

## Alexis Tsipras : ‘Austerity is a Dead End’

Interview conducted by Kostas Arvanitis (STO kokkino), published in French in *L’Humanité*, 31 July 2015



On Wednesday, Sto Kokkino, the radio station politically close to SYRIZA, broadcast a long interview with Greece’s Prime Minister. With permission, substantial excerpts follow, which offer unique insights into the fierce negotiations between Athens and its creditors and on the financial coup d’état directed against Greece’s left-wing government.

### **Let’s speak about these six months of negotiations. How would you sum them up ?**

**Alexis Tsipras :** We have to be objective in our conclusions. These have been six months of great tensions and emotions, and self-flagellation helps no one. Feelings of joy, pride, dynamism, determination, and sadness have surfaced. But I think that at the end of the day, if we try to look at this process objectively, we can only be proud to have led this fight. Under adverse conditions and with a difficult balance of forces within Europe and the world, we tried to assert the point of view of a people and the possibility of an alternative path. Ultimately, even if the powerful were able to impose their will, what remains is the absolute confirmation on the international level that austerity is a dead end. This process has established a completely new landscape in Europe.

### **What about the popular mandate given SYRIZA? The Memoranda weren’t torn up. The agreement is particularly hard ...**

**Alexis Tsipras :** The mandate we were given by the Greek people was to do everything possible to create conditions, at whatever political cost, to stop the bleeding of the Greek people.

### **You said that the Memoranda would be annulled with a single law.**

**Alexis Tsipras:** Before the elections, I didn’t say that the Memoranda could be annulled with a single law. No one said that. We never promised the Greek people a walk in the park. That’s why they are conscious of the difficulties we’ve met, which they themselves are facing with remarkable sang froid. We said that we would carry out the struggle to get out of the asphyxiating framework imposed on the country resulting from political decisions made before 2008, which generated deficits and debt that tied our hands after 2008. We had a programme and we asked the people’s support in negotiating under difficult conditions to realise this programme. We negotiated hard under conditions of unprecedented financial asphyxiation. For six months we negotiated and at the same time were able to achieve a major part of our electoral programme – for six months, constantly worrying whether we could pay salaries and pensions at the end of the month and meet our obligations inside the country, towards those who work. That was our constant anxiety. And in this context we succeeded in passing a law on the humanitarian crisis. Thousands of our fellow citizens are benefitting from this law right now. We were able to remedy serious injustices, such as those done to housewives by the Ministry of Finance, to school custodians, to employees of the public radio and television station ERT, which reopened. While trying not to prettify the situation we should also not paint it more negatively than it is. If some people think that class struggle

evolves in a linear way, that it's won in one election and that it doesn't involve constant struggle, either within government or in opposition, let them explain it and give us examples. We are confronting the completely new experience of a radical left government within a neoliberal Europe. But we can learn from left-wing government experiences in previous periods, and we know that winning elections does not mean that you get access to the levers of power from one day to the next. Waging a battle at the government level is not enough. It has to be waged on the terrain of social struggles.

