

# Syriza: Plunder, Pillage and Prostration: How the 'Hard Left' Embraces the Policies of the Hard Right

By <u>Prof. James Petras</u> Global Research, June 15, 2015 Region: <u>Europe</u> Theme: <u>Global Economy</u>

Greece has been in the headlines of the world's financial press for the past five months, as a newly elected leftist party, '<u>Syriza</u>', which ostensibly opposes so-called 'austerity measures', <u>faces off</u> against the "Troika" (International Monetary Fund, the European Commission and European Central Bank).

Early on, the *Syriza* leadership, headed by Alexis Tsipras, adopted <u>several strategic</u> <u>positions</u> with <u>fatal consequences</u> – in terms of implementing their electoral promises to raise living standards, end vassalage to the '*Troika*' and pursue an independent foreign policy.

We will proceed by outlining the <u>initial systemic</u> failures of *Syriza* and the subsequent concessions <u>further eroding</u> Greek living standards and deepening Greece's role as an active collaborator of US and Israeli imperialism.

#### Winning Elections and Surrendering Power

The North American and European Left celebrated *Syriza's*election victory as a <u>break</u> with neo-liberal austerity programs and the <u>launch</u> of a radical alternative, which would implement popular initiatives for basic social changes, including measures generating employment, restoring pensions, reversing privatizations, reordering government priorities and favoring payments to employees over foreign banks. The *"evidence"* for the radical reform agenda was contained in the '<u>Thessaloniki Manifesto'</u>which Syriza promised to be the program guiding their newly elected officials.

However, prior to, and immediately after being elected, Syriza leaders adopted <u>three basic</u> <u>decisions</u> precluding any basic changes: Indeed, these decisions set it on a <u>reactionary</u> <u>course</u>.

First and foremost, Syriza accepted as *legitimate* the<u>foreign debt</u> of over \$350 billion dollars, although most had been signed by previous government Kleptocrats, corrupt banks, business, real estate and financial interests. Virtually none of this debt was used to finance productive activity or vital services which would strengthen the economy and Greece's future ability to payback the loans.

Hundreds of billions of Euros were stashed away in foreign bank accounts and foreign real estate or invested in overseas stocks and bonds. After affirming the '*legitimacy*' of the illicit debt, Syriza followed up by declaring its '*willingness*' to pay the debt. The 'Troika' immediately understood that the new Syriza government would be a willing <u>hostage</u> to further coercion, blackmail <u>and</u> debt payments.

Secondly, and related to the above, Syriza declared its determination to <u>remain in</u> the European Union and Eurozone and thus <u>accepted</u> the <u>surrender</u> of its sovereignty and ability to fashion an independent policy. It declared its willingness to submit to the dictates of the Troika. Once under the thumb of the Troika, Syriza's only policy would be to 'negotiate', 'renegotiate' and make further concessions to the EU overseas banks in a totally one-sided process. Syriza's rapid submission to the Troika was their second strategic, but not their last, betrayal of its electoral program.

Once Syriza demonstrated to the Troika, its willingness to betray its popular program, the Troika escalated its demands and hardened its intransigence. Brussels discounted Syriza's <u>leftist rhetoric</u> and radical theatrical gestures as blowing smoke in the eyes of the Greek electorate. The EU bankers knew that when it came time to negotiate new loan agreements, the Syriza leadership would capitulate. Meanwhile, the Euro-American Left swallowed Syriza's entire radical rhetoric without looking at its actual practice.

Thirdly, on taking office, Syriza negotiated a coalition with the far-right, pro-NATO, xenophobic, anti-immigrant <u>Independent Greeks Party</u>, guaranteeing that Greece would continue to support NATO's military policies in the Middle East, the Ukraine and Israel's brutal campaign against Palestine.

Fourthly, the bulk of Prime Minister Tsipras cabinet appointees had no experience of class struggle .Worse still, most were academics and former PASOK advisers without any capacity or willingness to break with the dictates of the Troika. Their academic '*practice*' consisted largely of theoretical '*combat*', ill-suited for real-world confrontation with aggressive imperial powers.

## From a Scratch to Gangrene

By capitulating to the EU from the outset, including accepting to pay the illegitimate debt, hooking up with the Far Right and submitting to the dictates of the Troika, the stage was set for SYRIZA to <u>betray all its promises and to worsen the economic burden for its supporters</u>. The worst <u>betrayals</u> include: (1) not restoring pension payments; (2) not restoring the minimum wage; (3) not reversing privatizations; (4) not ending austerity programs; and (5) not increasing funds for education, health, housing and local development.

The *Troika* and its publicists in the financial press are demanding that *Syriza* cut the Greek pension system even further, impoverishing over 1.5 million retired workers. Contrary to the media's planted 'examples' of fat pensions enjoyed by less then 5% of pensioners, the Greeks have suffered the deepest pension reductions in Europe over the past century. In just the last past 4 years the Troika cut Greek pensions eight times. The vast majority of pensions have been slashed by nearly 50% since 2010.The average pension is 700 Euros a month but 45% of Greek pensioners receive less than 665 Euros a month – below the poverty line. Yet the Troika demands even greater reductions.

These include an end of budget subsidies for pensioners living in extreme poverty, an increase in the retirement age to 67, an abolition of pension provisions tied to hazardous occupations and for working mothers. The earlier regressive measures, imposed by the Troika and implemented by the previous right-wing coalition regime, severely depleted the Greek pension fund. In 2012, the Troika's '*debt restructuring*' program led to the *loss* of 25 billion Euros of reserves held by the Greek government in government bonds.

