

# The recent political history of Greece highlights the risk that the euro might become unaffordable for the mass of Europeans

---

 [blogs.lse.ac.uk/europpblog/2013/04/04/greece-euroscpticism-2/](https://blogs.lse.ac.uk/europpblog/2013/04/04/greece-euroscpticism-2/)

04/04/2013

**The Greek MYPLACE team** at Panteion University of Social and Political Sciences reflect on the recent political history of Greece. They argue that the unfolding of the 'Grexit' discourse, which equates the common currency with recessionary austerity measures, holds important lessons about the broader direction of travel within the Eurozone.

For the last three years Greek society has been experiencing an economic, political and social collapse, unprecedented in its post-war history, that will stigmatize it for many decades to come. This collapse has grown to encompass all aspects of individual and collective life. The disastrous effects of successive waves of austerity and recession are not limited to the conditions of humanitarian crisis that large parts of the population now suffer: more than 1.3 million unemployed, 61% youth unemployment, 3.9 million under the poverty line, 70% of households cutting back on food expenses, more than 3 thousand suicides in three years, dramatic explosion of homelessness rates and of those without access to basic social services, health and social security rights. They have also had a profound effect on both the structure and the substance of political life, as well as the functioning of Greek democracy itself.

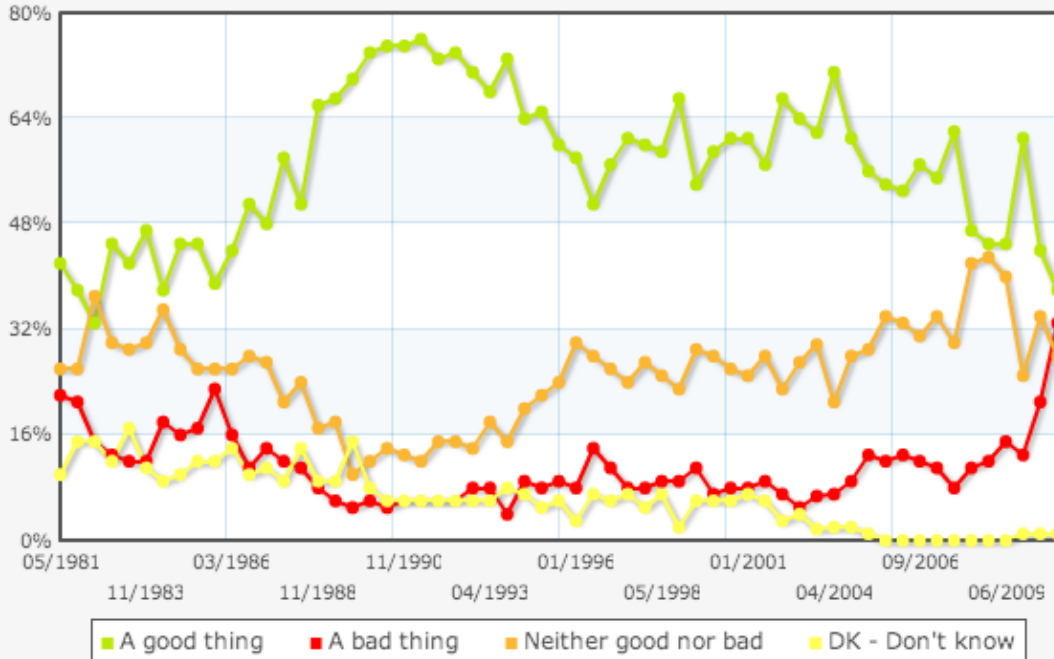
Although these profound socio-political transformations have not yet crystallized in their entirety, both international and national opinion surveys reveal, since 2011, certain trends indicating deeper developments both in Greece and Europe. The dramatic deconstruction of the social fabric after the Greek 2010 financial collapse, also overturned the social consensus that supported and legitimized the socio-political balance of power within the Third Hellenic Democracy (founded in 1974, after the collapse of the seven year military dictatorship), the death rattle of which we are now witnessing.

The exhaustion of the bipartite political system's ability to integrate large parts of the population has challenged the political consensus that previously prevailed. Thus, along with the ultimate deconstruction of the, already anemic, social welfare and labour and social security rights, democracy itself is threatened both by the electoral rise of neo-nazi political formations and by the emergency conditions characterizing legislative work and the functioning of the executive.

