Thirteen statements about the Brussels diktat, Greece and the future of Europe

Three weeks after the Brussels diktat, it is time to draw up an interim assessment. Peter Mertens does this in a long article which reads like a thorough update of the Greece chapter of his successful book *Hoe Durven Ze?* (How Dare They?), published as a scoop at the time by *De Wereld Morgen* (The World Tomorrow). Mertens summarises the situation in 13 theses, with a sharp critique of the German seizure of power over the Eurozone, which has been being prepared since 2011. Nevertheless, he ends optimistically: "The Greek experience made millions of Europeans think, and that is a positive thing."

Peter Mertens[1], *De Wereld Morgen* (The World Tomorrow), July 24, 2015

1. The Brussels diktat will return to the Eurozone like a boomerang

The Brussels diktat of 12 July, which nailed the Greek government to the cross after 17 hours of negotiations, has solved nothing. Apart from the Social Democrat Dutch Finance Minister Jeroen Dijsselbloem and the converted separatist Belgian Finance Minister Johan Van Overtveldt, there is no one in Europe who doubts this.

"The Euro is doing better than ever," declared Jeroen Dijsselbloem on July 14 in the NOS news.[2] Dijsselbloem is chairman of the Euro group, the Finance ministers of the Eurozone. His statement is surreal, but pride comes before a fall, even for Dutch social democrats. Sooner or later, the Brussels diktat will come back to hit those who drew it up like a boomerang. The diktat does not solve the structural inequalities that have been ingrained in the Eurozone from the beginning. It does not solve the unbearable debt crisis that has resulted. It does not resolve the structural imbalances in Europe and the internal bleeding that the continent is facing. Moreover, in the end, the desperate situation in Greece is not one bit better. The Brussels diktat has just put a blanket over the fire. It is only a matter of time before this blanket catches fire.

Some scandalmongers claim that the German Finance Minister, Wolfgang Schäuble, imposed the Brussels diktat with his impossible demands to throw Greece finally out of the Euro. Bundeskanzlerin Merkel is trying to quell these rumours. Whatever may be, the fact is that the crisis is far from resolved. There will be more needed than the 53.3 billion of a few weeks ago, even more than the 86 billion mentioned in the agreement. All this on top of the current Greek debt of 350 billion Euros. Only a complete idiot believes that the Greeks will ever be able to repay such amounts.
"It is a myth that we help the Greeks with financial support. There is hardly any help. The majority of loans that we will allow the Greeks must immediately return to the same creditors

1 . Peter Mertens is the President of the Workers' Party of Belgium (PTB)

2 *NOS.nl*, 14 July 2015.

to pay off old loans," commented Paul De Grauwe. "The agreement will not solve the Greek problem. We are pushing the country even further into the abyss."[3]

The purchasing power of the impoverished population will drop even further, and by freezing the Greek budget even more, the economy will sink deeper into recession. According to the diktat, the Greek budget has to show a primary surplus of 3.5 percent for several decades. This is an entirely impossible objective. The country also has to obtain 50 billion Euros from the compulsory sale of almost all national resources which it still owns. That cannot be achieved. In 2011, the same commitment was already made by the Troika, but meanwhile the garage sale of Greek silverware yielded only 3.2 billion Euros. If the Greeks do not achieve these objectives, and that is what will happen, the European discipline masters will declare with a straight face that the Greeks have again failed to meet strict fiscal discipline, or do not want to.

This happened in the first bail-out of 109 billion Euros, already conditioned by drastic measures. According to forecasts by the Troika, the Greek economy would shrink in a limited way and then grow again quickly. Everyone knows the result. The economy sank into a deeper recession, the terms of the loans had to be extended. A second aid package of 130 billion Euros was needed. Ninety percent of all the money made a U-turn around the Acropolis to be returned to the lords of the heart of Europe. The Greek people paid the price with a profound humanitarian crisis: 1.5 million unemployed, 3 million people who live below the poverty line, a third of the population without social security and without access to health insurance. Moreover, the hard austerity policies mean also that children faint from hunger in classrooms, parents relinquish their children to orphanages because they have no money for education and diseases from a bygone age like tuberculosis are coming back. The Brussels diktat now imposes more of the same in the illusion the recipe will work one day. "Madness is always doing the same thing and expecting a different result," said Albert Einstein. That is what the European establishment does.

When it is clear that the Greeks cannot respond to the outrageous demands, another round of crisis consultation will follow, perhaps involving even more sordid conditions, until Greece is eventually bowled out of the Euro or, alternatively, forced to leave the Euro on "its own initiative". When that happens, and it becomes clear that membership of the Euro is reversible, the Eurozone will be nothing but a half-baked monetary union without fiscal transfers or democratic structures. An area dominated by one state, Germany, and one religion, *Ordoliberalism*, the German version of neoliberalism.

2. This Europe has forced a member-state to bury its parliament

Athens is under guardianship. The government must get the green light from the IMF, the European Commission and the European Central Bank – together they form the Troika – before they can submit a bill to parliament and even before they consult civil society. These are the final conclusions of the Brussels diktat. On Wednesday, July 15, the Greek government was obliged to approve a first series of diktats and a second set on Wednesday,

3 Quoted in *De Tijd*, 16 July 2015.

July 22. The Parliament is reduced to a colonial institution that has to implement resolutions that were drafted outside Greece, just as during the openly Troika governments. This is done through fast-track procedures where MPs have to vote new laws in barely a few hours.

During the vote on July 15, the Greek Parliament President Zoe Konstantopoulou made a powerful plea to resist the blackmail: “This evening is a black day for democracy in Greece and Europe. Moreover, it is also a sad day for the Greek Parliament, because through shameless blackmail by the European Union, which focuses primarily on the government and then on all MPs, this parliament has barely two and a half hours to approve, without any serious discussion, the death of its own function as well as the abandon of national sovereignty and the sale of public wealth. There is no doubt that if this blackmail is approved tonight, nothing stands in the way of a repeat. Not only against us, but also against other peoples and other governments in Europe.”[4] To no avail. Under pressure from the foreign lords, the Greek Parliament approved the laws.

“Even ‘diktat’ is a misplaced euphemism, it was a writ,’ wrote Belgian journalist Paul Goossens.[5] Suppose the Belgian government were obliged to sell the ports of Antwerp, Zeebrugge and Ghent. On the open market, to the highest bidder. And Zaventem Airport, the Belgian railway company SNCB and the entire water supply as well. Imagine that Belgium were told that this mandatory public clearance sale should generate 50 billion. And that the money from those forced sales should go to a fund in Luxemburg, where half of it could then be used to repay foreign lords, and a quarter to recapitalize domestic banks. Not only the dock workers from Antwerp, Bruges and Ghent, but the whole country would be head over heels. However, this is what the Brussels diktat for Greece is all about.

