

ANTONIS LIAKOS

University of Athens  
Department of History and Archaeology  
e-mail: [aliakos@ostenet.gr](mailto:aliakos@ostenet.gr)

---

## Greek Narratives of Crisis

Since it began, the Greek crisis has entered different narrative structures. The role of narratives is to offer the means to understand what has happened, and to make sense of it. Narratives put order on complex temporalities and causalities. They offer a chain of causes and results. The past has to do with history, the present with the description of what is happening now, and the future with perspectivity and the tasks to be fulfilled. Narratives also have a plot, with a hero and counter-hero, friends and foes. Narratives are, at the same time, cognitive and normative, moralist and emotional.

How were the narratives on the Greek crisis created and who created them? The modernist event is unconceivable without its immediate wording and visualization by the mass media. From this point of view, the making of the Greek narratives was the result of synergies between the mass media, politicians and public intellectuals. And the internet and social media have had their own role in popularizing, commenting and co-creating these narratives.

Narratives aren't crafted *ex nihilo*, but they follow established patterns. From the beginning of the crisis, there was also an interaction between the Greek and foreign mass media, the one mirroring the other, in the creation of these narratives. The Greek crisis became a global event.

The narratives of the Greek crisis are divided into two sets: promemorandum or antimemorandum narratives. The first memorandum of 2010 is a dividing line in Greek politics, marking different ways of narrating the crisis. This is also the

deep-seated difference in Greek politics, despite the fact that both camps are not compact or stable. The ruling party crossed the line in the spring of 2012. Another feature is the participation of extreme rightist parties in the anti-memorandum camp. Each camp has its own terms which describe and, at the same, time explain the opposite camp. For the pro-memorandum camp, which describes itself as pro-European, the anti-memorandum side is populist, combining the populism of the left with the populism of the right. For the opposite camp, their opponents are neoliberals, or people willing to compromise national independence.

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 outlook, which is at the core of the postcolonialist view, is not only used for societies outside Europe, the former colonies, but also for societies within Europe. It is an intraEuropean orientalism.

Narratives have different versions, according to the audience. 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, and public debt the result of the waste of money by the state. Corruption is central to this argument, but it does not have a moral meaning. It's the appropriation of the state by the compartmentalized society. Greek corruption is structural, widespread across society. This explanation goes back to the making of the Greek society in the 19<sup>th</sup> century and the inherent rejection of the law, attributed to the Greek resistance against the Ottomans. Clientelism is the key word in this discourse and became *passe-partout* for explaining "le mal grecque."

The history of the term clientelism/paternalism is quite intriguing in the Greek case. It was used in the title of one of the most programmatic books by Andreas Papandreou (*Paternalistic Capitalism*, 1972), but it is not confined to the Greek case. Paternalistic capitalism was a degeneration of liberal capitalism and the book refers to American capitalism and its relationship with the state. But clientelism was also debated in Greece, in the late 1970s and early 80s. It was used as a key for the explanation of the Greek political and social history. According to Nicos Mouzelis, a professor of sociology at the LSE, clientelism should be distinguished into traditional and modern clientelism. Traditional clientelism was a feature of premodern societies that survived into modernity, but since the creation of modern mass parties, it became a complex system of support between trade unions, interest groups and political parties. This term (with its origins in Roman history) acquired

new meaning and 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 during the war, came back for anthropological research just after the civil war. He published a book, *Honour, Family and Patronage: A Study of Institutions and Moral Values in a Greek Mountain Community*, which was very influential and is used as an explanatory text offering a long perspective. In the mental map of this explanation, Greek society was put on the boundaries of the European world, just on the line-border dividing the societies of rationality with the societies of habit, guilt and shame. Greek society 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 retardedness of Greece towards Europe was emphasized, and on the other, the Greek superiority as the birthplace of democracy was highlighted. 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 the 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 interacts 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, just after the end of the dictatorship. The idea behind Greek peculiarities 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 have 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.

