

The Greek Referendum as Societal Schism

Written by Marianna Karakoulaki

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MARIANNA KARAKOULAKI, JUL 4 2015

In a move that caught everyone by surprise the Greek Prime Minister, Alexis Tsipras, announced on 27 June his decision to hold a referendum on the plan proposed by Greece's international creditors – namely the European Commission (EC), the Central European Bank (ECB), and the International Monetary Fund (IMF) – and let the Greek people decide imminently on their country's financial future.

In a public statement after an hourly cabinet meeting Mr Tsipras said:

We were asked to implement everything that the Greek people had rejected after the elections. Unfortunately our partners gave an ultimatum to the Greek people, and the government was asked to sign a deal that would inflate social inequalities, that would lead to the de-regulation of the labour market, further reductions on wages, increase in VAT.

These proposals prove that some maybe even target the humiliation of the people (...) Responsibility makes us respond with a referendum to the institutions' ultimatum.

The reaction of the political opposition was immediate. Fofi Gennimata, the newly elected leader of the Greek Socialist Party (PASOK) demanded general elections and Antonis Samaras, former Prime Minister and leader of centre right Nea Dimokratia, the main opposition party, called upon the President of the Hellenic Republic to express his dissatisfaction. On the other hand, Stavros Theodorakis, leader of the centre party To Potami, called for the government to cancel the referendum and accused the governmental coalition of leading the so-called 'drachma lobby.'

Soon after Tsipras' decision to call for a referendum, the ballot question that Greek lawmakers were asked to approve was posted online:

Should the plan of agreement, which was submitted by the European Commission, the European Central Bank, and the International Monetary Fund in the Eurogroup of 25.06.2015 and is comprised of two parts, which constitute their unified proposal, be accepted?

The first document is titled "Reforms for the completion of the current program and beyond" and the second "Preliminary debt sustainability analysis"

Not Approved/No

Approved/Yes

For the referendum to be approved, the support of 151 MPs in a roll-call parliamentary vote were needed. The referendum was backed by 178 MPs; the governmental coalition, led by Syriza and the right wing Independent Greeks (ANEL), had already secured these votes which were later reinforced by the votes of the neonazi party, Chrysi Avgi (Golden Dawn). ND, PASOK, and To Potami voted against the referendum. The Greek Communist Party (KKE) asked for the question to be rephrased in order to reflect a complete exit from the EU and any other institution;

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this was eventually rejected and as such their votes counted negatively.

What followed both the initial referendum suggestion as well as the final approval can only be described as chaos. Nothing was clear enough, the government had not clearly explained their position, the legality of the referendum was uncertain. The mainstream media started spreading rumours of a Greek default that would lead to the so-called Grexit; that is Greece's exit from the Eurozone and even the European Union, and its return to its former national currency the drachma. Greeks started lining outside banks in order to withdraw their savings from ATM machines, while grocery stores and gas stations ran out of supplies. Following the immediate banking crisis, the Greek government, despite their initial denial, imposed capital controls in order to prevent Greek banks from drying out of cash flow.

The referendum, which is undoubtedly one of the most democratic procedures a country can have, managed to create two large conflicting camps that were fighting over a question that was, and remains controversial and confusing at its core. On the one hand, those in favour of the 'No' vote argue that the Greek people will finally be able to regain their dignity and their decision will be the first step towards the end of austerity in Greece. On the other hand, those in favour of the 'Yes' vote – the so-called independent 'Yes Europe' – argue that voting 'No' on Sunday will immediately mean that Greece will be kicked out of the Eurozone and eventually the European Union.

Those who are in favour of 'No' regard this referendum as their chance to voice their disapproval towards the austerity measures imposed by foreign lenders with the agreement of former Greek governments. Not everyone is necessarily against the European Union or assumes that Greece would be better off with its former national currency. They do, however, think that the referendum and their support for the Greek government, which openly supports the 'No' vote, will put them at the centre of decision making.

