

Tsipras wasted a potentially golden opportunity for Greece in Moscow*

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(10.04.2015)

Abstract: *The aim of this article is to assess the real significance of Tsipras' meeting with Putin which, potentially, was a golden opportunity for Greece to take the drastic steps that the present dramatic moment in Greek history require. This opportunity was wasted by SYRIZA which, in effect, used the visit just as a communications device, while Tsipras did not even raise the issue of the present attempt by the Transnational Elite to strangulate the Greek economy unless it submits to all the "structural reforms" required — even though Tsipras was elected in order to reverse them.*

As I have tried to show in the past,¹ the present almost complete destruction of the lower classes in Greece did not in fact begin in 2010 but had its roots in 1981, when Greece joined the EU. It was at that time that Greece had begun the process of entering the debt trap, as I stressed in an article at the time,² even if this was not so visible. It was then that the governing ("socialist") political elites (PASOK) were busy creating a consumer society and a rudimentary welfare state founded on heavy borrowing, as the political elites were not willing to antagonize the economic elites, which were not keen (as always) to pay taxes. So, 2010 was simply the year that the bubble had burst, in the aftermath of the financial crisis of 2008-9, when re-borrowing to pay old loans —which multiplied after 2001 when borrowing became very cheap following Greek entry

* This article was [published simultaneously in Pravda.ru on 10.04.2015](#).

¹ "The real causes of the catastrophic crisis in Greece and the 'Left'," *Global Research* (16/1/2014). <http://www.globalresearch.ca/the-real-causes-of-the-catastrophic-crisis-in-greece-and-the-left/5365013>

² Takis Fotopoulos, "[Economic restructuring and the debt problem: the Greek case](#)", *International Review of Applied Economics*, Volume 6, Issue 1 (1992), pp. 38-64.

into the Eurozone— became particularly difficult. Up to the entry into the EU, Greece had a significant degree of self-reliance, as the protected agricultural and industrial sectors were able to cover a large amount of the local needs, while the receipts from tourism, shipping and remittances from Greek workers in Germany, Australia and elsewhere covered many of the imports needed for foreign goods.

Therefore, the present economic catastrophe in Greece with all its tragic social consequences (mass unemployment of over half the young people, almost one third of the Greek people pauperized, thousands of suicides and so on) is not due to the causes usually attributed to it by the “Left” (odious debt, corruption of the elites, etc.).³ In fact, contrary to the misleading “explanations” provided by this Left (and the Right alike), the actual cause of the present catastrophe is the full integration of the Greek economy into neoliberal globalization, through its accession into the EU. This has meant the complete transformation of Greece into an economic and political protectorate of the Transnational Elite.⁴ The catalyst for this crisis was Greece’s unofficial default, which, however, was merely the consequence of the destruction of its production structure, as a result of the opening, and liberalization of markets imposed by the EU, following Greece’s entry in 1981. It is therefore no wonder that both the Left (apart from the Communist Party) and the Right—in fact, the entire Greek establishment—are fully united in not challenging the main cause of the present economic destruction: Greece’s membership in the EU.

So, as I wrote a year before the election of SYRIZA, “contrary to the deceptive pre-election promises of SYRIZA (which is an organic part of the globalist Euro-left (i.e. the “Left” which does not question the EU) that has chosen its leader, A. Tsipras, as its candidate for president of the EU Commission, there is no way that an EU/Member State could refuse to apply the policies imposed by neoliberal globalization, as borne out by History with Mitterrand, Lafontaine, Hollande, et. al. It is equally disorienting to state, as SYRIZA does, that, if elected to power, it would revert the catastrophic legislation imposed by the well known “Troika” (representing the IMF, the EU and the ECB)”.⁵ And this is exactly what happened, as I showed in a recent article in Pravda.⁶

³ see e.g. the book by two members of the SYRIZA leadership, (one of them presently a member of the economics group of ministers), Christos Laskos and Euclid Tsakalotos, *Crucible of Resistance: Greece, the Eurozone and the World Economic Crisis* (Pluto Press, Sept. 2013).

⁴ Takis Fotopoulos, [Greece as a protectorate of the transnational elite](#) (Athens: Gordios, November 2010).

⁵ “The real causes of the catastrophic crisis in Greece and the ‘Left’,” op.cit.

⁶ “The bankruptcy of Syriza and of the globalist ‘Left’,” *Pravda* (1/3/2015).