There are *longue durée* narratives and short-term views. Narratives of the first kind embrace the whole of modern Greek history. Narratives of the second regard the transition to democracy, after the end of the dictatorship. The common idea here is that since the end of the dictatorship, Greece has followed a course in which society has 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. Their common element is self-blame and the cultivation

of collective guilt. In times of crisis, collective memory is framed and reframed, and the recent past often becomes a central issue of contention. As a consequence, the economic crisis is connected with the transition to democracy. The main bridge for this connection is the role of political culture. The financial crisis has resulted from profligate public spending, which 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*” (which 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). This term entered public discourse for the first time just after the urban riots in Athens in December 2008.

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 the country with a discourse about the moralization and rationalization of Greek society.

But, besides this set of narratives, another series of counternarratives emerged. The first was a narrative blaming foreigners and the Greek political system for looting the country’s wealth. It is a widespread narrative in the anti-memorandum camp, in the popular press and websites, mediated by conspiracy theories. Greece became once more the target of “foreigners,” with the complicity of the Greek upper classes. Since the Second World War, the opposition between Greeks and foreigners is an idea deeply rooted in the Greek historical imagination, giving rise to a binary opposition in national/popular culture and identity. Nikos Svoronos, a prominent and influential historian, who lived for a long time in exile in Paris, gave a most formal explanation of this attitude. According to Svoronos, the inherent character of Greek history is its antagonism to foreigners, and resistance forms a constant feature of the 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 are supposed to be victims of the fourth Reich, and they need a new version of resistance, a new National Liberation Front (EAM) uniting all the political forces, from the communists to the nationalists. Social and economic problems become national problems, a violation of national sovereignty. Last but not least, there is the pure and classic Marxist version of the crisis, attributing it to capitalist crises.

It is possible to analyze the discourse of both set of narratives as a system of signs without referring to the reality. Both are ethnocentric, both blame the internal or foreign political systems for the performance of the economy, and both personalize the forces that led to the crisis. It is not surprising that both versions are common in countries hit by the crisis. 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.

The focus of my paper is the narrative which blames the Metapolitefsi, because this is the one shared by the government and the mainstream mass media. In this narrative, the role of the state is crucial. This is not the first time that the state has been blamed for its size, inefficiency and corruption. After the end of the Second World War, the Americans, who assumed control of Greek politics, denounced the excessive number of public employees, the inefficiency of public services and corruption. Since then, two generations of politicians have tried to correct the picture. There has been a constant call for reform and rationalization of the state under all governments since then.

But criticism involves two aspects: diagnosis and therapy. You describe the illness according to the remedy. And the medication now isn't the same with that of the postwar period. So the description of the illness is different. Illness and description has to do with the dimensions and the role of the state.

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. 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 economic stagnation and de-industrialization, on the one hand, and of high political and social expectations on the other. There was a high level of popular mobilization, and

labour and student protest after decades of suppression. During the authoritarian rule in the Mediterranean countries, trade unionism was banned or annihilated, and wages were kept fixed at low levels. 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 in 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 the unemployment created by economic stagnation. The creation of the welfare state was made possible only through public borrowing. Historians ought to historicize the choices faced by the people and the era they lived in in order to avoid retrospective morality. The widespread high expectations of post-authoritarian societies were as equally real as the economic ones.

This paradox, which created vulnerability in the crisis, was not an exception in postwar politics in creating effective demand. Its roots were set in the non-synchronicity of the paradigmatic examples of policy making. And this was not due to social backwardness or the inertness of the Greek mentality. The postwar period in western countries was characterized by a generalized upward social mobility and the conflating of consumerism and the ideas of the affluent society. Greek emigration to western Europe, as well as the thousands of students who studied abroad, accelerated the lower strata's expectations for achieving European standards. Generations brought up in authoritarian societies understood the transition to democracy as a rapid relaxation of norms. The spirit of "68" was everywhere present, even without political connotations.

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 expan-

sion 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, labour 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: centres 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 the course of becoming empty shells. This is also a consequence of the loss of national sovereignty 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 on 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 the 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. But the crisis intensified the demo-crisis, ascribing to the demos and democracy the causes and the responsibilities of the crisis. 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. Greece, as well as the other European Mediterranean countries, has become an observatory for the big historical transformations of our times, because the transition from authoritarian rule to democracy and from demo-crazy to demo-crisis, from one type of economy to the other, has occurred within a shorter time span than in other countries.