Yet the decision has returned as a boomerang against the government as the centre and right oriented opposition parties found an open ground to gather misinformed voters. The Greek opposition is interpreting the already controversial and confusing question of the referendum in such a way so as to suggest that the country will not avoid the so-called Grexit. Although the 'Yes Europe' movement is supposedly led by independent people who wish Greece to stay in the European Union, leading political figures of the country, members of ND, PASOK, and To Potami, are on the forefront of rallies. In addition, former leaders of the country who had remained silent over the years are urging people to vote against Syriza and in favour of a unified and strong Europe.

While conflict grows by the day, the Greek private media is openly supporting and promoting the 'Yes' vote. This is evident by the fact that a demonstration led by Leftist parties and movements – including the Syriza Youth, and Antarsya, a radical left party, among others – which occurred in the country's second largest city, Thessaloniki, on 1 July was not covered by the mainstream media. Despite the limited time they had to mobilise and organise both their supporters and the people of the city, more than 3000 people gathered to express their support to the 'No' camp as well as their disapproval against austerity. Yet, there was no major Greek TV Channel present to document it other than photojournalists and the demonstration did not receive any attention on private television. At the same time, the Greek media are promoting an environment of fear suggesting that if the Greek population choose to vote 'No' on the referendum, the events that will follow will be catastrophic for Greek society.

What both camps tend to ignore is that Alexis Tsipras never said that Greece will not accept a new austerity plan, also known as a memorandum. To the contrary, the government's proposal to the country's lenders included, for example, new rises in taxes and gradual reductions of pensions. The Greek PM never said that his government will be leaving the Eurozone. Syriza is a pro-European party, elected to promote a pro-European agenda. What Syriza promotes and insists on is a European Union based on solidarity and dignity – two words that are being used in almost every speech members of the party have been delivering. Hence, Syriza and consequently the Greek government picture the referendum as a chance for the European Union to return to the roots of social justice.

For those closely observing Syriza's journey since its election in January, the deadlock brought by the negotiations as well as the announcement did not come as a surprise. Syriza was not able to implement the so-called Thessaloniki Programme; the party did not have the much needed support of European leaders and as such it was unable to keep

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its pre-election promises. Syriza was probably not prepared to govern since its politicians overestimated their abilities to stand alone against the rest of the Eurozone and/or the European Union. As a result, holding a referendum was the best solution for the Greek government to seem accountable towards the Greek people, and most importantly, to their voters.

What both camps cannot comprehend, however, is that regardless of whether the referendum turnout is 'yes' or 'no', Greece will not be able to avoid another austerity plan that will hinder the country's non-existent ascent to development. Since the eruption of the economic crisis and even before that, the Greek economy was dependent on foreign assistance in order to stand competitively towards international markets. The reason why the aforementioned is inherently problematic, however, is that any other possible alternative would still lead to further austerity. In those five years of European help, it became crystal clear that the country entered into a vicious circle that, for the moment at least, seems impossible to get out of.

The referendum is controversial and misleading; the government's decision to hold a referendum can be seen as a desperate attempt for electoral support; and no matter the result, the Greek economy will not be strengthened. But the referendum can also give the people the chance to be in charge of a decision that might prove a good negotiating tool for the future.

However, the bottom line is that the EU has become a market oriented union rather than a union of solidarity among its peoples. What the Greek crisis has proven is the problematic nature of the Eurozone and consequently the European Union. Although the measures taken to counter the European financial crisis in general, and in Greece in specific have failed, European leaders and officials still insist on pursuing a saving mechanism that, without any doubt has done incorrigible damage to the society. During the years of austerity in Greece it has become evident that the Union is a financial group that serves the markets rather than its peoples.

Thus, the question that everyone should be asking is not 'Yes' or 'No'. It is the one that is being asked in every introductory course to European politics: Which Europe do we want?

About the author:

Marianna Karakoulaki is E-International Relations' Articles Editor and a Director of E-IR's Editorial Board. Marianna is a Lecturer in Sociology at Anglia Ruskin University and a PhD Researcher at the University of Birmingham (part-time, thesis awaited status). Her research focuses on critical border studies and looks at border violence, forced displacement and death. In addition, Marianna is an award-winning journalist with a focus on forced displacement in the Mediterranean. She is the editor (with Laura Southgate and Jakob Steiner) of *Critical Perspectives on Migration in the 21st Century* by E-IR in 2018. Her work can be found on her website.