# Greece: The Struggle Continues

A definitive account of what has transpired over the last few weeks in Greece, and what's next for Syriza and the European left.

by Sebastian Budgen & Stathis Kouvelakis



In Athens, supporters of the "No" campaign wave flags after the first results of the referendum. Yannis Kolesids / EPA

The latest agreement between the Syriza government and the creditors shocked many on the Left who have been following events in Greece. It seems to signal the end of a whole political cycle.

In this interview with *Jacobin* contributing editor Sebastian Budgen, Stathis Kouvelakis, a leading member of the Left Platform in the party covers the latest sequence, to what extent expectations have been confirmed or disproved, and the next steps for the radical wing of the party.

Kouvelakis uses this opportunity to reflect more broadly on the balance sheet of the Left Platform's strategy, whether things could have been done differently, and what the prospects are for a more general left recomposition. What were the causes of the July referendum? Many saw it as something out of the blue, a wildcard that Greek Prime Minister Alexis Tsipras pulled out. But there is some uncertainty about his motivations — some even speculate that he thought he would lose.

I think that the <u>referendum</u> was clearly an attempt to get out of the trap into which the government was falling through the negotiating process.

It was quite obvious, actually, that during the downward spiral of concessions the government and Tsipras realized that whatever they proposed was never going to be enough for the troika. By the last week in June, it was clear that the agreement that was more or less taking shape would not pass the internal test within Syriza and would not pass the test of public opinion.

Messages were sent to the leadership and to Tsipras himself from inside the party, from well beyond the ranks of the Left Platform, that this was not acceptable. In the last days of that week, the change in public opinion was also significant, with people saying that they were just fed up with this process of endless negotiations. It was understood that the troika was just seeking to humiliate the Greek government.

Tsipras, who it has to be said is a kind of a gambler as a politician, thought of the referendum — an idea that was not entirely new and which was floated before by others in the government including Yanis Varoufakis — not as a break with the negotiating process but as a tactical move that could strengthen his negotiating plan.

I can be certain about this, because I was privy to detailed reports about the crucial cabinet meeting on the evening of June 26, when the referendum was announced.

Two things have to be said at this point. The first is that Tsipras and most of the people close to him thought it was going to be a walk in the park. And that was pretty much the case before the closure of the banks. The general sense was that the referendum would be won overwhelmingly, by over 70 percent.

This was quite realistic, without the banks closing down the referendum would have been easily won, but the political significance of No would have been changed, because it would have happened without the confrontational and dramatic atmosphere created by the bank closure and the reaction of the Europeans. What happened in that cabinet meeting was that a certain number of people — the rightist wing of the government, lead 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, <u>Euclid Tsakalotos</u>, are his people and he was the most prominent of those in the cabinet who really wanted to get rid of Varoufakis.

This wing thought that the referendum was a high-risk proposal, and they understood, in a way that Tsipras did not, that this was going to be a very confrontational move that would trigger a harsh reaction from the European side — and they were proved right.

They were also afraid about the dynamic from below that would be released by this initiative. On the other hand, the Left Platform's leader and minister of energy and productive reconstruction, Panagiotis Lafazanis said that the referendum was the right decision, albeit one that came too late, but he also warned that this amounted to a declaration of war, that the other side would cut off the liquidity and we should expect within days to have the banks closed. Most of those present just laughed at this suggestion.

I think this lack of awareness of what was going to happen is absolutely key to understanding the whole logic of the way the government has been operating so far. They just couldn't believe that the Europeans would react the way that they actually reacted. In a way, as I have said, the right wing of Syriza was much more lucid about what they were up against.

This explains also what happened during the week of the referendum at that level. Tsipras was put under extreme pressure by Dragasakis and others to withdraw the referendum. He didn't do that, of course, but he made it clear that his next moves were the ones that the right wing would agree with, and the measure was not a break with the line that had been followed up until that point, but was rather a kind of tactical move from within that framework.

## And that was the meaning of the kind of backtrack on the Wednesday before the vote?

Exactly. That Wednesday some people even talked about an internal coup happening, and Athens was brewing with rumors that Tsipras was going to withdraw the referendum. During his speech he confirmed the referendum but also made it clear that the referendum was conceived as a tool for getting a better deal and that this was not the end of the negotiation but just the continuation under supposedly improved conditions. And he remained faithful to that line during that entire week. One thing that I didn't understand about the process even from a public relations perspective is that he called a referendum over a series of proposed measures that he then called on people to reject and yet in the run-up to the referendum, he made a move towards the creditors that seemed to be even worse in some aspects than the measures that he was calling on people to reject.

## That all gave the impression of complete amateurism and chaos.

I've tried to reconstitute the intentions of Tsipras essentially to answer your question about whether he thought he was going to lose the referendum and to try to clarify the meaning the referendum had for him. But what is absolutely clear is that it unleashed forces that went far beyond those intentions. Tsipras and the government were clearly overtaken by the momentum that was created by the referendum.

They tried therefore by all means to put the devil back into the box. The way Tsipras dealt with pressure from Dragasakis — and why that Wednesday was so crucial — was that he accepted their line and sent that infamous letter to the Eurogroup and before that the letter asking for a new loan. This opened up the path for what was to come the week after the referendum.

But, on the other hand, in order to justify the fact that he could not without being totally ridiculed withdraw the referendum, he had to give some rationale for the initiative. He has to talk about fighting the austerity measures included in the Juncker package, about the blackmailing of the troika and the ultimatum he had been subjected to. And, of course, the dynamic that was developing from below at that moment seized that opportunity, took him at his word, and went ahead and to wage the battle against the troika.