I have already written in this age of shameless self-service politics about the fact that Guy Verhofstadt’s Sofina is directly involved in the privatisation of the Greek water company in Thessaloniki via Suez Environnement. Moreover, this is not all. The German Finance minister, hardliner Wolfgang Schäuble is a concerned party. In the original text of the Brussels diktat, the Greek sales were to be managed by a fund controlled by Schäuble in Luxemburg. Eventually, Tsipras was able to delete that requirement from the diktat, but the fund that will manage the expropriation of public resources (a new TAIPED) remains entirely under the control of the Troika, regardless of its headquarters’ location.

Economists speak in such cases of a fire-sale: a bankruptcy sale. The forced character means that Greek treasures will be on sale for a song, far below their market value. Moreover, the vultures are circling above the Acropolis seeking for the best appetizers in a country in decay. Companies from Denmark, China and the Philippines are interested in the ports of Thessaloniki and Piraeus. Electricity System Operator ADMIE can count on interest from Belgium, Italy and China. The German Fraport is about to take over fourteen Greek airports, especially in tourist destinations. Russia's Gazprom sees something in the ELPE oil company. Forced sale of what is attractive for foreign capital groups and liquidation of what is in competition with the same foreign capital groups, this is called colonial policy.

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4 CADTM, 20 July 2015.

5 *De Standaard*, 18 July 2015.

The Greek islands are being sold off. On the deadly serious German financial site *finanzen100.de* no fewer than 11 Greek islands are offered as a bargain under the title "You can buy these islands for a cheap price". The island Nafsika is your private property for 6.9 million Euro. The small Lihnari is yours for 3 million Euros. For Omfori, you will have to pay 50 million Euros. *Der Spiegel* reports that billionaire Warren Buffett has bought an island in the Aegean Sea. "He has a nose for business. It is the island of Agios Thomas. The cost is said to amount to 15 million Euros," the website writes.[6]

3. Greece is not Ukraine

Barely four days after the Brussels diktat, Berlin received a surprising 'crisis visit' from the US Secretary of the Treasury, Jack Lew. The internet portal *Deutsche Wirtschafts Nachrichten* wrote: "This extraordinary crisis intervention by the Americans could be more important than all the European crisis meetings together. The Americans are alarmed by developments in Europe. They clearly see that a Greek crash would put the future of NATO in Europe at risk. It is no longer just about the European southern flank. The point is that far-right parties, EU opponents and left-wing protest parties can tilt the balance of power in Europe. All those forces are anti-American and anti-NATO."[7]

The United States reasoning is geostrategic. Greece lies at the crossroads of three continents. It has always been a loyal NATO ally. That is extremely important, since NATO and US strategists pay great attention to North Africa, the Middle East, Iran, the Balkans, Ukraine and the countries of Eastern Europe and Russia. Washington wants to prevent Athens ending up in the sphere of influence of Moscow. It is an open secret that Washington has the decisive voice in the International Monetary Fund (IMF), one of the three partners in the Troika. Washington used its influence to force the other partners of the Troika to be a little indulgent towards Athens. Not for humanitarian, but for geostrategic reasons.

Ukraine recently got a significant debt cancellation given the same geostrategic reasoning. The country is ten times more corrupt, unstable and oligarchic than Greece, and it also has a very malodorous extreme right side. Ukraine received a waiver of old loans of 13.5 and 18.5 billion Euros and a new loan of 36.1 billion Euros from the IMF. This time, no hate messages on the front pages of German *Bild* or the Dutch *Telegraaf* about the 'thoroughly corrupt and wasteful Ukrainians'. This is what is being written about the Greeks. Not only in *Bild*, but the intellectual *Die Zeit* also bashed on its front page 'the no-effort culture' said to prevail in Greece'. None of that about Ukraine. No, no one seemed to care about the Ukrainian debt of billions of Euros that was acquitted, nor about the new 36 billions. Even though everyone knows that the chance that this loan will ever be repaid is virtually nil. Double standards. Why? It's the politics, stupid. It is about politics, not economics. Better to support an extreme right-wing, oligarchic regime that defends 'our' interests than to close a deal with a European member state, that dares question 'our' policies.

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6 *Der Spiegel Online*, 18 July 2015.

7 *Deutsche Wirtschafts Nachrichten*, 15 July 2015.

What was allowed the corrupt Ukraine could not be done for Greece. Despite heavy pressure from Washington. US Secretary Lew warned a few weeks ago that a Greek crash could cost the world economy hundreds of billions. Obama repeatedly made this clear by telephone to Merkel. Nevertheless, he received no concrete commitments. *Deutsche Wirtschafts Nachrichten* wrote: “The Americans know that only debt relief can solve the Grexit problem. Washington has tried to bring that message across before the EU summit. The IMF, which is in the hands of the Americans, announced that there is much more money plus debt relief required for Greece. Today, the IMF logs in again and again puts debt relief on the table. The warning is now formulated in more drastic terms: debt relief should be ‘much broader and higher than the Eurozone is willing to accept until now’.”[8]

The new report of the IMF on July 14 must thus be read politically, but is no less interesting.[9] The report shows that the Greek debt is unsustainable. This is clearly and unequivocally stated from the very first line. Without serious debt relief, no solution is possible. That is what the Greek government has been saying since the beginning. Secondly, the ‘deal’ (read: diktat) will only worsen the situation. Within two years, the debt will be twice as large as the entire Greek economy. In this context, new savings (demand to cut pensions and raise VAT) are impossible and counterproductive, as one can read between the lines in the IMF report. Thirdly, it can also be learnt that the EU figures on Greek debt, the surplus targets in the budget and the privatizations that were imposed in the Brussels diktat, are no more than unrealistic fantasies. These are not economic, but political objectives. Finally, the IMF points out that the decision of the European Central Bank to dry up the Greek banks would cost Europe an enormous amount of money. The leaders of the Eurozone were already aware of this critical report on the Sunday morning before they began their marathon negotiations. They saw only the political dimension of the report and not the severe economic warnings. By disregarding the report of the IMF, Berlin was also sending a signal to Washington: the European Union is under German command.

4. The official European Union has become the conditional EU

In the Irish pubs, a new running gag is doing the rounds: “What is the difference between the mafia and the current European leaders? The mafia makes you an ‘Offer you cannot refuse’. The leaders of the European Union make you an offer you cannot refuse, but you cannot accept either, without destroying yourself.”

“To be clear: it is not true that it is only recently that the European Union has become an inhospitable place for progressives. It has always been that way. It is only now since the crisis that it has become clearer and that some have discovered this for the first time. From the very outset the European Union has had an essentially liberal project,” writes professor of European studies Ferdi De Ville in *Knack*.[10] That is correct. The European Union was set up by the largest and most powerful interest groups on the continent to compete better with the

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8 *Deutsche Wirtschafts Nachrichten*, 15 July 2015.

9 IMF, 14 July 2015.

10 *Knack.be*, 20 July 2015.

