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Greeks have lost confidence in their politicians

After the last bailout programme for Greece has ended, the recovery of the country looks still uncertain

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Monday, 20 August 2018, was the final day of Greece's third successive bailout programme, a period of financial aid stretching back to 2010. Prime Minister Alexis Tsipras, addressing his country from the island of Ithaca, proclaimed 'a day of redemption' - comparing Greece's plight to Odysseus's ten-year voyage home after the Trojan war. European leaders have also heralded Greece's exit from the financial assistance programme as the end of the eurozone's long financial crisis.

However, Greek citizens are still suffering hardships: massive debts, high unemployment, low pensions and wages. In addition, the IMF shows itself sceptical about the growth potential of the Greek economy. All of these problems will play a huge role in the run-up to the next Greek elections, taking place on 20 October 2019.

Joanna Itzek spoke to Ulrich Storck in Athens about the end of the bailout programmes, the plight of ordinary Greeks and the future of the country.

The head of the European Financial Stability Facility has described Greece's conclusion of the financial assistance programme as 'great news'. Are you equally optimistic?

Of course the politicians who bailed out Greece by investing nearly €300bn along with their own political capital are peddling the programme as a success. After all, it's their 'success', too. Otherwise they'd have to admit that they have failed. And this not only true for officials in Brussels and Berlin, but also the Greek government in Athens. When Greek Prime Minister Tsipras posed before a historic backdrop to proudly announce that the country's 'odyssey' had ended, he revealed his campaign logic: His claim to be the one who freed

Greece from the yoke of international creditors is his best argument to help him overcome the conservatives' 10 per cent lead until the elections.

Unfortunately the situation is not that simple: True, national bankruptcy, a Grexit and a euro crash were averted. Also true: Greece is more deeply indebted than ever. Repayment has been considerably deferred – once again. But that creates a heavy burden for the future. In the coming years we will see whether, despite that weight, the country can stand on its own feet economically – as the EU optimistically proclaims – or whether the lack of growth potential makes that impossible – as the IMF forecasts.

What is actually changing for Greek citizens after the end of the financial assistance programme?

At the beginning of the week, nobody in Greece was thinking about celebrating because no one expects anything to change with the end of the bailout. However, the media buzz has made ordinary Greeks ask: Where exactly did all those billions go? Did we get any of them? Not a cent. Instead, taxes and contributions increased, wages fell, public services deteriorated and jobs were destroyed. The population has absolutely no more confidence in their own politicians. Although Greek policy-makers were able to shift the burden of responsibility onto foreign creditors over the past few years, almost nobody expects political leaders now to make any tangible political changes.

What does this loss of trust mean for Greece's future?

The issue of trust is crucial to the country's development. In the future, no bureaucrats in Brussels will determine Greece's financial situation: Instead, the markets will do that. If reforms are carried through despite the lack of pressure from outside the country, citizens, companies and financial markets will begin to feel trust. Investment is essential for creating growth – and jobs. Responsible policy-makers would institute incentives and combat risks such as legal and fiscal uncertainties. Although creditors will still impose tight constraints, the Greek government should initiate well-regulated investment programmes.

If Greece becomes transparently and honestly governed, international partners and investors will be able to take a fresh look at the country. After all, Greece is a geostrategic, stabilising partner in a dicey neighbourhood. Unfortunately, the Prime Minister's polarising remarks celebrating the end of the bailout indicate that party political and special concerns will continue to be placed above the national interest – and that it is Greek political culture that will stand in the



Ulrich Storck
Berlin

Ulrich Storck is director of the Friedrich-Ebert-Stiftung's office in Delhi. He has previously worked for the FES in the United Kingdom, Greece, Guinea, the West Balkans, Central America and Morocco. He studied economics, psychology and development policy in Frankfurt, Montpellier, Hamburg und Berlin.