PEOPLE'S NEWS
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"The justified resistance of the population" has grown—ETUC

Meeting in Athens, trade union leaders from around Europe have called on EU finance ministers to show solidarity towards Greece and other EU countries facing serious financial difficulties. Unions are urging ministers to "immediately change course" in the way they treat member-states with serious deficit problems.

John Monks, general secretary of the European Trade Union Confederation, has written to members of the EU Economic and Financial Affairs Council insisting that they "change the logic of the financial bailouts, allowing the countries involved to grow out of debt." According to Monks, "brutal austerity, both in terms of public finance as in terms of wages, is not working but is instead undermining the economies of countries such as Greece, Ireland and Romania." The ETUC insists that "the severe austerity measures plunged the Greek economy deeper into the recession," while "massive social and pay cuts put social peace at risk."

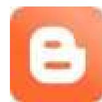
An emergency resolution adopted by the ETUC Congress in Athens points out that the Greek economy has shrunk by 4.3 per cent in the last twelve months, while the national debt has grown to 142 per cent of GDP. Unemployment and bankruptcies have increased, tax revenue has fallen, and "the justified resistance of the population" has grown. "To get out of the crisis, Europe must help countries in crisis such as Greece with an ambitious investment and development programme to generate growth and employment and with that income and tax revenue."

George Dassis, a veteran of the Greek trade union movement and a member of the ETUC Executive Committee, insisted that the European Union and the European Central Bank should be more generous in the way they deal with Greece and other countries facing similar difficulties, such as Ireland and Portugal.

He considers it unreasonable that the EU has lent money to Greece with an interest rate of 5 per cent (since reduced to 4 per cent). He notes that Portugal was recently offered a loan of €78 billion with an interest rate of 6 per cent. He points out that such interest rates are significantly higher than the rate charged to Greece by the International Monetary Fund (3 per cent), or the rate at which Germany is able to borrow from the ECB (closer to 2 per cent). "I don't call that solidarity. I call that a business transaction," he said.

"Across the 27 member states of the EU, it is only austerity measures that are announced, and which affect not the richest but the middle classes and those on low incomes, starting with workers and pensioners." He pointed out that trade unions must send the message that "European workers are fiercely opposed to all these austerity measures that are almost exclusively targeted on workers and pensioners."

Feel the urge to write about EU-related issues?



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EU "not without responsibility for the crisis in Ireland"—Begg

The general secretary of the ICTU, David Begg, has warned a major EU economic gathering that "Ireland is being pushed towards default" because of policies governing the EU-IMF-ECB "forced loan." He made his comments at the Brussels Economic Forum, an annual event, billed as "the EU's premier platform for debate on economic issues."

The forum was also addressed by the EU Commissioner for Economic and Financial Affairs, Olli Rehn, the president of the Commission, José Manuel Barroso, and the German finance minister, Wolfgang Schäuble.

Speaking on the theme of "Sharing the burden of adjustment," Begg told the forum that an insistence

on repaying all private bank debt, coupled with a programme of austerity, would inevitably lead to Ireland defaulting. “It makes no sense to persist with a policy that is pushing the country towards default in circumstances which, if they could be separated from [private bank] debt, are manageable.”

UNION POST

EU POLICY RISKS IRISH DEFAULT

Begg's warning to European chiefs

Pointing out that the austerity programme was undermining any chance of economic growth and longer-term recovery, Begg told delegates: “To deal with public debt we need to generate a sufficient level of primary surplus. This depends on growth, but there is no growth, because deflationary budgetary policy has collapsed domestic demand.”

He stated that the EU and European Central Bank also shared a responsibility. “I make this point because the people from the EU and the ECB who are dictating the terms of our existence are not without responsibility for the crisis in Ireland, nor are they disinterested actors in determining who bears the burden of austerity.”

