

Is the EU Trying to Install a Government Formed of the Corrupt Entities which Stripped Greece like Locusts?

By [Global Research News](#)

Global Research, July 05, 2015

[Political Concern](#)

Region: [Europe](#)

Theme: [Global Economy](#)

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[Alex Andreou](#) confirms what a young Greek resident said yesterday, in Kings Heath. Both informants stress that if family and neighbourhood bonds had not been so strong, there would have been three times as many victims of austerity. As it is, family members working abroad are doing what they can to help relatives who cannot pay their rent in full because of restrictions on cash withdrawals and people are leaving the cities for rural areas where food is grown; the only changes noticed there are in the falling pensions.

Andreou's [Friday Byline article](#) described the political corruption and corporate tax evasion rife in Greece for decades:



“Accounts were falsified in order to facilitate entry into the Euro. Unforgivable economic crimes were committed. These weren’t committed by most ordinary people of course – the very people now asked to take on the burden of the follies of our rich oligarchs. Corrupt politicians who passed the country back and forth like a joint were quick to secure their money in Swiss bank accounts. But we must share in a collective responsibility for them. We all knew what was going on and we either became part of it or didn’t rebel soon enough or loudly enough . . .” He countered the idea that Greece has not paid a heavy price for those sins:

“In the last five years, we have made adjustments which reduced a 15% deficit to zero, while the economy contracted by a quarter. Incomes fell by over a third. Pensions were slashed by 40%. 18,000 people are sleeping rough in Athens alone today. 11,000 are estimated to have committed suicide explicitly because of financial worries. The Church is raising thousands of children in orphanages. Almost a third of the population are living below the poverty line”.

Myths are circulating

Andreou addresses default: “a normal part of debt, not some monstrously catastrophic event. Germany has defaulted on its debts four times in the last century. Italy six”.

In banking parlance, due diligence was not exercised



In January [on the Jubilee Debt website](#), Tim Jones points out: “It is not the people of Greece who have benefitted from bailout loans from the IMF, EU and European Central Bank, but the European and Greek banks which recklessly lent money to the Greek State in the first place”. Andreou adds: “The IMF report, [published yesterday](#), vindicates Syriza’s position almost entirely. Greece’s debt is not viable, it says. The approach of [“austerity first, debt relief maybe”](#) was a disaster. Another programme of cuts without debt restructuring would be so counter-productive that the IMF refuses to be part of it.

A precedent

Greece was one of the countries which took part in the debt cancellation conference based on the 1953 London conference which agreed cancellation for 50% of Germany’s debt to governments, people and institutions outside the country. Tim Jones reminds us that the payments on the remainder were made conditional on Germany earning the revenue from the rest of the world to pay the debt. It supported German economic recovery, and gave an incentive for creditors to trade so that they would be repaid. He points out that Syriza is proposing a similar conference (some have suggested a reduction of around 50%, though there is no policy officially stated), with the remainder of the debt to be paid over several decades to ensure that Greece can continue to repay.

[Professor James K. Galbraith](#), who holds a chair in Government and Business Relations at the University of Texas and has worked for the past four years with Yanis Varoufakis, now Greek finance minister, dispels nine of the myths in circulation about the Greek crisis [here](#). Amongst them:

The creditors have been generous. Angela Merkel has called the terms offered by the creditors “very generous” to Greece. But in fact the creditors have continued to insist on a crushing austerity program, predicated on a target for a budget surplus that Greece cannot possibly meet, and on the continuation of draconian policies that have already cost the Greeks more than a quarter of their income and plunged the country into depression. Debt restructuring, which is obviously necessary, has also been refused.

The Greek government is imperiling its American alliance. This is a particular worry of some US conservatives, who see a leftist government in power and assume it is pro-Russian and anti-NATO. It is true that the Greek Left has historic complaints against the US, notably for CIA support of the military junta that ruled from 1967 to 1974. But in fact, attitudes on the Greek Left have changed, thanks partly to experience with the Germans. This government is pro-American and firmly a member of NATO.

The Greek government is playing games. Because Finance Minister Varoufakis knows the economic field of game theory, lazy pundits have for months opined that he is playing “chicken” or “poker” or some other game. In Heraklion two weeks ago, Varoufakis denied this as he has done many times: “We’re not bluffing. We’re not even *meta-bluffing*.” Indeed there are no hidden cards. The Greek red lines – the points of principle on which this government refuses to budge – on labor rights, against cuts in poverty-level pensions and fire-sale privatizations – have been in plain view from day one.

A “No” vote will destroy Europe. The citizens of Greece face a referendum on Sunday that could decide the survival of their elected government and the fate of the country in the Eurozone and Europe. To those who believe in the ninth myth, Galbraith affirms that only the “No” vote can save Greece – and by saving Greece, save Europe.

Andreou’s warning:

“The EU is actively trying to install a government formed of the very corrupt entities that stripped the country like locusts for four decades”.

Galbraith’s encouragement:

“A ‘No’ means that the Greek people will not bend, that their government will not fall, and that the creditors need, finally, to come to terms with the failures of European policy so far. Negotiations can then resume – or more correctly, proper negotiations can then start.

“If there ever was a moment to speak for decency and democratic values – as well as our national interest – it is right now”.

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