AND NOW.... ALL BETS ARE OFF!

Tassos Symeonides

(RIEAS Academic Advisor based in Seattle, USA)

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

date: 4 January 2015

Threatening howls have risen from the halls of "united" Europe at the announcement of early general elections in Greece, scheduled for January 25, 2015 – elections which, most likely, will bring to power the populist left-wing SYRIZA party.

In a perfect exercise of "democratic process," and beginning with Frau Merkel, senior EU officials, and others outside the "wretched" and "idler" southern periphery of the European "union," hammered in unison and with abandon upon Greece and her electorate with dire warnings *if* the outcome of the elections isn't according to the likes of Berlin, Brussels and several other "core" European capitals. The onslaught developed with such ferocity that the German *Der Spiegel*, one of Europe's most influential news weeklies, saw fit to deliver a <u>scathing response</u> to the verbal war against Greece castigating Frau Merkel's "audacity" in telling Greeks who they must vote for (the original article in German is here).

This EU hue and cry was "justified" according to hard-core "Europeanists" because of the possibility of a SYRIZA administration repudiating all or a significant part of the Greek sovereign debt, an act which, unlike previous "haircuts" that targeted private investors (including tens of thousands of unfortunate Greek buyers of government bonds, both individuals and social insurance funds) would directly impact German and other "core" European government finances.

Frau Merkel's wrath additionally emerged from the thorny thought of a radical leftist government at the helm of the EU's most unruly and unpredictable country whose population appears to have no use for austerity and the "benefits" of "globalization." Conservative German politicians,

1

both in private and publicly, have few kind words for such unacceptable lack of discipline which, among other things, threatens to cause the kind of ripple effect that would expose *the utter systemic* failure of the so-called "eurozone" and, thus, threaten the centerpiece of Germany's long range economic (and export) policy.

So, yet another "Battle of Greece" has been joined.

While external pressures mount in order to manipulate the fears and insecurities of the Greeks, pummeled by six years of catastrophic economic policies and maniacal taxation reminiscent of longgone eras of occupation and oppression, the collapsed coalition administration of Greece's once two dominant political parties, the "conservative" New Democracy and the "socialist" Pasok, has joined the fray with its own campaign of "shock and awe" in an effort to undermine SYRIZA's electoral chances. So far, the impact of this "shock and awe," if we believe non-published polling, appears below the expectations of Mr. Samaras and his cohorts.

While the current early elections Greek crisis was technically triggered by Mr. Samaras's failed attempt to elect a New Democracy candidate as the next president of the Hellenic Republic, the upheaval at the root of January 25, 2015 can be traced back several months – and an attempt by Mr. Samaras to claim that Greece was ready to leave the embrace of the hated "troika" – the group comprising the IMF, the European Commission, and the European Central Bank in charge of Greece's devastating "bailouts." This publicity stunt by the ex-PM, based on non-existent "facts,"attracted immediate German disapproval, which essentially spelled the end of Mr. Samaras's tenure. And as things stand now, the two unlikely partners of the defunct Samaras administration begin the electoral campaign with the distinct disadvantage of having delivered next to nothing toward the improvement of the average Greek's daily lot.

As for SYRIZA, its leader, Alexis Tsipras, is already garnering support from European leftists as the person who <u>could trigger a process of reform</u> affecting the whole of Europe – a prospect that is pure anathema to Germany and the hard-core, neo-liberal, pro-deregulation, and profit for profit's sake European political forces. Tsipras, a former high school student radical from a well-to-do family, has recently toned down his "revolutionary" pronouncement but the overall "threat," embodied in SYRIZA's nebulous platform rejecting permanent "tightening" as the avenue to "salvation," looms

stronger than ever. Tsipras has correctly seen an opening and is methodically exploiting it as Greek voters turn in droves toward his party as the continuing crisis blights millions of lives daily. The humanitarian calamity that blankets Greece gives Tsipras ample traction, although it remains to be seen if this overwhelming public sentiment against brutal austerity could deliver a solid SYRIZA majority government.

A potential SYRIZA government would be in hot water within minutes of assuming power. Greece needs to conclude grinding negotiations with the "troika" by the end of next month, so that more "bailout" cash can be released, with the failed Samaras government warning that the country could go insolvent in March, if the "bailout" lifeline is cut by "troika" orders. To add "persuasion" to these claims, Wolfgang Schäuble, the rather stiff German finance minister, has warned that the next Greek government must conform to agreements signed by those previously in office. "The tough reforms are bearing fruit and there is no alternative to them," Schäuble said. It is practically impossible though to find a single Greek, outside the isolated groupings of "pragmatists" and "single currency" proponents, who would agree with the German official.

Bookies are already fervently at work as January 25 approaches. This is the time when all bets are off though. January 25 will mark the most critical election since 1974 affecting the fortunes of Greece; at the same time, it could mark the first overthrow of a democratically elected administration of a "union" member country by Europe's "central powers" fearing "political contagion" and instability that could upset the "markets" to the detriment of interests that dwarf claims of independence and sovereignty by smaller countries .

"Everything flows," Heraclitus of Ephesus said in one of the most enduring philosophical statements of all time – yet, in power politics, so much seems to remain horrifyingly the same.