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**Hermes Institute of
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GREECE AT A GLANCE



HELLENIC FOREIGN POLICY, DEFENSE & SECURITY DIRECTORATE

PROVIDING KNOWLEDGE TO THOSE WHO SHAPE THE FUTURE

«GREECE AT A GLANCE» is a weekly review of the most significant current political, economic, defense, and security, diplomacy and energy news of Greece.

This ambitious newsletter aspires to become an informative «tool» for anyone who is interested in Greece and wishes to have knowledge of the non-stop current developments and challenges the country faces. Greece has a highly geostrategic and geopolitical position on the map, being together with Cyprus the southeast frontier of the European Union and the gate between the western world, the Middle East and North Africa.

Lately, Greece has been in the center of a financial crisis fighting to «stand at its feet» and to return back to economic normality. At the same time, the war in Syria made Greece the main gate towards Europe for large flows of refugees, posing another humanitarian and security challenge for the country in an already difficult and challenging international and regional environment.

«HERMES» Institute is not a news agency and it is not one of its ambitions to become one but it is strongly believed that today's events provide the necessary material to understand the future and to analyze situations that may affect in peace, stability, and growth of Greece.

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POLITICS

ND ahead of SYRIZA by 10 percentage points in poll

A new opinion poll carried out on Friday March 16th by the firm Pulse for SKAI puts conservative opposition New Democracy 10 percentage points ahead of ruling leftist SYRIZA. Asked who they would vote for if general elections were to be held now, 31.5 percent of respondents said ND and 21.5 percent said SYRIZA.

In third place was the center-left Movement for Change party with 8.5 percent followed by the far-right Golden Dawn with 8 percent. The Communist Party followed with 6 percent. Independent Greeks, which is the junior partner in the current ruling coalition, would fail to enter Parliament, according to the Pulse poll.

Six in ten of those questioned, about 62 percent, said they believed the detention of the two Greek soldiers in Turkey was “a crucial issue” with half of those questioned taking a negative view of the government's handling of the situation.

As for the Novartis scandal, nearly four in ten deemed that the broader discussion about alleged corruption benefited the government.

Novartis affair

Officials close to Prime Minister, Alexis Tsipras, have rebuffed on Friday March 16th media reports suggesting that he met with a senior representative of the Swiss pharmaceutical firm Novartis, which is embroiled in allegations of paying bribes to Greek politicians.

Mr. Konstantinos Frouzis, who served as vice president of Novartis Greece, has been implicated in a report compiled by prosecutors that alleges the firm paid bribes to Greek doctors and politicians.

“Tsipras did not meet Frouzis either as prime minister or as opposition leader”, sources said.

Government spokesman, Dimitris Tzanakopoulos, the Governor of the Bank of Greece Governor, Yannis Stournaras, to disclose prior business dealings with the Swiss firm even after the central bank chief issued a statement earlier this week clarifying that there had been no untoward relations.

Political polarization could discredit Novartis inquiry

As prosecutors continue investigating the Novartis case, judicial sources expressed on Monday March 19th concern that the findings could be discredited due to the way they are being handled in the parliamentary probe. Their main concern lies on the fact that the evidence provided to Parliament's investigative committee by the corruption prosecutor is reportedly being compromised due to the partisan approach of lawmakers.

According to sources that Greek media are citing many Novartis documents that were confiscated by prosecutors, such as that referring to former conservative Prime Minister, Antonis Samaras, and other politicians, do not hold water, and that the handling of the affair only serves to spark political acrimony and deflect public attention from other pressing issues that do not favor the government image.

Many analysts expect the parliamentary committee's tenure will be short and the case file will be returned to prosecutors.

Ex-PM, Antonis Samaras, and former Health minister, Dimitris Avramopoulos, will not appear before Novartis panel

Former conservative Prime Minister, Antonis Samaras, announced on Thursday March 22nd that he will not appear next week before a special parliamentary committee investigating allegations that several high-ranking former officials took bribes from pharmaceutical firm Novartis.

In a letter addressed to the chairman of the committee Mr. Samaras said that he has “no intention” of attending next Tuesday’s session adding that he is uninterested in “party tricks and ploys that constitute yet another link in what is essentially a cover-up of a plot against me... organized and carried out by the well-known, ridiculous gang.”

Former health minister, Dimitris Avramopoulos, on Thursday March 22nd said that he will not appear before the special parliamentary committee investigating the Novartis scandal.

