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The Struggle Continues

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Description:

The latest agreement between the Syriza government and the creditors shocked many on the Left who have been following events in Greece. It seems to signal the end of a whole political cycle. In this interview with *Jacobin* contributing editor Sebastian Budgen, Stathis Kouvelakis, a leading member of the Left Platform in the party covers the latest sequence, to what extent expectations have been confirmed or disproved, and the next steps for the radical wing of the party.

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What were the causes of the July referendum? Many saw it as something out of the blue, a wildcard that Greek Prime Minister Alexis Tsipras pulled out. But there is some uncertainty about his motivations some even speculate that he thought he would lose.

I think that the referendum was clearly an attempt to get out of the trap into which the government was falling through the negotiating process.

It was quite obvious, actually, that during the downward spiral of concessions the government and Tsipras realized that whatever they proposed was never going to be enough for the troika. By the last week in June, it was clear that the agreement that was more or less taking shape would not pass the internal test within Syriza and would not pass the test of public opinion.

Messages were sent to the leadership and to Tsipras himself from inside the party, from well beyond the ranks of the Left Platform, that this was not acceptable. In the last days of that week, the change in public opinion was also significant, with people saying that they were just fed up with this process of endless negotiations. It was understood that the troika was just seeking to humiliate the Greek government.

Tsipras, who it has to be said is a kind of a gambler as a politician, thought of the referendum an idea that was not entirely new and which was floated before by others in the government including Yanis Varoufakis not as a break with the negotiating process but as a tactical move that could strengthen his negotiating plan.

I can be certain about this, because I was privy to detailed reports about the crucial cabinet meeting on the evening of June 26, when the referendum was announced.

Two things have to be said at this point. The first is that Tsipras and most of the people close to him thought it was going to be a walk in the park. And that was pretty much the case before the closure of the banks. The general sense was that the referendum would be won overwhelmingly, by over 70 percent.

This was quite realistic, without the banks closing down the referendum would have been easily won, but the political significance of that "no" would have been changed, because it would have happened without the confrontational and dramatic atmosphere created by the bank closure and the reaction of the Europeans.

What happened in that cabinet meeting was that a certain number of people the rightist wing of the government,

lead by Deputy Prime Minister Giannis Dragasakis disagreed with the move. Dragasakis is actually the person who has been monitoring the whole negotiation process on the Greek side. Everyone on the negotiating team with the exception of the new finance minister, Euclid Tsakalotos, are his people and he was the most prominent of those in the cabinet who really wanted to get rid of Varoufakis.

This wing thought that the referendum was a high-risk proposal, and they understood, in a way that Tsipras did not, that this was going to be a very confrontational move that would trigger a harsh reaction from the European side and they were proved right.

They were also afraid about the dynamic from below that would be released by this initiative. On the other hand, the Left Platform's leader and minister of energy and productive reconstruction, Panagiotis Lafazanis said that the referendum was the right decision, albeit one that came too late, but he also warned that this amounted to a declaration of war, that the other side would cut off the liquidity and we should expect within days to have the banks closed. Most of those present just laughed at this suggestion.

I think this lack of awareness of what was going to happen is absolutely key to understanding the whole logic of the way the government has been operating so far. They just couldn't believe that the Europeans would react the way that they actually reacted. In a way, as I have said, the right wing of Syriza was much more lucid about what they were up against.

This explains also what happened during the week of the referendum at that level. Tsipras was put under extreme pressure by Dragasakis and others to withdraw the referendum. He didn't do that, of course, but he made it clear that his next moves were the ones that the right wing would agree with, and the measure was not a break with the line that had been followed up until that point, but was rather a kind of tactical move from within that framework.

And that was the meaning of the kind of backtrack on the Wednesday before the vote?

Exactly. That Wednesday some people even talked about an internal coup happening, and Athens was brewing with rumors that Tsipras was going to withdraw the referendum. During his speech he confirmed the referendum but also made it clear that the referendum was conceived as a tool for getting a better deal and that this was not the end of the negotiation but just the continuation under supposedly improved conditions. And he remained faithful to that line during that entire week.

One thing that I didn't understand about the process even from a public relations perspective is that he called a referendum over a series of proposed measures that he then called on people to reject and yet in the run-up to the referendum, he made a move towards the creditors that seemed to be even worse in some aspects than the measures that he was calling on people to reject.

That all gave the impression of complete amateurism and chaos.

I've tried to reconstitute the intentions of Tsipras essentially to answer your question about whether he thought he was going to lose the referendum and to try to clarify the meaning the referendum had for him. But what is absolutely clear is that it unleashed forces that went far beyond those intentions. Tsipras and the government were clearly overtaken by the momentum that was created by the referendum.

