



GENIUS AND VILLAIN  
ALAN RIDING ON FRANCE  
AND A WRITER'S EVIL

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KATHIMERINI

INSIDE: Greece's leading newspaper | English Edition



NEW CITYSCAPE  
THE SKYSCRAPER  
GOES SIDEWAYS

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International Herald Tribune

THURSDAY, JUNE 30, 2011

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Riot police officers in the midst of tear gas in front of the Greek Parliament in Athens on Wednesday, as thousands of Greeks took to the streets to protest the austerity measures.

Greek leader wins  
bitter budget vote

PARIS

Markets react warily,  
signaling nervousness  
about hurdles to come

BY MATTHEW SALTMARSH  
AND CHRISTINE HAUSER

While the near future of the Greek economy gained some clarity Wednesday with the approval of new austerity measures, the muted market reaction suggested that investors knew the country's financial troubles were far from over.

Stock prices were up slightly in Europe and the United States on Wednesday, and the euro rose, as the Greek Parliament passed an austerity plan demanded by international lenders as a condition for providing more funds and preventing a default.

Concerns over the euro zone's debt problems have been a focus of the financial markets for weeks. Investors had been bracing for the outcome of the Greek Parliament's decision on the austerity package, a set of unpopular measures that include wage cuts, tax increases and privatizations.

But investors and analysts stressed that the country was still more likely than not to default on its obligations, and that the impact that this would have on banks and firms holding Greek assets remained to be seen.

"It's like a terrible form of torture," said George Magnus, senior economic adviser at UBS in London. "Everyone knows Greece will default — it's just a question of whether it's orderly or disorderly."

The measures will help to unlock near-term funding, specifically the disbursement of the fifth installment of the original €110 billion, or \$158 billion, bailout for Athens that was agreed upon last year by the European Union and the International Monetary Fund.

That installment would be worth €12 billion and would enable Greece to meet obligations like bond coupon payments in July, while paving the way for a new international lending program to provide financing through 2014. Details of that second program would probably be provided by euro area ministers on July 3.

A second vote is scheduled for Thursday on enabling legislation to set the timing of the privatizations, especially of the state electric utility.

"What's really important is not the vote itself but the implementation of what they're voting on, and that's where the programs will come unstuck," Mr. Magnus said.

The Greek population and its representatives, he said, are close to their limit for withstanding austerity. That means further social and political backlash will at best be postponed until later in the year, when the programs are reviewed by international lenders.

Still, there was some relief among investors Wednesday that problems were not brought to a climax immediately with a rejection of the measures in the Greek Parliament.

The DAX index in Frankfurt gained 1.7 percent and the FTSE 100 in London rose 1.5 percent.

On Wall Street, the Dow Jones industrial average rose 1.5 percent.

MARKETS, PAGE 14

ATHENS

As police fight protesters  
with tear gas, Socialists  
unite to tighten spending

BY RACHEL DONADIO  
AND NIKI KITSANTONIS

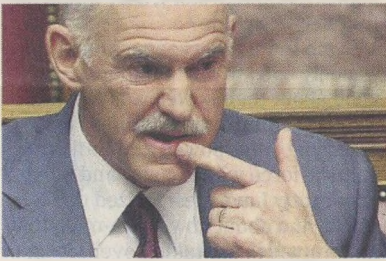
Amid violent protests outside Parliament, Greek lawmakers voted Wednesday to back a bitterly contested package of austerity measures, clearing the way for crucial international lending to stave off default.

After days of heated debate, with the passage riding on a key few votes, the Socialist party of Prime Minister George A. Papandreou won by a simple majority, 155 to 138, with all but one lawmaker from the party voting in favor and one opposition deputy crossing party lines to support the measure. (Five others voted present, and two members were absent.)

The passage of the austerity measures — by a Socialist party elected on a social welfare platform — was a decisive step that helps clear the way for the European Union, the European Central Bank and the International Monetary Fund to release \$17 billion that Greece needs to pay its expenses through the summer, and begin work on a second rescue.

