

## Sisyphian Tactics and Manoeuvring of the Greek Debt Crisis Post-2015: A Dead-end Crisis Management Paradigm

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# Sisyphean Tactics and Manoeuvring of the Greek Debt Crisis Post-2015: A Dead-end Crisis Management Paradigm

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## ABSTRACT

The field of crisis management in public policy (both in its internal and external aspect) is currently facing a number of essential and important challenges with theoretical, institutional and political dimensions. This paper aims at deconstructing existing limitations by bringing together the necessary inter-disciplinary elements. The paper attempts to analyze Greek public policy and the government's capacities to cope with a turbulent (geo)political environment. At the same time, an effort is made to analyze the way the Greek political personnel managed the debt crisis. In this context, the discussion combines both theoretical and empirical approaches.

**Keywords:** Crisis Management, Greek Debt Crisis, Crisis, Paradigm, Sisyphus

## Yunan Borç Krizine Sisifos Taktik ve Manevrası: Bir Çıkmaz Kriz Yönetimi Paradigması

## ÖZET

Günümüzde, kamu politikalarında kriz yönetimi (hem iç hem dış yönleriyle), kuramsal, kurumsal ve siyasi boyutlara sahip ciddi zorluklarla karşı karşıya kalmaktadır. Bu çalışma, disiplinler arası bir bakış açısıyla ve ilgili disiplinler arası unsurları bir araya getirmek suretiyle var olan kısıtları parçalara ayırarak ortadan kaldırmayı amaçlamaktadır. Çalışma, Yunan kamu politikalarını ve Yunan hükümetlerinin çalkantılı jeopolitik ortamla baş etme kapasitelerini hedeflemektedir. Bu bağlamda, çalışma aynı zamanda Yunan siyasa yapıcılarının borç krizi ile nasıl mücadele ettiklerini de ele almayı da amaçlamaktadır. Bu çerçevede, çalışmada ele alınan konular kuramsal ve ampirik yaklaşımlarla irdelenmektedir.

**Anahtar Kelimeler:** Kriz Yönetimi, Yunan Borç Krizi, Kriz, Paradigma, Sisifos

## Introduction

The complexity of financial crisis that swept the world after 2007 and lasted in most cases up to the mid-2010s has been a great challenge that tested structures, resources and roles at every level of national, regional and global decision making and institutional setting. And while in most cases the structures endured and the crisis was overcome, the Greek case can be seen as a crisis management failure of paradigmatic proportions.

In the Eurozone crisis, “EU governments had to provide emergency loans to banks or to take on their debt in order to prevent them from going bankrupt and harming the rest of the economy.”<sup>1</sup> The nature of the EU structures and the perennial question about its democratic credentials (or deficit) has made it hard to respond to the prospect of a collapsing banking sector. The crisis rapidly developed to “not only a banking crisis but also a sovereign debt crisis, as governments in several Eurozone countries struggled to find the funds to rescue their insolvent banks.”<sup>2</sup>

When financial markets targeted Greece, Ireland, Portugal, and Cyprus, the option was either to receive an emergency funding or to withdraw from the euro. Since the latter was out of the question, austerity, cost cut and reduction of salaries were a one-way direction, which came after Germany’s decision to impose strict measures to the aforementioned states. These *sine qua non* conditions were the first step towards the establishment of a permanent bailout mechanism, through the redesign of the EU treaties. The crucial step towards this direction was through changes in the operation of the European Central Bank (ECB) and “gradual progress toward an eventual EU banking union.”<sup>3</sup>

Such transformation came at a cost. Criticism about the EU’s *acquis* and social cohesion was at the frontline of the emerging debate in the European public sphere. In the Eurozone, the northern economies were expected to provide bailout funds to rescue their partners in the European south. In such a context, the debate was polarized and bitter. For the North, the South was fiscally irresponsible, and for the South, the North had locked the southern member states “into a currency union that made their firms uncompetitive.”<sup>4</sup>

Years of unrestrained spending, cheap lending and a failure to implement financial and administrative reforms left Greece badly exposed. As the “dust settled, it emerged that Greece is teetering on the brink of default as it faces debts of over \$500 billion. It has become reliant on international funds to make repayments.”<sup>5</sup> The supporting packages assumed Greece would eventually

1 Andrew Glencross, *Politics of European Integration: Political Union or a House Divided?*, UK, Wiley-Blackwell, 2014, p.285-309.

