

Address by George Papandreou

Greece and the EU in the Aftermath of the Economic Crisis

SI Council Meeting

Lisbon, February 4, 2013

Dear friends, dear comrades,

We are here today, in Lisbon, the many delegations from around the globe, are here in Portugal, to bring a message of solidarity.

Solidarity with the portugese people.

Solidarity with the Portuguese Socialist Party.

Solidarity with its leader, Antonio Seguro.

We thank you for the warm and wonderful hospitality.

Antonio is one of our movement's most vocal and most passionate leaders.

In a country facing immense challenges, even pain, he is a leader of vision.

He has fought hard in Europe for a progressive model of recovery, and for a more integrated Europe.

I want to congratulate him on his achievements, and thank him personally for his commitment.

Europe began as a peace project.

We tied our fates closely together in order to ensure '*never again war*'!

Today Europe is challenged, to become something more.

It is an experiment. An experiment in cooperation beyond borders.

An experiment on how we can pool our capacities, different peoples and nations.

Pool our knowledge, economies and strengths to solve problems that go beyond our individual countries.

Europe is an experiment in how our societies will cope with a globalizing world.

The outcome will not only have an impact on the global economy, it will also shape the values, the norms, the

understanding of how we work effectively and peacefully to deal with the crises ahead of us.

A conservative Europe, one that is becoming introverted, fearful, nationalistic, will be a Europe doomed to failure.

But it will also have profound negative effects around the region, from the Arab Spring, the Mideast, to Russia, the Caucasus and the world at large.

A failure of Europe will be a failure of our societies to unite in solidarity as we face the financial crises, global warming, poverty, violence against women, human right violations, inequality and corruption, unemployment or human trafficking.

The Nobel Peace prize was not given to us for the past alone, but also to warn of the future failures in dealing with today's financial crisis.

I believe, as Antonio believes, there is an alternative progressive path for Europe.

A few months ago a Portuguese journalist came to Greece.

Portugal seemed to be doing well.

He asked me since we are doing well what is your message to the Portuguese people?

Finally I said much depends on European policy.

I said, I congratulate the Portuguese people for their will and sacrifices.

We also in Greece did very well during the first year. We were seen by all as an example.

But when the markets did not respond my government was wrongly criticized.

Had the European Union reacted promptly and strongly then, giving a positive sign to the markets, we would have avoided much pain.

Had the ECB then acted as it has today by intervening in the bond market, we most certainly could have avoided the need for the so called support mechanism. But this collective action was lacking.

Even today, if Europe does not take further action the sacrifices of the Portuguese could be lost and more will be asked for.

I also told him, I was the first to admit, with full transparency, that my country, Greece, had to assume its responsibility for the undoubted economic and institutional malfeasance of the past.

And I had to assume the responsibility of cleaning up the mess left by the previous conservative government.

I did so.

I was forced to take action to avoid a default, to fight off the market fears or speculation, and I did so with the help of great sacrifices of the Greek people.

Greece survived, Greece is alive today and Greece has prospects.

But I knew, I know, as Antonio knows, that the debt and deficit were only the symptoms of deeper problems.

We needed time for progressive reform.

We needed the opportunity to change our institutions and economies to become more productive, more transparent, more accountable, more innovative, more creative, more competitive, more trustworthy collectively for our peoples and those who invest in us.

And while sacrifices were necessary, they should only have been to give us time to change.

Even the IMF is now recognizing this fact.

And this is why we need a different, a progressive Europe.

What would such a Europe look like?

First of all it would put reform ahead of austerity.

In Greece this meant dealing with a clientelistic capitalism that had captured democratic politics.

Creating a politics of favoritism and lack of transparency.

I fought to strengthen democratic, accountable governance.

I was pitted against a strong class of oligarchs that concentrated economic and political power.

Here is where I needed European solidarity.

Secondly we need a Europe that was not fearful of investing in the future. Not fearful to increase its budget. Not fearful to use eurobonds to leverage private investment.

Investing in a green Europe, in infrastructure, in energy grids, in green transportation, in communication networks so that we create a truly united Europe, a strong single market, a competitive economy. And in doing so we will be investing in jobs and our youth.

