

### **703: Modern Greek Seminar**

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Topic: **“Greek Crisis and Social Criticism: From democracy to demo-crisis”**

Text of the lecture:

The economic crisis provoked in Greece an extensive wave of social criticism, which is not restraint into the small circles of social science and intellectuals, but has transformed the country to a huge agora, with the proper ancient meaning of the world. Literally, every one, filled the duty to have an opinion on what were the causes of the crisis, what possibly is going on, what's the “Greek mal”.

Since it began, the Greek crisis has entered in strong narrative structures. Pro-memorandum and anti-memorandum which cut across the older political border lines. Each camp use its own terms which describe and, at the same, time explains the opposite camp. For the supporters of memorandum, who describe themselves as pro-European, the opposite side combines the populism of the left with the populism of the right. “Populism” and “neo-liberalism” are crossing labels by which the one camp describes the other.

Social criticism is inherent in these narratives, but pieces of social criticism are also easily detached, and easily emigrate from one attitude to the other. Narratives aren't crafted ex nihilo, but they follow established patterns, or rearrange old and new material. From the beginning of the Greek crisis in 2010, there was also an interaction between Greek and foreign mass media, the one mirroring the other, in the creation of these narratives. Greek crisis became a global event from the spring of 2011 to the summer of 2012.

In the anti-memorandum camp there is a scale of different narratives, which range from classical Marxist critique to those blaming foreigners and the Greek oligarchy for looting the country's wealth. It is a widespread narrative mediated by conspiracy theories. Conspiracy theories is a way of reading reality as the result of intentionality. Individuals or groups stand for economic or social forces. The opposition between Greeks and foreigners is an idea deeply rooted in the Greek historical imagination, giving rise to a binary opposition. We, the people and the foreigners. Οι ξένοι. Ξενοκρατία ( a book by Filaretos by 1898) means the rules of foreigners. Popular attitudes and academic approaches are merging in this attitude. According to Nikos Svoronos, a prominent historian who lived for years in Paris because his left activity, the inherent character of Greek history is its antagonism towards foreigners, and Resistance, for him, forms a constant feature of Greek identity.

Most of the followers of this narrative read the present situation through the lens of the history of the Second World War. So, Greeks, who were suffered a lot under the Third Reich, are supposed to be victims now of the Fourth Reich. Same oppressors, same

resistance. No surprise therefore when Angela Merkel visited Athens in October 2012, banners appeared in demonstrations depicting the German chancellor with a Hitler mustache, with the images of Hitler and Merkel, or calling for “Resistance to the 4th Reich” (7a,b). The implication was “then and now, same story”. Analogical thinking is not the privilege of Greeks, nor of historical illiterates. Merkel with Hitler was compared also in Italy and Spain. In Spain the parallel was with the Franco period, but in analogic thinking Hitler is not just a figure reminding the past, but a cultural virus which contaminates all the bad guys. For the Americans the images of Millosevits, Sadam, Putin and others, for the Greeks, the images of George Bush Jr., and Merkel were contaminated by this virus.

Conspiracy theories, analogic thinking, visual representations and cultural virology are part of social criticism. Social criticism wouldn't be possible to be conceived in terms of clean theory detached from these dirty realities.

Another example of analogical thinking is the slogan “The dictatorship didn't end in 1973” (9). The present situation is often compared with the 1967–1974 junta, which provoked feelings of indignation and big debates with the appearance of this inaccurate comparison. History repeats itself in both cases, which also demonstrate a strand of thinking reality as fragile and history as reversible. The main characteristic, and the deep background of social criticism before the philosophy of Enlightenment and for the popular strands is the fragility of the real. This fragility of the real is a description with the figural language. From this point of view, there are no just analogies, but a meaningful relationship between past and present, which make sense of the history as a transition from the past to the present. In social criticism there is a contemporaneity of the non contemporaneous. The past comes to the present as a resource of criticism and distancing from the present.

The same structure exists also in the promemorandum camp, although there the supporters are mostly middle and upper strands and intellectuals.