2 Ibid.

3 Ibid.

4 Ibid.

5 Barry Neild, “Europe’s scramble to solve Greek crisis”, *CNN*, 21 July 2011, <http://edition.cnn.com/2011/BUSINESS/07/21/euro.greece/index.html> (Accessed on 16 February 2018). Also according to Neild: “...to be fair, Greece isn’t standing idly by. It has already imposed hugely unpopular austerity measures against an explosive backdrop of public discontent. It is also taking drastic steps to ease its debt burden by selling off numerous assets. It is looking at an extensive privatization program that could see it unload prized assets including stakes in banks, railways, utility firms, ports and the postal service. There is also a plan to offload Hellenikon, Athens’ former international airport. Other measures include floating Olympic and tourism property assets on the stock exchange and issuing gaming licenses. The target is to raise about \$71 billion by 2015.”; See also Kostas A. Lavdas (eds.), *Stateness and Sovereign Debt: Greece in the European Conundrum*, NY, Rowman & Littlefield, 2013; and also E. R. Vickstrom, “Implosion in Greece? An analysis of the Greek debt crisis and its impacts on Europe and world markets”, Unpublished M.A. Thesis, Urbana, Illinois, University of Illinois, 2012.

be able to return to the markets. Such an expectation soon proved to be unrealistic and other rescue measures became necessary.<sup>6</sup>

In addition, at a crisis management level Greek governments and political personnel failed miserably to implement the structural reforms needed to reboot economic competitiveness, whilst the citizenry was condemned to a never ending austerity. The failure to end the privileges for politically well-connected groups<sup>7</sup> meant that the more vulnerable, poor and less privileged social strata would shoulder the burden of adjustment.

In the following pages a brief theoretical context is offered. Then, the failure of the SYRIZA-ANEL post-2015 government to secure a debt relief or restructuring agreement although it conceded everything in terms of the demands made by the EU institutions and the IMF manage the crisis is discussed. As elsewhere in Europe, the win of radical left SYRIZA was a vivid demonstration of “a populist desire to punish ruling elites and to shift the balance of power away from the technocrats of the hated ‘troika’, and back to elected politicians accountable to Greek citizens and no one else.”<sup>8</sup>

## A Note on Crisis Management

In Greek mythology Sisyphus is being punished for his self-aggrandizing craftiness by being forced to roll an immense boulder up a hill, only to watch it come back to hit him, repeating this action for eternity. Through the classical influence on modern culture, tasks that are both laborious and futile are therefore described as Sisyphean.<sup>9</sup> In addition to this, paradigm is a standard, perspective or set of ideas. A paradigm is a way of looking at something.<sup>10</sup> Hence, we shall analyse the ways in which the Greek crisis management of debt crisis proved to be a Sisyphean and dead-end paradigm.

Let’s start by remembering the fundamentals. Crisis management is more than ever an integral part of public policy. When news go viral almost instantly, organizations need to be ready to respond to any crisis quickly and efficiently, using all the available platforms.<sup>11</sup> What is more, the essence (of a crisis) itself provokes and underlines a kind of non-stability of the political and social life. As Ch. F. Hermann notes “a crisis is a situation that threatens the high priority goals of the decision-making unit, resists the amount of time available for response before the decision is transformed, and surprises the

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6 Barry Neild, “Europe’s scramble to solve Greek crisis”, *CNN*, 21 July 2011, <http://edition.cnn.com/2011/BUSINESS/07/21/euro.greece/index.html> (Accessed on 16 February 2018).

7 Stefanie Walter, “Here’s why it’s so hard to pull Greece out of its economic crisis”, *Washington Post*, 20 April 2016, [https://www.washingtonpost.com/news/monkey-cage/wp/2016/04/20/heres-why-its-so-hard-to-pull-greece-out-of-its-economic-crisis/?utm\\_term=.f8057f26fca6](https://www.washingtonpost.com/news/monkey-cage/wp/2016/04/20/heres-why-its-so-hard-to-pull-greece-out-of-its-economic-crisis/?utm_term=.f8057f26fca6) (Accessed on 15 February 2018).

