

## GREECE'S BAILOUT REFERENDUM

## WHO, WHY, WHERE?

Nearly 10 million Greek voters will take to the ballot booths today to vote 'Yes' or 'No' in a referendum asking if they accept more austerity measures in return for bailout funds. Here are few facts that may help to understand the referendum.

## What is the question?

"Should the deal draft that was put forward by the European Commission, the European Central Bank and the International Monetary Fund in the Eurogroup of June 25, 2015, and consists of two parts, that together form a unified proposal, be accepted? The first document is titled 'Reforms for the Completion of the Current Programme and Beyond' and the second 'Preliminary Debt Sustainability Analysis'."

It's quite a mouthful and has been slammed by critics as confusing and overly technical.

Greece's creditors had asked for reforms in exchange for extending the country's bailout deal until November. But when negotiations between the government and creditors collapsed last week, the extension was refused and the bailout ended as scheduled on June 30. Greeks are therefore being asked to vote on an offer which is no longer on the table.

Those against the proffered deal will vote 'No', those in favour 'Yes'.

## Why a referendum?

After five months of negotiations, Tsipras surprised his European colleagues on the night of June 26-27 by announcing a referendum. The government has said it believes a 'No' result would strengthen Athens's hand at the negotiating table and ensure it lands "a better deal".

## Who hopes what?

The coalition government, made up of Tsipras's radical left Syriza party and the Independent Greeks (ANEL), are campaigning for a 'No' vote, backed by the neo-Nazi Golden Dawn party. Opposition parties New Democracy (centre-right), Pasok (centre-left) and To Potami (centre-left) want a 'Yes' vote to win.

## What's at stake?

— European leaders have said a 'No' victory would essentially mean Greeks voting to ditch the euro, or at the very least a plunge into the unknown which could damage Greece's relations with the eurozone.

— A 'Yes' victory would be a severe blow to the government and would undermine its legitimacy. Finance Minister Yanis Varoufakis has already said he will step down if the 'Yes' camp wins.

## What time will the result be known?

Polling stations will be open from 7am local time (0400 GMT) until 7pm (1600 GMT). The first results are expected around 9pm (1800 GMT). It depends how close the gap is between 'No' and 'Yes' as to when Tsipras will cry victory -- or concede defeat.



(Top) A demonstrator holds a banner during a rally for the 'Yes' campaign for the Greek referendum in Rome, Italy. Greek Finance Minister Yanis Varoufakis is cheered by people during an address by the Greek prime minister in downtown Athens.

PHOTO: AFP



(From top left, clockwise) Pro-Europe supporters gather in front of Panathenian stadium during a 'YES' rally in Athens; protesters supporting a 'No' vote demonstrate in the Greece capital; shoppers stand in an aisle with empty shelves in a supermarket; and more support for 'Yes' and 'No' vote ahead of Today's crucial referendum.

PHOTO: AFP

## Top economists see 'No' vote least-worst choice

AFP, Athens

While polls in Greece show the country evenly divided going into a crucial bailout referendum today, some of the world's top economists are united in arguing that a 'No' result is the country's best -- or least-worst -- choice.

Joseph Stiglitz, a Nobel laureate in economics and professor at Columbia University in the United States, this week wrote that voting 'Yes' for the conditions tied to the bailout or 'No' both carry "huge risks".

But "a 'no' vote would at least open the possibility that Greece... might grasp its destiny in its own hands" and shape a future that "though perhaps not as prosperous as the past, is far more hopeful than the unconscionable torture of the present," he said.

Paul Krugman, another Nobel winner, who writes for The New York Times, agreed. A 'No' result may force Greece to exit the euro, "which would be hugely disruptive in the short run. But it will also offer Greece itself a chance for real recovery."

Thomas Piketty, a highly respected French economist who wrote the influential "Capital in the 21st Century", told French television network BFMTV that Greek voters would be right to reject the bailout offer put to them in the referendum.

