

# Current Concerns

The international journal for independent thought, ethical standards, moral responsibility,  
and for the promotion and respect of public international law, human rights and humanitarian law

English Edition of *Zeit-Fragen*

## Thank you, Greece!

Letter by Ögmundur Jónasson\* to the Greek population



Ögmundur Jónasson  
(picture ma)

When Pandora opened her box, evil in all its guises poured out into the world. In a horrified frenzy, she snapped the lid shut just in time to trap Elpis, which we non-Greek speakers are told means “Hope”.

The Greek question is about many things. It is about sovereignty. It is about democracy. It is about collective responsibility. It is about collective punishment. It is about the limits of private property.

The most surprising element of the bailout sagas is the almost unflinching consensus among experts. The majority of powerful European politicians speak in unison: suddenly there are no disagreements about economics or about politics. Differences are put aside and an eerie silence prevails: a crowd fallen quiet on the site of execution.

Of the 19 Eurozone nations, 16 are ruled by right wing governments. Does that explain anything? Everybody agrees that austerity measures will have dire consequences for the Greek nation. It is also generally agreed that collective punishment is a crime against humanity. Does that make a difference? Or does it not?

Mistakes were made. The former Greek government made a dubious decision in soliciting *Goldman Sachs* as their adviser on book keeping when Greece was admitted to the Eurozone. European banks may have lent too much to the Greek govern-

ment and to Greek banks; the Greek government may have bought too much military equipment from Germany and France; cronies of the government in Athens may have got away with some tax avoidance.

The taxpayers of Europe, the governments of Europe, the economic theorists of Europe, the architects of the Eurozone, all may have made mistakes in the structure, funding and running of the Eurozone.

But rather than admitting to their mistakes and instead of shouldering the costs, the leaders of Europe sought scapegoats. They display an appetite for an execution. “Someone must suffer”, they think, and thus they have punished the most vulnerable among them. This is almost a biblical story.

Writing off all of Greece’s debt would not have the disastrous effect on the Eurozone economy that has been marketed. The concern, rather, lies in the example to

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\* Ögmundur Jónasson was Icelandic Minister of Health and Minister of the Interior 2010–2013, when Iceland was confronted with a similar situation as Greece today.

## TPP, TTIP etc. – “political treaties to abolish democracy and State sovereignty”

Interview with Alfred de Zayas, Professor and Doctor of law and philosophy



Alfred de Zayas  
(picture thk)

On 26 June, the Senate voted in favour of giving US President Barack Obama the mandate to conclude international trade agreements without prior consultation of and debates in the US Congress, which thereby have in effect failed their own democratic mandate and betrayed their constituents. The international treaties in question are the so-called free trade and investment agreements TTIP and TPP, which have far-reaching effects on the sovereignty of the states which enter into them. In the following interview the renowned expert in the fields of human rights and international law Alfred de Zayas clarifies how this whole issue is to be assessed from the perspective of international law.

*Current Concerns: How important are the free trade agreements such as TPP, TTIP or TiSA for the coexistence of peoples, especially as seen in terms of international law aspects?*

*Prof. Dr. Alfred de Zayas:* The core problems are State sovereignty and democratic controls. These treaties, if adopted, constitute a frontal attack on the State’s regulatory function and on the possibility for democracies to operate on the basis of the will of the people. There is a “certain mythology of the market”, described by *Joseph Stiglitz*, the Nobel laureate in economics, as market fundamentalism, as a cult of the market. It is almost a religious issue, where advocates swear that free trade would bring about the common weal as well as economic progress and development for all humankind. No-one has as yet demonstrated this empirically, as there are examples of progress, but also of setbacks, boom and bust episodes, of financial crises and unemployment. More-

over, “progress” cannot be gauged simply in terms of money or gross domestic product (GDP) – instead, contentment and peace and social justice must also be taken into account. These trade and investment agreements go back mainly to the period after the end of the Cold War. Most bilateral investment treaties (BIT), of which there are more than 3,200, were at that time accepted with much enthusiasm, because the states were promised economic development. However, they did not notice that diverse Trojan horses were hidden in these treaties.

*How is this to be understood?*

Meanwhile we have all become aware that the treaties, most of them equipped with a new arbitral jurisdiction, are creating a new kind of world order, namely one that is no longer democratic, where key decisions are taken by the corporations and

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# “The Troika itself created this deadlock...”

by Karin Beindorff

Since quite some weeks now, the European public as well as Greece have been pelted by relentless media criticism. Submit yourselves to the requests of the creditors; you elected a left-winged government – now send them to hell! Although quite untrue, the argument runs: If you vote “No”, you will not only be kicked out of the Euro, but out of the EU as well. A government that has been in office for just five months is being held accountable for all misfortunes. *Merkel, Hollande, Juncker, Schäuble, Schulz* and whoever has a say in politics and finance are conjuring up the European ideal, pretending to aim at holding the citizens’ money together and fighting for a healthy economic growth.

What I am missing most in view of this propaganda battle are critical questions and facts of journalists, who won’t let themselves be made mouthpieces of interest groups – above all: Where do Greece’s debts originate from? Who is profiting from those credits of billion? Why did Germany, above all others, campaign with such zeal for Greece’s accession to the Eurozone?

Why did the Europeans treat Greek Conservatives and Socialists in Athens who have been well-known for their nepotism, so very permissively and served them credits again and again, which did not benefit the Greek population but European lenders and exporters instead – as the figures show?

Who profited from that gigantic armament whose sudden silencing raises suspicion and where did the money come from? Why are the European demands not negotiated in the open, but unproven assertions are instead being spread in interviews without ever asking critical questions?

## Austerity policy failed

It is quite obvious: austerity policy failed in Greece. The collapse of the economy by 25 percent – an economy that was not very exuberant anyway – youth unemployment of 60 percent, mass emigration and retired people searching the garbage bins for food, Greece can never pay back the debt of 300 billion – any student of economics can calculate that.

It is equally clear that the introduction of the euro and concomitant transfer of democratic rights on to EU institutions without any parliamentary control has led and will further lead to wide-spread impoverishment of parts of Europe’s population – when looking at Spain, Portugal, Ireland, at the social facts and figures, one notices at what cost the tiny upturn had been bargained. It seems that the austerity propagandists have already given these people up. The policies of the Eurozone pretend to be a democratic project – its manifestations in this conflict unmask it as financially motivated pressure group politics.

## Fear that the TINA<sup>1</sup> politics might be put to the test

These days, *Joseph Stiglitz*, US-American Nobel Prize Laureate for Economics is writing in the British “Guardian” that the conflict is not so much about money and economy but about power and democracy. The new social movements in Europe are growing and winning elections. They as well as the *Tsipras* government have stepped up to subordinate economic issues under social premises again. In Europe’s established parties there is fear going about that this “basta” politics, i.e. the alleged lack of alternatives which is containing the countries’ scope of action in view of the constraints of globalization, might indeed be put to the test of democracy. The Troika itself created this deadlock of 78 percent of Greek debts, in which they are now stuck. Now they are trying to sneak out at the expense of the Greek population.

Only in case the Greek population vote “No” on Sunday, will there be a chance to open up ways out of this impasse. ●

<sup>1</sup> TINA=There Is No Alternative

Source: *Deutschlandfunk* from 4.7.2015, [www.deutschlandfunk.de/referendum-ueber-sparauflagen-warum-die-griechen-mit-nein.720.de.html?dram:article\\_id=324487](http://www.deutschlandfunk.de/referendum-ueber-sparauflagen-warum-die-griechen-mit-nein.720.de.html?dram:article_id=324487)

(Translation *Current Concerns*)

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be set. The importance of the punishment of the Greeks is its power as parable: the example it will put forth to other vulnerable members of the Eurozone.

This is the crux of the matter: The lessons to be drawn, the examples to be set. It is about crime and punishment and the power to decide on a definition of the crime, on the identity of the accountable and on the nature of adequate punishment.

When the Greeks called to let democracy reign, *Juncker* said he felt “betrayed”. The striking element of this response was that it foregrounded basic conflicts at the root of politics: namely, the conflict between direct democracy and government by delegation, and the conflicts surrounding the limits of property rights – the lengths to which a creditor has the right to pursue his debtor before being called amoral.

The variety of forces at work in this conflict has opened a margin for debate on politics, economics, ethics and the problems of Western plutocracy.

A key moment in this fight has been the Greeks’ decision to resort to direct democracy as the ultimate source of political mandate. This was also the weapon used by Iceland to fend off the attack by the City of London and the National Bank of the Netherlands. A further inspiring element is *Tsipras*’s language: a rhetoric that resonates with references to the common man’s everlasting fight for human rights. The resultant prevalent term is, simply, “hope”.

It comes as no surprise to me that the institutional world is reacting the way it is after the Greek government’s decision to turn to the people in a democratic referendum. I applaud the Greeks for this decision and I join the millions who condemn the undemocratic and vile reactions of the guardians of capitalism – uncomfortably reminiscent of Europe’s colonialist past.

After Iceland suffered a financial crash in 2008, we faced the storm. As a member of the government at a time in which the country was assaulted by big European banks and the capitalist vulture funds supported by the governments of Britain and the Netherlands, I was shocked at the viciousness of these governments. It was war. There was nothing civilized about it.

We took the dispute to the people in a referendum and that proved to be the decisive weapon. The political superiority of direct democracy is not easily called into question.

All of this, of course, carries an epic dimension in this case: it is the Greeks who are at it again with their democracy. Again!

There are millions of people applauding the resolute Greek people. And here in Iceland we are with you in spirit.

Thank you for giving all of us hope – hope for a better world! ●

Source: [www.analyzegreece.gr](http://www.analyzegreece.gr), 3 July 2015

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not by democratically elected governments. The treaties appeared attractive because of the expectation that lower tariffs would be a motor of production and employment, but this also had adverse impacts and contributed to increasing the gulf between rich and poor both domestically and internationally. Besides, why further lower custom duties, which today are very low?

