Guest comment by ESM Managing Director Klaus Regling for “Focus” magazine

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If you hear the term ‘reform champion’, you don’t think of Greece. Nonetheless, international organisations have applied just that term to Greece through the end of 2014. The OECD ranks its 34 members according to their implementation of reforms; Greece landed at the top of that list. Surveys by the World Bank and the Lisbon Council think tank confirm that finding.

If one looks more closely this comes as no surprise. Greece received €130.9 billion in loans during the crisis. To receive that money, the country had to comply with strict reform requirements: budget consolidation, cuts in salaries and pensions. That was painful, but unavoidable, to correct mistaken policies in the past. The efforts paid off: the economy grew again, jobs were created, and investors bought Greek government bonds for the first time again in the middle of 2014. These successes have long been underestimated by the German public.

Loans for reforms – this has also worked in other euro crisis countries. The rescue funds EFSF and ESM have lent over €232 billion to five countries. Ireland, Portugal, and Spain were able to conclude their programmes successfully. Cyprus is also on track.

In Greece, the problems are bigger. The government in Athens can still expect €7.2 billion from the euro rescue fund, from central bank profits, and from the IMF, if the country reaches an agreement on a reform package with its creditors. Prime Minister Alexis Tsipras should build on Greek successes through 2014. If the Greek government refuses to engage in the reform process, it is playing with the future of the country. The risk is then great that past sacrifices will have been in vain.