

Greek achievements: successes and dangers

By Michalis GIOKAS

In the past, the social, political, economic and cultural status of a People or a Country had strictly been a domestic Affair. The Politicians, whether democratically elected or not, governed; the society set out its standards; the Scientists and Artists «explored» or «created»; and, the entrepreneurs, the State itself included, defined the boundaries -officially or unofficially- of a healthy, robust and strong national economy.

Nowadays, however, a new set of factors has come into the fore and has changed the landscape in the most radical, total and irreversible manner. These factors are: the new technologies; the new means of communication and transportation of ideas, persons, goods and capital; the «new» political, social, economic, cultural «values» and perceptions; the «new» consumer needs; the noble human desire to improve the conditions of the personal, if not the general, living standard; the greed for profit from whatever source, be it legitimate or semi-legitimate, permanent or temporary, local or foreign; the «trends» for

globalisation of activities; and, the replacement of the «old» Economy with the «new».

Hence, terms such as «national», «regional» and «local» have faded under the «influx», the «permeation» and the «impact» of terms such as «global», «international» and «supranational», with which the former should walk together, live together, co-operate and compromise.

As a result, the economic situation of a Country, until recently a strictly domestic affair, is now under the close «scrutiny» of others, suffers from tight and unwanted shocks and embraces, looks for its recognition though mechanisms of «acceptance», and marches under the cries of approval or disapproval from friends and foes.

It is known that, nowadays, Greece presents an excellent picture not only on a sport, shipping and others levels, but also in the stock exchange market, with the relevant index being over 6.300 points during last September.

Of course, this “achievement” is a product of many factors and parameters, be they domestic, foreign, international conjunctures, etc. It is not solely due to the unexpected discovery of the Stock Exchange by the local population, but is also due to the presence of third parties, foreigners, who regardless of motive, intention and ideology, «discovered» a gold mine in Athens.

Indeed, there are some other things that have contributed to that development, such as publicity policies, reliable analyses, favourable coincidences, as well as other significant reasons.

Given the above, the focus of the present article is placed with emphasis on the following point. That is, well-known foreign bodies and analysts

have been putting forward positive comments regarding Greek economy, and indeed, the Greek Stock Exchange. Some of these favourable views are set out in the following lines, with the hope that such views will be heard in the future too, and the recent earthquake in the Attica region will not affect the created «development climate».

For example, analysts of the French Banque Nationale de Paris note that Greece has recently made significant progress. While, six months ago, Greek values were considered precarious, «that perception has now changed and Greece has in store some pleasant surprises» (e.g. inflation has gone down).

According to the German Deutsche Bank, the positive picture the international community has formed for Greece has not changed because of the earthquake. However, the Greek government has to take into account a price increase in certain goods (e.g. oil) and the possible consequences of such an increase on inflation.

Finally, the analysts of US Merrill Lynch appear optimistic about the course of Greek economy and the Athens Stock Exchange, and underline that the «prospects for meeting the inflation criterion appear good, something which creates the basis for the enthusiasm of investors to be sustained».

Generally speaking, while «outsiders» view what happens in Greece as mentioned above, there are those in Greece that recommend «calm», «caution in view of the rapid increase in stock prices», and «measures» to be taken. However, no action can work and bring results without moderation in view of the old, and still valid, saying «all things in moderation».