

## Blaming the People

by Peter Prontzos - Monday, July 09, 2012

<https://politicsrespun.org/2012/07/blaming-the-people/>

Whenever social and economic crises develop, those in power always try to blame somebody else. For example, who caused the recession in the U.S. in 2008? Simple, it was the selfish poor who had the gall to think that they could afford to own their own homes. (And don't pay any attention to the man behind the curtain, aka Wall Street).

It's the same kind of lie told about Greece today. Supposedly, the problem is that Greeks are lazy and spoiled by an elaborate and unaffordable welfare system. (The tone is sometimes close to racist.) The solution, therefore, is to impose "austerity" to force the Greeks to be hard-working like, say, good Germans.

The trouble is that this story is complete crap (or as we would say in Athens, "skatá"). Here is a very brief look at the reality.

First, the truth is the complete opposite of what the economic elite want us to believe: Greeks are, in reality, the hardest working people in Europe. Writing in *The New Statesman*, Alex Andreou [pointed out](#) that OECD figures showed that, in 2008:

Greeks worked on average 2120 hours a year. That is 690 hours more than the average German and 467 more than the average Brit. Only Koreans work longer hours...

In 2005, the average age of exit from the labour force in Greece was 61.7; higher than Germany, France or Italy and higher than the EU27 average. Since then Greece has had to raise the minimum age of retirement twice.

In addition, annual paid leave in Greece is only 23 days, which is lower than the UK's minimum 28 and Germany's, at 30 days.

Overall, social expenditure as a percentage of G.D.P. in Greece is lower than it is in Germany.

This is not to deny that the economic and political elites in Greece are as corrupt as they are in other countries: think (again) of Wall Street, the current British scandals, (e.g. the banks, corporate media, and political parties), not to mention the Harper regime here in Canada.

The problem in Europe is that financial elites and their puppets in government are trying to shift the focus away from THEIR mistakes, while at the same time trying to justify their savage attacks on the Greek people.

A central problem was their creation of the euro as the common currency, which laid the groundwork for

the current crisis. As Nobel Prize-winning economist Paul Krugman [explains](#),

The origins of this disaster lie...in Brussels, Frankfurt and Berlin, where officials created a deeply — perhaps fatally — flawed monetary system, then compounded the problems of that system by substituting moralizing for analysis...And then the bubble burst, at which point the fundamental flaws in the whole euro system became all too apparent.

The trigger that burst the “eurobubble” was the criminal activities of many of the bankers and speculators on Wall Street that did so much damage to the U.S. (and global) economy. These various elites, Krugman [asserts](#),

made the situation even worse by insisting, in the teeth of the evidence, that all the currency’s troubles were caused by irresponsible behavior on the part of those Southern Europeans, and that everything would work out if only people were willing to suffer some more.

And suffer they are, along with Italians, Irish, and the Spaniards, (whose youth unemployment is even worse than in Greece). Poverty is growing, businesses are failing, health care is crumbling, and suicides--relatively rare in the past--are increasing.

Like the “structural adjustment” policies forced on poor countries by the International Monetary Fund (IMF), “austerity” is designed to squeeze as much money as possible from the population in order to pay the bankers, hedge fund managers, speculators, and other gamblers who made a bad bet when they lent money to Greek banks and the government. The prospect of higher profits did not bother them because they knew that if their bets went sour, the “Troika” (the EU, the European Central Bank, and the IMF) would force the Greeks to pay them for their losses. Either way, the greedy would win. Again.

In addition, the Troika is following the IMF legacy of forcing governments to sell-off valuable public assets to (mostly foreign) corporations.

“Calls by Greece's ruling coalition government to speed up the sale of state-owned assets -- including state railway systems, water infrastructure, and power utilities -- compelled Syriza, the left coalition party, to say the move was tantamount to putting a 'for sale sign' on the country and would not be tolerated by the Greek people.” <http://www.commondreams.org/headline/2012/07/08>

There are a number of ways to resolve these problems that are both fair and effective. Not paying the speculators for their bad bets (defaulting) is one part of the solution. Another is pumping money back into the Greek economy in order to put people to work, support small business, reduce poverty, and provide basic public services.

Reducing the level of corruption in the Greek elites, including tax evasion, is also critical.

Such policies would not only be fair to Greece, but it could help prevent the similar disasters from spreading throughout Europe, and indeed, the rest of the world.

First, however, we have to see past the self-serving lies of the moneyed elites and their “friends” in government and the media.

Then we must show solidarity with the people in Greece and around the world who are resisting this blatant class warfare. One effective way to do this is to follow the advice of João Pedro Stédile, one of the leaders of Brazil’s MST (Landless Workers Movement): “Get rid of your neo-liberal governments.”

The sooner the better.