

Greece: Extreme Austerity is leading the EU Down the Road to Disaster

The Drachma is not an Option

By Global Research News

Global Research, September 23, 2012

Athens News

Region: <u>Europe</u> Theme: <u>Global Economy</u>

George Gibson interviews Syriza leader Alexis Tsipras

The policy of extreme austerity is leading the European Union down the road to disaster, Syriza leader Alexis Tsipras tells the Athens News, and only a broad popular mobilisation can stop it.

He calls for a comprehensive solution to the debt of the EU South, linking debt servicing to growth, and insists that lenders will never get their money back if the memorandum is implemented. Tsipras supports a civil service overhaul with performance evaluations, but insists that mass layoffs will destroy the civil service and that the government sees evaluations as a pretext for layoffs.

The leader of the leftist coalition lashes out against the government's privatisation proposals, charging that selling off strategic sectors will not benefit the economy, while longterm land leasing is an attempt at an unconstitutional selloff of public land.

Athens News: Prime Minister Antonis Samaras accuses your party of being the "lobby of the drachma". How do you respond and what will your opposition strategy be? Is it feasible for the budget cuts package to be voted down in parliament and what would that take?

Alexis Tsipras: Samaras is trying to create the impression that every reaction against measures taken by his government is motivated by a scheme to return to the drachma. This is a desperate communication tactic. It is a continual attempt at deception, an extreme lie on which he tries to support his extreme policies. Everyone now understands that the fate of the common currency does not depend on the austerity programme in Greece. The government and the troika's measures will face tremendous resistance within and without parliament. Preventing the implementation of the measures is an issue concerning all of society and Syriza will fully contribute to this effort.

German Chancellor Angela Merkel and French President Francois Hollande have stated firmly that the implementation of the memorandum is a prerequisite for Greece's receiving the next, 31 billion euro, loan tranche and for the country's remaining in the eurozone. Do you have reason not to believe them?

The loan instalments that are disbursed return almost entirely to our lenders - and,

moreover, with a margin profit that is not at all negligible. In return, Greece is required to follow a course that reverts it many decades back, economically and socially. This leads nowhere. They know that the Greek debt cannot become sustainable this way. They know they cannot expel us from the euro. What we need is determination by the Greek people towards beginning negotiations anew, on a totally new basis.

What do you think of the EU's efforts so far to handle the debt crisis and bolster the euro? What are the emerging power balances within the EU on this issue and is there room for an alliance or common strategy between the member states of the South?

On the path it's on, Europe no longer has the tools to handle the crisis. The end result of the current policy will be the spreading of recession and social misery throughout the EU. Hence, we need a different Europe, one that is not held in bondage by banks, profit and the markets, but rather one orientated towards democracy, solidarity, equality and the dignity of labour. This is certainly an issue that should be addressed by regional alliances, but above all it is a matter for the peoples and societies of both the North and the South. The upcoming social struggles can challenge the dominance of the markets and their profits over people and can change the future.

Why is a possible return to a national currency worse than the vicious circle of austerity-recession-bankruptcy? Is a return to the drachma a disaster for the people, as the government argues, and what would the real impact on labour be?

A return to the drachma would benefit the financially strong and it would further widen social disparities. It would also sharpen competition with the rest of the European south. The issue is not to return to a state of competition with Spanish, Italian and Portuguese workers over who will produce more cheaply and with lower salaries. The aim is to ally ourselves with them in order to avert a socially catastrophic plan. In any event, no one can force us to leave the euro. The drachma is not an option.

What actions do you plan against the memorandum and with which political and social forces do you intend to collaborate – might they include the Independent Greeks party? Can you block the implementation of certain memorandum measures and, if so, which ones?

The great mobilisation will be undertaken by society itself, from the misery, pain and indignation caused by the memorandum measures. We will take part in these struggles with all our forces and we will go to battle both within parliament and without. What is important for us is that these struggles open the way to a great change, to an alternative political plan. On this path, an agreement with other parties is not enough: what is needed is a strategic concept of a productive reconstruction, of what we must change and how.

Which aspects of the Siemens scandal and the process of Greece's adoption of the memorandum should potential probes by parliamentary committees explore?

The Siemens scandal is the leading example in a long chain of scandals that characterised the period of so-called development. Let us not forget that we know this because the company itself was subject to investigation. There has been a huge and unabashed effort by the two parties that ruled Greece [Pasok and New Democracy] to cover up this case. We have pledged to do everything possible to get to the bottom of it. The same stands for the memorandum, on which we have already tabled a proposal for a parliamentary probe. Greeks must know how they were dragged into this adventure, with what arrangements and

with what intention.

How do you view the plan to reduce the number of civil servants through early retirement and performance evaluation?

Public sector employees are not an elite with scandalous privileges, as television depicts them. The vast majority of workers receive salaries that are at the edge of decency and which have been substantially reduced. The repercussions of this policy of massive layoffs are enormous. Entire families will be pushed into poverty and desperation. The public sector is essentially being dissolved at a time that its overhaul is needed to make it more effective. This is being done at the behest of private interests, which aim to make huge profits by exploiting large sectors of the Greek economy.

Should no one be laid off? Do you have a plan to restructure the public sector and its personnel, and would there be a place for performance evaluations?

The left was not involved in the client system set up over the last decades. It was created exclusively by the parties that ruled and their political machines. The percentage of the labour force employed in the public sector is slightly below the EU average. Those who now want to get rid of people as if they were landfill material are the very same ones who objected to all attempts to productively reform and rationalise the public sector.