For the pro-memorandum camp, the most common narrative of the crisis is related to the discourse on modernization. As the story goes, Greece is not yet, and not completely, a modern country, and the crisis is the result of an incomplete or reluctant modernization. Narratives create a mental landscape, and the narrative of modernization creates a global map of modern and not-yet modern countries, but also cuts societies into two parts: the modern or aspiring-to-be-modern part and the premodern or modernization-resistant part. This *allochronism* which is at the core of the colonial viewpoint, is used not only for societies outside Europe, but also has its analogical intra-European forms.<sup>1</sup>

According to the audience, narratives have different versions.

One version of this narrative is that Greek society is a compartmentalized society, without clear-cut class allegiances and divisions, based on extensive family ties and clientelism. As a consequence, politics are deeply affected by these mentalities. From this point of view, the crisis was the result of public debt, which was the result of the big state. Corruption is structural because of clientelism. This term became a key-world in explaining the Greek symptom, and the explanation goes back to the making of the Greek society in the 19th century.

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<sup>1</sup> *Allochronism: Johannes Fabian. Time and the Other: How Anthropology Makes Its Object.* New York, Columbia UP, 1983

The history of the term clientelism/paternalism is quite intriguing in the Greek case and was central in the redefinition of historical and social science in Greece during the 70s and 80s. Its use goes back to the first post-war years, when it was proposed as a tool for the social sciences regarding the Mediterranean countries in the 1950s. John Campbell, the Oxford historian and anthropologist, visiting the Greek mountains just after the civil war, published an extremely influential book, *[Honour, Family and Patronage: A Study of Institutions and Moral Values in a Greek Mountain Community](#)*, (1964). This book created a mental map in which Greek society was put on the boundaries of the European world, just on the line-border dividing the societies of rationality from the societies of habit, the European “guilt” from the Mediterranean “shame”. Greece was put in the realm of “difference” from the rest of Europe, and this affected deeply the imagination of Greek society and history.

The “difference” of Greece from the rest of the (western) European countries is an old discourse, dating from the time of the Greek war of independence. Since then, it has structured the Greek ideology in a twofold way. On the one hand, the Greeks were not yet Europeans, on the other Greeks were Europeans before the Europeans, as the birthplace of Europe. Greece was either superior or inferior, but always different. Often, this discourse ended up with the need for Greeks to imitate Europeans in material culture, but to preserve their spiritual values, national culture and language intact.

This discourse on difference is not exclusively Greek, nor exclusively directed towards Greece. It’s quite common in countries of central, eastern and southern Europe and it created at the same time the sense of a European canon and of difference from the European canon. It is a transnational discourse, where intra-European orientalism interfaces with self-orientalism.

Another version of this narrative is that Greece is not, nor is yet, a “normal” society and that the crisis is a sign that it should be put on the track to normality. These narratives are deeply engraved by the dichotomy between the model and its deformed imitation. This idea wasn’t new, but was connected to the debate on Greek peculiarities. The idea behind it is that the history of Greece is a sequence of historical absences. Greece didn’t have an aristocracy, didn’t pass through the Enlightenment, didn’t have an industrial revolution or a genuine working class, didn’t have liberalism, and so on. From this point of view, the crisis acquires a new meaning. It should be the last chance to end Greek exceptionalism.

The *longue durée* narratives, that embrace the whole of Modern Greek history, overlap with the short-term views which confine the default into the transition to democracy, in 1974. The bottom line here is that since the end of the dictatorship, Greece followed a course in which society lived above its means. As a consequence, its debt swelled and became impossible to service. There are more popular and more sophisticated versions of this narrative which inflict a sense of collective guilt. The profligate public spending, was a response to pressures from political parties and popular movements. The term used to describe this evil past is the “culture of the Metapolitefsi” (=transition from dictatorship to democracy). The term refers to the endemic protest movements and their excessive demands, to the lack of respect for social hierarchies, and populism, since the restoration of democracy. It’s interesting that the term “culture of Metapolitefsi” entered in public discourse just after the urban riots in Athens, December 2008. It was an intellectuals’ contribution.

The above narratives shared a common negative consciousness. They are identity discourses, and they describe the self, the national self, in negative terms. Their counterpart is a moral discourse which views economic failure as a moral failure. So, Greeks should conform to the common European values, should reform themselves, should “take lessons”. The one narrative mirrored the other, and the narrative that was emerging abroad was echoed inside with a discourse about the moralization and rationalization of Greek society.