In a letter to the committee’s chief, Mr. Avramopoulos, who is the current Commissioner for Migration of the European Union challenged the panel’s legitimacy after all of its opposition members walked out, saying that it now identifies entirely with the people who “signed the accusations.”

Key political players attend Movement for Change conference

The leader of the new center-left Movement for Change, Fofi Gennimata, and other key players attend the party’s inaugural conference in Athens on Friday March 16th. Among the attendees were former Prime Ministers George Papandreou and Costas Simitis, the leader of the left party To Potami, Stavros Theodorakis, The leader of the Democratic Left, Thanasis Theocharopoulos and Athens Mayor, Giorgos Kaminis. The Minister of Economy from the ruling SYRIZA, Yiannis Dragasakis, and the leader of the conservative opposition New Democracy, Kyriakos Mitsotakis, were also present.

On Sunday March 18th Greece’s new center-left Movement for Change wrapped up its inaugural conference with officials unveiling the party’s new logo, a rose in red, blue and green. Earlier, the party’s charter and policy program was approved by the overwhelming majority of members.

In her closing remarks, leader, Fofi Gennimata, said the new party would be ready if elections were called.

Greek Foreign Minister, Nikos Kotzias, received a bullet in the mail

Foreign Minister, Nikos Kotzias, received a bullet and a threatening letter in the mail last Tuesday, according to Greek media reports on Saturday March 17th.

The newspaper “Ta Nea” said the letter referred to the ongoing negotiations between Greece and the Former Yugoslav Republic of Macedonia over the decades-old name dispute. The bullet and the letter have been sent to relevant police authorities for examination.

Mr. Kotzias also received a threatening letter in February, which said there were three bullets for him. Last month’s letter came days before of a demonstration in Athens against a compromise solution with FYROM which Mr. Kotzias is negotiating.

During his visit in the US, Kyriakos Mitsotakis vowed to fight graft and met with investors

Conservative opposition leader, Kyriakos Mitsotakis, has accused the Greek government of being under the tutelage of “a new generation of oligarchs,” while vowing to reform the debt-wracked country’s business environment by combating graft and safeguarding the rule of law if he becomes prime minister.

Speaking at the Global Leaders Forum organized by the Center for Strategic and International Studies (CSIS) in Washington, the New Democracy leader said his duty would be to make sure Greece “does not become a failed state when it comes to its institutions.”

“I am not going to be blackmailed and I’m certainly not going to be intimidated by anyone,” Mr. Mitsotakis said.

Among rumors of disagreement on key issues in the governmental coalition, Prime Minister, Alexis Tsipras, turned to potential new allies

With the coalition plagued by divisions and the government’s narrative that Greece is back on track being compromised by a series of crises, Prime Minister, Alexis Tsipras, was reportedly looking for new allies from the center-left.

According to reports, Mr. Tsipras contemplated the possibility to form a new “progressive pillar” and his meeting with, Stavros Theodorakis, the leader of the centrist party To Potami, was for many analysts no coincidence.

Mr. Tsipras’s search for allies also coincides with mounting criticism over the way the government has handled the Novartis Scandal, the crisis in the Greek soccer league, the arrest of the two Greek soldiers in Turkey and the negotiations with FYROM over the name dispute.

Moreover, Mr. Tsipras seemed to have distanced the government from the Minister of Defense and leader of junior coalition partner party Independent Greeks, Panos Kammenos, who has strayed from the official line regarding the two Greek soldiers and the negotiations with

FYROM. Moreover, criticism within ruling SYRIZA is growing that ANEL is becoming a liability for the government.

Prime Minister, Alexis Tsipras and Minister of Defense, Kammenos met amid rumors of rift

Prime Minister, Alexis Tsipras, met his coalition partner Minister of Defense, Panos Kammenos, on Tuesday March 20th for talks on the protracted detention of two Greek soldiers in Turkey amid speculation about a rift between them in a bid to present a united front.

Mr. Kammenos has kept a low profile recently, even though the case of the two soldiers falls within his competence as defense minister, as his initial response had been regarded as potentially incendiary and reckless by some in the government.

Mr. Kammenos insisted that all was well saying that “this coalition will continue until the end.”

As government officials continued to rebuff speculation about a rift in the administration the leader of the conservative opposition New Democracy, Kyriakos Mitsotakis, indicated on Wednesday March 21st that differences between the two sides were undermining the coalition.

