

After Syriza

Syriza failed to stop austerity in Greece. What can Popular Unity do differently?

by **Stathis Kouvelakis**

When Alexis Tsipras resigned his premiership earlier this month and called for a snap election, it signaled a new round in the ongoing battle between Greece and its creditors.

For Tsipras, next month's election represents an attempt to secure a mandate for the deal Syriza has signed off on. Yet the former prime minister's approval rating has dropped from 61 percent to 29 percent in the last month. Almost 80 percent of voters say they're disappointed with Tsipras's performance during Syriza's time in office. And 70 percent think the bailout package the leadership approved will deliver more economic pain than the previous two austerity agreements.

It is to this discontent which Popular Unity, a new formation of dissident Syriza members and other anti-austerity forces, hopes to give institutional expression.

*In this recent interview — conducted by Thomas Lemahieu for the French paper L'Humanité * — Stathis Kouvelakis, a member of Popular Unity's leadership, discusses the formation's anti-memorandum program, how to find allies outside of Europe, and what Popular Unity wishes to accomplish in the upcoming election.*

When did Syriza reach the point of no return that led you to create a new party, Popular Unity?

When the agreement was signed on July 13. The fracture had already appeared earlier, when, in the space of a few days, the “no” from the referendum was transformed into a “yes,” and when the Greek government went to negotiate in Brussels with a mandate that effectively meant accepting the austerity framework.

But it was Alexis Tsipras signing the agreement that started the process leading to Syriza splitting — indeed, we would more accurately speak of Syriza disintegrating. Then there were two votes in parliament on the agreement's two packages of preliminary measures, and then the one on the memorandum itself, which confirmed the split. The Tsipras government signed the memorandum without ever obtaining the approval of any of Syriza's internal structures, at any moment.

Alexis Tsipras cannot cite a single text, a single decision authorizing him to do what he did; on the contrary, on the few occasions that the central committee did meet during Syriza's time in power, its decisions all had one same orientation: namely, that in no event would we sign a memorandum. “Anything but that!”

What happened was exactly the thing that had been totally ruled out on principle. While the coexistence of different currents and sensibilities in one same party was

possible so long as it maintained the central objective of overturning the memorandums — even if there were disagreements, including on the euro question — it was not possible for supporters and opponents of signing the memorandum to coexist in the same party.

When Alexis Tsipras decided to accept a memorandum, he was himself deciding to dissolve his party!

Have you rallied all the Syriza MPs who spoke out against the new memorandum? Surely Popular Unity's twenty-five initial MPs aren't all of them?

In the vote there were thirty-two “against,” and seventeen who voted “present” — which in the Greek parliamentary system does not exactly amount to abstaining, but is very close to a “no.”

The ones we don't have yet are Zoe Konstantopoulou — the president of the parliament, who still has her institutional functions, but who will soon join us, and three MPs of Syriza's Maoist KOE current, who we are in discussions with. Then there is Yanis Varoufakis, who won't come with us, since our positions are too far apart.

It's important to remember that Popular Unity is not a party, but a front jointly mobilizing a dozen component parts. Some of them came out of Syriza, others were part of Syriza in the past, and still others come from the far left, like currents from the Antarsya coalition.

Fundamentally, Popular Unity is quite close to what Syriza was until 2013, before its currents merged into a single party. This is a formula that we are sticking to: we are a political front based on pluralism, respecting each other's differences, and placing a stress on self-organization.

Our goal is to ensure that the “no” vote expressed in the July 5 referendum, which was in the crushing majority among youth as well as among working-class and popular layers, is given political structure. We want to construct broad, open committees from below.

Of course, we are also expecting militants, individuals, and political figures to join us, too. You do not have to agree with all the points of our program, but the heart of the matter is the recognition that it is indispensable to break with the memorandums, and that this implies a confrontation with the European Union — even if there may be points of divergence as to the means that ought to be used in such a confrontation.

But clearly, we have all drawn lessons from Syriza's strategic failure, and we have an alternative approach to avoid ending up in the same capitulation.

Since Popular Unity is the third largest group in the Greek Parliament, the constitution gives it an “exploratory mandate” to try to form a government (i.e. before the next elections are formally called). How are you going to make use of this mandate, which lasts up until August 27?

