Syriza's Tsipras outlines concessions programme as Greece faces debt default

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Monday evening German Chancellor Angela Merkel, French President Francois Hollande and European Union Commission President Jean-Claude Juncker held a meeting in Berlin to discuss the crisis in Greece. They were joined by European Central Bank (ECB) head Mario Draghi and International Monetary Fund (IMF) chief Christine Lagarde.

On the previous evening Merkel, Hollande and Greek Prime Minister Alexis Tsipras held a conference call as negotiations over Greece's overall debt and austerity programme entered their fifth month. The meetings follow the failure, over recent days, of the latest round of "technical" talks between representatives of the EU, ECB, IMF and Athens.

As Monday evening's talks began, speculation began to mount that an "endgame" had been reached. The Guardian noted, "Rumours are swirling that Athens is about to get a 'take it or leave it' offer". In the event the meeting did not come to any agreement, with Merkel's office issuing a stateement saying they "agreed that work must now be continued with greater intensity".

The Greek state owes more than €300 billion and its funds are now virtually exhausted. Athens must make a further payment of €300 million to the IMF on Friday and a further €1.2 billion in payments to it in the next two weeks. The austerity programme expires on June 30, with some officials stating that if no agreements were reached this week it would be the end of the road. Any agreement extending further funds to Greece must be voted in a number of national parliaments, including Germany's, and there would not be sufficient time for this.

Greece is still due €7.2 billion, the last tranche of the loan from the troika that was conditional on the implementation of the final austerity agreement reached with the previous New Democracy/PASOK government and accepted by Syriza in February. Since last August, the troika has denied Greece any funds. Nothing has been given to Syriza, as they have been unable to reach a deal to impose the still deeper austerity measures demanded.

Billions of euros continue to flood out of Greece's banks, with the rate increasing. In just two days last week, more than €800 million in savings were withdrawn. Since December's election campaign, €31 billion (18.8 percent of total deposits) have been withdrawn, with private deposits now at the lowest level since 2004. Commenting on their perilous state, the *Economist* wrote, "The position of Greek banks is almost as untenable as the government's; it is a moot point which will buckle first."

Juncker, who recently pressed for an agreement with Greece, based on giving Athens more time to impose austerity, said in an article in Monday's *Süddeutsche Zeitung*, "I don't share the idea that we will have fewer worries and restraints if Greece gives up the euro". He warned if a country were to withdraw from the euro, "it would fix the idea in heads that the euro is not irreversible."

Juncker expresses the concerns of sections of Europe's ruling elite who fear a Greek exit from the euro zone under conditions of worsening economic and social conditions and continent-wide political instability. However, many other voices are demanding total capitulation from Athens. Should an agreement result from talks between Merkel, Hollande and Juncker, it will in reality be an edict containing the terms of Syriza's surrender.

Despite the Greek government claiming just days ago that an agreement was close, Merkel's spokesman Steffen Seibert told reporters Monday that Athens must agree to a "far-reaching reform package."

German Finance Ministry spokesman Martin Jaeger said, "The aim of these individual measures is to restore Greece's debt sustainability."

Earlier Monday *Le Monde* published an article by Tsipras who complained, "The lack of an agreement so far is not due to the supposed intransigent, uncompromising and incomprehensible Greek stance."

The delay was instead "due to the insistence of certain institutional actors on submitting absurd proposals and displaying a total indifference to the recent democratic choice of the Greek people."

The statement is a damning verdict on Syriza's perspective, which claimed that following a mass rejection of austerity by the Greek population in the January elections, it was possible reach an amicable, negotiated settlement with the troika over Greece's debt, based on Athens remaining in the euro zone.

Tsipras said Syriza's aim was to end scenarios that "prevent the long-term stabilization of the European economy and may, at any given time, weaken the confidence of both citizens and investors in our common currency."

Greece, he wrote, "has shown that it wants to meet its external obligations, having paid more than 17 billion in interest and amortizations (about 10% of its GDP) since August 2014 without any external funding."

It should be noted that Syriza handed over the vast majority of this amount, more than €13 billion, to the troika and international banks.

Syriza had submitted proposals "with the intent to reach an agreement that will combine respect for the mandate of the Greek people with respect for the rules and decisions governing the Eurozone."

On this basis, "we have also offered highly detailed and specific plans" in negotiations that have "bridged the distance between our respective positions that separated us a few months ago."

These included concessions on pension rights, privatisations and the VAT sales tax, he said. Syriza intended to repeal "provisions that wrongly allow for early retirement, which increases the real retirement age." As for collective bargaining, Syriza wants "nothing more than what is common practice in all Eurozone countries."

In a crushing refutation of his own claims, Tsipras comments that a "split and the division of the Eurozone, and consequently of the EU" is underway.

Describing the events that have transpired in Greece since 2010 he writes, "The first step to accomplishing this is to create a two-speed Eurozone where the 'core' will set tough rules regarding austerity and adaptation and will appoint a 'super' Finance Minister of the EZ [euro zone] with unlimited power, and with the ability to even reject budgets of sovereign states that are not aligned with the doctrines of extreme neoliberalism."

If this continues, "elections would need to be abolished in those countries" under austerity programs. "Namely, we would have to accept that the institutions should appoint the Ministers and Prime Ministers, and that citizens should be deprived of the right to vote until the completion of the Program."

What this means, continued Tsipras, is "the complete abolition of democracy in Europe" and "the end of every pretext of democracy, and the beginning of disintegration and of an unacceptable division of United Europe."

For anyone opposed to this course there will be, "[H]arsh punishment. Mandatory austerity. And even worse, more restrictions on the movement of capital, disciplinary sanctions, fines and even a parallel currency. Judging from the present circumstances, it appears that this new European power is being constructed, with Greece being the first victim."

Syriza represents sections of the Greek ruling elite and the more affluent layers of the middle class. It is hostile to a resolution of the crisis based on the mobilisation of the strength of the working class in Greece, throughout Europe and internationally, in a fight for the overthrow of capitalism on the basis of a socialist perspective.

Tsipras' prescription is that Merkel, Hollande and every other pro-austerity figure in Europe must now come to the rescue! Spelling out Syriza's pro-capitalist orientation, he declares, "Following the serious concessions made by the Greek government, the decision is now not in the hands of the institutions, which in any case—with the exception of the European Commission—are not elected and are not accountable to the people, *but rather in the hands of Europe's leaders.*" [Emphasis added]

The European Commission responded to Tsipras' desperate entreaties with a withering statement from Juncker's spokesperson Mina Andreeva, who told reporters, "What matters more than op-eds are concrete reform proposals."