“There is obviously something going on between Mr. Tsipras and Mr. Kammenos. One is holding up the other, one is the other's hostage,” he said. “The Left of Mr. Tsipras does not know what the Right of Mr. Kammenos is doing,” he added.

As for the matter of the ongoing detention of two Greek soldiers detained by Turkish authorities, Mr. Mitsotakis said the government was incapable of resolving the matter, noting that such incidents were solved “within a few hours” in the past.

(www.skai.gr, ekathimerini.com, www.tanea.gr)

ECONOMIC

OECD considers 2019 tax-free threshold cut as a certainty

The Organization for Economic Cooperation and Development (OECD) appears to consider the reduction of the income tax-free threshold in Greece in 2019 a certainty. However, the government has repeatedly said it intends to start applying it from 2020.

The OECD interim report on growth states that “Greece has improved tax compliance and reduced the personal income tax-free limit by a third as of 2019.” Unless this is a mistake, the OECD appears to consider certain the reduction of the untaxed annual income from 8,636 Euros today to 5,685 Euros a year earlier than planned.

The report also recommends the reduction of social security contributions for low-paid employees in the context of containing undeclared labor “in countries such as India, Indonesia and Turkey as well as Italy and Greece, where undeclared labor remains a basic challenge.”

European Central Bank advises retirement age be increased

The European Central Bank (ECB) recommended that countries delay the age of retirement as the best solution to the problem of an aging population.

The ECB projections affect Greece too, as it appears that the country it will be among the worst affected by the demographic problem by 2070. This means that for every 10 working-age people between 15 and 64 years in Greece, over six people aged over 65 years will be dependent on them.

Given that life expectancy is constantly growing across the continent, the ECB study underscores that aging will contain economic growth, reduce tax revenues and make it more difficult to manage the public debt.

German media says FDP to vote against Greek rescue tranche

Germany's liberal FDP party will be voting against the disbursement of the fourth tranche of bailout funding to Greece from its international creditors, the German newspaper Handelsblatt has reported on Wednesday March 21st.

According to the German paper, the liberals will be tabling a motion with the Bundestag's Budget Committee to "deny Athens disbursement of the fourth credit tranche." Deputy FDP Group Chairman, Christian Durr, said that Greece has delayed or put off significant reforms and that Athens is meeting its obligations to international lenders "only on paper".

Greece is hoping to receive the 6.7 billion Euros installment by the end of the month, but the catch is that it will only be approved by the board of the European Stability Mechanism (ESM) after it is ratified by the parliaments of the eurozone.

Long-term unemployment affecting almost one in two Greeks

Almost one in two Greeks looking for a job have been unemployed for more than a year, the February data from the country's employment agency OAED showed on Wednesday March 21st.

According to the report, 514,704 people or 47.6 percent of those registered in OAED are long-term unemployed, while the total number of jobless remained firmly over one million, despite the small drop in unemployment rates.

The figures also showed an increase in the subsidized unemployed.

(www.ekathimerini.com, www.skai.gr, www.protothema.gr)

DEFENSE & SECURITY

Reports of Greek soldiers'appearance in court refuted

Greece's ambassador to Turkey on Tuesday March 20th is said to have refuted a report earlier in the day suggesting that two Greek soldiers being held in a prison in Edirne since March 1st had appeared before a court in the Turkish city.

The ANA-MPA news agency had reported earlier on Tuesday that Lieutenant Angelos Mitretodis and Sergeant Dimitris Kouklatzis who have been remanded in custody after accidentally crossing into Turkish territory while on patrol in northeastern Greece on March 1st, were appearing before an Edirne court. Government spokesman, Dimitris Tzanakopoulos, later cited the Greek ambassador as saying that the report was incorrect.

According to the latest information, the two men did not make any such appearance, but they were visited in prison by a Turkish judicial official who reportedly asked them for the passwords to their mobile phones.

US ambassador says hopes for resolution on Greek soldiers held in Turkey

US Ambassador in Athens, Geoffrey Pyatt, on Tuesday March 20th said that the United States is "fully engaged" over the issue of two Greek soldiers who are in custody in Turkey after being arrested earlier this month for accidentally crossing the border.

Mr. Pyatt expressed the United States' support for Greek efforts to maintain communication with Turkish authorities and hopes that the issue, which has been causing additional tension between the two NATO allies, will be resolved soon.

