

Syriza's parliamentary group supports Greek austerity agreement

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The parliamentary group of Greece's governing Syriza party held a closed-door session Wednesday to discuss last week's austerity agreement with the Eurogroup, International Monetary Fund (IMF) and European Central Bank (ECB).

The meeting of Syriza's 149-strong caucus reportedly lasted between 10 and 12 hours and was addressed by Prime Minister and Syriza leader Alexis Tsipras. Also speaking to the MPs were Deputy Prime Minister Yiannis Dragasakis and Finance Minister Yanis Varoufakis, who negotiated the terms of Syriza's abject February 20 surrender to the demands for continued austerity.

The meeting was called amid a developing crisis within Syriza's ranks over the implications of the party's repudiation of virtually its entire election manifesto. The various pseudo-left tendencies that belong to Syriza feel exposed by the rapidity with which it has shed its anti-austerity rhetoric, after millions of people voted in January's general election for an anti-austerity platform.

Among those represented at the meeting was the Left Platform. An amalgam of Stalinists and pseudo-left elements, it seeks to conceal the central fact that Syriza is a bourgeois party representing the interests of sections of Greece's ruling elite and the upper middle class. The Left Platform constitutes a substantial section of Syriza's leadership. At the party's 2013 first conference it won 30 percent of the overall vote and 60 seats on the central committee of the party.

Left Platform were the most enthusiastic supporters of Syriza's coalition with the right-wing, xenophobic Independent Greeks (Anel), claiming Anel represents a progressive anti-austerity movement. Prior to January's election, Left Platform leader Panagiotis Lafazanis paved the way for Syriza's imminent collaboration

with Anel, stating, "We will work with forces, which will responsibly be able to follow policy against the memoranda, policy in a progressive direction. This is the basis of our cooperation."

Lafazanis, a veteran Stalinist, was handed control of the Ministry of Productive Reconstruction, Environment and Energy following Syriza's election victory. Since then he has spent most of his time claiming his tendency has "red lines" on privatisation that cannot be crossed. At the Wednesday meeting Lafazanis was still sounding off against a few privatisations, despite the Syriza-Eurogroup agreement categorically declaring, "To attract investment in key sectors and utilize the state's assets efficiently, *the Greek authorities will commit not to roll back privatisations that have been completed.*" The document stipulated that privatisations already underway will be completed: "*Where the tender process has been launched the government will respect the process, according to the law,*" [Emphasis added.]

The Left Platform is not opposed to privatisations in principle. Among the few Lafazanis says he opposes are the sell-off of PPC, the electricity utility, and the power grid operator ADMIE. Even then this is only because no bids have as yet been received. On Wednesday Lafazanis said, "The tender for ADMIE will not go ahead. The companies have not submitted binding bids so it will not be completed. That is also the case with PPC."

The reality is that Lafazanis' posturing has not affected the sell-off of any of Greece's state assets. This has reached farcical levels, with his threat to cancel the sell-off of the former airport site at Elliniko. Syriza Economy Minister Giorgos Stathakis has endorsed the Elliniko privatisation as well as the sale of 14 regional airports, with just a few technical changes

to the agreements to be finalised.

Tsipras used the caucus meeting to demand his critics finally put up or shut up, saying, “I want to know whether you agree or disagree with the deal. If there is someone who will vote against it, I want them to say so now.”

The caucus meeting summed up what Syriza’s most loyal opposition actually amounts to. In the event, reportedly only around 10 MPs voted against the deal, while another 20 voted “present” (abstained). Among those abstaining was Lafazanis. Another source said as few as five deputies voted against the deal.

Tsipras & Co. have the measure of the Left Platform and the other pseudo-left forces with the party and maintain close relations with them. Alekos Flabouraris, a long-time mentor and supporter of Tsipras, said that 18 Syriza members abstained or voted against but that if it went to a vote in parliament only three or four of the party’s MPs would vote in opposition.

Ahead of Wednesday’s meeting Varoufakis held a late-night discussion with Lafazanis in the Greek parliament’s café. The extent of Lafazanis’s dissent at the caucus meeting was to bleat, “There are parts of the [Eurogroup-Syriza government] letter that are reminiscent of the lenders’ language, not ours.”

Summing up the deal Thursday Bloomberg News wrote, “[G]reece has diluted at least five of its key electoral promises in the face of implacable German-led opposition to its stance. There’s been no extension of the country’s debt repayment timetable; Greece is still a ward of the troika, even if its guardians now go by a different name (they’re now referred to as the ‘institutions’); there’s no rollback of the previous government’s economic reforms; cash allocated to the domestic banking system won’t be diverted to alleviating economic hardship; and the need to achieve a sensible budget surplus has been acknowledged.”

Syriza is committed to the immediate imposition of austerity, and a sharp confrontation with the working class, under conditions where billions of euros in foreign debts fall due in days. Some €1.6 billion is due to be paid to the International Monetary Fund in March. On Wednesday Varoufakis said Athens would be seeking emergency finance in the form of the €1.9 billion in profits from Greek bonds held by the European Central Bank and would look into issuing short-term debt in the form of Treasury bonds (T-bills).

However, the Eurogroup agreement stipulated that the €1.9 billion in bond profits can only be disbursed at the end of the four months agreed by Athens and on condition that it implement agreed to austerity.

Varoufakis said, “The ECB could simply hand over this money to the IMF as partial repayment. The ECB recognizes that this is money we are owed. This is not borrowed money, it’s an overpayment to the ECB.”

In a later interview with CNBC, Varoufakis said the financial markets “can be confident that Europe is going to find a way of dealing with the cash flow problem. Can you imagine allowing the eurozone to fragment over a few billion euros?”

None of this is acceptable to Germany, whose position that Greece must impose the austerity programme to the letter has only hardened since last week’s agreement. On Wednesday Finance Minister Wolfgang Schäuble told German radio, “The question now is whether one can believe the Greek government’s assurances or not. There’s a lot of doubt in Germany—that has to be understood.” He said later, “Greece will not get a single penny until it complies with its obligations.”

Regarding any changes to the privatisation programme agreed with the Eurogroup, the ministry’s spokesman Martin Jäger said any changes to would “have to be closely agreed” to with all Greece’s creditors.

On Friday the German parliament is to vote on the Eurogroup agreement.



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