This is a prime example of an initiative that was taken from above, as the result of internal contradictions, but ended up liberating forces that went far beyond a leader's intentions. This is very important, because it also has to be understood that one of the biggest difficulties that Tsipras has to face now after the surrender of yesterday's agreement is the very dubious political legitimacy of this move after the referendum.

We have to understand that it is a <u>complete illusion</u> to pretend that the referendum didn't happen. It did happen, and it's clear to both international public opinion and Greek society that Tsipras is betraying a popular mandate.

## So on the big debate — is Tsipras some sort of Machiavellian super-tactical genius or some type of wild gambler overtaken by events, you're definitely in the second camp?

Well, I'm definitely in the second camp provided that we clarify the following point: actually Tsipras and the leadership has been following very consistently the same line from the start. They thought that by combining a "realistic" approach in the negotiations and a certain rhetorical firmness, they would get concessions from the Europeans.

They were however increasingly trapped by that line, and when they realized that they were trapped, they had no alternative strategy. They consistently refused any other strategy, and they also made it practically impossible for another approach to be implemented when there was still time for that.

Now, in <u>the interview</u> he gave a couple of days ago to the *New Statesman*, Varoufakis says that a small team of people around him worked during the week leading to the referendum on an alternative plan including state control of the banks, issuing of IOUs and disconnection of the Greek central bank from the Frankfurt ECB, so on a sort of gradual exit. But that clearly came too late and was rejected by nearly all the rest of the economic team of the cabinet, by which he essentially means Dragasakis. And Tsipras, of course, validated that decision.

So we have to stress the continuity of the line of Tsipras. This is also the reason I think the word "betrayal" <u>is inappropriate</u> if we are to understand what is happening. Of course, objectively we can say that there has been a betrayal of the popular mandate, that people very legitimately feel they have been betrayed.

However, the notion of betrayal usually means that at some moment you make a conscious decision of reneging on your own commitments. What I think actually happened was that Tsipras honestly believed that he could get a positive outcome by putting forward an approach centered on negotiations and displaying good will, and this also why he constantly said he had no alternative plan.

He thought that by appearing as a loyal "European," deprived of any "hidden agenda," he would get some kind of reward. On the other side, he showed for some months a capacity to resist to the escalating pressure and made some unpredictable moves such as the referendum or travelling to Moscow.

He thought this was the right mix to approach the issue, and what happens is that when you consistently follow this line you are led to a position in which you are left only with bad choices. And the roots of that strategy: to what extent is it ideological blindness and to what extent is it pure ignorance? What is confusing to many is that you have a government composed of a large number of intellectuals, people who spent their whole lives studying contemporary capitalist political economy, both in the abstract and the concrete, people who are political activists.

## How can one explain what seems to be naïveté about their political opponents? Is it thoroughly rooted ideology or was it just a lack of experience with "high politics"?

I think we have to distinguish two elements within the government. The first is the rightist wing of the government led by two of the main economists, essentially Dragasakis but also <u>Giorgos Stathakis</u>. And then the core leadership, Tsipras and the people around him.

The first group had a consistent line from the outset — there was absolutely no naïveté on their part. They knew very well that the Europeans would never accept a break with the memorandum.

This is why Dragasakis from the outset did everything he could not to change the logic of the overall approach. He clearly sabotaged all the attempts for Syriza to have a proper economic program, even one within the framework that had been approved by the majority of the party. He thought that the only thing you could get was an improved version of the memorandum framework. He wanted his hands completely free to negotiate the deal with the Europeans, without himself appearing too much at the stage, he succeeded in controlling the negotiation team, especially once Varoufakis had been sidelined.

In summer 2013, he gave a very interesting interview that created a lot of buzz at the time. What he was proposing was not even a softer version of Syriza's program, but in reality a *different* program that was a slight improvement of the existing agreement that New Democracy signed. And then you have the other approach, that of Tsipras, which was indeed rooted in the ideology of left-Europeanism. I think the best illustration of that is Euclid Tsakalotos, a person who considers himself a staunch Marxist, someone who comes from the <u>Eurocommunist tradition</u>, we were in the same organization for years. The most typical statement from him which captures both his ideology and the outlook given to the government by the presence of all those academics is what he said in an interview to the French website <u>Mediapart</u> in April.

When asked what had struck him most since he was in government, he replied by saying that he was an academic, his job was to teach economics at a university, so when he went to Brussels he had prepared himself very seriously, he had prepared a whole set of arguments and was expecting exactly elaborated counterarguments to be presented. But, instead of that, he just had to face people who were endlessly reciting rules and procedures and so on.

Tsakalotos said he was very disappointed by the low level of the discussion. In the interview to the *New Statesman*, Varoufakis says very similar things about his own experience, although his style is clearly more confrontational than Tsakalotos's.

From this it is quite clear that these people were expecting the confrontation with the EU to happen along the lines of an academic conference when you go with a nice paper and you expect a kind of nice counter-paper to be presented.

I think this is telling about what the Left is about today. The Left is filled with lots of people who are well-meaning, but who are totally impotent on the field of real politics. But it's also telling about the kind of mental devastation wrought by the almost religious belief in Europeanism. This meant that, until the very end, those people believed that they could get something from the troika, they thought that between "partners" they would find some sort of compromise, that they shared some core values like respect for the democratic mandate, or the possibility of a rational discussion based on economic arguments.

The whole approach of Varoufakis's more confrontational stance amounted actually to the same thing, but wrapped in the language of game theory. What he was saying was that we have to play the game until the very, very, very end and then they would retreat, because supposedly the damage that they would endure had they not retreated was too great for them to accept.

But what actually happened was akin to a fight between two people, where one person risks the pain and damage of losing a toe and the other their two legs. So it is true that there was a lack of elementary realism and that this was directly connected with the major problem that the Left has to face today — namely, our own impotence.