We have been given these three days, and we will try and use them to demonstrate what our conception of politics is. We are guided by the principle that social forces should have their say, and our proposals work in this same direction: namely, the democratization of Greece's institutions.

So firstly, Panagiotis Lafazanis will have discussions with representatives of the social forces most affected by the memorandum's various different aspects, and who are in the front rank of the fight against the memorandum and its consequences. That is to say, representatives of the unions of employees and retired people particularly affected by the coming pensions cuts and the liquidation of our remaining social rights; citizen campaigns against privatizations; farmers, fishermen, etc.

The idea is to show that for us politics is not simply about conclaves with the representatives of political parties. Politics is something we do with social forces and mobilizations.

Secondly, we will make institutional proposals: as a democratic measure, we want to do away with the fifty-seat bonus that is given to the party who comes first in the vote, as Syriza itself had promised before the elections — one of its key policies, abandoned just like the rest. And we also propose to support the discussion that Zoe Konstantopoulou has tried to initiate in parliament with respect to German war reparations, such that the parliament can continue its work to its proper completion.

You have been sharply critical of Alexis Tsipras's decision to go to the polls again. Why is that?

What we criticize is the fact that the elections are being rushed! It is a classic way of trying to catch your opponents unaware, but Tsipras has done something that none of the system parties ever dared to do, namely to call elections in the middle of August: and in a country like Greece, that means a time when people are on holiday. And that's when he chose to call the election. Which reduces the electoral campaign even further.

The purpose of this maneuver is more than obvious: he is going to the polls as soon as possible, before the concrete effects of the memorandum make themselves felt among the population.

What are the key elements of Popular Unity's program?

The decisive point is rupture with the memorandum and austerity policies. We want to cancel the memorandums, just as Syriza had promised to do. We want to break with the budget surplus targets.

Our policy is based on immediately stopping the debt repayments: we will negotiate for the cancellation of the greater part of the debt, but on that basis! Greece cannot get back into shape so long as it is being bled dry to pay back this debt.

One of the Syriza government's major errors was to continue paying back the debt: and with €7 billion taken out of the public coffers between January and June, they were left totally empty.

Moreover, we have no illusions as to the compatibility of this rupture program with the euro framework. So if the institutions are intransigent, with the ECB deciding to restrict access to liquidity, we will return to a national currency. The transition phase would present difficulties, certainly, but also important opportunities for relaunching the economy, and for an economic policy working for social and environmental justice.

You referred to the institutions’ “intransigence.” Are all of you in Popular Unity agreed on exit from the euro?

Yes, we think that we have to prepare for euro exit. That is absolutely clear!

Popular Unity’s program has now been finalized and it will be published shortly. Preparation for euro exit is a fundamental point. This question has several aspects. The first is clearly the recuperation of political sovereignty, in a context where a government is confronted by a Holy Alliance of all the neoliberal powers.

As we have seen, deprived of monetary levers, we were taken hostage by the ECB. Syriza suffered that ever since February 4. Secondly, it is a means of making it possible to restart the economy, guaranteeing the supply of liquidity. Furthermore, it is an extremely important lever with regard to the debt question: if we instead go for a national currency, the debt will become almost unpayable, since no one would accept the repayment of a debt redenominated in a national currency. That places us in a position of strength.

Finally, devaluation would make it possible to kickstart growth, indeed vigorously so: all countries that have found themselves in a situation of deep recession have only been able to restart the economy by making use of currency devaluation.

The choice is a simple one, really. Either we have currency devaluation, or else internal devaluation, meaning the structural adjustment plans imposed in order to reduce wages and pensions and drive down the cost of labor.

Certainly, currency devaluation does create certain problems, but also opportunities: it boosts domestic production, it allows for exports to be substituted for imports, and makes exports more competitive. Without doubt it creates problems for some things that have to be paid for in hard currency: petrol, energy, some medications that have to be imported — although not all that much, since domestic production can provide a good part of that.

All that does open up temporary difficulties, in the transition phase. But as all the economists hostile to neoliberalism have shown — from Krugman to Stiglitz, and from Aglietta to Lordon — the debate is over. As they tell us, Greece’s best possible choice, and in reality the only viable one, is for it to return to a national currency; naturally, within the framework of a progressive policy to relaunch the economy, and which can also handle the problems that result from this. There will be inflationary pressures, but even in that context a left-wing government can protect wages.