"For me, it's clear: it's a bad plan," he said. He added, though, that he understood many Greeks were afraid of a "violent" shock if it led to expulsion from the euro.

For them, and other economists, Greece's debt burden -- 323 billion euros (\$359 billion) -- is clearly unsustainable and needs to be reduced.

Several of them said Greece's current radical left government, which is arguing for a 'No' result, was not blameless for the worsening mess the country was now in. But they believed Greece would be better off rejecting the bailout deal as it stands.

An open letter by 246 Greek economic professors, though, begged to differ. They wrote that "we strongly believe that, at this crucial point, it is of paramount importance... to preserve our position in the eurozone and the EU".

"We believe that the recessionary consequences of debt default and exit from the eurozone... will be much worse than the effects of a painful compromise with our EU partners and the IMF (International Monetary Fund)," they said.

"A disorderly break of our country from the core of Europe will have disastrous economic, social, political and geopolitical consequences."

## THE CRYING PENSIONER

*The story behind the photo*

AFP, Thessaloniki

Retiree Giorgos Chatzifotiadis had queued up at three banks in Greece's second city of Thessaloniki on Friday in the hope of withdrawing a pension on behalf of his wife, but all in vain.

When he was told at the fourth that he could not withdraw his 120 euros (\$133), it was all too much and he collapsed in tears.

The 77-year-old told AFP that he had broken down because he "cannot stand to see my country in this distress".

"That's why I feel so beaten, more than for my own personal problems," Chatzifotiadis said.

The image of him sitting outside the bank, openly crying in despair with his savings book and identity card on the floor, was captured by an AFP photographer illustrating how ordinary Greeks are suffering during the country's debt crisis.

Athens had imposed capital controls and shut all banks since Monday to stem a hemorrhage of cash, but on Wednesday allowed some branches to reopen for three days so retirees who

have no bank cards could withdraw their pensions -- capped at 120 euros.

Recounting how he had gone from bank to bank in a futile attempt to collect his wife's pension, Chatzifotiadis said when he was told at the fourth "that I could not get the money, I just collapsed".

Both he and his wife, like many Greeks in the north of the country, had spent several years in Germany where he "worked very hard" in a coal mine and later a foundry.

And it is from Berlin, which is being blamed by many in Greece for its hardline stance in demanding the government impose more austerity measures for fresh international aid, that Chatzifotiadis is receiving his wife's pension.

"I see my fellow citizens begging for a few cents to buy bread. I see more and more suicides. I am a sensitive person. I can not stand to see my country in this situation," he said.

"Europe and Greece have made mistakes. We must find a solution," he added.

## Powers cite progress on Iran nuclear deal

IAEA hints at breakthrough on nuke probe

AFP, Vienna

Global powers and Iran hit the final straits of marathon talks yesterday, amid signs some of the toughest hurdles blocking a deal to curb the Iranian nuclear programme may be resolved.

After a 13-year stand-off which has poisoned Iran's international relations, the UN atomic watchdog voiced hopes of a breakthrough to complete a stalled probe into whether Tehran sought to develop nuclear arms in the past.

And on complicated moves to ease a web of sanctions, there were indications that at least at the level of experts some understanding may have been thrashed out, although discussions continued as a new Tuesday deadline looms.

The so-called P5+1 -- Britain, China, France, Germany, Russia and the United States -- are trying to draw the curtain on almost two years of roller-coaster negotiations, which gathered fresh impetus after President Hassan Rouhani took power in late 2013.

The aim is to finalise a deal which would put a nuclear bomb beyond Iran's reach, in return for lifting biting international sanctions slapped on the Islamic republic, some of which date back to 1995.

IAEA chief Yukiya Amano told reporters after a whirlwind visit to Tehran that progress had been made as the International Atomic Energy Agency (IAEA) seeks to ensure that any deal is "technically sound".

"With the cooperation from Iran, I think we can issue a report by the end of the year on the ... clarification of the issues related to possible military dimensions," Amano told reporters after his talks in Tehran earlier this week.