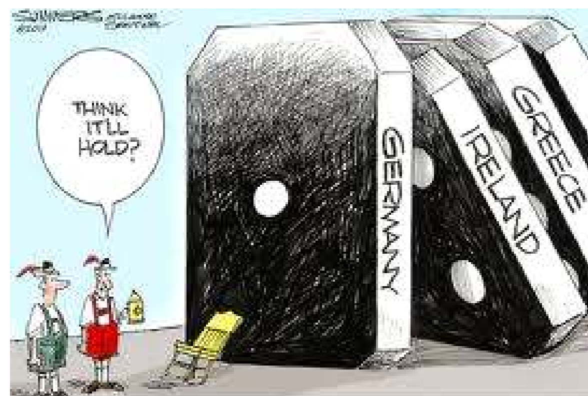
He pointed out that “the ECB operated an interest-rate policy that suited France and Germany but was pro-cyclical for Ireland and unsuitable. Moreover, deregulation of financial markets combined with low interest rates was irresistible to the Irish banks and at least facilitated the orgy of lending.”

He also contrasted the disastrous effect on people’s lives and livelihoods with the fact that the European financial system that gave rise to the crisis remained entirely unreformed.

■ www.ictu.ie/download/pdf/sharing_the_burden_of_adjustment_to_the_crisis.pdf.

Greece tries to assert what’s left of its independence

Tensions are mounting between the IMF and the Greek government over the plan to privatise €50 billion worth of state assets. The IMF is pushing for a wider scope and an accelerated timetable, while there is also talk of the EU potentially taking over the process, all of which is seen as politically unacceptable for the Greek government.



The International Monetary Fund has dismissed fears that talks with Greek officials on a revamped bail-out package are close to collapse over the government’s reluctance to push ahead with privatisation.

The Greek Minister for Finance, Giórgos Papakonstantínou, has come under pressure to accept harsher terms for a planned €50 billion ($70 billion) of disposals—including an accelerated timetable and sales of 100 per cent of state-controlled enterprises—despite strong opposition within the government and the governing PASOK (socialist party).

Achieving agreement on a broad-ranging privatisation programme to reduce debt is critical to Greece’s chances of getting a fresh EU-IMF bail-out loan in 2012 to avert a sovereign default.

Greek officials have voiced fears that the talks would fail, because the terms demanded by the EU and IMF were politically unacceptable. One proposal, pushed particularly by the Dutch government, that the EU should take over the privatisation process from the Greeks, was seen as totally unacceptable.

In an indication of the extreme measures demanded the Greek prime minister, Geórgios Papandréou, said that privatisation headed the reform agenda but warned that it “would be an insult” if an Aegean island or a cultural monument were put on the block.

The planned austerity package would include more cuts in state pensions and allowances for public-sector workers, along with mergers and closures of hundreds of entities, including the electricity and gas utilities, and leases on properties planned for tourist development.

Greece is to move forward straight away with the sale of a 10 per cent stake in OTE, the telecommunications company, to the German giant Deutsche Telekom and to consider a further sale of a 6 per cent holding in the firm.

A stake of 17 per cent in the Public Power Corporation is also to be offloaded, as well as a 34 per cent stake in the Hellenic Postbank, while another 10 per cent may be listed on the stock exchange. Holdings of three-quarters of the Piraeus and Thessaloníki Port Authorities will be spun off, as well as a further proportion of the government’s holding in Athens Airport.

The government also announced the creation of a sovereign wealth fund, containing proceeds from privatisation efforts and real-estate assets, a move that aims to accelerate the privatisation process and

appears to be in keeping with pressure from EU leaders.

It's all a reasonable pointer to what might happen to Ireland if Leo Varadkar is proved to be correct—as he most probably is, even if indiscreet!

People's Movement wreath laid at Arbour Hill

A wreath was symbolically laid at the gates of Dáil Éireann in protest at the "Europe Day" event taking place inside, at which a majority of our elected representatives "re-dedicated" themselves to "Europe." It was subsequently laid in Arbour Hill Cemetery in memory of James Connolly, who "served neither king nor Kaiser," and of the other leaders of the 1916 Rising.