*So it is a matter of much more than a few "free trade agreements".*

These agreements are geopolitical constructs, as recognized by economists *Paul Krugman* (also a Nobel laureate) and Professor *Robert Wade*. With respect to TPP, TTIP or TiSA, it is not just a matter of rejecting the new proposed treaties, but addressing the problems raised by 3,200 existing bi-lateral investment treaties. The entire system which has come into existence during the past 30 years must be radically reformed, as UNCTAD recognizes in its 2015 World Investment Report. The diagnosis is clear: The agreements entail the loss of democracy and constitutionality. But there is enormous resistance to reform and the transnational corporations disseminate disinformation and have powerful lobbies in most world parliaments.

*How does this work in concrete terms?*

The rule of law requires transparency and responsibility, it presupposes an open discussion of issues, legislation, treaties. But here treaties have been negotiated in secret, and key stakeholders including human rights experts, environmental experts, health experts, labour unions, consumer unions were excluded – they were not allowed to participate in the elaboration and conclusion of the treaties in question. And precisely in order to silence any discussion in Congress, precisely the TPP is now to be adopted without any debate by way of "fast tracking" and to be presented as a *fait accompli*. It is not possible to act in a less democratic way. Two weeks ago, the US Senate accepted "fast tracking" by a single vote. This treaty will enter into force as soon as *Obama* signs it. That is just a formality, because he would like to enter into these free trade agreements as soon as possible. The law is called "Trade Promotion Authority".

*What effect will this law take?*

It forbids any discussion or vote in parliament on the drafting of these treaties. There will only be one final vote, yes or no, and the business-oriented Republican majority in Congress will vote for it. Thus the whole democratic process is eliminat-

ed. When parliament "emasculates" itself, this is a totalitarian act and a breach of Article 25 of the Covenant of Civil and Political Rights, which requires public participation in the conduct of public affairs.

*The democratic process is levered out, in order to put the economy above the democratic order.*

No, it is not the economy that is being promoted, but rather the interests and ambitions of major transnational corporations, banks and investors. The economy itself may even suffer as a result of the agreements, unemployment in many countries will grow, human rights protection will be lowered, and the possibility of preventing financial crises like in 2007-08 will be diminished. Yes, that is why basically they are no free trade agreements, but they are political agreements to abolish our democratic system.

*What is to be conceived by that?*

The large transnational corporations have initiated a sort of revolution against the concept of the State that has evolved since the *Peace of Westphalia* of 1648. The idea involves a shift away from the rule of law, away from state jurisdiction, on which the world has been working for more than 300 years now in order to ensure stability, predictability, legal certainty and to develop institutions which make it possible to take action against the violations of the law. With the introduction of extra-judicial arbitration courts called investor-State-dispute-settlement mechanism (ISDS) as they will be effected in these treaties this will be undermined, because ISDS is not accountable to democratically elected governments and their awards are not appealable. Moreover, the ISDS system is a one-way street. Whereas investors can sue governments, governments cannot sue the investors before ISDS, e.g. for environmental damage.

*How should we envisage these arbitration courts?*

First of all, they are secret. There is neither any transparency in this system nor is it possible to hold the "judges" accountable. The corporations have established a separate, non-democratically legitimized jurisdiction and overridden the Westphalian principle of sovereignty.

*In other words, these agreements serve to invalidate the sovereign nation-state with its national legal system.*

Yes. There are two ontologies we have to pay attention to. The ontology of the state defines why a state exists in the first place. The state is an organized society that legitimises itself by the fact that

the state assumes the responsibility for legislation so as to protect the interests of the people. The second ontology is the ontology of the market, the ontology of business and trade. If I invest, if I am a businessman, if I work for a transnational company, I expect a profit. In order to achieve this profit I have to take a risk. The ontology of capitalism entails risk-taking. In the form of this investor state dispute settlement mechanism, the new arbitration courts that are not really courts of law but private arbitration, the corporation receives a guarantee of its "expected profits" and imposes a huge financial burden on the State. In short, it is an utterly corrupt system with "arbitration tribunals" that are made up of corporate-friendly arbitrators, frequently in situations of flagrant conflict of interest.

*How does this arbitration work?*

The judges are mostly lawyers working for large corporations, and I know the profession, since I worked for years on Wall Street and advised international corporations. These arbitrators are top lawyers from top firms in New York, Washington, London, who charge \$ 1,000 an hour, advise companies, but also states. This is a fantastic business. Today they are arbitrators; tomorrow they are consultants and the day after CEOs of a company. You really have to understand this system as a Trojan horse. Governments entered into treaties without realizing that they were sacrificing their sovereignty. In the nineties, people were in no way able to imagine that such a thing was possible.

*Where should we begin?*

The system is deliberately complex and difficult to reform, but reform we must. International law provides the tools in the *Vienna Convention on the Law of Treaties*. ISDS arbitrations have proven to be against all standards of public decency. The term "*contra bonos mores*" is the international legal term for treaties or contracts that violate the *bonum commune*, i.e. which go against the common good, against the interests of society. Such agreements, which are *contra bonos mores*, are invalid according to Article 53 of the *Vienna Convention on the Law of Treaties*.

*What would that then mean for the great number of treaties?*

What I am proposing in my report to the Human Rights Council is to take a closer look at all bilateral and multilateral treaties with ISDS provisions. Where they act against the common good, they have to be amended accordingly in accordance with the Vienna Convention. There is

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also an international legal method applicable, which is called "severability", i.e. "cutting off", which allows the suppression of chapters or articles of treaties that are *contra bonos mores*, without abrogating the entire treaty. It is enough to delete the chapter or those parts of the treaty that infringe the common good, and without replacement at that. This is enshrined in international law.

*Does that mean you could proceed against all agreements that violate the common good? Why has no one done so up to date?*

Because the system is complex and there are many economic inter-relationships to marshal. Besides, the victims are not organized whereas transnational corporations are very well organized.

*Victims are the respective state and its population?*

Yes of course. If a state such as Ecuador, Bolivia or Venezuela has to pay a compensation of three billion or 5 billion to a transnational corporation, this means that these 5 billion are no longer available to the state for other tasks which it has to address in order to meet its necessary social obligations. This means that money is lacking in all areas, for example infrastructure, labour standards, health, and of course education and vocational training, etc. So here we are dealing with an abnormal situation which had in no way been discussed as such, when such treaties were adopted. It is not right to say that there were states which deliberately accepted and ratified these treaties, because there was no full disclosure of the texts, no public discussion, and no one really imagined at the time that there was a jurisdiction *contra bonum mores* in existence, nor could it anticipated that the arbitrators would disregard human rights standards and put profit ahead of the common good.

*How is this to be understood?*

The arbitrators have carried out and implemented an interpretation of the contracts which contravenes the national and international "ordre public". This interpretation violates articles 31 and 32 of the *Vienna Convention*. No person with common sense would arrive at their profit-oriented expansive interpretations of the treaties. They have transformed the concept of confiscation or expropriation as follows: If my expected profit is reduced

by the fact that the government raises the minimum wage or that it strengthens its environmental regulations, so that the corporation is obliged to take measures to prevent the contamination of the water, then this generates additional costs for the investor and thus reduces profits. This means "expropriation"!!!! So a perfectly normal and predictable state measure which definitely does not confiscate a foreign business is considered a confiscation because of the "profit" reduction.

*Were the states not able to anticipate this?*

There had been no decisions of these arbitral tribunals at the time of the conclusion of the treaties. Nobody knew that the introduction of environmental or health legislation could ever be considered as expropriation. If a state (eg. Germany) wants to opt out of nuclear power, this is a decision that can and must be made in a democratic way within a state. But this will reduce the profit of the nuclear industry. This reduction of profit is then declared to be an expropriation and thus a violation of the obligations of the state towards the corporation. The state must then recompense the corporation for the loss of expected profit.

*Do you know any specific examples?*

Currently *Vattenfall*, a large Swedish energy group suing Germany for 4 billion because of its nuclear phase-out. *Veolia*, a French service provider that specializes in water supply for communities, has filed a lawsuit against Egypt, because Egypt has increased the minimum wage.

*This is absurd. What is there to do?*

I have two main proposals. It must be clearly understood that the UN Charter establishes binding internationally recognized standards, which constitute peremptory international law (*jus cogens*). The UN Charter guarantees the sovereignty and self-determination of the states. The UN has altogether been constructed on the basis of the sovereignty of states. It is an ontological or essential function of every state to regulate its internal affairs, which means that it has the obligation and competence to determine and decide on the amount and the use of the taxes paid. These things are laid down in Articles 1 and 2 of the UN Charter. Articles 55 and 56 establish human rights obligations. If a treaty violates these or other UN articles or is incompatible with them, the Charter takes priority, "it trumps" all other contracts. Article 103 of the UN Charter says that if there is a conflict between the UN Charter and any other treaty or contract, then

the UN Charter must be applied and not the competing treaty. This is the law, but it should be reaffirmed and further developed by the *International Court of Justice*.

*What does that mean in concrete terms for these dishonest contracts that violate common decency, good faith, the principle of democracy, and thus the common good as well as human rights?*

The solution lies with the International Court of Justice in the Hague, the highest judicial instance the the UN system. The United Nations member states, whose delegates sit in the General Assembly, must demand of the International Court of Justice that an advisory opinion be established recognizing the situation exactly as it stands and telling the states clearly that they can not enter into treaties that constitute a violation of the UN Charter. All these bilateral and multilateral trade agreements, TTP, TTIP, etc. must fall, or at least those parts of them which violate the Charter must be cut off (principle of severability). But that needs to be taken up at the General Assembly. The International Court is not active *motu proprio*, that is, it does not start a court process of its own accord. Someone has to take the initiative and to submit these things to the international court.