Greek Minister of Defense, Panos Kammenos, says Turkish handling of Greek soldiers is reminiscent of the "Midnight Express" (20/03)

Greece's Defense Minister, Panos Kammenos, on Tuesday March 20th criticized Turkey's ongoing detention of the two Greek soldiers, who were arrested earlier this month after accidentally straying across the border, saying that its handling of the case was reminiscent of "Midnight Express."

Mr. Kammenos, said the Greek government was not planning to exchange the two soldiers held by Turkey – whom he has previously referred to as "hostages" – for eight Turkish soldiers who seek asylum in Greece, adding that Turkey has so far made no such request.

Iniochos readiness exercise taking place in Athens FIR

Four aircraft flew in formation Tuesday March 20th as part of the annual joint Iniochos exercise, involving activity across the Athens Flight Information Region.

Members of the air forces of Greece, the USA, the UK, Italy, the United Arab Emirates and Cyprus are taking part in the exercise, the aim of which is to boost the readiness of the air forces in the region.

Athens should press EU to enforce measures to protect Greece from Turkey says former Prime Minister, Costas Simitis

In a statement on Wednesday March 21st, former Prime Minister, Costas Simitis, said Athens should urge European Union officials to enforce measures to protect Greece from Turkey which has become increasingly aggressive in recent weeks.

Mr. Simitis said that Brussels should underline the need for Turkey to resolve any differences with its neighbors peacefully on a bilateral level if possible, in line with the 1999 Helsinki accord, and if that is not possible then to appeal the International Court of Justice.

“An important issue in relations between the EU and Turkey is the dangerous course of Greek-Turkish ties”, Mr. Simitis said.

EU leaders condemn Turkey as transgressions towards Greece continue

European Union leaders meeting in Brussels on Thursday March 22nd unanimously condemned Turkey for its aggression toward Greece and Cyprus and called on Ankara to release two Greek soldiers who have been in Turkish custody for more than three weeks.

In a draft common statement, the European Council “strongly condemns Turkey’s continued illegal actions in the Eastern Mediterranean and the Aegean Sea” and underlines its “full solidarity with Cyprus and Greece.”

The draft noted that “the European Council urgently calls on Turkey to cease these actions and respect the sovereign rights of Cyprus to explore and exploit its natural resources in accordance with EU and International Law.”

The draft also expressed “grave concern” about the continued detention of EU citizens in Turkey and called for the “swift and positive resolution of these issues in a dialogue with member-states.”

Turkish daily newspaper claims Greek soldiers being probed over “military drawings”

A Turkish newspaper on Thursday March 22nd reported that the two Greek soldiers who were arrested after accidentally crossing the border are being investigated by Turkish authorities for alleged espionage.

Precisely, according to “Hurriyet Daily”, Turkish authorities have discovered “military drawings” during a search of the digital media on the soldiers’ personal mobile phones and on an encrypted phone they were carrying at the time of their arrest earlier this month.

The newspaper also claims that the two soldiers are being charged with attempted military espionage and illegal entry into a restricted military area something that has not been confirmed.

US have not “washed its hands” of Greek soldiers arrested in Turkey, US Ambassador to Greece assures

Washington has been “strongly engaged” from the “first hours” with regards to the arrest by Turkish authorities at the start of the month of two Greek soldiers who strayed across Greece’s northeastern border while on patrol in bad weather, US Ambassador to Athens, Geoffrey Pyatt, said in an interview on Wednesday March 22nd.

Speaking on News 24/7 television, Mr. Pyatt expressed his surprise at reports in some Greek media suggesting that during his recent visit to Athens, US Assistant Secretary of State Wes Mitchell told Greek Defense Minister, Panos Kammenos, that Greece and Turkey need to deal with the issue on their own.

“Nothing could be further from the truth than to suggest that somehow the United States was washing its hands of this issue. To the contrary, these are two NATO allies and we are keenly interested in seeing this issue resolved”, Mr. Pyatt said.

“Greece and the United States have a very similar interest vis-à-vis Turkey and that … is in seeing Turkey remain anchored in the West, anchored in NATO and focused on Euro-Atlantic institutions”, he added.

Turkish F-16s harass Chinook carrying Greek army chief

In the latest in a series of Turkish transgressions on Thursday March 22nd, two Turkish F-16s harassed a Chinook helicopter that had been carrying the head of the Hellenic Army, Lieutenant General Alkiviadis Stefanis, along with other senior military officials.

