapitalised. They are part of a vast, undivided, “isolated” piece of land occupying almost an entire peninsula; a place of great archaeological, environmental and symbolic value. This land has been controlled (arbitrarily, according to some) by a powerful Monastery since the Ottomans left the island—but the ownership over it was contested by the state too. Its official legal recognition as a monastery property was identified by some participants as one of the Abbot’s motivations in signing a deal with Loyalward and Minoan Group. In Cape Sídero, the monastery, the investors, and the state, I argue, have contributed to the production of a rent gap: undercapitalised land with extraordinary potential for profit-making. By promising a unique, exclusive, monopolistic experience on “the land of the Minoans” through a form of year-round residential tourism, the investors have created and sustained a group of companies for almost thirty years. Keeping Cape Sídero’s rent
gap open has been achieved, since the outburst of the 2008 crisis, through the production of a legislative gap: the institutionalisation of private, “strategic”, exceptional spatial planning.

These mountains become, as I examined through Terna Energy’s “hybrid” investment, a gateway to Crete’s relatively new renewable (and not only) energy market. The increasing monopolisation of the latter, an issue I examined in Chapter Five, results in the concentration of land in the hands of the few investors that possess the means (and, subsequently, the technological dynamism) of claiming production licences from the Regulatory Authority for Energy—and can therefore claim a stake in the energy “game”. In order to take advantage of their monopolistic attributes—in this case, their windy nature—the investors “secure” a large number of highly fragmented properties on the mountains. While the investment plans are adjusted, technologies are mixed in “hybrid” forms, and the legislation is transformed, the appropriated land awaits the implementation of the most profitable project at the most profitable moment. It is subjected, until then, to a state of captivity. The appropriation of land on Sitía’s mountainous inland, I have argued, directly depends on the mobilisation of the state’s bureaucratic and juridical powers over the definition of forestry land as a public good. Due to Crete’s landownership particularity and crucial changes in the legislation, private properties on the mountains are classified as forestry land (or grassland), transferred to the management (and most of the times to the ownership) of the state, and leased to renewable energy companies for very low rents (the so-called “beekeeper price” of just €50 per stremma).

I have attempted to situate, finally, the above transformations on land within the ground-level political economic dynamics in Sitía, and to shed light on the ways the investment plans are supported, contested, and negotiated locally. In a similar way to the rest of the cities, their peripheries, and the countryside across the country, Sitía is embedded in the dominant “ideology of development”. This ideology motivates the appropriation of land for every investment activity which is planned on it, despite their very different (and often contradictory) effects on the landscape; it mobilizes common networks of cooperation between the competitive investors and the local authorities and elites; and it produces networks of force and consent which marginalize the ones who oppose the investments and root for alternative plans on the land. Navigating between their individual agency and the structured, established mechanisms they inherit, the local authorities contribute to the production of a conflicted view of the landscape’s “captivity”. On the one side, the land’s future is jeopardized because the investment plans are opposed by part of the local community, and no capital is fixed in the area;
on the other side, Sitía’s future is put on hold because of the speculative nature of the land-deals, which appropriates land along with the geographical imagination of what (else) could be achieved on it.

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In a nutshell, this thesis reaffirms the importance of land in political economy. First, it looks at the dispossession of land in its historical continuity, and traces the spatial manifestations of the crisis through their interaction with inherited, existing relations on land which has already been shaped by successive rounds of uneven development. Secondly, by dissecting the specific causes and mechanisms under which it occurs, this thesis emphasises the political nature of land dispossession and the fundamental role of the state as its crucial driver. Finally, this study outlines the potentially inconclusive nature of investments on land as part of the process of dispossession, which transforms productive landscapes into latent receptors of capital. I discuss these three interconnected points in the sections that follow.

10.2. Continuities and discontinuities: crisis and uneven development

How is the debt crisis of 2008 connected to the dispossession of land in Greece? This was one of the primary questions that motivated this study, but the answers that emerged along the way were different than the ones I expected. Crises make an explosive appearance, but the same forces that create them have been shaping the landscape in more subtle but stable ways for years before the burst. This thesis reinforces the notion that the spatial (and other) transformations resulting directly as an effect of the financial crisis are *not enough* to explain why and how the ongoing dispossession of land takes place. The manifestation of the crisis itself, as I examined in Chapter Two, has produced different results across Europe precisely *because of* the latter’s uneven geography, and the dramatic increase in Greece’s national debt (along with its catastrophic effects) is directly connected to the uneven development of the European Union itself. As I examined in Chapter Two, the structural inequalities in the formation of the Economic Monetary Union and the Eurozone have contributed to the accumulation of capital surpluses at the “centre” at the expense of the peripheralisation of countries of the European South and East since the 1980s (Hadjimichalis, 2018). The increasingly neoliberal and undemocratic structure of the EU has exacerbated the historical imbalances across these “intermediate” regions, and the latter were pushed to
compete in order to attract and facilitate the investment of capital. The latter’s switch to financialised, rent-seeking activities of the “secondary circuit” reached Greece’s peripheral, “underdeveloped” regions such as Sitía in the form of a “modernising vision” which gradually transformed land into a fertile ground for dispossession. This is an ongoing, dynamic transformation that started long before the effects of the crisis reached the country.

