

The Greek Thinker

In the face of a crushing financial crisis, George Papandreou must remake his nation

BY NICOLE ITANO/ATHENS

IT'S IMPOSSIBLE TO UNDERSTAND MODERN Greece without understanding the Papandreous. Three men of that name have led the country since the end of World War II. First there was George, a pragmatic centrist who helped lead Greece out of the Nazi occupation. Then came his son, the fiery Andreas, a flawed but charismatic modernizer who helped democratize corruption and nepotism.

Now it's the turn of George, Andreas' eldest son. Papandreou, 57, who was elected Prime Minister last October, has spent most of his first six months in office keeping Greece from bankruptcy and forcing through reforms. In the cavernous, colonnaded rooms of Maximos Mansion, where he met TIME on March 29, the Papan-

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—GEORGE PAPANDREOU, PRIME MINISTER OF GREECE

dreou legacy seems to hang uneasily on the down-to-earth, softly spoken premier. The Apple laptop on his desk, the Prius in the driveway and the bold modern art next to the leather-bound books are small but telling signs of how he is shaking up the fusty world of Greek politics. "I do believe in a few years we'll be proud to say we went through this very difficult time, and we've come out a Greece that is a different type of Greece," he says.

To get there, Papandreou knows he will have to take on the culture of entitlement and graft that has festered on the left—and his own party. "The first thing we have to do is change ourselves," he says he told his socialist PASOK party after he took over its leadership in 2004.

But is Papandreou the man to haul Greece—and PASOK—into the 21st century? He may carry a famous political

name, but Papandreou is not cut from the same cloth as most Greek politicians. Trim and fit, the U.S.-born Prime Minister (his mother, Margaret, is from Illinois) lived much of his youth in exile with his father in the U.S., Canada and Sweden. He speaks English with a quiet, Midwestern cadence and perfect American idioms. In Greek he's cerebral rather than fervent, eschewing the widespread idea that a Greek politician needs to dominate a room with oversize rhetoric. The Greek press sometimes even mocks him for his small grammatical errors.

Papandreou is most animated talking not economics, but human rights and the environment. A few days ago, after returning from Brussels with a deal that will see the European Union bail Greece out if everything else fails, he relaxed with a long bike ride. "He doesn't have the ability to inspire the public like his father, but that may be a sign of maturity in the Greek public," says Stan Draenos, a Greek-American academic who has written an upcoming biography of Andreas Papandreou. "The age of heroes is over."

Greeks describe their new Prime Minister with words like *decent* or *humane*. In the brutal world of Greek politics, though, those aren't always compliments. Despite PASOK's overwhelming victory last year, Papandreou's elevation owed much to the self-destruction of the governing center-right New Democracy Party. Opponents dismissed him as *Yiorgaki*, or "little George."

But Papandreou is not to be underestimated. A diplomat by nature, he has surprised many in Greece with his deft handling of the crisis. His experience as Foreign Minister has helped him in his effort to convince Europe that Athens is serious about cleaning up its finances. "What the markets were saying is that,



"We Have to Change Ourselves"

For TIME's interview with George Papandreou visit Time.com/papandreou

'We've heard this, we don't believe you,'" Papandreou told TIME. "Greece had lost credibility. What I was saying all along is we have to bring back our credibility." Importantly, he's also managed to keep his party largely in line. "There is this concept of politics as a dirty game," he says. "It's a difficult game, but it doesn't have to be dirty." Greeks, Papandreou argues, want to deal with the rot eroding their society. "The first thing is to realize [corruption] exists as a problem, and that we've already accomplished," he says. "Already people are saying we do need a change. We do want to have a different state. We do want to fight corruption."

His father's PASOK was full of tough loyalists, but Papandreou's party is multilingual, urbane and filled with people like Tina Birbili, the new Minister of Environment, Energy and Climate Change, who shows up to Cabinet meetings in jeans, hauling her papers in a backpack.

But changing Greece will not be easy. Papandreou is pushing ahead with pension reforms and an overhaul that will see more Greeks pay tax. Some of his efforts to improve governance—he wants to put all government decisions and documents on the Internet, for instance—have already been resisted by Socialist colleagues. Change, he says, will be painful. "But if we do what is necessary, we'll come out of this stronger and much more viable." There's no intrinsic flaw in the Greek character, he argues. "It's not in our DNA, it's not even in our cultural DNA, to have these problems."

Papandreou says he wants Greece to become the Sweden of the Mediterranean—powered by green energy and boutique tourism—and says it is possible to have both a generous welfare system and a competitive economy. Despite the bumps of the past few months, he remains optimistic about the European project. "I think Europe is in a transition," he says. "I'd say it's gone from being a peace project to being a... prototype for a globalized society." He would like to lead the way. But first, there's a crisis to deal with. ■

No 14 / 2010
12/4 / 2010