

GREECE: A NEW BEGINNING OR ANOTHER CRISIS?

Τάσος Συμεωνίδης
(RIEAS Academic Advisor)

Copyright: Research Institute for European and American Studies
(www.rieas.gr) Publication date: 2 June 2019

Note: The article reflects the opinion of the author and not necessarily the views of the Research Institute for European and American Studies (RIEAS).

Alexis Tsipras, the now defeated Greek prime minister and leader of the radical left SYRIZA party, built his career around political opportunism and crowd pleasing. When he burst onto the political scene in 2015, promising “to tear up the memoranda,” i.e. to overturn the draconian German-imposed austerity agreements that staved off Greece’s sovereign debt collapse in 2010, he almost certainly knew his promises was a gross exaggeration that could not be fulfilled. But he hesitated little. In a remarkable act of ill-conceived bravado, he went toe-to-toe with Berlin and the creditors only to be crushed into submission and forced to sign on the dotted line turning Greece into an EU vassal state of frail symbolic sovereignty. Remarkably, he survived an electoral contest right after his *kolotoumba* (the Greek word for ‘somersault’ now used by foreign reporters as well) in July 2015 and went on to govern Greece for an additional three and a half years of unparalleled corruption, domestic deterioration, and political lawlessness.

The Tsipras reign of unscrupulous manipulation and unconstitutional acrobatics has seriously weakened an already creaky and dysfunctional political system. Greece’s overseers, however, chose to ignore this orgy of domestic political “management” because Tsipras, in an Ovidian transformation, transitioned from a

supposed far left firebrand to an obedient footboy of creditor demands—a move that made him an outcast in the eyes of the European Left but bothered him little as he basked in what he thought was his unfettered domestic supremacy and a growing international reputation as the man who can deliver where others could not.

But Greek voters had had enough.

On May 26, a fed-up electorate handed a [crushing defeat](#) to Tsipras and his confederates. This is cause for celebration by those still concerned about the stability and viability of Greece. However, serious problems remain threatening the ability of the next government to manage the shambles left behind by the “radicals” turned into men (and women) of the good life complete with five-star vacations and well-padded bank accounts.

Kyriakos Mitsotakis, leader of the conservative New Democracy party, a graduate of Harvard and Stanford, who will almost certainly lead the next government after early elections scheduled for July 7, will be presented with a slew of lingering problems.

SYRIZA, as its fortunes shrunk over the past year, went to work to create deep political “minefields” designed to gridlock and frustrate its successors in government. This deliberate sabotaging aimed to allow SYRIZA to remain the “deciding” force even after an electoral defeat. These “minefields” are deep, well prepared, and by all accounts almost impossible to clear without serious casualties.

1. In an effort to please the creditors and meet unrealistic budget surpluses of 3.5 pc per annum, SYRIZA devastated the economy via unprecedented [brutal taxation](#). Greece’s middle class has been all but wiped out undermining the private economy almost beyond the point of no return and

impoverishing hundreds of thousands of families. SYRIZA's felonious embrace of ["domestic devaluation,"](#) the holocaust "solution" of the Greek crisis adopted by the creditors, has condemned the economy to a treacherous existence without much hope of a decent rebound even if economic indicators improve in the near future.

2. SYRIZA, a fringe nihilistic groupuscule of anarchist and terroristic components without unifying political principles turned governing party, has done its best since 2015 to *increase* anarchist violence and provide free public space for insurrectionist elements, anarchist thugs, and other violent elements while keeping the police in a tight straightjacket. To add insult to injury, SYRIZA has also thrown Greece open to illegal immigration and missed no opportunity to defend the "rights" of the uninvited and their local supporters at the expense of indigenous Greeks. Mitsotakis thus inherits an enormous crisis of public order and internal security symbolically centered around the Exarcheia section of downtown Athens, a previously quaint neighborhood transformed into a base for criminal gangs, narcotics peddlers, human traffickers, and armed urban terrorists, a neighborhood police dare not to enter.
3. Greece is a country where the public sector is the favorite "cushion" for unemployment, with successive governments using it to satisfy the unemployable and low skilled in exchange for votes. That SYRIZA succeeded in garnering a decent 20 pc of the ballots on the day of its defeat, despite its overall crushing rejection by the voters, demonstrates how manipulating government hiring creates precious political shock absorption. Mitsotakis will be hard pressed to even the boat and push for pragmatic reform in an otherwise lethargic and counter-productive public sector with a voracious appetite for budget resources. Any attempt at reform must utilize

the one method no politician would admit in public: mass layoffs of the unqualified, the loafers, and the borderline illiterate.