The two cases of dispossession I examined in this thesis were put on track, in some fundamental ways, long before the country’s fiscal “restructuring” and the Memoranda. In Cape Sídero, the new “tools” provided by the country’s fiscal and spatial restructuring during the crisis (the “strategic” cloak of the new Itanos Gaia deal and the private ESHASE Plans) were crucial, as I examined in Chapter Eight. Institutionalised under conditions of “urgency” and at times violating the country’s Constitution, they systematically deepened and accelerated the neoliberalisation of spatial policy and the opening up of new frontiers of land dispossession. But tools need actors to use them, and these actors were already in place. The alliance between Sitía’s elites, the Monastery, the company and the state had been already forged for years. It was the initial project, the Cavo Sídero Resort, and the original “agreement contract” signed between the monastery and the company, which took advantage of the new legislation when the latter became available. The investors submitted their application to InvestInGreece under the legislation on “strategic” projects and plans for a land-deal which had been carefully promoted locally since the mid-1990s, and had already produced divisive effects on the ground. The tension between continuity and discontinuity is also apparent in the strategies of dispossession employed by the state. In a sense, the means of spatial regulation used by the state in Greece are not very different from the ones it has used historically: the state regulates spaces of “non-regulation”, only this time these spaces, instead of diffusing rents (and granting the possibility of generating use-values) to many, are handed over to large-scale investors. What has changed dramatically is scale, and who the receptors of the profits and benefits yielded from land are. On Sitía’s mountains, as I explored in Chapter Seven, the changes in forestry legislation, and the parallel changes in the definition and perception of the forest as a public good, were put in motion since 2001, and were closely related to the increasing liberalisation of the energy market in Greece before the turn of the century. In both cases, the dispossession of land occurs on a landscape that has been inadequately protected, controlled, and regulated by the state for years before the outburst of the crisis.

Throughout this study I have analysed this lack of regulation as a form of regulation, and an important part of a diachronic state strategy that has served a cross-class and long-term functionality. In this sense, a frontier of dispossession, as Anna Tsing (2003, p.
puts it, “is a zone of unmapping: even in its planning, a frontier is imagined as unplanned”. This thesis has advanced the notion that the space of dispossession is not “just discovered at the edge” (Tsing, 2003, p. 5100): it is produced, and this production relies on existing, often informal relations on land. On a side note, these informal relations cannot be always quantified and are therefore not easy to record. In Sitía, as in the rest of Greece, one of the main difficulties in assessing present and future transformations on land is that, due to the undocumented nature of property limits, the land-uses assigned to land, and the price of this land, the economic aspect of these shifts is very hard to trace. This does not only demonstrate the persistence of informal, “silent” property and labour relations on land even in the “advanced” economies of the global “North”, but also highlights the need for contributing to this gap in knowledge with further qualitative research.

My aim here is not to minimise the significance of the crisis and its very severe impact on the qualitative transformation of the spatial planning framework, but to acknowledge that these transformations were not implemented in a vacuum: they were shaped by the existing social relations, laws, and customs already embedded in land. It has become clear to me, therefore, that land dispossession does not occur in a moment, and that the grabbing is a process—not an act. This is a mundane observation, but one that offers crucial insight on both the methodology and content in the study of dispossession, and in the study of the geography of the crisis more broadly. In the Right to the City, Lefebvre (1996, p. 104) approached his study of the production of the space of the city through the dialectic relations between “continuities and discontinuities”. The spatial manifestations of the crisis should be looked, following his thought, as both a continuation of previous regimes and a moment of rupture with them. It is with the same non-linear epistemology that I have attempted to approach the relation between contextual detail and general theories: what happens in Sitía (and in any place) cannot be explained without recourse to broader dynamics; and, following Gramsci’s spatial historicism (Ekers et al., 2013), it cannot be explained without looking back. During a crisis, existing spatial relations come to the forefront, and motivations behind actors and institutions become clearer. The crisis can be seen, under this light, as a temporal “window” of looking at an aggravated form of existing relations embedded in space.