Your program would have Greece leave the eurozone — but would it quit the European Union?

No, not necessarily. The question may well be posed, but not automatically so. After all, there are ten EU countries that are not in the euro. For us, that’s not a done and dusted question. What our program prescribes for, in the case that the confrontation does go further, is to go to a referendum.

The British government is preparing such a vote: its political orientation is entirely at odds with our own, but we don’t see why we couldn’t pose the question, too. But leaving the EU is not one of Popular Unity’s objectives.

Over recent months, neoliberal circles reacted to the Greek government's efforts with phenomenal determination, and it seemed that they were prepared to totally destroy the country's economy. If there were, for example, a devaluation, with the expected effects that would have on the debt, how would you protect yourselves from their attacks?

The conclusion we have drawn from the Syriza government's experience — immediately being confronted with the blockade and the war unleashed by the European institutions — is that you have to show at least the same level of determination as they do.

That is precisely where the Syriza government let itself down: it did not take any self-defense measures. That is the context for our proposed return to a national currency.

This would also help us on the question of repaying the debt, because it puts us in a position of strength for making the creditors accept the cancellation of the greater part of the debt.

We want that kind of compromise: like what happened with all the other over-indebted countries. I'm thinking of Argentina, Ecuador, etc. We think that it is indispensable to take back monetary sovereignty — within the framework of a democratic reestablishment of popular sovereignty, and absolutely not in terms of turning in on ourselves in a nationalist sense. Our approach is profoundly internationalist.

We are not telling tall tales, like Syriza did: we are not saying that we will convince the other Europeans, and we have no illusions that Hollande or Renzi or whoever else in the EU is going to help us.

Rather, we are counting on the mobilization of the Greek people, European public awareness, and solidarity from social movements internationally. They are our true allies!

You don't think you have any institutional allies in Europe?

No, not in Europe! We might find some elsewhere. That's a whole different question.

In that regard, you seem to want to establish strong relations with other states, elsewhere around the planet, in order to cover Greece's financing needs. But still today the Tsipras government say they did make attempts to do this, but that these initiatives didn't lead anywhere. Is that not the case?

Firstly, I should say that not everything the Syriza government did was bad. It was the Syriza government's mistaken strategy that made it possible for large sections of the Greek population to see the European Union for what it really is.

The referendum battle allowed for a powerful popular mobilization, a decisive advance in the terms of the debate, and that also owes to the Syriza government. All this did result in defeat; but we also need to have a clear view of the road that was taken.

So in the initiatives that the government did take, there were indeed openings toward certain other countries, but we got stuck halfway. It took a hesitant attitude toward

Russia, in particular: some approaches were made, but at the crucial moment the Syriza government did not follow through.

At what moment?

During the critical turning point, the referendum. The agreement that Panagiotis Lafanazis had secured on the gas pipeline — he was energy minister at the time — was a highly favorable one. He had the political space to make this important move.

But truth be told, fundamentally the Russians did not know what the Greeks wanted. They were extremely distrustful, since they had the impression that Greece's moves toward an opening were being used as a card in its negotiations with the European institutions, as a PR tool.

The photos with Putin served as a means of exerting pressure, but it all remained very superficial, and they could tell that it was not going to be followed up with concrete commitments. And they did not appreciate being toyed with.

So if Greece left the euro, would you find sufficient financing from outside the EU?

We don't take a eurocentric view. In any case, Europe is not just the EU; Russia and Turkey are part of Europe, for example. Europe itself has to break out of its imperialist and neo-colonialist attitude toward the world's other countries.

And of course we want to develop relations with the progressive governments of the South, and in particular the South American ones — that is a strategic choice of Popular Unity's — as well as powers like the BRIC countries.

Of course, we would do so on terms favorable to the interests of the Greek people. Developing relations with Russia or with China is not exactly the same thing.

The Chinese interest is in trade and business. We don't want the privatizations that so attract the Chinese; but at the same time, they have made openings with regard to establishing a BRIC bank.

With Russia, it's a different matter, since it takes an essentially geopolitical view: for Russia, economic interests are subordinate to this geopolitical outlook.

It is also clear that having relations with Russia in no sense means thinking that Putin is politically or ideologically close to us. This is a question of international relations.

Another question on your program: how do you think you can stop the privatizations?

One of our key points is the nationalization of the four systemic banks. That's something very simple, and it was a strong element of Syriza's program.