These profound socio-political transformations have even disturbed the social consensus around the dominant national strategy of participation in the core of EU policies and processes. The Eurobarometer findings point to important developments regarding attitudes toward the EU. As the following graphs indicate, a move away from the European consensus that still prevails in the Greek parliament is currently emerging.

**Generally speaking, do you think that (your country's) membership of the European Community (Common Market) is ...?**

Greece ( from 05/1981 to 05/2011)

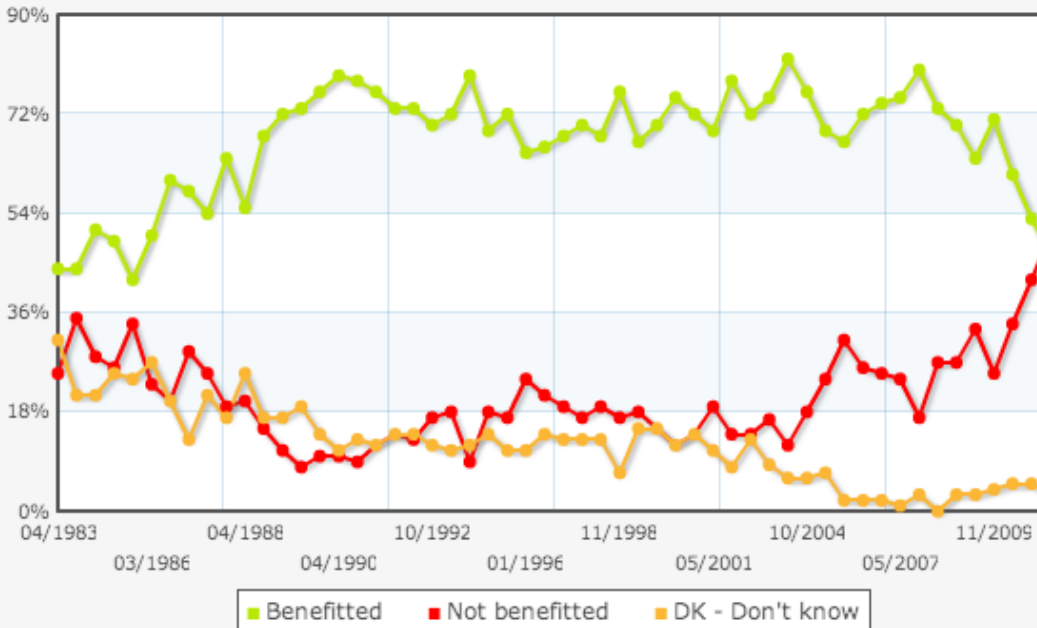


© European Union, 1995-2010

Reproduction is authorised, provided the source is acknowledged and mentioned.

**Taking everything into consideration, would you say that (your country) has on balance benefited or not from being a member of the European Community (Common Market)?**

Greece ( from 04/1983 to 05/2011)