*Who could do that?*

According to Art. 96 of the Charter the UN General Assembly can. There are other UN bodies that have the same competence, as for example the *International Labour Organization*, the ILO, the *World Health Organization*, the WHO, the *Children's Fund*, UNICEF, the *Food and Agriculture Organization of the United Nations*, the FAO, and others to the extent that the bilateral and multilateral investment treaties adversely impact their areas of competence. The consequences of these agreements are multiple violations of labor law, violations of the right to health, the right to environmental protection, the right to life, because often enough international companies carry out these large projects which then lead to people losing everything, being driven to famine, enforced migration and sometimes to suicide. •

*Professor de Zayas, thank you very much for this interview.*

(Interview *Thomas Kaiser*)

The discussion expresses the personal opinion of Professor de Zayas and has not been conducted officially in his capacity as a Special Rapporteur. See also [www.alfreddezayas.com](http://www.alfreddezayas.com) and <http://dezayasalfred.wordpress.com>.

## Documentation

# Truth Committee on public debt

## Special committee of the Greek parliament

### Summary of the previous results so far, 17 June 2015

In June 2015 Greece stands at a crossroads of choosing between furthering the failed macroeconomic adjustment programmes imposed by the creditors or making a real change to break the chains of debt. Five years since the economic adjustment programme began, the country remains deeply cemented in an economic, social, democratic and ecological crisis. The black box of debt has remained closed, and until a few months ago no authority, Greek or international, had sought to bring to light the truth about how and why Greece was subjected to the Troika regime. The debt, in the name of which nothing has been spared, remains the rule through which neoliberal adjustment is imposed, and the deepest and longest recession experienced in Europe during peacetime.

There is an immediate democratic need and social responsibility to address a range of legal, social and economic issues that demand proper consideration. In response, the President of the Hellenic Parliament established the Truth Committee on Public Debt (Debt Truth Committee) in April 2015, mandating the investigation into the creation and the increase of public debt, the way and reasons for which debt was contracted, and the impact that the conditionalities attached to the loans have had on the economy and the population. The Truth Committee has a mandate to raise awareness of issues pertaining to the Greek debt, both domestically and internationally, and to formulate arguments and options concerning the cancellation of the debt.

The research of the Committee presented in this preliminary report sheds light on the fact that the entire adjustment programme, to which Greece has been subjected, was and remains a politically orientated programme. The technical exercise surrounding macroeconomic variables and debt projections, figures directly relating to people's lives and livelihoods, has enabled discussions around the debt to remain at a technical level mainly revolving around the argument that the policies imposed on Greece will improve its capacity to pay the debt back. The facts presented in this report challenge this argument. All the evidence we present in this report shows that Greece not only does not have the ability to pay this debt, but also should not pay this debt first and foremost because the debt emerging from the Troika's arrangements is a direct infringement on the fundamental human rights of the residents of Greece. Hence, we came to the conclusion that Greece should not pay this debt

because it is illegal, illegitimate, and odious [see box].

It has also come to the understanding of the Committee that the unsustainability of the Greek public debt was evident from the outset to the international creditors, the Greek authorities, and the corporate media. Yet, the Greek authorities, together with some other governments in the EU, conspired against the restructuring of public debt in 2010 in order to protect financial institutions. The corporate media hid the truth from the public by depicting a situation in which the bailout was argued to benefit Greece, whilst spinning a narrative intended to portray the population as deservers of their own wrongdoings.

Bailout funds provided in both programmes of 2010 and 2012 have been externally managed through complicated schemes, preventing any fiscal autonomy. The use of the bailout money is strictly dictated by the creditors, and so, it is revealing that less than 10% of these funds have been destined to the government's current expenditure. This preliminary report presents a primary mapping out of the key problems and issues associated with the public debt, and notes key legal violations associated with the contracting of the debt; it also traces out the legal foundations, on which unilateral suspension of the debt payments can be based. The findings are presented in nine chapters structured as follows:

Chapter 1, *Debt before the Troika*, analyses the growth of the Greek public debt since the 1980s. It concludes that the increase in debt was not due to excessive public spending, which in fact remained lower than the public spending of other Eurozone countries, but rather due to the payment of extremely high rates of interest to creditors, excessive and unjustified military spending, loss of tax revenues due to illicit capital outflows, state recapitalization of private banks, and the international imbalances created via the flaws in the design of the Monetary Union itself. Adopting the euro led to a drastic increase of private debt in Greece to which major European private banks as well as the Greek banks were exposed. A growing banking crisis contributed to the Greek sovereign debt crisis. George Papandreou's government helped to present the elements of a banking crisis as a sovereign debt crisis in 2009 by emphasizing and boosting the public deficit and debt.

Chapter 2, *Evolution of Greek public debt during 2010–2015*, concludes that the first loan agreement of 2010, aimed primar-

#### "Odious debt" – illegitimate debt

In international law the term of *odious debt* stands for a theory of law that says that liabilities entered by the state in order to finance purposes that do not serve the common weal of the people can not be sued for. They are considered as a debt of the regime, not as a debt of the state. In a way the concept is analogous to the invalidity of contracts (treaties) signed under constraint.

The term has been coined by *Alexander Natum Sack*, a Russian legal theorist, who emigrated from Russia to Paris after the Revolution in 1917 and who was a professor at the University of Sorbonne.

ily to rescue the Greek and other European private banks, and to allow the banks to reduce their exposure to Greek government bonds.

Chapter 3, *Greek public debt by creditor in 2015*, presents the contentious nature of Greece's current debt, delineating the loans' key characteristics, which are further analysed in Chapter 8.

Chapter 4, *Debt System Mechanism in Greece*, reveals the mechanisms devised by the agreements that were implemented since May 2010. They created a substantial amount of new debt to bilateral creditors and the *European Financial Stability Fund* (EFSF), whilst generating abusive costs thus deepening the crisis further. The mechanisms disclose how the majority of borrowed funds were transferred directly to financial institutions. Rather than benefiting Greece, they have accelerated the privatization process, through the use of financial instruments.

Chapter 5, *Conditionalities against sustainability*, presents how the creditors imposed intrusive conditionalities attached to the loan agreements, which led directly to the economic unviability and unsustainability of debt. These conditionalities, on which the creditors still insist, have not only contributed to lower GDP as well as higher public borrowing, hence a higher public debt/GDP making Greece's debt more unsustainable, but also engineered dramatic changes in the society, and caused a humanitarian crisis. The Greek public debt can be considered as totally unsustainable at present.

Chapter 6, *Impact of the "bailout programmes"* on human rights, concludes

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## UN human rights experts welcome Greek referendum and call for international solidarity

Geneva, 30 June 2015 – Two United Nations human rights experts today welcomed the holding of a referendum in Greece to decide by democratic process the path to follow to solve the Greek economic crisis without deterioration in the human rights situation.

The UN Independent Experts on the promotion of a democratic and equitable international order, *Alfred de Zayas*, and on human rights and international solidarity, *Virginia Dandan*, stressed that there is much more at stake than debt repayment obligations, echoing a warning\* issued earlier this month by the UN Independent Expert on foreign debt and human rights, *Juan Pablo Bohoslavsky*.

"All human rights institutions and mechanisms should welcome the Greek referendum as an eloquent expression of the self-determination of the Greek people in conformity with Article 1 of the *International Covenant on Civil and Political Rights [ICCPR]* and in pursuance of Article 25 ICCPR on public participation. Indeed, a democratic and equitable international order requires participation by all concerned stakeholders in decision-making and respect for due process, which can best be achieved through international solidarity and a human rights approach to the solution of all problems, including financial crises.

It is disappointing that the IMF and the EU have failed to reach a solution that does not require additional retrogressive austerity measures. Some leaders have expressed dissatisfaction with the idea of holding a referendum in Greece. Why? Referenda are in the best traditions of democratic governance.

No one can expect the Prime Minister of Greece to renounce the commitments he made to the people who elected him

with a clear mandate to negotiate a fair solution that does not dismantle Greek democracy and lead to further unemployment and social misery. Capitulating to an ultimatum imposing further austerity measures on the Greek population would be incompatible with the democratic trust placed on the Greek Prime Minister by the electorate. By nature, every State has the responsibility to protect the welfare of all persons living under its jurisdiction. This encompasses fiscal and budgetary sovereignty and regulatory space which cannot be trumped by outside actors, whether States, inter-governmental organizations or creditors.

Article 103 of the UN Charter stipulates that the Charter provisions prevail over all other treaties, therefore no treaty or loan agreement can force a country to violate the civil, cultural, economic, political and social rights of its population, nor can a loan agreement negate the sovereignty of a State. Any agreement that would require such a violation of human rights and customary international law is *contra bonos mores* and hence null and void pursuant to Art. 53 of the *Vienna Convention on the Law of Treaties*.

A democratic and equitable international order requires a commercial and financial regime that facilitates the realization of all human rights. Inter-governmental organizations must foster and under no conditions hinder the achievement of the plenitude of human rights.

Foreign debt is no excuse to derogate from or violate human rights or to cause retrogression in contravention of Articles 2 and 5 of the *International Covenant on Economic, Social and Cultural Rights*.

In 2013, the Independent Expert on foreign debt and human rights stat-

ed that the policy austerity measures adopted to secure additional financing from the International Monetary Fund, the European Commission and the European Central Bank had pushed the Greek economy into recession and generally undermined the enjoyment of human rights, particularly economic, social and cultural rights.

This is the moment for the international community to demonstrate solidarity with the people of Greece, to respect their democratic will as expressed in a referendum, to proactively help them out of this financial crisis, which finds a major cause in the financial meltdown of 2007–08, for which Greece bears no responsibility.

Indeed, democracy means self-determination, and self-determination often calls for referenda – also in Greece."