And this Europeanism that you describe in the center faction of the Syriza leadership, what is its ideological nature? Because these are not liberals or even Negrian federalists — these are people who think of themselves in most cases as Marxists? Is there an influence from Habermas or Étienne Balibar?

I think that, in this case, <u>Balibar</u> is probably more relevant than <u>Habermas</u>. Once again, I think we have to take Tsakalotos at his word. He gave an interview to Paul Mason just the day after European Commission President Jean-Claude Juncker's very humiliating counter-proposals were sent.

When Mason asked him about the euro, Tsakalotos said that exit would be an absolute catastrophe and that Europe would relive the 1930s with the return of competition between national currencies and the rise of various nationalisms and fascism.

So for these people the choice is between two things: either being "European" and accepting the existing framework, which somehow objectively represents a step forward compared the old reality of nation-states, or being "anti-European" which is equated with a falling back into nationalism, a reactionary, regressive move.

This is a weak way in which the European Union is legitimated — it might not be ideal but it's better than anything else on the table.

I think that in this case we can clearly see what the ideology at work here is. Although you don't positively sign up to the project and you have serious doubts about the neoliberal orientation and top-down structure of European institutions, nevertheless you move within its coordinates and can't imagine anything better outside of its framework.

This is the meaning of the kind of denunciations of Grexit as a kind of return to the 1930s or Grexit as a kind of apocalypse. This is the symptom of the leadership's own entrapment in the ideology of left-Europeanism.

### It's easier to imagine the end of capitalism than the end of the European Union or even of the euro?

Exactly, I wrote as much a few years ago.

## And yet this kind of softness on the European Union is inconsistent with Nicos Poulantzas's own view, despite some intellectuals using Poulantzas to defend the leadership position.

Yes, <u>Poulantzas</u> talked about the European integration in the first part of his book on social classes in contemporary capitalism, in which he analyzes the processes of internationalization of capital and he clearly considered the European Economic Community an example of an imperialist form of internationalization of European capital within the framework of what he considered the new postwar structural hegemony of the United States.

Let's talk about the referendum itself again. The referendum happened in a context of liquidity crisis, banks closing, hysterical media backlash, and other parties pushing for the "yes" vote. But then something happened to trigger a counter-reaction of enormous scale from ordinary Greeks.

Were they driven by national pride, was it mainly a class issue, or did, as Paul Mason and others speculate, memories of the Civil War play a role? What are the key sources of the "no" vote?

Of all the factors that you mentioned, the least relevant is the one that relates to the Civil War. We have to see that No dominated in even very traditional right-wing areas of the country like Laconia, near Sparta, Messinia, or other areas in central Greece where the Right dominates like Evrytania. The "no" vote was a majority in all the counties of Greece.

The class dimension was definitely the most important out of the three you mention, which I'll go through in order of importance. Even relatively mainstream commentators recognized that this was the most class-divided election in Greek history. In working-class districts you had 70 percent and above for "no," in upper-class districts you had 70 percent and above for "yes."

The hysterical backlash of dominant forces and the dramatic concrete situation created by the closure of banks and the cap on cash withdrawals and so on, created within the popular classes a very easy identification that the Yes camp was everything they hated. The fact that the Yes camp mobilized all these hated politicians, pundits, business leaders, and media celebrities for their campaign only helped to inflame this class reaction. The second thing that is equally impressive is the radicalization of the youth. This is the first moment since the crisis that the youth in its mass actually made a unified statement. Eighty-five percent of those from eighteen to twenty-four voted "no," which shows that this generation, which has been completely sacrificed by the memorandum, is very aware of the future ahead of it and has a clear attitude with regards to Europe.

The French daily *Le Monde* had this article asking how come these young people, who had grown up with the euro, <u>Erasmus programs</u>, and European Union are turning against it, and the response from all those interviewed was simple: we have seen what Europe is about, and Europe is about austerity, Europe is about blackmailing democratic governments, Europe is about destroying our future.

This also explains the massive and combative rallies of that week, especially culminating with the Friday, July 3 rallies in Athens and other major cities in Greece.

And the third dimension is certainly that of national pride. This explains why outside the big urban centers, where the class lines are more blurred, in the Greece of the countryside and small cities, even there the "no" vote won a majority. It was a "no" to the troika, it was a "no" to Juncker. It was perceived that even for those who are skeptical of the government and don't identify with Syriza or Tsipras saw that this was clearly an attempt to humiliate an elected government and maintain the country under the rule of the troika.

## You went around several workplaces to campaign for No. Can you talk a little bit about that and what reception you faced?

It was of course a very unique experience. There was a disparity of situations — the atmosphere was tough within the railways, a company that has already been largely dismantled and whose remainder will be privatized, and the workers knew that the Syriza government had already accepted the privatization of the railways. It was included even in the first list of reforms announced by Varoufakis after the <u>February 20 agreement</u>.

But despite the varying contexts, in all these places, the discussion was around two different issues: why has the government done so little so far, why has it been so timid? And also what are you going to do after the No victory?

It was totally clear for these people that No would win, because the Yes campaign was invisible in workplaces and among the working class generally, so there was no doubt about what the result would be. But there was a massive amount of anxiety about what would happen after the victory. So the questions were: what are your plans? What are you going to do? Why do you still talk about negotiations when for five and a half months we have seen this approach clearly fail?

I was in a very embarrassing situation, because, in my role as a Syriza spokesperson and central committee member, I couldn't give convincing answers to all this.

## No, of course, won massively. Were you surprised by the scale of the victory?

Yes, I was not expecting the No to reach the threshold of 60 percent. It has to be said that among the top Syriza cadres, only Lafazanis had predicted that and very few even among the Left Platform agreed with him. Most expected something like 55 percent.