Navigating between historically grounded, nuanced and contextual work, and the broader dynamics of uneven development and crisis can inform, I believe, the research of land dispossession elsewhere. The case of Greece demonstrates the need for comparative research of landownership regimes and the dispossession of land across Europe, where research on the political economic transformation of land and property,
especially after the crisis, has been focused mostly on cities and the urban sphere. Further study on land dispossession should also situate the Greek case regionally, a task which was beyond the scope of the present study. Italy, Spain and Portugal share several similarities with Greece: the widespread presence of small enterprises; the informal sector and the dominant role of family networks in it; the historically “passive” role of the state; their parallel transition from dictatorial to democratic regimes; their inclusion in the European Community (EC) in the 1980s and their relatively peripheral role in the European project ever since (Hadjimichalis, 2018). Comparative research of changes in landownership regimes across these countries could highlight the political economic role of land as well as the long-term unevenness and the spatial manifestations of the crisis across the European South.

10.3. The state of dispossession

Throughout this thesis I have emphasised the importance of land and its relationship with political economy through an in-depth look at a particular case of land dispossession. I have been mainly preoccupied with the crucial shifts in Crete’s landownership regime rather than the socio-economic impact of the two investments in local and regional development and the protected environment, and the diffusion of these investments’ potential benefits and costs. I have argued, in a sense, that in the current dynamics of dispossession in Sitía the control over the land is more important than the productive (or not-so-productive) activity planned on it, and that the question of ownership and regulation over land can have longer-lasting effects locally and regionally that the use assigned to it. Speculating on the land itself, as in the case of Cape Sídero’s rent gap, or “securing” stretches of land and using them as a “reserve” for flexible energy plans leaves the land vacant not just in profit-generating terms. As the landscape is subjected to a state of “captivity”, waiting for capital to be fixed on it or not, the locals are prevented from researching alternatives and from planning their future on it. As Danae puts it,

the [investors’] goal is to secure stretches of land...but maybe they don’t care to keep them. They are only interested in real estate, I think. In that sense, it doesn’t matter if it [the land] becomes a tourist business, or a renewable energy project. (Int.6)

The land on Sitía’s mountains, for instance, is easily and rapidly appropriated by the state in the name of renewable energy—once in its ownership, after the one-time mechanism of appropriation, the productive use planned on it can be easily adjusted to different uses of “overriding public interest” in the future. Similarly, the object of “strategic” spatial plans does not necessarily have to be “luxury” tourism—once this
exceptional spatial “tool” has been institutionally established, the use assigned on this spatial gap can differ depending on the investors needs and the changing definitions of the “public good”. The question of land does not only concern distributing uses efficiently on it, and the control over it is not only an economic issue.

This thesis aims to emphasise, therefore, not only the importance of land in political economy, but also the crucial role of the state in the dynamic processes of accumulation by dispossession. “What spaces are left in the global economy for new spatial fixes for capital surplus absorption?” asked David Harvey in the final chapter of the Enigma of Capital (2010, p. 217). These spaces are, as I have argued in this thesis, manufactured, and “there is nothing automatic”, as Levien (2013, p. 16) puts it, “about capital (overaccumulated or not) finding outlets in land or any other asset”. The dispossession of land involves the direct participation of states, and their willingness to mediate in the process of the land’s (often coercive) redistribution. When land is not available in the market, and the investors cannot simply purchase it, as is the case with Sítía’s mountaneous private properties, states need to be willing to find ways of expropriating the land for them. This raises wider political questions around the contradictory role of private property within advanced capitalism. Both “rent and private property in land”, as Harvey (2006c [1982], p. 371) puts it, “are socially necessary to the perpetuation of capitalism”. And yet, Sítía’s example demonstrates how the incorporation of land in the public domain can lead to the land’s (re)commodification, while a form of “unrealised” private property is, in fact, more public and common in nature, and more closely related to use-values. Straightforward privatisation is not the only vehicle of land dispossession. What I am trying to do by highlighting this contradiction is by no means make a case in favour of private property, but to stress that what defines, in the end, the land’s fate is the state.

States have historically been the main agents of dispossessing private land for “common good”—this process of expropriation is deeply rooted, as Suzan Reynolds (2010) has argued through her research on Western Europe and the English colonies in America, in the legal doctrines that have regulated the relationship between government and the institution of private property since medieval times. The state, and its politics and ideology, are constitutive elements of dispossession—states expropriate land for particular economic purposes which are linked to particular class interests. In both cases of land dispossession I examined in this thesis, the myth of the state’s absence (Swyngedouw et al., 2002; Loïc Wacquant, 2010) was quickly deconstructed. In the case of Terna Energy’s investment, the expropriation of private land (with no compensation to the landowners) on Sítía’s mountains would not be possible, as I demonstrated in
Chapter Seven, if the state was not willing to do it through a combination of changes in the legislation, but also through the redefinition and the role of forestry land and grassland. In Cape Sidero, the state’s strategy to attract “strategic” investments has allowed for private touristic settlements to open exceptional “gaps” in the country’s spatial planning system. Before the crisis and the institution of the new legislative framework, the municipality participated unofficially in the land-deal signed between the Monastery’s Foundation and the company, and officially, by aligning the local spatial plan (SHOOAP Plan) to the investors’ interests.

