

# Brexit versus Grexit: Hypocrisies in the European Financial Project

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Region: [Europe](#)

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*There is an undercurrent that links both the conservatives and some on the left who have been keen to see states such as Greece, and more lately Britain, flee the chains of EU financial administration. "The alternative to remaining in a structurally unsafe building is, of course, walking out," suggests Daniel Hannan in that long time organ of conservative commentary, The Spectator.[1]*

The curious position for such opposition to the Eurocrat position lies in the fact that Greece was pilloried when it could just as well have undergone a dramatic, albeit painful "de-linking" process. This could have led to a range of debilitating yet emancipating consequences, though it is hard to see how the country, given its size and vulnerability, could have gone far without eventually falling into further catastrophe. The tragic result has been capitulation and economic occupation, one that is hardly going to abate till the next round of measures comes up for debate.

The British financiers were hardly the ones to accept that a Greek exit might be warranted to preserve sovereignty and any remote semblance of independence. The banks needed their greed-induced fill, and the opposition to the EU by their defenders was not based on the prospect of social justice but economic bank balances.

Having said that, a leaked account last year revealed how Britain's David Cameron had suggested to another EU counterpart that Greece's exit from the Eurozone "might be better" to enable it to order its own finances.

In the words of the note, "On Greece, the PM wondered if it was wise for Angela Merkel to allow the discussion with Greece to take place at PM level and mused that it might be better for Greece to leave the Eurozone in order to sort its economy out - though also accepted that there were major risks in that too." [2]

Cameron's views made sense in the jockeying he was engaged with at the time, hoping to win a more favourable position with Brussels over the issue of renegotiating Britain's obligations with the EU. As *The Independent* noted last July, "officials in London and Brussels believe a Greek exit from the single currency could strengthen Mr Cameron's hand in his negotiations on new membership terms ahead of the in/out referendum he has promised by 2017." [3] The Greeks, in other words, would be the valuable guinea pigs.

Prejudice is, after all, sovereign when it comes to determining such matters. Britain, suggested Douglas Murray, "should pity most of the other European countries, because they are losing control not just of their borders but of their civilization and culture - the whole caboodle." [4] Keep the borders closed to asylum seekers; tighten, if not scupper the

humanitarian agenda. Now, it is Britain which finds itself in a situation Greece did in all its desperation, one that was debated but ultimately ignored: the prospect of leaving the structured, bureaucratic family known as the EU.

Irrespective of whether it is economic pillage or refugee woes, the arguments between Greece and Britain throw up a stock number of points. The EU cannot be trusted. Its institutions are not accountable. Sovereignty, if not dead, is at grave risk.

Commentators like Hannan are all too aware about the techniques being deployed by the European establishment. Fear is fundamental to avoiding change. "Europhiles know that most referendums go the way of the status quo, which is why their campaign is based around conjuring inchoate fears of change."

Even the Chancellor of the Exchequer, George Osborne, had gone to some lengths to appropriate every position of fear he can to convince British voters about impending problems should a pro-exit vote result. In his budget speech, he cited worries from the Office for Budget Responsibility that "a vote to leave in the forthcoming referendum could usher in an extended period of uncertainty".

In actual fact, the OBR's report cited by Osborne is clear that negative or positive outcomes on growth might result. It notes a study by a think tank, Open Europe, which used modelling "in which the UK leaves the EU in 2018 and found that GDP could be 2.2 per cent lower or 1.6 per cent higher by 2030, depending on the arrangements for trade and regulation that follow 'Brexit'." [5]

The authors of the report do the wise thing and also concede that various "uncertainties" do underlie "our central fiscal forecast". Any economic forecast of any quality is bound to be as unreliable, if not more so, than meteorological prediction.

Similarities between the debates on Grexit and Brexit, to that extent, do surface, though they fail to meet at one vital juncture: the central human crisis that Greece faced because of banker-directed imposition. Britain, if anything, wishes to avoid the prospect of dealing with any human crisis, notably the refugee one, engulfing Europe. The sceptred isle wishes to go ostrich on that score, while Greece lacks that luxury.

By way of contrast, Britain advertises itself as a financial centre, when it is no more than a clearing house for various instruments of the economy that have done little for welfare and everything for the creation of fictional wealth. The country that created the National Health Service and Attlee's post-World War II welfare state has moved somewhat away from a model that places the person before the bank transaction. But in that discussion lie smidgens of bull dog persuasiveness that may convince other countries that exiting a failed, and crumbling system, may be the first step to reforming it.

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## Notes

[1] <http://www.spectator.co.uk/2016/01/what-brexit-would-look-like-for-britain/>

[2] <http://www.theguardian.com/politics/2015/jun/26/cameron-told-eu-leader-greek-exit-->

[from-euro-may-be-best-option](#)

[3] <http://www.independent.co.uk/news/uk/politics/grexit-could--boost-david-camerons-efforts-to-win-better-deal-for-uk-from-eu-say-diplomats--10358940.html>

[4] <http://www.spectator.co.uk/2016/03/europes-folly-has-made-it-a-civilisation-under-siege/>

[5] <http://cdn.budgetresponsibility.org.uk/March2016EFO.pdf>

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