But what I’m trying to do in this paper is to view these narratives as frameworks for political decisions and to juxtapose them with historical analysis.

Criticism involves two aspects: diagnosis and therapy. Since the 1980s, there has been a shift of paradigm on the thinking of the state, at an international level. This shift was linked with the turn from Keynesianism to neoclassical theories, and the re-making of welfare politics. Faced with the stagnation of the 1980s and the complexity of the post-imperial, post-cold war, postmodern society, someone needed to take the initiative to govern. Instead of the demos and the state, market forces now acquired the status of the locomotive of history. To understand the Greek crisis narrative, we should place Greece in this landscape. Criticism of recent Greek history has acquired a retrospective character, through the principles of what “ought to be” a post-welfare state. The diagnosis of the illness is not a natural description of the symptoms, nor a neutral explanation of them, but an intentional interpretation with the criterion of what is “healthy” and what not. As a consequence, the need for reforms, which is the *idée fixe* of any approach to the Greek case, does not refer to any improvement of the state. It doesn’t include, for example, a Weberian approach of the state, but rather it is the offspring of a new conception of governance, spread around the world in the previous decades. From this point of view, Greece’s reluctance or incapacity to meet the new requirements has driven it from the healthy community of nations, and pushed it into the realm of crisis. Greece was at odds with the governing rules of the new economy. Crisis is not the offspring of Greek history but of the entanglement of national and transnational history.

Let’s be more explicit.

The Metapolitefsi period in Greece was at the same time a period of high political and social expectations, on the one hand, and of economic stagnation and de-industrialization, on the other. There was a high level of popular mobilization, labor and student protest after decades of suppression. While in western European countries, from the 1950s to the 1970s, the welfare state was under construction, in Mediterranean countries, during the same period, it remained in an embryonic state. In Greece, the period of the dictatorship was not a rupture but a continuity with postwar economic priorities regarding financial stability, wage controls, and foreign or state investments in big public works and industrial infrastructure. The authoritarian period was characterized by state expansion without welfare.

The democratic transition in Greece in 1974 was forced to sail into two boats, each one going in the opposite direction. The economy was sailing towards stagnation and de-industrialization, while politics towards expectations of social improvement. How were these opposite directions to be bridged? Leaving the economy to solve its problems was not possible for political and historical reasons. Governments intervened through state expansion. Both, conservative and socialist governments opted for state expansion, although they swore by private initiative. They extended the public sector workforce and

the nationalization of bankrupt industries to counterbalance unemployment created by economic stagnation. The creation of the welfare state was made possible only through public borrowing.

But the expansion of the state and the rise of the public debt in the 1980s didn't lead directly to the crisis of 2010. During the 1990s there was a period of economic expansion, low rates of interest and expansion of credit. The years of globalization were characterized by widespread optimism. The same decade for Greece, as well as for the other Mediterranean countries, was one of the transformation of the economy under the impulse of globalization and European integration. While industry and production was eroded, services mushroomed. The expansion of the economy was due to new technologies, mostly imported. It was a period of economic expansion without employment expansion. Banks and credit cards created an economic bubble of wellbeing under which big transformations occurred without big social reactions. Under the triumph of democracy through European integration, these transformations silently eroded the bedrock of democracy. This transformation could be described as a shift from democracy to demo-crisis.

First, this transformation dismantled the social contract, through the deregulation of the economy, labor and social legislation and the mass influx of migrants. Hand by hand with the downgrading of industry, trade unionism was marginalized and political parties underwent huge transformations. The backbone of the postwar democratic consensus, even though this was based on a soft corporatism and agreements between social partners, was broken. The new landscape appeared much more open to gender equality and to the NGOs. But decision-making was transferred from the demos and the public realm to a tight circle of high government officials, bank executives and large corporations, the European Commission bureaucracy and think tanks. The new situation has been described by Colin Crouch as post-democracy. The transition to post-democracy was smooth, without any of the ruptures involved in the transition from the authoritarian regimes to democracy. Nevertheless, it was no less decisive for the rule of the demos. Within the new framework, politics shifted to a new paradigm, as the old dichotomy between authoritarian regimes and the demos was transformed into a new dichotomy between modernization and reform, on the one hand, and the demos on the other. Semantically, the idea of the demos as a progressive social factor became a regressive force, an impediment to the modernizing initiatives of the elites. The narratives of crisis verbalized this conceptual shift.