United States and Japan. In the background, the unification was backed by powerful lobby groups such as the European Round Table of Industrialists (ERT). The ERT has only 50 members, but 50 who represent a turnover of a thousand billion Euros with a workforce of 6.6 million workers. In 1980 it dictated the project of the single market for 1992. They advocated a single currency with strict convergence criteria, the so-called Maastricht criteria. In early 2002, they set the course for the next phase: the Economic Board, a rigidly centralised authority that would rule the whole economic policy.

If, in the wings, the EU was set up as a competitive project, on stage one pompous statement on 'social Europe' followed another. The European Union would be based on three venerable principles. The first was that the process of European integration would be consensual, based on equality between partners. A second principle was that the steps to European integration could not be rolled back. A third, unspoken assumption was that Germany would restrain itself in exchange for the enormous gift of a restart that the other European countries had donated after the devastating Nazi barbarism of Hitler's Germany. The Brussels diktat has made these three fundamental principles of the Union null and void.

Greek sovereignty no longer exists. "Pawnshop Europe takes over the state formerly known as Greece," wrote Tine Peeters in *De Morgen*.[11] By threatening Greek voters, by closing the Greek banks for weeks, by mental waterboarding and by holding the gun to the temple of the Greeks in order to impose a humiliating diktat, any notion of equality was made impossible. Thus, the European Union tramples its first principles and anchors itself to a new concept in the foundations of Europe: a Member State can and will be brought down if it does not march in the direction of the German monetarist austerity policies.

The second principle was abolished. The threat by Wolfgang Schäuble, at one time supported by SPD leader Sigmar Gabriel, to throw Greece out of the Eurozone, put an end to the irreversibility of European membership. Even if this threat has not (yet) been carried out, the fact that it was there and was accepted as an option, means that from now on every step in the European Union is conditional. Angela Merkel and François Hollande may indeed declare that a B plan proved unnecessary, but it became apparent that any country that did not share the budget faith, would be better to develop such a plan. The official European Union has become the conditional European Union. The American economist Paul Krugman called the Brussels diktat "a grotesque betrayal of everything that the European project was supposed to stand for". Krugman wrote: "Economic considerations became secondary. Moreover, we have learnt in recent weeks that membership of the Eurozone means that creditors can destroy the economy of anyone who steps out of line."[12]

5. Some forces are openly calling for a split between a core Europe and a vassal Europe

The Greek example shows that membership of the Euro club is no longer sufficient and that it is possible to throw a Member State out of its monetary union. First on the list is Italy.

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11 *De Morgen*, 13 July 2015.

12 Quoted in *De Tijd*, 16 July 2015.

Recently, the German financial magazine *Handelsblatt* published an extensive article under the bold title "Italy is Greece times XXL".[13] Italy is Greece squared. Since the beginning of the crisis in 2008, industrial production has declined by a quarter. Per capita income has reached its lowest level since 1997. Unemployment has doubled. The third largest Eurozone economy already has 14 consecutive quarters of no growth. Labour productivity is lower than when the Euro was introduced. In May 2015, Italy went into 23 billion euros of new debt. Total Italian debt amounted to nearly 2,200 billion euros: that is 135 percent of GDP.

These are not pretty figures, but they reflect the bankruptcy of European austerity, and not only in Italy. Belgium's debt rose to almost 448 billion Euros, or to 111 percent of GDP. The French are in debt to the tune of 2.089 billion Euros, representing 97.5 percent of GDP. All this is far from the maximum debt limit of 60 percent of GDP, which was insisted on once again in the 2013 Budget Treaty (see below).

Yet it is still Italy which is being targetted. That obviously has to do with the 1,000 billion Euro that the European Central Bank has used these past two years to buy government bonds in Italy and Spain. That is a vast sum. However, that is not all. There is also the vision of German Finance Minister Wolfgang Schäuble on the future of Europe. In the mid-nineties Schäuble developed the concept of a core Europe with a "strong centre" around Germany which would not only hold a small, integrated 'core' of the EU together but also define its politics. In 1994, he developed a master plan under the title *Überlegungen zur Europäischen Politik* (Reflections related to European policy).[14] According to Schäuble, Germany, France, Belgium, Luxembourg and the Netherlands form the 'core' of European unification, with the German-French axis as the driving-force. According to Schäuble, the Euro should be the hardcore of Europe. The single currency would be reserved only for a small core of countries. Around this core, the European Union could then be built. Greece is in the vision of Schäuble non-core Europe. That explains his tough stance during the crisis, and his outspoken advocacy of expelling the country from the Euro. Italy does not belong to core Europe in the vision of doctor Schäuble. It does not belong in the Eurozone. That means that the third-largest economy in Eurozone could be the next target for the hardliners from Berlin.

Some forces argue openly for a split between a core Europe on one side, and a vassal Europe on the other. Their vision is that of a Europe that is tailored to the financial powers in Frankfurt and big German industry, complemented by countries supplying functions in the cross-border industrial assembly chain.

The Brussels diktat has also made it clear to Rome and Madrid that eventually Berlin will decide who will be part of the core-Europe and who will be sentenced to the vassal's part. This is also a warning to Paris. The Internet portal *German Foreign Policy*, a political associate of the German chancellery, reprimanded France because she wanted to be more than "the German junior partner". France should abandon "this race to up her national profile at the expense of her closest partner as quickly as possible," said the employee.[15] Germany decides, France is allowed to help. All this has nothing to do with a democratic and united Europe.

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13 *Handelsblatt*, 17 July 2015.

14 *Deutsche Wirtschafts Nachrichten*, 21 July 2015.

15 *German Foreign Policy*, 23 July 2013.

6. The Euro has been speaking German, right from the start

"Some pretend that they received a German injunction that everyone had to swallow, but that is not true," said Belgian Finance Minister Johan Van Overtveldt (N-VA) after the Brussels diktat. He must be practically the only politician or observer who did not notice the "German injunction". He was at all the meetings of the European Finance ministers, but did not see a German seizure of power. *Ceci n'est pas une pipe*. (This is not a pipe). It is still a thick pipe, states the stock exchange newspaper *De Tijd* under the title "Europe is Germany". Bart Haeck, whom one can hardly suspect of leftist sympathies, clearly expresses this: "We woke up yesterday morning collectively in a different Europe. Though we might not yet have been aware of it. Merkel is now using the dominant role that she has been playing for years on the European level on a formal level. The currency union, but also the European Union is more than ever a German union over which Merkel holds sway."[16]

Van Overtveldt coldly denied the German takeover, but Bart Haeck talked about a "German diktat": "Yet, it is just that German diktat that will make the changes of last weekend decisive for the coming years. Merkel came out of the shadows where her predecessors had remained confined and took place all alone behind the European wheel. German dominance has always been there, but until now Berlin has never wanted to play on that." The overt German diktat is indeed *the* shift in European politics, and that the Belgian Finance Minister does not want to see it means he is either blind or incompetent.