### **Why did you decide to hold a referendum ?**

**Alexis Tsipras :** I had no choice. You have to look at what I and the Greek government were facing on 25 June, at the agreement they were giving us. I have to admit that it was a very risky decision. Not only did the will of the Greek government go against the demands of the creditors; it collided with the international financial system, with Greece's political and media system. They were all against us. The likelihood of our losing the referendum was so great that our European partners bet on it with their decision to close the banks. But for us it was the only way since they were offering us an agreement with very difficult measures, somewhat like those we have in the present agreement, though slightly worse, but at any event difficult measures and also ineffective ones in my opinion. At the same time, they offered no possibility of survival. For, in exchange for these measures, they offered 10.6 billion over five months. They wanted Greece, once it fulfilled its commitments, to take what remained of the previous programme in terms of finance, without one euro more, because this is what the Netherlands, Finland, and Germany demanded. The main political problem of the northern governments was that at all cost they wanted to avoid going before their parliaments to give even a single 'fresh' euro to Greece, because they were trapped by the populist climate they had fomented, in which their populations were led to think that they were paying for the lazy Greeks. This is naturally completely false because they are paying for their banks, not for the Greeks. What was the result of the Greek people's strong position, against all odds, in the referendum? It was able to internationalise the problem, to make it spread beyond its borders, to unmask the image of the European partners and creditors. It was able to show international opinion the image not of a lazy people but of a people who are resisting and demanding justice and a future. We tested the limits of resistance of the euro zone. We had an impact on the relation of forces. France, Italy, and the northern countries all had very different positions. The result, certainly, is very difficult, but, on the other hand, the euro zone had been brought to the limits of its resistance and cohesion. The next six months will be critical, and the relation of forces that will be built in this period are just as crucial. At this moment, the destiny and the strategy of the euro zone have been called into question. There are several possibilities. Those who said 'not a single euro more' have in the end decided not on just one euro but 83 billion. Therefore, from 10.6 billion over five months we've gone to 83 billion over three years, with the additional crucial feature of the commitment around debt reduction, to be discussed in November. This is a key issue, determining whether Greece can enter on a path that gets it out of the crisis. We have to put an end to the tales told by Messrs. Samaras and Venizelos, who claimed they were getting out of the Memoranda. The reality is that there was a hole in this tale, and that hole is the debt. With a debt at 180 – 200 per cent of GDP you cannot have a stable economy. The only path that we could take is that of debt reduction, cancellation, and relief. The condition for the country being able to gain some financial margin is that it no longer be obliged to run huge budget surpluses

intended for a debt that is unpayable.

### **The referendum's 'no' was a 'no' to austerity ...**

**Alexis Tsipras :** The referendum question had two parts. There was part A, which involved the measures previously required, and part B, which involved the financing timetable. To be completely honest, without embellishing anything, the agreement that followed the referendum is, in terms of part A, similar to the one that the Greek people rejected. On the other hand, in terms of part B, we also have to be honest, and in this respect there is a day-and-night difference. Before, we had five months, 10.6 billion, five months [in which our public expenditures were particularly closely] scrutinised. Now, we have 83 billion – which means a total coverage for medium-term (2015 – 2018) financial needs, of which 47 billion are for foreign payments, 4.5 billion for public sector arrears, and 20 billion for the recapitalisation of the banks, and, finally, there is the crucial commitment on the question of debt. Thus, in terms of part A there's a retreat on the part of the Greek government, but for part B there's an improvement: the referendum performed a function. On the Wednesday evening before the vote, certain milieus were laying the basis for a coup d'état in the country, proclaiming the need to storm the Prime Minister's headquarters, that the government was leading the country towards a terrible economic catastrophe, pointing to the queues at banks. I have to say that the Greek people were able to keep their cool to such an extent that television news channels had a hard time finding people to complain about the situation – the population's sang froid was really incredible. That evening, I addressed the Greek population and I told the truth. I didn't say: 'I'm holding a referendum to exit the euro.' I said: 'I'm holding a referendum to give us a negotiating dynamic.' The 'no' to the bad agreement was not a 'no' to the euro, a 'yes' to the drachma. People can accuse me of poor calculations, of having had illusions, but at every moment I said things clearly; I informed Parliament twice; I told the Greek people the truth.

### **With the 61.2 % in your hands that the Greek people gave you, what would have been the agreement that would have satisfied you on your return from Brussels?**