It also acknowledged the importance of that struggle, which was central to the establishment of a least some degree of sovereignty and independence, a political and economic sovereignty that has now clearly been abandoned by the Irish elite.

Juncker admits that the euro is part of the problem.

The prime minister of Luxembourg and chairperson of the EU Economic and Financial Affairs Council, Jean-Claude Juncker, has admitted that "mistakes" have been made in handling the economic public debt crisis. Juncker, who is also president of the Euro Group, said that the effect on the single currency of the global economic downturn had been "under-estimated."

"Nor did we look at some of the extreme gaps between the different economies in member-states, such as Greece and Germany." And, of course, Ireland.

Making money from money got us into this mess!

Ireland, Greece and Portugal are faced with colossal debts, but Europe's creditor "troika"—the European Central Bank, European Commission, and International Monetary Fund—view debt write-downs

and progressive taxation to protect domestic economies as akin to communicable diseases. Debt relief and broader burden-sharing, they argue, would cause instant contagion through the debt markets of southern Europe.

From the vantage-point of Europe's bankers, a broad principle is at issue: governments should run their economies on behalf of banks and bond-holders. They should bail out at least the senior creditors of banks that fail (that is, the big institutional investors and gamblers) and pay these debts and public debts by selling off enterprises and shifting the tax burden onto labour.

To balance their budgets they are to cut back spending, lower public employment and wages, and charge more for public services, such as medical care to education.

In the case of Greece, Juncker has warned that unless its government agrees to begin selling off assets ("consolidating its budget") the EU will not agree to stretch out loan maturities for Greek debt.

The problem is that privatisation and regressive tax shifts raise the cost of living and of doing business. This makes economies less competitive, and unable to pay debts that are accruing interest, leading to an ultimate default. Third World countries demonstrated this tendency from the 1970s onwards under IMF austerity programmes.

Europe is now repeating the process. Spending cut-backs and a regressive tax shift dry up capital investment and productivity. Economies caught in this trap are like companies, themselves having high levels of borrowing, that downsize and outsource their labour force so as to squeeze out enough income to pay their own creditors.

Euro-zone officials demanded that "financial planning" be placed above party politics in Greece, and also insisted on "cross-party agreement on any overhaul of the bail-out." In other words, Greece should respond to its wave of strikes and popular protest by suspending party politics and economic democracy. "The government and the opposition should declare jointly that they commit [themselves] to the reform agreements with the EU," Juncker told *Der Spiegel.*

Public assets were to be pledged as collateral, to be forfeited in case of default in payments to government bondholders. Failing payment, the ECB threatened not to accept Greek government bonds as collateral. This would prevent Greek banks from doing business, wreck its financial system, and paralyse its economy.

The introduction of the euro in 1999 means that no members of the euro zone have a central bank able to do what central banks were created to do: channel credit to domestic banks. The public sector has been made dependent on commercial banks and bondholders.

Say's Law says that payments by producers—to employees and to producers of capital goods—must be spent, in the aggregate, on buying the products that labour and tangible capital produces. Otherwise there is a market glut and business shrinks—with the financial sector's network of debt claims bearing the brunt.

Income spent to pay creditors is not spent on goods and services: it is re-invested in new loans, or in stocks and bonds (assets in the form of financial and property claims on the economy), or increasingly on gambling—the "casino capitalism" of derivatives, the international carry trade (exchange-rate and interest-rate arbitrage) and other financial claims that are independent of the real (production-and-consumption) economy.

So, as financial assets accrue interest—bolstered by the creation of new credit on computer keyboards at commercial and central banks—the financial rake-off from the real economy increases.

The idea of paying debts regardless of social cost has a basic flaw, simple to understand: it assumes that economies can pay debts that are growing exponentially at a higher rate than that at which production or exports are growing.

Financial engineering is supposed to usher in a post-industrial society that makes money from money (or rather from credit) by means of rising asset prices for property, stocks, and bonds.

