

THE FINANCIAL TIMES reports:

Greece's prime minister warns of reform fatigue

Implementing change too fast risks "reform fatigue" in Greece, the country's prime minister has warned, in a fresh sign of resistance to pressure from international lenders for further cuts to wages and pensions.

In an indirect reference to the troika – the European Commission, the European Central Bank and the International Monetary Fund – Antonis Samaras warned that: "You don't climb to the top of a mountain vertically. You ascend from one plateau to another.

"You catch your breath, you let your people appreciate your achievements, then you set your next target and you proceed to the next plateau."

The troika has been pressing Greece for further austerity measures in its 2014 budget, but Athens fears that social pressures are becoming unsustainable after a recession which has lasted six years.

Greece expects to emerge from recession next year and will post a projected budget surplus, before interest payment on national debt, of !812m this year.

Speaking at a business conference in Berlin on Saturday, Mr Samaras conceded that despite this recovery there was "much more to be done". He described reform as a "step-by-step process", which had to proceed with popular support. "If a society fails to reform it will not survive in the long run, but if it pushes reforms too fast it will not be able to sustain them either. Timing therefore is very important also, the wrong timing can prove self-defeating."

To applause, he ruled out a Greek departure from the single currency. Mr Samaras said: "What we are living through now is Greecovery not Grexit. I think Grexit is an obsolete word I never want to hear again. It will never happen . . . I know there are other countries that want to enter the euro, and that's the way it should be."

The Greek premier sketched out a vision for his country's future in which it was a logistics hub for southern Europe, and exploited deposits of offshore natural gas. He said: "We are seeing Piraeus becoming an assembly house for logistics in the southern part of Europe, and there you see companies from Hewlett-Packard to China's Huawei coming over and helping this situation."

Both projects are several years from fruition and will require billions of euros in foreign investment. The idea of creating a logistics hub depends on the Chinese port operator Cosco expanding its operations at Piraeus and an upgrade of the Greek rail network to connect regularly with the Balkans.

While Hewlett-Packard and Huawei have shown interest in shipping products to central Europe from Piraeus, there are no regular shipments at present.

In a question-and-answer session after his speech, Mr Samaras said that he had lobbied the German government to find a common solution to illegal immigration. He described the combination of high unemployment and illegal immigration in Greece as an “explosive mix.”

Mr Samaras said: “You don’t want that mix in any country.”

At a press conference on Friday with German chancellor Angela Merkel, Mr Samaras said he was optimistic there would soon be a deal with the troika on a new aid tranche. In a joint statement on Thursday, the troika said: "Good progress has been made, but a few issues remain outstanding." The troika teams will return to Athens early next month.