This semantic shift was enforced, and, at the same time, undermined by the crisis. It was strengthened because it has framed a linear narrative on the causes leading to the crisis. This is a negative teleology. The demos became a problem in the new dispensation, and democracy was considered an impediment to new reforms. Both were at odds with the new philosophy. This philosophy includes two elements. The first is a new mental geography in which the dichotomy between government and the demos, the public and the private, no longer exists. The concept of governance and of the new public management merges public and private, introduces new factors like 3M (markets, managers and measurement) and creates new divisions: centers of excellence in managing the economy and politics beyond popular control, on the one hand, and on the other, populism as the form of any popular protest and reaction. The second element is that no stable social contract is possible on the shifting sands of the global economy.

While in the nineteenth century, constitutionalism was the rule, in the twenty-first century constitutions are in course of becoming empty shells. This is also a consequence of the rapid transformations of the economy under globalization. The supranational or transnational organizations which rule the economy are at odds with the principles of democracy as the representative form of the rule of the demos. In the new environment, democracy is pigeonholed and compartmentalized into specific spheres of the social life. Under the new transformation, the concept of the social has disappeared in the social sciences. Instead, the concept of conflict resolution considers society as an assembly of individuals guided by rational choice.

The traditional background of democracy was a unified concept of the people. But already before the crisis, the concept of people was deconstructed in a scale of different belongings: gender, class, ethnicity and immigration made it impossible to refer to a unified subject. During the crisis these differences have intensified, but at the same time politics of austerity created a new large, although confused, alliance. The evocation to people acquired a new meaning.

This shift from democracy to demo-crisis was not the result of a conspiracy to destroy democracy. The crisis intensified the demo-crisis, ascribing to the demos and democracy the causes and the responsibilities of the crisis. For this reason the strong reappearance of the term populism as the main focus of social criticism outside proportions.

The transition to post-democracy and the new rules of the economy is one of the factors of this crisis, but not the only one. Since this transition became the ruling paradigm in the EU (Maastricht was a decisive moment), the regime established during the Metapolitefsi was no longer tenable. At the same time, the crisis became a tool for the acceleration of this transition and for overcoming reactions to it. The reappearance of the term Populism, as the main criticism to any reaction to the structural reforms, and the way the reforms passed through Parliament, was both part of the same problem. Who is the sovereign subject in democracy?

## **Discusison**

I'll start with an unfair theoretical point. You ask at the end what is the sovereign subject of democracy? That question can be rephrased, and in some ways contested, that sovereignty and democracy are contradictory problems. The difference is very, very old. In Greek language, there is a difference between demos and plythos. Plythos is not to be equated with the demos. The demos refers to everyone, regardless of class. Populism has also been a problem with democratic thinking because it tended to unify the demos into a singular, plural, anonymous mass – the plythos. I understand that populism is now used as a charge by elites, but it is a convenient weapon because populism is already a problematic notion, even within the history of the left. Its not clear that the popular and the populist are the same.

Yes, two points you raised, regarding sovereignty and populism. There is the term keriarchos laos, and not the plythos, but laos. The imaginary of the unified demos is the maze of democracy. Even though class difference is imaginary that had in history

supported the democratic regime. It is not possible without this ideology of demos to have the democratic engagement.

But demos does not equal laos.

Yes but in the constitution, the term is the same. In the technical language, yes, demos has to do with the local demos.

But we would never say laokratia. All I'm saying that that it's a confusion.