The German seizure of power over the Eurozone did not drop from heaven. It is not an unexpected coup, but the result of years of politics. The radicalisation of German economic policy dates from just after the fall of the Wall and is closely linked to the territorial expansion of the economic base of Germany by the Wiedervereinigung. Among other conditions, the French allowed the unification, provided that then-Chancellor Helmut Kohl agreed to the introduction of a single European currency, the Euro. What is often left unmentioned are the conditions imposed by Germany on the Euro. Germany would lead the game, there would be a so-called 'independent' European Central Bank modelled on the Bundesbank, the fight against inflation was to be an obsession, much more important than the fight against unemployment, and no financial transfers were allowed between exporting countries and weak importing countries. The Euro was at birth adapted to the strongest currency, the German mark. "The Bundesbank has made the strongest currency the real reference value," said Karl Otto Pohl, former president of the Bundesbank. "The Euro speaks German," German Finance Minister Theo Waigel declared in 1998, even before the introduction of the single currency. He was right.

I wrote all this in the book *How dare they?* four years ago. I repeat it here just because some people today seem so surprised by the German seizure of power in the Eurozone. The Bundesbank is the father of the Eurozone, and no one should be surprised if the same financial circles from Frankfurt show their colonial vision of Europe openly more than ten years later.

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16 *De Tijd*, 14 July 2015.

Let's return to the introduction of the Euro in 2002. Until 2008, there seemed to be no problems at all. With the Euro in the image and likeness of the Deutschmark, everything appeared to go well. One stable currency, no currency risks anymore, a large domestic market, what more can a strong export nation wish for? “Low wages”, replied the red-green Schröder-Fischer government, quickly turning words into deeds. The German Social Democrats and Greens created a huge low-wage sector. German goods became cheaper and German exports boomed, especially within the European Union. On the south side of Europe, the opposite occurred. Portugal, Spain, Greece could not compete with the much stronger and more powerful companies in core Europe. They had to import more than they exported and thus the money disappeared abroad.

It is often forgotten, but between 2002 and 2008, the main capital flows of Lisbon, Madrid and Athens went to Frankfurt, Berlin, Paris, Amsterdam and Brussels. Formerly, a country could straighten out such a disadvantage by a devaluation. That is not possible anymore. Furthermore, the budget could no longer be used to stimulate the economy because it was firmly put on the convergence criteria of Maastricht. The southern countries were in a trap. No problem, said core Europe, and the German, French, Dutch and Belgian banks opened the floodgates. The southern countries could borrow for next to nothing, so as to go on importing goods from core Europe. Until the bubble burst and the crisis was a fact.

There could be no solidarity transfers, ordered the German monetarist policy-makers. There was only one remedy: the iron hand. Germany retained the currency union as a weapon to “set things right”. “If Europe does not put its affairs to right in its budgets and cannot strengthen its competitive position, it will no longer play a significant role on the world stage, and gradually give way,” Angela Merkel said during the first Euro-crisis.

7. The Budget Treaty, the iron German hand imposes the austerity policy

The European Council and the European Commission have benefited from the dust clouds blown up by the crisis to do what they could never have done in broad daylight. They put all of Europe’s social and economic policies under the tutelage of ‘experts’, directly from the major financial and economic groups. They appropriated powers that are not covered by any democratic control or decision and nibble away at the sovereign decision-making power of states.

More discipline in economizing, greater budget and debt discipline, that was what was heard in Germany after the banking crisis and the Euro crisis. No major investment programs, precisely what would be necessary in times of crisis. No deficit spending or Keynesian policies to start the engine running. No, the logic of the Euro area had to be extended and strengthened even further. When designing the single currency they had already established that logic in the budgetary criteria of the Maastricht Treaty (1992). Five years later, sanctions and strict standards were added to the Stability Pact (1997). It was precisely Germany and France, the first two countries in 2003, who broke the norms, but that should not spoil the fun. Neither the Troika nor Wolfgang Schäuble was let loose on Berlin or Paris. They turned a blind eye and continued.

The lesson drawn by Germany from the banking crisis and the Euro crisis was that an iron hand was needed. A straitjacket from which no one could escape. After the single currency, the European Union also had to have a political unity that had to be made as hard as possible in treaties and pacts. What in regular periods would have taken much time and effort the bosses' circles obtained without difficulty. Led by Merkel, even then, the European Union took three essential steps.

On Friday, March 25th, 2011, the Euro Plus Pact was adopted, a grand declaration of war on 'labour costs'. Is monetary policy too tight? Does it not succeed in protecting Member States against turmoil in the financial markets? Then all the rest should be made flexible, wages in particular. If we cannot devalue currencies, we must devalue salaries. Wages are nevertheless, like the labour market and social security, a part of the competence of national states. No problem, the Euro Plus Pact obliges the European countries to establish a yearly competitiveness plan. Each country will now be monitored using certain indicators to keep an eye on its competitiveness with regard to its neighbours. The comparison is of course used to play the labour costs of the one against those of the other.

A second step followed: the legal framework to impose sanctions. On Thursday, June 23, 2011, for the first time six regulations were adopted (later definitively voted on September 28, 2011). Those ordinances were named Six-Pack. Under the banner of fighting "macroeconomic imbalances", the European Commission can now also intervene in areas that are not within its competence. The liberal and conservative groups defended the enthusiastic texts. In *Knack*, John Crombez of the Flemish socialist party declared recently: "We have rejected the six-pack in the European Parliament."[17] This is not the truth. All green and social democratic delegates from Belgium agreed with at least two of the six texts. They agreed to a competitive scoreboard and a punitive commission.

Two years later, it would be even more evident with the third step. In March 2013, the Two-Pack was approved, which provided that Member States submit their annual budget plans to the European Commission by 15 October. The hard German economy doctrine and sanction arrangements were then poured into a comprehensive austerity treaty, the so-called Budget Treaty. In May 2012, the Belgian parliament approved this strict neoliberal fiscal treaty with the support of the Flemish and French-speaking Socialist Parties. In Ecolo, the usual hypocrisy dominated: the ecologists voted in the federal parliament as members of the opposition, but in the Walloon and the Brussels parliament as members of the majority. The different government parties agreed that the government would comply blindly with all the provisions of budgetary and debt discipline and that Belgium would submit to the dictates of the European Commission to correct the so-called macroeconomic imbalances. One may wonder what the point is of voting against four of the six regulations of the Six-Pack in the European Parliament, if you then accept in the Belgian parliaments letting the country obey all six ordinances just the same. While the European Union is more and more tightly constrained in the German straitjacket, Social Democrats and Greens go on talking about 'steps towards a social Europe'. By approving the Budget Treaty, they do exactly the opposite.

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[17] *Knack.be*, 16 July 2015.

