

Greece: the end of the beginning or the beginning of the end for SYRIZA?

The preliminary agreement reached by the Eurogroup on Greece is nothing more than a confirmation of the continuation of the current programme. The new government following a long honeymoon with the voters has returned to the hard reality.

The Eurogroup statement “notes in the framework of the existing arrangement, the request from the Greek authorities for an extension of the Master Financial Assistance Facility Agreement (MFFA), which is underpinned by a set of commitments”.

Furthermore Greece has given commitments to submit a new set of reforms. “The Greek authorities will present a first list of reform measures, based on the current arrangement, by the end of Monday February 23. The institutions will provide a first view whether this is sufficiently comprehensive to be a valid starting point for a successful conclusion of the review. This list will be further specified and then agreed with the institutions by the end of April”.

From the statement it is obvious that the starting point for negotiations is the existing program which indeed will be assessed by the 'institutions'. The EU partners expect the reform package by Monday in order to determine whether it is sufficient. The first critical question is whether the government is able to propose a comprehensive reform program because as it has become so far apart from the program of Thessaloniki, which will be put in deep freeze, there was very little preparation on policies by the new government. The second question is even more crucial. Does the government possess the courage to implement something that actually does not believe. Some will rush to proclaim a war on the oligarchs and tax lists of tax evaders. This is an absolutely necessary commitment if it does not develop into a witch hunt. But we all know that these moves unfortunately are not enough even if this government implements them better than the previous one. Instead of flirting with outdated obsessions government must look ahead and create a simple, functional and effective state and a dynamic economy based on public and especially private investment with

stable rules of the game. Finally, the third question is whether the government has the political staff who will take command of this titanic project. If they do not have it they should attract new faces from the society otherwise they would end up in a cul de sac with tired politicians proclaiming another war on Europe!

The Greek minister of Finance has just said that if the “Institutions” reject the reform list on Monday this agreement is dead and buried. Well you can imagine in what negotiating position will be Greece on Tuesday with the banks opening for business after a long weekend and the state coffers empty. It is time to stop all this bad taste theatrical play and concentrate on business. Elections are over.

On the other hand the German Minister of Finance has made one of his most poisonous remarks yet: “Greeks Certainly Will Have A Difficult Time To Explain The Deal To Their Voters”.

Mr. Varoufakis has accepted the inevitable but it is time to get back to Greece and start working on a real program. His job requires management capabilities and stamina not just communication skills. Mr Tsipras has to think about the future in a different perspective. He does not have much time and he should concentrate on substance instead of bubbles. He is a young politician and deserves a chance to lead Greece out of the woods but he will need determination and support from quarters that he might despise.

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