Why is the state willing to dispossess, while it has diachronically preserved a wide, cross-class alliance which reproduced the social and geographical diffusion of rents? The ultimate goal of both these state mechanisms is the attraction and facilitation of investments. As Harvey puts it,

the ‘success’ of a particular state (national or local) is often measured by the degree to which it captures flows of capital, builds the conditions favourable to further capital accumulation within its borders and achieves a high quality of daily life for its inhabitants. States are inevitably involved in competition with each other concerning how all the other spheres within the co-evolutionary process are brought together into some sort of working whole. The more capital accumulation can be captured within its borders, the richer the state becomes. State management of the co-evolutionary process emerges as a goal of governance. (2010, p. 197)

This competitive pressure, as I have argued in the previous section, is not the product of the financial crisis itself; especially under conditions of crisis, however, capturing flows of capital is directly perceived as a state mechanism of paying the debt. Indebtedness, fiscal constraints, and “restructuring” are therefore reinforcing the strategy of both cities and the countryside to attract investments.

Competition between states, cities and regions for the attraction of capital produces a regime of governing which involves, according to Swyngedouw, Moulant and Rodriguez (2002, p. 556), “the subordination of formal government structures to new institutions and agencies, often paralleled by a significant redistribution of policymaking powers, competencies, and responsibilities”. Theirs (2002, p. 556) is an analysis of new geographies of power stemming from large-scale development projects in the urban sphere, where “quasi-private and highly autonomous organisations compete with and often supersede local and regional authorities as protagonists and managers of [urban] renewal”. If this is the case in the urban, the situation is not dissimilar in rural and semi-rural settings. In the context of this study, I have examined how private organisations handling private (and public) property in order to promote “national interests” (such as InvestInGreece and EnterpriseGreece) can overpower, as I examined in Chapter Eight,
town and regional councils (and their increasingly “consultative role”) with “strategic” investments. Even more striking than the role of strategic investments as projects which are granted exceptional powers is their pairing with exceptional, loosely regulated *spatial plans* (such as the ESHASE Plan in Cape Sidero). The latter can supersede, as I demonstrated in Chapter Eight, planning rules and regulations which apply to entire regions.

What happens at a national level, however, and the changes in the *formal* hierarchical relations between institutions, are not enough to explain the mechanisms of dispossession, and the national state should not be assumed to be a monolithic agent—nor should it be blurred with the municipality (the local government). Despite the increasing subordination of regional plans and municipal and regional councils to national institutions in their official capacity, Sitía’s case has shown that it becomes the duty of not only every individual, but of every region to contribute to the task of attracting capital flows through investments on land. This obligation defines the relationship between the municipality and the central state. Marina’s phrase (the Vice Governor of Lasithi) encapsulates this dynamic on a regional scale: “the state has invested in this place, so this place is responsible for delivering back” (Int.14, see Chapter Nine). The relationship between the state on a national scale and the municipality (or the region) is, therefore, also a relationship of negotiation and exchange. In other words, if the state has provided basic infrastructure, a hospital, decent roads etc. (which, in Sitía, it has not), paving the way for and facilitating investments on land is perceived by the municipality as the way to “deliver back”. Changes on a national scale, therefore—along with the ideological narrative that accompanies them—have to be adopted, instigated, negotiated and contested by state mechanisms locally as well. I argue that these two points combined—the limitation of the participation of local and regional authorities in the *official* decision-making, but the expectation that they will promote any investment in any way they can—leads to a redefinition of their role, and indeed, of the ways they enable land-deals.

This reflects Neil Brenner’s (2004) argument about *rescaling* as a fundamental part of the remaking of the state towards a growth-oriented and competitiveness-driven direction imposed since the 1970s. Under this “entrepreneurial turn”, I argue that not only cities and city-regions, as Brenner (2004, p. 2) argues, but also rural areas should not be treated as “mere subunits of national administrative systems”: they are an essential part of the state’s *rewarking* on a national level. In Sitía, the decreased official participation of the local governmental authorities pushes them to mobilise hegemonic mechanisms of coercion, or to become, in some cases, investment partners of some sort (such as, for
instance, the case of Sitía’s Mayor participating in the Foundation’s Administrative Council). Forging relationships with local officials outside the established networks of accountability and democratic control becomes, therefore, the investors’ strategy as well. While the investors have funds for research and expert legal teams, as Danae puts it (Int.6),

they [the local officials] act as an intermediary link...after all, they are the ones who know the place here, they know the land...they have the know-how. Strangers come to Greece more reluctantly...while the natives know the system better, they sort out things with the Forestry Commission, they chase the licenses up.