They tried therefore by all means to put the devil back into the box. The way Tsipras dealt with pressure from Dragasakis and why that Wednesday was so crucial was that he accepted their line and sent that infamous letter

to the Eurogroup and before that the letter asking for a new loan. This opened up the path for what was to come the week after the referendum.

But, on the other hand, in order to justify the fact that he could not without being totally ridiculed withdraw the referendum, he had to give some rationale for the initiative. He has to talk about fighting the austerity measures included in the Juncker package, about the blackmailing of the troika and the ultimatum he had been subjected to. And, of course, the dynamic that was developing from below at that moment seized that opportunity, took him at his word, and went ahead and to wage the battle against the troika.

This is a prime example of an initiative that was taken from above, as the result of internal contradictions, but ended up liberating forces that went far beyond a leader's intentions. This is very important, because it also has to be understood that one of the biggest difficulties that Tsipras has to face now after the surrender of yesterday's agreement is the very dubious political legitimacy of this move after the referendum.

We have to understand that it is a complete illusion to pretend that the referendum didn't happen. It did happen, and it's clear to both international public opinion and Greek society that Tsipras is betraying a popular mandate.

So on the big debate is Tsipras some sort of Machiavellian super-tactical genius or some type of wild gambler overtaken by events, you're definitely in the second camp?

Well, I'm definitely in the second camp provided that we clarify the following point: actually Tsipras and the leadership has been following very consistently the same line from the start. They thought that by combining a "realistic" approach in the negotiations and a certain rhetorical firmness, they would get concessions from the Europeans.

They were however increasingly trapped by that line, and when they realized that they were trapped, they had no alternative strategy. They consistently refused any other strategy, and they also made it practically impossible for another approach to be implemented when there was still time for that.

Now, in the interview he gave a couple of days ago to the [New Statesman](#), Varoufakis says that a small team of people around him worked during the week leading to the referendum on an alternative plan including state control of the banks, issuing of IOUs and disconnection of the Greek central bank from the Frankfurt ECB, so on a sort of gradual exit. But that clearly came too late and was rejected by nearly all the rest of the economic team of the cabinet, by which he essentially means Dragasakis. And Tsipras, of course, validated that decision.

So we have to stress the continuity of the line of Tsipras. This is also the reason I think the word "betrayal" is inappropriate if we are to understand what is happening. Of course, objectively we can say that there has been a betrayal of the popular mandate, that people very legitimately feel they have been betrayed.

However, the notion of betrayal usually means that at some moment you make a conscious decision of renegeing on your own commitments. What I think actually happened was that Tsipras honestly believed that he could get a positive outcome by putting forward an approach centered on negotiations and displaying good will, and this also why he constantly said he had no alternative plan.

He thought that by appearing as a loyal "European," deprived of any "hidden agenda," he would get some kind of reward. On the other side, he showed for some months a capacity to resist to the escalating pressure and made some unpredictable moves such as the referendum or travelling to Moscow.

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He thought this was the right mix to approach the issue, and what happens is that when you consistently follow this line you are led to a position in which you are left only with bad choices.

And the roots of that strategy: to what extent is it ideological blindness and to what extent is it pure ignorance? What is confusing to many is that you have a government composed of a large number of intellectuals, people who spent their whole lives studying contemporary capitalist political economy, both in the abstract and the concrete, people who are political activists.

How can one explain what seems to be naïveté about their political opponents? Is it thoroughly rooted ideology or was it just a lack of experience with "high politics"?

I think we have to distinguish two elements within the government. The first is the rightist wing of the government led by two of the main economists, essentially Dragasakis but also Giorgos Stathakis. And then the core leadership, Tsipras and the people around him.

The first group had a consistent line from the outset there was absolutely no naïveté on their part. They knew very well that the Europeans would never accept a break with the memorandum.

This is why Dragasakis from the outset did everything he could not to change the logic of the overall approach. He clearly sabotaged all the attempts for Syriza to have a economic proper program, even one within the framework that had been approved by the majority of the party. He thought that the only thing you could get was an improved version of the memorandum framework. He wanted his hands completely free to negotiate the deal with the Europeans, without himself appearing too much at the stage, he succeeded in controlling the negotiation team, especially once Varoufakis had been sidelined.

In summer 2013, he gave a very interesting interview that created a lot of buzz at the time. What he was proposing was not even a softer version of Syriza's program, but in reality a *different* program that was a slight improvement of the existing agreement that New Democracy signed.

And then you have the other approach, that of Tsipras, which was indeed rooted in the ideology of left-Europeanism. I think the best illustration of that is Euclid Tsakalotos, a person