

AGAPW Hosts Forum on Greek Crisis

Constantine S. Sirigos



Costas Bej/TNH

The Association of Greek American Professional Women (AGAPW) hosted a forum on the Greek crisis at the Hughes Hubbard & Reed law firm's conference facilities in Lower Manhattan's Battery Park on November 17.

NEW YORK – The Association of Greek American Professional Women (AGAPW) hosted a forum on the Greek crisis at the Hughes Hubbard & Reed law firm's conference facilities in Lower Manhattan's Battery Park on November 17. AGAPW President Dr. Olga Alexakos welcomed the guests and speakers.

The presentation was timely as the crisis had recently taken its toll on PASOK leader George Papandreou, who was replaced as Prime Minister last week by former European Central Banker Loucas Papademos.



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AGAPW President Dr. Olga Alexakos welcomed the guests and speakers.

Though the speakers all acknowledged the need to address the shortcomings of both the Greek people and their government, they also illuminated the international forces that contributed to the problems, shining a harsh spotlight on the travails of latter-day capitalism and global finance as well as the EU's and Eurozone's failures and limitations.

Dr. Rania Antonopoulos, Senior Scholar and the Director of Gender Equality and the Economy Program at Levy Institute, Bard College, spoke on "The Sovereign Debt Crisis in Greece: Causes of the Crisis and Proposed Solutions – Myths and Realities." She set the evening's serious if not pessimistic tone by saying the situation in Greece is "just at the very beginning," meaning there is still more suffering that the Greeks will endure. Her first point was that it was a grave mistake for Greece to enter the Eurozone because by abandoning their own currency, the drachma, Greeks deprived themselves of the policy tools countries traditionally use to deal with economic slowdowns, such as currency devaluation to spur exports.

That left Greece with only the austerity policies imposed by the so called Troika – the IMF, the EU and the ECB – and the bailout, which she said is much more limited than has been reported. Antonopoulos said countries like Argentina that have rejected the austerity approach have been more successful. During the Q & A session that followed, she disagreed that because Argentina has stronger agricultural and manufacturing economies than Greece does, its measures would not have worked in Greece.

Antonopoulos also pointed out that the neoconservative agenda of recent decades (also called Thatcherism or Reaganism) of curtailing government undermined the power of states to head off economic booms and busts and to end recessions. She believes only the state can look out for the well-being of its citizens and society as a whole and that relying on market forces to allocate resources, create jobs, and end recessions is catastrophic.



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(R-L) The panelists were: Dr. Rania Antonopoulos, Senior Scholar and the Director of Gender Equality and the Economy Program at Levy

Antonopoulos bemoaned the world economy's "financialization," which she said played a key role 2007-2010 financial crisis, where financial markets tend to dominate over the traditional industrial and agricultural economies." Financialization has had a deleterious effect on jobs creation by diverting investment from more productive and job-intensive sectors of the economy.

As an example of bad neoconservative policies, she cited the repeal of FDR's 1933 Glass-Steagall Act, which separated commercial banks from investment banks in order to prevent the former from using their deposits for speculation.

The main problem in Europe today, according to Antonopoulos, is that there are some, mainly the German government, preventing the ECB for playing one of a central bank's most critical roles, lender of last resort. The ECB can ease the debt crisis by printing more euros and buying bonds of countries whose yields are rising to dangerous levels, like Spain and Italy. She says the relevant EU treaties can be amended to make the ECB a true central bank.

Antonopoulos acknowledged that Greece must address structural problems but presented statistics that show that the Greek public sector's size and social spending amounts are not the crisis' causes, noting that Germany's public sector is larger. Some guests, however, thought the two nations' relative efficiency and effectiveness must be taken into account.

Neither is Greece's debt load overwhelming if the "total economic indebtedness" of the country is taken into account, she said, and prefers is the term "austerity crisis" for what the country is now going through – with unemployment approaching 20 percent overall and much worse numbers among young adults.

She mentioned reports of men who wore business suits when they were employed now showing up at soup kitchens.

Regarding what should be done, Antonopoulos told TNH "There is a strong movement towards establishing eurobonds at the moment. This is the correct way to go. It will give the signal the markets need so that the calm down."

She added that "Exit from the Euro is not great at this juncture for Greece or for anyone else, but it is the only option left for Greece if the EU does not have the courage to recognize the incompleteness of the EMU project," and undertake reforms to create "a monetary facility to fulfill the function of the 'lender of last resort' and to 'rebalance' through active policy the structural imbalances in the current account of each country."

Nefeli Lygerou, MA, a Greek sociologist, journalist, and TV and film producer, discussed "Greece: Black Sheep or the Weakest Link?" She said the problem is only secondarily economic and primarily political, calling to task Greece's political elite for creating the "model of false growth" and pushing the Greek society over the edge of the cliff. The crisis' economic component "is not a circumstantial but a structural one." Regarding the world economy, Lygerou said globalization made it too easy for production to migrate to Asia.

Greece is being made to be the black sheep but Europe is also to blame, noting “Greece is the weakest link , but the rest of the chain is not so solid.”

Lygerou believes the Greek people are innocent, but the “EU is experimenting on Greece. Greeks are enduring wave upon wave of austerity measures. The survival of the middle class is at stake, small and medium-sized businesses all going bankrupt. At first, people accepted sacrifice e and austerity but over time they have lost faith in the politicians.”

She is deeply concerned that Greece may lose its best and brightest. “The people under 35 years old, who are well-educated, are desperate. Forty percent are actively seeking jobs abroad,” she said. Still, she believes “the crisis could be a catalyst for [positive] change.”

Andreas Kalyvas, associate professor of Political Science at the New School for Social Research, presented: "Ten Theses on the Current Political Situation in Greece."

He declared that the recent political events that culminated in the rise of Loucas Papademos as prime minister marks the failure and complete discrediting of the ruling elite as “corrupt, divided, incompetent, egoistic, and shortsighted.”

He said “The dying existing political system cannot solve the crisis...the only purpose of the new [government] is to make sure the current elites remain in power.”

Kalyvas noted the increase in political violence with trepidation as he said it has prompted some to speak of the need for emergency rule, while the decline of EU support or Greece is accompanied by calls there for what he called neocolonial practices.

“The only solution is a political one, rooted in Democratic principles: the convening of a constituent assembly” to write a new Constitution after discussions which include alternative economic models, otherwise, he fears “The country that created democracy will end up dying.”

AGAPW serves as a forum for information, resources, support, and networking opportunities for Greek-American women. The organization is seeking to expand career opportunities and promote community and leadership building among Greek-American professional women by forging collaborations among them and establishing partnerships with other organizations inside and outside the Greek-American community.

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