Poorer than Greece: the EU countries that reject a new Athens bailout

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In Latvia and Lithuania, pensioners and other poor people wonder why they are being asked to pay to bail out their far richer Greek counterparts.

"Can't they get by on €120 a week?" she asks, referring to the latest cash limits on pensioners introduced in Greece. "Life's less expensive down there. It's warmer, they don't have to pay for heating or winter boots, and fruit and vegetables must be cheaper.

"Anyway, if they borrowed all that money, they should pay it back, that's the way I see it."

Europe's great Greek crisis is often cast as the downtrodden Hellenic heroes versus the ubermasters of austerity in Berlin. In reality, however, it is smaller nations that have faced crisis themselves, swallowed the austerity medicine and lived to tell the tale who are most hostile to another bailout for Athens.

From central European minnows such as Slovakia to Baltic eurozone republics such as Latvia and Lithuania, hard-pressed pensioners and workers earning barely €500 a month are at a loss as to why Greece should qualify for more largesse.

Milda's monthly pension is €293 a month , well under half the current level in Greece. When Latvia went through a similar debt crisis in 2009, it imposed swingeing budget cuts and tax increases worth about 15% of GDP over three years. Output fell by a quarter and unemployment soared to more than 20%. The population fell as people left in droves.

These measures were hugely controversial at the time, and many people thought they would lead to catastrophe. The US economist Paul Krugman predicted at the end of 2008: “Latvia is the new Argentina.”

By the second half of 2010, however, the economy had started to grow again, and from 2011 to 2013 Latvia was among the fastest growing countries in the EU. Despite the fact that the currency was not devalued, exports are now at record highs, some 60% above where they were before the crisis.

So in Latvia there is a widespread view: “If we did it, why can’t the Greeks?” The country’s finance minister, J?nis Reirs, said recently that “the Latvian people don’t understand the Greek people”. Milda exemplifies that.

In next-door Lithuania, politicians are also struggle to tell their electorate why a country that tightened its belt should now pay for one that will not. Lithuania’s president, Dalia Grybauskait?, has been one of the most outspoken opponents at EU summits of doling out more cash to Greece.

The average monthly pension in Lithuania is €242.10 before tax, compared with €700 in Greece. The average wage in Lithuania is €699.80 before tax and €543.60 after, again way below the Greek average.

Average unemployment benefits come in at about €175. Such figures illustrate why the Lithuanian people have little sympathy for the Greeks.

Rimantas Šadžius, the Lithuanian finance minister, said further support for Greece “would not be a popular decision” in the Baltic state. “We wouldn not receive an enthusiastic support, especially if we ask for the public opinion,” he said.

“We express solidarity even if financial aid is needed by a wealthier or more economically developed eurozone country,” he said. “We agree to take part in the aid’s mechanisms, since financial stability in the eurozone is a common benefit we should all preserve.

“However, we strictly emphasise that solidarity cannot be a one-way relationship. I mean that the country willing to receive our help must be ready to comply with its obligations, fully and in time.

“Greece is at a crossroads. One path, to be honest, leads to an economical abyss. The other one is much more complicated, but it does present a possibility to solve the current economical problems while remaining in the eurozone. With the eurozone’s assistance, of course,” Šadžius said.

Some Lithuanian politicians worry that the current crisis might send Greece into Russia’s sphere of influence , but Šadžius said such concerns were premature.

“Theoretically, one can discuss such questions, though it’s more of a topic for political scientists. So far, at least in the discussions of the ministers of finance, Greece hasn’t played this card once,” he said.

No country is homogenous, and there are people in the Baltic states who feel Greece’s pain. Ignatas Goštautas, a young middle-class man, said that although Greek wages and benefits were way above Lithuanian levels, recent cuts in Greece had taken their toll.

“We should contribute somewhat, in solidarity, but the Greeks shouldn’t be so arrogant about it,” Goštautas said. “They suffered cuts from a higher level, and these cuts had to be painful. It’s hard to help someone when you’re not in a good situation yourself, but some solidarity should be maintained by the EU.”

Valentinas Mazuronis, an MEP and head of the Labour party, one of the members of the current coalition, said Lithuania should not give any money to Greece.

“It is time to say ‘stop’. Not a single penny to Greece until reforms are actually launched,” he said. Further aid should only be granted if Greece takes real measures instead of “another hocus-pocus”.