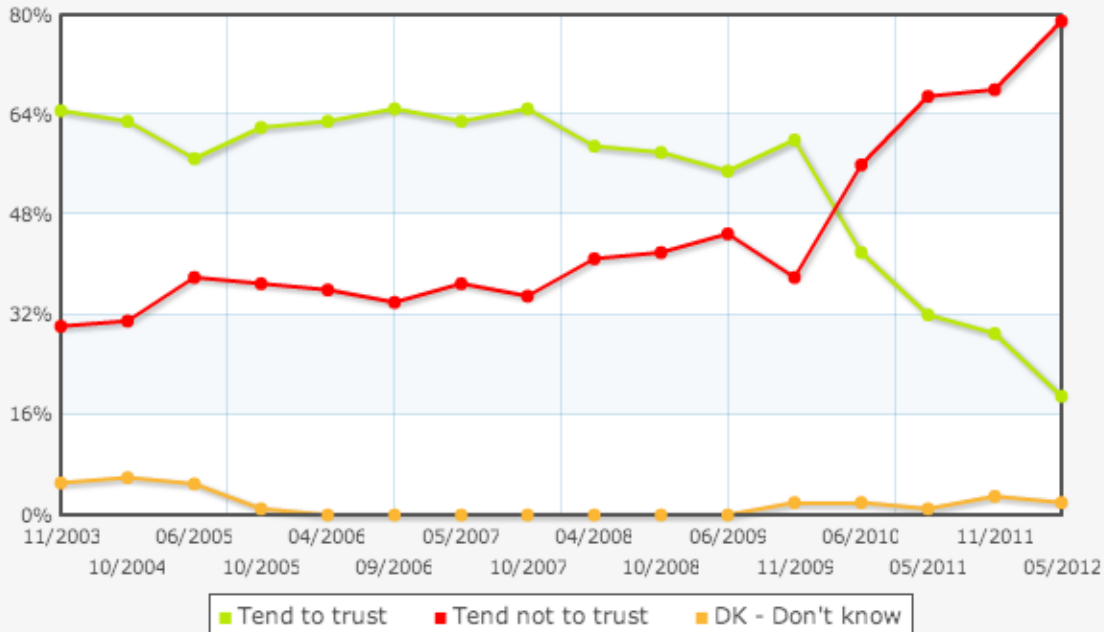
© European Union, 1995-2010

Reproduction is authorised, provided the source is acknowledged and mentioned.

Moreover, Greek citizens record very low rates of trust toward the EU, while overall it tends to be seen in very negative terms.

**I would like to ask you a question about how much trust you have in certain institutions. For each of the following institutions, please tell me if you tend to trust it or tend not to trust it? The European Union**

Greece ( from 11/2003 to 05/2012)

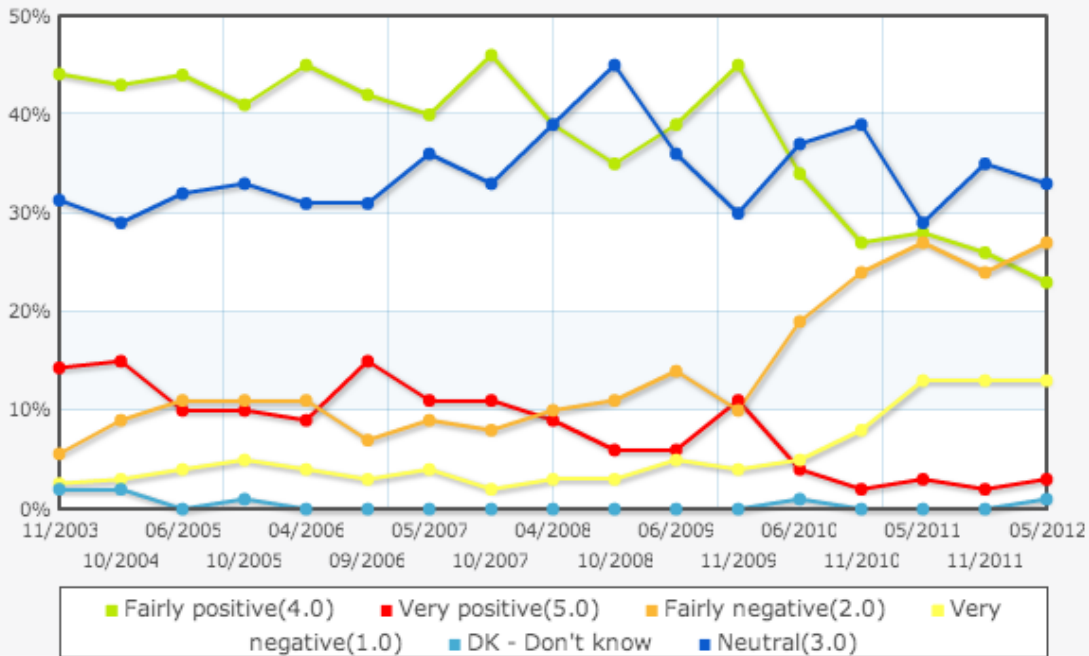


© European Union, 1995-2010

Reproduction is authorised, provided the source is acknowledged and mentioned.

**In general, does the European Union conjure up for you a very positive, fairly positive, neutral, fairly negative or very negative image?**

Greece ( from 11/2003 to 05/2012)



© European Union, 1995-2010

Reproduction is authorised, provided the source is acknowledged and mentioned.