It all seems much easier than earning profit from tangible investment to produce and market goods and services, because banks can fuel asset-price inflation simply by creating credit electronically on their computers. Until 2008 many families around the world saw the price of their home rise by more than they earned in an entire year.

This cuts out the troublesome M—C—M (money—capital—money) cycle, using capital to produce commodities to sell at a profit, replacing it with M—M: buying property or assets already in existence, or stocks and bonds already issued, and waiting for the central bank to inflate their prices by lowering interest and un-taxing wealth, so that high-income investors can increase their demand for property and financial securities.

The problem is that credit is debt, and debt must be paid—with interest. And when an economy pays interest, less income is left over to spend on goods and services. So markets shrink, sales decline, profits fall, and there is less cash flow to pay interest and dividends. Unemployment spreads, rents fall, mortgage-holders default, and property is thrown onto the market at falling prices.

When asset prices crash, these debts remain. As the Bubble Economy turns into a nightmare, politicians are taking private (and often fraudulent) bank losses onto the public balance sheet.

Third World countries from the 1960s to the 1990s were told to devalue in order to reduce labour's purchasing power and hence imports of food, fuel, and other consumer goods. But euro-zone members are locked in to the euro. This leaves only the option of "internal devaluation"—lowering wage rates as an alternative to scaling back payments to creditors atop Europe's economic pyramid.

Latvia is cited as the model success story. Its government slashed employment, and public-sector wages fell by 30 per cent in 2009–10. Private-sector wages followed the decline. This was applauded as a "success story" and "accepting reality." To round it all off, the government has produced a "balanced budget amendment," to go with its flat tax on labour —some 59 per cent, but only 1 per cent on property!

What "helping Greece remain solvent" means in practice is helping it to avoid taxing wealth (the rich aren't paying) and help it to roll back wages while obliging labour to pay more in taxes and at the same time the government (i.e. taxpayers, a.k.a. workers) sells off public land and enterprises to bail out foreign banks and bondholders while slashing its social spending, industrial subsidies, and public infrastructure investment

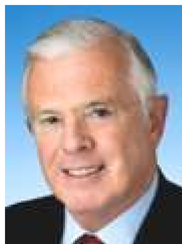
"Saving the euro" is a euphemism for governments saving the financial class. The aim is for euro debts to Germany, the Netherlands, France and financial institutions to preserve their value. No haircuts for them! The price is to be paid by labour and industry.

Just as the public domain is to be carved up and sold to pay creditors, economic policy is being taken out of the hands of democratically elected representatives and placed in the hands of the ECB, European Commission, and IMF.

Spain now has an unemployment rate of 20 per cent, much as in the Baltic countries, with nearly twice as high a rate among recent school-leavers. But, as William Nassau Senior is reported to have said when told that a million people had died in the Great Famine, “It is not enough!”

The creditors know that the game is up. All they can do is take as much as they can, for as long as they can, pay themselves bonuses, and run to their offshore banking centres.

Fine Gael TD points to exploitation by EU “partners”



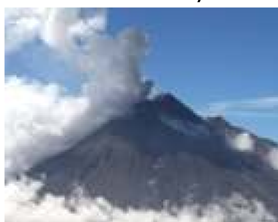
Ireland is being “financially bullied” by our European partners, who are profiteering to the tune of €1.3 billion a year from “draconian” interest margins, Peter Mathews TD has claimed. Mathews, a banking consultant, said that the EU is engaging in “excessive profiteering” and is showing no solidarity in our hour of need. “When the loans are fully drawn down, the profit margin charged to Ireland will be €1.3 billion per annum.”

So, in addition to paying for the EU’s borrowing costs, Ireland will be paying a further €1.3 billion of pure profit. He also said that the deal should not be referred to as a bail-out: “It is excessive profit for the countries that are lending us money.”