But even as markets rallied and European leaders welcomed the passage of one of the most radical — and deeply unpopular — reforms of Greece since democracy was restored in 1974, questions remained about whether the measures would ultimately cure the debt-ridden country of its many ills.

"It's a giant step in terms of conception," said Theodore Coloumbis, a vice president of the Hellenic Foundation for



Prime Minister George A. Papandreou won the vote Wednesday by a simple majority.

European and Foreign Policy, an Athens research organization. "But it's a baby step in terms of realization or implementation."

Thousands of Greeks took to the streets Wednesday to protest the measures. Some clashed violently with the police, who sprayed tear gas on the crowds.

Many Greeks said they felt that the first round of austerity imposed after Greece's first foreign bailout one year ago hadn't solved the problem, and they weren't convinced that more austerity would help.

E.U. PLANS FOR SPENDING INCREASE

Nations are facing years of austerity, but the bloc's seven-year budget grows to about €1 trillion, or \$1.4 trillion. PAGE 3

BRITISH UNIONS STRIKE AGAINST AUSTERITY

Thousands of British union workers will go on strike Thursday, closing schools and delaying travelers. PAGE 3

Syrian forces pull out of major city

BEIRUT

Army and security police  
quit Hama, but their  
motives are unclear

BY ANTHONY SHADID

The Syrian military and the government's dreaded security forces have largely withdrawn from one of the country's largest cities as well as other areas

across the country, residents and activists said Thursday, leaving territory to protesters whose demonstrations have grown larger and whose chants have taunted a leadership that once inspired the deepest fear there.

The military's move in the city, Hama, where a government crackdown a generation ago made its name synonymous with the brutality of the ruling Assad family, has surprised even some activists and diplomats. They differ on the government's strategy there: whether the departure points to a government

attempt to avoid casualties and create another flash point in a restive country, or to an exhausted repressive apparatus stretched too thin.

But residents in Hama, the fourth-largest city in Syria, have celebrated the departure as a victory that came after one of the worst bouts of bloodshed there in the nearly four-month uprising.

"Hama is a liberated city," declared one activist who gave his name as Hainin.

Residents and activists say the military and security forces have also with-

drawn from Albu Kamal, near the Iraqi border, and from some suburbs of the capital, Damascus. In Deir al-Zour, a large city in the east, the military has remained on the outskirts, although security forces are said to still be operating inside the city.

Government forces have withdrawn from locales before — namely Baniyas, on the Mediterranean coast, and Dara'a, in the south — only to return even more relentlessly. But the scale of the departure and the size of Hama SYRIA, PAGE 8

China directs a nostalgic chorus  
of red songs, without revolution

CHONGQING, CHINA

BY EDWARD WONG

The kindergarten musical climaxed in a whirlwind of violence: A gym teacher playing a Japanese soldier sliced down a peasant girl with a curved sword, just as two tykes in Red Army outfits took aim at him with plastic pistols.

Dozens of girls in cerise silk outfits broke into song and dance in the schoolyard, and a teacher at the microphone delivered the lesson: "If you don't put up your defenses, you'll lose your life."

The Maoist musical was the brainchild of the Red Song Association, founded by Zhang Shusen, a well-

connected corporate lawyer and local politician. The group is on the front lines of a government-driven "red culture" revival now in full flower ahead of an elaborate celebration on Friday of the 90th anniversary of the founding of the Chinese Communist Party.

In recent months, the campaign has spread quickly across the country from its roots in the booming western metropolis of Chongqing, surprising many Chinese and prompting unusually loud criticism from moderates and liberals alarmed by its retro-red ideology.

"When I sing it, I feel immense respect for Wang Erxiao," Mr. Zhang, 59, said of the classic ode to a martyred peasant CHINA, PAGE 4



Clashes in Cairo: Protesters carrying a man injured Wednesday in pitched street fighting between demonstrators and the police in Tahrir Square. PAGE 8

BUSINESS

Bank of America pays dearly

Bank of America said it would set aside \$14 billion to pay claims related to bad mortgages in a deal that is the industry's biggest single settlement tied to the subprime crisis of 2008. The deal helps investors avoid years of legal fights and allows Bank of America to tuck a lot of its troubles into the second quarter. The bank's chief, Brian T. Moynihan, had vowed to resist the claims, but he said Wednesday that it would be "much more adverse" to keep fighting. PAGE 13

