

The EU's Greek Austerity Plan Rejected By The IMF

By [Dr. Paul Craig Roberts](#)

Global Research, August 01, 2015

[Paul Craig Roberts: Institute for Political Economy](#) 30 July 2015

Region: [Europe](#)

Theme: [Global Economy](#)

I have maintained since the so-called Greek Debt "crisis" began back in 2010, I believe it was that the imposition of austerity on Greece could not possibly work and that the only solution was to write down the debt to a level that Greece could service and introduce reforms that loosen the hold the oligarchs have on the Greek economy. The current Greek government has taken the same position, and now the IMF has joined us.

The IMF has said that debt relief measures, that is, write-downs, are necessary and that this necessary measure goes far beyond what the eurozone has offered so far. Asked if the plan could succeed without debt relief, the director of the IMF said, "categorically, no."

This has been obvious from the beginning to any economist worthy of the name. The fact that it has taken five years to establish an elementary fact shows how rapacious are the rich. Moreover, it proves in my opinion that the "crisis" was never about debt. It was about using the debt as a weapon to establish that creditors are not responsible for their mistakes when they overlend, and to force the centralization of member states' tax and spending policies in the EU.

The austerity plan does not address debt. It imposes a draconian fiscal policy on the Greek government.

Dr. Paul Craig Roberts was Assistant Secretary of the Treasury for Economic Policy and associate editor of the Wall Street Journal. He was columnist for Business Week, Scripps Howard News Service, and Creators Syndicate.

He has had many university appointments. His internet columns have attracted a worldwide following. Roberts' latest books are [The Failure of Laissez Faire Capitalism and Economic Dissolution of the West](#) and [How America Was Lost](#).

The original source of this article is [Paul Craig Roberts: Institute for Political Economy](#)

Copyright © [Dr. Paul Craig Roberts](#), [Paul Craig Roberts: Institute for Political Economy](#), 2015

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

[Become a Member of Global Research](#)

Roberts

About the author:

Paul Craig Roberts, former Assistant Secretary of the US Treasury and Associate Editor of the Wall Street Journal, has held numerous university appointments. He is a frequent contributor to Global Research. Dr. Roberts can be reached at <http://paulcraigroberts.org>

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