

## **Giannis (John) Milios, head for the economic policy of Syriza\*:**

### **We offer a way out of the austerity trap**

If Syriza forms a government in 2015, it will have four basic directions in its governance. *First policy axis* is dealing with the humanitarian crisis that has rolled over Greece, hitting the working majority, the youth, the elderly people, in general the most vulnerable sections of society, as a result of the introduction of extreme austerity policies that put the burden of economic crisis on the shoulders of the have-nots, in order to protect the economic elites. All people who dwell in the country, should be guaranteed access to the vital commodities, which shall be regarded as social goods (food, housing, heat, water, mass transportation and energy). Free electricity will be provided for those who have had supplies cut off. Food stamps will be distributed in schools and to families living in poverty. Furthermore, public healthcare will be accessible for all those who need it, rents will be covered for the homeless, free access to public transportation will be guaranteed for unemployed people who live under the poverty limit.

The program for social spending of Syriza is worth of 11,5 billion euro. It will be financed by an improved tax collection. The increased tax collection is a matter of political will. The present government has practically broken up tax authorities and disembodied prosecutorial and investigation authorities in an effort to “protect” the country’s economic elites. We are going to reorganize all these agencies and use the most advanced methods of sampling investigations that will create a new climate of tax conformity, based on the feeling that justice and transparency are being safeguarded, and that everyone contributes according to her/his capability.

*Second axis* is the recovery of the labor market and of the negotiating capacity of labor, by the restoration of the minimum wage to pre-crisis levels of €750 a month, reintroduction of collective bargaining and collective agreements in all economic areas, the fight against undeclared labor, protection of the legal framework so that nobody in Greece is forced to work under conditions that resemble slave labor. Here belongs also an emergency plan to combat the enormous unemployment, with special

emphasis on the development of the institutional and legal framework for the promotion of “social economy” and “social entrepreneurship”, which may be put forward by cooperative schemes of unemployed workers and employees.

*Third axis* is to unfetter the economy from the private debt yoke that austerity policies have created. This means dealing with the problem of non performing private loans to banks and obligations to public authorities. Here belongs first of all a tax reform, i.e. the introduction of a just, stable and simple tax system, that will ease the vast majority of the middle and lower income groups from the present over-taxation and will combat tax evasion, smuggling of petroleum and tobacco products, transfer-pricing etc. It also means an immediate plan for dealing with Non Performing Loans (NPLs), and at the same time the protection of the first residence. A pivotal and basic part of our proposal is the creation of an interim carrier for managing the private debt, which will undertake the establishment and the monitoring of applying a simple, effective, transparent and socially fair procedure for the restructuring of red loans, adjusted to the needs of living and the real abilities of borrowers to pay-off. This program will be able to expand to cover the non performing obligations to the State, the insurance funds and Public Utility Companies. A moratorium on private debt repayments to banks and the State above 30% of disposable income will be enacted. The interim carrier for managing the private debt will be state-owned and will operate in the form of an organization or a fund. Its primary role will be to establish a restructuring plan which will be based on defined minimum expenses for a decent living, in order for the satisfaction of the debts and the other financial obligations to take place from the surplus and not from the shortage of the family income. Each case will be analyzed individually, in order to avoid the unfair application of horizontal measures, while high income will be excluded and other sources of income will also be analyzed.

Finally, *the fourth policy axis* will be the reform of the public sector in order to increase its effectiveness and to free the state from clientelism and corruption. Transparency in all public services will be ensured.