A tough call, a tougher sentence

ge Denny Chin, who sentenced Bernard L. Madoff two years ago, traced his logic behind the punishment, which has all but guaranteed that the disgraced financier will die in jail. PAGE 13

Sarkozy picks finance chief

The French president named François Baroin, his budget chief and a party loyalist, to succeed Christine Lagarde as finance minister on Wednesday after her move to the I.M.F. PAGE 13

WORLD NEWS

Russian TV assails Belarus

A state-controlled Russian television channel aired a documentary critical of President Aleksandr G. Lukashenko of Belarus. As the broadcast ended, a Russian utility cut electricity supplies to the republic, underlining business and political tension between the two neighbors. PAGE 3

Taliban free French hostages

The two television journalists and their Afghan interpreter were released Wednesday after being held in captivity for 18 months. The three men, kidnapped by the militants on Dec. 30, 2009, east of Kabul, were reported to be in good health. PAGE 4

Obama confident of tax deal

President Barack Obama said Wednesday that he believed Republicans would drop their opposition to tax increases in time to avoid a default on the nation's debt on Aug. 2. He voiced exasperation at the lack of progress in negotiations. PAGE 8

SPORTS

Federer shocked at Wimbledon

Jo-Wilfried Tsonga, below, of France, came back from being two sets down to defeat Roger Federer, 3-6, 6-7 (3-7), 6-4, 6-4, 6-4, in a quarterfinal match at the Wimbledon tournament. PAGE 11



GEORGE CADDICK/EPA

Trying to prod pokey players

Complaints about some slowpoke players have triggered thoughts of a tennis countdown clock. PAGE 11

VIEWS

Russia's coming nonelection

Of the country's more than 100 million eligible voters, Vladimir Putin has become the only one whose voice counts. Dmitri Medvedev is a president without a power base, writes Lucian Kim. PAGE 6

Asia and America

Amid dour reports about the U.S. economy, the facts tell a different story: Trade with Asia creates jobs in America, writes Satu Limaye. PAGE 6

ONLINE

Memories from Cambodia

It was in 2005 that Carlotta Zarattini first saw the dilapidated marvel of 1960s architecture in Phnom Penh known as the White Building. "There's a love story between me and this building," she said. Built for civil servants of the Culture Ministry, it was abandoned during the Khmer Rouge period and afterwards occupied by survivors. Only now are they coming to terms with much that they lived through. lens.blogs.nytimes.com



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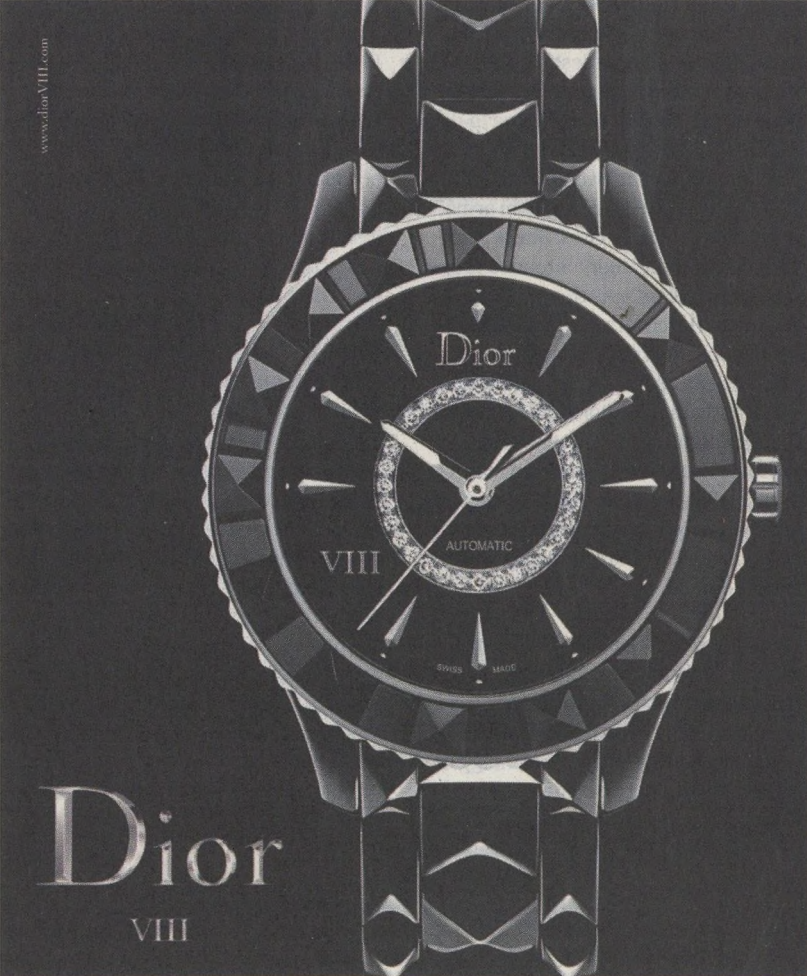
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CURRENCIES	NEW YORK, WEDNESDAY 1:30PM	PREVIOUS
▲ Euro	€1= \$1.4420	\$1.4370
▲ Pound	£1= \$1.6060	\$1.6000
▲ Yen	\$1= ¥80.810	¥81.100
▼ S. Franc	\$1= SF0.8350	SF0.8320

