

## THE FOURTH MEMORANDUM IS INEVITABLE UNLESS...

*Maria Negreponi-Delivanis\**

=====

The Greek economy was at a dead end even before the pandemic, which is confirmed by its statistical picture. The pandemic, as it was inevitable, aggravated its chronic and desperate situation, as it:

- \* Added several additional negative points, to the tremendous GDP decline caused by the Memoranda.
- \* Caused both public and private debt to skyrocket.
- \* Enhanced the pessimistic forecasts of entrepreneurs and consumers and
- \* Exacerbated unprecedented income inequality.

In this consolidated reality of the Greek economy, there is unfortunately no room for growth. The conclusion is self-evident, if we take into account that the GDP of Greece in 2022 is lower than the corresponding one before the Memoranda, by at least 32%, GDP growth by 2060 will be around 1%, and the specifications of the Memoranda imposed on us lack any developmental breath.

The current rulers, despite their frequent enthusiastic announcements about the supposedly positive course of the economy, nevertheless seem to be aware of the swamp in which we are sinking. That is why, even if one excludes the outrageous references to the Recovery Fund, which I remind you, only serve the interests of the European North, and not our own urgent needs, in recent years our country has been lacking any form of serious concern for economic growth. On the contrary, the constant anxiety of those in charge is monopolized by how, from where and at what cost the money will be secured to deal with our sky-high memorandum burdens.

The invasion of the pandemic led to the complete overthrow of the strict rules of monetary policy and, at the same time encouraged some hopes, regarding the possibility of Greece to finally demand what is justly due. In particular, the panic over the immediate need to address the coronavirus, justified the allocation of trillions of dollars, through methods known as

"helicopter money", rekindled the awareness as to the dangers of the uncontrollable, by now, public and private debt which has reached 425% of GDP in the West while 356%, in the developing countries, has encouraged discussions on the need to delete a significant percentage of it and has paved the way for new theories that downplay the paramount importance of balanced budgets.

This monetary easing, which prevailed in the pandemic, had to be perceived by Greece as a God-sent opportunity to ensure its survival. In the midst of this break therefore, the favorable conditions of which would be unlikely to be maintained after the end of the pandemic, Greece should hasten to relinquish its status as "the most docile student in the EU", as projected in a recent issue of *The Economist*; and then proceed to gather one by one all those illimited rights of hers, which constitute very strong arguments in defense of her rescue; to pursue them to the ends of the earth, to seek sincere alliances and, above all, to commit the Greek people around the earth to a struggle for survival.

Greece is indeed in a miserable position, especially during the last 11 years. The threats and blows against its national sovereignty, which it receives, on a daily basis, are treated with indifference by its partners, with the sole exception of France. The Memoranda, with their often-criminal demands, have impoverished her.

It is certain, however, that Greece would never have reached this last step of its existence, had it not accepted with such incredible subjugation, otherworldly sins and unacceptable humiliations, giving up sovereign rights in a deadly dangerous way, consenting to its enslavement for debts that were perfectly viable at the start of the crisis, selling off its public property and inactivating every kind of defensive argument.

The hope as to the end of the pandemic, unfortunately, coexists with the risk of a come-back of the monetary status which was in force before the virus, burdened with the resurgence of inflation, after 40 years in its absence. Rising interest rates are already being discussed, which, in addition to halting the a very uncertain recovery, will also make the Greek debt heavier. The prediction for the 4th Memorandum is, now, more valid than ever, although it will certainly come under a convincing name.

From the beginning of the crisis, we had many important arguments at our disposal, in order to avoid the tragedy of the last 11 years, but we turned them all off. We may now be facing our last chance at salvation.

### *The arguments*

There is no modern European country that has been the target of so many savage attacks, ruthless behavior, unjust accusations, punitive sentiment by its partners, violation of its sovereign rights, imposition of a dangerously wrong plan, seizure of its public wealth. It should be made clear at this point that the above findings do not in any way imply that there was no debt, or even that this debt should not be repaid. A Memorandum was clearly necessary; but, Memorandum, totally different in content compared to what was imposed on our country. Primarily a Memorandum with specifications that would ensure debt servicing through growth and not shrinkage, as France had insisted from the beginning, while Germany was playing deaf. So, before the 4th Memorandum (or whatever it shall be baptized) invades our lives, let us look at some of our rescue arguments, in the hope that they will not continue to hibernate.