8 Vicky Pryce, “How to fix Greece: a seven-point plan for economic salvation”, *Independent*, 30 March 2015, <http://www.independent.co.uk/news/world/europe/how-to-fix-greece-a-seven-point-plan-for-economic-salvation-10144753.html> (Accessed on 2 September 2017).

9 Mythweb, n.d., “Sisyphus”, <http://www.mythweb.com/encyc/entries/sisyphus.html> (Accessed on 13 September 2017); “Sisyphus”, *Encyclopaedia Britannica*, <https://www.britannica.com/topic/Sisyphus> (Assessed on 10 September 2017). According to Camus (Keefer, n.d.) “the workman of today works every day in his life at the same tasks, and this fate is no less absurd. But it is tragic only at the rare moments when it becomes conscious.”

10 OED Online, “Paradigm, n.”, *Oxford University Press*, <http://www.oed.com.libezproxy.open.ac.uk/view/Entry/137329?redirectedFrom=paradigm> (Accessed on 5 September 2017); See also T. F. Orman, “Paradigm” as a Central Concept in Thomas Kuhn’s Thought”, 2016.

11 “13 Golden Rules of PR Crisis Management”, *Forbes*, n.d., <https://www.forbes.com/sites/forbesagencycouncil/2017/06/20/13-golden-rules-of-pr-crisis-management/#73201de41bcf> (Assessed on 3 September 2017).

members of the decision-making unit by its occurrence.”<sup>12</sup> In this context, crisis management literature offers a variety of methods, approaches, and analytical assumptions.<sup>13</sup>

In essence, crisis management is the application of strategies designed to help an organization deal with a sudden and negative turn of events.<sup>14</sup> Consequently, planning and execution are considered the main stages of the crisis management process. According to the former, the crisis management unit displays its preparation readiness. This is a synthesis of a) establishing a framework of authority, b) setting up links among decision making centers, c) creating a group for crisis information, d) imposing the rules, e) simulating practice. In this direction, appeasement derives from the need to make structural changes in the state structures, law and procedures, and informing the public opinion. Also, prevention includes the anticipation of the potential crisis, the permanent actualizing of the information regarding potential crisis areas, analysing objective information on evolutions that can lead to crisis and the corrective intervention during the pre-crisis phase. As far as the second stage is concerned, response process demands to a) control the situation, b) overcome the initial shock, c) avoid rash and thoughtless decisions, d) activate networks, groups and experts for crisis information, e) formulate a core-position, f) elaborate an action plan, g) mobilize the decision makers.

As Tudor has shown, normalization and decision-making process are fundamental parameters in the crisis management vector.<sup>15</sup> They refer to crisis solving which is relevant to the need of administrating the system. It is also relevant to the coordination of public information (media and public sphere) and essentially to the appropriate use of experts and crisis managers. Finally,