It's a convention. We have a sovereign body in imagination. Regarding populism, we must accept that in uses of the term, it was used like the term demagogy, an excessive duration of the people without mediating between the leader and the people, the old content of the term populism, if you like. Now, populism has been used for any reference to the people or the demos. Since the '90's, semantically and analyzing the language of modernization theory and the language of the crisis, is that you have modernizing elites who know the needs of the society, and international view of the problems, and on the other hand, you have the people who respond with elections. This is the term political cost. You are responsible to watch your electorate. It has been developed that the people are not progressive forces, but regressive forces. From this point of view, every reform sees the past. From a point of formal behavior, however, it should be conformed to these resolutions. For example, to adopt the memorandum you should have a majority in the parliament. Some of the most decisive rules of this memorandum passed through presidential decrees, not through parliament. It is a complete bypass of democracy at an institutional level. And, at a semantic and discursive level it is the new discourse. Democracy has been constructed by the semantic juxtaposition of the demos.

The Greek and Italian constituents had in mind this notion of populism by forbidding referenda on economic issues.

I'm not sure.

Maybe the part of the problem resides with this slippage between demos and laos. Of course we have been talking about democracy and it is the form of government that has existed in Europe since the French revolution. Both semantically and politically, the term demos has receded. Maybe what we are looking for is the rehabilitation of a term that has been evacuated completely, and rehabilitated by the semantic importance of laos. For Latin America, the term populism has been popular. Here, we are debating whether populism is a helpful, progressive movement or regressive.

In Svoronos, the main contradiction is between people (or ethnos) and the rulers or foreigners. In the social science of the '80's and '90's, you have the contradiction/distinction of modernizing groups. You have these different configurations of the social and the political here. You could call it laos or demos, but it has no difference in this approach. It has a difference in another approach. From this historical approach, you understand the difference, through crisis. Greece has been made, during

the Metapolitefsi, it was opposed with the transformations of the politics and societies of Europe and the world. The crisis was the result of this contradiction. Crisis was the tool for Greek society to be assimilated to the politics outside Greece, with Portugal, less with Ireland. Crisis, as I have described it in other texts, was the result of both the new transformation of the economy and society, and the complete adaptation to this new environment. Not just the result of the new liberal economy or the resistance to it, but the result of the combination.

But lets say, historically speaking, there are two points. But there have been financial crises of this kind in the '90's with the Asian crisis, almost twenty years ago. The IMF and World Bank were conducting the same kinds of things, in Russia in 89, Turkey, and Latin America. This coincides with the relationship between economics and politics we call Neo-Liberalism. There was a crisis in the American society in '29, which was internal. The reason was not because the society had not adapted.

This is the case for Greece, not for other countries. Ireland has completely adapted to the neo-liberal economy.

Why do you say this about Ireland?

During the 90's many reforms were introduced.

Ireland faced the same collapse as Greece did.

But it was different there. The collapse was created by the neo-liberalization of the economy. There is somehow a historical underground. There are different causes

Do you think that, with these reforms, the idea is that Greece becomes more similar to other countries? Or an experiment?

You have a movement toward a cultural transformation.

The idea is not to adapt to something that already exists, but to change and maybe other countries will follow.

You had a general tendency conditioned by peculiarities. In Greece you have the general tendency to be realized in a purer track before. It was not resistant to this track. It did not completely adjust to this track.

But it was described as such.

I have a problem with periodization in this narrative. The crucial point here is the Euro. Would any of this be meaningful without the Euro? I don't think so. The difference in currency is big.

Yes, it is. In describing the crisis, you have several levels. One is the level of the Euro. You don't have the possibility for each country to adjust his currency, and you don't have the ability to transfer currency from one country to another. In Europe, you have no possibility of adjusting a currency. You can't transfer money from one country to the other. The other level has to do with how society is transformed. The new type of society has been in transformation since the '70's, due to concrete measurements. For example, the rise of the debt, which also depends on the possibility of the central bank to act as a state bank or as a bank with market rates. The national bank adopted market rates. The public debt must also be thought of in terms of the rates. The difference in the rates creates a difference in the debts.

I want to underline that there is a structural change in the global structural system. It is the primary factor. Despite the social/historical aspects of the belatedness. Something different has happened in the last twenty years. Other states are themselves subjected to incredible pressure from banks. That shift in the power structure of sovereignty is the key element of these things. Each society bears a part of the factor in these things. Without the first, the second would be an ongoing disjunction in classical modernization theory that goes back to colonial theory. This impoverishment of the population seems to be due more to the first factor – to a major shift in the way capitalism is conducted in relation to the political structures of society.

