

Under Pressure from Europe, Tsipras Tries to Sell ‘Unviable’ Austerity Deal to Syriza

Varoufakis calls deal 'purely and simply a manifestation of the politics of humiliation in action'

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Tsipras is seeking to build consensus among the 149 Syriza MPs who dominate the 300-strong Parliament, but [could splinter](#) in response to a vote on the deal. (Photo: [Gerard Francois/flickr/cc](#))

As a Wednesday deadline loomed for Greece to pass a package of harsh austerity measures in exchange for a fresh €86 billion bailout, Prime Minister Alexis Tsipras met with furious members of his left-wing Syriza party behind closed doors on Tuesday, attempting to sell them on a deal that will undoubtedly cause further economic hardship in the debt-stricken nation.

Tsipras is seeking to build consensus among the 149 Syriza MPs who dominate the 300-strong Parliament. That bloc has threatened to [splinter](#) in response to a vote on the deal. Syriza was elected on an anti-austerity platform; already, last Friday, 17 Syriza deputies withheld support in a vote to authorize a bailout that was even less severe than the one currently on the table.

As Campaign for America’s Future blogger Isaiah Poole [explained](#): “A week after the Greek people said resoundingly in a referendum that they wanted an end to the economic brutalization of working-class people that was being wrought by the austerity economics imposed by Germany and European Union economic establishment, Tsipras is left with the task of selling to the Greek parliament, and by extension the Greek people, what [a Bloomberg News story](#) called ‘an onerous bailout deal’—one widely reported to be much worse than one that had been rejected.”

Among the rebellious MPs is former finance minister Yanis Varoufakis, who has been highly critical of the so-called Troika—the European Commission (Eurogroup), International Monetary Fund (IMF), and European Central Bank (ECB)—and German finance minister Wolfgang Schäuble in particular, who Varoufakis [likened in a recent interview](#) to the director of a “very well-tuned orchestra” that is the Eurogroup.

In [a scathing statement posted](#) to his website on Tuesday, Varoufakis wrote of the agreement: “It is purely and simply a manifestation of the politics of humiliation in action. Even if one loathes our government one must see that the Eurogroup’s list of demands represents a major departure from decency and reason.”

While he vowed to reserve judgement on the specifics until “hearing in person from my comrades, Alexis Tsipras and Euclid Tsakalotos,” Varoufakis said the [agreement announced](#)

[Monday](#) “reads like a document committing to paper Greece’s Terms of Surrender. It is meant as a statement confirming that Greece acquiesces to becoming a vassal of the Eurogroup.”

It “signalled a complete annulment of national sovereignty,” he added. “Europeans, even those who give not a damn for Greece, ought to beware.”

All told, the weekend’s Euro Summit was “indeed nothing short of the culmination of a coup,” Varoufakis concluded, by explaining:

In 1967 it was the tanks that foreign powers used to end Greek democracy. In my interview with Philip Adams, on ABC Radio National’s LNL, I claimed that in 2015 another coup was staged by foreign powers using, instead of tanks, Greece’s banks. Perhaps the main economic difference is that, whereas in 1967 Greece’s public property was not targeted, in 2015 the powers behind the coup demanded the handing over of all remaining public assets, so that they would be put into the servicing of our un-payable, unsustainable debt.

Varoufakis is not the only one expressing frustration with the negotiations.

Energy Minister Panagiotis Lafazanis [called on](#) Tsipras to reverse his position on the reforms, saying in a statement published on the ministry’s website: “The deal ... is unacceptable and does not deserve to be charged to a radical political party such as Syriza, and a battling government that promised to abolish ... austerity.” Germany, he charged, had treated Greece “as if it was their colony and [behaved] as brutal blackmailers and ‘financial assassins’.”

Meanwhile, an IMF report leaked Tuesday shows that “Greece will need debt relief far beyond what eurozone partners have been prepared to consider due to the devastation of its economy and banks in the last two weeks,” [according to](#) a *Reuters* exclusive. Energy Minister Panagiotis Lafazanis [called on](#) Tsipras to reverse his position on the reforms, saying in a statement published on the ministry’s website: “The deal ... is unacceptable and does not deserve to be charged to a radical political party such as Syriza, and a battling government that promised to abolish ... austerity.” Germany, he charged, had treated Greece “as if it was their colony and [behaved] as brutal blackmailers and ‘financial assassins’.” Energy Minister Panagiotis Lafazanis [called on](#) Tsipras to reverse his position on the reforms, saying in a statement published on the ministry’s website: “The deal ... is unacceptable and does not deserve to be charged to a radical political party such as Syriza, and a battling government that promised to abolish ... austerity.” Germany, he charged, had treated Greece “as if it was their colony and [behaved] as brutal blackmailers and ‘financial assassins’.”

Reuters reports that the IMF’s updated debt sustainability analysis—which states that European countries would have to give Greece a 30-year grace period on servicing all its European debt, including new loans, and a very dramatic maturity extension, or else make explicit annual fiscal transfers to the Greek budget or accept “deep upfront haircuts” on their loans to Athens—was sent to eurozone governments late on Monday, after the bailout deal was struck.

In response to the latest developments, the global anti-austerity movement is organizing [solidarity actions “everywhere”](#) on Wednesday.

“The Troika has succeeded in making the Syriza government submit to their demands to implement more devastating austerity measures, by means of financial terrorism and threatening to push the country over the brink of economic collapse,” reads a call to action at *Analyze Greece!*. “Some would call this a capitulation by Syriza, some would call #ThisIsACoup by the Troika. Whatever it is, if the Troika gets their way, it would amount to a historic defeat for everyone fighting against austerity and for democracy.”

Referencing this month’s [overwhelming “No”](#) (“Oxi”) vote to austerity, the call continues:

OXI means OXI!
OXI to austerity!
OXI to capitulation!
OXI to a third memorandum!
YES to democracy and people’s power.

The *Guardian* [continues to provide live updates here](#). News outlets are reporting that Tsipras will give an exclusive interview to the Greek TV station *ERT1* this evening at 10 PM local time (3 PM EDT).

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