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- 12 “If someone tries to give a definition to the meaning and context of crisis, he must have two different approaches in mind. The first is the libertarian, according to which crisis is a product of escalation and turbulence of reality facts. At the heart of this thinking lies the perception that crisis situations put national interest in danger and therefore state-mechanisms must be ready to handle these phenomena. According to the second one, which is more socialistic, our world is under the state of globalization. For this reason, according to Habermas (1962), there is a differentiation of the four spheres in social practicing. More than ever, Economy, Politics, Culture and Society have become more autonomous and independent from each other. In that sense, crisis emerges from the attempt of one sphere to invade the other.” Charles Hermann, *Threat, Time and Surprise: A Simulation of International Crisis*, 1972, <http://www.voxprof.com/cfh/hermann-pubs/Hermann-Threat,%20Time%20and%20Surprise%20%20A%20Simulation%20of%20International%20Crisis.pdf>, (Accessed on 16 September 2017).
- 13 According to this approach, the crisis’ circle or vector is divided into different phases, each with its own characteristics. The conflict cycle/vector is an ‘ideal type’ (such as Max Weber had proposed) and can also be viewed as a tool for crisis management, resolution and prevention. It contains: a) Potential Crisis: this phase is characterized by the presence of the underlying conditions or mobilizing factors that lead to a crisis emerging; b) Gestation of Crisis: this phase is characterized by some actors being mobilized towards conflict and by the occurrence of low-intensity repression; c) Mobilization of Crisis: this phase – often referred to as the ‘trigger phase’ – is characterized by a high degree of tension and confrontation between the opponent parties; d) Post-Crisis: in this phase nothing is stable, while the constant possibility of the crisis is re-emerging.
- 14 According to Rouse, crisis can occur as a result of an unpredictable event or as an unforeseeable consequence of some event that had been considered a potential risk. In either case, crises almost invariably require that decisions be made quickly to limit damage to the organization. For that reason, one of the first actions in crisis management planning is to identify an individual to serve as crisis manager. Other crisis management best practices include: Planning in detail for responses to as many potential crises as possible; Establishing monitoring systems and practices to detect early warning signals of any foreseeable crisis; Establishing and training a crisis management team or selecting an external crisis management firm with a proven track record in your business area; Involving as many stakeholders as possible in all planning and action stages. M. Rouse, “Definition Crisis Management”, *TechTarget*, October 2013, <http://whatis.techtarget.com/definition/crisis-management> (Accessed on 22 September 2017).
- 15 Gh. Tudor, “Crisis Management in International Relations”, *SlideShare*, 2004, <https://www.slideshare.net/Nostrad/crisis-management-in-international-relations> (Accessed on 15 September 2017).

normalization and decision-making process refer to the reversion of normal status. This combines both management and controlling the situation till the end of the crisis. There is no clear-cut answer to the question of what could be done against crisis situations in public policy. For this reason, the main areas of activities, both in crisis situations and in national interest areas should be acknowledged. That is:

- Readiness of the personnel and means of crisis management,
- Elaboration of the available scientific information for the mobilization of resources in case of crisis,
- Coordination of response and recovery actions in emergencies,
- Coordination of emergency planning actions at national and European level,
- Provision of scientific support to the programs, plans and actions in the field of crisis management,
- Monitoring and control of Planning implementation at regional and local level in cooperation with competent authorities,
- Proposing the distribution of state funds for national interest to the local authorities,
- Preparation of special reports for every major crisis. Revisions, amendment and improvement of existing proposals are included,
- Functioning of Crisis Management Operation Centres,
- Operation of a unit for the assessment of information on crisis forecasting and other precursory phenomena related with uncertainty, for the early notification and warning of the competent authorities and the general public.

According to these crisis management prerequisites and national interest goals, the key-issue is to redesign the requirements for gearing in crisis situations and similar circumstances.<sup>16</sup>

Before a crisis emerges, states, organizations and other actors should think how a crucial situation would impact citizens, the general public and their country's values. A crisis can strike any state company at any time, and anywhere. Advanced planning is key to survival. Therefore, the senior figures of a state should:<sup>17</sup>

1. Have a plan based on clear objectives (this written plan should include specific actions that will be taken in the event of a crisis).
2. Identify a spokesperson to answer media questions and participate in interviews.
3. Be honest and open under the state transparency and accountability.
4. Keep citizens informed by giving them the 'necessary' direction.
5. Communicate with the main actors and states with clear and profound strategy.

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16 The constraints on predictability, the ubiquity of uncertainty and the growing domains of inconceivability are imposing strict limits to the ambitions of planning and dictating some of its principal features. Under these circumstances, trying to go one level deeper means handling turbulent environments. This involves some combination of strategies, estimation of crisis steps and performance, all of them demanding redesigning in crisis management. That is, a kind of anticipatory adjustment which can predict how the environment is changing and can provide measures in advance to cope with new situations, including seizing novel opportunities.

17 Bruce Condit, "7 critical steps to crisis management", *INC*, 20 October 2014 <https://www.inc.com/bruce-condit/7-critical-steps-to-crisis-management.html> (Accessed on 28 October 2017).