Full currency rates Page 16

STOCK INDEXES	WEDNESDAY
▲ The Dow 1:30pm	12,266.07 +0.63%
▲ FTSE 100 close	5,855.95 +1.54%
▲ Nikkei 225 close	9,797.26 +1.54%

OIL	NEW YORK, WEDNESDAY 1:30PM
▲ Light sweet crude	\$95.30 +\$3.44





# Business WITH REUTERS

## A tough call, and a tougher sentence

NEW YORK

150 years for Madoff?  
Judge tried to balance  
justice with a message

BY BENJAMIN WEISER

With the sentencing of Bernard L. Madoff only a week away, Judge Denny Chin received a letter from Mr. Madoff's lawyer asking for a prison term substantially below the 150-year maximum.

The lawyer, Ira Lee Sorkin, listed several reasons, including Mr. Madoff's confessing to his sons, knowing he would be turned in; his "full acceptance" of responsibility for his crimes; and his efforts to assist in the recovery of lost assets.

Citing data that showed Mr. Madoff, who was then 71, could expect to live about 13 more years, Mr. Sorkin asked for a term of 12 years — "just short of an effective life sentence," as he put it — suggesting that Mr. Madoff might be allowed a year of freedom before he died. Mr. Sorkin also proposed another option: 15 to 20 years.

Judge Chin says he understood Mr. Sorkin's goal. "It's a fair argument that you want to give someone some possibility of seeing the light of day," the judge said during a recent interview, "so that they have some hope, and something to live for."

"And," he added, "that was one of the struggles in Madoff."

Judge Chin said he had quickly rejected the idea of a 12-year sentence for Mr. Madoff, but had pondered whether 20 to 25 years might be acceptable. He ultimately concluded that even that "would have been just way too low."

In the end, I just thought he didn't deserve it," he said. "The benefits of giving him hope were far outweighed by the other considerations."

Judge Chin would impose a term of 150 years on Mr. Madoff, perhaps the stunniest and widely discussed sentencing in the history of American criminal justice. In doing so, he sought to find a way to translate society's anger into a number.

Years later, his recollections reveal the anger, shock and confusion that surrounded Mr. Madoff's crimes and the public's peek at the excruciating



TODD HEISLER/THE NEW YORK TIMES

In imposing a strict term for Bernard L. Madoff, Judge Denny Chin seemed to find a way to translate society's rage into a number.

pressure faced by a judge who had to balance the law, the public's emotions and his own deeply held beliefs while meting out a sentence that was just and satisfied the court's need to send a message.

Judge Chin agreed to an extensive series of interviews as part of a broader look into his sentencings in U.S. District Court in the Southern District of New York. "Most judges will tell you that sentencing is the most difficult thing we do," he said.