\* Read the statement by the UN Independent Expert on foreign debt and human rights (2 June 2015) – "Greek crisis: Human rights should not stop at doors of international institutions, says UN expert": [www.ohchr.org/EN/NewsEvents/Pages/DisplayNews.aspx?NewsID=16032&LangID=E](http://www.ohchr.org/EN/NewsEvents/Pages/DisplayNews.aspx?NewsID=16032&LangID=E)

*The Independent Experts are part of what is known as the Special Procedures of the Human Rights Council. Special Procedures, the largest body of independent experts in the UN Human Rights system, is the general name of the Council's independent fact-finding and monitoring mechanisms that address either specific country situations or thematic issues in all parts of the world. Special Procedures' experts work on a voluntary basis; they are not UN staff and do not receive a salary for their work. They are independent from any government or organization and serve in their individual capacity.*

Source: [www.ohchr.org/EN/NewsEvents/Pages/DisplayNews.aspx?NewsID=16032&LangID=E](http://www.ohchr.org/EN/NewsEvents/Pages/DisplayNews.aspx?NewsID=16032&LangID=E)

### "Truth Committee on ..."

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that the measures implemented under the "bailout programmes" have directly affected living conditions of the people and violated human rights, which Greece and its partners are obliged to respect, protect and promote under domestic, regional and international law. The drastic adjustments, imposed on the Greek economy and society as a whole, have brought about a rapid deterioration of living standards, and remain incompatible with social justice, social cohesion, democracy and human rights.

Chapter 7, *Legal issues surrounding the MoU [Memoranda of Understanding] and Loan Agreements*, argues there has been a breach of human rights obligations on the part of Greece itself and the lenders, that is the Euro Area (Lender) Member States, the European Commission, the *European*

*Central Bank*, and the *International Monetary Fund*, who imposed these measures on Greece. All these actors failed to assess the human rights violations as an outcome of the policies they obliged Greece to pursue, and also directly violated the Greek constitution by effectively stripping Greece of most of its sovereign rights. The agreements contain abusive clauses, effectively coercing Greece to surrender significant aspects of its sovereignty. This is imprinted in the choice of the English law as governing law for those agreements, which facilitated the circumvention of the Greek Constitution and international human rights obligations. Conflicts with human rights and customary obligations, several indications of contracting parties acting in bad faith, which together with the unconscionable character of the agreements, render these agreements invalid.

Chapter 8, *Assessment of the Debts as regards illegitimacy, odiousness, illegality,*

*and unsustainability*, provides an assessment of the Greek public debt according to the definitions regarding illegitimate, odious, illegal, and unsustainable debt adopted by the Committee.

Chapter 8 concludes that the Greek public debt as of June 2015 is unsustainable, since Greece is currently unable to service its debt without seriously impairing its capacity to fulfill its basic human rights obligations. Furthermore, for each creditor, the report provides evidence of indicative cases of illegal, illegitimate and odious debts.

Debt to the IMF should be considered illegal since its concession breached the IMF's own statutes, and its conditions breached the Greek Constitution, international customary law, and treaties to which Greece is a party. It is also illegitimate, since conditions included policy pre-

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### "Truth Committee on ..."

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scriptions that infringed human rights obligations. Finally, it is odious since the IMF knew that the imposed measures were undemocratic, ineffective, and would lead to serious violations of socio-economic rights.

Debts to the ECB should be considered illegal since the ECB over-stepped its mandate by imposing the application of macroeconomic adjustment programmes (e.g. labour market deregulation) via its participation in the Troika. Debts to the ECB are also illegitimate and odious, since the principal *raison d'être* of the *Securities Market Programme* (SMP) was to serve the interests of the financial institutions, allowing the major European and Greek private banks to dispose of their Greek bonds.

The EFSF engages in cash-less loans which should be considered illegal because Article 122(2) of the *Treaty on the Functioning of the European Union* (TFEU) was violated, and further they breach several socio-economic rights and civil liberties. Moreover, the EFSF Framework Agreement 2010 and the *Master Financial Assistance Agreement* of 2012 contain several abusive clauses revealing clear misconduct on the part of the lender. The EFSF also acts against democratic principles, rendering these particular debts illegitimate and odious.

The bilateral loans should be considered illegal since they violate the procedure provided by the Greek constitution. The loans involved clear misconduct by the lenders, and had conditions that contravened law or public policy. Both EU law and international law were breached in order to sideline human rights in the design of the macroeconomic programmes. The bilateral loans are furthermore illegitimate, since they were not used for the benefit of the population, but merely enabled the private creditors of Greece to be bailed out. Finally, the bilateral loans are odious since the lender states and the European Commission knew of potential violations, but in 2010 and 2012 avoided to assess the human rights impacts of the macroeconomic adjustment and fiscal consolidation that were the conditions for the loans.

The debt to private creditors should be considered illegal because private banks conducted themselves irresponsibly before the Troika came into being, failing to observe due diligence, while some private creditors such as hedge funds also acted in bad faith. Parts of the debts to private banks and hedge funds are illegitimate for the same reasons that they are illegal; furthermore, Greek banks were illegitimately recapitalized by tax-payers. Debts to private banks and hedge funds are odious, since major private creditors were aware that these debts were not incurred in the

### Pro Memoria: Christine Lagarde and the US military industry

Prime Minister of Greece, President of PASOK and President of the Socialist International, *Georgios Papandreou* informed members of his party on Monday, 31 October 2011, that he would call a referendum on the economic bailout plan.

On Tuesday, 1 November, he convened the Government Council for Foreign Affairs and Defense (KYSEA). Then, he suddenly dismissed the Chief of the National Defense General Staff (Air Force General *Ioannis Giagos*), the Chief of the Army General Staff (Lt. General *Frangoulis Frangos*), the Chief of the Navy General Staff (Vice Admiral *Dimi- tris Elefsiniotis*) and the Chief of the Air Force General Staff (Deputy General the Air Force *Vassilis Klokozas*) – all of whom he went on to replace.

The bone of contention between the Government and the Armed Forces remains a mystery, considering that Mr Papandreou and the Joint Chiefs of Staff worked together on the implementation of all the successive austerity plans.

Each international aid plan has coincided with useless and expensive weapons

ordered by the Greek army from Germany, France or the United States. Greece's military budget per taxpayer is almost double that of the other Euro area countries. The last emergency rescue plan adopted in October by the members of the euro area and the IMF co-occurred with an order for 400 US M1 *Abrams* tanks and 20 amphibians *A47VA1*. This follows a pattern similar to the one witnessed in 2003 when European subsidies for the modernization of Polish agriculture were diverted to buy US-made F-16's for deployment in the Pentagon's Iraqi adventure.

It should be noted that the sale of the F-16's to Poland had been brokered by a US law firm headed by *Christine Lagarde*, who has since been appointed IMF Managing Director and who, in this capacity and for the current contract, has become the benefactress of both the Greek General Staff and the US military industry.

Source: <http://www.voltairenet.org/article171826.html>

Editors note: On 3.11.2011 *Georgios Papandreou* announced his demission in the Greek parliament.

best interests of the population but rather for their own benefit.

The report comes to a close with some practical considerations. Chapter 9, *Legal foundations for repudiation and suspension of the Greek sovereign debt*, presents the options concerning the cancellation of debt, and especially the conditions under which a sovereign state can exercise the right to unilateral act of repudiation or suspension of the payment of debt under international law.

Several legal arguments permit a State to unilaterally repudiate its illegal, odious, and illegitimate debt. In the Greek case, such a unilateral act may be based on the following arguments: the bad faith of the creditors that pushed Greece to violate national law and international obligations related to human rights; preeminence of human rights over agreements such as those signed by previous governments with creditors or the Troika; coercion; unfair terms flagrantly violating Greek sovereignty and violating the Constitution; and finally, the right recognized in international law for a State to take countermeasures against illegal acts by its creditors, which purposefully damage its fiscal sovereignty, oblige it to assume odious, illegal and illegitimate debt, violate economic self-determination and fundamental human rights. As far as unsustainable debt is concerned, every state is legally entitled to invoke necessity in exceptional situations in order to safeguard those essential interests threatened by a grave and imminent peril. In such a situation, the State may be dispensed from the fulfilment of those international obligations that augment the peril, as is the case with outstanding loan contracts. Finally, states have the

right to declare themselves unilaterally insolvent where the servicing of their debt is unsustainable, in which case they commit no wrongful act and hence bear no liability.

People's dignity is worth more than illegal, illegitimate, odious and unsustainable debt.

Having concluded its preliminary investigation, the Committee considers that Greece has been and still is the victim of an attack premeditated and organized by the International Monetary Fund, the European Central Bank, and the European Commission. This violent, illegal, and immoral mission aimed exclusively at shifting private debt onto the public sector.

Making this preliminary report available to the Greek authorities and the Greek people, the Committee considers to have fulfilled the first part of its mission as defined in the decision of the President of the Hellenic Parliament of 4 April 2015. The Committee hopes that the report will be a useful tool for those who want to exit the destructive logic of austerity and stand up for what is endangered today: human rights, democracy, peoples' dignity, and the future of generations to come.

In response to those who impose unjust measures, the Greek people might invoke what *Thucydides* mentioned about the constitution of the Athenian people: "As for the name, it is called a democracy, for the administration is run with a view to the interests of the many, not of the few" (*Pericles' Funeral Oration*, in the speech from *Thucydides' History of the Peloponnesian War*).•

Source: [www.hellenicparliament.gr/UserFiles/f3c70a23-7696-49db-9148-f24dce6a27c8/Report\\_web.pdf](http://www.hellenicparliament.gr/UserFiles/f3c70a23-7696-49db-9148-f24dce6a27c8/Report_web.pdf)

# The Eastern Committee of German industry calls for removal of sanctions

## Redemption of sanctions should accompany the Minsk peace process and should not be placed at the end – 150,000 jobs threatened by export slump

One and a half years after the start of the Ukraine conflict, and twelve months after the introduction of economic sanctions against Russia, the economic consequences of the crisis are becoming increasingly evident. After a decline of German exports to Russia of 6.5 billion euros in 2014, the Eastern Committee of German Economy expects another slump of 9 billion euros in 2015. “The latest figures exceed even our worst fears. The negative development since the beginning of sanctions immediately threatened 150,000 jobs in Germany,” said Eastern Committee Chairman *Eckhard Cordes* in Berlin. Within the EU, the German economy has paid the highest price for the crisis by far. Especially medium-sized enterprises in the new federal states are affected.

