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The Editor
The Economist

Dear Sir,

Was there a typographic error in the title of your recent survey of Greece (October 12th)?

Prometheus is still bound in this country. Hyperregulation, risk-aversion, herd-mentality, a nexus of dependencies pivoted on central political power and substantially controlling all forms of human activity, these are the constant *systemic* determinants of obtaining structures and processes, against which individuality strives to affirm itself, no doubt often in (sometimes inventively) devious ways. Consequent upon such mighty impediments to individual self-realization is the usual litany of related evils: uncompetitiveness, incompetence, inefficiency, corruption, insufficient and low-graded output. The natural functionings of the system are permanently distorted.

What is urgently needed is thorough, radical liberalization that can free the imprisoned creative potential of society. The miserable failure of almost two centuries of persevering attempts to “harness” Greek “flair and energy” may surely be taken to indicate that something is very wrong indeed with the concept, form and practice of this harnessing. The neofeudal “quasi-capitalism” (as you rightly describe it) of the establishment has to be broken up to become a genuinely free-market system. No gradualism will help (in fact, it is counterproductive), but hard push to serious reform whatever the salubrious pain. Society is ready for it – far in advance of its elites of non-excellence.

It is difficult to join beginnings and ends in your survey. You may have wished to both say the truth and be pleasant. As often, such pious endeavours end up in half-truths and all round displeasure.

The report was in particular *untypically* thin in facts and analysis concerning the economy. (Maybe you should have looked further afield for enlightenment). In place of the promotional generalities, one misses the really significant figures and issues. Here is an indicative sample. How much of the GDP's growth is merely correlated to the inflow of EU structural aid? Or what is the economic rationale of “the vast amount of private and public money” that is being spent for the Olympic Games? What does import the coexistence of very large EU subsidies and exceedingly high public (and increasingly private) debt burden? And the growth, such as it is, remains (directly or indirectly) public-driven. Labour rigidities may be also used to maintain a protected, unstructured industry's high profits, thereby falsifying effective productivity levels and perpetuating the deadening status quo. And how can handsome returns on capital and rapid output growth be consistent with (relatively) low interest rates, unless either the former are in one way or another artificial, or the latter harmful, or both? Foreign capital and enterprise on the whole are eschewing Greece, even (and, if anything, even more so) after she joined the Eurozone. The privatization process is in total disarray: no one wants to buy constrained, unclear, practically impossible positions within the system. The business environment is densely opaque, esp. for newcomers and independent players: inside connections count for most. Counterincentives to innovation abound. The culture of ad hoc dirigisme remains intact: there prevails ubiquitous interference with little planning. Much more springs to mind even on the superficialest reading of Greek economic performance.

A fortnight before the survey of Greece appeared, you published a report on the current state of the world economy. What an excellent piece of work that was.

Yours sincerely