## The first immediate impact of this massive victory of the "no" vote was to increase the disintegration of the opposition parties.

On the very evening of the result, these people were completely defeated — this was by far the hardest defeat of the pro-austerity camp since the start of the crisis. It was much clearer and more profound than the January elections, because they had regrouped and mobilized all their forces but still suffered a devastating defeat. They didn't win a single county in Greece.

New Democracy leader and former Prime Minister Antonis Samaras resigned almost immediately. And then, only hours later, this entire camp was resuscitated and legitimized by Tsipras himself when he called for the "council of political leaders" under the chair of the president of the republic, an open Yes supporter, who had been appointed by the Syriza majority in parliament in February.

At that meeting you saw an extraordinary thing happen — the head of the victorious camp accepted the conditions of the defeated camp. This, it has to be said, is something that's unique in political history. I don't we've ever seen this before.

The government was perhaps surprised by the strength of the "no" vote, and the class nature it must have understood as well, but its interpretation was simply that it confirmed the initial plans? There was no registering that something deeper was at work? I can't really speak for the way they have interpreted the referendum, because everybody has been absorbed by the so-called negotiations, which are just a joke of course. I think the best expression for those negotiations was reported by the *Guardian* correspondent in Brussels, Ian Traynor, who wrote that an EU official <u>called them</u> an "exercise in mental waterboarding."

What is clear, however, is that the government immediately took those initiatives to deactivate the dynamic that was emerging with the referendum. And this is why hours after the announcement of the final resort, this meeting of all the political leaders was called, which fixed somehow an agenda entirely different from that expressed by the "no" vote.

The content of this new agenda was that whatever happens — that was of course already there in moves inspired by Dragasakis made the week before — Greece had to stay in the eurozone. And the most emphatic point of the joint statement signed by all the political leaders — with the exception of the Greek Communist Party (<u>KKE</u>), who refused to sign, and the <u>Nazis</u>, who were not invited to the meeting — was that this referendum was not a mandate for a break but a mandate for a better negotiation. So from that moment onwards the mess had been set.

### Is there any evidence that people's positions on the question of the eurozone were shifting during the time of the referendum?

Of course they were shifting. The argument that was constantly repeated by the media, by the political leaders of the Yes camp, but also by all the European leaders who clearly interfered in the referendum in the most blatant way during that week, was that voting for No was voting against the euro. So it's completely irrational to say that the people voting for No were not in the very least taking the risk of a possible exit from the euro if that was the condition for saying "no" to further austerity measures.

It's also worth saying that what was happening during that week was a process of radicalization in public opinion. You could feel and hear that in the streets, workplaces, all kinds of public spaces. Everywhere, people were just talking about the referendum, so it was quite easy to perceive the popular mood.

I'm not suggesting it was homogenous. People made the argument that voting "no" would actually just give the government another card for the negotiations. I'm not saying that this is not true. But we also must understand that the massive character of the "no" vote in the country means that the people, more particularly in the working class, in the youth and in the impoverished middle strata, had the feeling that they had nothing to lose anymore, and they were willing to take risks and to give a battle. The combative spirit of the Friday rallies was another indication of that. It was quite impressive. Personally, I have seen nothing like that in Greece since the 1970s.

Let's talk about the July 11 vote in parliament on the proposals sent by the Greek government to the Eurogroup. It became clear at that moment that the government had accepted the perspective of a new austerity plan.

Those proposals were finally approved by 251 MPs out of 300, with the pro-austerity parties massively backing them.

One of the conditions posed by the lenders was that the proposals of the Greek government had to be approved by the parliament, knowing that this did not make sense. It's not even strictly speaking constitutional, because the parliament can only vote for bills or international / inter-state agreements, they cannot vote on a simple document that is the basis for negotiation and can be changed during the negotiation at any time.

But it was a symbolic move that gave carte blanche to the government to negotiate on a dramatically scaled down basis. The proposals of the government were only a slightly scaled down version of the Juncker plank that was rejected in the referendum. So actually what the government was asking for was approval for its Uturn during that week.

## But the picture inside Syriza's parliamentary group looks more complex. So let's talk all about the differentiation within Syriza's ranks and the position that the Left Platform took.

The position of the Left Platform was significantly debated internally, specifically inside the major component of the platform, which is the Left Current led by <u>Panagiotis Lafazanis</u>. The majority opinion was that we should go for a differentiated vote at that stage, which meant some people had to vote "present" in the vote itself which practically amounts to the same as a "no" vote, though perhaps with a lesser symbolic meaning—

#### Why is it the same as a "no" vote?

Because it doesn't change the fact of the requisite majority that a proposal needs in order to pass. In any case you need 151 votes to get it passed.

There is another part of the group who'd vote in favor of those proposals while at the same time issuing a statement, saying two things. First that were in a position of political solidarity with those who rejected it — with those who voted "present" in this case, who don't accept this agreement — and that they would not vote for an agreement containing austerity measures.

And perhaps the second point is even more important than the first (we'll come back to that in a moment certainly). The reasoning is that Greek constitutional practice is the following: on every bill the government has to show that it has a majority coming from its own ranks, from the party itself or from the coalition, which is the case here if we take ANEL, the party of the Independent Greeks, into account. And, in fact, actually the government lost control of its own majority.

Although it is not legally binding, it is the case that, in Greek constitutional history, when a government loses control of its majority, the famous *dedilomeni* as it is called ("declared majority"), it has to go for new elections. This is why immediately the discussion of new elections started. The new elections have already been announced — now it's just a question of when they are going to happen.

