

19th February, 2015

Mr Enda Kenny, TD
Taoiseach
Government Buildings
Merrion Street
Dublin 2

Re Greek Crisis

Dear Taoiseach

I have been asked by the Executive Council of Congress to write to you to voice concern at the attitude being adopted at the European Council towards the Greek people.

It seems to us that the level of Greek public debt is unsustainable and, in these circumstances, the imposition on a continuing basis of extreme austerity measures is both pointless and vindictive. In particular, the demand for Greece to increase its primary surplus from 1.5 per cent to 4.5 per cent cannot be done without further adding to the enormous social cost.

It must be clear to everyone at this stage that Greece will require a substantial write-down in its public debt. It is in a position little different from that of many developing countries in the 1990s which eventually benefitted from the highly indebted poor countries agreement.

In view of the fact that Ireland has suffered so much at the hands of the Troika, and has incurred a high level of debt by acceding to ECB demands to socialise bank debt, we are surprised that the Government is not more sympathetic to the Greek case. Recalling that creditor countries resiled from commitments made to Ireland on sovereign debt at the June 2012 European Council it is difficult to understand why we should align with them against Greece. Even from a purely self-interested standpoint we should support any initiative that leads to a more realistic EU position on debt.

While it is clear that Greece has a long way to go to overcome its difficulties it is not edifying to see it's democratically elected Government ganged up on. Moreover, it has not advanced proposals which are in any way irrational and, from this remove

at least, appears to offer some hope of delivering good governance to Greece. In our view it will not play well with ordinary European workers to see the Greek Government oppressed because it does not believe in the orthodoxy of current austerity policies which, in any event are clearly a disaster. There is a real danger that a continuation of this approach will so undermine support in European integration that it will eventually be no longer viable.

I hope that the Government will consider these observations.

With best wishes.

Yours sincerely

A handwritten signature in blue ink, appearing to read 'David Begg', with a stylized flourish at the end.

David Begg
GENERAL SECRETARY

db/es