Varoufakis documents Syriza's political treachery

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24 August 2015

Former Greek Finance Minister Yanis Varoufakis is continuing his effort to distance himself from the austerity memorandum Syriza Prime Minister Alexis Tsipras has agreed to impose. In doing so, he is succeeding only in confirming the bankruptcy of the entire Syriza project, which has been embraced by pseudo-left groups internationally.

Varoufakis became finance minister following Syriza's election in January. He was removed by Tsipras on July 6, immediately following the landslide vote against austerity in the referendum that had been called by the Syriza-led government.

In an interview last week in the Observer, Varoufakis said Tsipras had decided to "surrender" to the European Union and Greece's other creditors, and was seeking to become a "new De Gaulle".

He provided further details of how Tsipras, on the very evening of the overwhelming vote by the Greek electorate against the European Union's austerity demands, moved to conclude a deal accepting all of the measures demanded by the EU.

Tsipras justified this on the basis that it is "better that a progressive government implement terms of surrender that it despises than leave it to the local stooges of the troika [European Commission, European Central Bank, International Monetary Fund], who would implement the same terms of surrender with enthusiasm."

As events have demonstrated, the main "stooge" of the troika is Syriza, with Varoufakis himself having played a leading role.

The former finance minister describes how in the negotiations with the troika, he proposed "standard Thatcherite or Reaganesque" economic policies, including tax reductions and privatisations. These were not accepted, he complains, because the troika wanted only total capitulation and "regime change."

Syriza came to power with the notion that it would seek to win alliances in Europe, including with Italy, France and other heavily indebted countries, behind its proposal for a negotiated settlement over Greece's €300 billion foreign debt.

However, they were most concerned with winning the support of Germany. To this end, Varoufakis personally travelled to Berlin and hailed the architect of EU-wide austerity, German Finance Minister Wolfgang Schäuble, as one of the greatest political leaders of his age.

When it became clear that Schäuble was opposed to making any concessions to Greece and was plotting for Greece to be forced out of the euro zone, the attention of Syriza and Varoufakis swung to convincing German Chancellor Angela Merkel to rein Schäuble in.

Varoufakis told the *Observer*, "It wasn't that we ever expected the troika to see the error of their ways… We expected the European partners to intervene, and, in particular, Chancellor Merkel."

Last week, Varoufakis published the documents he presented to the troika during negotiations in May and June. His proposals were co-authored by a "Board of International Advisors," including Lord Norman Lamont, whom Varoufakis describes as a "close friend."

Lamont was chancellor of the exchequer in the UK Conservative government of John Major. He held a number of senior positions in the government of Margaret Thatcher. He recently wrote that his friendship with Varoufakis was based on shared economic views:

"Yanis and I were participating in a debate in Melbourne in Australia about the euro and we were on opposite sides of the debate, but as the debate went on we realised that fundamentally we both agreed and that

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there wasn't much difference between us in our views…"

Also advising Varoufakis was Thomas Mayer, a former chief economist at Deutsche Bank, and Lawrence Summers, a Harvard University professor and former US treasury secretary. An academic on the Board of International Advisers, Mariana Mazzucato, is a permanent member of the European Commission's expert group on innovation for growth.

James K. Galbraith from the University of Texas is a long-time associate of Varoufakis. Prior to taking up his post in the Greek government, Varoufakis authored several versions of "A Modest Proposal for Resolving the Eurozone Crisis," the first of which was written with former UK Labour Party MP Stuart Holland. The final version, released in July 2013, was published jointly with Galbraith. In June 2013, Varoufakis and Galbraith wrote an op-ed piece in the headlined "Only Syriza Can Save Greece."

Varoufakis and Galbraith assured the ruling elite internationally that a Syriza government "wouldn't be a bad thing for Europe or the United States." Were Syriza to be elected, they wrote, "nothing vital would change for the United States… Syriza doesn't intend to leave NATO or close American military bases."

The documents Varoufakis presented to Schäuble and company in May and June were titled "A policy framework for Greece's fiscal consolidation, recovery and growth," and "Ending The Greek Crisis: Structural Reforms, Investment-led Growth & Debt Management."

They called for privatisations and the creation of a "bad bank," such as that established by the pro-austerity Irish government, to channel state spending into the hands of the very banks that had brought the economy to the brink of collapse. The June document assured the troika that Syriza's proposals "[W]ill cost Greece's European and international partners not one euro of additional financing."

Varoufakis concluded his *Observer* interview by again insisting that there is no prospect for socialism. "*I don't believe that the time of depression is a revolutionary time*," he stated, adding, "The only people who benefit are the Nazis, the racists, the bigots, the misanthropes." [Emphasis added]

Tsipras, who handpicked Varoufakis for the most important position in his government, even though Varoufakis was never a member of Syriza, would disagree with none of this.

Varoufakis' documentation of the reactionary, anti-socialist perspective of Syriza exposes the lies of the Left Platform and all of the pseudo-left groups the world over, which, after hailing Syriza for months as the way forward, now provide the same service to the party's belated dissident faction.

Many of the Left Platform's representatives, including their leader Panagiotis Lafazanis, occupied senior posts in the Syriza government and throughout the party. The Left Platform claimed at certain points to have a majority of the party's Central Committee and held four seats out of 11 on the party's Political Secretariat. They were the most enthusiastic supporters of Syriza's coalition with the right-wing, xenophobic Independent Greeks.

Varoufakis maintained close connections with Lafazanis throughout his time in office. Shortly after Syriza agreed in February to extend the austerity programme that had been accepted by the previous New Democracy government, Varoufakis was photographed having a late-night discussion with Lafazanis in the Greek parliament's café.

Lafazanis and his cronies knew everything Varoufakis and Tsipras were discussing with the troika and at critical stages ensured with their votes that Syriza remained in office.

A section of the Left Platform has now split from Syriza, having been forced out by Tsipras, who will no longer tolerate even their half-hearted opposition, to form Popular Unity (Laiki Enótita). In this guise they will continue to devote their efforts to opposing the development of a revolutionary movement by the working class in Greece.

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