Mr. Madoff, who was also interviewed, offered his first comments about the judge and the sentence, which occurred two years ago Wednesday.

Speaking by phone from U.S. prison in Butner, North Carolina, Mr. Madoff said he believed that Judge Chin had gone along with "the mob psychology of the time."

"Explain to me who else has received a sentence like that," Mr. Madoff said. "I

mean, serial killers get a death sentence, but that's virtually what he gave me."

"I'm surprised Chin didn't suggest stoning in the public square," he added.

### THE MESSAGE

A few days before the sentencing, Judge Chin's law clerks and interns joined him for their weekly lunch around a large wooden table in his chambers.

"I said to my interns, 'What do you think?'" he recalled. Two interns, both law students, suggested a term of 75 years, but when the judge asked them why, he said, they had trouble articulating their reasons.

"I said, 'So basically you're splitting the baby?'" the judge remembered. "And they kind of looked at each other and said yes." They agreed that it was probably not the best thing to do, he said.

Judge Chin noted in the interviews

that 20 or 25 years would have effectively been a life sentence for Mr. Madoff, and any additional years would have been purely symbolic. Yet symbolism was important, he said, given the enormity of Mr. Madoff's crimes.

"Splitting the baby, to me, was sending the wrong message," he said. "Often that's the easy way out, but as we know from the old parable, that wasn't the right thing to do."

The judge reflected on the fraud's unprecedented scale, its duration over two decades and its thousands of victims. At that point, the judge said, symbolism "carried more weight."

He began to consider how to articulate the message he wanted to send. The court's probation department had recommended a 50-year term, while the prosecutors had requested 150 years.

He said he had struggled to find the

## Sarkozy picks loyalist to be finance minister

PARIS

François Baroin assumes  
Christine Lagarde's post  
as she moves to I.M.F.

FROM NEWS REPORTS

President Nicolas Sarkozy named his budget chief, François Baroin, to replace Christine Lagarde as finance minister Wednesday, choosing a party loyalist for one of the highest-profile posts in the French government.

Mr. Baroin, 46, who is also the government spokesman, inherits the task of working with other European finance ministers to find a solution to the debt crisis afflicting the euro zone.

A career politician who helped found the right-leaning party that has governed France since 2002, Mr. Baroin will meet his euro area counterparts in Brussels for the first time on July 3 to assemble an aid plan for Greece.

Ms. Lagarde will take over as managing director of the International Monetary Fund on July 5, succeeding Dominique Strauss-Kahn, who resigned after being charged with the attempted rape of a hotel maid in New York.

The change of finance ministers 10 months before a presidential election is unlikely to alter France's economic and fiscal policy, which is largely guided by the president's office.

Mr. Sarkozy needs a minister with "the ability to manage the Greek crisis and be a key player in the 2012 presidential campaign," said Bruno Cautres, a political analyst at Cevipof, a research center in Paris.

Mr. Baroin was first elected to France's National Assembly in 1993, at the age of 27. He was instrumental in the creation of the Union for a Popular Movement, known by the French acronym U.M.P., the coalition that provided parliamentary majorities for Jacques Chirac in 2002 and Mr. Sarkozy in 2007.

After working as a spokesman for Mr. Chirac during his 1995 presidential campaign, Mr. Baroin was a minister without portfolio and the government spokesman under Alain Juppé, who was

prime minister at the time.

He became minister again in 2005, responsible for overseas territories, and was interior minister from March to May 2007, when Mr. Sarkozy quit to focus on his presidential campaign.

Since becoming Mr. Sarkozy's budget minister in 2010, Mr. Baroin has worked to reduce France's deficit. It declined to 7 percent of gross domestic product last year from 7.5 percent in 2009 and is projected to fall to 5.7 percent this year and 3 percent by 2013. His major accomplishment in office has been to champion a reduction in France's wealth tax on large holdings of assets.

On Wednesday, Mr. Baroin refused at a weekly news briefing with reporters to comment on whether he could replace Ms. Lagarde, but he beamed widely at the suggestion and left unusually quickly without taking further questions.