The above deceptive promises were based on the myth that neoliberalism is some kind of a mistaken ideology, or a doctrine⁷ upheld by “bad” politicians such as Thatcher, Merkel, Blair, etc. However, neoliberalism and neoliberal globalization is, in fact, a systemic phenomenon implying, also, that the EU members’ economic growth does not rely anymore on the domestic market but, instead, on the international market (within the EU and without). Another implication of the same phenomenon is that it is the Trans-National Corporations (TNCs) that control world production and trade, and —through the Transnational Elite— the international political, military and cultural institutions. So, only if the EU governments were taken over by the Euro-Left and they then forced the TNCs based in EU to operate solely within the EU area —imposing in the process strict social controls on the movement of capital and commodities from the other economic blocks (i.e. those of the Far East and America)— only then could the European economy be indifferent to its own level of competitiveness and live in the Euro-Left’s nirvana happily ever after. In fact, however, the EU is moving in exactly the opposite direction of further integration within the New World Order (NWO) defined by neoliberal globalization! This is clearly shown by the current negotiations between EU and US for a Transatlantic Free Trade Area (i.e. the Transatlantic Trade and Investment Partnership (TTIP)).

If, therefore, we accept the premise that the Euro-elites have no other option but to improve their competitiveness within the globalized economy, the next question is how competitiveness can be improved. There are two main ways in which a country’s competitiveness could improve: either by changing relative prices, i.e. squeezing the prices of locally produced commodities with respect to those produced abroad through squeezing wages and salaries, or by improving productivity of locally produced commodities, which may lead to lower cost of production without reducing real wages and salaries. Changing relative prices in the former way is the easy solution, as it could be implemented, almost at a stroke, in case a country controls its own currency. Greece itself has repeatedly resorted to devaluation policies in the post-war period to improve, temporarily, its competitiveness. However, in case a country does not control its currency (as is the case of Greece in the Eurozone), the only other option, given its historically low level of labor productivity because of the lack of investment in research and development, is the presently implemented policy of squeezing wages and salaries in the hope that the cost of production will fall accordingly.

So, if we start with the premise that the uneven levels of competitiveness and productivity are unavoidable in an economic union like the EU, which consists

⁷ Naomi Klein, *The Shock Doctrine* (Penguin, 2007).

of countries at highly different levels of development (as they have been historically formed within a very uneven capitalist development process), then we may easily understand the causes of the crisis in countries like Greece. The fact, therefore, that a Eurozone country, facing a problem of low competitiveness, cannot devalue its currency (i.e. change its relative prices without the need for suppressing domestic wages and incomes) is not the cause of the crisis. This may be the cause of a similar competitiveness crisis of an advanced capitalist country like Germany but not of a country like Greece where low competitiveness is a development problem. Particularly so, when the Greek entry to the EU and later to the Eurozone had itself significantly exacerbated the development problem by effectively dismantling the productive structure of the country, as its infant industry and agriculture were not capable to compete with the imported commodities, following the opening and liberalization of markets imposed by the EU Single Market. Under these conditions, even a Greek exit from the Euro and a devaluation of the drachma that will be re-introduced in its aftermath, could only have temporary effects on Greek competitiveness, unless mass investment in its productive structure takes place at the same time, which is far from guaranteed in an internationalized market economy, where such investment mostly depends on how attractive a country is to TNCs (in terms of low cost of production, low corporate taxes etc.)

Yet, despite the fundamental differences concerning the causes of low competitiveness between the "North" and the "South" of the EU, a common policy was adopted for all member countries —a policy that was obviously determined by the needs and the interests of the North. Thus, the Single Market did not mean the unification of peoples, as the EU propaganda presented it, not even the unification of states, but simply the unification of free markets. "Free markets," however, mean not only open markets (i.e. the free movement of commodities, capital and labor), but also flexible markets (i.e. the elimination of any obstacles to the free formation of prices and wages, as well the restriction of state role in the control of economic activity), which implies the drastic restriction of economic and national sovereignty. This was the essence of the neoliberal globalization characterizing the new institutional framework of the EU, i.e. that the state control of the domestic market of each member state (which was drastically restricted within the Single Market of 1992) was not replaced by a corresponding EU control of it, apart from some elementary regulations on uniformity, etc. In other words, the new institutions aimed at the maximization of the freedom of organized capital, whose concentration was facilitated in any way possible, and the minimization of the freedom of organized labor, whose co-ordination was restricted in any way possible and mainly through the unemployment threat.

