

Former Greek Finance Minister Varoufakis denounces working class, praises British Tories

By Chris Marsden
3 October 2015

The People's Assembly held a meeting in London last month, "Fighting for our Future," at which former Greek Finance Minister Yanis Varoufakis was the featured speaker.

In the People's Assembly, a coalition of Labourites, trade unions, Greens and pseudo-left groups, Varoufakis was among friends and felt able to say what he wanted without fear of criticism.

He told the audience, "I speak not as a former finance minister nor even as an MP in the Hellenic Parliament." But he was and should be held accountable for his actions as Syriza Prime Minister Alexis Tsipras's main man in negotiating with the Eurogroup of finance ministers.

For months, he maintained that a compromise could be reached with the European Union, European Central Bank, and International Monetary Fund "Troika". To this end, he and Tsipras agreed to one concession after another. It was only after the Greek population rejected austerity in a landslide referendum vote that Tsipras finally dispensed with Varoufakis' services, as he agreed to austerity measures that went beyond any discussed previously. Only after the betrayal he helped to prepare did Varoufakis attempt to strike an oppositional pose.

In an interview with the *Observer* last month, Varoufakis was brazen in declaring that when he was in charge of the negotiations, Syriza proposed "standard Thatcherite or Reaganesque" economic policies, including tax reductions and privatisations. He boasted to the London audience that he had the support of US President Barack Obama, who agreed that austerity "sucked."

However, the meat of his speech was to again insist that there is no socialist alternative to the crisis of capitalism, which must, as he had insisted previously, be "saved from itself."

What was most revealing was that his by now routine disavowal of socialism was accompanied by an explicit attack on the working class.

He returned to the topic of his formative political experiences in Britain as a student at Essex University in the aftermath of the election of Margaret Thatcher's Conservatives in 1979. The *World Socialist Web Site* has previously drawn attention to Varoufakis' essay, "How I became an erratic Marxist", in which he wrote:

"What good did we achieve in Britain in the early 1980s by promoting an agenda of socialist change that British society scorned while falling headlong into Thatcher's neoliberal trap? Precisely none."

On this occasion he was not minded to blame his own youthful idealism, or "society" as a whole, for having failed to stem the tide of Thatcherism. Blame lay instead with Britain's miners and printers.

In 1984-85, the miners waged a heroic battle against a Conservative government that mobilised the full might of the state against them. But the strike was isolated by the Labour Party and the trade union bureaucracy. Arthur Scargill and the National Union of Mineworkers refused to challenge this betrayal, leading to its defeat. The 1986-87 print workers'

struggle at Wapping against Rupert Murdoch's News International emerged in the aftermath of that strategic defeat and met the same fate.

Varoufakis could not conceal his contempt for the miners' struggle, during which 20,000 were injured or hospitalised; 13,000 arrested; 200 imprisoned; two killed on picket lines and three died digging for coal—and which paved the way for the destruction of the coal industry and the loss of 180,000 jobs. Nor for the 5,000 printers sacked by Murdoch and then subjected to repeated attacks by riot police and a scabbing operation organised by the then electricians' union, the EETPU.

He told the audience that he had been on the picket lines during these disputes, but went on to attack both as supposedly based on "defending towers that were crumbling due to disruptive technologies."

The "printing unions were never going to survive when they were wedded to an old technology and when they were resisting, in a Luddite form, the new technologies that Rupert Murdoch embraced," he said.

Of the miners, he added, "Today we cannot imagine coal-fired power stations without falling foul to [sic] our duties to the planet."

He concluded his foray into history by praising "Thatcherism", with its "dynamic, and in a sense, radical individualism."

Varoufakis may have visited a picket line or two, but this clearly only reinforced the awe in which he held Thatcher. Indeed, when Thatcher died in April 2013, Varoufakis wrote on his blog, "In spite of everything, you are being missed already... A time of death is not a time to offer a full critique of the life that just ended. It is a time to reflect generously on that life's effect on all of us. I shall never forget the feeling of admiration for the way she addressed the House of Commons, of her formidable defence of her government and her philosophy... the world was a better place when it allowed formidable personalities, like that of Mrs Thatcher, to rise to the top."

Varoufakis' musings on Britain in the 1980s point to the central role played by Stalinism in the political development of the leadership of Syriza and of others such as Pablo Iglesias and Podemos in Spain, who have emerged as key political instruments for the suppression of the class struggle and the imposition of austerity.

His time as a student was spent at Essex University, where leading Euro-Communist theorist Ernesto Laclau taught as professor of political theory. David Howarth, professor of the Department of Government, boasted in the *Independent* January 29, of the key role the university played in forging the leadership of Syriza. "The new Finance Minister Yanis Varoufakis, who studied Economics, and the new Syriza MP for Corfu, Fotini Vaki, are both Essex alumni. So is Rena Dourou, the prefect (or governor) of Athens," he wrote. Dourou's "MA course was inspired by the late Professor Ernesto Laclau, a political exile from Argentina."

There is no way to quantify the extent to which Varoufakis was familiar with Laclau's works repudiating Marxist economics and the primacy of

the class struggle. But he was undoubtedly influenced by the broader political conceptions with which Laclau and the Essex faculty was associated and which was represented politically by *Marxism Today*. It was in its pages that the ideological framework for what was to become New Labour was first laid down by figures associated with the Euro-wing of the Communist Party of Great Britain.

