

Dreaming in Technicolor - On Greece and the debate in the international left

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It was inevitable that the final deal struck between the Syriza government and the Eurogroup should be the subject of intense debate and controversy in the international left. Indeed given what the agreement contained it would be alarming if that were not the case.

The annotated version of the agreement provided by Yanis Varoufakis[1] makes it clear that this is much more than a 'bad deal' or an 'unfortunate but necessary' retreat.

In fact it amounts to an acceptance of endless and vicious austerity targeting workers, pensioners and the poor; the abolition of national sovereignty; a severe restriction of labour rights and collective bargaining; huge rises in indirect taxes affecting ordinary people; mass sackings of public and private sector workers; supervision of all legislation by the Troika and a repudiation of all the legislation and progressive measures taken by Syriza in power.

These measures, far from staving off a social and economic catastrophe for the Greek people, absolutely guarantee it in perpetuity. In principle it is impossible for consistent fighters for working people and democratic rights – socialists – to vote for this kind of 'agreement'.

According to Eric Toussaint, key figure in the Campaign for the Abolition of the Third World Debt (CADTM):

'This agreement forces Syriza to abandon essential commitments made during the 25 January 2015 election campaign, which led to its historically significant victory. Syriza has binding responsibilities towards the Greek people and it is tragic that they were not respected, especially since the people very clearly showed their support both on 25 January [the election] and 5 July 2015 [i.e. in the referendum].'[2]

Of course the decisions of the Tsipras government have immediate international consequences. In the first place, the sadistic viciousness of the deal was aimed not just at taking revenge against Tsipras and Syriza, it was also aimed at undermining the credibility of Podemos and other broad left parties in Europe. The right wing elite in Europe fears the growth of anti-austerity left wing parties, which has begun – but only begun – to address the crisis of political representation of the European working class.

In this context it is very unfortunate that Podemos has decided to vote in favour of the agreement in the Spanish Cortes, and that Pablo Iglesias has given his explicit approval to the deal ('sometimes you have to be very shrewd' (sic)). At least a part of the Front de Gauche appears to be in favour of voting for it in the French parliament. On the other hand nearly all of Die Linke's members in the Bundestag voted against, unlike the Greens who either voted for or abstained.

Leo Panitch and Sam Gindin, two very serious comrades whose work has contributed a lot to the international left's understanding of neoliberal capitalism[3] have made a very one-sided contribution to the debate, which says in essence that the agreement was inevitable and those who

criticise are just dreamers.

'SYRIZA's unique capacity on the international left to build the type of party capable of both mobilising against neoliberalism and entering the state to try to actually do something about this has always hinged on the way it sought to find room for manoeuvre within a European Union that has neoliberalism in its DNA, going back all the way to the Treaty of Rome let alone the Economic and Monetary Union 30 years later.'

'Anyone who at all seriously followed developments in Greece over the past five years should have known that the leadership of the party would only go as far as the Europeans would let it, and that the balance of power inside the party made the Left Platform faction's strategy for Grexit an effective non-starter. Those on the revolutionary left who hoped that after SYRIZA's election this leadership would get swept away by a massive popular upsurge for Grexit in face of the limits and contradictions of a SYRIZA government were, as usual, dreaming in Technicolour.'

Moreover:

'...SYRIZA would never have been elected on the basis of a call for leaving the Eurozone, nor would it have won the recent referendum. Those in and out of the party who have always called for an immediate Grexit never were persuasive on the necessary political conditions for this.'[4] (4)

The comrades are really saying two things: 1) The radical left has to be a bit modest in the light of Syriza's achievements before making the usual sectarian criticisms and 2) People should have understood that Syriza would never have gone beyond what the European leaders would allow, precisely because withdrawal from the Euro was politically impossible – it would never have been supported by the Greek people.

But surely treating Syriza seriously means understanding that it has been made up of different currents and the statement signed by a majority of the Central Committee attacking the agreement shows that the relationship of forces between them was not set in stone, indeed it can shift and has shifted under the pressure of events. Stathis Kouvelakis, in his interview[5] with Sebastian Budgen, explains that negotiations with the Eurozone were dominated by right wing of the government, which also opposed the referendum:

'What happened in that cabinet meeting was that a certain number of people — the rightist wing of the government, led by Deputy Prime Minister Giannis Dragasakis — disagreed with the move. Dragasakis is actually the person who has been monitoring the whole negotiation process on the Greek side. Everyone on the negotiating team with the exception of the new finance minister, Euclid Tsakalotos, are his people and he was the most prominent of those in the cabinet who really wanted to get rid of Varoufakis.'

It is far from obvious that Dragasakis has or had majority support inside the ranks of Syriza. But the key issue is the Syriza leadership's insistence on staying inside the Eurozone and refusing any alternative possibility.