8. The lesson learned from the failure of the German Euro is: the Euro must be even more German

"How can this patchwork quilt be held together? That will depend on economic and political factors. It can go two ways: either a more centralised authoritarianism in a Europe where national sovereignty is sacrificed, or a return to nationalism. German internal contradictions play a significant role in this political battle," I wrote in 2011 in *How dare they?*

That is exactly what is happening. For Angela Merkel, her strict Budget Treaty of 2013 is not enough. At the end of 2013 the Känzlerin was openly dreaming that there would be binding instruments to enforce fiscal discipline in countries that are not under the guardianship of the Troika. Countries such as Greece, where the Troika is in power have to take the obligatory measures mentioned in the memorandums. Other countries do not have to do so. Merkel wants to introduce so-called competitive contracts, bilateral contracts between the individual Member States and the European Commission, in which structural reforms are defined in return for financial compensation. Each country would have its own made-to-measure memorandum, so to speak. The forthcoming European elections in May 2014 ensured that the proposal did not materialize. However, on October 23, 2013, the European Parliament passed a motion on the European Semester, stating that the Commission should quickly bring in such a competitive instrument. Christian Democrats, Liberals, but also Social Democrats and Greens adopted the motion. They remain wedded to a competitive Europe. Only the United Left group (GUE / NGL) voted against the proposal.

Amid the dustclouds rising from the Greek crisis, on June 22, the presidents of the European Union and the EU institutions presented their so-called "5 presidents report", calling for 'more Europe' and a further transfer of sovereignty to Brussels. In the first phase, (up to 2017), all rules must be strictly observed. Everything must be submitted in advance to the European Commission, and there are penalties if the recommendations are not implemented. That is the same logic and the same policy as were used in Greece. The only difference was that they were applied in a more extreme and drastic way in Greece, made possible by the stranglehold of the Troika. In a second phase, (from 2017), the five presidents want a sort of European government to be set up on a federal model.

The report proposed that each Eurozone country establish a Competitiveness Authority. This authority would be stacked with technocrats and supposed thus to be an "independent entity". Its task would be to compare wage trends with those of neighbouring countries and on that basis release 'recommendations'. The unelected authorities for competitiveness would coordinate their policies at the European level. We must remember that in Greece with that same logic, based on the recommendations of 'experts', various Collective Labour Agreements were broken and destroyed. Competition among workers in the different Member States would be officialised that way. All employees are played off against one another, and the country which cuts deepest into wages will serve as a model. The social partners in each country must then use the recommendations of the Authority as guidance in their wage negotiations. So much for free wage negotiations. If the social partners were obliged to follow the 'recommendations' this would blatantly contradict the conventions of the International

Labour Organisation. Countries that do not follow the 'best examples' in Europe must be punished with the sanctions foreseen by the Six-Pack.

The Euro was right from the start cast in German nickel. After the bank crisis, there was a switch to a higher gear, at the request of Merkel and the financial circles in Germany. Except for the United Left group (GUE / NGL), all the main European groups supported this trend in differing degrees. Even the Social Democrats and the Greens. On Sunday, July 12 Merkel openly took hold of the controls. That was not entirely unexpected. The German hardliners have been working for years to secure this inexorable logic– with which they knocked out Greece – in a straitjacket of pacts and treaties. This is also the lesson they learned from the Greek affair. Less laxity, more control, more discipline, more sanctions to impose the rigid austerity policy everywhere. That is the tragedy of this story. From the failure of the German Euro, they draw the lesson that the Euro must be even more German, and with an iron fist.

9. Breaking with the social democratic line of Schultz, Moscovici, Gabriel, Hollande and Dijsselbloem

An inspired Patrick Dewael in the Belgian parliamentary debate of July 2, 2015 hurled the following words at the social democratic opposition: "There are two kinds of socialists. On the one hand, you have the socialists in the government and the European Commission. They take their responsibilities; they work on solutions. On the other hand, there are socialists in the opposition: they try to do make the public forget as soon as possible that they bear responsibility. Today they denounce the approach of the EU, but I never heard them make any reservations with respect to the approach to the Greek crisis defined by Prime Minister Di Rupo in the last legislature."

Dewael has a point. In the Dutch elections in 2012, at one time the so-called 'radical left' SP of Emile Roemer was in the lead in the polls. Then, a linguistic change of the Dutch Social Democrats Diederik Samson and Jeroen Dijsselbloem followed, with much more radical statements against banks and speculators that those of Roemer. The strategy worked. The Dutch Social Democrats hoisted themselves into the government of Rutte II and then did the same as Rutte I and all other European governments. A cold austerity policy hit the Netherlands even harder. Dijsselbloem, yes Dijsselbloem. In most European countries, people are now convinced he is a member of the liberal VVD.

In France, the same happened with Francois Hollande. The rhetoric became more leftist to thwart the rise of the Front de Gauche. Hollande (later president) and Sapin (later Finance Minister) promised during their election campaign even to review the Stability Pact. That was before they came to power. Once Hollande was nestled in the Elysée this promise fell through. On the contrary, relations with Germany were tightened. During the election campaign, Hollande puffed out his chest, but since then he is also at Merkels feet.

The same rhetorical ruse was used in Germany. "For a Europe of people, not money". That was the SPD slogan in last year's European elections. That changed when the SPD entered the grand coalition with the CDU of Angela Merkel. The party chairman Sigmar Gabriel became vice-chancellor and let himself be noticed in recent weeks as one of the German hardliners.

Not for the Europe of people. All the more for a Europe of money. The Social Democratic vice-chancellor did not even exclude a Grexit.

“With Angela Merkel, Wolfgang Schäuble and Sigmar Gabriel as the Berlin Troika Europe has no future”, says Sahra Wagenknecht, spokesperson for the Left Party in the Bundestag. "Schäuble and Gabriel want a German Europe or a European Germany. Helmut Kohl’s legacy is frivolously wasted, and the relationship with France and Italy has deteriorated. That an SPD chairman meanwhile acts as a hardliner on pension reductions, VAT increases and privatizations, and that, inspired by nationalist feelings, he often overtakes Merkel on the right, is very sad”.