He also made a quip about taking English lessons, in a possible reference



CHARLES PLATIAU/REUTERS

Mr. Baroin, who was previously the budget chief, with Ms. Lagarde in Parliament.

to criticism that his weak command of English could be a problem as finance minister.

Mr. Baroin's position at the budget ministry will be taken over by Valerie Pécresse, the minister for higher education. She will also become the government's spokeswoman. The former deputy minister for European affairs, Laurent Wauquiez, will take over as minister for higher education.

(BLOOMBERG, AP, REUTERS)



BUSINESS WITH REUTERS ECONOMY MARKETS

## Bid to merge 2 stock exchanges abandoned

OTTAWA

### London-Toronto proposal killed after hostile offer from Canadian group

BY IAN AUSTEN

The Toronto and London stock exchanges abandoned merger plans on Wednesday, one day before shareholders of the Canadian exchange were set to vote on the deal.

In a statement, the two exchanges said that they killed the deal after it became "clear that the two-thirds threshold required to approve the merger would not have been achieved."

The agreement had incited a backlash in Canada, where the merger was widely seen as a takeover by the British exchange. While firm proxy vote numbers were not available, there was a widespread expectation that a hostile bid for the Toronto Exchange from a consortium of 13 Canadian banks, funds and financial institutions had doomed the deal.

The merger, announced in February, was recently sweetened with a special dividend of 4 Canadian dollars, bringing its value to 49 Canadian dollars a share.

The bid from the consortium, which called itself the Maple Group in an apparent effort to highlight the nationalist concerns, is valued at 50 Canadian dollars a share but includes much more cash.

Earlier this week, the chief executives of the London Exchange and the TMX Group, the parent company of the Toronto exchange, offered no indication that they intended to back down during a conference call with reporters.

Politicians and many members of Canada's financial and legal communities feared that business now conducted in Toronto would shift to Britain after the takeover. Toronto has long been a major center for mining stocks.

There were also concerns about the proposal in Quebec, where the TMX Group has turned the former Montreal Stock Exchange into a derivatives market.

## Greek leader wins bitter austerity vote

GREECE, FROM PAGE 1

would, either. "Of course things will get worse," said Thimios Viliass, 35, who works at an insurance company in Athens. "The measures won't do any good for Greece. We have more debt, more debt, more debt and we have no work."

The shape and size of the new bailout could become clear at a meeting on July 3 of euro-zone finance ministers in Brussels. Stock markets, which began rallying earlier in the day across Europe and much of Asia amid indications that the measures would be approved, moderated after the vote.

Investors had feared that a collapse in Greece might have repercussions throughout the international financial system. Two other European Union countries — Ireland and Portugal — have also turned to international lenders for assistance.

Mr. Papandreou and Antonis Samaras, the leader of the main opposition party, New Democracy, clashed in Parliament just before the vote, accusing each other of letting down the country.

"All of Europe knows that your party is responsible for the current situation," Mr. Papandreou told Mr. Samaras, alluding to the debt that ballooned in 2009 when New Democracy was in power. Mr. Papandreou, who made several failed overtures to the opposition for political consensus on the austerity measures, made a last-ditch appeal to the conservatives to back the program. "Don't bet on failure," he said.

The prime minister said the European Union was also to blame for failing to call the previous government on its dubious statistics. But Mr. Papandreou said Greece's foreign creditors — the European Union and the International Monetary Fund — had given "a vote of confidence in the Greek people" by offering rescue financing.

Outside Parliament, protesters had massed for a second day in Syntagma Square, shouting, "Traitors, traitors!" and the police repeatedly fired tear gas to maintain control before and after the vote. The demonstrators, the majority of whom were peaceful, came prepared with surgical masks to protect against the gas.

On hearing the result of the vote, some outraged protesters waged running battles with police in the streets around the Parliament.

The measures approved Wednesday are among the most severe to be imposed on Greece's famously bloated state sec-



Prime Minister George A. Papandreou, bottom right, being congratulated Wednesday by members of his Socialist party after the vote.

tor in years. They include tax increases, wage cuts and the privatization of €50 billion, or about \$72 billion, in state assets.

