

PROGRAMMATIC DECLARATION OF ALEXIS TSIPRAS
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FOR THE PRESIDENCY OF THE EUROPEAN COMMISSION

I. MY CANDIDACY - A MANDATE FOR HOPE AND CHANGE.

The Party of the European Left elected me candidate for the Presidency of the European Commission, at its 4th Congress on 13-15 December 2013 in Madrid.

It is an honour and a mandate. The honour is not only personal. The candidacy of the leader of the main opposition in Greece symbolizes recognition of the sacrifices made by the Greek people. It also symbolizes solidarity for all the people in Europe's South who are suffering the catastrophic social consequences of the Memoranda of austerity and recession.

But, more than a candidacy, it is mandate for hope and change in Europe. It is a roll call for Democracy in which every generation deserves to participate, and which every generation is entitled to live. It is a struggle for the power to change the everyday life of ordinary people. To recall *Aneurin Bevan*, a genuine social-democrat and political father of the British National Health Service, for us power means "the use of collective action designed to transform society and so lift all of us together".

I am not a candidate of Europe's South. I am a candidate of all people, regardless of their address, whether they live in the North or in the South, who want a Europe without austerity, recession and Memoranda. My candidacy aspires to reach all of you, irrespective of your political convictions and vote in national elections. It unites the very same people that the neoliberal management of the economic crisis divides. It addresses all people who want a better life for themselves and their children in a better Europe. It integrates the indispensable anti-Memoranda alliance of the South into a broad European anti-austerity movement—a movement for the democratic reconstruction of the monetary union.

My candidacy particularly addresses young women and men. *Now for the first time in postwar Europe, a generation of young people expects to be worse off than their parents.* The young see their expectations entrapped into high unemployment and the prospect of a low-wage and jobless growth. We have to act – not for them but with them – and act now!

We need to urgently overcome the North-South division of Europe and demolish the “wall of money” that tears standards of living and life chances apart in the Continent. The Eurozone is teetering on the brink of collapse. This is not due to the euro *per se* but to neoliberalism – to the set of recessionary austerity policies that, far from supporting the single currency, they have undermined it. But, along with the single currency, they have also undermined public trust in the European Union and support for further and deepening European integration. It is for that

reason that we believe that neo-liberalism is the undeniable accelerator of Euroscepticism. And that we should *end austerity to regain democracy*.

What has been actually happening over the years of the crisis is that the European political establishment saw into it the opportunity to rewrite Europe's postwar political economy. The political management of the Eurozone sovereign debt crisis is itself inscribed in the process of institutional transformation of the Eurozone South along the lines of Anglo-Saxon neoliberal capitalism. Diversity of national institutions is not to be tolerated. Policy-rule enforcement is the cornerstone of the European Commission's recent legislation to enhance economic governance in the Eurozone. Chancellor Merkel in Germany, in alliance with a neoliberal bureaucratic elite in Brussels, treats social solidarity and human dignity as economic distortions, and national sovereignty as a nuisance. Europe is forced to wear the straightjacket of austerity, discipline and deregulation. Even worse, Europe risks a "lost generation" of its most young and talented population.

This is not our Europe. This is only the Europe we want to change. In place of a Europe of fear of unemployment, disability, old-age and poverty; *in the place of the current Europe that redistributes income to the rich and fear to the poor;* in place of a Europe in the service of bankers' needs, we want a Europe in the service of human needs.

Change is possible and will happen! Those who say that the Europe we live in cannot change are saying so because they don't want Europe to

change. Because they have an interest in today's Europe *not* changing. We need to reunite Europe and reconstruct it on a democratic and progressive basis. We need to reconnect Europe with its Enlightenment origins and so give primacy to democracy. Because *the European Union will either be democratic or will not continue to exist*. And, for us, democracy is non-negotiable.

The European Left is fighting for a democratic, social and ecological Europe. Those strategic objectives define our three basic political priorities:

