holes: lack of competitiveness, inefficient bureaucracy, clientelism, capital flight, brain drain. For quite a while, it has not been able to keep afloat on the strength of its own resources and even threatened to sink in 2010. It was rescued by the Troika coming aboard. Perhaps the latter started to plug the wrong holes first and missed some completely. But the ship continued to sink simply because the holes were too many. The process of sinking was at least slowed down and even somewhat reversed in 2014 when Greece reported a primary-budget and current-account surplus – although these figures should be taken with caution. Despite only a restrained implementation of reforms, there was a kind of dynamism. The Greek people should bear this in mind during the uncomfortable times ahead.

How will the compromise affect the value of the euro?

Compared to what? The euro of a perfect monetary union? The euro after "Grexit"? An exchange rate is a dynamic matter and can never be explained in a monocausal way. Should the centrifugal forces in the Eurozone increase and the belief grow that the ECB does finance public debt after all, this will gradually translate into a weaker euro and lower government-bond prices.

Does Athens need a debt relief?

Short- and medium-term debt service is the smallest problem Greece faces. Discussing this is a waste of time. What is important now is putting the country structurally back on its feet so that it attracts domestic and foreign investors. Irrespective of the amount of debt it owes, Greece has no future without foreign direct investment.

How to stop euro frustration?

One thing is for sure: Europe must continue to develop, deepen its commitments to its citizens and present leaders who reignite their enthusiasm for it. There must be a clear definition of concepts such as self-responsibility, solidarity and subsidiarity in Europe again, and they must be embraced in reality and not just in theory. These are the basic pillars of a fiscal union – a genuine fiscal union and not a simple transfer union. Transfers, such as in the form of structural funds, have been a basic element of European politics for decades. But the desired economic convergence will regularly fail to materialize as long as the institutional framework is flawed. A stimulus quickly turns into reliance and inertia. It is indispensable for Europe's economic and political future to optimize incentive systems alongside control and sanction mechanisms and that citizens keep their trust in the binding force of rules. It is a shame that the German and French governments, who should have been exemplars, undermined this trust by breaking the Maastricht rules as early as 2002.

Change through pressure

The month of July once again was focused on unforeseeable twists in the Greek tragedy. The Greek population is presented with a harsher reform package than it had turned down in the referendum, and how does it react? It accepts the package and supports Prime Minister Alexis Tsipras more than ever. The odds for successful reforms are therefore better than for all his predecessors. Continuing pressure from Europe is helping too.

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