Thirdly we need a Europe that becomes competitive based on quality not inequality.

The german worker could get higher wages rather than deeply cutting the wages in Portugal, Spain or Greece.

And if northern Europe fears the competition from emerging markets then we need to fight in the WTO, for labour standards, environmental standards, for collective bargaining, for better wages in these emerging economies.

This should not be a race to the bottom.

A progressive Europe would not stand by and watch a lost generation of unemployed suffer.

We need a Europe that will create european-wide programs for the unemployed.

By funding public service work for the unemployed.

By funding an 'erasmus' like program for all unemployed to retrain, re-educate in the school of their choice around Europe.

By funding social enterprises and startup companies.

The costs are minimal relative to the cost of a lost generation.

A progressive Europe would not impoverish but would empower our people, our citizens.

No the southerners are not lazy.

Nor were simply profligate.

It is not ouzo or sangria drinking that has created the crisis.

In fact Greeks worked more hours than anyone in the EU according to the OECD.

A progressive Europe would not hide behind nationalistic and racist rhetoric.

I am proud to be one of the PIGGS, as we are called.

I am proud to be greek as I am proud to be portuguese or spanish as I am proud to be french, german or finnish.

Because I am a proud european.

We progressives build on the strength and hope of diversity and not the hatred of prejudices.

That is why we believe in deeper democratic institutions and practices in Europe.

When I called for a referendum in Greece in 2011, it was also because I recognized that there could be no deeper Europe, without greater democratic legitimacy. But conservative Europe shot me down.

Yet today we need to examine the prospect of an elected president of Europe.

Uniting our citizens rather than dividing our countries is what we socialists, democrats and progressives do.

One example is the Financial Transaction Tax. A member of PASOK, Anni Podimata, was the rapporteur in the European parliament, and our united fight brought results. It specifically targets speculators, and will bring important revenues to our societies.

We can have similar results in fighting tax havens. They are robbing us, our peoples of necessary revenues. For welfare or growth.

And the burden of any fiscal adjustment hit the middle and poorer classes in our society.

Just taxes and fair trade are what we have been fighting for.

But we need to be united.

We must be united.

That is why I also want to thank you—the delegates from around the world — for attending our first Council meeting since the historic Congress in Cape Town.

I used the word “historic” because I am very proud of our last Congress. I am proud, because by implementing for the first time a direct electoral process open to multiple candidates for the leadership of our organization we made a further step in enhancing democratic procedures. This is an important symbol of the democratic values of our organization—and an important example of the global shift towards transparent governance that we must drive forward.

One fundamental aspect of a democratic procedure is that not everybody is happy with the outcome of an election. And for this reason, all those who are committed to democracy prove it by accepting the results of elections. If we start embracing the principle "my way is the only way", we clearly do not respect the values of our progressive democratic family.

And I am saying this openly and directly to you, my friends and comrades, because lately we see this type of approach amongst us.

United we stand and we will be united if we respect our democratic rules and culture.

It is difficult to understand these people who democratically take part in elections and a referendum, but are then incapable of democratically accepting the will of the people.

Jose Saramago

To face the too many global and European challenges we must embrace Dialogue, respect of the other, acceptance of different realities, equality of rights independently of existing power balance, win win approach are the foundations for a safer , more prosperous and stable world.

Perhaps, I learned this by dealing with conflicts. And following this path we succeeded with my friend Ismail Cem to initiate the Greek Turkish rapprochement, an effort that continues to bear fruits. And as a political organization we try to work hard in this spirit, be it in the Middle East, in the Caucasus, in Belarus, in Burma or in the Mediterranean. Today all our collective wisdom is needed when we think of what's happening in Syria.

The situation in Syria continues to deteriorate with desperate consequences for the local population and the surrounding countries.

I recently talked to Antonio Guterez, head of UNHCR, about the ongoing crisis in Syria. The refugee problem is enormous. 700,000 in the neighbourhood alone. The

political situation is chaotic. The economic situation is dire. And the threat of an expanding cycle of violence looms.

