

## How the IMF Destroyed Greece: The Reality of the Greek "Success story": On Its Way to Become a Third World Country

By <u>Aris Chatzistenaou</u> Global Research, May 24, 2014 <u>kontext-tv.de</u> Region: <u>Europe</u> Theme: <u>Global Economy</u>, <u>History</u>, <u>Poverty</u> <u>& Social Inequality</u>

While prime minister Samaras speaks of a "Greek success story" reality looks quite different: Public debt has increased from 120 per cent of GDP to 180 per cent. The suicide rate is soaring. The public health and education systems have already been largely destroyed, says Chatzistefanou. According to physicians existential fear and poverty would lead also to a heavy rise in cardiovascular diseases – often with deadly consequences. The alleged primary surplus were fictitious as government debts – including unpaid salaries – were not taken into account. The left – including Syriza – would only be able to counter neoliberal policies if a massive social movement will support a progressive government as in parts of Latin America.

Aris Chatzistenaou, journalist and filmmaker from Athens, director of "Debtocracy", "Catastroika" and "Fascism Inc.)

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Fabian Scheidler: Prime minister Samaras speaks of a success story in Greece but what is the social and economic situation in the country in your view.

Aris Chatzistefanou: In Greece we are living a financial and social genocide and it's a huge lie from Greek Prime Minister to characterize people who are committing suicide because they don't have enough for food and the don't have enough to support their families to characterise this as a success story. We couldn't imagine that something like that could happen. Again the European Union supports this idea of success story even though the informations that are coming from Eurostat show that they managed to increase the debt. Don't forget that when they started saving us as thy said we had a debt of around 115-120 % of GDP. Now it's closing 200%. After the intervention of the European Central Bank the IMF and the European Commission so they destroyed the economic infrastructure of the country and now there are they are talking about the primary surplus. So we have to keep to things in mind when we talk about primary surplus. First of all primary surplus doesn't take into account what the country owns for the loans to its to foreign banks and foreign financial institutions so a country that owes so much cannot use primary surplus as an index of what's going on – it's their own measurement unit. Even that they are lying in the way that they are calculating this primary surplus. We don't have a primary surplus. Actually we have a huge deficit that is getting bigger and bigger month after month. They don't take into consideration that the state owns money to schools, to hospitals to other institutions so if you don't' take this into consideration you can say whatever you want. Eurostat comes and says you have a deficit but Angela Merkel and other politicians in Europe say no you have a primary surplus. So they are just playing with words while at the same time people are literally dying in the streets of Athens and other big cities in Greece.

Fabian Scheidler: What is the situation in the health and education sector in Greece?

Aris Chatzistefanou: They are trying to privatise indirectly the health system and the education system because this is the last opportunity for some business man in in Greece and abroad to take what remains from the Greek public sector. They started by privatizing ports, the airways and everything that you have heard of. But now this is the last thing they understand that they can make a huge profit from that. The problem is that by destroying the public health system for example they will create thousands of cases where people will start dying not only because they don't have access to basic health care but because of the stress imposed to the Greek society. I was talking with some doctors in Greece and they were saying that you haven't seen anything yet in mortality rate in Greece. In five to 10 years you will see a huge increase in cardiovascular diseases and cancers and this is an outcome of the psychological pressure of the crises. It's not only that you cannot go if you're poor. You have to pay now 25 Euros to enter even for emergencies to enter a hospital, so poor people don't go and they don't get treated even for the simplest diseases. So it's not only that they don't have access - it's this pressure that we won't understand it but we'll see a huge growth in mortality rates. And it's the same in Russia. They've lost 10 years of life because after the intervention of foreign banks and the IMF and the imposition of these harsh austerity measures.

Fabian Scheidler: How do people resist austerity in Greece? During the last 4 years we saw a lot of general strikes and mass demonstrations but during the last months the resistance seems to have lost momentum.