1. To end austerity and the crisis. *A Eurozone without austerity is possible.* Because austerity is a crisis by itself – it is not a solution for this crisis. It forces Europe to oscillate between recession and zero or anemic GDP increase. It has skyrocketed registered unemployment in Europe. It underlies the rise in the public debt to GDP Eurozone average ratio from 70,2% in 2008 to 90,6% in 2012. To this end, we will work for a collective, comprehensive and definite solution to the Eurozone debt problem. We will pave the way for the coordinated reflation of Eurozone economies. Because deflation menaces its stability. We have summarized our political plan against the crisis in ten points and present it in the subsequent section.
2. To set in motion the ecological transformation of production. The crisis is not simply economic. It is also ecological, in the sense that it reflects an unsustainable economic paradigm in Europe. We, therefore, need a tandem economic and ecological transformation of European societies to exit the crisis and create a solid basis for

development with gender and social justice, decent and stable employment and a better quality of life for all. We need that transformation urgently! Because the management of the economic crisis by the European Union in the Eurozone South – through the notorious “troikas” – has added an environmental crisis to the fiscal crisis of those countries. It has thus widened the sustainability North-South gap. And also, because, on the pretext of the crisis and the search for quick-fix solutions of economic recovery, the European Union and the member-states have relaxed their environmental awareness and narrowed sustainability, at best, to energy and resource efficiency. A case in point – although Europe abounds with similar cases – is the support by the Greek government to the multinational mining company *Eldorado Gold*, which has begun large-scale gold mining activities in the primeval forest of **Skouries** in Halkidiki.

Europe needs a paradigm shift towards sustainability. To this end, we need an ecological public policy in Europe that prioritizes sustainability and quality, cooperation and solidarity. For example, an ecological public policy at the European level would plan, encourage and finance a qualitative shift in education towards sustainability and active policies orienting vocational education and training towards sustainable sectors. The ecological transformation of production encompasses the widest possible range of policy domains, such as: a tax reform, which would change the logic of taxation and shift its burden from employment to resource consumption, the elimination of environmentally

harmful subsidies, the preservation of biodiversity, the replacement of conventional energy with renewables, the investment in environmental research and development, the organic farming and sustainable transportation, as well as the rejection of any trans-Atlantic trade agreement which does not guarantee high social and environmental standards.

3. To reform the European immigration framework. The human quest for a better life is unstoppable. Border walls stop human rights – not human beings. As long as the income and prospects gap between, on the one hand, the countries of origin or the transit countries of migration and, on the other, the European Union, remains large and widening, immigration to Europe will continue unabated. The European Union should exhibit the necessary *double solidarity*: external, to the countries of emigration, and internal, with a just geographical allocation of immigrants in Europe. In particular, the European Union should undertake the political initiative for a *new qualitative relationship* with those countries, enhancing both developmental assistance and capacity-building for endogenous development with peace, democracy and social justice. In parallel, the overall institutional architecture of the European Union for immigration and asylum has to be changed. We need to ensure the protection of fundamental human rights on the entire European soil and immediately plan efficient measures to rescue migrants on the open sea, to set up reception centers at the entry points, and adopt a legal procedure and a new legal framework, which would efficiently and justly settle access of immigrants to all EU

countries, in a fair and proportional fashion, taking into consideration, as far as possible, their own wishes. European Union funding should be redirected accordingly. The recent Lampedusa and Farmakonisi tragedies make clear that both the European Pact on Immigration and Asylum and the so-called Dublin II Regulation [Regulation (EC) 343/2003 and Regulation (EU) 604/2013] should be immediately revised. Subject to a set of simple, transparent and just criteria, asylum seekers should be provided with opportunity to apply for political asylum directly to the member-state of their choice as host country and not to the country of first entry into the European Union. The country of first entry should, in turn, be able to provide them with one-off travel documents within the Union. We reject “Fortress Europe” which only operates as a seeding ground for xenophobia, racism and fascism. We are working for a Europe that will become an impregnable fortress to the extreme right and neo-nazism.

But Europe will not be either social or ecological, if it is not **democratic**. And, if it is not democratic, it will alienate its citizens – as it does today. Because, at this critical point in time, the European Union has decayed into an oligarchic and anti-democratic fabric in the service of bankers, multinationals and the super-rich. *Democracy in Europe is in retreat*. And there is no doubt that *we should end austerity to regain democracy*. This is because neoliberal austerity has mostly been imposed on the Memorandum countries by legislative means that undermine the institutional authority and political role of national Parliaments; it has undercut long-gained

citizens' economic and social rights, and has been enforced by practices associated with police states. At the same time, the structure and actual operation of European institutions – to which national competences and sovereign rights have been transferred – lack democratic legitimacy and transparency. Anonymous and unaccountable bureaucrats cannot substitute for elected politicians in decision-making. But, for the entire discussion on democracy in Europe to be meaningful, the European Union needs its own strong budget and a European Parliament which decides budget allocation, oversees budget execution along with national Parliaments, and controls budget performance. The *democratic reorganization of the European Union* is the political objective *par excellence*. To this end, we should extend the scope of public intervention and citizen engagement and participation in European policymaking and service design. In parallel, we should empower institutions with direct democratic legitimacy, such as the European and national Parliaments. That implies concrete political initiatives, at a first stage to restore the primary role of national Parliaments in drafting and deciding upon national budgets. That means suspension of articles 6 and 7 of Regulation (EU) 473/2013 (the second of the two-pack legislative acts for the Eurozone countries) on monitoring and assessing national draft budgetary plans, which gave the European Commission the right to scrutinize and revise national budgets before the respective Parliaments can do that. At a second stage, as mentioned earlier, it implies greater involvement of both the European and national Parliaments in the oversight of the European budget. It also implies institutional enhancement of the European