Nevertheless, those who believe that the country should not abandon the common currency are still in the majority, although those who do not demand a pro european agenda by Greek political parties are now very close to 40% and the rates of those who think that the unification processes should move on are falling independently of political affiliation. Similar results are recorded in national opinion polls in which the majority believe that the country's

problems can be better addressed on a national level and not on a European one.

As positive evaluation of Greece's EU membership is falling to 1980s rates and levels of trust are at a record low, some polls recorded 40% of respondents who did not see the return to the national currency as catastrophic, while more than 80% believed that the Greek political parties should develop a "plan B" in case the country is forced to reintroduce the national currency, the drachma.

For Greece, this process represents a major shift from the strong sociopolitical consensus toward "the country's European perspective" that still prevails in the Greek political system, where only one of the 7 parties represented in the Parliament has adopted an explicit "anti-EU" agenda aiming at the country's "discommitment" from the common currency and the union. Moreover, Euroscepticism is also developing within all parties and despite their official positions regarding the euro and the EU.

The decisive point for this shift can be located in mid 2011 when massive popular protests against the continuation and sharpening of the austerity measures openly challenged the Greek government's commitment to the EC-ECB-IMF troika's "internal devaluation" strategy for the first time. From that point onwards, the public debate on austerity had been complemented by a discourse that raised the question of the ultimate benefit Greece accrues from its participation in the eurozone.

This 'Grexit' discourse first appeared in the national public debate before the first austerity program and it took the form of a negation: Greece should not default and/or exit the eurozone, contrary to what various analysts and advisors were forecasting or proposing, in the face of the country's inability to service its debt. The socialist government of the time eventually adopted the role of the country's defender against a double enemy; on the one hand, it was striving to safeguard the country's "European acquis" and on the other, it was struggling to master the budget deficit and the chronic deficiencies of the market and public administration. At that initial phase, all Grexit talk was seen as originating from "the speculators" who were trying to benefit from the crisis undermining the European project and particularly the common currency.

However, twelve months after the first austerity program had been signed, it became clear that not only was it impossible to achieve its goals but it was also entrenching the economic downturn. The public discontent stemming from the consequences of austerity gave birth to a protest movement, inspired by the Spanish Indignados, that openly and actively challenged the policies agreed by the Greek government and the troika.

In the face of this massive challenge, international media, analysts and government officials initiated a tense debate about the danger that a failure to implement the austerity program would lead to an official default and exit from the eurozone. Now, Grexit discourse was no longer originating from the "speculators" but from those who objected to austerity. They were labeled the "drachma lobby" and they were accused of provoking the country's ultimate destruction, as they were putting its eurozone membership in danger, as well as even its European future. Thus, the dividing line between the austerity supporters and critics was supplemented by another between those who identified the euro with austerity and those who rejected this identification.

The 2012 double national elections had been dominated by the Grexit discourse and its "Euro dilemma". In its simplest form, the Greek voters were presented with a choice between, on the one hand, a harsh austerity regime and an unaffordable euro and on the other, an uncontrollable economic and bank collapse and a severely devalued drachma. This choice had been clearly formulated by the Financial Times Deutschland in their "recommendation to the Greek citizens", published in Greek language just a few days before the national elections took place.

The June 2012 electoral result had been a pro-austerity response to the Grexit discourse. However, it generated more questions that are still at the heart of today's public debates. One of them is particularly relevant to the rise of euroscepticism in the crisis ridden Greece and it builds upon the Grexit discourse's identification of austerity with the euro. As the consequences of austerity and recession take the form of a humanitarian crisis in Greece, doubts are often surfacing as to the benefits of a currency that marginalizes and excludes large parts of the population. This is

precisely the greatest danger the common currency now faces; that it might become unaffordable for the mass of Europeans. Are Greece and the European South now pointing in this direction?

*This post is part of a collaboration between British Politics and Policy, EUROPP and Ballots & Bullets, which aims to examine the nature of euroscepticism in the UK and abroad from a wide range of perspectives.*

*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/16rXrY2>



---

### **About the authors**

**The MYPLACE Team** at Panteion University of Social and Political Sciences of Athens is made up of Alexandra Koronaïou, Irini Chiotaki-Poulou, Evangelos Lagos, Alexandros Sakellariou and Stelios Kymionis. For more information on the MYPLACE project, visit the project's [website](#).

-