

**Meeting of the SI Presidium
New York, 5 July 2015**

GREECE – APPEAL TO EUROPEAN LEADERS

On the eve of the meeting of the Socialist International Council at the United Nations in New York on 6-7 July, the collective leadership of the organisation issued the following statement after the outcome of the referendum in Greece:

The voters of Greece have expressed themselves despite the fact that the referendum was held under extreme time constraints.

A NO vote concerning a draft agreement with the Eurozone and the IMF on the adjustment program needs to be respected by all parties and a new agreement must be swiftly negotiated.

At the same time the Greek people overwhelmingly desire to remain members of the Eurozone.

A new agreement must take into account the fact that Greece has made huge efforts in fiscal adjustment with painful sacrifices that have reduced GDP by 25% and youth unemployment over 40%.

The "no" vote shows, more than anything the despair of a society without hope for the future, a society pushed to the edge by "austerity only" policies that destroyed development and real economy.

Greece was the first country in the EU hit by the consequences of the 2008 global financial crisis.

Despite the efforts of the socialist Greek government in 2009, Europe was slow to respond in an effective and unified way against market pressures.

A more concerted reaction of the EU at the time could have avoided the excessive pain and the dramatic dilemmas that brought about the continuation of the Greek crisis.

Had the conservative leadership of Europe heeded the warnings of the Greek socialist government under PM Papandreou that the key for Europe and Greece was not more austerity but deeper reforms, had they supported a referendum at an earlier stage, the crisis would have been an opportunity for democratic change and progress. The conservative majority in the European institutions refused to take into account the warnings and insisted to put more emphasis on fiscal consolidation and reform of the labour market than designing the foundations for a solid economic recovery encouraging investments and creating jobs.

This week crucial decisions need to be made both in Greece and in the EU.

We call on the Greek Prime Minister to respect the mandate on the basis of which he was elected and make every necessary effort to keep Greece in the Eurozone. Acting in a

coordinated way with all democratic political forces independently of their support for the Yes or the No should work in a constructive way, for reaching as soon as possible an agreement with the European institutions; an agreement that should include the necessary elements and reforms for a sustainable economy.

Any other option will bring an even worst humanitarian tragedy with unpredictable consequences.

We call on the European leaders and institutions to respect the democratic choices of the Greek people and act constructively for a workable agreement for all sides. The image of the EU, the wealthiest region of the world, will take an irreversible blow by not exhausting all efforts to save a member state in the edge of a total collapse. For the future of Europe it is crucial to find a way to close the gap between the North and the South of the Union in solidarity.

We call on the European Central Bank to continue supporting the Greek banking system, because the victims of a collapse will not be the wealthy tax evaders that sent their money abroad but the weaker groups of the society who risk losing their small savings.

The day after the referendum, for all sides, there is no room for blame games. It is time to respect democracy and individual rights, it is time to stop confrontation and tactical games and encourage an honest discussion on how to come out together, from the current deadlock.