The obvious conclusion is that it is impossible to take any radical measures to exit from the current economic (and not only!) disaster, without a unilateral exit from the EU, along with a cancelation of the entire debt (for which the people were never asked anyway), as well as the discarding of all legislation imposed by the Troika. This would imply also the adoption of the necessary radical geostrategic changes. Only this way, Greece could retrieve the minimum required economic and national sovereignty for a strategy for economic self-reliance, which is necessary for the permanent exit from the crisis, through building a new productive structure to meet its needs. The alternative "solution" suggested by the Euro-Left and Syriza,⁸ according to which the millions of unemployed and poor should wait for a radical change in the balance of forces within the EU and the Eurozone, so that a new pan-European Left government proceeds with the "progressive" reforms suggested by its supporters, is not only theoretically invalid (unless European TNCs are forced to work only within Europe) but also utterly disorienting, as the subjective and objective conditions required for such a development are not possible for any foreseeable future. The fact that not a single pan-European strike happened in face of the systematic attack by the elites against trade union rights all these years, and that the Syriza government, instead of attracting "allies" within the EU in its fight against austerity policies was simply isolated, particularly by its "natural" allies among peripheral EU countries, is highly indicative.

It is therefore clear, at this very moment when Greece is effectively strangled by the Euro-elites, which deprive the country of the necessary liquidity, only the adoption of radical measures by the government could really help the Greek people. Such radical measures should aim at sovereignty and self-reliance and would require fundamental economic as well as geostrategic changes. Thus, the economic changes presuppose an immediate exit from both the EU and the Eurozone, as well as from the World Trade Organization and similar organizations imposing neoliberal policies. They also presuppose a unilateral cessation of any further payments on the foreign debt, on the grounds that the Greek people were never asked about it. The geostrategic changes involve the immediate exit from NATO and the parallel application for membership to the Eurasian Union, as long as the latter is developing, as originally designed, towards a political and economic union of sovereign nations at about the same level of development. In such a union, states will be free to impose social controls on their markets for capital, labor and commodities in order to protect

⁸ Christos Laskos and Euclid Tsakalotos, *Crucible of Resistance: Greece, the Eurozone and the World Economic Crisis*, op.cit.

societies themselves (particularly labor and the environment) from the markets, as Polanyi has suggested long ago.⁹

The popular base of Syriza has already understood that the demands of its “partners” for “structural reforms,” in fact, negate even the minimum program of social change promised by their party before the elections, as they involve:

- privatizations to repay lenders;
- full liberalization of the labor market so that the “hire and fire” culture is universalized;
- effective dismantling of what is left of the welfare state and of the social security system (pensions, etc.), as well as of the state sector in general, through the mass squeeze of state spending with the aim to secure healthy surpluses in the budget and so on.

Therefore, today it is widely understood that Greece has no other option, if it does not want to see the continuation of the policies of the last five years (with some minor, usually cosmetic, improvements), “ad infinitum” —as the indescribable Economics Minister, put it, who since the beginning of the crisis was terrorizing the Greek people about the catastrophe that a Grexit would mean through childish “arguments,” which would fail even a first year student in economics.

This is why, potentially, the visit of Tsipras to Moscow, who was accompanied by the leadership of the left section of his party that is supposed to be more radical on the EU issue, was a golden opportunity for Greece to take the drastic steps that this dramatic moment in the Greek history require. But, it was exactly because of some disquiet among the Euro-elites that, potentially, this visit could open the way for such a radical change in Greek orientation, that they mobilized their organs to avert any such possibility. Their fear was that in case Greece really decided to adopt such radical measures —not by design, as they trust the Syriza leadership, but by “accident,” because of popular pressure— this could well function as a beacon of hope for the millions of the victims of globalization in Europe and beyond.

Thus, the TE media and the EU gatekeepers (or gauleiters) like Martin Schulz, the President of the European parliament, kept sending warning messages to Tsipras in case he attempted any deviation (even if it was a slight one), from the official line. At the end, of course, they were happy, as nothing important was decided, given that Tsipras did not even ask for Russian financial

⁹ Karl Polanyi, *The Great Transformation*, (Beacon Press, 1944), chs 5-6

assistance!¹⁰ No wonder even Schulz was happy after the Putin-Tsipras meeting!

But, what is even worse is the fact that the Greek establishment, including Syriza—which from now on will be an indispensable (“left”) part of it, in place of PASOK, which has already been completely discredited— used the propaganda machine they control in Greece to indirectly (or sometimes even directly) blame Moscow for not offering enough help! Their aim is obvious: Greeks should learn that the integration of their country into the NWO of neoliberal globalization is a one way street and they should get used to it. It is therefore more evident than ever before that the creation of a movement “from below,” leading to the development of a Popular Front for National and Social Liberation, with the aims I described above, is more imperative than ever now.

¹⁰ “Putin: Greece did not seek financial aid from Russia”, *BBC News* (8/4/2015).
<http://www.bbc.co.uk/news/world-europe-32213161>