Aris Chatzistefanou: Unfortunately always in times of crisis when crisis peaks you see that people trying to survive they're coming back to themselves and the society in whole gets back to its traditional roles and it gets more conservative. Remember the first years of the austerity in the 30s. We know that it took them 6 years for the working class movement to get strength again and start resisting this austerity and the crisis. I'm afraid that we are in this bad situation right now in Greece where people reacted angrily in the first years of the crisis but again there was no one there to give a concrete solution I mean someone from the left. We should have put forward more radical ideas like default to our debt. It's our right to do that and I'm not talking only about Greece I'm talking about other countries that are in this debt crisis. Probably we should have left euro zone because in my opinion euro zone creates this deficit and debt to the European periphery while at the same tame creates surpluses to the European core. We should have nationalized the banks. These are measures that could have e given a breath to the Greek economy. It's not a solution I'm not saying that this is the solution we have a structural crisis and we need structural solutions but these steps could have helped the Greek economy and the Greek population to survive for some years and to see what we can do. But there was no one to take action and say this is what we should do. The mainstream media and the government managed to impose their agenda to the population saying g that if you do something different from what we are

suggesting you will die you will stop getting money form ATMs you will stop getting your salaries and your pensions there will not be enough gas and oil for heating you will not have drugs in the hospital and all this. The funny thing is they were saying that something bad will happen if we exit for example the Eurozone. These bad things happened without getting any of the benefits that these different economic policies could have so we don't have petroleum for heating in winter we don't have enough drugs in hospitals the salaries and the pensions were slashed and old people cannot survive any more with the money they get without getting any of the benefits so I'm afraid that they are creating a third world country within Eurozone. If we continue in the same path in a few years Greece will have pockets of sub-Saharan Africa even in the center of big cities.

Fabian Scheidler: The Syriza party is predicted to become the strongest party in Greece in the elections for the European parliament. How do you see the role of Syriza in the context of resistance movements?

Aris Chatzistefanou: I see first of all I see Syriza in different ways when I'm in Greece and when I'm outside Greece. When I'm not in Greece I realize that if they win the elections and after a few years come to power, there might be a change in other European countries because people will have an alternative a concrete alternative and say enough is enough with the neoliberals and their right wing parties - we can change the situation. I'm afraid in Greece in order for a party like Syriza o make some radical changes it needs the support of a massive movement in the same way that there was a massive movement in Latin America to support government like Chavez or Morales or other left wing politicians. If you want to make what the social democrats were doing in the 70s you need a massive movement because the political spectrum has moved so much to the right that to do even the simplest thing you need people to support you. I'm afraid that Syriza didn't pay attention in creating this massive movement, they were more interested in games within the parliament, within the parliamentarian procedures and they will need that. Because in Greece don't forget that there is also a deep state that if the economic elites feel threatened they might do anything to change against the government. So they need the support of the people and they need to get it and to get the support of the people. In my opinion they need to say that what we are promising will be hell for the next one year it will be really difficult and when you have this social contract if people believe in you and understand that they have to pay because there are no easy solutions any more but after that there is hope, you might survive. I'm afraid Syriza is not doing that at the moment but let's wait and see.

Fabian Scheidler: What should be done to get out of the current crisis in your view? What is the hope beyond all hardships?

Aris Chatzistefanou: The hope is to restart Greek economy for a short period of time so that people can survive. That's the main priority because we have in front of us a humanitarian crisis in Greece and we should do things that might not be ideologically perfect or clean or like you have it in theory or in experimental cases. But we should do – we should for a start we should follow the example of countries like Iceland which defaulted on their debts they nationalized banks the imposed control on capital flow and now they are a real success story within Europe. So as a first step I believe that we should exit Euro Zone. I know that I'm a minority saying that in Greece, that people are afraid. They understand that there is a problem with Eurozone but people are afraid of what will happen. I do believe that even if someone with a magic wand gave us our loans for free if we stay in the Euro Zone in a few years we'll again have deficit that will accumulate into debt because that's the structure of

the Eurozone it's to create e debt that the small countries of European Union. So we should exit and we should try to find other means of supporting ourselves. It will be very difficult but it can be done and if you start you'll realize that other countries with similar problems might follow. You have Spain you have Portugal you have Ireland. If they see that these people tried to do something different why don't we try to do that? You might create a different pole of power within the Euro. And even if you don't succeed people in Brussels will be so much terrified that they will try to find for themselves other solutions. So we should dare and do something different. Otherwise failure is in front of our eyes right at the moment.

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