

What those calling for Brexit could learn from the Greek bailout referendum

 blogs.lse.ac.uk/europpblog/2016/06/06/brexit-and-greek-bailout-referendum/

6/6/2016

*In the summer of 2015, Greece held a referendum on a proposed bailout deal, with the electorate decisively rejecting the proposal. **Kevin Featherstone** writes that much like the upcoming referendum on the UK's membership of the EU, the referendum in Greece was accompanied by the rise of populist campaigning in which emotional appeals had greater resonance than economic evidence. Following the result, however, the romanticism of the campaign quickly gave way to political and economic realities.*



We are living in a new political climate in which key decisions are made on emotions, not facts; elites are distrusted to the point of identifying a conspiracy against the popular will; and leaders are seen as making gross miscalculations in their national strategies. The 'people' know better: they seek new leaders who acknowledge their innate good sense and innocence.

This new populism links the rise of Donald Trump with the new extremes in Europe. But it also shows the parallels between the current referendum campaign in Britain and that in Greece last July. The two referendum questions are different: should Britain remain in or leave the European Union; and should Greece accept a particular debt bail-out package. But the nature of the campaigns is disturbingly similar, as are the demographics of who is supporting the new populism.

Last year, Greek voters rejected expert advice that risking 'euro' membership would have dire economic consequences. Instead, they took refuge in an assertion of their own right to national sovereignty and identity. In the British referendum, it is hard to find serious economists who argue that Brexit would lead to economic gains. Instead, a whole array of international organisations (from the IMF to the OECD), the British Treasury, independent think-tanks, and yes, LSE economists, calculate the opposite.



Demonstration in support of a 'NO' vote at the Greek bailout referendum in Syntagma square, Athens. The banner reads '05/07/2015 – Let us write history'. Credits: Ggia / Wikimedia Commons

Similarly, on the toxic issue of immigration, all serious studies show that the impact on the British economy is either negligible or significantly positive. In the heat of the campaign, this weight of evidence is brushed aside as unreliable. More important than the economy, apparently, this is a tussle over values and priorities: Britain should be able to govern itself freely.

Greek public opinion has been persuaded to regard their previous political class as a kleptocracy, conspiratorially engaged in corruption and perverting the national interest. An excellently crafted new play at the National Theatre in London, 'Sunset at the Villa Thalia' written by Alexi Kaye Campbell, advances a similar historical narrative. US intervention in Greece, and globalisation generally, has robbed the country of its culture and morals. There is no popular culpability in her historical path.

Tory Eurosceptics are likely to see Britain having been duped into joining the EU on a false promise. Max (Lord) Beloff, an eminent historian and Thatcherite, argued in a 1996 book that an elite conspiracy had led her deeper into 'Europe'. Brexit campaigners appeal to an anti-establishment voter instinct: we shouldn't believe what the mainstream says.

More particularly, the established leaders are fools and have grossly miscalculated the national strategy in relation to the rest of the EU. Syriza leaders promised voters that Merkel and the rest would concede; as the party came to power, some 53% of voters in a GAP poll believed that she would back down. Similarly, Brexit campaigners argue that the risk of exclusion from the EU single market is an illusion: the rest of Europe needs to trade with a big economy like the UK, so the barriers will come down and we'll get a better deal than have Norway or Switzerland.

With such populism, come statements that cannot stand up to scrutiny. Brexit leaders claim that the UK pays £350 million per week into the EU budget. But, because Britain has a budget rebate, it doesn't. And no reference is made to other EU expenditure in the UK, such as that to farmers. Again, Brexit campaigners assert that Britain would not be able to veto Turkey's entry into the EU, though under the Treaties all EU states have such a veto power.

The voters supporting the new populism show some overlap between the British and the Greek cases. The less educated, low-skilled, unemployed and the farmers and public sector workers supported the more radical option in both cases: no to the bail-out and no to Britain's EU membership. The biggest contrast is by age: in Britain, it's the elderly taking the radical stance to exit the EU; in Greece, it was the young saying no to the EU bailout. Interestingly, given that two out of three voters opted for Britain to stay in the EU in the 1975 referendum on the issue and now it's the over 65s most likely to support Brexit, many of those who voted 'yes' now intend to vote for 'leave'. But the most decisive split is by education and occupation.

This could well be Britain's 'Trump' moment: a rejection of the mainstream political establishment and an assertion of populist nationalism. The parallels with last year's referendum in Greece are unnerving: after they'd voted, Greece ended up with a much worse deal than that they'd rejected. The romanticism of the campaign gave way to the economic and political realities. There is a warning here...

Please read our comments policy before commenting.

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

Shortened URL for this post: <http://bit.ly/1VH4BFp>

About the author

Kevin Featherstone – *LSE*

Kevin Featherstone is Eleftherios Venizelos Professor of Contemporary Greek Studies and Head of the European Institute at the London School of Economics.



-