Because the Tsipras leadership refused any consideration of Grexit, it declared in advance that it would ultimately have to accept what it was offered.

Seumas Milne says in the UK *Guardian*:

'It was Syriza's commitment to opposing austerity while remaining in the euro at all costs that led to capitulation. What helped win the election became a fatal handicap in office, as Tsipras resisted pressure even to make contingency plans for Grexit. That would have strengthened his negotiating

hand, as well as giving Greece the option of escaping indefinite economic depression.

'The short-term costs of exit would certainly be harsh. But, combined with measures to take control of the economy and tax the oligarchs, it at least offers the chance of longer-term recovery. That's now the view of many inside Syriza and beyond, including those who voted against the Eurozone diktat in the Greek parliament yesterday, and support is likely to grow as economic asphyxiation resumes. Otherwise, the far right will be the main beneficiary.' [6]

This is the essence of the matter. Tsipras promised an end to austerity while staying in the Euro. This was an impossible combination and more and more people realise, which is why some people in the street tell TV interviewers: 'They lied to us'. If you get elected on the basis of pipedreams you get found out. Tsipras and the other Syriza leaders could at least have said: 'We want to stay in the Eurozone but we do not discount the possibility that we could be forced to leave.'

If saying that meant that Syriza failed to get elected, then so be it: at least Syriza would have been in a much better position morally and politically to lead the mass struggle against dreadful austerity, which is what is facing the Greek working class now anyway. Now we have the worst of all worlds, with Syriza taking the responsibility for the austerity that it was elected to oppose.

The argument that Syriza would have failed to get elected unless it insisted on staying in the Eurozone, and therefore that's what it had to do, has dreadful implications for the socialist left. It implies that somehow we can avoid telling the truth to the working class and the oppressed about crucial difficulties and obstacles ahead. If you do that, you that you always get found out and it fatally undermines your credibility.

Didn't the Syriza leadership understand that the European leaders would never make major concession on austerity to a government led by the militant left? If they didn't understand that they are guilty of utter nativity: real 'dreaming in Technicolor'.

Yanis Varoufakis has revealed [7] that there were more militant alternatives discussed in the Syriza inner core leadership:

'He said he spent the past month warning the Greek cabinet that the ECB would close Greece's banks to force a deal. When they did, he was prepared to do three things: issue euro-denominated IOUs; apply a 'haircut' to the bonds Greek issued to the ECB in 2012, reducing Greece's debt; and seize control of the Bank of Greece from the ECB.

'None of the moves would constitute a Grexit but they would have threatened it. Varoufakis was confident that Greece could not be expelled by the Eurogroup; there is no legal provision for such a move. But only by making Grexit possible could Greece win a better deal. And Varoufakis thought the referendum offered Syriza the mandate they needed to strike with such bold moves - or at least to announce them.

'He hinted at this plan on the eve of the referendum, and reports later suggested this was what cost him his job. He offered a clearer explanation.

'As the crowds were celebrating on Sunday night in Syntagma Square, Syriza's six-strong inner cabinet held a critical vote. By four votes to two, Varoufakis failed to win support for his plan, and couldn't convince Tsipras. He had wanted to enact his 'triptych' of measures earlier in the week, when the ECB first forced Greek banks to shut. Sunday night was his final attempt. When he lost his departure was inevitable.'

The kind of approach outlined by Varoufakis has been

'Contrary to the widespread claim that suspending payment would result in exiting the euro, it would have been possible to stay in the Euro if a series of sovereign measures of self-defence and economic recovery such as a strict control on banks, currency, and taxation (see below) had been implemented.'[8]

Except that such measures would almost certainly have led meant Greece being thrown out of the Eurozone anyway.

This takes us on the debacle of the referendum. It is inexplicable to ordinary mortals in Greece and abroad, how you can get a majority in a referendum for continued resistance and then just capitulate days after. Nothing could be better designed to confuse and demoralise your own supporters and the working class as a whole.

It was precisely in the wake of the referendum that the time was right for bold moves of the kind described by Yanis Varoufakis in the *New Statesman* article quoted above. But they would have ensured a major clash with the Eurogroup and maybe Greece being ejected from the Euro.

Stathis Kouvlakis and others have pointed to the 'European obsession' of Syriza leaders. But there is something more fundamental at issue here. Seumas Milne says about exit from the Euro: 'The short-term costs of exit would certainly be harsh. But, combined with measures to take control of the economy and tax the oligarchs, it at least offers the chance of longer-term recovery.'[9]

Control the economy? Tax the oligarchs? Maybe nationalise the banks? Now here's dreaming in very vivid Technicolor! We're talking about measures that hit hard at major prerogatives of capital. You can't foist such measures on people in one go. You have to mobilise and prepare. And you certainly can't do it if you rule it out in advance.

