



Snatching disgrace from the jaws of defiance

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We reproduce here the introduction to a collection of articles on Greece taken from Fifth International Journal 17, August 2015

On 5 July, the Greek people's 61 per cent NO/OXI hurled a brave defiance at Angela Merkel and Wolfgang Schäuble and their demand for years more economic misery targeted at pensioners, the young and unemployed, poor farmers and the inhabitants of the Greek islands.

One week later, Alexis Tsipras and the Syriza government agreed to a deal dictated to them in Brussels by German imperialism, one which, in the words of Robert Peston, the BBC's Economics correspondent, 'would rob Greece of all meaningful economic sovereignty'.

The deal means that none of Greece's debts will be written off. It requires the Greek Parliament to pass an enabling act that puts the measures specified in the deal beyond votes in the assembly. These include:

- ? The transfer of €50 billion worth of state assets into a trust fund under Troika control that will pay off debt and recapitalise and then privatise Greek banks.
- ? Increasing the socially regressive Value-Added Tax and extending the taxation of poorer sections of the population, the small farmers and inhabitants of the islands.
- ? Increasing the age for receiving the state pension
- ? Restoring anti-union laws passed by previous governments
- ? Implementing automatic public spending cuts
- ? Privatisation of ports and airports and other parts of the country's infrastructure

In short, there will be a veritable fire sale of the country's public wealth to the parasites and privateers of all lands.

This deal is so bad that hardly anyone in Greek politics has a positive word to say for it beyond the fact that it is quite simply German capitalism's asking price for staying in the Eurozone. Even the International Monetary Fund says the €86 bn third bailout is completely unsustainable, that Greece will never be able to pay back the borrowed billions and that creditors will eventually have to accept they will never get all their money back. In addition, they say it will only further devastate the country's economy and make recovery impossible. In short, they present a case that the Brussels negotiators are liars and economic illiterates. In a *New Statesman* interview, the recently resigned Greek economy minister, Yannis Varoufakis, records that through the five months of negotiations the Eurozone representatives refused point blank to discuss the economics of it all or to consider anything but mass privatisation and austerity with no end in sight. However, the reason for this was neither theoretical ignorance nor sheer stupidity.

To the gnomes of Europe's financial centres, the economic recovery does not matter at all or, rather, they are only concerned with the recovery of their loans. Banks, unlike small countries, are 'too big to fail'. They are bailed out, their debt is written off with taxpayers' money and, at the same time, they swindle small depositors out of their savings; no problem! But the banks and bondholders themselves must not to lose a cent of their reckless lending. Elections, according to Schäuble, change nothing. There speaks the real voice of imperialist finance capital!

Unfortunately, faced only with 'erratic Marxists' (as Varoufakis' described himself) or former young euro communists (Tsipras) the bankers and finance ministers had a walkover. The Syriza leaders seemed genuinely to imagine that the latter would negotiate with them in good faith. In fact, they were simply seeking the opportune moment to destroy them; having first made good use of them as their messenger boys.

Syriza had to be punished so viciously because if Greece were seen to 'get away' with electing a party that actually reduced austerity, this example would spread to countries like Spain, Portugal, Italy etc. If there were a Europe-wide undermining of governments that had made their peoples pay for a crisis they didn't cause, the whole strategy of the European ruling classes would come crashing down, including those states, like Britain, that were outside the Eurozone.

Ordinary people might wake up to the fact that they could affect economic policy. Instead, they had to be put back to sleep with a brutal blow. Democracy not only stops at the door of the workplace (as the saying goes) but even more so it stops at the door of the banks.

The capitulation of Alexis Tsipras and the Syriza government is another sorry chapter in the history of betrayals by reformist parties that have characterised the workers' movement over the past century. In fact, it has an interesting parallel with the actions of Britain's first Labour Prime Minister, Ramsay MacDonald, in 1931. Britain had a huge empire then, bigger than the EU, and the pound sterling, like today's dollar or euro, was a global reserve currency. He and his economics minister, Philip Snowden, had been told by the Bank of England that they must balance the budget in order to keep the pound on the Gold Standard. To do this, they proposed huge cuts in public spending, including cuts to public sector wages and to the "dole" paid to the 2.5 million unemployed.

The main difference between the situation in Greece today and that in Britain in 1931 is that the Labour-affiliated trade unions and the majority of Labour Party in parliament dared to oppose these measures. MacDonald went to the King to hand in his resignation, but was persuaded by the monarch to form a National Government with the Tories instead. The Labour Party then expelled the traitor McDonald and all the MPs who supported this betrayal.

Tsipras has not completed MacDonald's path to a coalition with the main right wing parties in his country, yet. But this is thanks to the fact that, so far, his party has not forced him to such a choice. The majority of Syriza MPs, and the biggest trade union in Greece, initially backed his betrayal and still seem ready to implement the transformation of Greece into an impoverished colony of European imperialism.