During the first four months of 2015, the German exports to Russia declined by 34 percent, German exports to Ukraine fell by 30 percent. According to forecasts of the Eastern Committee, German exports to Russia will have halved by the end of 2015 compared to the record year 2012, and are now only at around 20 billion euros. Russia would thus range behind other countries such as the Czech Republic and Sweden ranked 15<sup>th</sup> on the list of Germany’s most important customer countries.

While the Russian economy increasingly avoids German imports by manufacturing the goods themselves, or by obtaining goods from countries which have not joined the sanctions, Germany remains dependent on Russian oil and gas.

“While three years ago the trade balance with Russia was still nearly balanced, in 2015 bilateral trade in Germany is heading towards a deficit of 10 billion euros,” said Cordes. Worldwide, there is a comparable high trade deficit only with the Netherlands.

Despite the sanctions, and a current recession caused mainly by lower oil prices, Russia continues to have a balanced state budget, currency reserves of about \$350 billion and a State reserve fund filled with \$150 billion. Given these figures, the economic sanctions introduced one year ago, have worked increasingly counter-productively. “The economic relations between Russia and Germany and the EU are shrinking, while Russia is turning to partners such as China, India and South Korea. But with each broken business contact a political influence in Russia is lost,” warned Cordes. The EU has a tendency to overestimate the effect of sanctions on Russia and to ignore the negative side effects. But a change in the Russian Ukraine’s policy can’t be achieved this way. “Not a single problem will be solved with the enforcement of economic sanctions at EU level by end of January 2016. On the contrary: the danger that the fighting will erupt again in the Eastern Ukraine, is great, because people in the region have no economic prospects,” Cordes said. “In order for the peace process to finally gain momentum, the EU must intensify their trilateral talks with Russia and the Ukraine, which need to be accompanied by the easing of economic sanctions.

We need to start the phase-out of the sanctions.”

The proposal of the Chancellor to speak with Russia and the Eurasian Economic Union on the creation of a common economic space in the long term, was judged positively by Cordes. “Countries like the Ukraine need both markets. The EU should, in principle, agree with the Eurasian Economic Union on the harmonization of trade rules. For this purpose, the Commission should obtain a negotiating mandate as soon as possible.” In his statement Cordes referred to the critical economic situation in Ukraine. Despite unilateral trade concessions as part of the Association Agreement the export of Ukraine to the EU was very slow to get off the ground, at the same time Ukrainian exports to Russia would then collapse massively. Therefore the current forecasts predict that the Ukraine will face a decline in gross domestic product by 9 percent by 2015. “Local and international investors are urgently requested to stabilize the Ukraine.” However, without a lasting peace in eastern Ukraine, it is very difficult, despite initial reform successes to attract large investors. Cordes suggested to work up and to eliminate the problems in the implementation of the peace agreement in a Minsk follow-up conference as soon as possible: “We must not stand idly by, as Minsk fails.”

The Eastern Committee is trying to support the reforms in the Ukraine with two projects: In the summer, the first 15 scholars of a new program for Ukrainian graduates will come to complete internships in German companies. In addition the Eastern Committee has together with partners such as *dena* [German Energy Agency] established an “initiative energy efficiency in Ukraine” early 2015, which should support the energy related renovation of the Ukrainian housing and communal sector.

Source: *Pressemitteilung des Ost-Ausschusses der Deutschen Wirtschaft* from 26.6.2015

(Translation *Current Concerns*)

\* \* \*

*km.* The “*Frankfurter Allgemeine Zeitung*” was disparaging in a business conference on 26 June in St. Petersburg, Russia. The now solely anti-Russian German newspaper sensed “the attitude of many German entrepreneurs” as “worrying”. The newspaper criticized mainly young

### The Eastern Committee of German Industry

Since 1952 the Eastern Committee has represented the interests of the German economy in Eastern Europe. With the instruments of economic diplomacy in cooperation with the German Federal Government, it hosts talks between members of Eastern European governments and German companies and represents the interests of the German economy in bilateral fora. The Eastern Committee also organizes seminars, trade missions, conferences for mid-sized companies, parliamentary evenings and receptions and participates in international trade fairs.

The Eastern Committee stands for an intensification of economic relations with the assisted countries, an improvement of trade and investment conditions for German companies, support of market-based structures and the European

unification process, the training and networking of young professionals and the support of the Eastern European and Central Asia expertise in Germany.

Five leading associations of German industry stand behind the Eastern Committee: the Federation of German Industries (BDI), the Association of German Banks (BdB), the German Insurance Association (GDV), the Foreign Trade Association of the German Retail Trade (AVE) as well as the German Confederation of Skilled Crafts (ZDH). In addition, companies and associations seeking membership may apply. The Eastern Committee has currently over 200 member companies - from mid-sized companies up to the DAX listed companies. (Status: June 2015)

Source: <http://www.ost-ausschuss.de/a-common-initiative-economic-associations-and-enterprises>



Appeal to Chancellor Angela Merkel and the members and parliamentary groups of the German Bundestag and the European Parliament

## Stop starving out the people of Syria! End the embargo, so that Syria can live in peace!

For more than four years, the USA and its allies have been waging concealed war on Syria: they supply Islamist groups with up-to-date weaponry, and have their "military advisers" train them in camps in Turkey and Jordan for bloody missions in Syria. As in the Seventies and Eighties in Afghanistan, the Wahhabite regime in Saudi Arabia and the Gulf emirates provide billions of dollars to recruit and arm *ISIS* and the *Al-Nusra Front*.

### The responsibility of the German government and the EU

The EU and the German government are participating in this dirty war against Syria. Since 2011, they have placed an embargo on Syria.

The stated goal of this embargo is to cripple Syria's economy and force its population to rebel against their government. Together with the USA and the rulers of Saudi Arabia and the Gulf emirates, the EU and the German government have

- "frozen" the country's foreign credit balances, and
- banned imports from Syria, in particular of crude oil. All monetary transactions have been prevented, in order to deprive the country of the revenues to purchase goods that it needs for its population and economy. Even bank transfers from Syrians living and working abroad to their relatives are no longer possible.

- banned exports to Syria, in particular of fuel and heating oil, as well as the technology and equipment for pumping and refining petroleum or liquefying natural gas, and for generating stations. But without fuel and electricity, farming and food production, trades and industry come to a halt.

On 14 December 2012, the German state television news programme *Tageschau* already asked cynically "How long can Assad's economy survive this?", and added triumphantly "Syria's economy is in a bad state. Even before the popular rebellion, 30% of the people live on not much more than one euro a day. There is galloping inflation. Food costs twice as much. Diesel fuel and imports scarce. Electricity is switched off for three hours even in Damascus, and longer elsewhere." Today, three years later, Syria's GDP has sunk by 60%, and the unemployment rate has shot up from barely 15% to 58%. 64.7% of Syrians live in extreme poverty, and can no longer afford even the barest necessities of food. In this desperate situation, violence, fanaticism, and crime flourish; terrorist organizations such as *ISIS* and the *Al-Qaeda* affiliate *Al-Nusra* can recruit easily.

### To starve out a people deliberately is a crime!

The embargo against Syria, a developing country, is an inhuman form of warfare, directed against the civilian population. In the Nineties, more than a million people, including over half-a-

million children, perished as a result of the embargo in Iraq. Do we want to top that figure? The embargo against Syria only intensifies the bloody battles there. 220,000 dead, almost a million maimed or injured, more than ten million people fleeing – is that still not enough?

We call upon you, Chancellor Merkel, and the members and parliamentary groups of the Bundestag and European Parliament, to act immediately

- Lift the embargo against Syria, so that the country's economy can recover, and further impoverishment of the people be prevented.
- Grant the country humanitarian and reconstruction aid generously.
- Restore diplomatic relations with Syria. Respect its sovereignty.
- It is high time for the German government and the EU to assume a role as mediator in this conflict, and make a contribution to restoring peace in Syria and the region.
- Maintaining the embargo means being an accomplice to genocide!

Responsible according to press law:  
Bernd Duschner, Samhofstrasse 2a,  
85276 Pfaffenhofen

You will find a list of more than 2,000 previous signatories as well the opportunity to sign on: [www.freundschaft-mit-valjevo.de/wordpress/?p=1048](http://www.freundschaft-mit-valjevo.de/wordpress/?p=1048)

Source: <http://www.freundschaft-mit-valjevo.de/wordpress/wp-content/uploads/2015/10/6/appell-in-englischer-sprache.pdf>

### "The Eastern Committee ..."

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*German entrepreneurs who are active in Russia. They hold the opinion according to the newspaper: "The whole conflict in Ukraine is based on the aggression of the Americans. Apart from Russia no one objects, if the Americans pursue their geopolitical interests. Russia, however, should have no own interests in the eyes of the West. However pragmatic as*

*they are, the Americans bring themselves, in position again, to do business with Russia. The EU threatens to fall behind, after they have ignored Russia's legitimate concerns for many years."*

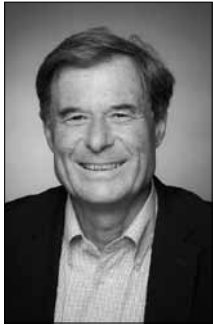
*Such quotations of the "Frankfurter Allgemeine Zeitung" stimulate the thinking in a different direction than the one intended by the newspaper. Is it not interesting that the European and especially German trade with Russia has fallen sharply, while there is growth in Russian-American*

*trade? And it is interesting to see how German companies, as in Russia, are locally assessing the political developments.*

*The press release of the "Eastern Committee of German industry" is worth reading. Here you can read that those interested in trade also want peace. Indeed, a good European-Russian relationship would be a "win-win situation" beneficial in many ways. Reason enough to no longer to follow the dictates of Washington, but tread a different path. •*

## Take care of the communes – they lay the foundation for a prosperous coexistence

Interview with Hans Peter Gantenbein, mayor of Wuppenau (TG), 29 May 2015



Hanspeter Gantenbein, mayor (picture ma)

