

Without reforms, New Democracy and Greece commit suicide

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After a six-year very extensive economic crisis, the opportunity showed up to have an election of the leader of the New Democracy (ND) party through a popular vote process. This is an important opportunity that will determine not only the leader but also the policy that ND and Greece will follow. Things have reached the point of no return for both Greece and ND. Without a program of reforms, both Greece and ND commit suicide. The ruling parties Syriza and ANEL have gambled with the Greek economy, and Greece lost big. Presently the Greek economy is run by the representatives of the creditors (EU and IMF). The losses caused by Syriza's gamble are huge. Greece lost the €25 billion that it invested in Greek banks in 2013 and 2014. In contrast to the tremendous success of Greece issuing bonds in the Spring of 2014 lighting the path out of its dependency on EU loans, the present government signed a new EU-IMF loan of €87 billion with very tough terms for Greece. Additionally, the present Greek government reduced GDP by at least 3% bringing the economy to a new recession. In total, the losses created by the government of Tsipras-Kammenos-Varoufakis exceed €100 billion, over half of the Greek GDP. They also exceed by 30 times the amount of the unpopular real estate tax. As capital controls remain in effect in Greece, the economic losses continue.

Without reforms, a reduction of the State sector, reduction in taxation and increase in production, Greece will continue to repeatedly need EU loans, with its misery increasing. Still prime minister Tsipras is popular because the opposition parties, and especially ND have not yet presented reforms and policies that would solve the present problems.

For these reasons, the election in ND is not only a matter of the person who will be the leader. It is necessary for the leader to have reformist positions and sufficient experience to be able to implement them. Today, Kyriakos Mitsotakis is the most suitable choice to lead ND. He has the right positions on the economy (supports entrepreneurship, reducing the State sector, lowering taxes, extensive privatizations, evaluations of civil servants, excellence in government) and has a significant following among center-right voters. He has pushed for dialog within ND and brought forward his reform positions in very moderate ways. He has tried to convince voters through logic and has worked against populism. He has the biggest chances to reform the party and to create new policies that would solve the economic problems on the basis of entrepreneurship, smaller State sector, lower taxes, excellence in government and no to populism.

Going beyond the election of a new leader, ND needs a lot of work to become a modern center-right party, and Kyriakos Mitsotakis has committed to work for that if elected. ND is fortunate in today's Greek politics. It got rid of the right-wing extremists of Golden Dawn as well as the populists of ANEL. PASOK has left uncovered the space at the center of the electoral spectrum, and Potami needs much time to pull itself together. The governing party of Syriza lives a huge contradiction, on the one hand implementing the toughest economic measures, such as deep

reductions in pensions, following the strict instructions of the creditors, and on the other hand implementing the craziest positions in non-economic matters, such as considering excellence in education to be a stigma.

The empty space at the center of the political spectrum is so large, that many will say that ND does not need a significant change to win. But radical change and support for reforms by ND is necessary. First, because it is necessary for Greece. Without reforms there is no hope of revival of the Greek economy. Second, ND needs to transform itself at last from a supporter of statism before the economic crisis to becoming a lever of change and the main party for economic reform. Of course, ND also needs to convince the Greek people that it has changed. Kyriakos Mitsotakis is the most suitable for this job. There is a lot of work to be done in the party, as well as and primarily in the effort for the acceptance of reformist ideas and policies in the Greek society.

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