Syriza's actions prove once again that in such situations a reformist party will betray its supporters. This is well expressed in Varoufakis' interview with the New Statesman in which he explains that the Troika did not seriously attempt to negotiate at all. Asked why he carried on the charade for five months, he replied:

'Well, one doesn't have an alternative. Our government was elected with a mandate to negotiate. So our first mandate was to create the space and time to have a negotiation and reach another agreement. That was our mandate ? our mandate was to negotiate, it was not to come to blows with our creditors. ?? <http://www.newstatesman.com/world-affairs/2015/07/yanis-varoufakis-full-...> [1]

And if the creditors were determined to come to blows with him? The reformists had no answer except ?. capitulate. Their bluff had been called.

The worst aspect of Syriza's prolonged negotiations strategy was that it entailed five months of paralysing the will and initiative of the workers and youth who had just put them in power. The repeated optimistic spin from Varoufakis and Tsipras, suggesting a deal was just around the corner, added to this. Who were they fooling? Not their EU opponents certainly, only their own supporters.

Finally, the referendum at the eleventh hour was a cruel hoax on the part of the Tsipras leadership. Ordinary Greek people were sincere and responded magnificently to the call. The result revealed that the mass of ordinary people were still willing to fight. Indeed, people thought they were arming their leaders with a mandate to resist, not an excuse for abject surrender.

Events in Greece reveal sharply another issue that is at stake, one that relates to what sort of party the working class really needs in such a situation. Developments in Greece in 2012, and again in 2015, show that, quite independently of the will or action of politicians or trade union leaderships, political crises can and will repeatedly arise which pose the question point blank: in whose class interests will the government act?

Since its meteoric rise in 2012, Syriza has been boosted in left-wing circles as the model for a new sort of party, a "broad party", one particularly suited to today's conditions. Obviously, it was better than Social Democracy and Labourism, which feared even to express any dissent from austerity and neoliberalism. Obviously, too, so the story went, a revolutionary party and the struggle for power (not just for office) was out of the question. "Look at the size of the revolutionary left." It's just not "fit for purpose" and this is usually accompanied by cynical laughter.

But, wait a minute, we can have parties that are anti-austerity, anti-neoliberal and can win elections and even form governments. Indeed there is even a grouping of them in Europe called the European Left Party. And where they don't already exist we can perhaps build them as what the Fourth International calls "broad parties" a policy it has put into practice in France, Spain, Portugal, Denmark and Britain.

By a "broad" party they mean it must include both reformists and revolutionaries within its ranks. Its programme, likewise, must not come out definitively for one or the other of these opposed strategies. Like the New Anticapitalist Party in France, or like Syriza itself, it might adopt a number of discrete revolutionary policies within its programme. It can talk of the need for a "rupture" with austerity, neoliberalism, even capitalism. But these "ruptures" remain in the distant future, entirely rhetorical with no actuality of a revolution in sight.

What such a method cannot present is a clear answer to the questions "How shall the working class take power?" "What role should a party play in preparing for this, both day-to-day, and at the critical conjuncture in a political and social crisis?"

By its very logic, any long-term "cohabitation" between fundamentally opposed forces will have to be on a basis tolerable to the reformists. If the reformists are in a majority in the membership, and a majority in the leadership and the parliamentary fraction, then the party's general practice will be overwhelmingly electoralist and it will inculcate this outlook in its cadres, and its voters, too.

Syriza did not, for example, "interfere" in the trade unions or seek to "hegemonise" the social movements. It sought only to be their electoral expression, that is, to exploit them politically.

The best that the advocates of this broad party strategy can do is to give such a party a Marxist colouration on largely secondary issues. This allows it to deceive the people that it is a far left party, a party that will act totally differently from the old Social Democracy. Yet, at the critical moment, it will betray like Tsipras has done or MacDonald did 85 years ago.

Those "revolutionaries" who see cohabitation in such reformist parties as a necessary project, to which there is no alternative, will be dragged along behind the reformists, wailing and weeping that "the time is not ripe" for revolutionary action, that "party unity" is imperative to resist the right wing, and that to be expelled by the reformist leaders is to be separated from the masses.

This experience is not a new one. The previous model for a broad party was the Italian Rifondazione Comunista. It was once a highly popular model with a charismatic leader (Fausto Bertinotti). Who mentions it now? Certainly not the theorists of the broad parties or the European Left Party, of which it was the Italian section. In fact, it blew up in a spectacular act of self destruction because, directly against its leaders' pledges, it entered a government which supported the Afghan war.

These issue will not go away, even if Syriza is also destroyed by its leaders' betrayals. Podemos is waiting in the wings, with the same far left forces singing the praises of its 'new model' of politics. Thus, the lessons of the 2015 June-July Greek crisis are of continuing and burning relevance and that is why we print here the statements issued by the League for the Fifth International as it unfolded.

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Links:

[1] <http://www.newstatesman.com/world-affairs/2015/07/yanis-varoufakis-full-transcript-our-battle-save-greece>