He pointed out that such demands run contrary to the commitment of solidarity, as expressed in the Lisbon Treaty, to help those in financial distress. “The Lisbon Treaty allows the European Council to grant financial assistance to member states in difficulty in a spirit of solidarity. There is no solidarity in charging Ireland over €2 million for every €1 million it costs Europe to borrow money. There is no solidarity in forcing Ireland to raise taxes, slash wages and cut social welfare in order to pay billions of euros in profit to the rest of Europe.”

We can’t pay!

The €70 billion we’re putting into insolvent banks is €38,000 for every person at work in the Irish economy. If we throw in €35 billion for NAMA it’s €57,000 for every worker.



A worker on the average industrial wage will pay €260,000 in tax over a working lifetime. It would therefore take all the tax paid by more than 400,000 workers over their entire working lives to pay for the bank bail-out.

Even if we’re wildly optimistic and assume that we’ll eventually get back half the €105 billion that still leaves 200,000 of us working our whole lives to pay off the gambling debts of a private elite.

The same Michael Noonan who less than four months ago called the EU-IMF deal “a downright obscenity” now tells us that “Europe has been very good to us . . . They’re actually treating us very well.” The same Fine Gael whose endlessly plugged five-point plan suggested that Ireland might have no choice but to “write down the value of the bonds in the Irish banks” now blithely informs us, through Noonan, that “that debate is over.”

“They voted for change,” said Noonan, “and they’re getting change. They’re getting a major revamp of the banking system . . . The restructuring of the banking system is the change.”

How much longer do we have to put up with this guff?

Remember this?

During the second Lisbon referendum campaign voters were promised a special protocol in the next EU treaty on (*a*) neutrality, (*b*) Ireland’s right to decide its own company taxation, and (*c*) the constitutional position on abortion.

At the time it was thought that this would be the EU accession treaty for Croatia or Iceland. Now, to establish the European Stability Mechanism, (*a*) the Lisbon Treaty will be amended and the amendment ratified by all EU member-states, and (*b*) “the ESM will be established by a treaty among the euro-area Member States,” binding on the signatories.

The Government and the opposition parties that foisted the Lisbon Treaty on the Irish people have an obligation to tell us why it is impossible for them to have the promised protocol now. As well as this promised protocol itself the Government promised during the 2009 referendum campaign that it intended registering the agreement to give Ireland a protocol with the United Nations in New York. Has this been done? If not, why not?

Expect another run on holidays and retirement age!

The Chancellor of Germany, Angela Merkel, is pushing Greece to increase its retirement age in line with the rest of Europe and to reduce the holidays that workers receive.

"Workers in Greece, Spain and Portugal cannot be retiring earlier than in Germany," she stated. "We cannot have a single currency yet some take lots of holidays and others very few . . . Yes, Germany will help, but Germany will only help when the others try. And that must be clear."

Her comments sparked outrage in Germany, with the opposition calling her "populist" for giving a "coarse representation of Greek realities." In Portugal, trade unionists were also angered by the suggestion that southern Europeans are having a nice time on the beach while the Germans are working hard for their bail-outs. "This is the purest colonialism," said Manuel Carvalho da Silva, secretary-general of the trade union federation CGTP. He blasted Merkel for showing "no solidarity" and supporting a system in which "the rich continue to live at the expense of the poorest countries in a disastrous system of exploitation."

Germany has voted to gradually increase the retirement age to 67 from 2012 and is evaluating a proposal to raise it even further, to 69. Greece raised its retirement age to 65 last year, while Spain lifted it to 67 in January this year. In Portugal the retirement age is 65.

But statistics published by the OECD show that in reality Germans retire earlier than their southern European counterparts. The average "effective retirement age" in 2009 for German men was 61.8, earlier than Portuguese men (67) and Spanish men (66). Greece is also slightly ahead of Germany, with an effective retirement age for men of 61.9. Southern Europeans also have a similar amount of holidays to those in Germany.

