

Tsipras returns to US to offer up Greece for capitalist exploitation

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Prior to Syriza's coming to office to Greece in January, and long before agreeing in July to the most brutal austerity programme yet devised, the party established intimate relationships with the most influential sections of the ruling elite.

Among the most important ties made were with the Obama administration in the United States. In 2013, Syriza leader and now Greek Prime Minister Alexis Tsipras held closed-door meetings with State Department and International Monetary Fund (IMF) officials. At the conclusion of his visit, Tsipras spoke to the Brookings Institution think tank and told them "I hope I've convinced you that I'm not as dangerous as some people think I am."

As the *World Socialist Web Site* previously reported, the US was closely involved in the talks between Greece and the European Union, European Central Bank and International Monetary Fund "troika."

Following Syriza's re-election on September 20, the White House issued a press release noting that in a telephone conversation Obama congratulated Tsipras. It reported that the US "looks forward to working with the new Greek government as it takes steps to implement needed reforms, return to growth, and achieve debt sustainability within the eurozone, including through agreement on debt relief with its creditors."

On Sunday, Greece's *Kathemerini* revealed more of the critical role played by the Obama administration in the talks leading to the savage austerity programme agreed July 13 between the Syriza government and its international creditors. The newspaper revealed the content of a secret July 16 telegram sent to the Greek government by Greece's Ambassador to the US, Christos Panagopoulos.

According to *Kathemerini*, the telegram "synopsized

the relations between the two countries over the previous months." The newspaper comments: "Panagopoulos describes in his telegram that there was frequent and extensive contact between Athens and Washington, including officials from the Treasury and the State Department, during the protracted negotiations that led to the signing of the third bailout in Brussels."

Washington, wrote the newspaper, "showed a keen interest in keeping Greece in the eurozone and had consistently provided advice on how the government led by Prime Minister Alexis Tsipras should handle relations with the rest of the eurozone."

Kathemerini notes, "Washington... advised Athens to avoid verbal attacks on the German government and to try to create a broad alliance including countries like the UK, France, Italy and Austria." It adds, "The US made it clear that the coalition would have to convince these countries that it was serious about implementing reforms if they were to then, in turn, offer their support."

During the talks, divisions emerged between the International Monetary Fund and European Union, led by Germany, who insisted that any agreement with Greece not include restructuring of its debt of more than €300 billion. In the final text, no debt restructuring was included, with only a verbal assurance made to Greece that some form of debt relief could be considered in the future. In the telegram, reports *Kathemerini*, Panagopoulos "suggests that the US government also encouraged the International Monetary Fund to be vocal on the issue of [supporting] debt relief."

For Washington a resolution to Greece's debt crisis is a major strategic imperative. Greece plays a key role as NATO's southernmost flank, with a geostrategic

location in the Balkans and large ports and other vital infrastructure. After Syriza came to office, Tsipras, seeking to put pressure on Germany and its allies, threatened to forge closer ties with Russia and China.

This development endangered US interests in the Eurasian region, at a time when NATO was ratcheting up its provocations against both countries. *Kathimerini* notes: “Washington’s strategy was to stress the geopolitical importance of keeping Greece in the single currency and the need for the eurozone to agree a further reduction of Greek debt.” It adds, “Sources also told *Kathimerini* that it was Washington who emphasized the geopolitical angle to the Greek issue through NATO.”

Following Syriza’s re-election, Tsipras has spared no time in deepening his ties with the financial elite in the US and internationally. On Saturday, he began a weeklong trip to the US.

On Monday, he addressed the UN General Assembly, stating that Greece required substantial debt relief if the agreement reached with the troika was to be fulfilled. *Kathimerini* noted that his call was part of a “broader goal by his administration to internationalize Greece’s debt problem with the aim of securing the backing of non-European countries that might help pressure nations such as Germany which have championed the economic reform drive in Greece and are reluctant to make any concessions on debt.”

However, Tsipras was in the US to hear his master’s voice as well as to advertise Syriza’s pro-capitalist bona fides. The precursor to his appeal at the UN was a public discussion held Sunday evening with former US President Bill Clinton at the annual meeting of the Clinton Global Initiative. Speaking in front of an audience mainly comprised of business people, he declared that Greece under his government was to be a haven for capitalist investment.

He called on global capital to “to come to Greece,” adding, “This awful discussion about Grexit [withdrawal from the eurozone] is over.”

Tsipras referred to tourism, the agro-food industry, health care services, the pharmaceutical sector and IT as areas ripe for investment.

Addressing the austerity programme he is pledged to impose, he stressed, “The preconditions to make reforms is to create a most stable economic environment.”

He continued, “It is necessary to make reforms in taxation, in the public administration and to create a friendly environment for investments.”

Global energy investors could take advantage of Greece’s geo-strategic position, said Tsipras. “Greece could be the field where the energy routes of the future could pass.”

Before coming to power, Syriza had initially called for the cancellation of most if not all of Greece’s debt. Instead, a debt audit was organised, tasked with establishing how much of the debt was “odious.” By the time the debt audit commission reported in June, Syriza was committed to paying back every single euro to its creditors.

Syriza has continued to call on the European Union, at the prompting of the US/IMF, to consider the issue of debt restructuring. On the part of Syriza and its backers, this has nothing to do with lessening the burden being suffered by the Greek working class and youth. Rather, debt restructuring is critical for Syriza and the affluent sections of society it represents in order to create better conditions for capitalist investment.

Speaking to his cabinet before departing for the US, Tsipras said his government would carry out the austerity programme agreed with the troika as speedily as possible. “Debt restructuring will reduce investment risks and make our economy once again attractive to investors,” he added.

Angel Gurría of the Organization for Economic Cooperation and Development (OECD) is currently advising on a raft of restructuring proposals in order to save Greek “businesses hundreds of millions of euros a year and improve their competitiveness by reducing administrative burdens.”

On the sidelines of the UN summit, Tsipras spoke by telephone with Gurría.



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