

# The Real Plan B: The New Greek Marathon

By Prof. Sam Gindin and Leo Panitch Global Research, July 17, 2015 Socialist Project 17 July 2015 Region: <u>Europe</u> Theme: <u>Global Economy</u>

In the face of being excluded from desperately needed funds and the threat of being kicked out of the European Union, the Greek parliament has now voted to accept the <u>Troika</u> <u>memorandum</u>. The Greek Prime Minister Alexis Tsipras acknowledged – unlike social democrats choosing to implement neoliberalism as part of their 'modernization' – that this was 'a bad deal' forced on the Greeks. Syriza's MPs were divided although three quarters of them followed Tsipras and voted yes. Outside in Syntagma Square thousands of angry demonstrators gathered and then marched through downtown Athens, this time the 'NO' being reserved for rejecting the memorandum. There is a strong current of dissent in the Syriza party Central Committee, which has yet to meet. Yet there is also a general sense we get from party members and supporters at all levels we have talked with here that the government should be supported and continue in office.

In the face of these divisions and frustrations, what if anything might be done to revive and continue Syriza's struggle against neoliberalism? And since neoliberalism is what capitalism *is*today – there is no other kind – what can be done to lay the basis for ending capitalism? This is not just a question for Greeks, though crucial aspects of this dilemma are of course specific to Greece, but for how the left everywhere thinks about and responds to the challenges of coming to power in a hostile environment to try to protect people from the worst depredations of neoliberalism, and tries to embark on 'really-existing transitions' to a more egalitarian, solidaristic, substantively more democratic world.

Sections of the Greek left and a good part of the international left have argued that the deal should have been rejected, and Grexit embraced instead. This opens up a number of scenarios but the most likely would be the government resigning, calling new elections, and Syriza running on a program that reversed its former support for staying in the eurozone. Whether or not the party would win, its credibility would, according to this argument, be maintained and it would at least live to fight another day.

### Exiting the Euro, Leaving the State

We would not dismiss the above argument out of hand. It reflects legitimate emotional sentiments and strategic orientations. Until recently, however, three of four Greeks opposed Grexit, and even if this has shifted dramatically with the referendum and its aftermath, there is no clear and deep consensus on leaving. Tsipras and a good part of the leadership is, in this regard, not simply 'tailing' the public but deeply committed to Europe on both economic and cultural grounds. For those of us who have long argued that eventual exit is essential, especially from a socialist perspective, the challenge is not so much to condemn this but to ask: When is the right moment to take this on? What practical steps, ideological and in terms of state capacities, might be argued for now to move the party and its base toward a consensus?

As for counselling Syriza to risk losing its governing status, it needs to be noted that Syriza already faced this question in the run up to the 2012 elections, and concluded that the responsible decision was to enter the state and do everything it could to restrain the neoliberal assault from *within* the state. Its electoral breakthrough that year was based on Tsipras's declaration that Syriza was not just campaigning to register a higher percentage of the vote but determined to form a government with any others who would join with it in stopping the economic torture while remaining within Europe. It was only when it came close to winning on this basis, that Syriza vaulted to the forefront of the international left's attention, and by the following summer, Tsipras was chosen by the European Left Parties to lead their campaign in the 2014 European Parliament elections. Syriza's subsequent clear victory in Greece in this election foretold its victory in the Greek national election of January 2015, when it became the first and only one of all the European left parties to challenge neoliberalism and win national office.

Even apart from the humanitarian measures it immediately introduced without allowing the Troika's representatives to vet the legislation, the very attempt by the new government to challenge the Troika has helped expose the neoliberal essence of the EU and to generate discussions on what the alternatives, however difficult to imagine, might be. It strikes us as premature to conclude from the denouement to this five month challenge that was finally reached this week, however sobering it has been, that it is better for Syriza to leave the state to its bourgeois opponents. It seems better to move beyond outrage and protest, let alone resignation, and instead struggle with what kinds of changes remain possible in the state to support the needs of the majority of Greek people who voted OXI in the referendum, and to contribute to the much-needed further development of their already powerfully demonstrated capacities for solidarity and innovation. Without this a productive path out of the eurozone, and perhaps even the EU, to escape neoliberalism would be inconceivable. It is this, not just surreptitiously making plans for a new currency, that properly preparing for Grexit would really need to be about.