From the election of the Thatcher Conservative government in 1979, *Marxism Today* insisted that it was no longer possible to advocate class-based politics. Historian Eric Hobsbawm, in his 1978 Marx Memorial Lecture, asserted that the proletariat, narrowly and falsely defined as only those working in heavy industry, was falling as a percentage of the population—necessitating that the Labour and Communist parties changed themselves in line with these “new realities”. *Marxism Today* argued that, in what was dubbed the era of “post-Fordism”, the Labour Party must break from being narrowly-based on the working class and build an all-class “anti-Thatcher” coalition, based on embracing the economic changes she advocated while making a cultural appeal to the “progressive” forces within the middle class.

The September 1988 edition of *Marxism Today*, “Facing up to the Future”, described Thatcherism—in identical terms to those employed by Varoufakis—as characterised by “dynamic and in a sense radical” individualism that “does not rely on a single class; it has constructed an alliance of diverse social forces.”

“Class in modern capitalism is not the product of a single polarisation between a ruling class, which owns the means of production and a working class of wage labourers”, it insisted. “The development of post war capitalism has produced a great swathe of wage earners and the self-employed, who control some kind of productive assets—skills, knowledge, organisational power over production. They are both exploited and exploiters... The importance of these contradictions within the workforce means that class cannot straightforwardly provide the collective interests for modern socialism.”

Instead, politics must be based on a “sense of gender and ethnicity, as well as regional and religious attachments.”

The political nostrums espoused by *Marxism Today* provided a perfect justification of the rightward careening Labour Party under Neil Kinnock, and for the betrayals of the trade unions in those years.

Later, in 1991, it opened its pages to then shadow employment spokesperson Tony Blair to argue in *Forging a new agenda*, “Politics is no longer dominated by a simple battle between state and market... the challenge for socialists is to re-establish the agenda for public action without the old failings of collectivism.”

Varoufakis is, in essence, Blair in a Greek context—shaped by the same political events and drawing the same political conclusions. Blair, as a career politician, and Varoufakis in academia, were both equally in thrall to Thatcher’s supposed successes and equally contemptuous and hostile to the working class.

Blair articulated and led the refashioning of the Labour Party into New Labour—based upon Thatcherite free-market nostrums, but with an attention to the social mores of the privileged middle class layers (those identified and prioritised by *Marxism Today*) from which it drew support. He famously met with Thatcher after his election in 1997, who had described the Labour leader as “a great patriot.” Once, when asked what she regarded as her greatest legacy, she replied, “New Labour”.

Varoufakis followed the same route to political office and friendship with high ranking Thatcherites, only by a more circuitous path, through a lucrative academic career, acting as an adviser to the social democratic PASOK leader George Papandreou, before being called upon to serve as Syriza’s finance minister by Tsipras.

Varoufakis now considers the persecutors of the miners and printers to be numbered among his friends. He boasted in his speech of how, “Nigel Lawson sent me an e-mail saying it [austerity] is preposterous, that it

won’t work and they know it won’t work. He supports me and that is why we are friends.”

“Nobody is perfect,” he added.

He has frequently spoken of his “close friend” Norman Lamont, who he even drafted in as a consultant on Syriza’s economic policy.

Lawson served from 1981 to 1989 as one of Thatcher’s senior Cabinet members, including as Chancellor of the Exchequer during the 1984-85 miners’ strike. Lamont served in Thatcher’s cabinets for seven years and was Minister of State for Trade and Industry during the strike.

In 2013, secret documents came to light detailing how, in October 1982, officials in Whitehall warned that stocks of coal at power stations would run out just nine weeks into a major strike by miners. A committee codenamed MISC 57, formed to plan for the closure of “uneconomic” pits and a national miners’ strike, sent a memo to Thatcher recommending the use of the military. Based on this, then Energy Secretary Lawson wrote a memo for Thatcher in January 1983 setting out a detailed strategy to defeat the NUM in the event of a strike. He later described these preparations as “like re-arming to face the threat of Hitler.”

Writing on his blog of his relations with Lamont—a man who once described the mass murderer General Augusto Pinochet of Chile as “a good, brave and honourable soldier”—Varoufakis declared, “Crises sever old bonds. But they also forge splendid new friendships.” He describes this friendship as “peculiar”, because at one time, “Lamont represented everything that I opposed... yet since I became minister, and especially after my resignation, Lord Lamont has been steadfast in his support and extremely generous with his counsel. Indeed, I would be honoured if he allowed me to count him as a good friend.”

There is nothing peculiar about this friendship, nor is it simply an expression of the individual failings of this grotesque self-publicist. It is only a particularly telling example of the political journey made by a once radical layer of the middle class. Since the long-ago days of their youth, many of these individuals have been integrated into the highest echelons of the state and now frequently rub shoulders with former political adversaries on the right.

That is why no one in the audience gathered under the umbrella of the People’s Assembly was angered or even embarrassed by Varoufakis’ comments. Quite the reverse: His denunciation of the miners and printers as Luddites standing in the way of economic progress was just one occasion that earned him an enthusiastic round of applause.

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