Parliament as mechanism of democratic control of the European Council and the European Commission. But a democratic European Union cannot be democratic and consensual only in Europe, and arrogant, non-peaceful, militaristic and aggressive abroad. For that reason, we need a European security system predicated on negotiation and disarmament. No European soldier should operate outside Europe.

II. A TEN-POINT POLITICAL PLAN AGAINST THE CRISIS, FOR GROWTH WITH SOCIAL JUSTICE AND FULL-EMPLOYMENT.

The Eurozone is the most appropriate policy level to implement progressive economic policies geared towards growth, redistribution and full employment. This is because the monetary union as a single entity enjoys more degrees of freedom in policymaking than each of its constituent member-states separately, as it is less exposed to the volatility and instability of the external environment. But change requires both a feasible political plan and collective action.

To end the European crisis, we need a policy regime-change. That priority serves **our political plan of ten programmatic points:**

1. Immediate End to Austerity. Austerity is a harmful medicine at the wrong time with devastating consequences for the cohesion of our societies, for democracy, for the future of Europe. One of the scars of austerity that shows no sign of healing is unemployment – and in particular, youth unemployment. Today, almost 27 million people are

unemployed in the European Union out of which more than 19 million in the Eurozone. The official unemployment Eurozone average has risen from 7,8% in 2008 to 12,1% in November 2013. For Greece, from 7,7% to 27,4% and for Spain from 11,3% to 26,7% during the same period. Youth unemployment in Greece and Spain hovers around 60%. With 3,5 million under-25s jobless, Europe pens its own suicide note.

2. A New Deal for Europe. The European economy has suffered 6 years of crisis, with average unemployment above 12 percent and the dangers of a 1930s-style deflation on its doorstep. *Europe could and should collectively borrow at low interest rates to finance a program of economic reconstruction and sustainable development with emphasis on investment in people, technology and infrastructure.* The program would help crisis-hit economies to break free from the vicious circle of recession and rising debt ratios, create jobs, and sustain recovery. *The USA did it. Why couldn't we?*

3. Credit expansion to small and medium-sized firms. Credit conditions in Europe have deteriorated sharply. Small and medium-sized firms have been hit especially hard. Thousands of them, particularly in the crisis-hit economies of the European South, have been forced to close, not because they were not viable, but because credit dried up. The consequences for jobs have been dire. *Extraordinary times require non-conventional action: the European Central Bank should follow the example of other Central Banks around the world and provide cheap credit to banks, if they agree to increase their lending to small and medium-sized enterprises by a corresponding amount.*

4. Defeating unemployment. The average European unemployment is today the highest since official records began. Many of the unemployed are without a job for more than a year, while many young people have never had the opportunity to a paid for and fulfilling employment. The bulk of the unemployment problem is the result of slow or negative economic growth. But experience shows that, even if growth in Europe resumes, it will take a long time before unemployment returns to its pre-crisis levels. *Europe cannot afford waiting that long. Long spells of unemployment leave permanent scars on the skills and talents of people, especially the young. It feeds right-wing extremism, it undermines democracy and destroys the European ideal. Europe shouldn't waste time. It should mobilize and redirect Structural Fund resources towards creating meaningful employment opportunities for its citizens. Where the fiscal constraints of member-states are binding, national contribution should be set to zero.*

5. Suspension of the new European fiscal framework: It requires balanced budgets year-on-year and regardless of the economic conditions that prevail in a member state. It therefore removes the ability to use fiscal policy as a stabilization policy tool at times of crisis, i.e. at times where it is most needed, and thus puts economic stability at risk. *In short, it is a dangerous idea. Europe needs a fiscal framework that acknowledges the need for fiscal discipline in the medium-term, while simultaneously allowing member- states to resort to fiscal stimulus in recessions. A cyclically adjusted fiscal policy rule that exempts public investment should be preferred.*

6. A genuine European Central Bank – lender of last resort for member-states, not only for banks: Historical experience suggests that successful monetary unions require central banks that carry out the entire range of central banking functions *and do not focus exclusively on the maintenance of price stability*. The commitment to act as lender of last resort should be *unconditional* and should not depend on a member-state's agreement to a reform program with the European Stability Mechanism. The euro's fate, and the prosperity of the people of Europe may well depend on this.