6. Update early and often with emphasis on social media. ‘Remember that with today’s social media and cable news outlets, we live in a time of the 24/7 news cycle. Your crisis plan must do the same.’<sup>18</sup>
7. Another critical component of crisis management planning is the establishment of a succession plan, if suddenly the initial plan proves to be insufficient.<sup>19,20</sup>

In the case of the Greek public debt crisis, the aforementioned prerequisites were never really observed as the discussion in the next part shows.

## A ‘Hologram’ of the Greek Debt Crisis Negotiations under SYRIZA-ANEL

In the fall of 2009 the Greek Statistics Authorities announced that the budget deficit would be 12.9%, against the EU’s 3% limit, while later the figure was revised upwards to reach an even more staggering 15 plus percent. Rating agencies Fitch, Moody’s and Standard & Poor’s immediately lowered Greece’s credit ratings. In 2010, Greece announced a plan to lower its deficit to 3 percent of GDP in two years, with no success. The result was the highest bail out in history with the EU and the IMF securing a 240 billion euro loan under the most strict austerity measures imposed. The other option was Greece leaving the Eurozone and/or defaulting on its debt.<sup>21</sup> The process of adjustment was painful.<sup>22</sup> “By 2012, Greece’s debt-to-GDP ratio had risen to 175 percent, almost three times the EU’s limit of 60 percent. Bondholders finally agreed to a haircut, exchanging \$77 billion in bonds for debt worth 75 percent less.”<sup>23</sup>

On June 27, 2015, Greek Prime Minister Alexis Tsipras announced a referendum on a third loan and austerity package, after a six month period of ‘Sisyphian and dead end’ negotiations and

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18 Ibid.

19 Ibid.

20 13 Golden Rules of PR Crisis Management: 1. Take Responsibility, 2. Be Proactive, Be Transparent, Be Accountable, 3. Get Ahead Of The Story, 4. Be Ready For Social Media Backlash, 5. Remember To Be Human, 6. First Apologize, Then Take Action, 7. Monitor, Plan And Communicate, 8. Seek First To Understand The Situation, 9. Listen To Your Team First, 10. Develop Strong Organizational Brand Culture, 11. Turn Off The Fan, 12. Avoid Knee-Jerk Reactions, 13. Be Prepared.

21 “At the end of October euro-zone leaders summited in Brussels in an attempt to hammer out a lasting solution for both the Greek and the broader European debt crisis. German Pres. Angela Merkel and French Pres. Nicolas Sarkozy met privately with Greece’s creditors and engineered a bond swap that effectively cut the value of Greek debt in half. Only days after the plan was agreed upon, a firestorm of controversy erupted on October 31 when Papandreou announced his intention to submit the latest bailout plan to Greek voters in a referendum. Other European leaders, fearful that a no vote would render all their efforts moot and lead to dire consequences for the whole euro zone, were furious, and Papandreou’s actions and motives were questioned not just by the Greek opposition but by many within his own party. As accusations and recriminations flew, Papandreou cancelled the referendum after being assured of support for the bailout plan by ND leader Antonis Samaras, who nevertheless demanded Papandreou’s resignation.” See also Costas Simitis, *The European Debt Crisis: The Greek Case*, Oxford, Oxford University Press, 2016. Also we must keep in mind that “on November 11 Lucas Papademos—an adviser to Papandreou, and former vice president of the European Central Bank (ECB), who had overseen Greece’s adoption of the euro as the governor of the Bank of Greece—became interim prime minister at the head of a coalition government. An economist, Papademos was widely seen as someone who would approach the challenge as a technocrat.

22 In 2011, the European Financial Stability Facility added 190 billion euros to the bailout. Despite the name change, that money also came from EU countries.