The Chinook had been carrying the officers from the small island of Ro to Rhodes when the violation took place. The pilots of Turkish F-16s called on the helicopter to withdraw, claiming that it was in Turkish airspace.

The Turkish jets were chased off by Greek aircraft in line with international rules of engagement.

(www.amna.gr, www.ekathimerini.com, www.news247.gr, www.hurriyetdailynews.com)

DIPLOMACY

Court rejects third extradition appeal by Ankara for Turkish servicemen who fled to Greece

An Athens appeals court on Friday March 16th rejected the third appeal by Ankara for the extradition of eight Turkish servicemen who fled to Greece following Turkey's failed coup in July 2016 and who have sought political asylum.

The Council of Appeals President said there was no evidence the servicemen would get a fair trial and that they risked being tortured if they return to Turkey, adding that there was no new evidence to substantiate the new offenses attributed to them.

Turkish authorities claim that they have evidence implicating the eight men in the failed coup and insist they be returned to their homeland to face trial on a string of charges including terrorism and attempted murder. A video made public on Thursday March 15th shows the eight Turkish servicemen a few minutes before they boarded a military helicopter to flee from Turkey in July 2016, according to Turkish authorities. The video shows the men walking through a military camp a few hours after the failed coup, Turkish authorities said. Three of the men in the video appear to be armed.

Clouds gather over negotiations with FYROM

Just a few days before Foreign Minister, Nikos Kotzias, official visit to Skopje, a shadow has been cast over negotiations to resolve the name dispute between Greece and FYROM after it emerged that his counterpart, Nikola Dimitrov, reportedly described Greece's positions during his contacts with European Union officials as bordering on the "absurd." According to diplomatic sources, Mr. Dimitrov's remarks did not go down well in Athens, with officials questioning the approach of authorities in Skopje with regard to the negotiations. Analysts believe that Mr. Dimitrov's rhetoric is also aimed at a domestic audience.

FYROM Prime Minister, Zoran Zaev, has pledged to resolve the name issue with Athens in order to pave the way for the country's accession to NATO and the EU.

FYROM PM upbeat on name solution

FYROM Prime Minister, Zoran Zaev, said Monday March 19th he hoped that a settlement on the name row with Greece can be reached by summer. Speaking ahead of talks with Greek Foreign Minister, Nikos Kotzias, in Skopje, Mr. Zaev said that the landmark visit as well as upcoming talks under the auspices of United Nations special envoy Matthew Nimetz could narrow the differences between the two sides.

"I believe that it is possible to find a solution and I am optimistic, provided that it will be decent solution, and respect the issues pertaining to the country's identity," he said.

Five names on the table for talks for FYROM

Greek Foreign Minister, Nikos Kotzias, is heading to Skopje on Thursday March 20th with a document containing a comprehensive proposal from Athens to settle a decades old name dispute with FYROM.

The document, Mr. Kotzias said "addresses all of our open issues with FYROM as well as a future agenda of cooperation that will bring gains to both sides adding that he sent this agenda to Skopje several days ago.

The five names on the table for talks are: Republika Nova Makedonija (Republic of New Macedonia), Republika Severna Makedonija (Republic of Northern Macedonia), Republika Gorna Makedonija (Republic of Upper Macedonia), Republika Vardarska Makedonija (Republic of Vardar Macedonia) and Republika Makedonija (Skopje) (Republic of Macedonia [Skopje]).

The head of Greece's junior coalition partner, Independent Greeks' leader and Defense Minister, Panos Kammenos, has said he will not back any solution containing the word "Macedonia," while there is also opposition within FYROM to Greek demands for changes to constitutional clauses deemed as expressing irredentist ambitions.

Greek Foreign Minister, Nikos Kotzias begins landmark visit to Skopje

Greek Foreign Minister, Nikos Kotzias, arrived in Skopje on Thursday March 22nd evening for a landmark visit, the first by a Greek official in 12 years, as talks between the two sides appear to be edging towards a resolution on the longstanding "Macedonia" name dispute.

Apart from symbolic gestures made by both sides, there has been progress on the crux of the issue, with Greek and FYROM officials said to be close on resolving the matter of the name and concerns about irredentism though obstacles remain.

Russian President, Vladimir Putin, and Greek Prime Minister, Alexis Tsipras, discuss London's accusations against Moscow

Russian President, Vladimir Putin, and Greek Prime Minister, Alexis Tsipras, have held a telephone conversation Thursday March 22nd, discussing the situation concerning London's accusations against Moscow in relation to the Salisbury incident, the Kremlin press service said in a statement, adding that the call had been initiated by Greece.

