

## Greek presidential vote commentary

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The outcome of the first vote in Greek Parliament for the election of a new President of the Hellenic Republic was worse than expected *i.e.*, 160 in favor votes vs. 163 to 167 reportedly expected by the government and 200 required for electing the presidential nominee. The number of *no* votes totaled 135, while 5 deputies were absent from the voting procedure; one from SY.RI.ZA's parliamentary group and four independents including, one ex-Independent Greeks MP, one ex-ND and two ex-Golden Dawn parliamentarians (see table below).

Out of the group of independents who voted "present" *i.e.*, casted a negative vote, two MPs, Messrs. G. Kourakos and P. Melas, left the door ajar for a possible switch into the "yes" camp, with the latter being quoted as saying that he would vote in favor of the presidential candidate, provided that the following conditions are met: a) formation of a "national unity" government to negotiate a new debt relief package and proceed with the implementation of a constitutional reform; and b) identification of a specific date for a new national election. As for the five deputies who were absent from y-day's voting procedure, the one belonging to SY.RI.ZA's parliamentary group stated that if she were present she would cast a negative vote; two were reportedly thought to vote in favor and two ex-Golden Dawn Parliamentarians, for whom there is considerable uncertainty as regards their deliberations ahead of the final vote.

As a reminder, Article 32 of the Greek constitution incorporates up to three separate ballots for the election of a new President. In the first two, a 2/3<sup>rd</sup> majority of the total number of MPs is required *i.e.*, 200 in-favor votes. If both fail to elect a new President, a third and final ballot requires 3/5<sup>ths</sup> majority *i.e.*, 180 "yes" votes. In case that the latter vote also fails to produce a qualified majority, Parliament is dissolved within ten days and general elections are called. Article 53 of the Constitution requires that general elections are held within 30 days from the dissolution of Parliament, with the new assembly convening in a regular session within another 30 days. The 2<sup>nd</sup> and 3<sup>rd</sup> parliamentary votes for the election of President are scheduled for 23<sup>rd</sup> and 29<sup>th</sup> of December. Furthermore, the most likely date for a snap national election would reportedly be January 25, 2015.

As demonstrated by yesterday's result, the arithmetic of the Greek presidential ballot remains difficult and unpredictable to say the least, as the government has to lure an additional 20 yes votes during the last voting round, so as to have their nominee being elected by the present Parliament. To that aim, a number of additional positive votes need to come from the group of independents as well as two smaller opposition parties; namely, Independent Greeks and Democratic Left. No KKE deputy is expected to breach the party line and cast a positive vote, while it is highly uncertain whether any of the Golden Dawn PMs will also deviate and switch into the yes camp. Note that seven Golden Dawn MPs, including party leader Nikos Michaloliakos, were granted temporary leave from pre-trial custody to attend yesterday's Parliament session, with all of them following the party line and voting "present" *i.e.*, against the presidential nominee.

According to some domestic political analysts, Prime Minister Antonis Samaras needs to make a major move ahead of the final vote in Parliament, if he wants to realistically increase the chances of a positive outcome. A number of possibilities are currently being speculated in the local media,

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ranging from a replacement of the presidential nominee (thought opposition to his election currently appears to be mainly resting on policy-related considerations) to an initiative to reach a broader consensus on the presidential vote and, in return, agree to the formation of a national unity government to handle a number of crucial issues. These include an agreement with official lenders on the present program review, a post program precautionary credit facility and a new debt relief package. At this point, it remains highly uncertain whether the next several days will see any significant change in the balance of positive and negative votes or whether the government will make any surprise move aiming to increase the presidential election chances.

**Note:** For additional analysis on some of the aforementioned issues, please see *Greece Macro Monitor, "Limited room for significant deviations from current policies"*, Eurobank Global Markets Research, December 17, 2014.

**Table - 1<sup>st</sup> parliamentary vote for the election of a new President of the Hellenic Republic  
(160 "yes"; 135 "no"; 5 absent)**

Party/Parliamentary group	# of seats	Outcome
New Democracy (ND)	127	127 "yes"
PA.SO.K	28	28 "yes"
SY.RI.ZA	71	70 "no" 1 absent
Independent Greeks	12	"no"
Democratic Left	10	"no"
Golden Dawn	16	"no"
KKE	12	"no"
Independents	24	5 "yes"
		15 "no"
		4 absent

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