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Greece

Alexis Tsipras calls for a European conference on the debt

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Visiting Paris, Alexis Tsipras, leader of the Greek radical Left, has proposed again, in a guest article written for *Les Echos*, that Europeans should organize a conference with a view to cancelling a large part of his country's debt. He especially denounced the temptation to generalize austerity policies across the continent.

In 2010, Greece was the first European country on programme of recession was imposed to try to find a solution to the debt crisis. This crisis has spread today and is now penetrating more deeply the hard core of the euro zone.

Quite logically, the citizens and governments of Europe are watching attentively the Greek situation. Firstly, because European taxpayers are funding a programme which could be a failure. Then, because, as Mr. Schäuble himself has admitted publicly, such a failure would have an enormous impact on the entire European economy. Finally, because the social experiment now being conducted in Greece, involving in particular the repeal of laws that protect workers, the dissolution of social security and the total privatization of public services, could be generalized to the rest of Europe via the budgetary stability pact.

The vicious circle of austerity

The recipe that was supposed to ensure the "rescue" of Greece is not working and that is why its extension would be bad for Europe. The fiscal measures imposed have led to recession. It is not achieving the budgetary objectives fixed. And this inability to achieve them justifies new and even harsher fiscal measures. It is a vicious circle, and the social deprivation resulting from it is intolerable. The austerity program imposed on Greece has already been amended twice and it is now recognized that it is impossible to deal with the Greek debt through a new policy of austerity.

But do they really have a clear view of reality?

Unfortunately, the last European Summit has shown that the answer is no: the European political leadership has shown once again that it has neither the will nor the ability to provide solutions adapted to the major problems that are tragically affecting European citizens. Under the influence of Germany, the European Union envisages no other solution than to ask citizens to pay, by their sacrifices, for the efforts necessary to save the banks. The Spanish people has a lot to say about that. As do all European taxpayers.

And that is not all, as far as Angela Merkel is concerned: she refuses the creation of Eurobonds, which are one of the financial tools that would make it possible to deal effectively with the European debt crisis.

Indeed, at the same time, she is pushing the idea of a European Commissioner who would have a right of veto over national budgets. In this way she is trying to institutionalize the austerity regime and through that, the decline of European democracy.

An international conference

Even though the experiment in austerity has failed in Greece, the idea is spreading in Europe. The end of the social contract that was established in the post-war period is underway. What does that mean concretely? Greece has already shown what it means: the closure of schools and hospitals; unemployment at around 30 per cent and in particular youth unemployment at 55 per cent; wages limited to around 400 euros and pensions even lower than that. It means the dissolution of the Welfare State.

Furthermore, the implementation of this policy encourages the drift towards authoritarianism, undemocratic practices, the resurgence of the hatred and the violence of the far Right. It encourages a situation such as that which prevailed in the Weimar Republic. And I would like to remind those who, in Europe, defend dogmatically a generalization of austerity policies, that they are playing with fire. And that they have a responsibility towards democracy in Greece.

Europe can only deal with the crisis if it eradicates the neoliberal logic. European workers are not slaves, and they do not have to pay for the losses of private banks. It is necessary to provide a comprehensive response to the problem of debt and to that end to organize an international conference, similar to the one in London in 1953, which freed Germany from the iron grip of debt and paved the way, in the aftermath of the war, for that country's economic success.

Renew the historical thread of political democracy

The objective of this conference would be many-sided: to protect Europe from speculative attacks, by making possible, for example, collective management of the debt and the guaranteeing of bank deposits. The removal of a substantial part of the nominal value of the debt of the countries of the South of the euro zone and the repayment of the rest with a development clause. It should be a "New Deal" for growth in Europe.

The keys to a new road for Europe are in the hands of citizens, workers, young people. The old Europe is faltering and sinking under the weight of the greed of the markets, which it has itself nurtured. It is time to renew the historical thread of political democracy and the Age of the Enlightenment. It is time to open the way to a Europe of democracy, social justice, equality and solidarity.

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