After difficult votes in parliament, Greece’s Coalition needs strong leadership and unity to implement needed reforms.

by Blog Admin

This week saw the Greek Parliament pass its new budget for 2013, thus allowing it access to further financial aid. Kevin Featherstone writes that this vote of confidence is in danger of being overshadowed by the Opposition SYRIZA party’s attacks on the Coalition. He argues that the government must give a voice to those in Greece who wish to remain within the euro and the EU, and push forward its program of structural reforms to return the country to growth.

This week, the Greek parliament passed the new budget by a comfortable majority, with even some of last week’s rebels coming back to support the Coalition. But this endorsement is at risk of being totally swamped by the vitriolic and demagogic attacks of the Opposition. Once again, the pro-European majority in Parliament has lost the political initiative – not only to the strikers and the rioters, but also to the colourful speeches of their parliamentary foes. The Coalition seems riven by doubt and opportunism, when its real interest is to be bolder and more united.

The Opposition SYRIZA demands fresh elections. A more irresponsible stance is hard to imagine. Minutes after the President agreed to such a request, EU leaders would declare that the next loan instalment could not be paid. In any event, it’s just months since the electorate voted for a strategy to keep Greece in the euro: that is the basis of the government’s legitimacy. SYRIZA claims that the government didn’t negotiate, but capitulated. This is powerful demagogic rhetoric: if you’re about to see your salary or pension cut by a third, it’s almost irresistible. But, of course, it’s a claim that is impossible to authenticate. The opposite interpretation is actually far more plausible: why should a government under domestic siege be soft in the face of the Troika?

SYRIZA, of course, is a party that must continue to denigrate all efforts to agree with Greece’s creditors: its appeal and raison d’être depends on a populist cynicism and the spreading of a myth that the costs of adjustment are unnecessary and there simply to serve the interests of an exploitative class. What contribution to public life is served by threats of placing today’s Ministers in front of special courts at some future date of retribution? Is that the better politics being offered to Greece?

In the face of such Banana-Republic excesses, the Coalition appears timid. The bottom-line is that many of the structural reforms demanded by the Troika cover an agenda that ‘modernisers’ in Greece have long recognised as necessary. The problem is the failure to deliver them in the past.

Other parts of the Troika package are the result of Greece’s own institutional weakness. Outrageous cuts in salaries and pensions, causing real pain, stem to a significant degree from an inability to sustain...
efficient, clean and effective systems for tax collection and expenditure controls, for example. And that institutional weakness has been fostered by society at large, not just by an inept or corrupt few. Clientelism, rousfetti, corruption, bribery, non-transparency, the rejection of meritocracy: each of these involves reciprocal behaviour patterns that were not confined to some tiny minority. Acknowledging such truths is the pre-requisite to building a stronger system in Greece.

Today, the collective and individual interests of the Coalition point in the same direction. The raison d’être of DIMAR’s political existence is to help Greece stay inside the ‘euro’. If they surrendered that policy principle, there is little else the wider public would recognise to justify its continuity. Without it, DIMAR would have to jump into bed with the Opposition Leader, Alexis Tsipras. There is a metaphor there that might suggest the pain they would feel as a result.

Something similar might be said of PASOK. Thus, it no longer seems tenable for either of them to stay outside the Cabinet. Neither DIMAR nor PASOK can parade as political virgins. A government reshuffle to bring in ministers from across the Coalition can only strengthen the profile and purpose of the government.

This terrible social and economic crisis has left the public in disarray. With the strongest and clearest message at present being one of populist rejection, it is remarkable that there is still a silent majority that remains committed to both the euro and the EU. But the Coalition must rediscover its energy and strength to give that majority a much better voice.

What damages Greece internationally are opportunistic rebellions and vetoes at home. They create mistrust – a sense that there will not be the follow-through on the measures agreed with partners and creditors. Instead of meaningful choice and a stable development plan, such mistrust changes the atmosphere of negotiation so it descends into a game of non-commitment. Both sides come away with less than was available from proper cooperation.

Having come through two difficult votes in Parliament, the Coalition needs strong leadership and unity – to get on and implement the measures agreed. If this is really to be the last austerity package, speed and commitment will be needed to implement the structural reforms that can return Greece to growth. This week’s vote is normally understood as a vote of confidence: and it should be understood as such by the government to get on with the job.

*NOTE: This piece has also been published at the Greece@LSE blog.*

Note: This article gives the views of the author, and not the position of the British Politics and Policy blog, nor of the London School of Economics.


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Professor Kevin Featherstone is the Eleftherios Venizelos Professor of Contemporary Greek Studies and Director of the Hellenic Observatory in the European Institute. His research has focused on the politics of the European Union and the politics of contemporary Greece; his work has been framed in the perspectives of comparative politics, public policy, political economy and processes of ‘Europeanization’. His most recent books are (co-authored with D. Papadimitriou, A. Mamarelis and G. Niarchos) *The Last Ottomans: The Muslim Minority of Greece 1940-1949* (Palgrave Macmillan Publishers, 2011), and (co-authored with D. Papadimitriou) *The Limits of Europeanization: Reform Capacity and Policy Conflict in Greece* (Palgrave, 2008).

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