Troika austerity policies ensured that the pension reserves would not be replenished. Contributions plummeted as unemployment soared to nearly 30% (<u>Financial Times</u> 6/5/15 p4). Despite the Troika's frontal assault on the Greek pension system, Syriza's "<u>economic team</u>" expressed its willingness to raise the retirement age, cut pensions by 5% and negotiate further betrayals of pensioners facing destitution. Syriza has not only failed to fulfill its campaign promise to reverse the previous regressive policies, but is engaged in its own 'pragmatic' sellouts with the Troika.

Worse still, Syriza has <u>deepened and extended</u> the policies of its reactionary predecessors. (1)Syriza promised to freeze privatizations: Now it vows to <u>extend them by 3.2 billion</u> <u>Euros</u> and privatize new public sectors. (2) Syriza has agreed to shift scarce public resources to the military, including an investment of \$500 million Euros to upgrade the Greek Air Force. (3) Syriza plundered the national pension fund and municipal treasuries of over a billion Euros to meet debt payments to the Troika. (4) Syriza is cutting public investments in job creating infrastructure projects to meet Troika deadlines. (5) Syriza has agreed to a budget surplus of 0.6% at a time when Greece is running a 0.7% deficit this year – meaning more cuts later this year. (6) Syriza promised to reduce the VAT on essentials like food; now it accepts a 23% rate.

Syriza's foreign policy mimics its predecessors. Syriza's far right Defense Minister, Panos Kammenos, has been a vocal supporter of the US and EU sanctions against Russia- despite the usual flurry of Syriza's faked "dissent" to NATO policies, followed by total capitulation to remain in good standing with NATO. The Syriza regime has allowed each and every wellknown kleptocrat and tax evader to retain their illicit wealth and to add to their overseas holdings with massive transfers of their current 'savings'out of the country. By the end of May 2015, Prime Minister Tsipras and Finance Minister Varofakis have emptied the Treasury to meet debt payments, increasing the prospects that pensioners and public sector workers will not receive their benefits. Having emptied the Greek Treasury, Syriza will now impose the "Troika solution" on the backs of the impoverished Greek masses: eithersign-off on a new "austerity" plan, lowering pensions, increasing retirement age, eliminating labor laws protecting workers' job security and negotiating rights or face an empty treasury, no pensions, rising unemployment and deepening economic depression. Syriza has deliberately emptied the Treasury, plundered pension funds and local municipal holdings in order to blackmail the population to accept as a 'fait accompli' theregressive policies of hardline EU bankers - the so-called "austerity programs".

<u>From the very beginning</u>, Syriza gave into the Troika's dictates, even as they play-acted their 'principled resistance'. First they lied to the Greek public, calling the Troika 'international partners'. Then they lied again calling the Troika memorandum for greater austerity a 'negotiating document'. Syriza's deceptions were meant to hide their <u>continuation</u> of the highly unpopular 'framework' imposed by the previous discredited hard rightwing regime.

As Syriza plundered the country of resources to pay the bankers, it escalated its international groveling. Its Defense Minister offered <u>new</u> military bases for NATO, including an air-maritime base on the Greek island of Karpathos. Syriza escalated Greece's political and military support for EU and US military intervention and support of "*moderate*" terrorists in the Middle East, ludicrously in the name of "*protecting Christians*". Syriza, currying favor with European and US Zionists, strengthened its ties with Israel, evoking a 'strategic alliance' with the terrorist-apartheid state. From his first days in office, the hard right Defense Minister Kammenos proposed the creation of a "common defense space"

including Cyprus and Israel – thus supporting Israel's air and sea blockade of Gaza.

#### Conclusion

Syriza's political decision to '<u>embed</u>' in the EU and the Eurozone, at all costs, signals that Greece will continue to be <u>vassal state</u>, betraying its program and adopting deeply reactionary policies, even while trumpeting its phony leftist rhetoric, and feigning '*resistance*' to the Troika. Despite the fact that Syriza plundered domestic pensions and local treasuries, many deluded Leftists in Europe and the US continue to accept and rationalize what they choose to dub its "*realistic and pragmatic compromises*".

Syriza could have confiscated and used the \$32 billion of real estate properties owned by the Greek Armed Forces to implement an alternative investment and development plan – leasing these properties for <u>commercial</u> maritime ports, airports and tourist facilities.

Syriza buried Greece even deeper into the hierarchy dominated by German finance,by surrendering its sovereign power to impose a debt moratorium, leave the Eurozone, husband its financial resources, reinstate a national currency, impose capital controls, confiscate billions of Euros in illicit overseas accounts, mobilize local funds to finance economic recovery and reactivate the public and private sector. The fake "*Left sector*" within Syriza repeatedly mouthed impotent "*objections*", while the Tsipras -Varofakis sell-out charade proceeded to the ultimate capitulation.

In the end, Syriza has deepened poverty and unemployment, increased foreign control over the economy, further eroded the public sector, facilitated the firing of workers and slashed severance pay- while increasing the role of the Greek military by deepening its ties to NATO and Israel.

Equally important, Syriza has totally emptied <u>leftist phraseology</u> of any cognitive meaning: for them – national sovereignty is translated into international vassalage and anti-austerity becomes pragmatic capitulations to new austerity. When the Tsipras – Troika agreement is finally signed and the terrible toll of austerity for the next decades finally sinks into the consciousness of the Greek public, the betrayals will hopefully evoke mass revulsion. Perhaps Syriza will split, and the "*left*" will finally abandon their cushy Cabinet posts and join the disaffected millions in forming an alternative Party.

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