



Unravelling Greece's crisis

In May 2013, as a visitor in Melbourne, and in my capacity as a working journalist in Greece, I was interviewed by Dr Nick Dallas about the Greek crisis.

The content of that introductory interview, which was published in the Greek Australian newspaper Neos Kosmos English Edition, is still current today I believe, and this is why I bring it back to our attention...

Nick Dallas (ND): When looking at the Greek crisis, not a single constituency emerges well from it; Greek politicians, Greek society, the EU leadership, investment banks and many other entities, all exhibited a collective display of hubris, miscalculation, deception and simple sheer greed over a prolonged period. The party had to come to an end. Why is it that most of us switch off our critical faculties or downplay the seriousness of misdeeds when we see an opportunity for economic growth or financial gain, even though our intuition tells us that there are serious concerns about the appropriateness of certain actions or measures?

Kostas Karamarkos (KK): If rationality and intuition were to rule human action, wars and other human inflicted calamities could have been avoided in the past. I can understand the motives of profiteering interests, I can understand the conflicting agendas of various competing interests, both in Greece and in Europe, but what I find difficult to understand and justify is the short sightedness and the lack of

leadership exhibited in this crisis by many. This might be because of the fact that the elites of hard core Eurozone countries, in order to deal with the Asian century and in order to secure social cohesion and expectation management in their own countries firstly, have decided to make the life of the European South difficult. Personally, I don't think that an EU without the cultural and the numerical clout of its southern members can be a global player.

ND: The grotesque over-lending to peripheral Eurozone countries, coupled with harsh austerity measures with no guarantees of success, has placed severe strains on their political systems and even on public order. Is the Euro common currency project under threat as 17 [then] dissimilar economies try to grapple with what's essentially a global problem hastened by over-leverage and excessive levels of government debt?

KK: In political and economic matters as well as in life, no one has an equal footing. The European project is in need of reform. Democratisation of institutions, a more federal and a more socially-oriented spirit when it comes to planning and applying economic policies, backed up by relevant structures of course; for example, the issuing of Eurobonds or a more interventionist ECB might be some of the answers. Unfortunately, these ideas don't seem to preoccupy, at least publicly at the moment, the minds of the ruling elites in Europe, especially the mind of the current German leadership. As we know Germany is the

leading decision maker and enforcer within the Eurozone and the EU. However, if Germany wants to remain not only a leading European power but a global player through its leadership of the EU, then it might have to amend its policies in relation to the European crisis. Some people might think that a smaller Eurozone, or 'solutions' like the one imposed in Cyprus might be the answer but, when social cohesion and political stability is becoming an issue for many states as a result of the imposed economic policies, then alternative thoughts and policies have to be considered.

ND: One of the features that characterises post-1974 Greece is the practice of clientelism where political administrations in power distribute largesse to interest groups in exchange for voter loyalty. This was exacerbated by nepotistic appointments devoid of any meritocratic value. How does one overturn such practices that have become ingrained in Greek society?

KK: It will take a long time to change social and political attitudes deeply entrenched for a long period of time in Greek society. It would require political will, which unfortunately does not exist to the extent it is needed at the moment. It will be forced upon Greece by necessity. What makes this task even harder, though, is the fact that we don't have in Greece a civil society. We don't have a public sphere, a public space, or significant social movements that transcend party politics and other sector interests and try to lead or point society towards another way of thinking, of organising or