*In a time when we are confronted with the suggestion to redesign our grown federalist structures and to whitewash them with structures of foreign origin such as metropolitan areas, agglomeration programs, nature parks or Interreg programs – at such times, it is recommended to pause from time to time and to consider the fundamentals of the Swiss model, so that we stay on solid ground in the loud hullaballuh of globalization. While in the federal administration there are many who have their eyes on Brussels and are eagerly striving at promoting the centralized control of the country for this purpose, while the cantonal Governments are spending a large part of their working time in ministerial conferences – pardon, directoral conferences – in the so-called “House of the Cantons” opposite the parliament building, rather than to fulfilling the tasks arising from their electoral mandate in their canton – it does good to witness that the citizens in the communes all over the country are confidently standing and holding on to their communal autonomy, and they do so amazingly successfully in spite of all attempts at undermining their determination. The long-pursued top-down plan of cleaning up the many small communes by mega-mergers to get hold of their control, has bounced off the will and the rootedness of the people in many places who want to maintain their autonomous communes.*

*In the regional press I recently came across a report on the work of a mayor that moved me. A phone call was enough to arrange a meeting with Hans Peter Gantenbein, the mayor of Wuppenau who has just retired after a long term of office. He welcomed me in the modest but pretty town hall, which had been built a few years ago, and showed me what the people of Wuppenau had primarily paid attention to when building the communes hall: The meeting room for the five-member council had been designed a little larger so that the 30 (!) clubs and associations can hold their club meetings here – of course free of charge – and the square in front of the building had been built for the village and club “festivities”. It is called “Hans*

*Peter Gantenbein Square”, in honor of the mayor, who is obviously delighted.*



Commune of Wuppenau (picture wikimedia)

*Current Concerns: Mr Gantenbein, you have been Councilor in Wuppenau for 24 years, 16 of them as the village’s mayor. During this time, you contributed much to the inner cohesion, a condition that a commune can only wish for. What made me curious, is the finances on the one hand. In the minutes of the 2014 communal assembly I read that the gross debt had fallen to an extraordinary amount since 2002.*

*Hans Peter Gantenbein: In 2002 we had a debt of about 7 million Swiss francs, and now we have assets of more than 2 million Swiss francs.*

*How did Wuppenau manage to do that? At that time, the Canton of Thurgau carried out a substantial change in the financial compensation. The structures of communes were revaluated and taken into account: What is the individual taxpayers fiscal capacity? Of course there are big differences. Salenstein has about four times more income per resident than we have, therefore the fiscal capacity is much larger. Next we also noticed that a compensation needs to be granted with respect to the area. Wuppenau has 1,100 inhabitants and a comparatively large communal area: about 12 square kilometers. We have a lot of hamlets, that means not just there is not only just one village: in addition to Wuppenau and Hosenruck we still have 13 hamlets that are completely developed. With the country lanes, which are a communal affair, we have more than 50 kilom-*

*eters of roads and 25 kilometers of sewage pipes, flowing partly to Wil, Uzwil, Weinfeld or Zuzwil. These are tasks that the commune must meet. Due to the valuation of these different structures Wuppenau received more compensation.*

**“Today we pay attention to a balanced budget in Wuppenau: What is necessary and what is desirable?”**

This is a major concern of mine, also in the family and the company that I headed. Right from the start I said there was a good chance to pay off our debts with the new compensation payments by the canton; with 5 percent interest on debt in those days that was of course the biggest item of expenditure in our bill. Then at a communal meeting I was able to launch this strategy “distinction between what is really needed and what is just desirable”. Everybody consented and supported this: Super! With the compensation of the canton and with a more conscientious attitude towards spending we were able to reduce the debt slowly.

The largest item in recent years has been the new communal center, which we have already amortized by two thirds. In the meantime we could build up some capital and reserves, set up funds and then lower the tax rate about twelve times in succession. Always taking small steps – rather than reducing the tax by 6 percent all at once, we rather take two steps.

*Were you able to win the people in the communal assembly over?*

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**"Take care of the communes – ..."**

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Yes, the citizens always supported this path. That was very, very positive. And of course, Wuppenau is still a rural village, where people concentrate a bit more on the affairs of their communes.

*Where did you save, for instance, because something was "only desirable"?*

For example, at the last communal assembly we had a very good result, and now we are not just transferring the gains onto the next bill. We had already done everything we really needed and were now able to do something desirable.

*Building up reserves?*

Yes, usually building up reserves. But last time we decided to equip our communes with an underground system for garbage disposal or to purchase a trailer or a tipper for the tractor in the communal maintenance depot a little earlier. That was something "desirable". In general, the people vote Yes in such a case.

**"Living together is even more important than finances"**

*This statement appealed to me particularly when I read it in a newspaper report about your long-time-work in the communal council.*

Of course this is my absolute greatest concern: Everything that has to do with living together gains a special meaning in our rural communes. In that respect we are quite different from larger towns. We still have about 30 clubs.

*30 clubs? That is impressive in a village with 1,100 inhabitants.*

Yes, that has always been important for me. I was lucky to be allowed to lead the department "associations /living together" from the beginning. The council's appreciation must be felt in the clubs. It is important that our active living together is also repeatedly mentioned; I tried to do so in all the meetings or events. It is important that we are all aware of what important good we have. It is necessary to encourage and support social coexistence.

Tonight we have the last council meeting that I may lead. It often involves large expenditures: water pipes and similar matters for 100,000 or 150,000 francs. Here we need to rely on specialists. Then there may be an item on the agenda, where it is about a small contribution, someone wants to commit himself to. Here, everyone has a say, everyone has an opinion. After having been a mayor for just a year, the first thing we vowed for: We do not quarrel over trifles, but support commitments and bagatelles cases.

Particularly I advocated a foundation and a fund. There was a lot of quarreling: What will we do with it? I managed to get the foundation set up. With the help of the *René-Moser Foundation*, we are able to further our youth. We can use some 10,000 francs – that's a lot of money for our commune! – every year. For example, for active club deployments. Or in case you want to offer the youth a course on how to write a text or design a newspaper, we bear all costs. Then we have a ground fund, by which we support the commitment of a fellow citizen, for instance, who wants to expand a food path so that everybody can use it; we pay him all the material. Or if the inhabitants of a hamlet want to activate a well – we do not even negotiate it – it goes without saying that the commune bears the costs including the costs for the material and even a little inauguration party.

You should not waste time on such things. I succeeded in passing on this concern of mine to my successor and all local councils, so this is also very important to them, today. We live in accordance to that principle, and it is the first sentence in the guiding concept of our commune: "The active social coexistence in clubs and organizations as well as intact schools form an important part of our quality of life, which must be preserved and promoted. Encounters are supported." In my view that is the most important thing.

**"We are actually predestined for integration, even for recognizing welfare cases and going about them in a sensible way."**

*In Wuppenau, there are certainly some individuals or families who are in need and require assistance. How do you handle that?*

We are somewhat privileged in Wuppenau. We have a lot of owned homes, we are out in the country, we have only a small percentage of foreigners. Yes, I saw that in the documents of Wuppenau: about 7 percent.

I would have estimated the percentage much lower, because these foreigners have more or less grown up here and they are not perceived as foreigners. So, in a way, we live in a somewhat perfect world.

I think all of our social institutions are very important, but we must do everything so that they are not exploited and put at risk that way. We've also had some asylum seekers in Wuppenau, but most of them want to go on to the cities, because there they have a network and their acquaintances and therefore a natural integration cannot take place. Integration would include that the children go to school here and the adults' participation in a village club so that they get in touch with the population. By way of a personal dialog we have often

tried to motivate these people, for instance those with little knowledge of German to participate, instead of just looking out for others of their kind. In doing so, we have had very pleasant experiences.

In a small town like ours you keep track of people; hence social recipients are always subject to a certain control and not simply treated as a "dossier". But even here we have been overtaken by the "data protection" and "formisme". We are no longer allowed as we have been before, to simply deploy the unemployed in the commune etc. We are no longer allowed to ask critical questions and most of all to take educational measures ... And if we do so, they might go to the city, where they are a clean, beautiful file with a name on it but without a face behind it.

We are actually predestined for integration, even for recognizing welfare cases and going about them in a meaningful way.

**Rooted in the commune**

*Do you have sufficient militiamen who help do voluntary work or participate in commune committees?*

Yes, because here we do not have the most expensive residential area, so young families can afford a piece of land. They will tend to remain. These are often people who will support the cause of the commune sooner or a little later. This was also the case over 30 years ago when we moved here, at that time an entire district was built up and mainly used by young families. Today this district is supporting in respect of commitment, taxable capacity, the commissions, the school board, the communal council, it has grown like that. It will also be like that in the next generation, because here we do not have such a coming and going, this also constitutes our necessary stability.

*People are rooted then.*

Yes, indeed. We also have a village market, which has developed very well. Now it is its 5-year anniversary and it is on a wave of success, because one also shops there.

Behind the village market, we have enclosed an area to build houses with several apartments. It would also be possible to form a cooperative there. In Wuppenau there live many rooted people, partly outside in a hamlet, living alone or in pairs in the house where they used to live with their children. Perhaps some of them would be willing to move to a low-maintenance apartment with lift, etc. There is also a bus station nearby, with buses every hour to Weinfeld and Wil, and the store with the post office. And an ATM ... These are

**"Take care of the communes – ..."**

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things you need in everyday life. But you would not need a car in these apartments.

**School is a matter  
of communal autonomy**

*You have your own school in Wuppenau. So there are enough children at school-age in your commune?*

The second point of our guiding principles is the school commune. In Wuppenau we have only a primary school; the secondary school is situated at Schönholzerswilen. Temporarily the classes have been decreasing, so that the six primary classes had to be reduced to four. Fortunately, for the next ten years we will again be able to run one form per year.

Of course, having a school that works is something positive. And we have a tremendously intact school, no teacher has problems to get into contact with the parents, in case something is not going well.