So we can see that this line — with which I personally disagreed, I am among those who favored a homogenous "no" vote or "present" vote — failed because actually with the seven Left Platform MPs who voted present plus some Syriza MPs who also voted present (most significantly <u>Zoe Konstantopoulou</u>, the president of the parliament, and Rachel Makri, a former ANEL MP who is now very close to her) the government had already lost its own majority.

However, there is a bottom line now: all the MPs of the Left Platform will reject the new memorandum in the next vote, this has already been announced. To this I have to add that the two MPs of the Left Platform who are not members of the Left Current but close to the Red Network (and <u>DEA</u> and others), the Trotskyist component of the platform, voted "no," and they were the only two Syriza MPs to vote "no" to the new agreement.

So what you're saying is that the Left Platform took this complicated position, at least complicated outside the meeting rooms of the National Assembly, because it had miscalculated how unpopular the Tsipras proposal would be? It had underestimated the degree to which people outside the ranks of the Left Platform would step forward and oppose it? They imagined that they were kind of the "last of the Mohicans." They thought if they voted "no," they would bring the downfall of the government and trigger new elections whereas in fact there was a broader crisis going on that involved, for example, the leader of the parliament, and they didn't factor that into their calculations? That they were carried by a sense of legitimism?

I would say it was essentially legitimism, it was to show that their intention was not to somehow overthrow the government, but to express their disagreement with its actions, to issue a warning that it was about to cross the final red line. So it was to express the illegitimacy of Tsipras's move without, at that stage, opting for a clear-cut break with it.

I have to add that the two most important ministers and figures of the Left Platform, Lafazanis himself and the deputy minister of social affairs, Dimitris Stratoulis voted "no" in order to make it clear. Lafazanis also issued a statement saying that while that was the political position of the Platform, they were not trying to overthrow the government.

## But do you think that the newly radicalized layers of the Greek working class who had just won a referendum understood what was going on?

Well they understood that the government had lost control of its own majority. The media did the job for us, focusing on Lafazanis, covering who voted "no," "present," and "absent," etc. I also have to add that among those who were absent were the four MPs of the Maoist current (KOE) and Yanis Varoufakis himself, who supposedly had "family obligations." So the media had done the work for us, and everyone became aware that there was a split within Syriza's parliamentary group.

Immediately, the most rightist elements of Syriza demanded that those who had disagreed one way or another resign immediately from their positions, including their parliamentary seats. So it was quite clear that Syriza was fractured, though of course the tactics were unclear. The most symbolic and crucial vote will happen now. Last week's vote was a vote on the proposals for the negotiation. The next vote, which will determine the future of Syriza and the country, will be the vote on the agreement signed on Sunday. And I think the information I have so far is that the vote will be absolutely clear, and in the popular memory will be the real parallel with the famous May 2010 and February 2012 votes, when everybody was looking at each individual, each individual MP, to see how they would vote in this occasion.

## What do you think of the argument of people like Alex Callinicos, who <u>you debated</u> a few days ago, which is that this was a moment in which the Left Platform had the legitimacy of the referendum and somehow fumbled that opportunity?

I think it is too early to say if we lost it or not. Things are not decided on a single moment — not on that moment at least. It is a process unfolding now, and I think the real shock in the broader society is coming with the new signed agreement.

At this stage, what I can say is that the decision of the Left Platform is to reclaim the party and demand a party congress. I think it's quite clear that this U-turn of Syriza has only minority support within the party.

Of course, we all know that bureaucratic manipulations of party procedures are endless and display infinite capacity to innovate. However, it is very hard for me to see how the majority of Syriza members could approve of what has been done. Essentially the leadership will ferociously resist the call for a congress. We'll see what happens, because the statutes allow us to call for a central committee meeting and so on.

But objectively, the process leading to the disintegration of Syriza has already started. Syriza as we knew it is over and splits are absolutely inevitable. The only issue now is how they will happen and what form they will take.

However what is also likely to happen is a drastic reshaping of a governmental majority, towards some form of "national unity" or "great coalition" cabinet. The whole logic of the situation points to that direction. The four ministers of the Left Platform will leave the cabinet this week and tomorrow's vote in parliament on the agreement will validate the existence of a new pro-austerity majority, regrouping most of the Syriza's MPs and all other parties, with the exception of the KKE and the Nazis. It is expected that as many as forty Syriza MPs will reject the agreement and they might be followed by some from the Independent Greeks. Already the leader of To Potami behaves like a minister in waiting and the Right discusses quite openly the possibility of joining the government, although no such decision has been taken yet.

## But what you are describing is the Left Platform acting as a disciplined bloc. So you suggest that it is not internally fissured, that the vote was not a manifestation of such a thing but a tactical maneuver?

We had some individual losses, but they were quite limited, and we have succeeded in preserving the coherence of the Left Platform. Clearly, I think it was a mistake not to have presented <u>our</u> <u>alternative plan</u> before, but a document has been submitted in the plenary meeting of the parliamentary group, and that was put forward as a common statement of the Left Platform, involving the two components of the Left Current and the Red Network. It's absolutely crucial to maintain the coherence between those two components. But it's even more crucial, actually, for the Syriza left to operate in a cohesive way.

There are all kinds of initiatives from beyond the ranks of Left Platform to react to what is happening. Already we know that the tendency of the so-called Fifty-Three (the left wing of the majority) has disintegrated, and there will be major realignments on that side. The key thing is for us to act as the legitimate representation of the No camp, the anti-austerity camp, which is the majority in Greek society and which has been objectively betrayed by what is happening.

## And, constitutionally, is the leadership in a position to purge the party?

It is certainly in a position to purge the government, and this is a good thing. Of course, it means that the Left Platform ministers will soon be expelled from the cabinet. About the party, we'll see.