Nowhere in Europe has the public sector been improved by driving it to dissolution and devaluation. You can't do this by wholesale slaughter; it is done by planning and under a programme, which includes evaluation procedures. You don't use these procedures as a pretext to fire people, but in order to meet the development needs of the country.

Are there privatisations that you agree with? Why is it better for the middle class to make tremendous sacrifices to repay the debt instead of selling state assets with proper planning?

There is no planning. There are only plans to pillage and grab. They privatised the shipyards and their employees are in desperation. They privatised Hellenic Telecommunications (OTE). They want to privatise water, natural gas, trains and other vital sectors, so as to profit at the expense of people's needs. This will lead to no relief. If they want to relieve people, why don't they break the cartels in fuel, medicine, passenger shipping and supermarkets? Why do they sell off profitable businesses like the state betting OPAP, which can contribute huge amounts to the budget? No, we will not enter a discussion on the extent and preconditions of pillaging. Their plan wants Greece's construction capacity destroyed and we will avert that.

How do you view longterm leasing (30, 50 or 100 years) and private development of public land and real estate?

It is a pretext; it is obviously a privatisation, because in 100 years none of us will be here to check what happened. Longterm leasing is a gross ruse to sell off assets, in violation of the constitution. Public land and islands, the sale of which is being increasingly discussed, fall under this category. We are ceding control over land and productive capabilities while abolishing labour relations, town planning, environmental protection and business taxation. Greece is being transformed into a colonial country and it is ceding to private individuals every growth prospect it has – for decades. This will happen only if they can implement this plan and not stumble over fierce social reaction.

Some Syriza members blasted you for meeting with Israeli President Shimon Peres. Are you against closer Greece-Israel ties and how do you see them developing? Wasn't the Cyprus-Israel cooperation a deterrent in the face of Turkey's threats against Cyprus' gas and oil drilling?

The meeting with the president of Israel is part of the protocol of the Greek president's office. We do not meet just with people with whom we agree. There was no aspect of the Palestinian problem that we did not raise at that meeting. The tightening of Greece-Israel relations goes along with the demand for a solution of the Palestinian issue, based on UN resolutions. The same applies to the Cyprus issue. We believe that energy cooperation must be based on mutual interests, relations of trust and principles of international law. They should unite peoples, instead of fuelling nationalisms and extreme elements.

Why do you want to transform Syriza into a unified party? How will you merge the ideologically diverse component groups and what would you say to those groups that oppose the move?

The need for a unified party arises from the enormous changes taking place on the political scene. The left, with its alternative political proposal, is moving to the forefront and becoming an agent of a great, historical upset. Hence, the left must become even stronger, even more serious and even more effective. We must transform the trust people showed us into an active political and social stance. Beyond their vote, we must win the consciousness of people: The left must win the hearts and minds of people, it must inspire the optimism and determination needed to change things. These are the reasons that mandate this transformation. We are not disturbed or annoyed by pluralism. We seek the broadest possible social and political consensus in favour of our political plan; this could never be achieved with absolute unanimity and inflexible ideology.

How do you view the activity of Golden Dawn, in parliament and out of it? Do you believe they are involved in attacks against migrants – possibly with the tacit consent of police – and could the party be outlawed under certain conditions?

Neo-Nazi groups act in a criminal manner and everyone knows that. They are obviously being treated with tolerance by the police, the mass media and a broad swathe of the promemorandum front. This tolerant attitude must end. Whether these organisations are acting within the parameters of the law is for the courts to judge. On the other hand, the fact is that a substantial segment of the electorate chose an extreme answer to the crisis by voting for the neo-Nazi party, thinking that they were casting a so-called anti-system vote. For us, political darkness can only be faced by the decisive strengthening of political consciousness. The more people realise that the answer to this crisis is unity, solidarity and struggle, the more the neo-Nazi camp will return to its isolation.

The vast majority of cuts are from wages, pensions and welfare benefits, as the government says it can't collect 11.5 billion euros otherwise. What alternative proposals do you have for the country to meet its loan commitments?

There is just no way to extract so much money from an economy that you have already been choking for two-and-a-half years; Finance Minister Yannis Stournaras has cynically admitted that. The country's commitments, as imposed by the memorandum, cannot be implemented, nor can they provide a solution to the debt crisis. A new negotiation [with the troika lenders] is needed. We have tabled comprehensive proposals, and they include an

aggregate solution for the debt of the South, a moratorium with lenders [on debt servicing] while linking repayment with growth, the issuing of a eurobond and direct borrowing from the European Central Bank. Instead, the government is following the logic of the "disciplined prisoner", which is proving catastrophic.

Can the government withstand a strong popular backlash against the measures and how do you view the participation of socialist Pasok and the Democratic Left in the coalition? Do you believe the latter has tarnished its leftwing credentials?

The Democratic Left is under judgment now. Up to the election day its stance was one of denouncing the memorandum, but the day after it voluntarily joined the political establishment and is exhibiting tendencies of becoming more pro-memorandum than the memorandum itself. Pasok is trying to save itself, trapped in the same inconceivable policies in which it trapped the people and the country. There is no political future for the parties of the memorandum because the policies that they have undertaken to implement are destructive and lead to a dead end. There are already very rapid shifts happening on the political scene. Society is seeking an alternative way out and it is rallying around a new, progressive alliance, with the left at its core.

The original source of this article is <u>Athens News</u> Copyright © <u>Global Research News</u>, <u>Athens News</u>, 2012

Comment on Global Research Articles on our Facebook page

Become a Member of Global Research

Articles by: Global Research

News

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