*The canton does not interfere? It doesn't hold the opinion that you haven't got enough students for running your own school?*

No, no, this is a matter of communal autonomy. Determining the school is altogether our affair. Even if we had a primary school commune with a neighboring commune, I do not think that we would have to close a school building and that the pupils would have to go to school elsewhere, when the majority of them are living in this place here.

**Shared administration  
between the communes are more social  
and cheaper than control from above**

*A smaller commune cannot cope with everything itself. Have you got many areas of shared administration?*

Yes, for example, we participate in the *Regional Water Supply Mittelthurgau RVM*, which delivers the water from the River Thur. Wil too gets its water from there. Then we have a collaboration with Zuzwil, which also supplies water. And we participate in the administration union for waste disposal in Bazenheid, as well as Wil.

*I also noticed the fire service with Schönholzerswilen?*

Yes, that's right. Then the wastewater that flows partly to Wil, from other parts of our hamlets to Uzwil, Zuzwil, Weinfelden. We used to have our own wastewater treatment plant. In the medium term a huge plant is planned in Uzwil, for several communes, including Wil.

Furthermore there is the Spitex [household help and nursing care at home], earlier we organized that in our commune. I oppose the increasing requirements that

are requested today. I contend that the numerous reports and forms have become almost more important today than the actual care for the sick. We had the Spitex at the Nollen, together with Schönholzerswilen, we had people who went to someone's home, who hosted patients, kept the house in order and so. Suddenly the insurance company comes and requires all helpers to work through a *Red Cross* course and to have an identity card. Imagine: Someone has been doing that for 20 years, on call. Now he is requested to do this course. So this person rightly says: "That's not my cup of tea!"

This is the way it is going now in Switzerland. This way everything is getting more expensive, at the end the forms have to be correctly filled in, and the patient is not in focus. A kindergarten teacher is primarily requested to have the "Matura" (general qualification for university entrance); the qualification to get along well with the children comes second ... etc., etc.

*I fully agree with you. Does that mean, that now you have no longer enough people from your commune in the Spitex?*

No, we got together with Bürglen, because we were no longer able to fulfill the requirements. That was a grave political issue. We had to build up another organization, new accounting, new costs, and all these are requirements of the health insurances, which – in addition – never pay in a cost-covering way, even though they would actually have to pay. Because with the Spitex the patients can indeed stay at home instead of occupying expensive hospital beds.

And the deficits have to be taken over by the communes, nobody mentions that. Twelve years ago we compensated the Spitex with about 4,000 francs deficit per year, which worked well. Now we have a budget of 72,000 francs, 18 times more. We thought that over a long time: How can we explain this to the citizens? The communes must pay the Spitex about 70 francs deficit per inhabitant. Imagine that: all that would actually have to be covered by the health insurance contributions. But probably rethinking will occur only, when things are no longer affordable.

**Merging with the neighboring  
communes? Small communes are  
most advantageous in every respect:  
humanely, socially and economically**

*In this case they say: well, the communes must merge when they can no longer pay their duties. When the communes become larger, when they team up, it will never be as personal, so that everyone has an eye on the whole thing.*

Yes, it would be much more impersonal – and much more expensive. As a mayor I

have a 30 percent position in Wuppenau, and for the different areas of responsibility there is a position of about 10 percent for each communal councilor. I'm a communal councilor like the others and I run my departments plus the job as mayor.

*This is precisely what it is like in Switzerland: Nobody is supreme.*

Exactly. All five of us are treated equally. We have got 1.6 administrative positions, plus a communal worker with about 60 percent and an apprentice. If we count her job with 50 percent – since she also has to attend school and is not yet able to perform fully, there are – together with my 30 percent – almost three full-time positions for the whole commune, the construction department included – each month we have a lot of building applications on our large communal area, for each commune has about the same tasks. Thus Wil with over 20,000 inhabitants should actually have not more than 60 administration and Councilor positions – compared to Wuppenau with 1,100 inhabitants.

A few years ago in a working group, we discussed a possible merger together with Schönholzerswilen. Schönholzerswilen is about the same size as Wuppenau. We formulated the conditions for a merger: At first there has to be the will, which means you have to see the benefits. In our rural area everything works very personally. In a merger, the mayor will probably have a full time job instead of two 30 percent positions, a large additional cost! Moreover it does not work with fewer staff. Next there is the question of constructing a building for the common communal administration. In Wuppenau we would be able to expand the local government in the existing building. But today we see no reason for a merger. We have an active cooperation with the inhabitants of Schönholzerswilen anyway: For example, we celebrate the ceremony of the junior citizens or occasions for the communal employees together. We have the same police and the firemen do exercises together, once organized by us, next time by Schönholzerswilen. But perhaps some day communal councilors will no longer volunteer and thus a merger would have to be discussed again.

*But today there are two autonomous communes.*

Yes, it is still personal. Out of the 1,100 inhabitants of Wuppenau I know about 700 by their first name. This is a social network. Naturally, they come to a councilor or to me and say: I have a problem. This keeps me busy most of all (not time-wise), because I want to help, of course.

**"Take care of the communes – ..."**

continued from page 12

**Why almost one-fifth of the electorate attend the communal assembly in Wuppenau**

*Actually, I meant to ask you for the reason why more than 19 percent of the electors came to the communal assembly last year – but you already answered this question by your description of village life.*

Yes, this year there were as many again ... Just now, when you were speaking, something struck me: In Wuppenau we had a primary school commune and one for secondary school. About 100 people out of perhaps 600 attended at a time, slightly less than at the political communal as-

sembly. Now we have a primary school commune, including four communes with a total of 2,400 voters. At the penultimate communal assembly, when it came to the budget and the tax rate, 61 people took part, that is 1.7 percent. Not 4 or 5, but 1.7 percent! It is getting impersonal. The communal administration of Wuppenau probably writes the least letters. I demand again and again: "Do not write letters, but seek the dialogue, talk to each other." Often our council meeting begins at 7.30 p.m., but if something special is to be expected we start at 7 p.m. already and we invite the persons concerned. Another example, while jogging I pass the house of a fellow citizen, who wrote an angry letter to the commune and I can

just have a look at the spot and possibly even ameliorate matters. In that case everything looks a lot different, all of a sudden!

There are very good people in the commune who know all their fellow citizens. No one would ever think of closing our counter, even though it is written on the door: "Open till 4 o'clock". Our citizens are the customers, and that has to be tangibles. Perhaps this is also one reason that once again more people may attend the communal assembly.

*Mr. Gantenbein, thank you very much for this interview.*

(Interview Marianne Wüthrich)

**The communal assembly, a direct democratic institution in the co-operative tradition**

*mw.* In 80 percent of the Swiss communes, especially in German-speaking Switzerland, it is not a parliament that exercises the legislative function, but the communal assembly. The executive branch, which manages the affairs of the commune and carries out the decisions of the communal assembly, is called communal council in most German-speaking cantons, with usually 5 or 7 members who – except in major municipalities – usually perform their duties part time. In the Canton of Zurich, for example, there are only 12 municipalities with a parliament (including the cities of Zurich and Winterthur!); the other 157 communes have a communal assembly. In the municipality of Thalwil (with over 16,000 inhabitants), citizens spoke out against the introduction of a parliament in several ballots.

The institution of the communal assembly has been criticized from various sides from time to time in recent years: in communal assemblies usually only a few voters would participate, therefore its democratic legitimacy was called into question – this is the main point of criticism. There is no quorum in Switzerland to make a referendum valid, neither on federal, cantonal nor communal level, neither in secret balloting nor assembly votes. Since the participation rate is often low in the communal assemblies, one-third of those present for instance may require a subsequent secret ballot by a decision of the assembly according to the new constitution of the Canton of Zurich (operating since 1 January 2006). But this amendment option is also criticized: if there was a secret ballot after-

wards anyway, the communal assembly would become a farce.

A recent study commissioned by the local authority of the Canton of Zurich revealed amazing facts and confirmed as it were the "good reputation" of the communal assembly as a democratic institution par excellence.<sup>1</sup>

The authors note that participation in communal assemblies in the Canton of Zurich is often not very high even though in communalities with fewer inhabitants participation is usually higher than in densely populated places (cf. pp. 6–7). But they come to the conclusion that the central element of the assembly democracy is not the number of participants but the high quality of the formation of opinion: because behind the communal assembly there is "the tradition of meeting democracy which assumes that the general will is constituted and developed by mutual exchange of views and discussion and not – as in the model of referendum democracy – simply by the sum of all individual interests in the limited form of a Yes or No expression of opinion at the ballot box. Accordingly, an active, lively discussion in the assembly is a key criterion for the legitimacy of the decisions taken there (qualitative participation)." (p. 8)

By the way, in advance of a communal assembly citizens may also submit amendment proposals and thus influence the content of submittals. After all, such proposals are submitted in almost a quarter of the analyzed assemblies in the Canton of Zurich. Therefore, the criticism concerning the lack of voting secrecy is also misplaced, because the opin-

ion of every citizen who took the floor is clearly expressed by the amendments and in the discussion before the vote. Yes, it is practically a prerequisite for achieving good decisions that as many as possible participate in the discussion (cf. pp. 3–4).

The high quality of opinion formation in discussions is further confirmed since despite the provision of Article 86 paragraph 3 of the Cantonal Constitution, according to which one third of those present can demand a subsequent ballot, this actually happens very rarely: In 2008, with only 2 of over 1,100 decisions in the 105 examined Zurich communes.