#### But there are mechanisms they could use?

It's very difficult to expel someone from the party, but we'll see how they manipulate the procedures at the central committee level.

## And you can force people to resign their seats, or not?

No, you can't. It's totally impossible. There has been a kind of charter adopted by all Syriza candidates elected MPs, saying they should resign from their seat if they disagree with the decisionmaking of the majority. But the decisions of the government haven't been approved by any party instance. The central committee of the party, which is the only elected body by the party congress, hasn't been convened for months. So the legitimacy of those decisions inside the party, and of course inside Greek society, is simply nonexistent.

## But, if there are new elections, the party leadership can exclude people?

That's clearly their plan. There was even talk of that happening before the referendum, during the last phase of the negotiation process when the deadlock was becoming more and more apparent — people were saying Tsipras should call for new elections and in between the elections purge all the candidates of Syriza's left. And I think this is the type of plan they certainly have in mind. So it will be a race between the functioning and legitimacy of the party and the way to manipulate the political agenda and timetable, more particularly calling for new elections.

## What is your assessment of the agreement signed last weekend between the Greek government and the Eurogroup?

The <u>agreement</u> is at all levels the total continuation of the shock therapy applied consistently to Greece over the last five years. It goes even further than everything that has been voted on so far. It includes the austerity package that was being consistently put forward by the troika for months, with high primary surpluses targets, increasing the revenue through VAT and all the exceptional taxes that have been created these last years, further cuts to pensions, and in public sector wages actually because the reform of the salary scale will certainly entail cuts in wages.

There also important institutional changes, with the inland revenue becoming fully autonomous from domestic political control, actually it becomes a tool in the hands of the troika, and the creation of another "independent" board, monitoring fiscal policy, and habilitated to introduce automatically horizontal cuts if the targets in terms of primary surpluses are not met. Now what has been added, and gives a particularly ferocious flavor to this agreement, are the following: first it emphatically confirmed that the IMF is there to stay. Second, the troika institutions will be permanently present in Athens. Third, Syriza is prevented from implementing two of its major commitments like reestablishing labor legislation — there were some vague references to European best practice, but it was explicit that the government could not return to past legislation — and of course this is also true for increasing the minimum wage.

The privatization program is scaled up to an incredible level we're talking about €50 billion of privatization — so absolutely all public assets will be sold. Not only that, but they will be transferred to an institution, all of them, completely independent from Greece. There was talk of it being in Luxembourg — actually it will be based in Athens — but it will be completely removed from any form of political control. This is typically the kind of Treuhand process that privatized all the assets of the East Germany.

And the strongest of all these measures is that with the exception of the bill on humanitarian measures — which is very reduced of what Syriza's program, essentially a symbolic gesture — on all the rest of the few bills passed by the government on economic and social policy, the government will have to repeal them.

## And what about all these issues all the liberals and social democrats use to give politically correct arguments for austerity, namely the defense budget and the Orthodox church?

There is nothing about the church. There is a slashing of the defense budget indeed put forward, and there was a vague discussion about making the repayment of the debt more viable, while explicitly rejecting any writing off or cancellation of the debt, properly speaking.

This will change almost nothing because already the interest rate of the Greek debt is quite low, and the annual repayments are extremely stretched out over time, so there is very little you can do to alleviate the burden of the debt in that way. And we should not forget that the agreement is just a preliminary for the memorandum that will accompany a new 86 billion loan, that will of course lead to a further rise of the debt.

So the vague clause about a future reconsideration of the the terms of debt repayment an essentially rhetorical move that just allows Tsipras to say that they have now recognized the necessity of dealing with the issue of the debt. It is pure rhetoric, empty words.

#### Do you think it was a mistake of the

## government and the Left not to have done something more about the Orthodox church, the army, and the defense budget, and therefore give arguments to the other side?

This is, honestly, not the priority. The Greek debt is essentially due to the broader economic situation in the country of unsustainable growth fueled by borrowing all those previous years, and is due to the fact that the Greek state has not been properly taxing capital or the middle and upper classes. This is the core of the problem. Not the myth about the church.

It's difficult: taxing the church is not something that can be done overnight, because the assets owned by the church are extremely diverse. Most of them take the form of companies, or revenue that comes from land, or real estate. So there is a myth about this, when actually if you tax this type of revenue and wealth properly, you also tax the church itself.

## So there's not some idea that the government was afraid of the political cost, either vis-à-vis ANEL, or more generally in the country, of taking a tough line with the church?

Look, there are many things we can criticize this government for, but honestly them trying somehow to shift the burden of responsibility to ANEL is the least relevant one.

I would even say the most shocking moves in the realm of defense or foreign policy — for instance, continuing the military agreement with Israel, carrying out joint exercises in the Mediterranean with the Israelis — all these are decisions made by key Syriza people, like Dragasakis. It's quite telling that he was representing the Greek government in the reception given by the Israeli embassy to celebrate twenty-five years of normal diplomatic relations between Greece and Israel.

And what about the other spin people are trying to put on this: that Tsipras has reintroduced politics into these technical discussions, he's exposed the other side for what they really are, now in public opinion Merkel and the others are shown for the monsters they really are, and so on . . ? Inadvertently, I think this is the case. A comrade sent me a message saying it is true the Syriza government has succeeded in making the EU much more hated by the Greek people than anything <u>Antarsya</u> or KKE has been able to accomplish in twenty years of anti-EU rhetoric in that field!

Let's talk about what is to come now. There is a vote on the new austerity package this week, which you're confident the Left Platform will vote against, an emergency congress of the party to try and regain the majority with potentially splits or expulsions. What then? A reconstruction of the Left with elements of Antarsya?