Let's start with chapter 22 of the memoirs of Barack Obama, which is an indisputable proof of the Greek positions, as its content confirms in the most official way, what was widely circulated from the beginning of the memorandum drama. That is, that the EU and the euro were not "endangered" by the, after all, absolutely sustainable Greek debt (about 120% of the then GDP), neither did the EU and the IMF decide to step-in in order to "save Greece", as was generally supported at the beginning of the crisis. On the contrary, it is becoming clear that the EU panic at the time, which led to a request for the IMF's assistance, in order to alleviate it, was related to the risk faced by the German-French banks, which had accumulated a lot of Greek bonds. It was judged that the salvation of the banks would not be possible, except by stepping over the corpse of the Greek people. So, now that the banks have been saved, it is imperative to, at least, mitigate Greece's death sentence. At the same time, it would be the right time to clarify the end result of the EU's often-repeated statement that its desire was "to save Greece". As the numbers strictly show, this EU intention to save us, has resulted after 11 years, to the following:

- \* Almost doubling the Greek debt, as a percentage of GDP,
- \* Reduction of our GDP by at least 25% (so as not to burden the EU with the additional adverse effects of the pandemic),
- \* An IMF forecast that, by 2060, our average growth rate will be around the unit,
- \* Currently only Bulgaria's per capita income is lower than ours, while at the beginning of the crisis we were at the top of the Balkans,
- \* Let us not expand by invoking a pile of unshakable evidence, which testifies to the long-term destruction of our potential development, over many generations.

Let us continue with the inexplicable swelling of the deficit, at the beginning of the crisis, which cannot fall into the category of "conspiracy theories", as this is a case that has been preoccupying Greek Justice for many years. Concerning this strange case, no arbitrary conclusion can obviously be drawn before its final judgment. However, those in charge would have to expedite, by all legal means, the final court decision. Because, if it is really proven that the inflation of the deficit was induced, as this is something that apparently happened "overnight", Greece will be saved, and will be entitled to demand a huge compensation, for its sufferings so far (a compensation which will nonetheless be unable to eliminate the horrors that took place during these 11 years). In any case, it is hoped that such a decision is likely to shed light on the reasons why the current EU leaders, on the eve of the issuance of each of the numerous court rulings on the case, were overly sensitive to the fate of the latter president of ELSTAT.

Greece would still have the opportunity to go back in time, to 2013, in order to correct something that was silenced then. Let me remind you that the then chief economist of the IMF, Olivier Blanchard, admitted in 2013, that the Memorandum program "was mistaken". And this mistake, as pointed out by Olivier Blanchard, resulted in a much greater degree of contraction of the Greek economy, than originally predicted, with all its adverse consequences. Given the fact that this mistake, although discussed

in the international media, was treated as a "forbidden discussion" in Greece, it would be imperative today to revive it.

An additional group of arguments in favor of the debt write-off, although lost in the distant past, concerns the truly unbelievable treatment, by the respective Greek governments, of the occupation loan, of the Nazi atrocities, which leveled the then Greek economy, as well as the abduction of antiquities. It has been 81 years since then, but Germany refuses to pay its debts to Greece, and our country remembers them about once every 10 years, but even then, it does not "take off its gloves", raising this thorny issue. An additional group of arguments in favor of debt write-off, although lost in the distant past, concerns the truly unbelievable treatment, by the respective Greek governments, of the occupation loan, of the Nazi atrocities, which annihilated the Greek economy, as well as the abduction of antiquities of great value. It has been 81 years since then, but Germany refuses to pay its debts to Greece, and our country remembers them about once every 10 years, but even then, is quite reluctant to address this thorny issue. In those eight decades, during which Germany refuses to pay its debts, Greece has faced great difficulties, which would have been less devastating had the debt been repaid. Our country would have had a faster growth rate than it recorded, and probably would not have been led to the grip of the Memoranda. Calculating the interest rate over all these years the German debt is estimated at about 1 trillion. Germany, however, continues to refuse to honor its obligations. But if a country like Greece, which is being tested so hard, seeks solutions, solutions can be found. The Committee, which was recently set up and succeeded a number of others, with the participation of the IHA, the Delivanis Foundation and the Greek-Canadian Congress, discussed the suspension of the repayment of Greek debts to Germany, as a possible pressure measure, until it pays off its much larger debts. The possible confiscation of German property in Greece was also discussed, along with a coordinated effort to make this problem widely known in Europe and around the world. If, in the case of such a wealthy economy as Germany, which is leading the EU, the refusal to repay its debts, which originate in Nazi

occupation, is so simple, it is reasonable to ask why this is not the same for its victim, Greece.

In order to avoid, if possible, the 4<sup>th</sup> Memorandum.

PhD. PROF. Maria Negreponi-Delivanis  
Morkenthaou1,  
54622, Thessaloniki  
+30 2310229977  
+30 6944397345