**Alexis Tsipras:** On the morning of Friday, 25 June, the day of the ultimatum, during a meeting we had in Brussels, with prospects of humiliation without any way out, we decided to go ahead with the referendum. For them it was take it or leave it. 'The game is over' is what Donald Tusk, the president of the European Council repeatedly said. They made no bones about it; they wanted a political change in Greece. We had no choice; we chose the path of democracy, giving the word to the Greek people. Returning to Greece that evening I convened the government Council and we took the decision. I interrupted the meeting to communicate with Angela Merkel and François Hollande. I told them of my decision; that very morning I had explained to them that what they were proposing was not an honest solution. They asked me what I would advise the Greek people, and I answered that I would advise them to vote 'no', not in the sense of a confrontation but as a choice to strengthen Greece's negotiating position. And I asked them to help me in completing this process successfully and calmly, to help me in getting the Eurogroup, which was to meet 48 hours later, to agree on a one-week extension of the programme so that the referendum would take place under conditions of security and not of asphyxiation, with banks closed. At that moment, both of them assured me that they would do everything possible to that end. Only the Chancellor warned me that she would make a public statement on the referendum, but representing it as an issue of

whether Greece wanted to remain in the euro. I told her that I absolutely disagreed with this, that the question was not the euro or the drachma but that she was free to say what she wanted. That's where the conversation stopped. This promise was not kept. 48 hours later, the Eurogroup made a very different decision. Their decision was made at the moment when the Greek Parliament was voting to approve the referendum. In 24 hours the decision of the Eurogroup led to the ECB's decision not to increase the ELA ceiling [Editor's note: the mechanism for emergency liquidity assistance on which Greek banks depend], which forced us to establish capital controls to head off the collapse of the banking system. The decision to close the banks was, I believe, a vengeful decision against the choice of a government to defer to its people.

### **Did you expect this result?**

**Alexis Tsipras:** I confess that up to Wednesday [Editor's note: the Wednesday before the referendum] I had the impression that the results would be indecisive. By Thursday I began to realise that the 'no' would win, and by Friday I was convinced of it. In this victory, the promise I made to the Greek people to not gamble with a humanitarian catastrophe was brought to bear. I didn't gamble with the survival of the country and its popular strata. After this, in Brussels several terrifying scenarios were put on the table. I knew that during the seventeen hours in which I had to wage this struggle, alone, under difficult conditions, if I did what my heart wanted to do – to get up, bang my fist on the table, and leave – the foreign branches of Greek banks would collapse on that very day. In 48 hours the liquidity that allowed €60 daily withdrawals would dry up and, worse, the ECB would decide on a reduction of the Greek banks' collateral and would even demand repayments that would have led to the collapse of the whole banking system. In that case, a collapse would have meant not a reduction of savings but their disappearance. Despite all, I waged this struggle trying to reconcile logic and passion. I knew that if I got up and left I would probably have to return under still more disadvantageous conditions. I was facing a dilemma. World public opinion was proclaiming '#This Is a Coup', to the point that it became the leading hashtag on Twitter worldwide that night. On the one hand, there was logic; on the other hand, political sensibility. On reflection, I remain convinced that the right decision was to opt for the protection of the popular classes. Otherwise, harsh reprisals could have destroyed the country. I made a responsible choice.

### **You don't believe in this agreement and yet you asked the deputies to vote for it. What do you have in mind?**

**Alexis Tsipras :** I think, and I told Parliament this, that what our European partners and creditors wrested is a Pyrrhic victory, but that at the same time it represents a great moral victory for Greece and its left government. It's a painful compromise, both on the economic and the political level. You know, compromise is an element of political reality and an element of revolutionary tactics. Lenin is the first to speak of compromise in his book *Left-Wing Communism: An Infantile Disorder*, where he devotes several pages to explaining that compromise is part of revolutionary tactics. In one passage, he gives the example of a bandit pointing a pistol at you and saying 'your money or your life'. What is a revolutionary supposed to do? Give his life? No, he has to give the money in order to claim his right to live and continue the struggle. We've been facing a coercive dilemma. Today, the opposition parties and the establishment media are making a tremendous noise, to the point even of demanding criminal proceedings against Yanis Varoufakis. We are completely aware that we are risking our heads in waging a struggle at the political level. But we are waging it with the

overwhelming majority of the Greek people at our side. This is what gives us strength.

*translated by Eric Canepa (unauthorised version)*