Yascha Mounk, professor of Political Science at Harvard University and a long-standing convinced member of the SPD, found that unacceptable and wrote an open letter to Vice-Chancellor Gabriel on Wednesday, July 15. *Die Zei*t published the letter. Mounk: “It is the short-sighted nationalist policy towards Greece, the treachery towards the dream of a united Europe, which is the immediate reason for my alienation from the SPD. For weeks, the SPD has willingly taken part in Germany’s self-righteous campaign against Greece. You’ve decided to follow Wolfgang Schäuble, the Conservative Minister of Finance. You’ve chosen to follow *Bild*, Germany’s largest tabloid, specialist in cheap moralizing. Just like them, you have lectured and bullied the Greeks by telling them that they could drink their own blood.” The professor ends his letter with the announcement of his resignation: “In an article written with Martin Schulz, President of the European Parliament and member of the SPD, you write that in recent days we have undergone a historical test. How cheap. The truth is that you have contributed to the destruction of a communal, democratic and inclusive Europe. For this is what the agreement is, approved by a vast majority of ‘our’ parliamentarians in the Bundestag. After this horrible week of German moralizing and Greek humiliation, the idea of a stronger union between European nations is a relic of the past. The SPD, frightened by the supposed strength of nationalist sentiments among the population, has again joined the gravediggers of a noble internationalist idea. Leaders who betray the principles of the party at the first sign of a crisis no longer represent me. That is why I am giving up my membership today.”[18]

And in fact, on Friday, July 17, the SPD approved the Brussels diktat in the Bundestag by an overwhelming majority. 175 members of the SPD voted yes, only four voted against the diktat. The German Green Party voted for the agreement. 23 Greens voted in favour, only two against, though it is true that many abstained It is the second time German Greens and Social Democrats support a German Europe precisely at decisive moments. A first time with the red-green government that organized wage dumping in Germany through the Hartz reforms (2001). Now, they approve, with the followers of Merkel, a neo-colonial diktat that strengthens the German take-over of the Eurozone, Thus making a Europe of solidarity de facto impossible.

Germany, France, the Netherlands, and Italy, everywhere it was the same scenario. Radical language before the elections, to block off the emergence of a consistent left. Once in government this then became an austerity policy like that of all the other parties, except for a

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[18] *Die Zeit Online*, 15 July 2015.

few dots and commas, in accordance with the hard budget treaty of 2013 that they had approved (including the two Belgian Socialist Parties). The open support of Gabriel, Hollande and Dijsselbloem to the Brussels diktat exposes the dominant line of European social democracy. An example is the fact that Social Democratic excellences accept official positions in the European institutions. They all march in step with Germany . Martin Schulz (SPD) showed his stubbornness with Greece as president of the European Parliament, and Pierre Moscovici (PS) was every bit as hard as commissioner of the Juncker Commission during the 'negotiations' with Greece. If the Flemish Socialist Party really wants to break with this policy, then Kathleen Van Brempt will have to give up her vice-chairmanship of the 'Progressive Alliance of Socialists and Democrats' and the Socialist Party will have to break with the European party of social democrats dominated by the SPD of Gabriel and the PS of Hollande.

10. Instead of negotiating, the EU wages an economic war

"I fear that the German government, including its social democratic faction, have gambled away in one night all the political capital that a better Germany had accumulated in half a century," said the German philosopher Jürgen Habermas last week.[19] He continued: "Germany has presented itself shamelessly as the European disciplinary chief, and for the first time openly made a claim on German hegemony in Europe." Habermas, from the beginning one of the leading advocates of European integration, is mistaken. The German seizure of power in the European Union is not new. The only thing that is new is that this happened shamelessly during the Brussels diktat. It is precisely this shamelessness which has opened the eyes of millions on the continent.

Already on January 30, 2015, – the newborn Greek government was only a few days old – the new Finance Minister, Yanis Varoufakis, was visited in his office by the President of the Euro group, Jeroen Dijsselbloem. Dijsselbloem immediately threw the choice in his face: "the Memorandum, or the closure of the banks ."[20] From the very beginning, it was clear that the disciplinary masters of this liberal Europe would leave no margin for a different policy. That the Greek population had given a massive signal in the elections against the inhuman austerity policy of the Troika, was without value. "'Elections change nothing. The only thing that matters are the agreements.' With those words, I was greeted in Brussels in February by Schäuble," says Yanis Varoufakis.[21] "When I attended my first meeting in early February in Brussels, there already existed a substantial majority in the Euro group with the German Finance minister as its centre of gravity. It had a mission: to block any agreement based on the similarities between our new government and the rest of the Eurozone."

Varoufakis was struck by: "the complete lack of any democratic scruples, on behalf of the supposed defenders of Europe's democracy. […] To have very powerful figures look at you in the eye and say "You're right in what you're saying, but we're going to crunch you

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19 *The Guardian*, 16 July 2015.

20 *Le Journal des Redacteurs*, 20 July 2015.

21 *Die Zeit*, 15 July 2015.

anyway. […] You put forward an argument that you've really worked on – to make sure it's logically coherent – and you're just faced with blank stares. It is as if you haven't spoken. What you say is independent of what they say. You might as well have sung the Swedish national anthem – you'd have got the same reply."[22]

For fans of disaster capitalism, Greece was a laboratory. The most serious act of economic war was yet to come: the sack of Greek banks by the European Central Bank. That drastic recipe came straight out of the shock doctrine Naomi Klein so eloquently described at the time in her book. It is the blackmail of 'sudden death'. No cash, the banks closed, the shutdown of the economy. Greece was to be an example.
The Greek negotiators continued to try, for want of a better alternative, to convince the other European countries with rational economic arguments. As if it were a question of negotiations on an equal footing and not an economic war on the part of the economically and financially strongest nation. Even during that dramatic last weekend, when the Brussels diktat was imposed, the Greeks continued to stick to the strategy of persuasion, without the pressure of the slightest B Plan. Finance Minister Euclid Tsakalotos "had prepared himself very seriously. He had prepared a whole set of arguments and was expecting exactly elaborated counter-arguments to be presented. But, instead of that, he just had to face people who were endlessly reciting rules and procedures and so on," says Stathis Kouvelakis of Syriza.[23]

The economic war with Greece was also made possible because the country was isolated. After the election victory in January the Greeks had expected minimal support from at least the France of Hollande and the Italy of Renzi. Nevertheless, Tsipras and Varoufakis returned empty-handed from a trip to Paris and Rome. It was clear that the social democratic governments had sold out to this liberal Europe and would not lift a finger to make a different policy possible with the Greeks. Among the strongest opponents of Greece were countries facing similar problems, such as Italy, Spain and Portugal. They did not concede a single step forward to the Greeks because then their own capitulation would have been more obvious. Varoufakis: "…from the very beginning those particular countries made it abundantly clear that they were the most energetic enemies of our government. And the reason of course was their greatest nightmare was our success: were we to succeed in negotiating a better deal for Greece, that would of course obliterate them politically, they would have to answer to their own people why they didn't negotiate like we were doing."[24]

11. In the days following the referendum, a popular OXI was turned into an imposed NAI

On Sunday, July 5th, the Greek people voted massively in the referendum 'no' to the demands of the Troika. In the working class districts, the 'no' won more than 70 percent. In the wealthier neighbourhoods, there were up to 70 percent yes-voters. However, ultimately

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22 *New Statesman*, 7 July 2015.

23 *Jacobin Magazine*, 16 July 2015. . (https://www.jacobinmag.com/2015/07/tsipras-varoufakis-kouvelakis-syriza-euro-debt/)

24 *New Statesman*, 7 July 2015.

the ‘no’ won in all districts of the country. In particular, the results of the youth were very striking. More than 85 percent of young people between 18 and 24 voted ‘no’. This is a generation that was completely sacrificed by the memorandum policy of the Troika and the bankrupt policies of both PASOK and New Democracy. The referendum also set a process of radicalisation in motion, culminating in Friday's demonstrations.

