


# The Greek referendum was a clear break with the past that could pave the way forward for Europe

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*In the aftermath of the Greek bailout referendum much of the discussion has focused on whether Greece should be granted some form of debt relief. **Emmanuel Melissaris** writes that while opposition from other European states to the principle of restructuring Greek debt is understandable, particularly given the austerity programmes implemented in other Eurozone countries, there is an argument for viewing Greece as a unique case. He suggests that the referendum could be seen as a break with the country's past and that the sense of solidarity on which the European project rests might dictate that Greece should now be allowed to enter a new phase.*



After the resounding 'No' of the Greek people to the austerity-heavy bailout ultimatum presented to the Greek government, and following the belatedly emerged IMF report regarding the unsustainability of Greek debt, the question of debt relief seems to take centre-stage as a necessary element of any future deal. The question then is this. Now that, after five years of failed bailouts, once privately-held debt is largely shouldered by European taxpayers, why should a debt write-off (or, indeed, any other deal) be accepted by anyone in Europe and especially those countries which have gone through extremely onerous austerity programmes?

The answer might be that Greece is a unique case. Greek debt is largely the result of decades of mismanagement on the part of a corrupt elite and its political representatives (many of whom keenly supported the 'Yes' vote, heavily promoting it through private, mainstream media). In fact, an unprepared Greece entering the Eurozone seems to have been itself facilitated by cooking the books from the then Greek government in collusion with Goldman Sachs.

The purpose of the Greek debt 'Truth Commission' as well as other domestic investigations has been precisely to reveal such past failings. The referendum result itself is also implicitly a condemnation of that past (the role that young voters have played in this referendum ought not to be underestimated). Might it then not be reasonably accepted that these are unique circumstances and that the sense of solidarity, on which the European project rests, requires that Greece, a country turned pariah by those who have abused power in the past, enters a new phase? Might this break with the past not be a sufficient condition for Greece to be considered a special case?

Strategically speaking, this reading will benefit almost every party in this process. Syriza will be able to strike a deal that may be austere but also offers a glimmer of hope of growth and of reforming the Greek institutional structure (note also the break with the more recent past with the resignation of Yanis Varoufakis). Many of the representatives of the Greek *ancien regime* (many of whom have already fallen on their swords while others have sung what feels like their swan song while campaigning for a 'Yes' vote) can portray themselves as the *l'figénie* in the political altar of European stability and at least be content that their hysterophemia might not suffer as much as it is currently likely to suffer.

'Potami', the relatively recently founded Greek party which capitalises almost exclusively on the basis that it represents the 'new' (though many doubt that this is indeed the case), can seize the opportunity to replace the centre-right establishment and co-opt its voters. EU leaders and heads of the other creditors can emerge as guarantors of a progressive Europe, especially if the implementation of reforms is heavily monitored by independent agencies.

In the process they can also 'normalise' Syriza, which has consistently and unhelpfully been presented as a far-left bogeyman, and perhaps distance themselves from any suspicions of miscalculations and even wrongdoing in the

past. Responsibility and solidarity (both of which have been employed in a sloppy and rather damaging manner) have for long been unproductively entangled. This may be an opportunity to disentangle them and move forward.

The second, and longer-term question being opened up is this. Many argue that Greek democracy enjoys no priority over other European democracies. This is of course right and no one ever claimed the contrary. What the Greek referendum (as well as the January 2015 general election), however, highlight is that the deeply redistributive Eurogroup decisions can only be made with resort to the people of Europe directly and that the current institutional arrangements are not appropriate in representing the will of the European demos.

The problems caused by the fiscal / political union discontinuity were highlighted from very early on (see what Wynne Godley [had to say](#) back in 1992) but now and in light of the decisions of the Greek people, they have become more pressing than ever. Addressing these problems will be a long and difficult process but, in the first instance and at the very least, it is clear that one cannot defensibly reject the decision of the Greek people, especially if solutions to the Greek problem that may be acceptable to all are available.

One last word. Much has been made of the polarising effect of the referendum within Greece. I find this argument baffling. If anything, democratic decision-making is unifying, not divisive. If some want to present it as polarising, this has nothing to do with the process itself; it has to do with the motives and perhaps hopes of those who put the claim forward, many of whom represent the past from which Greece is slowly breaking.

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