Those advocating an exit from the euro acknowledge that there will be costs. Yet they also tend to understate, sometimes rather glibly, the chaos this would entail especially for a state steeped in two centuries of clientalist practices. Along with this comes an exaggeration of what exiting the euro would, in itself, achieve. The economics of a new devalued currency are sure to lead to high inflation and further dramatic reductions in living standards, nor can it of itself produce new competitive industries. Where the depth of the crisis is as severe as it is in Greece, and partly rooted there in the very restructuring of its economy that came with its deeper integration into Europe, changes in the currency are unlikely to restore old industries or develop new ones. It is worth remembering how many states with their own currencies are unable to withstand the ravages of neoliberalism.

That the options open to the Syriza government are even more limited by the way the new memorandum is structured to cruelly discipline Greece's integration into neoliberal Europe is obvious enough. It should also be increasingly obvious to those in the party whose commitment to the EU was foundational that staying in the eurozone is inconsistent with restraining neoliberalism's negative impact on most Greeks. It is much to be hoped that Syriza, and the European Left Parties in general, will abandon the notion that an even more centralized transnational European state would be more progressive. But it does not follow from any of this that it would be correct for Syriza to lead a Grexit right now, without a much deeper preparation for dealing with the consequences.

What about resigning from office to free itself from administering the memorandum? It would be highly irresponsible, having entered the state in the first place promising to try to at least ameliorate the effects of neoliberalism in Greece, to step down now after what has been imposed on the Syriza government for its anti-neoliberal orientation and its democratic temerity in calling the referendum. This only deepens its responsibility to do all it still can to restrain the impact of neoliberalism. To do otherwise would be to acquiesce in the goal of those who tried to use the negotiations as a way to bring this government down.

## Toward a Real Plan B

The point we are getting at is that framing the issue in terms of an exhausted Plan A (negotiating with Europe) and a rejection of the euro (Plan B) is too limited a way to frame the dilemmas confronting Syriza. What the deeper preparation for leaving the eurozone, and possibly also the EU, actually entails isto build on the solidarity networks that have developed in society to cope with the crisis as the basis for starting to transform social relations within Greece. That is the real plan B, the terrain on which both Syriza and the social movements might re-invigorate now. What, more concretely, might this mean?

The recent years of struggle have developed the famous grassroots solidarity movement that began – as all organizing must – by addressing the needs of people. Out of this grew the <u>some 400 solidarity groups</u> all across Greece addressing basic community needs through self-organized democratically run collectives which provide support for people's health, food, housing and other needs. Syriza members were among those deeply involved in establishing and maintaining the solidarity networks and its MPs elected in 2012 contributed 20 per cent of their salaries to them. But since the Syriza government was elected this year it has done very little to change and use the state so as to sustain and broaden this remarkable movement.

Two leaders of the 'Solidarity for All' assembly of these groups told us how frustrated they were that they could not even get from the Ministry of Agriculture the information they need on the locations of specific crops so they might approach a broader range of farmers and develop more direct links between them and people in need. Only 12 people in total are employed in working for Solidarity for All – their numbers should be multiplied with the state's help. The military trucks sitting idle between demonstrations could be used to facilitate the distribution of food through the solidarity networks as a way of offsetting some of the cuts to the poorest pensioners, and of compensating for the increased VAT on food imposed by the latest memorandum. Various state departments could be engaged in identifying idle land – of which there is plenty in the countryside and in light of the crisis also in urban areas – which could be be given over to community co-ops to create work in growing food, and coordinating this across sub-regions.