After the referendum the opposition was KO. Both PASOK and New Democracy had failed. Even more than during the elections in January 2015. A few hours after the results the leader of New Democracy, former Prime Minister Antonis Samaras, resigned. Salvation came from... Tsipras. The Greek Prime Minister took the initiative for a “council of political leaders”, led by the President of the Republic, an avowed supporter of the yes-camp. During that meeting, the momentum that was built up through the referendum was curbed again. It was decided that Greece would remain at all costs in the Eurozone and that the referendum was not a mandate to break off the negotiations, but merely to achieve a better negotiating position.

Meanwhile, Tsipras’s government, de facto a government of ‘national unity’ put a new negotiating plan on the table including measures that had been rejected in the referendum. The ‘no’ in the referendum was transformed into a ‘yes’ in the negotiations. And so the new Finance minister Euclid Tsakalotos – his predecessor Yanis Varoufakis had resigned in the meantime – and Prime Minister Alexis Tsipras went unarmed to the respective meetings of the Euro group (Finance ministers) and the Euro top (Prime ministers). The result is known. Germany knew only too well that Greece wished at all costs to stay in the Eurozone. The Greek public had been nailed to the cross with a humiliating diktat, which in addition had to be approval by the Greek parliament. “We had the choice of either being executed or capitulating. Tsipras decided that capitulation was the best strategy”, Yanis Varoufakis said afterwards.[25]

Under the Greek Constitution, the result of a referendum has the same value as a law passed by parliament. The result cannot be undone except by another referendum. In the referendum on July 5, the Greek people rejected a series of concrete measures proposed by the Troika. On Wednesday, July 15, the Greek parliament was obliged to adopt many of those measures. This was unconstitutional. The heralds of neoliberal Europe could not have cared less about disabling the Greek rule of law. “In a democracy there is no deadlock. The people have spoken. It has said a big NO to the ultimatums, the blackmail, the intimidation, the propaganda and terror. NO to the memorandums”, as the Greek Parliament President Zoe Konstantopoulou declared on that fateful Wednesday, July 15, when the Brussels diktat was voted in the Greek Parliament. “We have no right to change the no of the people into a yes. Nor do we have the right to interpret it as a conditional no. Each one of the measures in the said agreement was rejected by the citizens by an overwhelming majority. We are obliged to defend their vote because our power lies with them.”[26]

The President of the parliament’s speech was to no avail. The declaration of the majority of the members of the council of the party of SYRIZA, the central committee, in favour of

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[25] *RT*, 18 July 2015.

[26] CADTM, 20 July 2015. Zie: http://cadtm.org/Discours-de-Zoe-Konstantopoulou-en.

rejecting the Brussels diktat was to no avail. A vast majority in the Greek parliament approved the diktat in a political logic of "the lesser evil", and under heavy pressure to remove the dissidents from their posts. That happened after the vote. Former Energy Minister Panagiotis Lafazanis, explained: "The direct and brutal blackmail carried out by the masters of European neo-colonialism is not enough as an excuse. I do not accept this one-way path. Just as I do not accept these foolish sanctions and charges of 'apostasy' against those who oppose it. On the contrary, it is the Greek parliament and the political parties that accepted the 'protectorate' of Athens and have either acted as silent lambs or have accepted the new protocol as a 'necessary evil'which bear the responsibility."[27]. Thus, in barely ten days a popular OXI (no) was turned into an imposed NAI (yes).

Meanwhile, Syriza is rapidly changing into a force that will continue the regime of debt settlement throughout the Third Memorandum. The "purging" of Syriza also continues. Ten ministers or deputy ministers have recently left office or been dismissed. The so-called financial assistance, which, for the most part, will return immediately to the bank accounts of the foreign lords, will come only in small chunks. With every piece, the Troika will require more blood from the Greek population. The humiliation of the Tsipras government is likely to be complete. The Troika will pursue them to the bitter end, by forcing the government to adopt measures which no government has taken before. Until the Syriza government can be discarded like a squeezed lemon.

12. The Euro produces its own gravediggers

"They just couldn't believe that the Europeans would react the way that they actually reacted," said Stathis Kouvelakis of the Left Platform Syriza.[28] "Tsipras and Syriza have from the very start pursued a consistent line. They thought that via combining a 'realistic' approach to the negotiations with a particular rhetorical resistance, they would be able to reach compromises. They have, however, increasingly got stuck in that line, and when they realized they were trapped, they had no alternative strategy." Furthermore, says Kouvelakis: "I think Tsipras honestly believed he could reach a positive outcome by an approach that focused on negotiating and showing good will. That is why he constantly declared that he had no alternative plan. He thought he would get some form of compensation, by setting himself up as a 'loyal European' without any 'hidden agenda'."

The Greek Experience shows that in this European Union, guarded by the iron hand of Merkel and the multitude of treaties and pacts in which the austerity policy is inscribed, there is no room for bending or even careful adjustment of the German savings obsession. Besides, even 'loyal Europeans' are mercilessly discarded by Berlin as soon as they question the official policy. "I think this makes clear what the Left is today. The Left is full of people who are well-meaning but utterly powerless in the field of real politics. Until the end, they thought they would obtain something from the Troika. They thought they would find a kind of compromise 'between partners'. They thought they shared common values such as respect for

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27 *News247*, 18 July 2015.

28 *Jacobin Magazine*, 16 July 2015. (https://www.jacobinmag.com/2015/07/tsipras-varoufakis-kouvelakis-syriza-euro-debt/)

democratic mandates, or the possibility of a rational debate based on economic arguments," says Kouvelakis. This proves that the European Union is not built on the rational values of the French Enlightenment, but like every capitalist project is based on naked power relations.

Despite several warnings, the government of Syriza failed to recognise that the European Union did not really want to negotiate. The European Union never had the intention of coming to an agreement. Their goal was to destroy Syriza, or at least destroy the program of Syriza and thus take away the hope that was raised by the victims of the humanitarian catastrophe. "We had the optimism and naivety to believe that the negotiations would result in a just and fair settlement. We underestimated their will to destroy. Without a B plan we were trapped," says former Energy minister Panagiotis Lafazanis.[29]

"I may have overestimated the competence of the Greek government. It thought strangely enough that after the referendum it would be able to obtain better conditions without having an emergency plan, a B Plan. Now, the conditions are even worse. That is obviously a shock," said Paul Krugman.[30] According to Yanis Varoufakis there was talk of a small group that would prepare an exit from the Euro, but that plan came up against the "no" of Prime Minister Tsipras. The plan was therefore not developed. It could not be done in a simple way. Upon exiting the Euro and the devaluation of the new drachma the debt issue would remain. The Syriza government had always stated that it wished to make repayments in exchange for debt relief. Even that was not granted to them. The political aim was to kill the Greek government. It is therefore very likely that the Greeks would have had no debt relief either, in the case of a conflictual exit from the Euro. Moreover, the debt would then have been labelled in the more expensive Euro and not in the new devalued currency. An international boycott would probably have followed failure to pay the debt. Energy and food would probably have been rationed. In the hope of loosening the economy later through the benefits of a devaluation (export, new investments). It may be that a Grexit is viable in the long term, but it is sure that such a plan should be thoroughly backed up and developed.

