

Greece Captured in Death Spiral

By [Stathis Habibis](#)

Global Research, May 11, 2016

[Defend Democracy](#) 10 May 2016

Region: [Europe](#)

Theme: [Global Economy](#), [Poverty & Social Inequality](#)

The economic and social situation in Greece day by day is getting worse, after SYRIZA's capitulation on the 13th of July 2015. Greeks have seen their hopes for resistance to fade away, as Alexis Tsipras, the leader of the radical left changed camp and now acts as a loyal partner of the international mafia of Finance. Either from impotence or from deception Alexis Tsipras has managed to spread frustration and defeatism among the majority of Greek people. Greeks are under a huge shock feeling betrayed, by the man who trusted most. This psychological state allows the lenders to impose economic measures, which under other circumstances, would have caused the uprising of Greeks.

In order to seize this opportunity the Greek government legislated 5.4 billion euros worth of budget savings on Sunday the 8th of May. 153 lawmakers out of the 300 of the Greek parliament backed the legislation. Gradually from June 2016 there will be a rise on taxes in all products and services. The government is going to a) raise VAT from 23% to 24%, b) raise special tax on fuel, beer, cigarettes, coffee etc. c) raise the vehicle taxes d) introduce a 10% tax on subscription television and a 5% tax on Internet. Moreover the government is going to lower the income tax – free threshold¹ to 8,863 euros from 9,100 euros, while freelancers are going to pay more than 50% of their income to taxes and social security.

All these taxes are imposed to a devastating economy, which has lost around 30% of its GDP, measures which are going create more poverty and unemployment. The so – called bailout programme, which doomed Greece economy in deep recession, now is going to bring the economic development! What an Orwell Greek tragedy this is! War is peace! Freedom is slavery! Ignorance is strength!



As far as the social security reform the Greek government tries to persuade Greek people that only a 10% of them are going to be affected. So the fear and the depression that these new austerity measures have spread across the Greek people, are inexcusable... But truth is not for the Greek government. The reality lies somewhere far from the government. Over 1.2 million Greeks are going to be affected by the reforms in social security. More than 400,000 new pensioners are going to face cuts in their income. Also 380,000 poor pensioners will lose the Social Solidarity Benefit (EKAS), while more than 180,000 will see cuts in their ancillary pensions. In addition farmers and freelance professionals will face increased insurance contributions.

Except the never ending austerity story, the government tries to hide from Greeks that IMF and European Union demand right here and right now the clearance sale of Greek public and private property. One of their basic conditions in order to complete the third evaluation is the creation of a new fund, which is going to be in charge of the privatizations of the public property.

This Super – Fund is going to sell out public property worth 50 billion Euros within thirty years. The Quartet demands the denationalization of the Athens Water Supply and Sewerage Company, of the Hellenic Petroleum, of the Public Gas Corporation (DEPA), of the Public Power Cooperation, of the Thessaloniki Port Authority and many others.

In charge of this fund is going to be the lenders, bypassing the Greek government and the biggest part of the incomes is going for the debt service.

Moreover ECB is pressuring the Greek banks to sell the “red” loans of the big enterprises in specific industries such as the hotel industry and the fish cultivation industry. More over the lenders want the banks to start auctioning.

Another bad omen for the future of Greece and for the Greek Government was the unnecessarily and brutal attack by the police forces during the protest, which took place in front of the Greek parliament on Syntagma square. While some low intension clashes had started in the sideways of the protest, the police forces attacked the main body of the protest launching tear gases and hitting “blindly” the crowd. One of the tear gases hit Sophie Papadogianni in the back of her head and she was transferred blood-covered to the hospital for first aid. Sophie Papadogianni is a well-known ex-member of SYRIZA, who left after SYRIZA’s capitulation and now is a member of Popular Unity. Several other protesters were injured.

But the worst is yet to come. IMF and EU are antagonizing who is going to be more brutal and cynical towards Greek people. While they are playing the game of the good and bad cop they have decided to destroy Greeks. (See our previous articles: Merkel, Obama and the death of Greece <http://www.defenddemocracy.press/merkel-obama-death-greece/> , Destroy Greece: IMF and Europe agree now on the method <http://www.defenddemocracy.press/destroy-greece-%CE%B9mf-europe-agree-now-method/>). Albeit the European School of Management and Technology has proven that 95% of the bailout money went to banks and no to Greeks (See: Money to Banks, not to Greeks! <http://www.defenddemocracy.press/money-banks-not-greeks/>) Greece’s “partners” demand the elimination of Greece. The disagreement between IMF and EU has one common goal, to force the Greek government to except their humiliating conditions. Thus IMF and EU “do not agree” if Greece is going to achieve a 3.5% of the GDP primary surplus in 2018. In reality they demand more austerity and more reforms such as collective redundancies and

legislation that would automatically lead to reduce certain expenditures such as cuts for salaries, which could reach "contingency measures" of 3.5 billion euros. As far as debt relief this conversation is heading to an undefined future, without any guarantees.

IMF and EU as mechanisms of the New World Order are simply "doing their job". The question is... What does the Greek government do? How could they make such a turn?

But the Greek people have not said their last word. Nobody can destroy a nation so easily. The Greeks are on the front line of a war held by the international mafia of finance, against nation-states around the world. It is not an easy fight to give, but it is a fight that Greeks and all the nations should give if we, as human beings want to avoid being enslaved by a group of neoliberals, who want to abolish all the human rights that previous generations have earned with their blood.

The original source of this article is [Defend Democracy](#)
Copyright © [Stathis Habibis](#), [Defend Democracy](#), 2016

[Comment on Global Research Articles on our Facebook page](#)

[Become a Member of Global Research](#)

Articles by: [Stathis Habibis](#)

Disclaimer: The contents of this article are of sole responsibility of the author(s). The Centre for Research on Globalization will not be responsible for any inaccurate or incorrect statement in this article. The Centre of Research on Globalization grants permission to cross-post Global Research articles on community internet sites as long the source and copyright are acknowledged together with a hyperlink to the original Global Research article. For publication of Global Research articles in print or other forms including commercial internet sites, contact: publications@globalresearch.ca
www.globalresearch.ca contains copyrighted material the use of which has not always been specifically authorized by the copyright owner. We are making such material available to our readers under the provisions of "fair use" in an effort to advance a better understanding of political, economic and social issues. The material on this site is distributed without profit to those who have expressed a prior interest in receiving it for research and educational purposes. If you wish to use copyrighted material for purposes other than "fair use" you must request permission from the copyright owner.

For media inquiries: publications@globalresearch.ca