"The two leaders exchanged views on the situation concerning the surge of Great Britain's baseless accusations in the wake of the Salisbury incident" the statement reads. Furthermore, at the Greek Prime Minister's request, Mr. Putin provided him with information about his recent telephone call with US President, Donald Trump.

The Kremlin press service added that Mr. Tsipras had congratulated Mr. Putin on winning the March 18th presidential election. The parties also confirmed intentions to further boost bilateral cooperation. "Growing trade, economic and humanitarian cooperation was welcomed, pressing European security issues and the situation in the Eastern Mediterranean were discussed" the statement added.

"Vladimir Putin invited Alexis Tsipras to visit Russia," the Kremlin press service noted.

(www.ekathimerini.com, www.tovima.gr, www.tass.com)

ENERGY

Ten companies vie to supply pipes for Bulgaria-Greece gas pipeline

Ten companies have expressed an interest to bid in a 60 million Euros tender to supply pipes for a 185 km gas pipeline between Greece and Bulgaria (IGB), the Bulgarian energy ministry said on Friday.

ICGB, a joint venture for the 240 million euros pipeline, will select up to five companies to file offers for the tender in April and hopes to pick a winner by the end of June, ICGB executive director, Teodora Georgieva, said.

Companies from Turkey, India, Russia, Greece, Germany and Bulgaria, including Welspun Corp. and Salzgitter, have filed requests to participate.

“The project is key for the diversification of energy supplies and will allow access to the South Gas Corridor through which our country and southeastern Europe will get Caspian natural gas,” Energy Minister, Temenuzhka Petkova, said.

ICGB plans to open a tender for construction of the pipeline next month and have the gas link ready in 2020, when Bulgaria should start receiving 1 billion cubic meters of gas per year from the Shah Deniz 2 gas field in Azerbaijan.

Greece's Energean to invest \$1.6 bln in Israeli offshore fields

Greek oil and gas company Energean will invest \$1.6 billion in its Karish and Tanin gas fields off the coast of Israel, it said on Thursday, days after raising about \$460 million on the London stock exchange.

Karish and Tanin have potential reserves of 2.4 trillion cubic feet of natural gas and 32.8 million barrels of light oil and condensate.

Energean expects first gas from Karish, which means shark in Hebrew, in 2021. Tanin, which means crocodile in Hebrew, will be developed after Karish. The company has signed gas supply agreements in Israel for about 4.2 billion cubic metres of gas a year.

Energean is also positioning itself in the eastern Mediterranean with a newly built floating production storage and offloading (FPSO) facility with capacity of 800 million cubic feet a day and liquids capacity of 800,000 barrels.

(www.reuters.com)

ASSESSMENT

Mr. Tsipras' government is under growing pressure with many issues unresolved while public opinion is increasingly criticizing the way things are dealt with and his SYRIZA party's unlikely coalition with Independent Greeks (ANEL) is in danger of falling apart. The leader of ANEL and Defense Minister, Panos Kammenos, opposes Prime Minister Tsipras's efforts to resolve the 25-year dispute over FYROM naming and has also broken ranks with SYRIZA over how to handle Greece's latest flare-up with Turkey.

Mr. Tsipras may have hoped that some attention could be diverted from these problems by launching a parliamentary probe of ten senior politicians accused of accepting bribes from Novartis between 2010 and 2015. But the scandal has failed to gain traction, after outraged denials by the accused and talk of government influence over the judicial process. The allegations of bribe-taking, according to opposition members of an all-party committee, may even have been faked.

Mr Tsipras's talk of economic success is also starting to look threadbare. The economy grew last year by only 1.4%, compared with a budget forecast of 2.5% and this year's growth target has already been cut to around 2%. In addition, the prime minister's hopes of a clean exit from the bail-out in August look unrealistic, too.

With polls showing losses for ruling party SYRIZA some predict that Mr Tsipras will call an election in October, almost a year before his government's term expires. The centre-right New Democracy has a lead of ten percentage points in opinion polls. Meanwhile, Mr Tsipras's advisers insist he is "not a quitter" and that there is still plenty of time to win back the public opinion's lost favor.

The situation as it is currently in Greece seems rather frail and the government is in a very difficult position failing to convince that it's in control. Some analysts claim that Greece is in fact isolated with very few allies willing to put up with the government's inability to adequately deal with key situations.

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