It's early to discuss such future prospects.

## But relations between the Left Platform and Antarsya have improved?

I think what was important is the fact that most sectors of <u>Antarsya</u> really fought with a high spirit the battle of the referendum, and in many places there were local committees involving all the forces of No, which means essentially Syriza and those sectors of Antarsya. So I think there is a political possibility that needs to be explored.

However, I'm not that optimistic about Antarsya as such because I think the glue that holds this whole coalition together is still traditional ultra-leftism. We can already see that what they say of this defeat is that they have been vindicated, this is the failure of all left reformisms, and what we need is a properly revolutionary party, and of course that they are the vanguard that constitutes the core of that party and they will continue down that road. So I think there will be some recomposition, but I expect that to be on a limited scale.

And, potentially, some social movement activity today, talk of a general strike in the public sector? This is the most decisive factor still unknown. What is the bigger picture now? We have a new memorandum, and we have a reconfiguration of the parliamentary majority that is behind this new memorandum. This will be symbolically validated by the forthcoming vote, where we will see most of Syriza MPs voting together once again with pro-austerity parties for a new memorandum, and once again we have a gap between the political representation of this country and the people. So this contradiction needs to be resolved.

Clearly this field is now open for the Nazis. They will certainly try to make the best use of it. They have already voted against the Greek proposal, they will certainly vote against the new memorandum, they will certainly call it a new betrayal. The big question is what will be the level of social mobilization against the tsunami of measures that will fall now on the shoulders of the working people and of course the absolute urgency of reconstituting a fighting, antiausterity left. That's the main challenge of course.

We know we have some elements to reconstruct the Left, we know the heavy responsibility lies on the shoulders of Syriza's left, in the broad sense of the term. In the narrowest sense of the term an even heavier responsibility lies on the shoulders of the Left Platform because it is the most structured, coherent, and politically lucid part of that spectrum of forces. So that will be the test of the coming months.

Let's step back a bit and look at the process as a whole, and the <u>first interview</u> you gave to *Jacobin*: first on the broad strategic question of the Left Platform working within the government and within social movements simultaneously, what is your balance sheet on that?

First of all let's start with the broader picture. What I had said in the interview is that there are only two possibilities for the Greek situation, confrontation or capitulation. So we had capitulation, but we also had confrontational moments that were very poorly led on the side of the government. That was the real test.

Obviously the strategy of the "good euro" and "left-Europeanism" collapsed, and many people realize that now. The process of the referendum made that very clear, and the test went up to its extreme limits. This was a tough lesson, but a necessary one.

The second hypothesis I formulated at the time was you need political successes, including at the electoral level, to trigger new cycles of mobilization. I think this also proved to be true, in two crucial moments. The first was the first three weeks after the election, when the mood was very combative, confrontational, and the spirits were very high. This ended with the agreement of February 20. And, from that moment on, it was a relapse to the mood of passivity, anxiety, and uncertainty about what was going on. The second moment was the referendum, of course. Then we saw how a political initiative that opens up a confrontational sequence liberates forces and acts as a catalyst for processes of radicalization in broader society. This is a lesson we also need to take from this.

On the relation of social movements and the Left Platform now. Well, given how poor the record of the government has been, what we can say is that there have been no specific government initiatives that could open up concrete spaces for popular mobilization. Those measures were actually never taken. So this hypothesis, at that level at least, has not been tested. And what is ahead of us is something much more familiar, that is mobilizing against the policies of a government converted to extreme austerity.

More generally, Syriza implemented almost nothing of its electoral program. The best Left Platform ministers have been able to do is block a certain number of processes, particularly privatization in the energy sector that had been previously initiated. They won a bit of time, but that was all. What we also clearly saw in that period is that the government, the leadership, became totally autonomous of the party. That process had already started — we talked about it in our last conversation — but now it has reached a kind of climactic level.

It was also increased by the fact that this whole negotiation process by itself triggered passivity and anxiety among the people and the most combative sectors of society, leading them to exhaustion. Before the referendum the mood was clearly, "We can't stand this kind of waterboarding process anymore, at some point it has to end."

This is something personally I hadn't foreseen. I thought the pace would be quicker. I hadn't foreseen that this process of being increasingly trapped in this absolute deadlock lasting for so long, limiting enormously our own room for initiative.

This is the moment of course of inevitable self-criticism, which is only just starting. Clearly, the Left Platform could have done more in that period in terms of putting forward alternative proposals. The mistake is even clear because the alternative document itself was there, there was just internal hesitation about the appropriate moment to release it. We had been neutralized and overtaken by the endless sequence of negotiations and dramatic moments and so on, and it was only when it was already too late, in that plenary meeting of the parliamentary group, that a reduced version of that proposal was finally made public and started circulating. This is clearly something we should have done before.

And what do you make of the attacks on Costas Lapavitsas's statements about Greece not being ready for Grexit and therefore, in a sense, there being no way out? One of the problems with that formulation is that, although it's empirically true there were no preparations for Grexit, it's kind of a self-reinforcing statement, because the people who want Grexit would never be in the position to make the preparations.

I think that Costas's statement has been misinterpreted. First of all Costas is one of the five people who signed the document offered by the Left Platform which makes it clear that an alternative is possible even now, immediately.

What Costas wanted to emphasize in the declaration he made, behind closed doors in the parliamentary group, is the following: that Grexit needs to be prepared for practically and that there was a political decision to not prepare anything and therefore cutting off any possibility, materially speaking, of alternative choices at the most critical moment.

It was that bridge-burning type of strategy that was very systematically put forward by the government. And I think this was the obsession more particularly of Giannis Dragasakis — he made it impossible to make any moves towards public control of the banks. He is the man of trust actually of the bankers and sectors of big business in Greece and has made sure that the core of the system would remain unchanged since Syriza took power.