Two things are very clear now. First there will, of necessity, be mass resistance to the harsh regime imposed on the Greek people. Fortunately the left of Syriza it seems will be fully engaged, along with the unions and others on the Greek left. There will be enormous strains inside Syriza as the right-Tsipras bloc struggles to keep control. New realignments on the Greek left seem inevitable.

After I wrote this came the news that Tsipras has purged his cabinet of left wing opponents. This sounds very like the preparation for a split in Syriza. Tsipras may be able to keep control of the government, but will he be able to control the party? Probably not: the danger of a split is acute.

Second, in the medium term this agreement cannot and will not stand. The question is - who will win the leadership of the fight against it and for a restoration of Greek sovereignty? As Yanis Varoufakis points out, there's a real danger of the emergence of a revitalised Greek nationalism led by Golden Dawn.

The people who voted against the deal in the Greek parliament were the left of Syriza, the KKE and Golden Dawn. All of these forces are now in a battle for leadership of the anti-austerity fight although of course in the case of Golden Dawn it will be purely a demagogic fight - aimed at demonising 'Germany' rather than international finance capital.

The Greek left faces the massive task of mobilising the workers, pensioners, youth and other sections of the oppressed around a programme of mass action to defeat austerity and privatisation, nationalisation of the banks, withdrawal from the Euro and the creation of a national currency and a national reconstruction plan. The left must now explain openly what it is necessary to avoid social and economic disaster at the hands of the Eurogroup.

Whatever happens now, the Greek people will more and more have to rely on the kind of 'solidarity

economy' established by working class and middle class people in Argentina following that country's default on its debts in 2001. These have been described in detail by Daniel Ozarow:

'For an entire year during 2002, Argentina became an incubator for radical experiment in self-organisation, participatory democracy and the solidarity economy. Neighbourhood assemblies sprang up in the country's urban centres, in which 'ordinary citizens' debated the political problems of the day and democratically allocated scarce resources to meet community needs; millions joined barter clubs to produce and receive essential goods and services when the banks ran out of money; workers came together to occupy abandoned factory plants, hotels and hospitals to re-establish production; and unemployed workers (piqueteros) marched in the streets alongside the struggling middle class who furiously banged their saucepans in protest under the slogan 'piquetero and pot-banger, our struggle is the same!'[10]

Much more than has happened so far, now is the time to step up practical measures of material aid to the Greek people from the international left and the workers movement.

Finally we will just note here that the events in Greece and the response by the Podemos leadership is bound to reopen debates about the fight to build broad left parties. In my view the issue is anti-capitalism. It is the anti-capitalist dynamic, the willingness to take measures that decisively break with the interests of finance capital, that is the eventual dividing line between consistent class struggle and capitulation.

Phil Hearse, 19 July 2015

NOTES

[1] Yanis Varoufakis interview with Harry Lambert full transcript: Our battle to save Greece, 13 July 2015, New Statesman, <http://www.newstatesman.com/world-affairs/2015/07/yanis-varoufakis-full-transcript-our-battle-save-greece>

[2] [\[Greece: Alternatives to the Capitulation – Some emergency measures\]](#), Eric Toussaint, 16 July 2015, ESSF (article 35453), <http://www.europe-solidaire.org/spip.php?article35453>

[3] The Making of Global Capitalism – The Political Economy of American Empire

by Sam Gindin and Leo Panitch, Verso, London, September 2013

[4] Treating Syriza Seriously, Sam Gindin and Leo Panitch, 13 July 2013, Socialist Project, <http://www.socialistproject.ca/bullet/1140.php>; and What Left choices in Greece? The Real Plan B: The New Greek Marathon, 17 July 2015, Europe Solidaire, <http://www.europe-solidaire.org/spip.php?article35462>

[5] [Greece: The Struggle Continues – An analysis of recent events and lessons for the European Left](#), Stathis Kouyvelakis and Sebastian Budgen, 14 July 2015, from Jacobin, available on ESSF (article 35431): <http://www.europe-solidaire.org/spip.php?article35431>

[6] The crucifixion of Greece is killing the European project, Seumas Milne, 21 July 2015, The Guardian, London, <http://www.theguardian.com/commentisfree/2015/jul/16/crucifixion-greece-killing-european-project-debt-colony-breakup-eurozone>.

[7] See note 1.

[8] See note 2.

[9] See note 6.

[10] Last tango in Athens?, Daniel Ozarow, 30 June 2015, Open Democracy,
<https://www.opendemocracy.net/daniel-ozarow/last-tango-in-athens>

P.S.

* “Dreaming in Technicolor”:

<http://socialistresistance.org/7612/dreaming-in-technicolour>