

AICESIS BOARD MEETING, AMMAN 4&5 /12/2011

Intervention of Mr Polyzogopoulos, ESC of Greece

Dear President, dear colleagues at the Board, thank you for giving me the opportunity to describe the situation in my country, this period of time. For us, in Greece, we find ourselves in a rather critical situation economically, socially, but also politically... although the new government issued by consensus is a recent development that spreads some optimism. But you know the 8th and 9th and December will be crucial for Europe at the Council's Meeting in Brussels.

Back to Greece,... you know that we have a huge sovereign debt and this, of course, has to be managed in one way or another. For that to happen, agreements, negotiations, discussions have taken place at the EU level. We have a Memorandum that has been drawn up, which sets certain objectives and, of course, it needs to be underpinned by support, for these measures to be implemented, so we can really manage the situation, try to reduce the debt down to zero and then create a primary surplus. That will enable us, ultimately, to meet up to our commitments, vis-à-vis our lenders but, also, the citizens of this country, in order for us to really be able to have social cohesion in this country.

However, it is a very difficult venture, because given the critical nature of the problems, there have been social perturbations, conflicts, and of course, the very source of that economic, social and political deficit has been the rather delayed decisions, which are being taken within the European Union. In various stages of our existence here in Greece, we have become a guinea pig, we have been used as a punching bag and some issues that should have been dealt with in a timely fashion, are now being dealt with very late in the day, both by ourselves, but also by our European friends, our European partners in the European Union.

Today, a discussion is being completed in Parliament, where the Prime Minister is seeking a vote of the annual budget. But on the other hand, we need, in terms of policy implementation in Greece, to make sure that measures are accepted on a social level here. So, what we're looking at is a very difficult balance that has to be attained. This has bearing on what sort of responsibility we have to assume, in order for us to open up these creative and effective routes that we need to take.

That's a difficult tightrope to walk, but there is no other way to go about it. So, we are at a crucial juncture. This crisis that we have is not only a crisis of Greece. This is something that the whole of the European Union and the world is also living at

large. In 2008, also, there was a crisis, which is an ongoing crisis, as I see it, it is not finished. I think that this crisis is basically proceeding in stops and starts, in a sense that the crisis has its constant ramifications, which can be seen, and probably will be seen for a number of years, on the economic and social front throughout the whole world.

Perhaps we should limit ourselves to Europe. Alongside Greece, there are crises in other countries. Already, Italy is now in the throes of crisis. Already we have Memoranda drawn up for Portugal and Ireland. There we have issues at stake, and of course, in other European Union countries, irrespective of the fact that one has not seen them as exacerbated or as intense as in Greece. Even so, in other countries there is an increased tension and they do have problems, which we could call a European economic and social crisis.

But what about the European social model which has been so attractive to other nations? What is about to happen today, as the social policies which ought to be implemented under these difficult circumstances, which we have in Europe are on doubt. It is a very topical issue, which has to be looked out from all sides on. We, from Europe in this room have lived through a period of claim and accomplishment of certain objectives and policies, which in the continent of Europe created an economic and social *acquis*, as it is called, and this has been the fruit of all the struggles in Italy, from 1975 onwards - as far back as 1968 to 1975 - and then in France from 1968 until 1973 and then you may remember - due to social agreements that we had in Europe - for example in Germany that there were certain developments and agreements for a social state, for a welfare state with social justice being meted out.

It doesn't make any difference which terms you use. But we are talking about a social and economic *acquis*, of which Europe was proud and which was always on the agenda regarding how we could export that model to other countries. But given the crisis now, which has started some years back, we find a shrinking of the social state, constantly – social policies being curtailed constantly, and of course, whatever that would mean in terms of social justice, social inequalities, and further insecurity for citizens and difficult conditions for people. Often we find that people are living below the poverty line in a substantial proportion of the European population. So, therefore, we must look at the issue from these various sides on.

Let us look at what the context is at the moment, rather than simply looking at how you would define policies, as an individual state or in terms of business

activities. We ought to look at what is happening in terms of the social inequalities that are presenting themselves. This is a major issue. We did have generalised social policies and we had social allowances, social benefits across the border and these benefits were handed out for those who should have received those social benefits and allowances, but also, they were handed out to people who perhaps, were in a better position economically. Now the question is: can one continue with this sort of system, where such benefits, allowances or subsidies are handed out? Can we continue to provide for those who really have the need? Should we target those who are really needy? And can we actually come up with the financial resources for supporting these people out of our budgets?

Another issue, which stems from such a possible choice, is that we ought to be able to free up financial resources for development. Because if you don't have development, you can't have social policies and you cannot deal with issues of increased unemployment. Nor can you deal with sovereign debts of many nations and the deficits that we see in their state budgets. So, what I think is at stake here, what I think is very important is to free up resources for us to have these policies for development, because out of that, you'd be able to support any sort of social policies, in order to maintain your welfare state, which Europe needs so much, and especially the European Union.

So, in order for this to take place, we ought to set certain standards down, we ought to have certain standards at the EU level. Not simply in individual countries, but across the borders in the EU. You really cannot be talking about a future in the EU if you have enormous social inequalities, either within a state or at the EU level overall. It will basically be nipped at the bud, it will be a stillbirth, if I could put it in that term, because we need to have this uniform level across the EU, and that of course, is a major factor in trying to hammer out the policies in the EU, which will help the future of the EU. We need, therefore, to have a minimum agreement in terms of implementation, in terms of real implementation of policies. We need a common denominator and common level and, of course, we can't do what we did in the '70s and '80s. We have to, basically, look at the present context and work on that and set down our basic standards. So, with these few thoughts, I thank you again dear President for giving the floor to me hoping that I have contributed to the discussion.