Iran has long denied it has sought to develop a nuclear bomb and has so far refused UN inspectors access to sensitive military sites to verify its claims.

The standoff has stalled an IAEA probe into the allegations that before 2003, and possibly since, Iran conducted research work into developing nuclear weapons.



Egyptian President Abdel Fattah al-Sisi (C) shaking hands with a member of the security forces during a visit to the Sinai Peninsula yesterday following a wave of deadly attacks on armed forces by the Islamic State jihadists.



## SOLAR IMPULSE 2 MAKES HISTORY

The Solar Impulse 2, a solar powered airplane, piloted by Andre Borschberg, lands at Kalaeloa Airport, Hawaii, on Friday. The aircraft completed an historic flight Friday after circling the globe without so much as a drop of fuel, then touching down seemingly effortlessly in Hawaii.

The sun-powered plane, piloted by veteran Swiss aviator Andre

Borschberg, spent five days to make the historic voyage.

PHOTO: AFP

## PHILIPPINE FERRY TRAGEDY

### Owner, crew charged with manslaughter

AFP, Manila

Philippine police have filed murder charges against the owner and crew of a passenger ferry that capsized and left 56 dead, an official said yesterday.

The charges were filed late on Friday in the central city of Ormoc over the sinking of the Kim Nirvana ship, according to regional police head Chief Superintendent Asher Dolina.

An initial police investigation and interviews with survivors showed the vessel abruptly turned in waters off the central port of Ormoc on Thursday, causing it to capsize, Dolina told AFP.

"They were not careful, showing there was an intent to kill. They were reckless on purpose," Dolina said.

A total of nineteen people were charged, including ship operator Joge Bong Zarco, captain Warren Oliviero, and 17 crew members, according to Dolina.

Under Philippine law, murder is punishable by up to 40 years imprisonment.

Fifty-six people were confirmed dead from the sinking.

Overloading of cargo and passengers might have been to blame for the disaster, according to officials, who helped oversee rescue operations.

## 'Scores' killed by Nigeria female suicide bombers

AFP, Kano

Several female suicide bombers blew themselves up amid panicked villagers fleeing a Boko Haram attack in a northeast Nigeria killing scores, the army and witnesses said yesterday.

The latest carnage in series of attacks that have claimed more than 200 lives in just three days happened on Friday night in Zabarmari village, 10 kilometres (six miles) from the city of Maiduguri, the birthplace of the jihadist group.

Local resident Haladu Musa, who fled the attack, told AFP that "large numbers" of fighters poured into the village, overpowering government forces deployed to prevent the insurgents reaching Maiduguri.

The soldiers were forced to retreat, he said.

Then, as people began to flee, female suicide bombers started blowing themselves up in their midst, killing large numbers of people, he said.

"Most of the casualties came from the sui-

cide bombings," he said, without being able to give a precise figure for the dead and injured.

"A total of six suicide bombers detonated themselves... killing scores of people while some people were also wounded. A soldier also died," the Nigerian army said in a statement without specifying the sex of the bombers.

The army said a jeep full of improvised explosive devices was recovered by troops, adding there was an ongoing search "for any bombs that might have been hidden or left unexploded in the area."

Musa said the militants looted shops and torched "almost half the village" before eventually being repulsed after the military sent reinforcements.

Boko Haram, which is fighting to establish a hardline Islamic state in northeast Nigeria and has sworn allegiance to the Islamic State group, has intensified its campaign of violence since President Mohammadu Buhari came to power on May 29.

The violence poses a major test for Sisi, a former military chief who has pledged to eliminate the militants.

Yesterday, three children and a woman were killed in northern Sinai, medical and security sources said.

Meanwhile, ISIS jihadist group's affiliate in Egypt claimed responsibility for a rocket attack from the Sinai Peninsula into southern Israel on Friday.

"Three Grad rockets were fired at Jewish positions in occupied Palestine," the "Sinai Province" group said in a statement on Twitter.