In a dialectic relationship between individual agency and structure, decisions of governmental officials and employees are being motivated by and produced through a combination of lack of funds and understaffing (such in the case of the Archaeological Commission); the failure and inability to perceive and conduct research on alternatives; (indications of) acts of micro-corruption, self-interest seeking, and bribery; and finally, the genuine urge to serve the “public good”. Defining, serving and naturalising the latter, as I have argued following Bourdieu (1994) and his concept of the “bureaucratic field”, mobilises changes in the way that the state uses its symbolic power:

If the state is able to exert symbolic violence, it is because it incarnates itself simultaneously in objectivity, in the form of specific organisational structures and mechanisms, and in subjectivity in the form of mental structures and categories of perception and thought. By realising itself in social structures and in the mental structures adapted to them, the instituted institution makes us forget that it issues out of a long series of acts of institution (in the active sense) and hence has all the appearances of the natural. (Bourdieu, 1994, p. 4, original emphasis)

The redefinition and naturalisation of attracting investments as a new form of “public good” is crucial, as it helps explain why local governments, similarly to the state on a national level, generally favour land acquisitions despite being close to local interests (and, in a place of Sitía’s size, despite probably knowing the landowners personally). As attracting investments becomes by default beneficial, the investors themselves become by default benefactors. This highlights the re-emerging role of private capital and investors as sponsors, and the promise that fixing capital in space automatically results in employment and public infrastructure. It is important to note that the role of sponsors, local and foreign, has been extremely important in the post-war reconstruction of the country and therefore holds a particularly influential position in the people’s collective memory. In Sitía, the support of the local administration for both tourism and energy investments results from the pressure on them to “do good” by attracting investors and giving them land. This pressure is exerted on the local community as well, as the locals are being encouraged (and enforced through local networks of power) to shift the focus
of their labour practices from first-sector, mainly agricultural activities, and small-scale tourism (land-based practices which have so far been crucial—primary or parallel—sources of income, as I discussed in Chapter Four), to participating actively in facilitating large-scale “entrepreneurship” in their region—or to at least abstain from resisting the appropriation of their land.

This is more obvious in the case of tourism, and the transformation of landscapes of production into tourist habitats. Rent is the primary source of profit in the tourism industry, and with the latter being rapidly turned into a “heavy” industry for the national economy, so is the push towards rentier capitalist relations established on land. The question of access to this land of monopolistic quality, as I have discussed in Chapter Six, will subsequently, I believe, become increasingly relevant. Despite the pressure exerted on the region’s land, the production of Sitía’s landscape as a site to be consumed by others is a logic that has without doubt permeated both the local “authorities” and the local community. As I have stressed throughout this thesis, the circulation of capital, in its dialectic tension between volatility and fixity, is crucial for capitalism’s spatio-temporal fixes. As Don Mitchell (1997, p. 304) puts it, “for capital to be free, it must also be fixed in place”, and therefore local governments compete for the see-saw movement of capital, which circles the globe for profitable opportunities, to swing towards their place. This competitive pressure, as Mitchell argues,

allows local officials, along with local business people and property owners, to argue that they have no choice but to prostrate themselves before the god Capital, offering not just tax and regulatory inducements, but also extravagant convention centers, downtown tourist amusements, up-market, gentrified restaurant and bar districts, and even occasional public investment in such amenities as museums, theaters and concert halls […]. Image becomes everything. When capital is seen to have no need for any particular place, then cities do what they can to make themselves so attractive that capital—in the form of new businesses, more tourists, or a greater percentage of suburban spending—will want to locate there. If there has been a collapse of space, then there has also simultaneously been a new, and important reinvestment in place—a reinvestment both of fixed (and often collective) capital and of imagery. (1997, p. 304, original emphasis)

Overall, (re)investing in place and its imagery, controlling the definition of “public good” through symbolic violence, and (re)commodifying land through its control by or incorporation in the public domain are all state affairs. Contrary to the idea that it is the market mechanisms alone that allocate land uses and define property relations on land, as frequently assumed by economists and planners, this study reaffirms the control of the state over what happens to land across different spatial scales. This argument follows “transformationist” approaches to state theory, which advance the idea that
states are not dismantled under contemporary capitalism—they are qualitatively transformed (see Brenner, 2004). The state of dispossession protects (or fails to protect) property rights; decides what parts of the land are worth protecting (i.e. environmentally or archeologically) and what this protection means; allocates land uses and decides what kind of spatial plans can be applied where; decides the hierarchical relation between these spatial plans; and promotes, officially or not, the appropriation of land for investments from below.