In three of the four banks there is already a majority public stake, but its rights over the bank are muted and passive, under the recapitalization conditions imposed by the European Stability Mechanism.

We are for insubordination against these rules, and therefore we want to take

immediate control over these banks. In principle, this is simple — it would suffice to activate the existing public holding.

One of the most scandalous aspects of the third memorandum is the fact that €25 billion will be devoted to recapitalizing the banks, and these €25 billion are the first funds resulting from the sell-off of Greek state assets!

This was criminal, and the Syriza government agreed to push it through. These €25 billion will exclusively be devoted to repaying the loans for the future recapitalization of the banks. We have to put an end to this scandal now, and nationalize the banks.

We are also in favor of the country's essential infrastructure coming back into public ownership, such as the electric grid, ports and telecommunications.

For us, economic recovery will come through public investment: no country in world history — and here I am not talking about countries in transition toward socialism — has been able to resume growth unless it had a public sector and public investment serving as locomotives.

We don't believe the claptrap about encouraging private investment in an asset-stripped country paying poverty wages. That's not how we'll get the Greek economy going again! And particularly not through this European finance, with its very tight conditions: that clearly hasn't allowed for any kind of economic recovery, during five years of crisis.

Everyone knows that the objective set for the privatizations — that is, raising the €50 billion that the lenders are demanding — is entirely unachievable, and that the country will not be able to live up to such commitments. So what is the point of such demands?

They serve the purpose of systematically bleeding the country dry. This is a true neo-colonization effort, liquidating the Greek state as a democratic and sovereign state.

The €50 billion privatization fund is directly controlled by the troika. The budgetary policy council is composed of seven members, four of them directly appointed by the four institutions: the IMF, the European Commission, the ECB, and the European Stability Mechanism.

In the event of budget overspend, they have the power to impose automatic, horizontal cuts. The national statistics institute is also under the institutions' control. The general secretariat of tax receipts is to become a completely independent authority, though in reality it is obviously under the heel of the institutions, and it can make decisions with the status of ministerial degrees.

Whatever the composition of the government, today it no longer has any levers under its control. Which means that this third memorandum takes us an awful lot further than what went before.

How would you explain this dogged hostility to the first radical left government in Europe?

There was a very clear punitive dimension to all this. In breaking Syriza, they wanted to kill off any attempt at a break with austerity. At the same time, we ought to be clear

that the current capitalist crisis is far from over, and that the ruling classes seem prepared to do everything necessary to deepen austerity policies.

Once again, Greece is serving as a laboratory: it was the guinea pig for the first stage of austerity, but now it is being forced to serve as the guinea pig for the second stage, the even more violent onslaught of austerity policies.

Syriza was the counter-attack against phase one of the austerity experiment, and Popular Unity is the political response to phase two.

You are now breaking into the Greek political landscape, but where would you set your ambitions for the coming elections?

If there is one aspect of Syriza that we are intent on preserving, it is that of speaking in a language that the population can understand; of aiming to build a majority around a simple but radical program that truly responds to the people's needs and urgent problems, and of being able to offer an applicable alternative.

That was a fundamental point of Syriza's — to do mass politics, not the politics of little groups, not sectarian politics or politics limited to protest.

It is very much possible that Alexis Tsipras and Syriza will win the current elections. But without going into alternative histories, we can say that it is possible that they won't get an absolute majority. If Popular Unity does succeed in making an electoral breakthrough, would you be able to govern together with Syriza?

The memorandums are like the god Moloch, they demand ever greater sacrifices. They already destroyed two governments, even before Syriza. They annihilated Pasok — a party much more solid and better implanted in Greek society than Syriza, transforming it into a groupuscule. They also destroyed New Democracy, in good measure.

The third memorandum will destroy Syriza, and indeed that is very much already underway: in any case, the resignation of its general secretary in recent days was a striking symptom.

So anyone would be very much mistaken to think that the political instability in Greece is over. A new cycle is opening up with Popular Unity, allowing popular layers and social movements hostile to the memorandums to find political expression. From that point of view, our strategy is not all so different from Podemos's.

We want to make a breakthrough, overturn the political landscape, and do fundamentally what Syriza had done between 2012 and 2015. I don't see why we will be any worse placed to do so than they were — we were also part of that "they," after all!

Translated by David Broder

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