EU increases involvement in Libya

A month after France, Britain and Italy sent military trainers to help the Libyan opposition in its fight against the government, and as Al-Jazeera showed film of armed westerners in Libya, the EU is about to open its own liaison office in Benghazi, to give more long-term support to the Transitional National Council.

Anticipating the eventual outcome of the present stalemate, an EU diplomat pointed out that "our vision is that the UN and the EU will play a leading role in the post-Gaddafi period. A lot of work is now gearing up on what the priorities are." The loose TNC, formed by some former ministers of the Gaddafi government and representatives of protesters who took to the streets three months ago, now has to cope with military tasks, for which it has received British, French and Italian trainers.

The announcement about the EU liaison office was made last week in Strasbourg by the EU high representative for foreign affairs, Catherine Ashton. The *Irish Times* quoted her as saying this reflects European "support" for Libyan rebels.

After meeting Ashton the US secretary of state, Hillary Clinton, said that her government is "working with the EU to support the Transitional National Council." Presumably this means the NATO bombing campaign.

EU Commission faces struggle in corporate tax plan

Eight countries have lodged formal complaints with the Commission, on the grounds of "subsidiarity," over its plans for an EU-wide Common Consolidated Corporate Tax Base. Formal concerns are known to have been received from the Netherlands, Poland, Bulgaria, Sweden, and Malta, with Hungary being the latest to indicate opposition. But the big blow came earlier this week when Germany revealed its disapproval.

However, as Charlie McCreevy so often pointed out, an idea from the Commission never dies: it just comes around again in a different form!

Under the proposed system, businesses in the EU might use a single regime instead of the Union's twenty-seven different corporate tax systems. Tax bills of companies with offices around Europe would be calculated centrally and then divided up between the countries where they operate according to the amount of business they do in each state.

Enda Kenny believes that CCCTB is "bad for Ireland and bad for Europe. I will articulate that very clearly when it comes before the Heads of Government meeting at Council level."

Tied aid commonplace in EU

EU member-states are increasingly tying overseas development aid to specific domestic and foreign policy goals, hampering efforts to tackle the root causes of poverty, a new report by a coalition of NGOs, Aidwatch, has claimed.

At a high-level forum in Paris in 2005 donor-states pledged to increase the effectiveness of international aid by giving recipient governments a

greater say over how the money is spent. A follow-up summit is scheduled to take place this November in Busan, South Korea, to review the process, but instead EU states are among those attempting to sideline recipient governments, the report suggests.

But aid is increasingly based on donor self-interest. In Kenya, money that was pledged to help strengthen the country's judiciary is now being specifically tied to the prosecution of pirates.

And while the OECD categorises forty-eight states as "fragile," 30 per cent of all global development aid since 2002 has been channelled into three countries: Iraq, Afghanistan, and Pakistan. Official development assistance was the main topic on the agenda of EU development ministers before a meeting of G8 leaders last week.

As well of the quality of EU aid, charities also hit out at several large member-states over their failure to meet development commitments set out at the Gleneagles G8 summit in 2005. A report produced by the anti-poverty group ONE singled out Italy as falling far behind its pledges of official development assistance, while France and Germany were also off target. Britain was commended for its efforts.

Friends fall out?

France and Germany are at loggerheads over the role of private creditors in potential sovereign defaults under the regime establishing the European Stability Mechanism, the euro zone's post-2013 permanent bail-out fund. Germany is insisting that the treaty establishing the ESM should contain a legal requirement that the ESM include some form of private-sector involvement in any disbursement of financial aid, while France is pushing for a political rather than legal agreement. Germany is reportedly supported by Austria, Finland, and the Netherlands, while France has the backing of the rest of the euro-zone countries.

Croatia's membership application delayed

Should it trigger a referendum here?

Britain and France have delayed Croatia's application for membership of the EU because of concern over the former Yugoslav state's tackling of corruption and war crimes. They want Croatia to submit quarterly reports under a monitoring mechanism for the next two years.

Support in Croatia for membership has dipped dramatically following the sentencing by the UN war crimes tribunal of a popular Croatian general as part of the price for accession.