10.4. Dispossession and the “land reserve”

Finally, in this thesis I have been looking at investment plans, yet these are still, I have argued, cases of dispossession. This brings forward a crucial subsequent observation: the fact that the investments’ inconclusive nature is a part of the process of dispossession. In Cape Sidero, the investing company owes its very existence to building the expectation of a luxury touristic resort alone. Even if the land’s full potential for profit-making has not been realised, and the rent gap has not yet been closed, this land-deal alone has produced a landscape which has been “on hold” for almost thirty years—a landscape with a very uncertain future. Similarly, the energy plans on the mountains—which are modified, merged, “hybridised”, and are waiting for the most convenient legislative framework to be completed—presuppose the dispossession of multiple stretches of highly fragmented land, a strategy which is a necessary step in the investors’ “rush” to secure production licences. Property relations change on these stretches of land, but investments will not be implemented on all of them. These two cases in Sitía show that the dispossession of land does not necessarily lead to immediate land-use changes: it can constitute an important step in the task of attracting the investment of capital, but it does not guarantee that this capital will be fixed. Previous investment ventures in the area, such as the Dionysos Village, show that when capital is partially fixed and moves out, it can “leave[s] behind a trail of devastation” (Harvey, 2002, p. 66).

The dynamics of Harvey’s “spatio-temporal fixes” can, in this sense, contribute to the production of spatio-temporal gaps where and when these fixes fail: in its jumping movement, capital does not incorporate all places (Ferguson, 2006; N. Smith, 2008b) and all people (Li, 2012). If the latter are turned into a “labour reserve” or a “surplus population” (Glassman, 2006; Harvey, 2003b; Li, 2012), the former are transformed into latent investment sites. I argue that they form, in this sense, a “land reserve”. Political economic research should pay more attention to what happens to the
landscapes where capital’s “fixes” never happen, are based entirely on speculation, are never completed, or simply go wrong. In land markets, with risk comes opportunity. But with risk also comes uncertainty. It is precisely the uncertainty of where capital is going to be fixed, and its rapid turnover, that has submerged Sitía’s mountainous and coastal landscape and its inhabitants to a “state of captivity”. They cannot go back, and they cannot go forward. If this view of captivity itself is conflicted, as I examined in Chapter Nine, it is because the answer to whether capital being fixed in a specific place is good for that place or not is not an easy one. It can have very different effects that depend on the socioeconomic structure of the place and the kind of capital that is fixed, and the changes in property relations it necessitates. The uncertainty of where and when capital will be fixed has, however, one certain effect on the landscape: it perpetuates the idea that the land, “empty” and underperforming in rent-generating terms, presents a great opportunity for profit-making.

Dispossession can transform property relations on land—and the productive networks of labour on it—into a terrain of which the sole mission is the attraction of capital. The outcomes of land dispossession might not be immediately visible in the way the landscape looks, or in the use that has been assigned to it. This insight reaffirms the need for research which emphasises the transformations of property relations on land themselves, and the idea that dispossession is a process which relies on the past and is based on future expectations. The study of transformation in landownership regimes, and regimes of land dispossession, therefore, and the evaluation of the effects of such ongoing dynamics on the landscape and its people, requires a much longer-term approach than this dissertation can offer. So does the study of the changing spatial strategies of the state across different scales, as discussed above. In other words, it remains to be seen what Sitía’s landscape will look like in the future.

This brings us to a final conclusive observation: this future can be shaped, and it is subject to policy. Changes in longstanding landownership regimes can be positive, and the transfer of the control and ownership of private land to the state can work for the public good: it all depends on the role the state assumes as landowner, and on the way it uses its land resources. This is why acknowledging the political nature of dispossession is crucial, contrary to economistic approaches. Apart from engaging with critical geographical scholarship in the ways described above, expanding our knowledge of why and how states, investors and local elites dispossess is a fundamental step in challenging both the causes and the mechanisms of this dispossession. In Greece, the neoliberal state forcibly appropriates land for exchange values, it hands it over to large-scale investors (at times almost for free), and it grants them with exceptional rights. As the national state is currently working towards the completion of a National Cadastre and
a national registry of forest maps, understanding why and under which criteria land is classified and categorised, and how property relations on it change, is, I would argue, extremely timely.