4. In the economy, room for maneuver is limited although it is obvious that the markets [expect better days](#) under a reformist Mitsotakis administration. Ten years of catastrophic “management” by Greece’s “bailout” overseers has brought the Greek economy to the verge of disaster, a fact the IMF has nonchalantly [admitted](#) in public. And despite claims by the outgoing leftists that “the crisis is over” [realities on the ground are disappointing](#), not to say still dangerous. A New Democracy government must seek to diversify the country’s revenue model, currently [over-reliant on tourism](#), rationalize taxation, simplify the rules for new startups, create growth incentives for the private sector, and *radically redefine* the central government budget while all the while attempting not to provoke the creditors, which won’t be easy.
5. Greece’s social security and welfare net is in tatters. Correcting the catastrophe, even symbolically, will be a Herculean undertaking. Yet, this is a key strategic sector to boosting public confidence no post-SYRIZA administration can ignore. With public hospitals near collapse, and the social security administration almost bankrupt, Mitsotakis should focus on firefighting measures which could offer some temporary relief despite the draconian creditor periodic “reviews” of the economy, which focus on extracting still more debtor’s prison payments from an exhausted economy.

Aside from the above, the next government will have to contend with a regional environment in turmoil mainly because of Turkey’s imperialist expansionism and threats of war. Having chosen to side with Russia and Iran in the Syrian civil war, Turkey’s Islamist neo-sultan Erdogan is hard-pressed as the Turkish economy tanks and relations with the United States and the Western allies continue to

deteriorate. An added explosive issue is Turkey's regional isolation from the exploitation of hydrocarbon deposits discovered in Cypriot and Israeli waters. Ankara has chosen a blatantly illegal and provocative approach threatening to lead with its warships in its attempt to drill in waters belonging to other countries. Although both the United States and the EU [have made clear they oppose Turkey's claims](#), the possibility of a sudden Turkish "backlash" attack on Greece cannot be ruled out as Erdogan attempts to mobilize his primitive domestic, mainly rural, supporters and preserve his Islamic choke hold on his country. A Mitsotakis government will be thus hard pressed to devise a flexible strategy to this imminent Turkish threat based on maximizing Greece's EU membership and its currently excellent rapport with Washington.

Adding to the [eye-popping impoverishment](#) of the Greek people by austerity, the final nail in the Tsipras political coffin was the so-called Prespes agreement with the Former Yugoslav Republic of Macedonia (FYROM) which allowed Greece's miniscule northern neighbor to acquire the name "North Macedonia."

The agreement fueled a pan-Hellenic wave of anger and condemnation that demolished SYRIZA's appeal across all northern regions of Greece. The fact the agreement was welcomed by both Europeans and Americans, as a "highly desirable stabilizing resolution" of a lingering diplomatic issue, angered Greek voters to no end and apparently convinced them Tsipras and his cohorts sold Greek vital interests down the river of foreign pressures. Mitsotakis has already [stated](#) the agreement "betrayed Greeks" and has vowed to block any attempt by "North Macedonia" to join the EU.

In the end, Tsipras miscalculated badly. He and his confederates expected a "light" defeat separating SYRIZA from New Democracy by 3 percentage points at the worst. But the voters catapulted Mitsotakis to first past the pole by 9 percent, a

resounding defeat for the incumbents that surprised even the most optimistic opposition pollsters.

The July 7 general election is expected to return even worse results for the Tsipras side. One unmistakable sign of what is in store for the outgoing PM was the outcome of the local elections, held at the same time as the Euroelections. In an unprecedented backlash delivered by local societies, SYRIZA candidates were swept clear off the decks in all but three regional sub-divisions of the country—painting the whole map of Greece in New Democracy blue except for the three pink SYRIZA dots.

Against this backdrop, Tsipras's hopes for even a moderate comeback, following the general elections, appear thin, at best. Past electoral experience says the party that loses in the Euroelections should expect a compounded defeat in national elections. Thus, the man who would have been the Slayer of the Creditor Monster is up for an exit with a whimper rather than a bang. That does not necessarily mean he will give up. Now that he tasted power, an opportunistic and calculating Tsipras will remain the key threat to Greece's stability, even at the head of demoralized and tattered anarchist troops, unless future developments lead to his terminal political evaporation.