But the Polish prime minster, Donald Tusk, said that the Polish presidency wanted to finalise Croatia's EU accession "as fast as possible," with the possibility of completing negotiations by the end of the year.

This poses the question whether the accession should trigger a referendum in Ireland, rather than, as heretofore, the ratification of new members by Dáil vote. After all, our voting strength in the EU is further reduced by the accession of each new member.

The outlook for Spain is not so bright

The crushing defeat for the Spanish government in the recent regional elections has seen concerns over the state of the Spanish economy rear their head once more.

These elections could reveal a raft of hidden debt (the *Financial Times* has suggested about €26.4 billion) as the new regional heads of government attempt to establish exactly how big a problem they face. Although not immediately dangerous, given the size of the Spanish economy, this extra debt could cause Spain to miss its debt and deficit targets for the year—something they would surely be punished for by the financial markets.

There is also rising political unrest as a result of high unemployment and austerity, particularly among young people. If this gathers pace, support for the government's reform programme could be put at risk. This could see the cost of borrowing increase: given that it is already close to 6 per cent it is not a stretch to imagine that it might break the 7 per cent threshold, beyond which debt is seen as unsustainable.

Then there is the continuing spectre of increases in ECB interest rates, which will hurt because of the massive level of household debt and the high proportion of variable-rate mortgages, as well as the weak banking industry, which continues to look undercapitalised and remains heavily exposed to the property sector. Add to this the potential contagion from other parts of the euro zone, which continue to struggle, and the outlook for Spain is not so bright.

Europe's beer industry remains "strong and vibrant"

So what's this all about then?

The European Parliament has been told that, despite

the economic downturn, Europe's beer industry remains "strong and vibrant." The event, jointly organised by the Parliament Magazine and parliament's beer club, was told that both beer sales and the number of people employed in the industry had been slowly declining. But one Irish member, Seán Kelly (who has declared himself uninterested in the Fine Gael presidential nomination, and who hosted the lunchtime debate), said that Europe's brewers still had a "vital" role to play, particularly in boosting the local economy.

"Of course it has been hit by the recession, but I want to stress the great value of the brewing industry to our economies. Brewers are, and will remain, an important part of society, especially at local level." The round table in the parliament was also supported by the Brewers of Europe.

Israel says EU support for Palestinians may be anti-Semitism

The Israeli minister of finance, Yuval Steinitz, has said that the support of select EU countries (including Ireland) for Palestine's plan to seek full UN membership is linked to ancient anti-Semitism.

Speaking to *EU Observer,* he said there is a tendency in Europe to blame the failure of the peace process on the Israeli side only. "It's very easy to put all the blame in the world on the Jewish state. As Joschka Fischer, the former German foreign minister, once put it in Israel, "I cannot ignore the fact there is an old European tradition of two thousand years to blame the Jews." So maybe some of the animosity toward the state of Israel is a disguised [form of this], is coming from this tradition."

Palestinian diplomats say that about ten European countries, including Greece, Ireland, France, Spain, and Sweden, as well as one non-member, Norway, will back the UN proposal, which is planned to take place in September.

The initiative to create an independent Palestine outside the framework of Israeli-Palestinian peace talks comes amid a long-standing deadlock in the negotiations.

What do you think? Could Fine Gael and the Labour Party be motivated by anti-Semitism?

In case you missed it!

Greece's representative in the European Commission, María Damanáki—Commissioner for Maritime Affairs and Fisheries—made some interesting comments about the Greek crisis recently, becoming the first Greek or EU official to openly admit that even Greece's membership of the euro is in doubt.

"The scenario of Greek withdrawal from the Eurozone is now on the table, as is its implementation. I am compelled to speak openly. We have a historical responsibility to see the dilemma clearly: either we agree with our lenders on a programme of harsh sacrifices that will yield results, thus taking responsibility for our past, or we go back to the drachma. Everything else is secondary in these current conditions."