## And you confirm there were initial preparations for Grexit put on the table and rejected?

Very vaguely. In restricted cabinet meetings, the so-called government council, where only the ten main ministers take part, Varoufakis had mentioned the necessity in the spring to consider Grexit as a possible action and prepare for that. I think there were some elaborations about parallel currency, but all this remained quite vague and poorly prepared. Now, as I said before, in his *New Statesman* interview, Varoufakis presents a narrative according to which he prepared an alternative plan during the lineup to the referendum. But this is also a confession on how belated all this came.

## What would you say now — apart from the issue of pace and demoralization — you failed to understand, or understood only incompletely at the beginning of this process, that you understand better now?

I have rewound the film in my head innumerable times all these years trying to understand the moments of bifurcation. And, for me, the decisive moment of bifurcation in the Greek situation was the period immediately after the peak of the popular mobilizations in the fall of 2011 and before the electoral sequence of spring 2012.

As you might know, I was very involved with <u>Costas Lapavitsas</u> and other comrades including the leadership of the Left Platform at that stage, in initiatives to constitute a common project of all the anti-Europeanist left.

The discussions were quite advanced, actually, because there was even a document drafted by Panagiotis Lafazanis, and then amended by other people participating in those discussions. The idea was to open up a space of common discussions and actions between the Left Platform of Syriza, certain sectors of Antarsya, and some campaigns and social movements.

This initiative never came to fruition because it was categorically rejected, at the final stage, by the leadership of the main component of Antarsya, NAR (the New Left Current), which showed how unable they were to understand the dynamic of the situation and the need to change somehow the configuration of forces and the mode of intervention on the Left.

Once this possibility was closed off, the only remaining one was what was eventually realized. The existing forces of the radical left were put to the test, and somehow only Syriza was able to seize the momentum and give political expression to the need for an alternative.

We could say, in hindsight, that some sections of the Greek left that were less tied to party politics could have taken a Podemos type of initiative, or perhaps more realistically, a Catalan CUP-type of initiative with sectors perhaps of the far left but of the more movementist tenor. But, once again, there were no such sectors ready to do that. Everyone was much too linked to the limitations of the existing structures, and the only attempt to redistribute the cards failed to materialize, in this case because the weight of traditional ultraleftism proved too strong.

#### Is there anything you want to add?

Yes, I want to add a more general reflection about what is the meaning of being vindicated or defeated in a political struggle. I think what, for a Marxist, is necessary is a kind of historicized understanding of these terms. You can say, on the one hand, that what you've been saying is vindicated because it's proved true.

It's the usual I-told-you-so strategy. But, if you're unable to give a concrete power to that position, politically you are defeated. Because, if you are powerless and you have proved unable actually to transform your position into mass practice, then obviously politically you haven't been vindicated. That's one thing.

The second thing is not everyone has been defeated in the same way and to the same extent. I want to stress that. I think it was absolutely crucial for the internal battle inside Syriza to have been waged.

Let me be clear about this. What was the other option? Having passed the test of that decisive period, both KKE and Antarsya have proved, in very different ways of course, how irrelevant they are. For us, the only alternative choice would have been to break with the Syriza leadership sooner. However, given the dynamic of the situation after this crucial bifurcation of the late 2011 to early 2012 moment, that would have immediately marginalized us.

The only concrete result I can see would be to add a couple more groups to the already ten or twelve groups constituting Antarsya, and Antarsya instead of having 0.7% being at 1%. That would mean Syriza would have been offered entirely on a platter to Tsipras and the majority, or at least to those forces outside the Left Platform.

Now in Greek society, it's clear that the only visible opposition to what the government is doing from the left is KKE. You can't deny that, but they are totally irrelevant politically. We haven't talked about the role of the KKE during the referendum, but it was an absolute caricature of their own irrelevance. They called actually for a spoiled vote, they asked the voters to use the ballot papers they've made themselves, with a "double no" written on them (to the EU and to the government). These papers were of course not valid the whole operation ended up in a fiasco. The KKE leaders weren't followed by their own voters, about 1% of the voters overall, perhaps even less, used those invalid ballot papers. And, aside from them, there is the Left Platform. Greek people know, and the media constantly repeat that, that for Tsipras, the main thorn is Lafazanis and the Left Platform. We can add <u>Zoe</u> <u>Kostantopoulou</u> to this. I think that's what we've gained from that situation. We have a basis from which to start a new cycle, a force that has been at the forefront of that political battle and carries this unprecedented experience.

Everyone understands that if we fail to be up to the challenge, it will indeed be a landscape of ruins for the Left after this.

From that perspective, which is the perspective of the reconstruction of the anticapitalist left, without pretending that we are the only force that will play a role, we recognize how major the stakes are, which puts a very high responsibility on what we will be doing in the here and now.

Thanks to Nantina Vgontzas for question suggestions.

#### 7.14.15

Sebastian Budgen is an editor for Verso Books and serves on the editorial board of *Historical Materialism*. Stathis Kouvelakis teaches political theory at King's College London and serves on the central committee of Syriza.

#### **Key Points**

The government was overtaken by the referendum's momentum.

The ideology of left-Europeanism was crippling.

Remaining unprepared for Grexit was deliberate.

The government has two main camps.

The "No" campaign was driven by class.

After the vote, Tsipras revived a discredited opposition.

The Left Platform plans to stay and fight to reclaim Syriza.

Syriza's leadership want to purge the party.

The new agreement is the worst yet.

It's unknown what resistance will follow.

Syriza's left made some errors.

But working within the party wasn't a mistake.