What you're saying that we're at a different stage of capitalism.

Yes, that's acknowledged.

All countries have problems with adjustment. You have different ways to adapt. The Greek crisis couldn't be only attributed to this. It's the global and the local interacting. I'm trying to see how local and global interact and how the different levels of the crisis interact.

What do you mean when you refer to populism? Those who create panic by pointing out the problems and humane aspects of society? Several people come to mind. I think what they say is brilliant, but I've been told that they're populists. If we think of populists negatively, how can we confront this?

I don't speak in terms of persons who are populists. My argument is about how the term populism was used. Even Samaras is populist. Populism is a discursive category. No one wants to be populist, but any reaction has been interpreted as such. Social criticism should not account only for this kind of theory but everyday, transient expression. There is a school of populism; they say that we should admit that we need populism. For example you see that certain speeches by Obama in the Greek context can be read as populist texts.

You must distinguish between populism as something people do, and a practice, which can be populist. He was talking about the way it can be used to stigmatize and take certain discourses out of the field.

In the time of the early '80's, even then it was a kind of elitist left, a kind of grassroots anti-PASOK. It's a certain kind of mentality.

Populism has been explained as a movement that implicates the political and is directly aggressing the emotional level of people.

Yes, in theory.

The point about the scholars was interesting. How do you feel about this discourse of Greeks always being under patronage? How does social science in Greece deal with these issues?

To make a distinction between social science and everyday people has a meaning. On the other hand, you have an interaction when some guys say that Metapolitefsi is responsible for this or that, and the journalist on the radio takes that and transforms it into a banal discourse. This is an interaction between social scientists and the rest. This is why I distinguish between social sciences and historical culture. What I'm saying that there is a circulation around.

I'm interested in what you said about the memorandum makes a politics that cuts across the history of right and left politics. This is a Greek thing. I'd like to hear more about this. Populism is a symptom of this division. It is very difficult to recognize what is right and what is left. The pro-memorandum left claims that they are the real left. This is very interesting to me, because it seems to have implications beyond the crisis.

In France, also, not only in Greece.

Even the anti-systemic.

It is useful to make these distinctions between social left and cultural left. The social left could assimilate with the anti-systemic right. The cultural left without the preoccupations of the social left would be associated with the neo-liberal technocratic Greece.

Why is this left? Its not a provocative question at all if we are to remain with the old schemata of meaning, signification, political mobilization. Why are they called left? If the extreme right appropriates for its own uses traditionally left discourses, how can the cultural left or whoever need to remain with the notion that they are left when the fundamentals of the left have been changed?

In the '90's it was always called cultural left.

In America we use the term liberal left.

But Atonis says we need to keep this paradigm. What is the purpose that these people find in the term "left" that they still want to use in their self-presentations? What do they find attractive?

They use it.

The left is appealing because of social justice.

The most conventional use is cultural left and social left.

I agree with that, its pretty accurate. Where the boundaries are becomes difficult. In the US, its called liberal left. The categories of class have been overcome by other markers like cultural and gender markers. This comes from America.

Since the new left.

Yes, it's the American new left, the liberal left.

But also in Britain.

Yes, with labor, in the late '60's.

The biggest problems today have to do with labor, and those who get paid for more than what they do. This is a massive change. Where is this class category hiding?

There are guys in the social left who talk about nation.

Some of them are close friends of ours.

You have in Cyprus several groups who are anti-nationalistic. Some have aligned with the new politics in favor of being a European state. This is the same in Greece, those who were against anti-Semitism, anti-racism.

The point is to be anti-nationalist, racist, sexist, and memorandum. How do you sustain an internationalist critique that the memorandum creates nationalism?

Sometimes these categories are impediments.

Yes, sometimes they are.

I was thinking about when you were taking about the Junta, if we can analyze the agency of resistance?

It is resistance. Look for example at the debates about the polytechnic. There is a big polarization in Greece. I can't say how to define the subjects in terms of political theory. But also in the time of the Junta it was difficult to define agency. It was the working class, the peasants, during the Junta. What they were doing was defining the liberal subject.

But of course resistance and agency are not always visible. There may be other ways that are invisible.

There are different locations of resistance.