The Ministry of Education should be actively engaged in promoting the use of schools as community hubs that provide spaces for the social movements organizing around food and health services, and also to provide technical education appropriate to this. We talked with many students who were clearly enthusiastic about working in the community but were also quick to admit that while they were adept at competing in student union elections and good at distributing pamphlets and organizing demonstrations, their skills for longer-term community organizing were very limited. The Ministry of Education could help overcome this by setting up special programs to prepare students to spend periods of time in communities, contributing to adult education and working on community projects.

Similarly, the privatizations forced on the Greek state should be accompanied by requirements that the new owners make a compensating commitment to establish industrial parks where new jobs might be created. Privatized firms might be required to source inputs inside Greece, while the state's own purchases of furniture, materials and supplies (including for schools and hospitals) might be sourced from new production units set up this way. With so many structures standing idle and under-used (like the Olympic sports facilities), all manners of co-ops and small businesses should be supported in setting up operations in them, aided by groups of young architects and engineers recruited to reconfigure these spaces. The U.S. New Deal Work Projects Administration could serve as an example not only in this respect, but especially in respect to the broad range of artistic, theatrical and cultural activities in which so many unemployed young people are already engaged.

We do not want to overstate this. These experiments would not themselves be 'solutions'. And they would no doubt lead to objections that they negate the intent of the new memorandum's structural adjustment demands. But seen strategically, they invite a constructive approach to linking the state to communities in new ways that would offset the black and grey markets which might otherwise overwhelm an economy that moved out of the eurozone. And it helps lay the foundation for a new stage in addressing the domestic barriers imposed by the inequalities of wealth and private property, and concretizes the need for investment planning and public ownership so as circulate society's social surplus to local, regional and sectoral institutions.

# **Conclusion: Leadership of a New Kind**

The Syriza government currently retains a store of good will, even if this has been damaged by the memorandum. To prevent the further erosion of that popular support it will need to concretely counter the Troika-imposed legislation. For every negative bill it puts forth it should creatively put forth a positive bill that confirms its continuing commitment to the fight against neoliberalism. Syriza's ministers must never depart from treating the negative impositions as something positive, and indeed be expected to act as socialist educators, helping people grasp the barriers to improving their lives and raising rather than lowering long term expectations by continuing to attack neoliberalism and speak to a socialist vision of solidarity and democracy. And it is this that should inspire and guide the transformation of state structures away from the old clientalism.

None of this can happen unless Syriza as a party develops the orientation and capacities to lead the Greek state and society in this direction. We have met with people in the party and social movements, as well as the state, who are concerned that Syriza falls well short in this respect. Among the various reasons for being critical of Syriza, this is the most significant.

**Sam Gindin** is adjunct professor and **Leo Panitch** is distinguished research professor at York University, Canada. They co-authored <u>The Making of Global Capitalism: The Political</u> <u>Economy of American Empire</u> (Verso). Both are currently in Athens, Greece.

The original source of this article is <u>Socialist Project</u> Copyright © <u>Prof. Sam Gindin</u> and <u>Leo Panitch</u>, <u>Socialist Project</u>, 2015

## **Become a Member of Global Research**

### Articles by: **Prof. Sam Gindin** and **Leo Panitch**

**Disclaimer:** The contents of this article are of sole responsibility of the author(s). The Centre for Research on Globalization will not be responsible for any inaccurate or incorrect statement in this article. The Centre of Research on Globalization grants permission to cross-post Global Research articles on community internet sites as long the source and copyright are acknowledged together with a hyperlink to the original Global Research article. For publication of Global Research articles in print or other forms including commercial internet sites, contact: <a href="mailto:publications@globalresearch.ca">publications@globalresearch.ca</a>

www.globalresearch.ca contains copyrighted material the use of which has not always been specifically authorized by the copyright owner. We are making such material available to our readers under the provisions of "fair use" in an effort to advance a better understanding of political, economic and social issues. The material on this site is distributed without profit to those who have expressed a prior interest in receiving it for research and educational purposes. If you wish to use copyrighted material for purposes other than "fair use" you must request permission from the copyright owner.

For media inquiries: publications@globalresearch.ca