23 Kimberly Amadeo, “What Is the Greek Debt Crisis?,” *The Balance*, 14 November 2017, <https://www.thebalance.com/what-is-the-greece-debt-crisis-3305525> (Accessed on 8 September 2017).

ideological obsessions.<sup>24</sup> On July 15th, the Greek Parliament approved the agreement with an overwhelming majority in a profound show of bipartisanship. On September 20th, 2015, Alexis Tsipras and his SYRIZA party 'won a snap election', which gave his coalition (with the extreme right Independent Greeks) government the mandate to continue to press for debt relief in negotiations with the EU while implementing the third and most painful 'memorandum' with unpopular reforms impacting every aspect of the public sector with the deepest ever cuts on pensions and incomes and the steepest tax hikes. Behind the acquiescence of this 'unholy' radical left and extreme right coalition and highly populist government were hopes that the EU (and Germany) would agree to restructure the 293.2 billion euro Greek Public debt. It took almost four years for an agreement on the Greek debt to be reached and it was nowhere close to the expectations of the Tsipras Government. In July 2017, Greece was able to issue bonds again. The plan still is to swap notes issued in the restructuring with the new notes as a move to regain investors' trust.<sup>25</sup>

It is more clear that the SYRIZA-ANEL government with its populist overtones and its inability to manage the crisis they themselves re-fuelled in 2015 failed miserably to secure any concessions. They approached the negotiations with the EU institutions and the IMF with an ideologically based voluntarism, a striking feature of populist groups and leaders. Ultimately, they acceded to everything put forward as terms by the creditors and their political 'capitulation' has been monumental. It became evident that they bet everything on a deal that would have included a generous debt restructuring. They failed to secure any meaningful agreement on debt sustainability. What the Athens failed to comprehend was that debt relief has been a toxic partisan issue in most Eurozone capitals.<sup>26</sup> In Germany, in particular, discussing the issue of the Greek debt has always been a very sensitive issue with an at times unbearable political cost for the Government. Also, it was seen as the last and ultimate leverage to sustain pressure on the Greek government which was considered anything but reliable in implementing the program.<sup>27</sup> It was always highly unlikely that an arrangement which would reach the expectations of Athens could be made. The final outcome saw also the IMF remaining in the program without further contributing funds. That was another defeat at both practical and symbolic levels for Athens.

As Gkiokas points out the first big mistake was that it deliberately let the deal go off until elections in major European countries and especially in Germany were held in the hope that it would achieve better results.<sup>28</sup> The final outcome was exactly the opposite with the Germans and others adopting a most defensive attitude unwilling to make the debt relief issue part of the election debates. On the front of the domestic economy, the cost has been high as the uncertainty killed off the prospects for high growth rates. In an epic demonstration of ignorance and hollow negotiating strategy Athens focused almost exclusively on the issue constantly heralding that the Greek debt was not viable. Uncertainty, thus, became even more intense scaring off even those investors willing to

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24 Banks closed and restricted ATM withdrawals to 60 euros per day. It threatened the tourism industry at the height of the season, with 14 million tourists visiting the country. The European Central Bank agreed to recapitalize Greek banks with 10 euros to 25 billion euros, allowing them to reopen. Banks imposed a 420 euros weekly limit on withdrawals. That prevented depositors from draining their accounts and worsening the problem.

25 Amadeo, "What Is the Greek Debt Crisis?"

26 Dimitris Gkiokas, "Τα τρία λάθη στη διαπραγμάτευση", *CNN Greece*, 15 June 2017, <http://www.cnn.gr/focus/apopseis/story/84930/ta-tria-lathi-sti-diapragmateysi> (Accessed on 8 September 2017).

27 Ibid.

28 Ibid.

take high risks. The only thing Athens would achieve was to further weaken its economic position, undermine the prospects for a long-awaited recovery and as well as its credibility in the negotiating table.