The appropriation process is not uncontested, and the struggles over land and resources need to be informed—this study is but a small contribution to this task. In Gramsci’s philosophy of praxis, however, critically knowing is inextricably paired with doing: “one must also be able to do in order to know more adequately” (Thomas 2009, p. 123, cited in Calvário et al., 2017, p. 72). In Sitía, environmental groups and locals in danger of losing their land have continuously challenged large-scale land-deals legally. In Halkidiki, in northern Greece, the resistance against gold mining and its severe environmental effects on the land have evolved into a broader anti-austerity movement (Calvário et al., 2017). Stretching well beyond Greece, progressive struggles against accumulation by dispossession are taking place across both the global North and South (Harvey, 2003b). Land frequently lies at the heart of these dynamic processes, and it should serve as one of geography’s primary vehicles in the study of political economy. Understanding its power should not be underestimated.
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260


262


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Appendices
Appendix A: List of Research Participants

<table>
<thead>
<tr>
<th>No.</th>
<th>Pseudonym</th>
<th>Identity</th>
<th>State/State-related</th>
<th>Activist</th>
<th>Monastery/Foundation</th>
<th>Company/Company-related</th>
<th>Other</th>
<th>Type of Interview</th>
<th>Location</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Artémis</td>
<td>Owner and editor of “Nea Eparhia” (local newspaper)</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>Face-to-face, recorded</td>
<td>Sitía</td>
</tr>
<tr>
<td>2</td>
<td>Oríonas</td>
<td>Member of the “Environmental Group of Palékastro”, former elected member of the Town Council of Sitía (opposition)</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>Face-to-face, recorded</td>
<td>Palékastro</td>
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<tr>
<td>3</td>
<td>Sophía</td>
<td>Member of the Technical Chamber of Eastern Crete, member of “Ecological Group of Heráklion” and “EcoCrete”, architect engineer</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>Face-to-face, recorded and notes</td>
<td>Heráklion</td>
</tr>
<tr>
<td>4</td>
<td>Dimitris</td>
<td>Employee of the Municipality of Sitía, (responsible for Sitía’s Geopark), former member of the “Ecological Group of Sitía”, agriculturalist</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>Face-to-face, recorded and go-along trip</td>
<td>Sitía</td>
</tr>
<tr>
<td>5</td>
<td>Mayor</td>
<td>Mayor of Sitía, president of OAS (the Development Organisation of Sitía), member of the AC of “Panagia Akrotiriani” (the Foundation), civil engineer</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>Face-to-face, recorded</td>
<td>Sitía</td>
</tr>
<tr>
<td>6</td>
<td>Danae</td>
<td>Elected member of the Town Council of Sitía (opposition), member of the “Pancretan Network Against Industrial RES”, hotelier</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>Face-to-face, recorded</td>
<td>Kato Zákros</td>
</tr>
<tr>
<td>7</td>
<td>Tássos</td>
<td>President of Hoteliers Association of Sitía, member of the AC of “Panagia Akrotiriani”, member of the Management Committee of the Geopark of Sitía</td>
<td></td>
<td></td>
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<td>Face-to-face, recorded</td>
<td>Sitía</td>
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<td>8</td>
<td>Illías</td>
<td>Employee at the Directorate for the Environment of Lasithi (responsible for Environmental Impact Studies)</td>
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<td>Neapoli</td>
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<td>9</td>
<td>Háris</td>
<td>Elected member of the Town Council of Sitía (opposition)</td>
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<td>10</td>
<td>Themis</td>
<td>President of the “Pancretan Network of Environmental Groups” (EcoCrete), elected member of the Regional Council of Lasithi, farmer</td>
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<td>Face-to-face, recorded</td>
<td>Heráklion</td>
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<td>State/State-related</td>
<td>Activist</td>
<td>Monastery/Foundation</td>
<td>Company/Company-related</td>
<td>Other</td>
<td>Type of Interview</td>
<td>Location</td>
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<td>11</td>
<td>Emílios</td>
<td>Member of ‘Ecological Group of Sitía’, member of ‘Pancretan Network of Environmental Groups’ (EcoCrete), former elected member of the Regional Council of Lasíthi, civil engineer</td>
<td>✓</td>
<td>✓</td>
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<td>Face-to-face, recorded</td>
<td>Roussa Ekklisia</td>
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<td>12</td>
<td>Xenóphon</td>
<td>Landowner in Sitía, engineer</td>
<td>✓</td>
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<td>Sitía</td>
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<tr>
<td>13</td>
<td>Nicolla</td>
<td>President of the Trade Association of Sitía, owner of a small business</td>
<td>✓</td>
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<td>Sitía</td>
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<tr>
<td>14</td>
<td>Marína</td>
<td>Vice Regional Governor of Lasíthi, civil engineer</td>
<td>✓</td>
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<td></td>
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<td>Face-to-face, recorded</td>
<td>Sitía</td>
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<tr>
<td>15</td>
<td>Méniós</td>
<td>Resident of Sitanos, owner of kafenia, farmer</td>
<td>✓</td>
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<td>Sitanos</td>
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<td>16</td>