The authors of the study close with a clear commitment to the positive significance of the communal assembly: "Overall, the present study shows that the communal assemblies produce democratically legitimized decisions in the Canton of Zurich. The deep turnout at communal assemblies need not be per se a cause for concern. Much more meaningful is the quality of the political debate at these meetings, for which in turn the diversity of expressed opinions is important. Here the authorities and the political parties have a responsibility. It is in their hands, to arouse interest in local politics in the citizens [...]" (p. 17)

<sup>1</sup> Daniel Kübler and Philippe Rochat. *Sind Gemeindeversammlungen noch zeitgemäss? Überlegungen anhand einer Umfrage im Kanton Zürich* (Are communal assemblies still keeping with the times? Considerations based on a survey), statistik.info 15/09, [www.statistik.zh.ch](http://www.statistik.zh.ch)

## “Austria one step closer to a binding referendum on the withdrawal from the EU!”

The non-partisan EU exit referendum that was exclusively initiated by citizens is history and the preliminary result has just been announced by the ministry of interior: 261,159 Austrians visited their municipal office or magistrate last week and publicly committed themselves to the independence of Austria.

For a pure citizen referendum – without any support of a party, big sponsors or the media – a great result! Thus, the goal of conducting a binding referendum on the EU exit has approached by a major step.

“261,159 personal signatures given in presence of the authorities for the recovery of freedom, self-determination and neutrality of Austria are a great success of the independent citizens’ movement”, *Inge Rauscher*, initiator and representative of the referendum, commented the result.

### Second-most successful referendum of the last 10 years!

The EU exit referendum is the second most successful referendum of the last ten years! The issue of Austria’s withdrawal from the EU is therefore definitely on Parliament’s agenda and the parties will have to deal with it, because the signatories indeed come from all parties indeed and from the large number of non-voters. This remarkable result was achieved despite the most adverse conditions: extensive media boycott, fixing the date for the registration on the first holiday week by the Minister of the Interior (which would exclude all tourists to foreign countries from the referendum), a lot of disinformation by the authorities rendered to citizens who were willing to sign – opening times, local registration offices which were closed despite official “opening times”, hard to find or poorly marked entries, destruction and theft of poster stands in many villages, etc.

Veterinary and animal rights activists *Dr Franz-Joseph Plank*, also a member of the independent persons committee, added: “In case more people had known about this referendum, many more would certainly have signed”. Even the *Wirtschaftsblatt* found in a recent survey that 40% of the electorate clearly advocate Austria’s withdrawal of from the EU! Thus, our *Representatives* need not fear a binding referendum, as it is demanded in the – unfortunately non-binding – referendum. The fear of many EU-phorics goes obviously so far as to even



*Immensely pleased some of the initiators, Dr Franz-Joseph Plank, Mag. Klaus Flaissner, Inge Rauscher and Helmut Schramm (from left to right), are presenting the result of the referendum. (picture ma)*

repeatedly removing some of the poster stands, signs and stickers – personally set up by myself – in the area Laaben-Neulengbach (Lower Austria): They were destroyed or even stolen! Similar reports were also coming from other states. Is this really compatible with a lived democracy? “

Inge Rauscher sums up: “It must be assumed that at least one third of the Austrian population did not know that there was this referendum. The result was indeed without support from parties, without any funding from major sponsors and exclusively through the dissemination of hundreds volunteers which could distribute a total of around 900,000 information leaflets and many other documents throughout Austria, as well as through social media and numerous dedicated alternative media.”

“The struggle for the restoration of freedom, self-determination and neutrality is far from being fought. Because only now the struggle for a referendum on Austria’s withdrawal from the EU begins that will be *binding* for the government! This result of our pure citizens referendum under very adverse conditions is a very clear mandate”, concludes Inge Rauscher. •

Source: <http://eu-austritts-volksbegehren.blogspot.ch/>

(Translation *Current Concerns*)

## Current Concerns

The international journal for independent thought, ethical standards, moral responsibility, and for the promotion and respect of public international law, human rights and humanitarian law

*Publisher:* Zeit-Fragen Cooperative

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*Subscription details:*

published regularly electronically as PDF file

Annual subscription rate of

SFr. 40,-, € 30,-, £ 25,-, \$ 40,-

for the following countries:

Australia, Austria, Belgium, Brunei, Canada, Cyprus, , Denmark, Finland, France, Germany, Greece, Hongkong, Iceland, Ireland, Israel, Italy, Japan, Kuwait, Liechtenstein, Luxembourg, Netherlands, New Zealand, Norway, Qatar, Singapore, Spain, Sweden, Switzerland, United Arab Emirates, United Kingdom, USA

Annual subscription rate of

SFr. 20,-, € 15,-, £ 12,50, \$ 20,-

for all other countries.

*Account:* Postscheck-Konto: PC 87-644472-4

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# Power station Switzerland

by Dr-Ing. Ernst Pauli



In his book “Kraftwerk-Schweiz – Plädoyer für eine Energiewende mit Zukunft” (Power station Switzerland – Plea for an energy transition with a future) Anton Gunzinger\*

examined the Swiss strategy on Energy Supply. He assigned himself the task, as a citizen, as a capable engineer and as a realistic entrepreneur, to reflect about scenarios of future energy supply and to simulate them.

He begins by telling about his personal background, his career path, grown up at a farm in the Jura-Mountains, he received international recognition as a scientist and engineer, and finally started up and led a company in the field of information technology. This background explains his personal still down-to-earth values. He feels obliged to preserve the resources of this world for future generations. His humane way of thinking is not least expressed in the very appealing design of the book. Between the chapters “interludes with beautiful lyrics and pictures” are inserted, designed by his wife and a friend “like small islands of peace in the complex sea of energy studies, inviting to pause and to contemplate and clear up your thoughts”. In his role as Professor at the Swiss Federal Institute of Technology and as entrepreneur in the area of software development for complex systems, he created this book together with his team. He wanted to prompt “people to think for themselves and in particular act on their own”, if this happens “our work has paid off even more”.

First of all Gunzinger focuses on ethical views which distinguish him from many other authors writing on the subject. In his dispute on energy strategy he raises the question of the common good and the works of *Elinor Ostrom*. The Commons, these are oil, gas, coal and uranium, our air and our water. He looks at the energy supply and the power industry from this perspective. So, he goes beyond those questions always focused on in the public discussion, as there are energy cost, profit and securing our energy-intensive comfortable standard of living. Instead he arranges these questions clearly and comprehensibly putting them in an overall context.

Thus Gunzinger opens up a new understanding, when he argues and proves by facts and figures that solar radiation per unit area in the Swiss mountains is comparable to that of the Sahara. Photovoltaic in Switzerland is therefore not less reasonable than is this technology in the Sahara. In his model calculations he points out that Swiss reservoirs can contribute significantly to the power supply of Switzerland provided the usage of water is managed in a targeted and

prudent way. Self-supply can therefore be entirely achieved by further expansion of renewable energies. He indicates that our ancestors knew how to wisely take advantage of the country’s topography and that they once laid the essential foundations for electricity supply by hydro-power. It is obvious that Gunzinger opts for a turn to renewable energy, for power production in Switzerland without risk of nuclear or fossil power generation. For him this is a realistic and achievable target.

His model calculations go far beyond the objectives of the official Swiss “Energy Strategy 2050”: among others, he considers the reduction of the non-renewable fossil energy consumption down to 10% of the present value, feasible. He demonstrates this clearly: the fuel tank of a family house will have to be filled only every 10 years and the car to be refueled only once in 5 months. He sees a possible increase in the share of renewable energy from 20% to 90% in the area of domestic heating and of traffic, even just on the basis of currently available technologies. And of course it is clear to him that with increasing scarcity of oil and gas and with steadily rising market prices the dependence on foreign supply will increase. A change to renewable energy will be cost-effective and helps to ensure the sovereignty of Switzerland. Last but not least it offers a chance for Switzerland’s technology leadership as a basis for economic well-being.

In some technical chapters Gunzinger conveys, understandable for a layman, how electricity is generated, how the “system of power generation” with power plants, electricity grids and consumers looks today and may look in the future. The core of the book are various calculations on scenarios for electricity generation in Switzerland, transparently presented by the expert for system design under appropriate assumptions, “rules”. Base load power plants, river power plants, incineration plants and nuclear energy (as long as still hooked to the grid) provide base load electric power. Biomass power plants are used in winter time only, as their fuel can be stored. Photovoltaic electricity is used every time it is available. Energy is stored with priority in batteries and with second priority by pump storage plants. Water from conventional reservoirs is tapped last in the row. The idea of handling the resources in a saving way is prevailing and not the maximum profit from the operation of the plants.

The model scenarios begin with a “Continue as before” and take step by step photovoltaic, wind energy, biomass and electricity storage into account. Pure enlargement of photovoltaic is under the model assumptions not sufficient to power Switzerland, but already a “well devel-



ISBN 978-3729608887

oped photovoltaic (18 GW installed capacity) and a moderately developed wind power (4.5 GW)” would ensure sufficient electricity supply in Switzerland during summer and winter. In alternative broader scenarios, sufficient power supply to Switzerland is always ensured, and by spreading the generation techniques less abundant peak power is produced. In particular, through decentralized storage of produced electricity in batteries and “smart” influence on power consumption, the system becomes more and more stable.

An annex of 40 pages with lots of detailed technical information gives background knowledge to the technically-oriented about the risks of nuclear energy, the limited resources of oil, and many aspects of energy transition, so that a broad, balanced view of the matter is unfolded.

Gunzinger’s book stands out between the descriptions of the avid system defenders, the descriptions of zealous environmentalists with broad, balanced and factual considerations, scenarios and last but not least with a clear ethical point of view. Its reading is therefore more than just information. •

Anton Gunzinger, *Kraftwerk-Schweiz – Plädoyer für eine Energiewende mit Zukunft* (Power station Switzerland – Plea for an energy transition with a future), Zytglogge (May 2015), ISBN 978-3729608887

\* Anton Gunzinger, born in 1956 in Welschenrohr, graduated as electrical engineer at the ETH in evening classes. He wrote his doctoral thesis on the subject of “image processing by parallel computing”. He was awarded various prizes for this work. As assistant to the ETH Zurich, he developed with his team the multiprocessor system with intelligent communication, “music system” winning as the fastest computer in the world the Gordon Bell Award in the last Round of the World Championship. In 1993, he founded the company Supercomputing Systems AG, SCS, headquartered in the Zurich “Technopark”.