Another major mistake was that the Greek government did not seriously try to correct any of the structural malaises of the Greek state. Gkiokas has noted that public administration malfunctions remained the norm, the everyday life of its citizens has not improved, while major prerequisites in the privatization and investment part of the program, were either delayed or undermined altogether by the ministers responsible to implement them.<sup>29</sup> Growth became a joke as over-taxation policies were the only ones rigorously pursued. Consequently, avoiding bankruptcy became a source of pride as regular assessments were concluded, while at the same time the economy kept underperforming, the capital controls imposed in the summer of 2015 remained in place three years later and any optimism was confined to the inner circles of the government.<sup>30</sup> A government of academics, idealist demagogues, right wing populist and xenophobes clueless in terms of political and economic strategy, had to negotiate an agenda that would satisfy their Eurozone partners and their electorates and not disappoint the people who elected them falling for the populist slogan “Hope is on the way”.<sup>31</sup>

## Conclusions

As Tsoukalis has indicated, not only was Greece a bankrupt country, seen as a miasma by the European family, but it also had to cope with the state apparatus being crippled due to chronic and severe mismanagement.<sup>32</sup> Political expediencies and customer relations continued to beset the political landscape even after January 2015 when the left-radical party SYRIZA came into power. Initially, populism and political romanticism allowed SYRIZA to openly question both the national and European political structures and institutions. Its ‘vision’ was to shake and ultimately change the EU. Hence, the alliance with other left anti-systemic parties (within Europe) culminating in that with Podemos in Spain. Yet, political inexperience and lack of knowledge couldn’t remain hidden for long. Having chosen a ‘rock-star’ Minister of Finance, as Tsoukalis describes him, SYRIZA stormed into the negotiations with zero diplomacy. On the other side of the table, Germany and their partners, knowledgeable in the Eurozone’s balance of power, had already prepared a plan B. With no viable alternative plan and the fear of *Grexit* becoming real, the Greek government learnt its lesson and ‘capitulated’. Unsurprisingly enough, the third program SYRIZA finally signed in July 2015 was by far worse than the one which it had rejected through the infamous referendum a few days earlier. The differentiated economic policy which SYRIZA tried to embrace and promote across Europe proved so futile that at the end of the day what they had to offer was a ‘parody of democracy’.<sup>33</sup>

At the end of the day, the most important thing to emphasize is that Greek citizens and body politic had to endure a grave political turbulence and a huge economic hardship as successive

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29 Ibid.

30 Ibid.

31 Pryce, “How to fix Greece”.

32 Loukas Tsoukalis, ‘Ο Ιερέας και ο Αμαρτωλός στην Ευρωπαϊκή κρίση: Μια διαιρεμένη και δυστυχή εκκλησία’ (The priest and the Sinner in the European Crisis: a fragmented and unfortunate church’), Βέρνυ Σ. και Κόντης Α. (επιμ.) Ευρωπαϊκή Ολοκλήρωση Οι Πολλαπλές Κρίσεις και οι προκλήσεις του μέλλοντος, Αθήνα, Εκδόσεις Παπαζήση, σελ. 2017, p.53-76.

33 Ibid.

governments in Athens had to implement an austerity economic program as well as a reform program almost overnight with the country losing almost a quarter of its national wealth.<sup>34</sup> In the post-2015 period, a political personnel imprisoned within their ideological preoccupations an out of touch with reality raised the level of populist discourse at unprecedented heights. Ignorant of crisis management principles and the contours of international negotiations almost dragged the country back to the abyss of uncontrolled default on its debt. They totally failed to comprehend that implementing the long overdue structural reforms was sine qua non for rebooting economic competitiveness. Only the minimum of reforms was implemented always with an eye to the financial aid needed.<sup>35</sup> As Stefanie Walter pointed out, “policymakers with this type of ‘vulnerability profile’ fight to avoid any serious reforms as long as possible.”<sup>36</sup> Crisis management in these countries is difficult: political turmoil and public protests abound. Reforms are delayed and foreign dependency becomes the norm and Sisyphus becomes the order of the day.

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34 Pryce, “How to fix Greece”.

35 Stefanie Walter, “Here’s why it’s so hard to pull Greece out of its economic crisis”, *Washington Post*, 20 April 2016, [https://www.washingtonpost.com/news/monkey-cage/wp/2016/04/20/heres-why-its-so-hard-to-pull-greece-out-of-its-economic-crisis/?utm\\_term=.7bbde499d883](https://www.washingtonpost.com/news/monkey-cage/wp/2016/04/20/heres-why-its-so-hard-to-pull-greece-out-of-its-economic-crisis/?utm_term=.7bbde499d883) (Accessed on 10 September 2017).

36 Ibid.