<td>Loukás</td>
<td>Landowner in Sitía</td>
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<td>17</td>
<td>Louisa</td>
<td>Employee of “Loyalward Hellas”</td>
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<td>Palékastro</td>
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<td>18</td>
<td>Stéfanos</td>
<td>Former community leader of Palékastro, member of the AC of “Panagia Akrotiriani (the Foundation), land broker for a solar thermal plant investment in Sitía’s area of Fourniá</td>
<td>✓</td>
<td>✓</td>
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<td>Palékastro</td>
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<td>19</td>
<td>Marílena</td>
<td>Employee of the Department of Agricultural Production, Regional Unit of Lasíthi</td>
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<td>Face-to-face, recorded</td>
<td>Sitía</td>
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<tr>
<td>20</td>
<td>Stávros</td>
<td>Former Mayor of Itanos, civil engineer</td>
<td>✓</td>
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<td>21</td>
<td>Nikifóros</td>
<td>Vice Mayor of Sitía and President of DOKAS (Municipal Sociocultural Organisation of Sitía)</td>
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<td>22</td>
<td>Oréstis</td>
<td>Member of the “Pancretan Network Against Industrial RES”</td>
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<td>Kritsa</td>
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<td>23</td>
<td>Abbot/Father Stamatios</td>
<td>Abbot of Toplou Monastery, member of the AC of “Panagia Akrotiriani (the Foundation)</td>
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<td>Toplou Monastery</td>
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<td>Kátiá</td>
<td>Archaeologist in the Prefecture of Lasíthi, working on short-term contracts for the Ministry of Culture</td>
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<td>✓</td>
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<td>Myrcene</td>
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<td>25</td>
<td>Símos</td>
<td>Landownership lawyer in Sitía</td>
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<td>Monastery/Company-related</td>
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<td>26</td>
<td>Mános</td>
<td>Landowner in Sitía, teacher of Environmental Education (Secondary Education), farmer, Doctor in International Politics, one of the main journalists in the online local newspaper “Sitíapress”</td>
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<td>Face-to-face, recorded</td>
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<td>27</td>
<td>Néstoras</td>
<td>High position in the department of Protection, Administration and Management of Forests in the Decentralised Administration of Crete</td>
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<td>Face-to-face, recorded</td>
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<td>28</td>
<td>Nikos</td>
<td>Landowner in Sitía, member of Sitía ‘s Speleological Group</td>
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<td>Face-to-face, recorded</td>
<td>Sitía</td>
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<td>29</td>
<td>Lambros</td>
<td>Employee of the Municipal Water Service, farmer, landowner</td>
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<td>Face-to-face, recorded</td>
<td>Ano Zákros</td>
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<td>30</td>
<td>Zéis</td>
<td>Vice President of Environment and Spatial Planning Committee, Region of Crete</td>
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<td>Face-to-face, recorded</td>
<td>Sitía</td>
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<td>31</td>
<td>Fánis</td>
<td>Head of Geodiversity Department of the Natural History Museum of Crete, Coordinator of UNESCO Geoparks in Greece</td>
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<td>Heráklion</td>
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<tr>
<td>32</td>
<td>Pávlos</td>
<td>Regular member of the Committee on the Environment and Spatial Planning of the Region of Crete, elected member of the Regional Council of Chaniá, researcher at the National History Museum of Crete</td>
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<td>Face-to-face, recorded</td>
<td>Heráklion</td>
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<td>33</td>
<td>Thános</td>
<td>Director-general of OAS (Development Organisation of Sitía), president of Katsidóni</td>
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<td>Face-to-face, recorded</td>
<td>Katsidóni</td>
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<td>34</td>
<td>Aléxis</td>
<td>Landowner in Myrcene, agriculturalist and farmer</td>
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<td>Myrcene</td>
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<td>Márkos</td>
<td>Chairman of the Cultural Association of Sítanos</td>
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<td>Face-to-face, recorded</td>
<td>Sítanos</td>
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<tr>
<td>36</td>
<td>Yánnis</td>
<td>Landowner in Sítanos, small-scale tourist investor</td>
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<td>37</td>
<td>Sara</td>
<td>Landowner in Sítanos</td>
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<td>Face-to-face, notes</td>
<td>Sítanos</td>
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<td>38</td>
<td>Tánya-Terna</td>
<td>Terna Energy representative, Director of Hydroelectric Projects</td>
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<td>Face-to-face, recorded</td>
<td>Athens</td>
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Appendix B: Map of Crete and Key Locations of Interest

Edited by the author, using background map from https://www.openstreetmap.org.