

# THE CURRENT SITUATION IN GREECE, 31.8.15

-Kimon Bukas (Antarsaya)

## The referendum

The referendum took place amidst threats and blackmails:

- \* The EU institutions, Greek reaction and media all came out and openly said that it was a vote on EU membership.
  - \* The media took scaremongering to an unprecedented level.
  - \* On the day the referendum was announced, the ECB cut off Greek banks from liquidity. As a result, for the week prior to the referendum, banks remained closed and people could only withdraw 60 euro a day. Apart from the psychological impact, this affected people as they couldn't pay their bills, small shopkeepers couldn't pay their suppliers etc.
- The Greek people were indeed frightened but their response was one of anger and refusal to surrender
- \* 62% voted 'NO'.
  - \* This is extraordinary under the mentioned conditions and must be built upon.
  - \* Shortly after the referendum, "No until the end" groups were formed at local/grassroots level.
  - \* The vote was deeply polarised. In poor Athens neighbourhoods 90% voted 'NO' and vice-versa in rich ones. Youths also voted 'NO' in huge numbers.

## The 3rd memorandum

A few days after the referendum, the 3rd memorandum was more or less agreed upon.

- \* This will bring more savage austerity. The Greek government is forced to make cuts of about 3.8 billion euro p.a
- \* It is much more than just an austerity package however. It predicts the selling-off of public assets and the handing over to the Troika of parts of the Greek state.
- \* The memoranda are the strongest weapon of the Greek and international elites who have made a killing out of the crisis through the slashing off labour costs and rights, the privatizations for scandalous amounts etc.
- \* Apart from making people's life miserable, it will give the economy yet another blow and will increase the debt as the previous memoranda have proven (something that is openly admitted even by the IMF)

The majority of SYRIZA admitted that the deal was a bad one but stated that there was no other alternative and that what is important is that the left wing government survives. Few want to return to the previous hated regime, but what's the point of having a left wing government if it can't implement left wing policies?

## Lessons to be learnt

Others simply attributed the deal to Tsipras's treason. But what is important is that conclusions are drawn and lessons learnt so that the same mistakes are not repeated.

- \* Syriza has been presented as a radical left wing party in the media but in reality its programme was a moderate Keynesian one which aimed to combat the worst consequences of the crisis in agreement with EU institutions. Moreover, since 2012 it has gradually been moving towards the right and blunting many edges of its program in order to become "electable".
- \* The success of even such a moderate program however was unacceptable to the European elite and the leading European politicians, which have spent the last couple of years telling their people that the only antidote to the financial crisis is austerity.

- \* This is the main lesson which must be learnt: one cannot convince the elite through negotiations and sound arguments to hand over part of their profits and power. You must go to war with them and expect them to fight back by any means. Faced with their might, the only hope for a left wing government is the active support of the people, who the left must tell the truth to, must convince regarding its' strategy and must prepare to defend it actively on the streets and workplaces. Syriza on the other hand won the election by promising people what they wanted to hear: a break with austerity inside the Eurozone.
- \* This is simply not possible, especially for Greece. It is impossible to implement even moderate left wing policies without a break with the Eurozone and the EU.
- \* Democracy inside Syriza was also a factor as the leadership has gradually become more and more independent from the party base.

### **What has the SYRIZA government brought Greece?**

- \* Positive laws were introduced allowing children of immigrants born in Greece to obtain Greek citizenship and same sex couples to form legal "civil partnership" contracts.
  - \* A vague promise of debt restructuring was obtained.
  - \* The Greek problem was internationalized.
- BUT at the same time...
- \* Disappointment/demoralization
  - \* The credibility of the left has been damaged, not just in Greece, but across the world.
  - \* The "there is no alternative" doctrine originally introduced by Pasok and New Democracy has become much more credible/believable in the eyes of people now that it has been embraced by Syriza.

### **Developments after the agreement**

- \* The "Left Platform", a left (minority) fraction within Syriza voted against the memorandum, although they continued to support the government.
- \* After elections were announced which meant that those who had voted against the memorandum would be excluded from Syriza electoral lists, Left Platform members left the party and formed "Popular Unity" which will stand in the forthcoming elections. Every day, more Syriza members (not just Left Platform members) are leaving the party.
- \* This is a positive development, although (even though it's still early days) "Popular Unity" shows worrying signs of repeating the Syriza mistakes.
  - o It has followed the "Tsipras's treason line and has not publicly analyzed "how we got here" or applied any self-criticism.
  - o Its program is Syriza's previous election one + a break from the Euro if necessary.
  - o It does not have a clear position on the EU.
  - o Questions regarding democracy in the interior have been raised as even though "Popular Unity" claims to be an open front for all left wing anti-memorandum forces, it is not clear what proceedings have taken place in its interior, who elected its leadership, how the program was decided etc.

### **Conclusions**

- \* The battle is far from over.
- \* Whatever government is elected it will be hard to enforce the memorandum.
- \* It is certain that the measures will fail and that Greece will not meet its financial targets.
- \* The left must organize democratically from below and sincerely explain that a break with the EU is absolutely necessary if Greece is to leave this vicious circle.

\* It must do its best to strengthen the “No until the end” groups to fight against the application of the memorandum.