"The majority of the Greek population did not want to exit from the Euro. Unlike Yanis Varoufakis, for Alexis Tsipras that was the red line that he did not want to cross. The step into or even the threat of a Grexit were taboo for Tsipras. It was there thet the poker game stopped. The election promises, the no of the referendum, a good part of his credibility, they were all sacrificed to keep Greece in the Euro group. Because Tsipras did not want to set off the monetary bomb, he was vulnerable to blackmail. He was a sitting duck for the Germans", wrote Paul Goossens.[31] Goossens was right. However, "public opinion" is not an inert fact. Public opinion can change. The problem is that the-Syriza government from the very beginning kept the door closed to a preparation of public opinion for a possible exit from the Euro. Nonetheless, during the referendum campaign, the lines could be seen moving. Day after day, the big media owned by the oligarchs said that a no vote would inevitably be a Grexit vote. Despite this blackmail, the Greeks voted overwhelmingly no, somehow knowing that this could lead to an exit of Greece from the Eurozone.

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29 *L'Humanité*, 13 July 2015.

30 *Frankfurter Allgemeine Zeitung*, 20 July 2015.

31 *De Standaard*, 18 July 2015.

“If you can blame Tsipras and his party for anything, it is that they were too Europhile”, writes Koen Haegens in *De Groene Amsterdammer*.[32] “They believed in Europe to the end, in such a way that they invariably refused to prepare for a Grexit scenario in recent months. As a result, when during the last few weeks it nearly got that far, they had to beg Merkel on their knees to be allowed to stay. At all costs. No government that is worthy of the designation ‘left’ will be so naïve in the future. It is clear once and for all that those who want another, more social policy have nothing to expect from the Euro. In one weekend, mild critics of the single currency all over the continent were converted into fierce opponents. The Euro produces its own gravediggers.”

“The competition and profit hunting in a free market are the bases of the European Union. They are engraved in the Union’s fundamental texts. They corrupt and suffocate everything”, I wrote in 2011 in *How dare they?* “We should not dress up this competitive structure or give the imbalance a new coat of paint. We need a different basis, other foundations. Cooperation and solidarity should take the place of competition and imbalance. This presupposes a very different Europe.” Those words seem to me more relevant today than ever. The Greek experience shows that there is no place within this European Union for a policy based on cooperation, solidarity, balanced investment and regional development. It is impossible to change the European treaties say the Junckers and Schäubles of this world. Nevertheless, when it suits them, they are the first to break “the rules”. That was the case with the violations in Germany and France concerning the Maastricht criteria, with the banking crisis, and today with the threat to throw Greece out of Europe, which is not provided for in any treaty. We must use this crisis to subject the existing agreements to a fundamental critique. It should be possible to authorise financial solidarity transfers to build public monopolies, to intervene politically in the European Central Bank and to use the budget without the muzzle of economy standards for the necessary industrial, social and environmental investments. If Europe wants to survive, it must change its foundations. The alternative is that the whole of the Union bursts into pieces and that the nationalist tensions from the beginning of the 20th century will once again make their appearance in this early 21th century.

13. The Greek experience has made millions of Europeans think

“We have to be grateful to Tsipras and his people because they have made cracks in the concrete shell of Brussels conformism. They have made millions of Europeans think, even in village pubs”, wrote Geert Van Istendael in *MO** online.[33]

Van Istendael is right. The peoples of Europe are richer for the experience. Whatever you may think about SYRIZA, it is thanks to a confrontation between the Greek government and the German discipline masters of the Union that eyes have opened everywhere. In the Belgian stock exchange magazine *Trends*, editor Joseph Vangelder wrote: “Some say he is a great strategist, others a clumsy narcissist. One thing you have to grant Alexis Tsipras is that he stood up to a world leader like German Chancellor Angela Merkel and her other European

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32 *De Groene*, 13 July 2015.

33 *MO*, 20 July 2015.

tenors for six months. Not bad for the premier of an economic featherweight. Greece's share of the gross domestic product of the Eurozone last year was 1.8 percent."[34] Eventually, featherweight Tsipras was beaten KO by the German heavyweight and her allies. The fact remains that no government dared to take up the gauntlet against the monetarist austerity policies that have been cast in Frankfurt in European Union laws and treaties since the introduction of the Euro in 2002.

For various reasons, the Syriza government could not go any further. The featherweight of somewhat naïve humanists could not possibly put up a fight beyond its weight class. It is not because it has had to surrender to inhuman blackmail that one can pretend that the Greek government has not put up a fight. In 2011, I was talking about the dictatorial nature of the European Union, and the need to rethink Europe altogether. That was only a book. Through the experience of the collision between of the Greek government and the EU institutions, millions of people in Europe have understood the nature of this Union. This insight cannot be declared from the side-lines. An experience was necessary to see that the conciliatory attitude of the Greek Government towards this Union led to a dead end. That is not a detail. It is a lesson for the coming struggles in Europe. Meanwhile, this is understood by many people. "An entire generation that grew up with the notion that Europe was a political and economic guarantee for peace, progress, cooperation and solidarity, is beginning to have doubts about Europe", wrote Yves Desmet in *De Morgen*.[35] "The image of Europe as the ultimate benign and protective giant lies shattered. The Europe of today is that of the creditors and no longer that of the debtors. It is the Europe of the top 1 percent, the elites and the banks, whose lobbying machines are so much stronger and so greatly outweigh those of ordinary Greeks."

On the other side, the lesson has also been understood. "I am especially worried about the risks of political and ideological contamination. It seems that some politicians and some intellectuals in Europe are prepared to question everything in Europe: the treaties, but also the traditional way of thinking in Europe, European integration and our values", said European President Donald Tusk to *Le Monde*.[36] "Russia is not the most important element of this threat. In my opinion, the atmosphere in Europe today is very similar to that of 1968. I feel a state of mind that may not be revolutionary, but impatient. However, when impatience is a collective sentiment, it could lead to a revolution. The massive youth unemployment in Europe is perhaps the clearest and most visible reason."

The Greek experience ended in a temporary defeat. However, if the lessons from this tragedy are grafted on to the new struggle movements in Europe, the latter can only become stronger.

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[34] *Trends*, 17 July 2015.

[35] *De Morgen*, 16 July 2015.

[36] *Le Monde*, 13 July 2015.