A second vote will be held Thursday to enact the measures, with crucial sticking points expected to include the timing of the privatizations, especially of the state electric utility, the Public Power Corporation, whose powerful union has close ties to the Socialists.

The vote was conducted by roll call after several hours of debate in which most Socialist legislators said they would back the measures, in some cases only grudgingly, and with most stressing that patriotic duty must go before party ideals.

Among the Socialists, only Panagiotis Kouroubilis opposed the measures. Another, Alexandros Athanassiadis, who had expressed extreme opposition to the planned privatization of the Public Power Corporation, surprised Greece by voting in favor of the program, saying Mr. Papandreou's pledges to guarantee transparency in the sell-off of the utility had reassured him.

Elsa Papadimitriou, a legislator from New Democracy, voted for the measures. Breaking ranks with her party and declaring herself an independent, Ms. Papadimitriou said she hoped that the government would not disappoint her, calling her vote "the most difficult but valuable decision of my political career."

"There is only one act of patriotism: consensus and cooperation," she said. "Fiscal suicide is not an alternative."

The nation's unions turned up the heat on legislators on Tuesday when they began a 48-hour general strike — the first time they had walked out for more than 24 hours since democracy was restored to Greece in 1974 after a seven-year military dictatorship. The police called in reinforcements Wednesday to cordon off streets near Parliament to ensure that protesters did not block legislators' access to the building, with 5,000 officers on the job.

Before the vote, one protester said on Wednesday that Greeks' lives "are going to change forever" if the measures were approved. "If you belong to the

middle class, that doesn't exist anymore. There's only rich and poor."

Another protester, Anastasia Arvanitiki, 57, a pharmacist, said, "What they're voting on is exactly the opposite of what they were elected to do."

"They'll be the worst criminals in history" if the vote goes through, she said. "We want to see them hanged."

Mr. Papandreou went into the vote with a five-vote parliamentary majority. But the outcome was not certain, as the austerity plan strikes at the heart of his Socialist base. The center-right New Democracy opposition party struck a populist tone, saying the measures offered too much austerity and not enough stimulus.

Last year, Greece's foreign lenders imposed austerity measures after they provided a first round of aid. Since then, Greece has cut the wages of its 800,000 public workers — a quarter of the work force — by more than 10 percent.

Stephen Castle contributed reporting from Brussels, and David Jolly from Paris.

## Investors react warily to latest plan

MARKETS, FROM PAGE 1

trial average was slightly higher. In afternoon trading, the index was up 88.51 points, or 0.73 percent. The Dow Jones was up 145 points, or 0.73 percent, and its 145-point gain on Tuesday was its biggest one-day increase since April 20.

The Standard & Poor's 500-stock index was up 0.90 percent and the Nasdaq composite index had risen 0.60 percent. In Tokyo, the Nikkei 225 closed 1.5 percent higher.

Analysts said that by the time the voting took place, investors had already taken positions. "This is classic 'buy the rumor, sell the news,'" said Phil Orlando, chief equity market strategist at Federated Investors. "The equity market was up in anticipation. We priced it in ahead of time."

Yields on benchmark 10-year Spanish, Portuguese and Greek bonds declined, while those in safer equivalents issued by Germany and France rose, suggesting investors were willing to switch back into riskier securities.

The euro stood at \$1.4438 in late trading in London, up slightly from \$1.4371 late Tuesday.

"Today's vote will certainly give some short-term relief to markets, but concerns about the long-term feasibility of Greece's fiscal plans still remain in place," said Diego Iscaro, an IHS Global Insight senior economist, after the vote. One of the crucial issues yet to be resolved in the crisis is the level of participation from the private sector in the bailout.

Discussions have been held in Eurozone this week on a complex plan proposed by French banks based on extending the maturity of the Greek debt that is held. The question of whether and British and American banks would be involved has yet to be broached.

"Despite the aid package, even Greek haircuts may be inevitable estimated private-sector haircuts to 77 percent," Citigroup said in its search report released Tuesday. The report also noted that Greek banks would probably have to accept a 77 percent haircut.

"In other words, a bailout addresses the liquidity issue more than the solvency issue," added.

Christine Hauser reported from