7. Macroeconomic readjustment: Surplus countries should do as much as deficit countries to correct macroeconomic imbalances within Europe. Europe should monitor, assess and demand action from current account surplus countries, in the form of stimulus, in order to alleviate the unilateral pressure on deficit countries to contract. The current asymmetry in the adjustment between surplus and deficit countries does not harm the deficit countries alone. It harms Europe as a whole.

8. A European Debt Conference. Our proposal is inspired from one of the most perceptive moments in European political history. Such was the London Debt Agreement of 1953, which essentially relieved Germany of the economic burden of its own past, helped rebuild the post-war German democracy and paved the way for the economic success of that country. The London Debt Agreement required from Germany to pay, at the very most, half of all its debts – private and intergovernmental alike. It tied their repayment schedule to the country's ability to pay,

spreading it over a period of thirty years. That is, it subsumed debt-service into economic performance, following an implicit “growth clause”: for the period 1953-1958 only interest payments were due. This delay in making payments on principal was intended to give the country some additional breathing room. Starting in 1958, the Agreement called for Germany to make annual fixed payments, which became less and less significant as the German economy took off. The Agreement implicitly assumed that reducing German consumption, what is today called “internal devaluation”, was not an acceptable way to ensure repayment of the debts. German payments were, in effect, conditioned on the country’s ability to repay. The London Debt Agreement clashes with the erroneous logic of the Treaty of Versailles reparations, which seriously undermined the German people’s ability to rebuild the economy and also created doubts about the Allies’ eventual intentions. As such, it remains a useful blueprint for action today. However, we don’t want a European Debt Conference for Europe’s South. We want a European Debt Conference for Europe. In that context, all available policy instruments should be employed, including the European Central bank acting as lender of last resort in that respect, as well as the issuance of socialized European debt, such as Eurobonds, to replace national debt.

9. A European Glass-Steagall Act. The aim is to separate commercial and investment banking activities and prevent such a dangerous merging of risks into one uncontrolled entity.

10. Effective European legislation to tax offshore economic and entrepreneurial activities.

III. THIS IS THE TIME FOR CHANGE!

To make change possible, we need to influence in a decisive way the life of ordinary people in Europe now. We want not only to reverse the direction of current policies, but also to extend the scope of public intervention and citizen engagement and participation in European policymaking and service design. We, thus, need to build the broadest possible social and political alliances.

We should shift the balance of political power in Europe in order to change it. Neoliberalism is neither a natural phenomenon nor is it invincible. It is only the product of political choice under a historically specific balance of forces in Europe. It owes its longevity as the reigning economic paradigm, mainly the social-democrats, who, in the mid-1990s, adopted the political strategy of comprehensive accommodation to its principles and policy goals, accordingly readjusting their position on the political spectrum farther from the Left. To many in Europe, social-democrats now sound like the fading echo of a bygone age. Not to us! But, social pain from the continuing crisis as well as disenchantment on the part of the electorate with politics-as-usual have locked their strategy in an impasse. Reality cannot afford the time to European social-democracy. Here and now, social-democrats have to make a

historic shift forward redefining themselves in public perception and conscience as a political force of the democratic Left. By re-defining themselves through differentiation and clash with neoliberalism and the failed policies of the European People's Party and the Alliance of Liberals; or, as it has been aptly remarked, by becoming a political force "willing to be as radical as reality itself".

Because Europe has come to a critical crossroads. And in the European election of May 25th, two clear alternatives for the present and the future are on the table: Either we stand still with the conservatives and the liberals, or we move forward with the European Left. Either we consent to the neoliberal *status quo* - by pretending that the crisis can be resolved with the same policies that have fuelled it - or we move ahead to the future with the European Left.

We particularly call upon the ordinary European citizen who traditionally has been voting for the social-democrats: first, to exercise the right to vote on May 25th – not to abstain and let the others vote for him/her. And, then, to vote for hope and change – to vote for the European Left. So that we can together rebuild our own Europe of labour, culture and ecology. Once again in the history of our common house – which is Europe – we must rebuild it, as an ensemble of democratic, socially just and prosperous societies. If we are to rebuild Europe we need to change it. And we must change it now, if Europe is to survive.

The very moment that the neoliberal policies turn the wheel of History backwards, it is the Left's moment to push Europe forward.

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