The question remains whether extremist forces in the region will be weakened, or find other ways and means to sustain their power. They may be supplanted by other networks that until recently were active in Asia and Africa.

Networks that took advantage of events in Syria to establish a foothold in the Middle East.

The former Vice President of Socialist International, Gro Harlem Brundtland, addressing this same Council in this same city back in 1993, said: ‘Let us listen to the voice of the unborn generations and help make the Middle East the land of great promise its people rightly deserve.’

Two decades later, it is this same generation changing the course of history for the Middle East. The question is: did we, as socialists heed their advice? What can we do to support their struggle?

And at this moment our thoughts are very much also to all those affected by the situation in Mali. The Socialist International has clearly welcomed and fully supported the multilateral efforts of to help the Malian government, including those of ECOWAS and the African Union, and Resolution 2085 adopted by the Security Council of the United Nations with regard to the establishment of an African-led international support mission in Mali (AFISMA). We recognize and commend the declared willingness and availability of countries from Africa to take the lead in response to the appeals to provide troops, as well as the swift assistance of the President of the Republic of France and his government with the support of the members of the UN Security Council, in helping to secure the territory of Mali from occupation, disruption and violence.

I am glad that we have with us today our comrades from Mali, Niger, Mauritania and other countries affected by the conflict, and we are going these issues during our Council.

In all those conflicts major victims are women. And unfortunately in the last years focusing on the economic crisis has let women issues not to appear as a priority for many politicians.

Last December, the brutal gang rape and murder of a 23-year-old woman in India – two months after Pakistan’s Taliban shot 14-year-old Malala Yiousafzai for advocating education – triggered large-scale public protests. This outcry should mark the start of a global

movement to lift the veil of silence that shrouds violence against women – which often begins at home – and protects the perpetrators.

This violence must stop. Governments must continue to advance women's rights through legislation, while civil society must promote a cultural shift that rejects women's marginalization or mistreatment. Only by enabling women to realize their potential can countries ensure economic and social progress.

But gender equality remains a distant goal, with women being left out of the political process, exerting little influence in governing bodies or in drafting new constitutions.

In March, government and civil-society leaders will gather in New York for a meeting of the UN Commission on the Status of Women to agree on a plan to eliminate violence against women. Global leaders should take this opportunity to pledge to adopt the policies and devote the resources needed to end pervasive violations of women's human rights.

But, without the political will not only to enact legislation, but to enforce it effectively, promises are meaningless. Although 187 countries have signed the 1993 United Nations Convention on the Elimination of Violence Against Women, statistics show little progress.

I want to commend Ouafa Hajji and the efforts of Socialist International Women to raise awareness of this ongoing war against women and to empower women around the world to fight back.

I urge all of you to support their efforts in each of your countries.

We socialists must take the lead in this cause.

But there are other looming questions:

How will we be able to create a new sustainable welfare system?

How can we increase transparency in governance?

How can we more efficiently regulate the markets and the banking system?

How can we balance our budgets and protect social service without creating more deficit?

How can we put environmental protection back at the heart of economic growth strategies?

How can we protect democratic institutions from unaccountable elites that control global media, financial institutions, and transnational companies with more capital than national economies?

Progressives now need to prepare policies and proposals for the post-crisis period, in a world with an entirely

new global balance of power.

If we want to be relevant, to give people a reason to vote for us, we need answers, we need solutions, to all these questions.

I was honoured to be re-elected in Cape Town and I am ready for the many challenges ahead. With your help, I believe we can rise to these challenges. I believe that our organisation has the collective power to push forward the progressive solutions the world so badly needs.

Last August, I told you that: ‘In good times or bad, our movement has stood by our member parties, and our peoples in their struggles for a better world—in their struggles for freedom.’ Only five months have passed, and yet so much has changed. So many issues demand our

careful consideration, and our urgent action.

What is the difference between the conservatives and the progressives today concerning Europe?

They speak of fear we of hope.

They talk of punishment we talk of change

They talk of austerity we talk of reform.

They see competition as a race to the bottom we see it as
a race to the top

They are fearful of the people but want to save the banks.

We are sceptical of the banks because we want to save the
people.