

# The EU's Greek Austerity Plan Rejected By The IMF

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*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*.

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